

Development, Sustainability & Culture (WM0942TU): work group 3

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Today

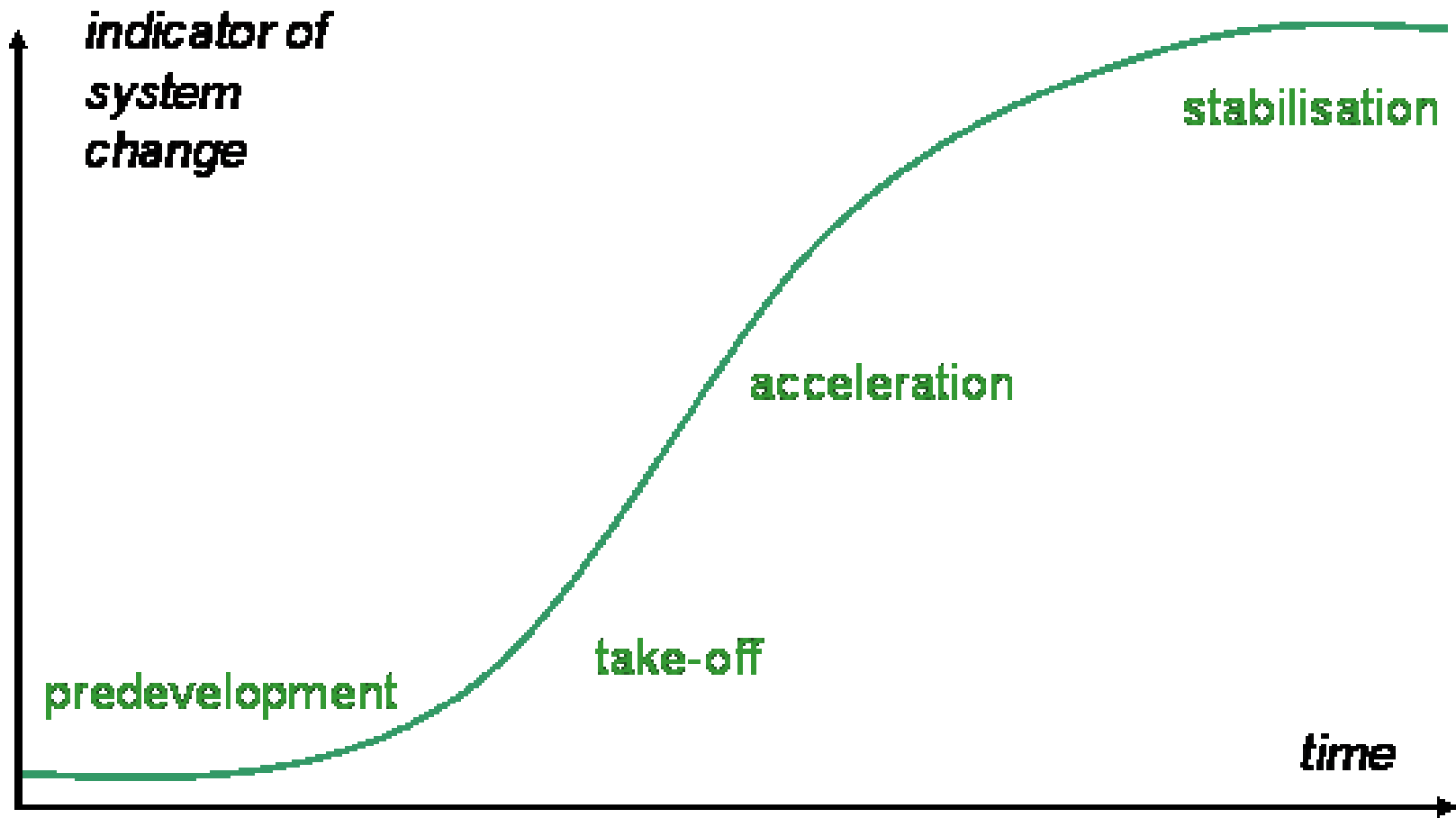
- You have read Hekkert et al.
- Very short repetition of teaching about innovation
- Discussion of the Hekkert text
- Innovation Analysis: discussion in groups & plenary reporting
- Discussion questions Feasibility Report, in groups & plenary reporting

NB: No other case!

Main questions of this course

- Under which conditions is a development project successful?
 - Focus on internship: How can my internship project become a success; i.e. result in a successful innovation?
- Under which conditions does a development project contribute to development?
 - Focus on internship: How can the internship project become a useful contribution to development?

Development = Transition



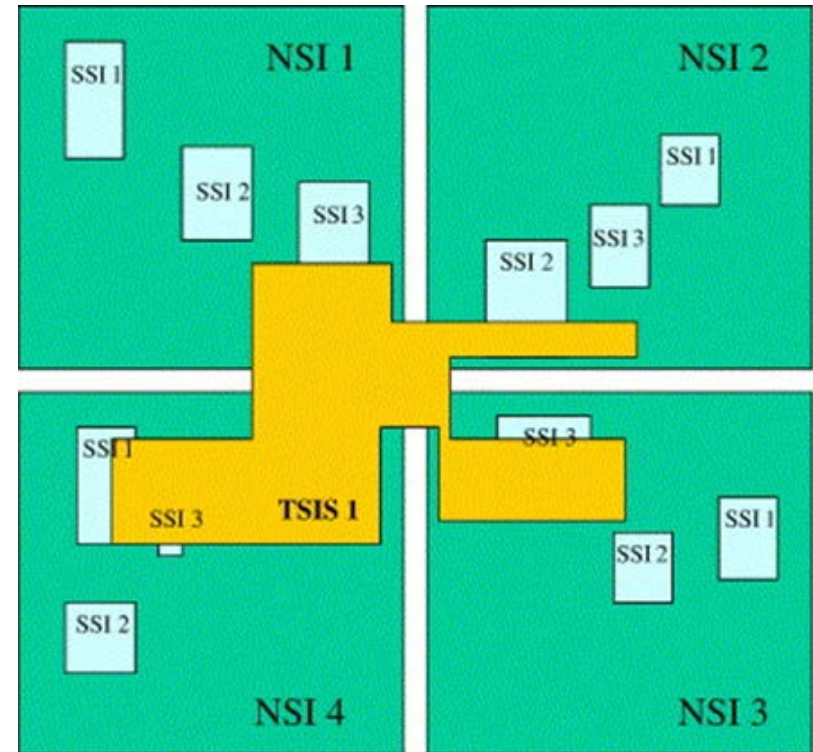
Innovation systems & development

Geographical:

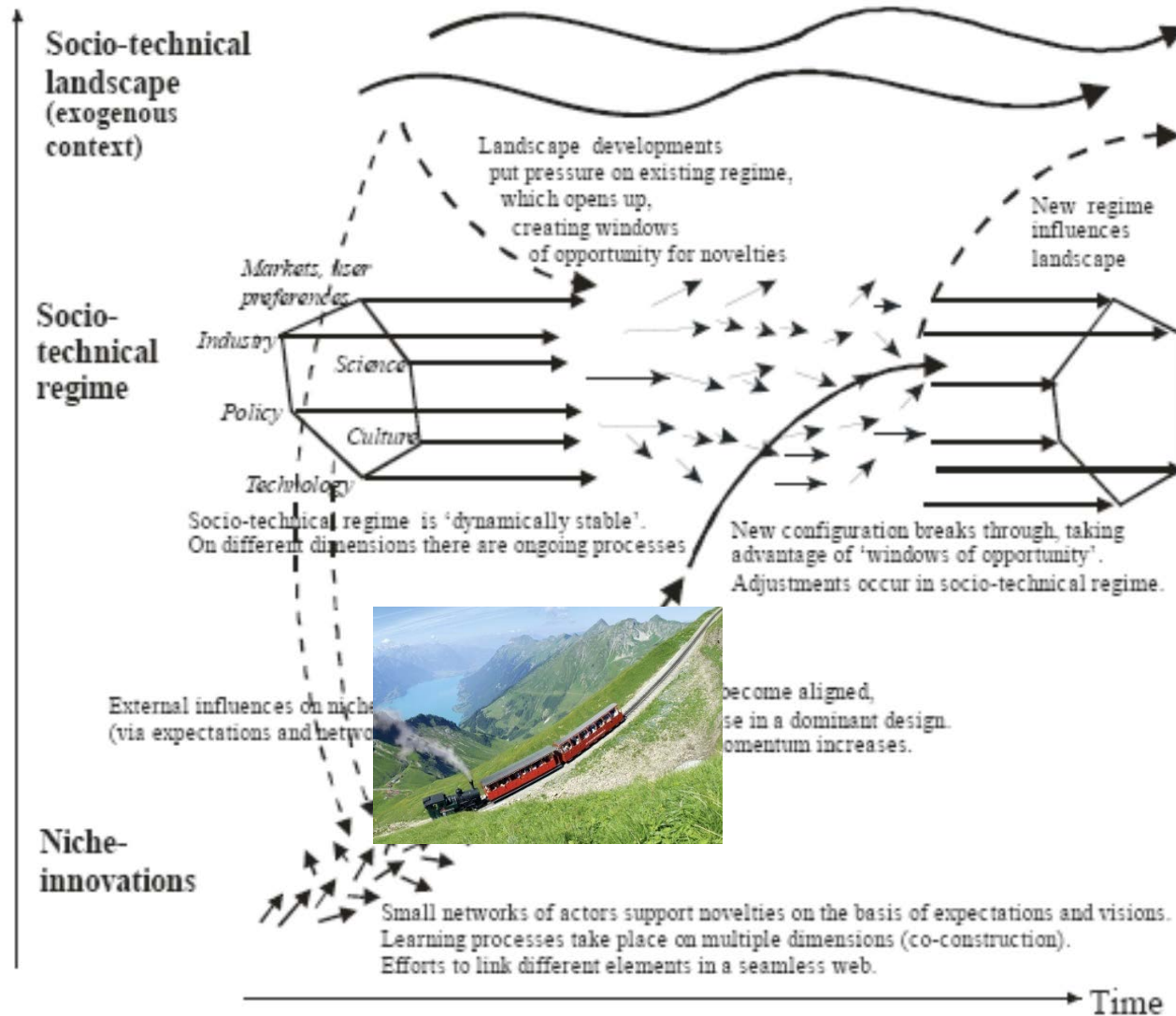
- Sub-national innovation systems, e.g. “sustainable village” & export production zones in China
- **National innovation systems, e.g. 18th century England and late 19th century USA**
- International innovation systems e.g. Europe, multinationals & universities

Specific:

- Sectoral innovation systems, e.g. construction sector
- **Technological innovation systems, e.g. RETs**



Dynamics of Development



Innovation systems drive transitions

Hekkert paper

- What do you consider as the main points?
- Explain the functions
- What does FIS not answer?

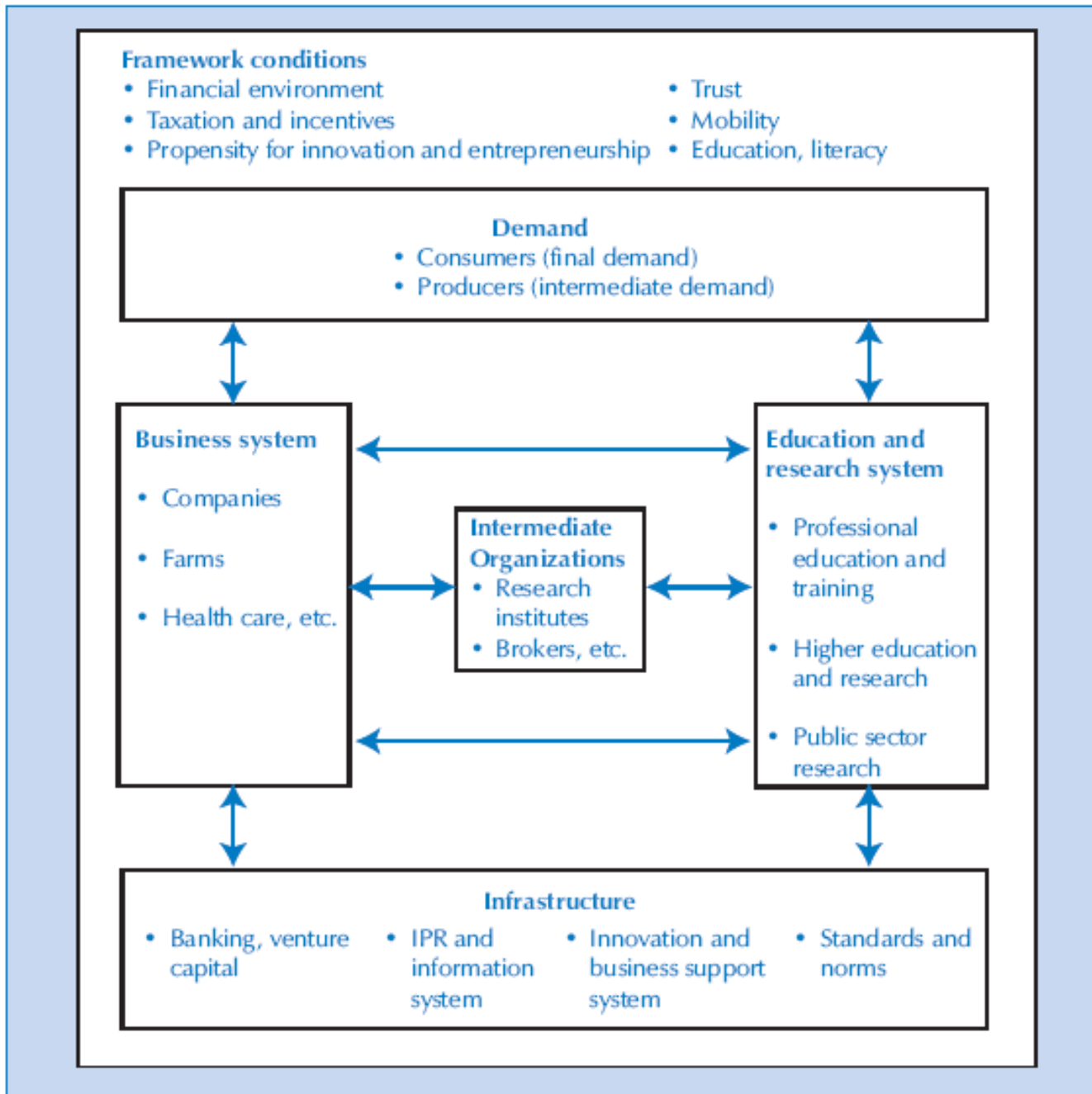
Hekkert paper answers

- What do you consider as the main points?
 - Functions on slide 9
- Explain the functions
- What does FIS do and what does it not do?
 - It indicates necessary and sufficient conditions for successful innovation
 - It does not give sufficient conditions for development, only necessary ones (see slides 10 & 11)

Functions for success

- Entrepreneurial activities
- Knowledge development
- Knowledge diffusion through networks
- Guidance of the search
- Market formation
- Resources mobilization
- Creation of legitimacy / counteract resistance to change

Chart 7. Major components of a national innovation system



Source: The Least Developed Countries Report, 2007

Source: Arnold and Bell (2001)

5. Innovation Analysis (part 1: the internship project)

Discuss in groups:

- How does the economic or technological sector of your project scores at the seven functions and what actions are necessary for the successful implementation of your internship?

5. Innovation Analysis (part 2): the country

Discuss in groups:

- What is the business system like?
- How do markets function?
- How is education organized?
- How is research organized?
- What networks of infrastructure are present and what is their state?
- What are the framework conditions? (Financial environment, taxation & subsidies, propensity for innovation & entrepreneurship, trust, mobility and literacy)

In sum: Types of Analysis

1. Development & Poverty Analysis (Sachs & Easterly: poverty diagnosis & homegrown development)
2. Institutional Analysis (Acemoglu & Robinson: inclusive vs extractive)
3. Cultural Analysis (Hofstede, Trompenaars & Kroesen: cultural dimensions)
4. Civil Society Analysis (Hansen, Hyden & Sardan: fair & open playing field)
5. Innovation Analysis (Hekkert: functions)

NB: Because the different types of analysis overlap a bit, some aspects can be mentioned twice or more; see the last two slides.

Back to main questions: clues for answers

Under which conditions is a development project successful?

- Focus on internship: How can my internship project become a success; i.e. result in a successful innovation?
- Functions of Innovation systems approach (TIS/SIS)

Under which conditions does a development project contribute to development?

- Focus on internship: How can the internship project become a useful contribution to development?
- National Innovation Systems (+NIS) (production)
- Inclusive institutional context for inclusive development (distribution)

Feasibility Report

- Discuss the answers to main questions
- Use the Innovation Analysis
- Use the earlier Analyses! E.g.
 - Entrepreneurship as bottom-up solution to development problems (Easterly)
 - However, the context matters (Sachs, Acemoglu & Robinson, Kroesen and others on culture & civil society)
- NB: Mind overlap of the Analyses (see slides 17 & 18)

Overlap: Innovations (1/2) & Culture dimensions

Sector	Country	Dimensions
1. Entrepreneurial activities	1. Business system	<ul style="list-style-type: none">• Productivity paradigm & Civil Society:• universalism• competition• risk taking• status by achievement• sequentialism• internalism• egalitarianism• individualism
2. Knowledge development	2. Education & research system, Intermediate organizations	
3. Knowledge diffusion through networks	3. Idem	
4. Guidance of the search	4. Framework conditions	
5. Market formation	5. Demand	
6. Resources mobilization	6. Infrastructure & Framework conditions	
7. Creation of legitimacy / counteract resistance to change	7. Framework conditions	

Overlap: Innovation (part 2) & Institutions

Variables

- What is the business system like?
- How do markets function?
- How is education organized?
- How is research organized?
- What networks of infrastructure are present And what is their state?
- What are the framework conditions?

Inclusive or extractive

- Free enterprise or government monopolies?
- Free markets or regulation & planning?
- Open or elite?
- Private and public parties for the benefit of society? Or for state interests?
- Functional for society? Or for the elite?
- Efficient for development purposes? Or in the interest of the elite?

Assignments

- Innovation Analysis, deadline 12 October
- Feasibility Report, deadline 12 October
- Read Baarda et al. on interview technique for last and extra meeting next week