

Jonathan Kestenbaum; Presentation Notes for The Foundation for Science and Technology meeting on Innovation Policy; Tuesday 5th. June, 2007

Introduction;

All now seem to agree with Professor Robert Solow, the great M.I.T economist that Innovation will account for the majority of economic growth in western economies. However our understanding of how and where it takes place is changing. Increasingly, innovative capacity is seen as less to do with talented individuals operating in “special places and in special ways”. And more to do with an integrated system – the ecology of innovation in any particular country will be at the heart of its success. And Governments role is to look for ways to strengthen that ecology.

The system of innovation occurs in different ways in different societies. But there seem to be a number of recurring “habits “of innovative societies.

The five habits of highly innovative societies;

1. A national galvanising purpose

When JFK stood up in front of both Houses in May 1961 and said that the US will put a man on the moon in ten years, he injected a sense of national purpose into American technological innovation. And innovative societies continually find ways pf placing the national mission for Innovation at the heart of their narrative. Esko Aho did it in Finland in the 90s. Israel has built an innovation system around it and you see pockets of this in Bangalore, Singapore and Korea.

The ability to galvanise a sense of national purpose around innovation has been shown by research to have more of an impact on innovative capacity than all the tax cuts put together

2. A culture of enterprise

The need to foster greater risk taking attitudes and behaviours. This is most effective when that culture of risk taking is as distributed as possible. . This requires a greater understanding of risk, which has implications for education and the structures that manage risk.

3. Capacity for collaboration

The need to enhance and build up structures, mechanisms and processes that stimulate and encourage formal and informal collaborations across society. Increasingly, innovation is seen to be taking place between disciplines and not within them. At their meeting point. We need a culture in general and funding sources in particular which will stimulate the interdisciplinary aspects of Innovation.

4. Role of capital

Capital has an important role to play in supporting the innovative capacities of society. Multiple pools of finance and support are essential, and further types of public-private partnerships should be explored. In particular, different types of capital playing different roles at different points of the investment cycle are the hallmark of innovative societies.

5. Science: an integrated engine of innovation

Science is a critical component of innovation, but not the only one. Innovation policy needs science policy but alongside other important framework conditions: skills; tax; labour laws and government machinery.

URLS

1. NESTA Policy briefings home page.

http://www.nesta.org.uk/informing/policy_and_research/policy_briefings/index.aspx

2. The Innovation Gap, research report from 2006. This forms the basis of NESTA innovation arguments and the base for subsequent work.

http://www.nesta.org.uk/informing/policy_and_research/highlights/innovation_gap_report.aspx