



Opening up the black box of development: capabilities, structural change and innovation

29- 30 June 2021

at

Scuola Superiore Sant'Anna – Main Building, Room 3

A two-day workshop on the determinants and sources of economic development hosted by the Institute of Economics (Sant'Anna School of Advanced Studies) and the Young Scholars Initiative (YSI). The event is intended to discuss a new perspective on the overall development process among young and senior scholars.

Three sessions feature cutting-edge contributions on core domains of analyses to interpret why some countries succeed and some others fall behind, by integrating perspectives from evolutionary and complexity economics.

The first one is dedicated to the analysis of capabilities accumulation and diversification, from firm, country, and regional perspectives, as determinant of prospect of growth. The second targets processes of structural transformation with an emphasis on division of labour, employment, and distributional dynamics as key features of development. The third session intersects firm and sectoral innovative efforts undertaken in pharmaceutical, artificial intelligence and green industries, highlighting the heterogeneity in trajectories and the role of state-led policies. A final roundtable hosts contribution of leading scholars addressing contemporary challenges for innovation and industrial policies, particularly in the current pandemic phase.

The workshop will take place in blended format. For those willing to participate in person, the event will be held at the [Sant' Anna School of Advanced Studies](#) in Pisa.

The detailed program of the three sessions follows.

How to Participate

- In person: Room 3, Scuola Superiore Sant'Anna (likely subject to limitations due to Covid-19 prevention laws).
- Online: each session has been assigned to a WebEx link on which the presentations will be streamed.

Program

Day 1 - 29 June 2021

[Link Webex](#)

Opening Address

10.15 **Maria Enrica Virgillito** (*Sant'Anna School of Advanced Studies*)

10.25 **Bernardo Caldarola** (*Young Scholar Initiative*)

Session 1

Capabilities and economic complexity: from firm to country performances

10.30-12.00

Chair: **Bernardo Caldarola**

The session intends to shed new light on the role of capabilities as primarily source of economic development. Novel contributions detecting what capabilities are at the firm level, their geographical distribution and ensuing patterns of diversification as determinant of country growth will be discussed.

10.30 **Angelica Sbardella** (*Sant'Anna School of Advanced Studies*)

From organizational capabilities to corporate performances: at the roots of productivity slowdown

11.00 **Ron Boschma** (*Utrecht University*)

The Dark Side of the Geography of Innovation: Relatedness, Complexity and Regional Inequality in Europe

11.30 **Emanuele Pugliese** (*European Commission, JRC*)

Economic complexity for industrial and innovation policy: linking global and regional capabilities

Lunch Break: 12.00-14.30

Session 2

Structural dynamics, labour, and distribution

14.30-16.00

Chair: **Lorenzo Cresti**

This session discusses three interrelated aspects of the structural change - employment nexus, namely the role of sectoral interdependencies and their influence on the division of labour, patterns, and quality of job creation in Globally Integrated Value Chains, sectoral trends in functional income distribution.

14.30 **Michael Landesmann** (*Vienna Institute for International Economic Studies*)

International division of labour, the Covid shock and employment dynamics

15.00 **Stefan Pahl** (*German Institute for Global and Area Studies*)

Accounting for Jobs in Global Value Chains

15.30 **Alexander Guschanski; Ozlem Onaran** (*University of Greenwich*)

The Decline in the Wage Share: Falling Bargaining Power of Labour or Technological Progress?

Day 2 - 30 June 2021

[Link Webex](#)

Session 3

Firms, state-led policies, and sectoral patterns of innovative efforts

14.30-16.00

Chair: **Julia Mazzei**

This session brings forward novel empirical analysis on sectoral patterns of innovative efforts, also considering the possible role of the state in influencing their evolution. Contributions will focus on heterogeneous innovation processes characterizing three leading technological industries, namely pharmaceutical, Artificial Intelligence and green.

14.30 **Alberto Marzucchi** (*Gran Sasso Science Institute*)

Green Technologies: Origins, Interdependencies and Policy

15.00 **Ken Shadlen** (*London School of Economics*)

The Covid-19 Innovation System

15.30 **Daniel S. Hain** (*Aalborg University*)

The Privatization of AI Research(-ers): Causes and Potential Consequences

Coffe Break: 16.00-16.30

Final roundtable

Contemporary challenges for Innovation, Industrial Policies and Development

Chair: **Federico Riccio**

Giovanni Dosi

(Sant'Anna School of Advanced Studies)

Dani Rodrik

(Harvard University)

Eva Paus

(Mount Holyoke College)

Luciano Pietronero

(University of Rome "La Sapienza")

16.30 -17.30

The Organizing Committee:

Bernardo Caldarola

Sebastiano Cattaruzzo

Lorenzo Cresti

Julia Mazzei

Federico Riccio

Angelica Sbardella

Maria Enrica Virgillito