

Book Review- Endogenous Innovation

The Economics of an Emergent System Property

Mohamed Buheji

International Institute of Inspiration Economy, Bahrain

E-mail: buhejim@gmail.com

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1. Introduction to the Importance for Reviewing this Book

Being an expert with claim of being specialized in Economic Competitiveness and Innovation Indexes, I felt ashamed of my huge ignorance in endogenous growth theory and its impact on innovation. Therefore, this review holds a good intention for exploring the essence and the unique characters of the endogenous economic growth which focus on the investment in human capital, innovation, and knowledge-based economy which will lead to economic development. The endogenous innovation was tackled in this work of Antonelli (2017) to show the innovation in the creative reactions and as emergent property of the system. The author tried to illustrate the early relation between the early economics of knowledge and economics of growth, after discussing the limits of the new growth theory. The author managed to show the random events of innovation as creative response.

2. Reflections on the Book

This work extends from the economic growth theory focus and the Schumpeterian literature, specifically his publication of (1947), which taken almost all the first part of this book. However, this ground-breaking work goes beyond Schumpeterian creative response to show how organisations, in out-of-equilibrium conditions, react through innovations introduction. Antonelli (2017) however show that the extent of the innovative reaction depends on the knowledge conditions. The author shows that the emergence of new innovations can cause further access to external knowledge. This research show that the long run growth of the economy depends on policy measures.

3. Recommendations on the Book

Even though the work of Professor Antonelli (2017) very elaborative on the Schumpeterian literature which might lose the reader interest in the beginning of book, the writer managed to compromise this gap later in the book as he goes deeper into the spirit of endogenous innovation which promote openness, competition and change. This work is very important for those who monitor sustained economic transformation. This sort of innovation progress helps the economies to transform themselves.

The book would be a great reference for economist, socio-economic researchers and those who support the progress of innovation based economy. The work shows the importance of structural reforms that foster innovation-based growth and create a conducive environment. It impacts of this work is beyond the amplification of innovation and entrepreneurship based system as it helps to address the type of policies needed for reduction of inequality and social mobility.

References

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