

Preface

This book is a revised and updated version of a report published in Danish in the autumn of 1999 (the DISKO report). That report was addressed to policy-makers and to other students of innovation policy in Denmark and it brought together the results of a big interdisciplinary project on the 'Danish innovation and competence-building system in comparative perspective'. The project started in January 1996 and was financed by the Danish Agency for Trade and Industry. When the report was published in the autumn of 1999 it was presented at a seminar where leading representatives of eight national agencies (covering respectively industrial policy, economic policy, competition policy, labour market policy, vocational training, education policy, science policy and technology policy) were given an opportunity to comment on the analysis in the report and its policy recommendations.

On the basis of the report and the discussion at the seminar, the Danish Agency for Trade and Industry worked out a policy memorandum for the government where many of the recommendations from the report were included. Less than a year later the Danish government presented its new plan for industrial development – dk 21 – to mark the new millennium. The most striking feature of dk 21 was that no less than eight ministries were involved in its preparation and responsible for its realization. Some of the recommendations in the DISKO report appear in the plan while others do not. And, of course, there are elements in dk 21 which have nothing to do with the DISKO project and also elements that go against the logic in the DISKO report. These typically reflected the IT, high-tech and NASDAQ euphorias that reigned everywhere at that time.

Even so, it is obvious that this was a process of close interaction between academic research and policy learning from which certain lessons may be drawn. The first lesson is that in the new context of the learning economy there is a need for research that combines approaches from different disciplines and for research that goes across traditional sector boundaries. One of the major problems of policy-making in the new context of globalization and rapid change is that the sharp division of responsibilities among ministries and authorities makes it impossible to develop coherent strategies to cope with the new challenges. And the organization of policy research tends to follow the dividing lines of the policy world: often it is the case that each ministry has its own community of researchers connected to it. Labour market expertise does

not reflect much on innovation and innovation policy experts know little about labour market dynamics

Of course, analytical work cannot operate completely without delimitations – theories about everything are not useful. What follows is also specialized but it is so in a different dimension. The specialization consists in the application of a systemic perspective on processes of socio-economic change that relate to competence-building and innovation. The objective of the exercise – to create a more satisfactory knowledge foundation for policy-making and to stimulate policy learning in the new context – also gives the analysis a certain direction.

When presenting the results of the DISKO project for an international audience we have two objectives. One is to inspire similar analytical efforts in other countries. The quite recent concept of the innovation system is now becoming widely used among academic scholars in all parts of the world. This study might be helpful in inspiring the design of empirical studies broadening the concept and making it more relevant for economic development in less-developed as well as more-developed economies.

The second major objective is to present the analysis of the Danish case as one input in a process of international policy learning especially at the European level. My involvement in the preparation of the Portuguese Presidency of the European Council made it clear to me that policy coordination in Europe could benefit from a study of the DISKO type and also that there are specific characteristics in the Danish model that might help to bridge the gap between Anglo-Saxon pro market ideas and a Continental emphasis on social security.

The fact that the Danish economy is, at the same time, one of the most rapidly growing economies over the 1990s and one of the most equal societies in the world in terms of income distribution makes it an interesting alternative to the US model where growth has been established through growing inequality. In the introduction and in the final chapter I will present the research results of DISKO in this light. In the first chapter I will give some general observations relating innovation and growth to social cohesion in the learning economy. In the final chapter I will discuss what lessons, if any, can be drawn from the Danish case.

This book is the result of a joint effort by researchers connected with the IKE (International Competitiveness and Industrial Development) group at the Department of Business Studies, Aalborg University. The project has been a central part of the research programme of the IKE group and the national research network DRUID (Danish Research Unit on Industrial Dynamics).

The DISKO project has involved 15 researchers over a three-year period, including five PhD students. Twelve reports have been published and five PhD theses using data from the project have been successfully defended. In this book, I have drawn heavily on these reports and on specific contributions from

Jesper Lindgaard Christensen, Ina Drejer, Allan Næs Gjerding, Birgitte Gregersen, Björn Johnson, Kenneth Jørgensen, Preben Sander Kristensen, Frank Skov Kristensen, Reinhard Lund, Poul Thøis Madsen, Peter Nielsen, Søren Nymark, Anna Rogasczewska, Anker Lund Vinding and Søren Voxted. I would like to extend to them here my warmest thanks for an exciting and fruitful collaboration and also for the contributions they have made directly to the content of this book.

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