

# Contents

<b>Foreword</b>	v		
by Steven A. Ballmer			
<b>Executive Summary</b>	ix		
<b>Part 1: The Innovation Capacity Index</b>	1		
<b>1.1 Policies and Institutions Underpinning Country Innovation: Results from the Innovation Capacity Index</b>	3	<b>2.4 The Learning Economy as a Phase in Economic Development: Contradictions and Institutional Responses</b>	109
by Augusto López-Claros and Yasmina N. Mata		by Björn Johnson	
1. Introduction: A brief overview of innovation	4	<b>2.5 Innovation: Thoughts on Purpose, Definition, and Governance</b>	121
2. Factors, policies and institutions fostering innovation	6	by Mahmud Samandari	
3. Composite indicators and the measurement of innovation	12	<b>2.6 There is no Planet B!</b>	135
4. The Innovation Capacity Index		by José María Figueres	
5. Innovation Capacity Index Rankings 2010–2011	13	<b>2.7 Technological Capability, Innovation, and Productivity in Least Developed and Developing Countries</b>	143
Korea: Impressive innovation capacity	36	by Hulya Ulku	
Brazil: Key innovation challenges	38		
China: Enormous potential in years ahead	44		
Israel: A large footprint in the ICT world	47		
Spain: Large scope for progress	50		
<b>Part 2: Dimensions of Innovation</b>		<b>Part 3: Innovation Profiles</b>	173
<b>2.1 Creating Blueprints for Business in the 21st Century: Social Entrepreneurship Shows the Way</b>	67	Prepared by Yasmina N. Mata	
by Pamela Hartigan		<b>Introduction</b>	175
<b>2.2 Organizations Don't Innovate, People Do: Trust Is the Foundation</b>	85	Algeria	176
by Robert Rosenfeld, Gary Wilhelmi, and Andrew Harrison		Argentina	178
<b>2.3 Breakthrough Inventions and the Growth of Innovation Clusters</b>	103	Australia	180
by William R. Kerr		Austria	182
		Belgium	184
		Botswana	186
		Brazil	188
		Bulgaria	190
		Canada	192
		Chile	194
		China, People's Republic of	196
		Colombia	198
		Costa Rica	200
		Croatia	202
		Czech Republic	204
		Denmark	206

Egypt, Arab Republic of	208	United States	308
El Salvador	210	Uruguay	310
Estonia, Republic of	212	Venezuela	312
Finland	214	Vietnam	314
France	216		
Germany	218		
Ghana	220		
Greece	222		
Hong Kong SAR	224	<b>About the Authors</b>	317
Hungary	226		
India	228	<b>Acknowledgements</b>	323
Indonesia	230		
Iran, Islamic Republic of	232	<b>Index</b>	325
Ireland	234		
Israel	236		
Italy	238		
Japan	240		
Jordan	242		
Kazakhstan, Republic of	244		
Kenya	246		
Korea, Republic of	248		
Kuwait	250		
Latvia, Republic of	252		
Lithuania, Republic of	254		
Malaysia	256		
Mexico	258		
Netherlands	260		
New Zealand	262		
Nigeria	264		
Norway	266		
Pakistan	268		
Peru	270		
Philippines	272		
Poland	274		
Portugal	276		
Romania	278		
Russian Federation	280		
Saudi Arabia	282		
Singapore	284		
Slovenia, Republic of	286		
South Africa	288		
Spain	290		
Sri Lanka	292		
Sweden	294		
Switzerland	296		
Taiwan	298		
Thailand	300		
Turkey	302		
Ukraine	304		
United Kingdom	306		