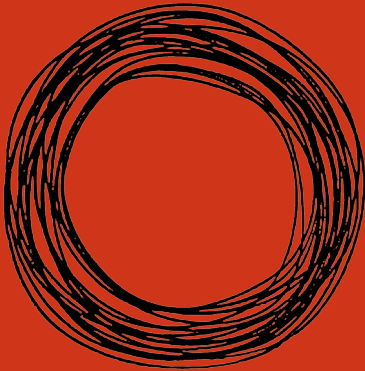




Rethinking how  
public value is  
created, nurtured  
and evaluated.



~~Picking winners~~  
Picking the willing

~~Outsourcing~~  
Capacity building

~~Cost benefit~~  
Dynamic spillovers

~~De-risking~~

Welcoming uncertainty

~~Fixing markets~~

Co-creating and shaping

~~Levelling the playing field~~

Tilting towards a direction

# Entrepreneurial societies need entrepreneurial states

The UCL Institute for Innovation and Public Purpose (IIPP) was founded by Professor Mariana Mazzucato, author of the highly-acclaimed *The Entrepreneurial State: debunking public vs. private sector myths*.

IIPP aims to develop a path-breaking framework for creating, nurturing and evaluating public value in order to achieve economic growth that is more innovation-led, inclusive and sustainable.

IIPP will lead a debate about the direction of economic growth and governments' use of mission-oriented policies to confront the world's most urgent challenges: from climate change to inequality and the problems facing ageing societies. Our work will feed into policies on innovation, financial reform, institutional change and sustainable development.

A cornerstone of IIPP's research is that markets are not created out of thin air: they are outcomes of the interactions between different actors in the economy, operating in the public, private and voluntary sectors. In this context, public policy is not just about fixing market failures, but about actively co-creating and shaping markets.

Our teaching and research programmes will help public organisations refocus themselves to become more mission-led, driven by public purpose, and able to welcome and manage the explorative and risk-taking processes that structural change and transformation require.

Policy-makers focusing on public versus private are asking the wrong question. Limiting the public sector's role to de-risking the private sector is like playing with half the team on the bench.

Taking risks, building capacity, and welcoming experimentation are central to the ability of all partners to co-shape our future economies, so that technological and institutional innovations can be directed towards tackling society's most pressing challenges.

### Innovation and public purpose

A key pillar of IIPP is our understanding that the economy is actively shaped by different actors in the public, private and voluntary sectors. As part of this dynamic process, public organisations driven by public purpose can help design markets to be smarter, more inclusive and sustainable. IIPP is proud to be housed in The Bartlett at UCL, known internationally for its radical thinking about space, design and sustainability.

### Co-creating and shaping markets

Our ambitious agenda aims to redefine the way the public sector operates and is perceived, rendering its internal bureaucracy more dynamic and exploratory, and devising a policy framework that allows it to act in ways that are less about fixing markets and more about actively co-creating and shaping them.

### A new language and toolkit

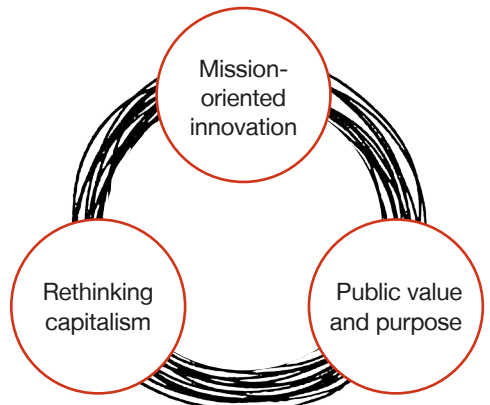
Our aim is to develop a new language and theory around public purpose; a vocabulary and practical tools that are focused on building capacity, strategic thinking, embracing experimentation and learning from trial and error. A dynamic tool kit for policy-makers must also include new metrics to assess the impacts of market-shaping policies – less about static cost-benefit analysis and more about quantifying the dynamic spillovers across different parts of society.

### Mission-oriented policy

IIPP's work will focus on directing economic activity towards solving problems; developing missions to tackle the toughest issues of our time from climate change to rising underemployment to struggling health systems. Such a mission-oriented lens requires transformation across multiple sectors of the economy and new forms of partnerships. Our research and teaching will investigate how such missions are set, ways to enable bottom-up experimentation and the dynamic criteria that can be used to assess the impact of market-making policies.

### Rethinking capitalism

IIPP aims to contribute to the debate about how economic theory can be reformed to better capture the dynamic and collective ways in which value is created inside and between organisations. It will also look deeply at how to ensure that value is shared more equitably across society to create growth that is not just smart but also inclusive and for the long term. We will make use of new approaches to the economics of innovation, complexity science, design thinking and organisational behaviour to reform today's capitalism.



## Research

Our research programme is driven by three cross-cutting themes: innovation, public value and inclusive growth. Our current streams explore the following areas:

- Public value for public purpose
- Rethinking health innovation
- A green economy for sustainable growth
- Public-private partnerships in space
- Mission-oriented innovation policy
- Governance and digital transformation
- Patient finance and state investment banks
- Inclusive growth: risks and rewards
- The state's role in technological revolutions

## Teaching

IIPP's teaching programme will offer innovative undergraduate and graduate courses as well as executive education for policy and business leaders – from the UK and around the world. Our key priority is to train the next generation of leaders to create, justify, nurture and evaluate transformative policies. Our courses

will use an interdisciplinary and practice-based approach to innovation studies, policy evaluation and the theory of public value generation. We are accepting PhD students from 2018. Interested students can get in touch at [iipp-enquiries@ucl.ac.uk](mailto:iipp-enquiries@ucl.ac.uk)

## Partnerships, policy and public engagement

IIPP is committed to influencing public engagement on key strategic issues facing 21st century economies. Understanding policy as a process of experimentation is key to this ambition. Our partnership programme is called the Mission-Oriented Innovation Network or MOIN, which means 'hello' in many Northern European languages. The acronym reflects the peer-based learning that will allow global policy-makers to share their experiences around strategic priority setting, organisational innovation and dynamic evaluation tools – with the goal of empowering the pursuit of public-value-driven innovations. For more information and to get involved with the network, visit our Partnership page at: [ucl.ac.uk/bartlett/public-purpose/partnerships](http://ucl.ac.uk/bartlett/public-purpose/partnerships)

Mariana Mazzucato, Jeffrey Sachs and Carlota Perez discuss how to tackle the challenges of the 21st century through mission-oriented innovation (RSA, London, 17 February 2017)



## Advisory Board

Our Advisory Board brings together a broad and interdisciplinary range of practical expertise from academia, policy, business and the arts.

### Mike Bracken

Partner, Public Digital; Co-founder of Gov.uk; IIPP Visiting Professor

### James K. Galbraith

Lloyd M. Bentsen Jr. Chair in Government/Business Relations and Professor of Government, University of Texas at Austin

### Jayati Ghosh

Professor of Economics at the Centre for Economic Studies and Planning, Jawaharlal Nehru University, New Delhi

### Hermann Hauser

Co-founder and Partner of Amadeus Capital

### Dan Hill

Associate Director at Arup and Head of Arup Digital Studio; IIPP Visiting Professor

### Hadeel Ibrahim

Founding Executive Director of the Mo Ibrahim Foundation

### Roly Keating

Chief Executive Officer, British Library

### Stephanie Kelton

Professor of Economics at the University of Missouri-Kansas City

### Roger Martin

Professor and Dean, Martin Prosperity Institute, University of Toronto

### Cornelia Parker

Artist; Honorary Professor Manchester University and Honorary Fellow of Queen Elizabeth Hall, Oxford

### Alan Penn

Dean of The Bartlett; Professor in Architectural and Urban Computing, UCL

### Carlota Perez

IIPP Honorary Professor; Centennial Professor, London School of Economics

### Jeffrey Sachs

Quetelet Professor of Sustainable Development, Columbia University; Special Advisor to UN Secretary General Antonio Guterres

“We find ourselves at a time of great conflict and confusion when it comes to devising, deploying and developing progressive approaches to living together in an increasingly urban age. And yet contemporary and forthcoming technologies ... both provide us with unparalleled opportunities to transform our approach to cities. The key to unlocking this contradiction may be in understanding how a more holistic approach to innovation, with a bold public agenda, can help frame better questions and deliver more productive answers.”

– Dan Hill, IIPP Advisory Board



**Mariana Mazzucato**  
Founder and Director of IIPP

Mariana Mazzucato is Professor in the Economics of Innovation and Public Value at UCL. Her research has been funded by global organisations such as NASA, the Inter-American Development Bank and the EC. Her advisory roles include membership of the Scottish Government's Council of Economic Advisors and the Advisory Board of SITRA. She is winner of the 2014 SPERI Prize in Political Economy, the 2015 Hans-Matthöfer-Preis and the 2018 Wassily Leontief Prize in Economics. Her book, *The Entrepreneurial State*, was one of the Financial Times' 2013 Books of the Year. She is co-editor of *Rethinking Capitalism* and her next book is *The Value of Everything* (Penguin), forthcoming in 2018.

@MazzucatoM

“One of the three most important thinkers about innovation”

– New Republic



**Rainer Kattel**  
Deputy Director of IIPP

Rainer Kattel is Professor of Innovation and Public Governance at UCL. He has published extensively on innovation policy and its governance. He has also served on numerous public policy commissions including the Estonian Research Council and European Science Foundation. He has worked as an expert for the OECD, UNDP and the European Commission. Currently, he leads the Estonian Government's Gender Equality Council. His recent books include *The Elgar Handbook of Alternative Theories of Economic Development* (co-edited with Erik Reinert and Jayati Gosh; Elgar, 2016) and *Innovation Bureaucracy* (with Wolfgang Drechsler and Erkki Karo; Yale), forthcoming in 2018.

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