

# Foreword

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Innovation, new discoveries and technologies are widely recognized as the engine of societal well-being and progress. Despite the global financial crisis and high levels of unemployment in many parts of the world, research, innovation and science are seen as even more fundamentally important in fostering smart, sustainable and inclusive growth. Indeed, the European Union set this out in its Europe 2020 strategy and within it, the Innovation Union flagship initiative.

Development and growth are not simply an immediate and systematic result of technological research and development. Entrepreneurial efforts are required to identify and exploit new products or services that reward the stakeholders in terms of benefits and profitability. Such technological entrepreneurship depends on people, as well as on the right mix of specific institutional and environmental conditions to incentivize entrepreneurs to innovate.

Innovation takes place in different forms everywhere in the world – in industrialized, emerging, and developing economies. China is keen to foster innovation for the development of the economy and society, and has attracted international interest as its R&D budgets continue to soar. China hopes to transform its growth from a model based on low value-added manufacturing to one that is increasingly centred on domestic, high-end, business sector-led innovation, as described in its 12th Five-Year Plan.

Over time this has led to the emergence in China of strong global companies in advanced sectors – such as information technology, telecommunications and renewable energy. Current academic views range from the possibility to extend, expand or even redefine current management theories, a perception of threats and opportunities, and finally to the dismissal of the topic as irrelevant. There is clearly a need to better understand Chinese technological entrepreneurship and to explore questions of competition, cooperation, co-competition in both the policy context and the business setting *vis-à-vis* China.

This book attempts to describe to an international audience how technological entrepreneurship works in China. It intends to provide a starting point to better understand how Chinese technological entrepreneurship

is different, similar or complementary to 'Western' models. It takes a systemic and descriptive perspective and offers a panorama of the main actors, dynamics and issues of Chinese technological entrepreneurship. A collection of case studies examine:

- The roles, in technological entrepreneurship, of government, government research institutes, universities, talented individuals and (domestic and foreign) enterprises in China;
- Government support in the establishment of new high-tech firms and industries; the science-industry linkages and regional innovation systems; the upgrading and technology strategies of Chinese enterprises; leadership, entrepreneurship, organizational culture and talent management; the leverage of technology transfer, foreign direct investment and local independent innovation efforts.

The cases offer insights into large established firms, small start-ups, flagship government research institutions, industries, pioneers and emerging Chinese technology entrepreneurs, as well as regions such as the Pearl River Delta, Bohai and North East China.

Contributors to this book come from China and the European Union (Germany, Italy, Spain and Sweden). It is hoped readers will benefit from this mix of views on the Chinese system, including the insights of European researchers who have worked in China and maintain strong links with the country. I am convinced that this book will offer fascinating perspectives on China as it experiments with advanced technologies, policies and management techniques, and stimulates further discussion on ways we can all benefit as the EU and China broaden, and deepen, their engagement together.

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