

Panel:

MANAGERIAL AND POLICY IMPLICATIONS

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ECONOMICS OF INNOVATION: Where are we, how did we get here, and where are we heading?

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1. Which are the most promising avenues for future research on the session topic?

- **Research & Innovation (R&I) Policy in non-incremental and non-local contexts**
- **Contexts**
 - Directional change and radical change under high uncertainty
 - Creating radically new opportunities and respective markets
 - Innovation and information provision in the digital age
 - → Innovation commons
 - User and household innovation
 - Enlarged breadth of innovation activities beyond the usual suspects
- **R&I Policy**
 - Old but relevant: Balance market – state → but also (global) foundations
 - Holistic approach - policy coordination and governance
 - Provision / protection of innovation infrastructure → innovation commons
 - Role of new/further normative elements (beyond and in conflict with “growth”) → ecological, social, democratic, liberty-related ...

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2. Which are the main gaps/shortcomings within our research community, with specific reference to the session topic (self-criticism)?

- **From identifiable failures to evolving problems**
- **Policy models around**
 - normatively based on presumed identifiable failures
 - “repair shop” policy /appreciative policy making / mission oriented R&I policy / transformative R&I policy
 - failures of too low incentives/intensities, of too low competitiveness/competition, of too low cooperation, of lock-in, of unrevealed demand, of policy itself
- **Missing overall evolving policy framework**
 - based on a holistic approach to innovation
 - derivation of stage and context-adjusted policy tools
 - modes of policy learning
- **Enriched failure discussion → problem discussion** – dynamic problems, intergenerational problems ...
- **Need to understand what policy makers really do!**

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3. What is the relationship between our research community and mainstream economics, with specific reference to the session topic (fruitful, neutral, disruptive)?

- **Since quite a while – when intensity is a concern**
 - Different analytical frameworks, but rather equivalent perceptions of the context/target and often same/equivalent policy solutions
 - Context: economic activities wrt growth, competitiveness → “more and better”
 - Mainly policy toward incremental solutions in reasonably well understood contexts w/o deeper structural changes
- **Since recently – when directionality is a concern**
 - Different analytical frameworks, different perceptions of the context/target and different policy solutions
 - Context differently perceived: deep structural changes **vs** apparent recessionary tendencies
 - “different and more suitable” **vs** “more and better”
 - Policy toward directional /radical change **vs** standard policy tools on intensifying economic activity
- **Concurrent crisis/crises:** re-directional industrial policy **vs** standard anti-recessionary policy

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4. What is the relationship between our research community and evolutionary economics, with specific reference to the session topic (fruitful, neutral, disruptive)?

It appears for our research community that

- evolutionary concepts pushed **research**
 - E.g. competition, individual & collective learning, agglomerations & clustering
- **evolutionary policy concepts** are increasingly taken over in R&I policy discussions
 - E.g. mission oriented R&I policy, experimental nature of R&I policy
- the **sheer complexity of economic development in an evolutionary context** constrains and complicates policy advice; less complex analyses do better since easier to “consume”