

 'By the Fireside' Management Webinar Series

Three pointers of R&D in an open innovation system

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Three pointers of R&D

<https://www.economist.com/briefing/2021/01/16/the-case-for-more-state-spending-on-r-and-d>



The case for more state spending on R&D | The Economist

It is true that the hard evidence for a positive impact of such R&D spending on overall growth is both fairly weak and suggests that it lags the outlay by quite a while. But few doubt that the ...

www.economist.com

R&D investment around the world is not delivering real value... The Economist, 2021

- R&D efforts rarely fuel economic growth despite increasing openness of scientific knowledge and information (Bhattacharya and Packalen, 2020; Gordon, 2016; 2000)
- The *cui bono* of R&D in an open innovation system (OIS) has further diminished investment efforts (Edgerton, 2008)

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○ Hot-wired solution

- Intensive R&D initiatives are required to capitalise on innovative opportunities that emerge from the external environment (Lewin et al., 2011)
- R&D investment ought to align with the capability and capacity of *R&D personal talents* and *learning institutions*
- Infix productivity-growth gear in the open innovation machinery

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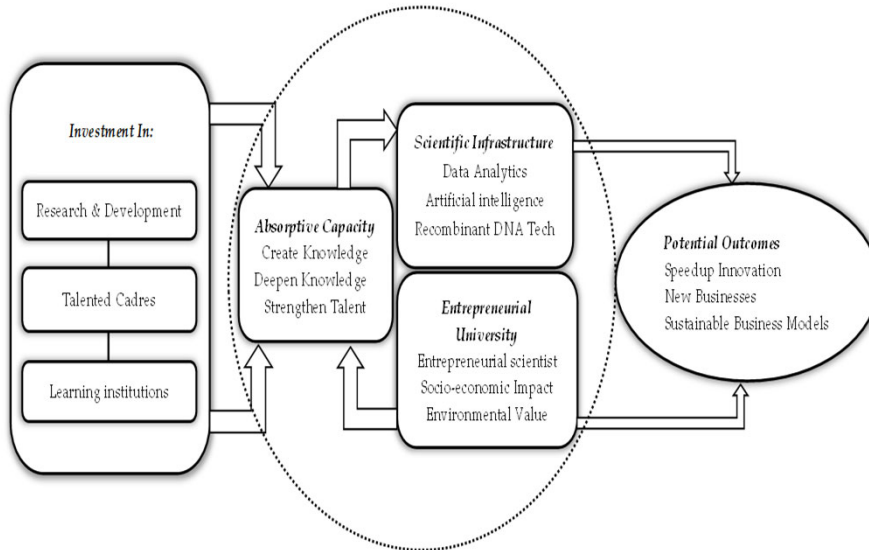
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Three investment pointers



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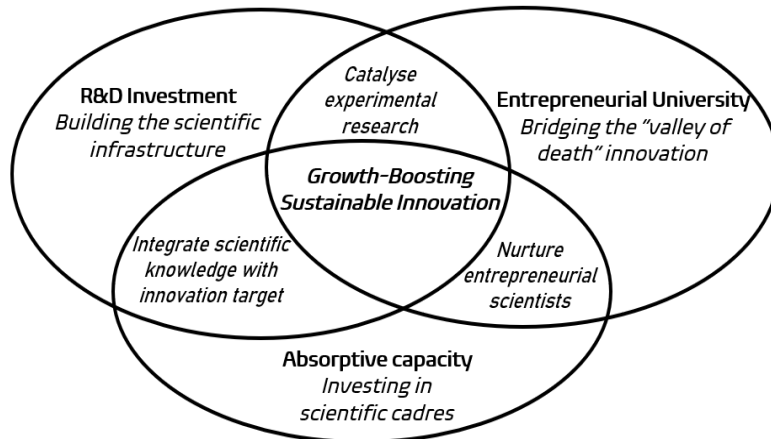
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- **Growth-boosting innovation**
 - R&D investment provides modern scientific infrastructure to enhance innovation capacity of R&D personnel and learning institutions (Furman et al., 2002)
 - Enriching the absorptive capacity of talented cadres enable the recombination of scientific knowledge to develop novel technologies (Lewin et al., 2011)
 - Entrepreneurial universities bridge the **valley of death** by prioritising experimental research, UICs, and nurturing entrepreneurial scientist who integrate scientific knowledge with innovation target (Adegbile et al., 2021; De Wit-de Vries et al., 2019)

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○ A unifying model of 3pointers



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○ Conclusion/Implications

- ❑ A conceptually sound appreciation of the seamless relationship between *R&D*, *OIS*, and *socio-economic growth* is imperative.
- ❑ There's a need for coherent investment effort toward strengthening the *3pointers* to establish comprehensive and economically viable sustainable innovation machinery.
- ❑ Banishing the techno-nationalists' fear about the *cui bono* of R&D investments in *OIS* is important to catalysing investment efforts.
- ❑ A systematic and well-structured reform that would foreground sustainability in the discourse on open innovation is required.

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○ Key references

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