

# Innovation, Productivity, and Challenges in the Digital Era: Asia and Beyond



## Next Webinar: 3 November 2021

10:00 am – 11:10 am, Wednesday (Beijing-Singapore Time)

7:30 am – 8:40 am, Wednesday (India Time)

10:00 pm – 11:10 pm, Tuesday (US Time / Eastern Time)

9:00 pm – 10:10 pm, Tuesday (Central Time)

Artificial Intelligence (AI), Big Data, multilevel neural nets, the Internet of Things (IoT) and other digital technologies are transforming the world. They are strengthening innovation and productivity and innovation by rendering the future more predictable and reshaping individual, business, social, and government behavior. Asia leads the world in some of these endeavors, e.g., digital platforms. The OECD lists 40% of big new digital technologies as Asian. Almost half of global digital platform business-to-consumer revenues are Asian, versus only 22% from the U.S. and 12% from the Eurozone. Profound new policy challenges arising, in consequence, include: shifting skills demanded in labor markets and “digital divide” inequality, (ii) AI expanding financial inclusion or encoding inequality, expanding or obscuring accountability, increasing transparency or obscuring amoral decision-making, and (iii) digital privacy, unsanctionable on-line libel, misinformation, manipulation, and propaganda. The ABFER, therefore, plans a monthly e-seminar series spotlighting important new research, particularly the Asia-pacific related, into these issues and providing “state-of-the-art” overviews by prominent scholars. We hope policy makers and practitioners will find the e-seminars helpful and will alert researchers to issues needing attention.

## UPCOMING WEBINARS

### 3 November 2021, 10:00 AM (SGT)

#### Data-intensive Innovation and the State: Evidence from AI Firms in China

Developing AI technology requires data. In many domains, government data far exceeds in magnitude and scope data collected by the private sector, and AI firms often gain access to such data when providing services to the state. The authors argue that such access can stimulate commercial AI innovation in part because data and trained algorithms are shareable across government and commercial uses. They gather comprehensive information on firms and public security procurement contracts in China's facial recognition AI industry. The authors quantify the data accessible through contracts by measuring public security agencies' capacity to collect surveillance video. Using a triple-differences strategy, the authors find that data-rich contracts, compared to data-scarce ones, lead recipient firms to develop significantly and substantially more commercial AI software. Their analysis indicates a contribution of government data to the rise of China's facial recognition AI firms, and suggests that states' data collection and provision policies could shape AI innovation.



#### David Y. YANG

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#### Co-authors:

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**Noam YUCHTMAN**, Professor of Managerial Economics and Strategy and Deputy Head of Department (Faculty Development), Department of Management, London School of Economics and Political Science

#### Discussant:

#### Matilde BOMBARDINI

Associate Professor of Business and Public Policy, Haas School of Business University of California, Berkeley

Session Chair: **Zheng (Michael) SONG**  
Professor at the Department of Economics  
Chinese University of Hong Kong

**1 December 2021**

**Merger Analysis in the App Economy an Empirical Model of Ad-Sponsored Media**

Kohei Kawaguchi\* (Hong Kong University of Science and Technology), Toshifumi Kuroda (Tokyo Keizai University) and Susumu Sato (Hitotsubashi University)

Discussant: Ying Fan (University of Michigan)

*\* Presenter*

**Session Format**

The session lasts for 1 hour 10 minutes (25 minutes for the presenter, 25 minutes for the discussion and 20 minutes for participants' Q&A). Sessions will be recorded and posted on ABFER's web, except in cases where speakers or discussants request us not to.

**Registration**

Please register [here](#). A unique Zoom webinar link will be sent to you two days before the event. (Notice: Videos and screenshots will be taken during each session for the purpose of marketing, publicity purposes in print, electronic and social media)