





Workshop Innovation and clusters: new challenges for private companies and public authorities

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Revisiting regional innovation policies through entrepreneurship

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References

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- Jean-Alain HERAUD (2017), "Vers une approche créative des politiques territorialisées d'innovation: enseignements tirés de la lecture néo-autrichienne de la 'découverte entrepreneuriale'", Innovations, N°53 (2017/2) (195-215).
- To be published by ISTE: Héraud, Kerr, Burger-Helmchen, Le management créatif des systèmes complexes / Creative management of complex systems.

Rationales of innovation policies

- Innovation policies (including territorialized innovation policies) implicitly express theoretical visions about what the innovation process is.
- Such policy rationales can be *neoclassical* (knowledge as a public good, a case of market failure) or *evolutionist*.
- The evolutionist approach of innovation is not necessarily easy to describe, it is not unique; therefore conclusions in terms of policy recommendations are not straightforward

Evolutionary representations

- There is the well-known Schumpeterian tradition: Schumpeter.1, Schumpeter.2, and neoschumpeterian authors like Rosenberg, Dosi, etc.
- There is also a Hayekian tradition (I. Kirzner)
- Foray's S3 (Smart specialization strategy for innovation policies at regional level) is more or less explicitly based on the idea of "entrepreneurial discovery process", a Hayekian concept.
- Reminder:

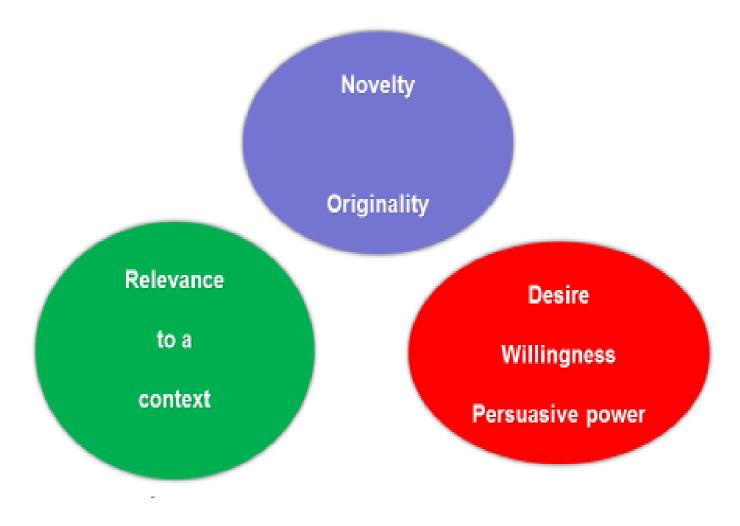
S3: "The capacity of an economic system (a region for example) to generate new specialties through the discovery of new domains of opportunity and the local concentration and agglomeration of resources and competences in these domains" - Foray (2015)

"Emphasizing the role of entrepreneurial discovery is not (...) a plea in favor of the laissez-faire philosophy" (ibid)

From a knowledge theory to an entrepreneurial vision of innovation

- Neoclassical and many evolutionary models are too much concentrated on knowledge: acquisition, protection, recombination, diffusion... What about creativity?
- Reminder: *creativity* implies:
 - Novelty (individual or collective)
 - Relevance (organizational filter, market selection...)
 - Willingness (individual entrepreneurship, political will)
- We advocate the necessity to consider innovation not only as a purely cognitive phenomenon (economics of knowledge) but as fundamentally based on entrepreneurial capabilities (visions, willingness)

The creativity triangle



Application to policies

- S3 is not a specialization decided by experts and administrative bodies.
- Top-down policy making would lead to imperfect recognition of the complex specificities of the territory and also would give not enough space to the potential creativity of the territory
- Problem: territorial creativity needs time, it is a discovery process
- Therefore S3 is necessarily an ongoing and flexible policy
- Top-down "policies" possibly lead to more or less relevant ideas' creation and selection, but will never properly source the local entrepreneurial involvement

Bottom up policies

- The ideas come from all possibly concerned actors (internal as well as external to the territory) who have a vision for this territory.
- The bottom up process we also give the opportunity to reveal local entrepreneurship
- The collection of ideas is not a priori the job of experts but a trial and error discovery process

Back to the theory

- In this policy framework, the Hayekian model seems to be most inspiring
- Not only because Hayekian economics insists on the entrepreneurial spirit for the economic development...
- ... but also because it has an interesting vision of the *dynamics of markets*
- Innovation in such a vision is not Schumpeter.1 or Schumpeter.2; it is a dialogue between the creative entrepreneur and the market
- This Hayekian representation of innovation (more precisely Kirzner, 1997) in the global economic system could be considered as a sort of Schumpeter.3 model suggested by C. Antonelli (although this author considers that Schumpeter's thought is one thing...). See *Innovation as a creative response: a reappraisal of Schumpeterian legacy* (Antonelli, 2015).

Thank you for your attention

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