

# Public-private cooperation – some reflections

Dr. Laurens Klerkx – Communication and  
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# PPP's are form of systemic cooperation – hence also system failures

## ■ Network failures:

- too strong networks - groupthink, no new combinations
- Too weak networks - no trust, uncertainty about complementarities

## ■ Institutional failures:

- Hard institutional failures – fragmented support instruments, high transaction costs
- Different incentives of partners, accountability mechanisms, norms

# In response to Richard Gray's presentation

- Levy based RD&E can be effective giving voice to those who pay for and benefit from RD&E.
- True, but:
  - 'economic demand' does not equal 'substantive demand' – intensive participation of farmers is needed and this should be internalized in agenda & priority setting and R&D execution mechanisms
  - Levy funding, although a means to address private good issues, needs to avoid inward orientation – broadening stakeholder network in agenda setting and think about creating enabling environment for R&D embedding

# In response to Phil O'Reilly's presentation

- Business needs to overcome challenges regarding the benefits and risks of AKS, that are influenced by their uptake and acceptance by government, the public and business itself
- Indicates need to stimulate and facilitate cooperation for innovation
  - complex 'open innovation' process management, to enhance understanding between different 'worlds', reduce risks and uncertainties

# In response to Andy Hall's presentation

- Partnerships come in different sizes and shapes
- They do not automatically perform well autonomously

# Following the systemic view, what does this imply for policies?

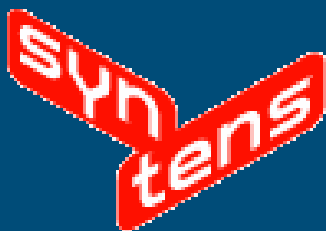
## ■ Smits and Kuhlmann (2004), systemic instruments:

- 1. The management of interfaces;
- 2. Constructing and deconstruction (sub) systems;
- 3. Providing a platform for learning and experimenting by creating conditions;
- 4. Providing an infrastructure for strategic intelligence; and
- 5. Stimulating demand articulation, strategy and vision development.

# Systemic intermediaries: innovation brokers

- Bridge gaps and divides between groups/sectors/cultures
- Match demand and supply on knowledge market
- Help platforms, networks and platforms to perform and be adaptive to play ‘innovation poker’ (Chesbrough)
- As side activity of ‘traditional’ AKS parties (research, extension) or as independent organizations (e.g., innovation centres, within science parks, related to incubators)

# Some examples





# Policy implications

- Expanding the AKS pillars and include a network coordination pillar
- Innovation brokers can be a policy tool to enhance coherence/reduce transaction costs in use broader innovation support policy instruments
- Problem is their 'stealth nature': low private willingness to pay, attribution problems
- Role implies a honest broker position and considerable manoeuvring space

# Thank you for your attention

More information/publications:

[Laurens.Klerkx@wur.nl](mailto:Laurens.Klerkx@wur.nl)

See also forthcoming World Bank Sourcebook on  
Agricultural Innovation Systems