

BS3361 – ECONOMICS OF INNOVATION

Module Number: BS3361
Module Title: Economics of Innovation

Number of Aston Credits: 10

Total Number of ECTS Credits: 5
(European Credit Transfer)

Staff Member Responsible for the Module:

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Please see office hours via Aston online appointment system:
<https://wass.aston.ac.uk/wass/pages/login.page.php>

Other Staff Contributing to the Module: None

Pre-Requisite(s) for the Module: BS2241 Principles of
Macroeconomics

Module Learning Outcomes:

Upon successful completion of the module students will be able to:

1. Appreciate the economic imperative of and justification for innovation using different theoretical perspectives and empirical techniques.
2. Critically assess the contribution of neoclassical and evolutionary approaches to the study of innovation.
3. Understand the connection between the micro and macro aspect of innovation, especially as it relates to economic growth.
4. Develop a critical awareness of policy issues relating to innovation, science and technology.

Module Content:

This module considers how economic analysis has been applied to the process of innovation. A critical perspective on the current research literature is adopted taking into account of recent developments in evolutionary economics which will be contrasted with perspectives of neoclassical growth theory. Key topics in the research literature are identified and critically evaluated by reading, and by individual and group-based analysis and discussion. Both microeconomic and macroeconomic techniques are used to

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investigate the determinants, process and effects of innovation at the level of the firm, industry and economy.

- Week 14. Introduction and Perspectives of Innovation
- Week 15. The Impact of Innovation on Firm Performance
- Week 16. Innovative Firms and Markets
- Week 17. The Diffusion Process
- Week 18. Network effects, Standards & Dominant Design
- Week 19. Intellectual Property Rights and Firms
- Week 20. Models of Economic Growth
- Week 21. The Globalisation of Innovation
- Week 22. The Entrepreneur and Innovation
- Week 23. Innovation Policy (I)
- Week 24. Innovation Policy (II)
- Week 25. Revision week

International Dimensions:

The module will draw on theories, empirical research and policy approaches from the UK, Europe and the United States.

Corporate Connections:

Although currently there are no direct corporate links in this module, both lectures and seminar sessions employ examples and case studies relevant to business.

Links to Research:

My research on Innovation, economic growth and business performance is highly relevant for this module. In my research, I am for example focusing on the determinants and consequences of innovation in emerging countries, but also on why innovation is so important in today's economic climate. This should help students to appreciate both the importance of innovation from a company perspective and from a wider economic perspective, something which is regularly the focus of discussions in the national press.

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Learning and Teaching Rationale and Methods:

a) Method of teaching – The format will be both lectures and seminars over twelve weeks: This involves 11 two-hour sessions which will be used flexibly to include lectures, seminars and group discussions- students are expected to do the reading before class and to come prepared to ask questions and participate in discussions.

Lectures will be used to provide the basic theoretical foundation of the module while seminars and discussions will be used to apply the theory in specific context. For each topic a set of key readings will be identified, which will form the basis of seminars and lectures.

b)	Duration	
	Contact hours:	24 hours
	Directed Learning:	26 hours
	Private Study:	50 hours
	Total:	100 hours

Ethical Approval:

This module does not require any primary research and no ethical approval will be necessary.

Assessment and Feedback Rationale and Methods:

Assessment is via a coursework essay (30%) and a two-hour examination (70%) during the May-June examination period.

Students will be divided into two groups. For each group, there will be two questions available. Students should choose one of them and write up an essay with approximately 1,000 words. The individual essay is designed to demonstrate student's knowledge of the relevant theories and the capacity to evaluate them critically, and to apply theory in an appropriate context.

The deadline is: week 21, 12pm Tuesday 13th March 2012

The essay must be handed in to the Coursework office before the deadline for each group. A failure to complete coursework on time will render a student liable to the late submission penalty applied in the Business School.

Students are encouraged to utilise lecturer office hours to obtain more detailed feedback and advice.