



FINNOV
Finance, Innovation & Growth

Innovation
Knowledge
Development

Innovation and Inequality:

New Indicators from Pharma and Beyond

15 - 16 May 2010

Sant'Anna School of Advanced Studies

Pisa, Italy



Workshop overview

The workshop brings together innovation economists, economic historians and industrial economists to think creatively about the way that innovation and inequality co-evolve – and how this relationship has changed over the course of capitalism. While this theme was central in the analysis of Classical economists, it has been almost forgotten in subsequent studies of innovation and technological change. The observation of rising inequality across and within countries is beginning to resurrect this issue, in particular as it concerns the hypothesis of skill-biased technological change and the impact of a stronger IPR regime at the global level. Recent work has also begun to examine how the financing of R&D – particularly through venture capital and the stock market – may induce corporate strategies and bubbles which may contribute to rising inequality.

The view from an ‘industry dynamics’ perspective is useful as the relationships above differ between sectors. The case of the bio-pharmaceutical industry is particularly significant and extreme in these respects because it widens the perspective from inequality in income and wealth distribution to other fundamental dimensions of well-being like health and ‘access’ (to innovations).

We hope the presentations and discussions will motivate researchers to think more systematically about a Schumpeterian approach to inequality.



Programme

Saturday 15 May 2010

WELCOME

09:00 – 09:30 Workshop organisers: **Mariana Mazzucato** (The Open University, FINNOV Coordinator) and **Luigi Orsenigo** (University of Brescia)
Innovation and inequality: from the classicals to skill-biased technical change. What's missing?

SESSION 1 **Technological Change and Inequality, a Schumpeterian Perspective**

09:30 – 09:55 **Carlota Perez** (University of Cambridge)
Technological revolutions and income distribution

09:55 – 10:20 **Benjamin Coriat** (Paris Nord University) and **Fabienne Orsi** (University of Aix-Marseille II)
How TRIPS are building enhanced inequalities in access to care: the case of HIV/AIDS

10:20 – 10:45 **Theo Papaioannou** (The Open University)
Technological innovation, global justice and politics of development

10:45 – 11:15 Discussion Session 1

11:15 – 11:30 Coffee break

SESSION 2 **Insights from Pharma: Innovation and Access**

11:30 – 11:55 **Keren Bright** and **Lois Muraguri** (The Open University)
Access to medicines: intellectual property rights, human rights and justice

11:55 – 12:20 **Maureen Mackintosh** (The Open University)
Essential drugs supply chains and inequality

12:20 – 12:45 **Sebastião Loureiro** (Federal University of Bahia)
Diffusion of new drugs in developing countries: some empirical evidence

12:45 – 13:10 **Philippe Gorry** and **Matthieu Montalban** (University of Bordeaux)
The political construction of orphan drugs market: between innovation and access to care

13:10 – 14:00 Lunch

14:00 – 14:40 Discussion Session 2

SESSION 3 Insights from Biotechnology

- 14:40 – 15:05 **William Lazonick and Mustafa Sakinc** (University of Bordeaux)
Do financial markets support innovation or inequality in the biotech drug development process?
- 15:05 – 15:30 **Andrés Cárdenas** (University of Bremen)
The Cuban biotechnology industry: an analytical framework
- 15:30 – 15:50 Discussion Session 3
- 15:50 – 16:05 Coffee break

SESSION 4 Finance, Innovation and Inequality

- 16:05 – 16:30 **Mary O'Sullivan** (University of Pennsylvania)
Contemporary regulation of corporate governance: innovation as cause and effect
- 16:30 – 16:55 **William Lazonick** (University of Bordeaux)
Why executive pay matters to innovation and inequality
- 16:55 – 17:20 **Giovanni Dosi** (Sant'Anna School of Advanced Studies)
Some reflections on innovation, monopolistic rent and inequality
- 17:20 – 17:50 Discussion Session 4
- 17:50 – 19:00 Wrap up
- 20:00 – 22:00 Dinner

Sunday 16 May 2010

SESSION 5 Conclusion: What Have We Learned and Policy Implications?

- 10:00 – 12:30 Discussion and follow up
- 12:30 – 13:30 Lunch

Workshop sponsors

The workshop is sponsored by **DIME** (Dynamics of Institutions and Markets in Europe), **IKD** (The Open University's Centre for Innovation, Knowledge and Development), and **FINNOV** (Finance, Innovation & Growth, an EC FP7 project).

Workshop sponsors



DIME (Dynamics of Institutions and Markets in Europe) is a network of social scientists in Europe, working on the economic and social consequences of increasing globalisation and the rise of the knowledge economy. DIME is sponsored by the 6th Framework Programme of the European Union. The network brings together a wide variety of scholars, for example from economics, geography, sociology, history, political science and law.

<http://www.dime-eu.org/>



FINNOV (Finance, Innovation, and Growth) is funded through Theme 8 of the Seventh Framework Programme of the European Commission (Socio-Economic Sciences and the Humanities), under the topic "The role of finance in growth, employment and competitiveness in Europe (SSH -2007 - 1.2.3)". Areas to be explored include the role of venture capital and stock markets in supporting innovative firms; the links between firm innovation and financial performance; interactions between financial systems, firm bankruptcy and employment; the effects of housing bubbles on consumption; and understanding the implications of innovation in financial services on the long-term development of financial services sector.

<http://www.finnov-fp7.eu/>



IKD (Innovation Knowledge Development) is an interdisciplinary research centre that has been established by The Open University (OU) to build upon the OU's internationally recognised excellence in the areas of: biotechnology innovation and development; innovation and industry dynamics; knowledge management; entrepreneurship; social learning and public action; and design innovation.

<http://www.open.ac.uk/ikd/>

Registration information

Registration deadline: 10 May 2010

To register for a place at the workshop please email:
SocSci-IKD-events@open.ac.uk or contact the IKD Coordinator on
Tel: +44(0)1908 654493

<http://www.open.ac.uk/ikd/events/innovation-and-inequality/>

Venue information

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Website: <http://www.sssup.it/>

How to reach Sant'Anna School of Advanced Studies

By plane

From **The Galileo Galilei International Airport of Pisa**, you can reach the school by:

Taxi (recommended) – in about 15 minutes.

Bus - Line 1 LAM ROSSA reaches the Pisa Central Train Station in about 15 minutes (for directions from the station to the school, see the "By Train" section).

Train – The train reaches the Pisa Central Train Station in about 5 minutes (for directions from the station to the school, see the "By Train" section).

By car

Take Motorway **A12** (Genova – Rosignano) - "Pisa Nord" Exit. Take the Strada Statale n.1 Aurelia Nord. When you reach "Madonna dell'Acqua," take Via Aurelia. Turn left at the traffic light on to Viale delle Cascine. Continue straight on Via Contessa Matilde and Via del Brennero. Follow the signs for "Scuola Sant'Anna." You'll pass under the old city gate and reach Largo San Zeno, where you'll find a parking lot (for a fee). Leave the car in the parking lot, turn left for Piazza Martiri della Libertà.

By train

From **Pisa's Central Train** station, the school can be reached by:

Taxi – in about 5 minutes

Bus – N. 2 "Porta a Lucca" direction or N.4 "I Passi" direction. In both cases, the stop is "Largo San Zeno." When you get off the bus, walk down Via San Zeno, turn left for Piazza Martiri della Libertà.

