Call for Papers Special Issue of *The European Journal of Development Research*

Innovation Systems in the era of Global Value Chains

Guest editors:

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Introduction: It is widely recognised that learning and innovation are fundamental prerequisites for sustainable economic growth and development (Cimoli, Dosi, & Stiglitz, 2009). The challenge for developing countries is to build and deepen their technological and innovation capabilities in order to increase overall competitiveness and facilitate socially inclusive and sustainable forms of development. In this respect, many developing countries are faced with challenges of demand creation, skills formation and institutional governance (Lundvall et al. 2009). At the same time, developing countries are inserted into a global economy, which is increasingly characterised by growing interconnectedness facilitated by trade and investment liberalisation and by the fragmentation of the production and innovation processes (Gereffi & Lee, 2012; Lema, Quadros, & Schmitz, 2015; Sampath, 2016). This leaves open the question of whether, and under what circumstances, the globalisation of economic activities creates new opportunities for capabilities formation in developing countries — or conversely, whether and under what circumstances the widening and deepening of economic globalisation becomes a hindrance for building up the required innovation capabilities.

This special issue addresses this topic through new analytical lenses, bringing together the local, national and global perspectives. Its key point of departure is in the notion of *open innovation systems*. This concept brings to the forefront two key features of learning-based economic development. First, learning and innovation processes do not merely unfold within individual organisations. On the contrary, they are often interactive and unfold in organised markets and broader arrangements in society which are critical for knowledge creation (that is, innovation is open). There is often a systemic relationship between the various actors in the innovation process, such as firms, government agencies and universities (Lundvall, et al.

2002). Second, innovation systems are permeable with multiple links into the global economy (the system is open). Constituent enterprises and other actors are increasingly inserted into value chains and innovation networks that span national borders. Against this background, the purpose of the special issue is to examine the question of how the insertion into global value chains (GVC) affects technological and innovation capabilities in innovation systems in developing countries (Morrison, Pietrobelli, & Rabellotti, 2008; Pietrobelli & Rabellotti, 2011). The special issue seeks to do this by addressing a number of related research questions:

- How does the character of knowledge exchange and interactive learning between users and producers involved in innovative activities change when the distance between them goes from local and national to global?
- Under what circumstances does increased openness in terms of flows of embodied and disembodied knowledge contribute to domestic technological and innovation capabilities? What are the factors that might impede it in specific cases?
- How should developing countries combine domestic and foreign sources of learning for successful upgrading in the global economy?
- Can global value chains function as substitutes for domestic interactive learning where local/ national innovation systems are weak and fragmented?
- What is the role of the state at different levels of development in regulating and managing economic openness?
- What policy regimes and combinations of industrial and innovation policies are important to leverage the positive impact of external sources of knowledge within national boundaries?
- How are different value chain governance patterns related with local opportunities for learning and innovating?
- What is the supporting role of the innovation system in GVC-driven learning and innovation processes?

Background: This special issue of *The European Journal of Development Research (EJDR)* will bring together the innovation system (e.g. Lundvall et al. 2009) and global value chain (e.g. Gereffi, 2014) approaches for the analysis of economic development. Discussions about how to bring these frameworks together began within the Global Network for Economics of Learning, Innovation, and Competence Building Systems (Globelics) in recent years. The underlying motivation for this special issue is to build on these discussions towards the creation of an agenda for research on innovation and development.

The combination of the value chain and innovation system frameworks is a key contribution of this special issue, aimed at bringing together a collection of empirical and theoretical articles by leading scholars, who combine these approaches and apply them to the current debate in academia and policy circles.

The special issue will focus on topics, which were discussed at recent events organised in Globelics:

- Globelics/Eurolics Workshop on *Interactive Learning in National Innovation Systems and Global Value Chains: How to Escape the Poverty Trap*, Copenhagen, 22 May 2015;
- The Special Session *Global Value Chains and National Innovation Systems*, during the Globelics Annual Conference in Havana, 23 September, 2015;
- The Obel Symposium on *Innovation Systems, Globalization and Development*, Aalborg, 10-12, 2016

The special issue invite contributions from scholars, who have participated in the above seminars and also call for submissions from other interested scholars.

Deadlines:

15 October 2016: Extended abstracts

15 November 2016 Notification of the selected abstracts

31 January 2017: Submission of full papers

31 March 2017: Notification of reviewers' comments

24 April 2017: Workshop in Copenhagen

30 June 2017 Final papers

Please submit your abstract to Nina Kotschenreuther (<u>ninak@business.aau.dk</u>) no later than **31 October 2016.** The extended abstract should be a maximum of three pages and should cover the key questions, literature, methods and main conclusions.

Selected abstracts will receive an invitation to submit full papers by 31 January 2017, but final acceptance will depend on the external review of full papers. The full papers should strictly be no longer than 8,000 words (inclusive of tables/references/figure captions, abstract and endnotes). Two anonymous referees will review the submitted papers. Full papers should be submitted through the ScholarOne system (details to be provided). The authors invited to revise and resubmit their papers will be invited to attend a workshop aimed at discussing the papers and supporting their revisions for the special issue.

Accepted papers will be published as 'online first' articles after acceptance and copy-editing.

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