

## **Competitiveness, Technology, and Innovation Division (IFD/CTI)**

### **Call for research proposals.**

### **New evidence for innovation policy exploiting the Latin American Innovation Surveys database (LAIS)**

**April 16th, 2021**

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#### **1. Background**

The Competitiveness, Technology, and Innovation Division (IFD/CTI) of the Inter-American Development Bank (IDB) invites individual or team of researchers to submit research proposals that make use of the harmonized Latin American Innovation Surveys dataset (LAIS) (Crespi et al. 2021), to generate new empirical evidence relevant for innovation policy. The IDB has developed LAIS to decrease the cost of making quantitative comparative analysis on innovation between countries. LAIS also increases microdata availability in the region by including four countries for which innovation survey databases were not publicly available before.

Innovation surveys are an essential data source to understand firms' innovative behavior and allow for better design and evaluation of innovation policies (Mairesse and Mohnen 2010). In the last 25 years, a significant number of Latin American and Caribbean countries (LAC) have made efforts to produce such data. While seventeen countries in LAC have conducted an innovation survey, only seven countries carry out such surveys regularly (Guillard and Salazar 2017). The limited accessibility of the microdata and methodological differences between countries has limited the possibility of conducting cross-country econometric studies in LAC and comparing them to other regions of the globe (Crespi et al., 2021). The few exceptions are studies that compare econometric analysis results from different countries (Crespi and Zuñiga 2012; Zuñiga and Crespi 2013; Raffo, Lhuillery, and Miotti 2008; Crespi and Vargas 2015).

Most of the studies using innovation survey data analyze single country cases. For instance, works in Argentina (Arza and López 2010; Chudnovsky, López, and Pupato 2006), Brazil (Kannebley, Porto, and Pazello 2005), Chile (Álvarez, Bravo-Ortega, and Zahler 2015; Benavente 2006; Alvarez, Bravo-Ortega, and Navarro 2011), Colombia (Arbeláez and Parra-Torrado 2011; Gallego, Gutiérrez, and Taborde 2015), Mexico (De Fuentes et al. 2015), Peru (Tello 2015, 2017), and Uruguay (Aboal and Garda 2015; Cassoni and Ramada 2010) have studied the relation between innovation investments, innovation, and productivity. The relationship between innovation in firms and employment growth has also been studied by using only data from innovation surveys or merging it with other sources, as in Argentina (de Elejalde, Giuliadori, and Stucchi 2015), Chile (Alvarez et al. 2011), and Uruguay (Aboal et al. 2011). Research on innovation obstacles has been conducted in Argentina (Arza and López 2018), Chile (Zahler, Goya, and Caamaño 2018), Mexico (Santiago et al. 2017), and Uruguay (Bukstein, Hernández, and Usher 2019). Despite the growing interest in academia and policymaking in open innovation, there is only a handful of studies using innovation survey data for this purpose in the LAC region, exclusively focused on the inbound aspect of open innovation (Marotta et al., 2007; Corredor, Forero, and Somaya 2015). Similarly neglected is the study of innovation protection. Considering the heterogeneity

of intellectual property rights (IPR) systems in LAC, the large size of the informal economy, and the low level of innovation investments, it is an area that deserves further research in the region.

The characteristics of LAIS allow for further advancements in these research lines, addressing the validity of previous results in different contexts, improving our understanding of the relevance of framework conditions, and exploring under-researched aspects of innovation in firms. Among these, some policy-relevant questions can be addressed by generating new knowledge that can improve the efficiency of public support to innovation or uncover innovation activities that governments should support.

**Table 1. Basic characteristics of innovation surveys included in LAIS.**

Country	Wave	Reference period	Number of observations	Country	Wave	Reference period	Number of observations
AR	2013	2010–2012	3,691	DR	2010	2007–2009	532
	2017	2014–2016	3,944	EC	2013	2009–2011	2,815
CH	2009	2007–2008	4,443		ES	2015	2012–2014
	2011	2009–2010	3,653	PA	2013	2010–2012	574
	2013	2011–2012	4,614		2009	2006–2008	709
	2015	2013–2014	5,620	PE	2014	2011–2013	665
	2017	2015–2016	5,876		2012	2009–2011	1,124
	CO	2009	2007–2008	7,683	2015	2012–2014	1,452
2010		2008–2009	3,662	PR	2013	2010–2012	477
2011		2009–2010	8,643		2016	2013–2015	573
2012		2010–2011	5,038	UR	2007	2004–2006	1,760
2013		2011–2012	9,137		2010	2007–2009	1,946
2014		2012–2013	5,848		2013	2010–2012	1,814
2015		2013–2014	8,835		2016	2013–2015	2,494
2016		2014–2015	8,056	Total	...		119,900
2017		2015–2016	7,947				

Source: Crespi et al. (2021)

Note: AR (Argentina), CH (Chile), CO (Colombia), DR (Dominican Republic), EC (Ecuador), ES (El Salvador), PA (Panama), PE (Peru), PR (Paraguay), UR (Uruguay).

## 2. Objective

This Call aims to sponsor quantitative research that addresses research questions relevant to innovation policy using the LAIS dataset.

Eligible proposals must include at least two countries in the analysis. Possible research topics to be addressed include (the list of topics is meant to be suggestive and by no means exclusive):

- Determinants of innovation.
- Complementarities and innovation modes.

- Innovation impacts and objectives.
- Evaluation of innovation policies.
- Framework conditions and innovation.
- Innovation and internationalization.
- ICTs and innovation.
- Open innovation.
- Innovation protection and use of IPR.
- Human capital, innovation, and firm performance.

### **3. Proposal content**

To participate in this project, interested researchers and consultants should submit a research proposal that shall not exceed 2,500 words (excluding CVs, budgets, and references) and should include:

- A summary (250 words).
- A research question and its implication for innovation policy.
- Relevant literature.
- Methodology.
- Background of the research or research team (indicating the team leader). Please attach CVs indicating current affiliation and publication record, highlighting any relevant publications to this Call. Maximum two pages per researcher.
- References.
- A budget and timeframe (in a separate file) indicating the resources used within the research work plan. The proposed budget should distinguish between items financed by the IDB and those financed by the research team.

**[Researchers can download a sample of the LAIS dataset, the dictionary of variables, and the paper describing the dataset \(Crespi et al., 2021\).](#)**

**All proposals should be submitted in English**

### **4. Selection of proposal**

This Call will select up to five research proposals. The evaluation team will be coordinated by Fernando Vargas (IFD/CTI). Proposals will be evaluated according to their policy relevance, methodology, and academic merits. At least one proposal that includes a typically under-researched country will be selected (Dominican Republic, El Salvador, Panama, and Paraguay).

## **5. Participation criteria**

The researcher or team leader must be a citizen of one of the IDB's 48 member countries and have no family members currently working at the IDB Group.

## **6. Schedule of activities**

The tentative schedule of activities is as follows:

- Deadline for submission of proposals: May 14th, 2021. 5 pm (Eastern Time Zone)
- Expected communication of selected proposals: May 28th, 2021.
- Inception workshop: June 30th, 2021.
- First draft of papers: August 15th, 2021.
- Second workshop: September 22nd, 2021.
- Final version of papers: November 30th, 2021.

Research papers must follow the IDB Manual of Style for working papers. Studies that are of good quality will be considered for publication in the IDB working paper series.

Proposals should be sent by email to Fernando Vargas (fvargas@iadb.org), with the following subject line: [CFP LAIS]: "*Proposal's title.*"

## **7. IDB contribution**

The IDB will contribute up to US\$10,000 for each selected study proposal. The payment schedule will be structured as follows:

- 10% at the signature of the formal agreement between the IDB and the researcher or team leader.
- 50% upon approval by the IDB of the first draft of the research paper.
- 40% upon approval by the IDB of the final research paper.

## 8. References

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