

ROAD TO BRICS ACADEMIC FORUM



Dialogue on Digital BRICS: A New Framework for Cooperation on Technology and Innovation

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PARTICIPANTS



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MODERATOR:
Ms Sunaina Kumar, Senior Fellow, Observer Research Foundation



KEYNOTE SPEAKER:
Dr Rajiv Kumar, Vice Chairman, NITI Aayog

RAPPORTEUR'S NOTES:

It is undeniable that technology and innovation have become the backbone of the global economy, with nearly every aspect of human life being influenced by it. What is needed is a new framework for cooperation on technology and innovation as emerging markets become the pathfinders in the digital economy and challenge the domination of digital incumbents through innovation.

Dr Rajiv Kumar, in his keynote address, noted the importance of leveraging technology and digital solutions. He further mentioned India's efforts to empower its citizens through technology and innovation. He highlighted the efforts of the Atal Innovation Mission and Start-up India Scheme in providing the youth with necessary market linkages to scale up their production. According to him, the next stage of growth in the technology sector will come from SMEs. He further added that India has been able to redefine SMEs by providing them greater space and potential to grow by enhancing their revenue and investment limits. He asserted that with a similar approach, enterprises of

developing countries can grow immensely as they will benefit from technology advancements, which in return will give them efficient credit and market access.

Karin Costa Vazquez remarked on the deteriorating condition of information and communication technology in the BRICS nations. This could boost international trade by a quarter, she predicted, but there are several incipient issues because of the lack of legal provisions for technology transfer, cybersecurity, data protection, and lack of clarity on definitions of e-trade in goods and services, which need urgent attention.

Dr Alexandra Morozkina remarked on the issues of digital literacy and inequality. According to her, digital inequality still requires a lot of work, and a robust statistical evaluation system is the primary step to minimise the gap on the domestic front. She asserted that national and international averages are misleading all the time, and hence should not be considered. Cooperation is required in areas of digital infrastructure with respect to digital literacy. She emphasised the need to revisit the digital literacy

evaluation criteria as different countries follow different methods, proposing that the BRICS countries devise the new framework. According to Morozkina, digital literacy is also essential for officials as they need to understand digital tools that are used for public services.

Dr Yutao Zhu mentioned the positive impact that digitisation will have on the economy and asserted that new ICT techniques like artificial intelligence and cloud computing, can be used in traditional fields like education in the future as well.

According to Mr Ashraf Patel, the crisis in the digital economy is a continuation of the crisis in the goods and services economy. He highlighted that the digital economy is not delinked from the normal economy and existing inequalities in the labour market; all of this is reproduced in the information economy. He also pointed out that South

Africa wants to retain elements of data sovereignty for national development as the current model does not encourage local entrepreneurs and SMEs but instead promotes multinational companies (MNCs). He added that SMEs led by the youth have lowered the dependence on MNCs and intellectual property. Therefore, cooperation on digital industrialisation needs to evolve with a proliferation of SMEs and startups to decrease dependence on MNCs.

Dr Priyadarshi Dash highlighted the importance of the digital economy and the need to study the subject in today's age. He even commented on a report by the United Nations Industrial Development Organization that states that the BRICS countries, barring China, are not frontrunners in technology and innovation. He added that there is much to learn from the pandemic as many challenges and solutions were identified during this time. He reiterated Patel's point on SMEs by recalling how SMEs have always been on a backfoot for lack of working capital.

Ms Sunaina Kumar concluded the session by highlighting how the pandemic has increased humans' dependence on technology.

KEY TAKEAWAYS:

- Emerging markets are becoming the pathfinders in the digital economy and challenging the domination of digital incumbents through innovation
- Addressing digital inequality requires a robust statistical evaluation system. National and international averages can be misleading for policymakers
- The next stage of growth in technology will come from SMEs