



*Workshop Innovation and clusters: new challenges for private companies and public authorities*  
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# *Revisiting regional innovation policies through entrepreneurship*

**Jean-Alain Héraud**

# References

- Jean-Alain HERAUD (2016), “A New Approach of Innovation: from the Knowledge Economy to the Theory of Creativity Applied to Territorial Development”, *Journal of the Knowledge Economy*, (DOI: 10.1007/s13132-016-0393-5).
- 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

[heraud@unistra.fr](mailto:heraud@unistra.fr)

[Jaheraud.eu](http://Jaheraud.eu)