Wen-je Ko – Mayor, Taipei City, Taiwan



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Dr Wen-je Ko, mayor of Taipei City, discusses his plans for creating a key biocluster in the city and goes on to share his views on the government's role to play as a supporter of the industry in generating innovation rather than trying to lead by controlling.

Before you were first elected as mayor of Taipei in 2014 you had a longstanding career in the medical field as a surgeon. How did you approach the role as a newcomer to this world?

In this world, it is a rather uncommon situation when a doctor becomes a politician, especially when having a surgical care background. Therefore, I believe my background does have a significant impact on my role as mayor of Taipei and my priorities for the city.

Up until now, the ICT industry has always been a very critical aspect of Taiwan's economic infrastructure – its value accounts for 40 percent of Taiwan's total stock market. Within the last 100 years of Taiwan's history medicine has been the top career ambition of students followed by electronic engineering. Within these two areas, we have a large pool of talents, but for some reason, ICT has always been more successful as an economic driver for the nation. However, in addition to ICT, I believe that biotechnology should be our second industry of focus.

What makes Taipei such an attractive hub for the nation’s biomedical and biotech industries?

I would like to point out that about 25 percent of the biotechnology companies in Taipei generate 50 percent of the industry’s revenue in Taiwan – an extremely significant figure. In terms of infrastructure, Taipei has eight medical centers and 30 universities that have biotechnology as a subject area. Furthermore, 90 percent of venture capital firms and 85 percent of financial headquarters are based in Taipei.

In Taipei the conditions for the biotech industry are good but ICT still has the strongest positioning in the city. To develop biotechnology in Taipei, the best strategy is to leverage our strength in ICT as a way to support the industry’s growth.

Taipei is continuing to move forward with its Nangang Biotech cluster initiative. What is your ultimate vision for the cluster?

As the mayor of Taipei, I have chosen Nangang District to be the location of our emerging biotech cluster. The area has several benefits and suitable infrastructure for this development project. For example, Nangang marks the hub for three different rail systems, it is the home of Taiwan’s national research center, Academia Sinica, and finally, the nation’s Ministry of Health and Welfare (MOHW) and Food and Drug Administration (TFDA) are both located here as well. Additionally, the Nangang Software Park is therefore in close proximity. At the end of its construction, the Nangang Biotech Cluster building will measure to be approximately 1.14 million square feet.

There is no one size fits all solution when embracing innovation. What would be the defining ´´ingredients´´ shaping Taipei´s development into an innovative city?

It is very difficult to predict what will happen in the future, but as the city government, our job is to help by bringing together the resources to create the right environment for success. I hope they will be able to make great achievements, but the government cannot try to lead the way. I believe it is the government’s role is to support rather than try to decide what is best for the industry. There is a saying that one cannot throw a match on the floor and create a fire without first putting down gasoline. In Taiwan, the gasoline for biotech has already been spread now all we need is a match.

However, I do believe that Taiwan's strength in healthcare will be an important advantage for biotech. Taiwan's National Health Insurance covers over 99 percent of citizens but only 7 percent of GDP is allocated to this area. However, in the US healthcare accounts for about 20 percent of the nation's GDP but not everyone is covered. Taiwan's healthcare system is very comprehensive, and our hospitals are all well managed. The low healthcare expenditure is proof of Taiwan's efficiency in our system. Furthermore, because the NHI has been in place for over 20 years, Taiwan has been able to cultivate one of the largest medical databases in the world. Therefore, I believe that Taiwan's initial biotechnology development should be ICT related.

In order to embrace innovation, what do you see as the biggest need for change within Taiwan?

When I visited Stanford University in 2016, I discussed with its staff several ways for Taiwan to boost its international innovation image. The first thing they told me was related to Taiwan's culture. We must build an environment where people are not afraid of failure, but in the Chinese culture, it seems that many people are too paralyzed by this fear to try and develop something entirely new. While success is the ultimate goal, failure is almost always an inevitable step in achieving innovation.

In the past when Taiwan was very strong in ICT we were mainly performing OEM and ODM services. The education was focused on quickly training talent to be skilled workers rather than on creativity and innovation. Now as Taiwan is trying to transform into an innovation-driven economy, the education style is also changing. In the past years, we have seen more bilingual, experimental, and creative concepts being integrated into education.

With the focus of innovation, we should not forget the real challenges that Taiwan is facing today – aging population. As a healthcare professional, what is your view on how Taiwan can respond to demographic changes and continue supporting elderly citizens?

Most societies have a population demographic that is shaped like a triangle, Taiwan, however, has a more pear-shaped demographic distribution because of our aging society and low birthrate. That being said, the shortcomings of a country can sometimes become its advantage. Taiwan's aging population creates a strong opportunity for the development of artificial intelligence. With our aged social structure, AI has great potential in Taiwan in reducing the need for human labor. For

example, if AI is developed in a country like India, saving manpower will be a major issue because the country has a large population and workforce which will then face employment challenges.

The GDP growth of countries like Indian and Indonesia rely on their population size and labor force. Developing AI in such markets would be disadvantageous to their economy because they would not be able to handle the workforce surplus that the technology would create. This is not a concern for Taiwan because the country will need to create alternative solutions like AI to reduce the burden of supporting our aging population.

Looking forward, what priorities do you have as mayor to help cultivate Taipei's biomedical sector within your term?

In Taipei there are 22 innovation bases, ten of while are already operational. We will not preset any conditions for what their role or focus will be. As we can see with Silicon Valley, the US did not try to direct or control the IT industry. They simply helped by creating the right environment and allowed the innovation to grow on its own, which it did very successfully of course.

For example, China is a planned economy, therefore, the model of government leading innovation might work there, but Taiwan is a democratic country so I do not believe this would work. It is my view that the government should remove barriers and allow industry and innovation to flourish on its own. The traditional mindset in Asian countries of the government controlling the direction of industry and economy must change in order to create a more successful innovation model.

What is your personal approach to acting as mayor of Taipei?

I always consider myself to be a venture capitalist in the politician field. I am always trying something new and unpredictable in my daily job. I approach the job as coming to change not to follow. I do not see the opinion polls as a way to decide not what to do, but rather use them as a base for how we should proceed next.

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