

Innovation; past and future

by Piero Bassetti

Abstract

To produce innovation means to change the world in unpredictable ways.
By innovating, business acquires great power, but also political responsibility:
can innovation be politically irresponsible in a democratic society?

«A country's potential economic growth is directly linked to its investment in knowledge renovation»

Today, this sentence doesn't surprise anybody, especially those in the upper echelons of power. The growing synergy between enterprise and science has grown out of a reciprocal need: scientists look beyond traditional state organizations for funding. Business, on the other hand, has shown itself ready to identify innovative products of scientific research as a new source for generating profit.

Business recognizes that **science** itself, although essential, is not enough to create innovation. In addition to **scientific ideas**, **technology** and **capital**, other factors are needed: **creativity**, **risk-acceptance**, and **managing skills**. This combination becomes available when the scientist and the entrepreneur collaborate with the aim of achieving new targets that were considered unlikely in the past.

Innovation, then, is also **creativity**, which necessarily implies unforeseeable change. Accordingly, Schumpeter and Nelson state that innovation implies increased risk/opportunity and social power. For precisely this reason we may define innovation as the **achievement of the improbable**; as **risk and opportunity**; as something that unpredictably changes the world. **Unpredictability** in:

- the socio-political field, through new institutions, types of relationship, of production, of war, and new powers
- the technical-economical field, through new materials, sources of energy, new tools, categories of products
- the cultural-aesthetic field, through new styles, new fashions, new tastes, new habits

Science has joined forces with enterprise: this is beyond doubt. **Innovation** has been the catalyst to this relationship; **enterprise** or «**ad hoc**» **public institutions** have been the operational tools; while the **entrepreneur** has provided coordination, and regulation has come from the **state**.

There are irrevocable effects of this alliance. Innovation (science + capital) has become **political**. Business, in managing innovation, has become co-actor of choices that affect all of us. Enterprise no longer plays a subordinate role to politics, but acts as an equal partner. Consequently, **political responsibility** is transferred also to business.

Business, therefore:

- can no longer call itself neutral

- must acknowledge responsibility for the final implications of its offer of knowledge
- must openly declare its participation in a process of change
- must recognize its involvement in modern power organization. In short, business must acknowledge the political consequences of its activity

Is it possible to engage in politics in the absence of **memory**? I don't think so. Unfortunately, democratic institutions are so focused on gaining the consensus of a majority (that is strongly influenced by the media obsession for current events, that they often ignore the essential link between memory and innovation in their decision-making processes. In fact, current decision-making methods are hardly able to assess innovation in advance. Innovation that, according to Bruno Latour, relies on unpredictable knowledge and social power.

How can we come to terms with this intricate question? Can we allow innovation be politically irresponsible in a democratic society? Can scientific creativity be governed by Business (whose *implicit* responsibility is defined only by commercial success), and the shapeless and impersonal Market? Let's not forget that new rules always *follow* unpredicted events (not the other way around). There is a pressing need for responsible organizations to create new guidelines.

The Fondazione Giannino Bassetti per l'innovazione responsabile, working from actual cases, is currently engaged in creating democratic procedures that combine **history, innovation, risk, uncertainty, and unpredictability**. Procedures that will emerge as Guidelines to be proposed to governing bodies like the European Union, who share the Foundation's belief in the **democratic principle of majority rule in decision-making**.