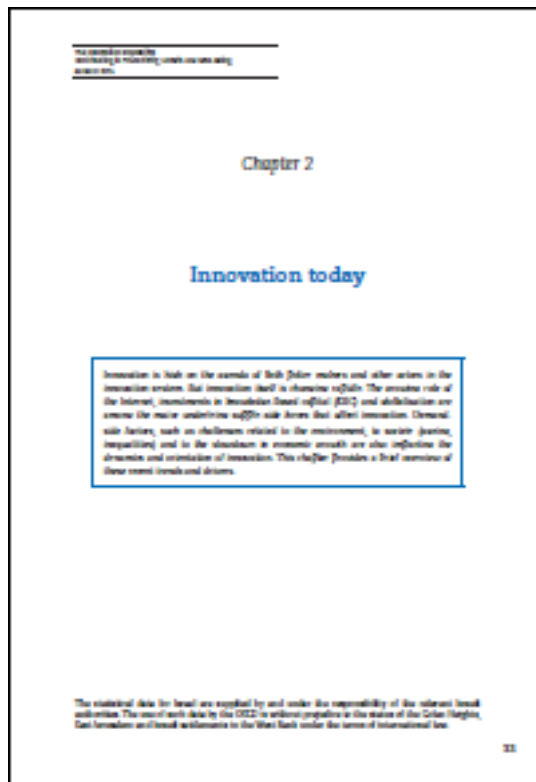


## Innovation today



[Access the full chapter](#) [1]

Empirical analysis shows that innovation, in its various forms, can account for a substantial share of economic growth – often around 50% of total GDP growth – depending on the country, the level of economic development and the phase of the economic cycle. Harnessing innovation requires policies that reflect the realities of innovation as it occurs today. Some of the main features of innovation today include:

- A scope that goes beyond science and technology, involving investments in a wide range of knowledge-based assets. Social and organisational innovations, including new business models, are increasingly important to complement technological innovation.
- Involvement of a wide and expanding range of actors, including firms, entrepreneurs, foundations and non-profit organisations, universities, scientific institutes, public sector agencies, citizens and consumers, often working in close collaboration.
- A strong and ever-expanding basis in the digital economy, facilitated by the growth of mobile telecommunications, the convergence of voice, video and data to the Internet and the rapid uptake of data and sensors (the Internet of Things), in both advanced and emerging economies.
- A growing role of emerging economies, in particular China, which recently passed the European Union in becoming the second largest funder of R&D, behind the United States.
- An increasingly global context, with innovation drawing on knowledge and ideas from across the world, though still often rooted in unique local and regional strengths. Production is increasingly occurring in value chains where both production and innovation are fragmented across countries.



- The emergence of a “next production revolution”, which will lead to transformations in the nature of production, in the jobs associated with production, in the location of those jobs, in environmental impacts, and in the respective roles of manufacturing and services.
- Growing demands on innovation, not only to support growth and job creation, and the efficient delivery of public services, but also to address specific social and global challenges, including green growth, health, food security and the fight against poverty.

**Source URL:** <https://www.innovationpolicyplatform.org/content/innovation-today>

#### **Links**

[1] <https://www.innovationpolicyplatform.org/document/innovation-today-innovation-imperative-contributing-productivity-growth-and-well-being>