ephemera | articles
theory & politics in organization

ISSN 1473-2866
www.ephemeraweb.org
volume 11(3): 289-307

Innovation and financialisation: Unpicking a close association*

Sam Dallyn

abstract

In this paper I seek to examine the rather neglected association between innovation and the ideology of financialisation. I begin by exploring the existing critical work on the concept of innovation in the organisational literature. I then draw out a different account of innovation by examining the role the concept plays within the ideology of financialisation and situate it as a financial buzzword. I also briefly examine the social and political importance of innovation as a financial buzzword by drawing on examples of how it is used by government and the university sector. In unpicking the concept of innovation and its ideological association with financialisation in given instances, I hope to show that it is a pervasive buzzword that masks and often actually helps to facilitate increasing processes of commercialisation and financialisation in particular social fields.

Introduction

> Inventions, ideas, new products, and new services are worthless, without a downstream process that turns them into something that convinces people and firms to become customers. (Corrado, 2007: 3)

Innovation is a contemporary concept that is incorporated into a vast array of different discourses.[1] It occupies a plethora of different fields and has led to a burgeoning literature in business and organization studies (for some selective examples see Abrahamson, 1991; Damanpour, 1992; Fagerberg, Mowery and Nelson, 2005; Hellstrom, 2004; O'Shea, 2002; Slappendel, 2004; Wolfe, 1994). In this paper I want to better situate the concept of innovation by selectively exploring the role the discourse of innovation plays in relation to finance. I will argue that innovation is a buzzword that often serves to give a positive gloss to processes of financialisation.

---

* I would like to thank Campbell Jones and Peter Bloom for discussions and insightful suggestions about how to develop the paper. I would also like to thank the two anonymous reviewers for their helpful comments.

1 By discourse I refer loosely here to the 'ensemble of ideas, concepts, and categories through which meaning is given to phenomena' (Hajer, 1993: 45). There tends to be a particular ensemble of concepts that encompasses the discourse of innovation such as the knowledge economy, creativity, investment and a variety of others.

By the term buzzword I refer to a fashionable piece of jargon (Collins, 2000a). A buzzword is a concept that is difficult to pin down to any singular unambiguous meaning but which possess a certain positive gloss. In this article I intend to draw on and develop the understanding of buzzwords in management literature by pointing to their political importance and their relation to ideology, through an analysis of the concept of innovation. Innovation is often invoked by government departments and university administrations as something inherently desirable, as the root to economic success, yet its precise meaning tends to remain ambiguous. It is for this reason that I call innovation a buzzword.

This in turn brings to the fore questions of ideology, while innovation and its broad association with newness and creativity tends to be seen automatically as a good thing, I propose that we need to develop a better understanding of the ideology innovation is supporting in different contexts. Ultimately I argue that in the literature on innovation there is a lack of sustained analysis of innovation as a concept in terms of the roles it performs and its functions in particular socio-political discourses. There has been some critique in management literature of the assumption that innovation is necessarily a good thing, which has been characterised and critiqued as pro-innovation bias (see for example Kimberly, 1981). Some innovations may not be either particularly efficient or progressive as Abrahamson (1991) explores. However, there is a real lack of critical analysis of what innovation actually *means* in different socio-political discourses in the contemporary period and the ideological associations it has. For this we need to undertake a critical interrogation of the concept itself in its different uses. As Suchman and Bishop (2000: 331) note, innovation has always been ‘a highly political construct taken up by specific actors and made to work in particular ways’.

Furthermore, this presents a pressing political problem as the concept of innovation has spread into such a wide variety of different fields. We now have various university departments across the UK and worldwide devoted to innovation, and an important UK government department of Innovation, Universities and Skills (DIUS).[2] My key argument here is that the idea of innovation often serves as a support to processes of financialisation. By financialisation I mean the spreading of credit to ever wider sections of the population (see Martin, 2002) and then the processes of re-packaging and betting on these credits and loans, through devices like securitisation and derivatives (see Bryan and Rafferty, 2006). The obsession with innovation in relation to finance can also be seen as something which will potentially lead to another burst of speculation, the same kind of frenzied speculation that was largely responsible for the recent financial crisis (see Perez, 2002). The association between innovation and finance is expressed most clearly in Schumpeter’s (1934) *The Theory of Economic Development*, where the two concepts are closely intertwined.

2 This department has recently been renamed the Department of Business Innovation and Skills (DBIS), the term university apparently no longer warrants a separate mention in the title. If anything this serves to further strengthen the ideological association between innovation and finance and business at the level of government. This important association is one I will seek to outline through the course of the paper.

Within contemporary capitalism at a business level we have seen a certain 'routinization of innovation', an attempt to organize continuous innovation (Thrift, 2005: 7). Innovation here is essentially about the constant adoption of newness be it a system, policy program, device, process, product or service (Damonpour, 1992: 376). When one takes such a broad definition, innovation appears to be a fairly nebulous concept without anything inherently desirable about it but the term also does seem to possess a certain relentlessly positive glow. There are a variety of different guises and associations that innovation possesses in given instances some of which are more positive than others and some not so tied to the ideology of financialisation. Therefore I am stressing that we need to engage in a *context specific* unpicking of innovation and the ideological associations it has in given instances. There remains a possibility then that innovation might be imbued with different ideologies in different contexts, which is why we need to examine its meanings in a context specific way. For example, innovation might be associated more with public goods or sustainability in particular instances.

Innovation then is a concept overloaded with different meanings, however here I examine how innovation tends to be understood and used within dominant social and political discourses in contemporary society. The UK government definition of innovation, for example, cited in a recent white paper is 'the successful exploitation of new ideas' (DIUS, 2008: 13). Key to this conception of innovation is clearly the commercial value of new ideas and processes, so that they can be 'exploited' to yield capital. In the following critical analysis of innovation I will build on some of the recent work on the financialisation of different aspects of life (see Beverungen et al., 2009; Bretton Woods Project, 2010; Erturk et al., 2008; Leyshon and Thrift, 2007; Martin, 2002; Perez, 2002: Roberts, 2009) by looking at how the concept of innovation serves to support it. In making this contribution to the critical literature on financialisation I will lay the foundations by engaging with some of the existing critical work on innovation.

Given that innovation has many different associations and meanings in different contexts it is important to be clear about the precise scope of my argument in the paper. I intend to work through the three following propositions: 1) that while the existing critical literature exploring the concept of innovation is insightful, if small, it would benefit from a consideration of ideology, which would help in unpicking the different political associations that the discourse of innovation has in particular instances. 2) That there is an important and long standing association between innovation and finance that has been rather neglected in recent innovation studies with one or two exceptions (see for example O'Sullivan, 2005). 3) At a political level the concept of innovation has been invoked to support what I describe as the ideology of financialisation.

In drawing out the associations between innovation and financialisation, I will begin by exploring some of the limited but often insightful critical work on the concept of innovation in organization studies. I will then outline the position of innovation as a financial buzzword that is often selectively used by financial companies to give a positive gloss to financial practices. In the third section, I draw out and characterise what I describe as the ideology of financialisation and examine in what ways it is linked to the concept of innovation. In the final section I will focus on the socio-political importance of innovation as a financial buzzword by indicating how it is used by government and by universities. This will provide a sense of the importance of the close association between innovation and the ideology of financialisation. Innovation is used by the financial sector to provide a positive gloss to financial practices but this conception of innovation has also spread to government and higher education institutions. I will conclude by briefly discussing alternative, more radical conceptions of innovation that are not so tied to processes of financialisation.

Critical work on the concept of innovation

It is worth emphasising that there is a comparative dearth of work developing critical perspectives that explore the concept of innovation in organizational literature. The majority of research in organization and management tends to take innovation as something inherently positive that can help companies compete more effectively in the market place (see for example Damanpour, 1992; Slappendel, 1996; Wijnberg, 2004). Broadly speaking innovation is associated with newness, it is any idea, practice or material artefact that is 'perceived as new' (Zaltman et al., 1973: 158) by the unit of adoption. As I will go onto explore, although this is often left implicit in the literature on organizational innovation, this newness must also be commercially viable and profitable to be an innovation that takes hold. Amidst this literature is what is perhaps best described as some discordant fragments that seek to engage with the concept of innovation more critically. I will briefly examine these alternative perspectives on innovation before developing my own critical perspective. Principally I will argue that we need to explore how innovation is used in different socio-political discourses and examine the ideological associations innovation has in different contexts.

Perhaps the most mainstream of the existing critiques of the concept of innovation, is one that criticises the study of innovation for its lack of systematicity and consistency. Wolfe (1996) for example is highly critical of this dense field in management and organization literature. Wolfe (1996: 406) makes his critique on the basis of the catch all ambiguity of the concept of innovation. He argues that this has led to a certain hit-or-miss approach to the research that has meant that it does not seem to advance or evolve in a cumulative manner. For example, researchers are often unclear about what stage of the innovation process they are studying; some focus on the point at which an innovation is adopted, others the number of innovations that have been implemented and others the extent of innovation implementation (Wolfe, 1996: 414), which all might lead to quite different results when measured. While Wolfe's critique of innovation research undoubtedly has some continuing relevance and validity, it is ultimately a call to develop a more systematic measurable instantiation of the concept of innovation to aid theory building (Wolfe, 1996: 425). What I am more interested in here however is exploring how the catch-all ambiguity of innovation is not simply a hindrance to research but ultimately something that makes innovation a powerful socio-political buzzword. It is essentially the very ambiguity of innovation, which means it can be employed selectively and strategically in different contexts.

The next critical perspective on innovation tries to re-invigorate the concept by giving it some interesting and unexpected theoretical associations. This kind of approach works against dominant trends in managerial thinking in innovation research, which see innovation principally as an ordered process that can be managed, controlled or facilitated (for examples of this kind of this alternative account see Akrich et al., 2002; Hellstrom, 2004; O'Shea, 2002). O'Shea (2002: 115) draws on Bergson's account of creative evolution in developing a conception of innovation that is more pluralistic and focused around creating the possibility of a variety of futures rather than a singular one. Innovation is seen as a *process* rather than product, thus O'Shea breaks with existing accounts of innovation on the basis that they present a singular model of time and progress, an overly narrow and ordered conception (*ibid.*: 119). Instead he presents a conception of innovation based around 'utmost action' and continuous change; changes yield further unexpected changes rather than leading to complete products (*ibid.*: 121).

From a different theoretical perspective Hellstrom (2004) draws on Hegel and Marx to develop a notion of innovation as dialectical social action. That is, innovation occurs in dialectical opposition to a given situation and in a dialectical relation between the individual and innovative artefact. This greater attention to the social contexts from which innovation emerges that Hellstrom presents works against the tendency to see innovation as a disembodied entity, which is evident in 'the increase in the calculative or manipulative treatment of innovations and the social relations in which innovation takes place, with a concomitant emphasis on innovation "management"' (Hellstrom, 2004: 643). Hellstrom uses Lukacs's notion of reification to highlight that the dominant view of innovation tends to reduce the relation between humans to a relation between things. The human relations responsible for innovation become abstracted as commodities and products, rather than socially embedded dialectical actions.

Both these accounts in different ways then work against the pre-dominant managerial conception of innovation found in much of the literature, the problem is that they tend to neglect the political dimensions of why innovation has been understood in the way that it has. While Hellstrom for example draws heavily on Marxist theory he gives little sense of how the discourse of innovation works ideologically in solidifying financial capitalism. To develop a more nuanced critical perspective I suggest that what is needed is an engagement with the roles that the concept of innovation plays in different socio-political discourses. Why is innovation such a popular and pervasive term? To address this question it is not enough to simply give an alternative more radical understanding of innovation, which Hellstrom and O'Shea do extremely effectively. It is necessary to understand what ideological associations innovation has in its current uses.

In uncovering the political aspects of the different meanings of innovation, Suchman and Bishop (2000) provide a very useful account. Suchman and Bishop note that the obsession with the 'new' reflected in the discourse of innovation often has deeply traditional frames associated with it. Innovation places individuals in a competitive field of action, in which corporate innovators must adapt to survive in a changing environment (*ibid.*: 327; see also Suchman, 2002: 143). They draw on the experience of two US corporations, one in document-related technologies and the other in insurance. For Midwest Insurance, innovation was principally about the shifting of corporate direction into broader financial products like health and care insurance. In Midwest Insurance a dichotomy was created between 'new' and 'old' agents, between those willing and unwilling to embrace change (Suchman and Bishop, 2002: 330). As they note, 'in this sense "innovation" in the work force, rather than creating something new, effectively perpetuates an old, "divide and conquer", managerial strategy' (*ibid.*). Accompanying this was an increased focus on competitive individualism, with individuals required to take responsibility and acquire relevant skills. As Suchman and Bishop (*ibid.*: 331) explain, 'this means that framing agendas under the rubric of innovation and change is inevitably a strategic move appropriating the positive value of the term for whatever the agenda to be pursued in its name might comprise'.

The more political perspective on innovation offered by Suchman and Bishop (2002) gives us the beginnings of an alternative theoretical approach that might help us to understand how the discourse of innovation operates socio-politically. Their account serves to highlight how the meaning of innovation is strategically shaped by particular actors in different contexts and they also note how the gloss of innovation serves to give a positive mask to the more contentious corporate practices that might lie behind it. To situate the political importance of innovation however, I think it is necessary to employ some further conceptual tools. In highlighting how the discourse of innovation might be working to support particular corporate practices, it is helpful to develop some conception of the ideology that underpins it in different instances. Ideology is the imaginary relation, the key set of framing norms and practices that give sustenance and unity to a set of rule-governed behaviours or discourses.

Here I intend to draw out a neglected association between the pervasive concept of innovation and the ideology of financialisation. In organization and management research there has actually been rather little consideration of the relation between innovation and finance (see O'Sullivan, 2005: 240). Indeed, there has also been little attention paid to the relation between innovation and resource allocation. Given that economics is centrally concerned with resource allocation it is fair to say that we are lacking any kind of substantive economics of innovation (*ibid.*: 245). One can begin to see a discrepancy here between the concept of innovation as deployed in organization and management studies and the functions that the discourse of innovation plays in its contemporary socio-political uses. That is, when government and universities as commercial entities refer to innovation they are concerned with creating the best conditions for finance and investment (see for example DIUS, 2008) to fund it. While in the recent literature in organization and management studies on innovation there tends to be relatively little attention paid to the key role of resource allocation and finance in funding innovations. I argue that this link between innovation and finance is crucial to many of the modern understandings of innovation. The intention here is to develop a critical perspective in the following sections on this link, by showing the connections between innovation and the ideology of financialisation. To lay the ground work for this alternative critical account of innovation as an advance from existing critiques of the concept, I will begin by outlining its position as a financial buzzword.

Innovation as a financial buzzword

It is not difficult to find mention of the importance of innovation on the websites of different financial companies. Innovation is a key selling point for the majority of transnational financial services. For example, Credit Suisse, the international financial services group based in Liechtenstein, declares that 'the Principality of Liechtenstein is a byword for innovation'. Apparently this is because of the country's 'economic and political stability, its liberal tax and corporate laws, and the strict secrecy rules applicable to its insurance and banking sectors' (Credit Suisse, 2010). The idea that a country can be a 'byword' for innovation due to its liberal tax laws and banking secrecy presents quite a revealing political association.

In the appropriation of innovation by the financial sector it has a variety of associations that are all rather imprecise but emit a positive glow. Innovation is associated with developing unconventional solutions (see USB, 2010) and with enhancing education and enterprise (see Goldman and Sachs, 2010; Santander, 2010; USB, 2010). Innovation in the language of financial services is also associated with derivatives, which are essentially the commodification of risks through the rolling together of discrete financial attributes into contracts (Bryan and Rafferty, 2006: 10). The international financial services bank, Deutsche Bank (2010: 3), for example argues that 'regulators' efforts to comprehensively reorganise derivatives markets threaten to hamper the viability and innovative powers of these segments'. We can see an example again here of how the positive gloss of innovation is being used both politically and ideologically to justify the predominance of the financial services sector. Innovation is seen as something of great worth that will be damaged by attempts at financial regulation.

Management buzzwords have received some attention already in critical management studies literature (see for example Collins, 2000a; 2000b; 2001; De Cock and Hipkin, 1997; du Gay, 1996). Here I want to develop the understanding of management buzzwords by linking the analysis of them to the concept of ideology. It is through exploring the relation between ideology and buzzwords that we can develop a more attuned understanding of the *political* role that buzzwords play in different contexts. Within critical management literature buzzwords tend to be seen as fashionable pieces of jargon, which have an important role in the 'grammar' of management (Collins, 2000: 10). Buzzwords often have a close association in the literature with fads, transitory popular fashions in management. As Abrahamson (1996: 255) notes, these fashionable techniques must be seen as both rational and progressive. However, these key norms regarding what is rational and progressive may also be open to challenge and subject to differences of opinion (*ibid.*: 262). Innovation ties quite neatly into this key norm of progress because it seems to suggest a positive newness; it reflects the idea that to progress we must be creative and unconventional.

While this understanding of buzzwords in the management literature is helpful in regard to innovation, it does not get us very far in understanding the political role that buzzwords play in different contexts. Buzzwords are often used for strategic political purposes and this aspect tends to be rather neglected in the management literature. Buzzwords then, are popular, fashionable and transitory concepts that have both a lack of clear directional specification and a certain positive glossy ring. As Cornwall and Brock (2005) note in their analysis of development buzzwords, these terms shelter multiple meanings and thus they are sometimes better described as being 'fuzz words'. Innovation fits this trend quite neatly since it can mean very different things in different contexts. The notion that buzzwords tend to be fuzz words reflects on the multiple meanings of innovation and how it might be imbued with different ideological properties.

The notion of innovation as a buzzword has some overlaps with recent literature in critical entrepreneurship studies. In similar fashion to innovation, entrepreneurship has multiple meanings, despite being, in its pre-dominant conception, tied to venture capitalism and profit maximisation. Steyaert and Hjorth (2006) explore some alternative and collective conceptions of entrepreneurship, focusing on its capacity for social change. In critical entrepreneurship there is an emphasis upon the social and public dimensions of the concept (see Anderson et al., 2006; Hjorth and Bjerke, 2006; Lindgren and Packendorf, 2003; Steyaert and Katz, 2004). Indeed, as Steyaert and Hjorth (2006: 2) note, 'it might be possible to rescue and make public some of the less evident meanings' of social entrepreneurship. Because buzzwords have the quality of fuzziness and possess multiple meanings, there remains the possibility that they might be invested with different ideological properties in given instances. This also applies to innovation, which in certain instances might be understood in a more socially transformative sense. Having said this, it remains an important political task to understand how innovation is used, and the ideological associations that it has, within the pre-dominant discourses of contemporary capitalist life, which is my aim here.

The ideology of financialisation

Innovation is a concept that has sparked an extraordinarily wide range of theoretical and empirical research. There has been a variety of work on the sources of innovation (Von Hippel, 1995), the diffusion of innovations (Rogers, 2003), on its links to economic growth and evolution (Nelson and Winter, 1982; Verspagen, 2005) and on a variety of other social and economic phenomena. Work on technological innovation is one important subset of the innovation literature (see Rosenbloom and Christiensen, 1988; Roberts, 1987). Technological innovations are the type of innovations that have made the most concrete differences to the patterns of everyday life, like for example the steam engine (see Scherer, 1984). However, this kind of technological innovation is best seen as invention plus investment, investment is necessary to develop the capabilities and to acquire the materials for new technologies to be put into practice. Here the role of finance begins to enter the picture, individuals and firms bet on new technologies by taking out credit in the hope of increasing their production and getting hold of the next big innovation first.

At a theoretical level the key precursor to the close link between innovation and financialisation is Schumpeter. Schumpeter is perhaps the most cited and important theorist of innovation in organizational literature. He is also the theorist who makes the links between innovation and finance most explicit, which is why I will focus on his work here. Yet his conception of innovation is rather selectively employed in different empirical analyses in the innovation literature. In a helpful introduction to the Schumpeterian conception of innovation, Fagerberg (2005: 6) defines Schumpeter's innovation as the creation of 'new combinations of existing resources', the key actor in this process of creating new combinations is the entrepreneur. Schumpeter also develops a typology of innovation: of new products, new methods of production, new sources of supply, the exploitation of new markets, and new ways to organize business (*ibid.*: 67).

In Schumpeter's analysis the entrepreneur's function (Schumpeter, 1934: 74) is to carry out new combinations, which is what is known as enterprise. For Schumpeter (*ibid.*: 78) 'everyone is an entrepreneur only when he actually carries out new combinations', and loses that character as soon as he has built up his business. This would seem to situate the entrepreneur as the creator of innovation, since innovation is about new combinations and the entrepreneur is the person who carries this out. Thus, for Schumpeter, business investment and entrepreneurial activity is integral to any innovation (see Scherer, 1984: 15). Schumpeter (1934: 89) actually explicitly separates the concept of innovation from invention. Integral to such a separation is a sense in which individual or collective inventions, which might take place on the shop floor or in alternative ideas of co-operative working arrangements, are not encompassed within the definition of innovation. Instead, the entrepreneur is the key driver of the process of innovation. Their role involves combining the different aspects of production to maximise capital (see Spicer and Jones, 2009: 48).

This distinction between innovation and invention is crucial to my analysis; since it is finance and entrepreneurial investment that is precisely what makes an invention into an innovation for Schumpeter (see also Scherer, 1984). Bill Gates is perhaps the most suitable model of the entrepreneurial innovator in this kind of account, since his success is not simply down to invention but rather his aggressive cornering of the market. Not only is Bill Gates the personification of a socially responsible capitalist (see Fisher, 2009: 27; Žižek, 2009: 34), he is one of the richest people in the world because his product Windows has assumed a certain orthodoxy; people use Windows without necessarily thinking about alternatives. This is the case despite the fact that many argue that alternative free programmes, like Linux, actually perform better and are less likely to crash. Thus Bill Gates' success is not so much down to invention, rather he has been able to monopolise the market place by creating a winning combination of Microsoft Disk Operating System (MS-DOS) and Windows. We can see from this example that entrepreneurial innovation is not so much about invention as the capacity to bring together skilful marketing, finance and a new product.

Less explored in different introductions to Schumpeterian innovation is the key role of financial capital in the process. Indeed, central to the driving of different forms of innovation is finance, Schumpeter (1934: 70) describes it as 'fundamentally necessary' to carrying out new combinations. Furthermore credit is necessary to detach productive means from the circular flow and adopt them to new combinations by outbidding other producers (*ibid.*: 71). Schumpeter (*ibid.*: 74) also notes the importance of the banker in providing credit, describing them as the capitalists par excellence. Regarding the importance of credit he does state that in principle 'no one other than the entrepreneur needs credit' (*ibid.*: 102). Credit then is about the entrepreneur being able to acquire from the social stream of goods before they have acquired the normal claim to it (*ibid.*: 107).[3]

What we see then form the early Schumpeter is the importance of credit in funding processes of innovation. However, there are two aspects less addressed in this account of innovation but which would seem to spring from it: risk taking and speculation. In giving credit and essentially betting on new combinations there is clearly an element of risk, some ventures may succeed and many others may fail. Secondly, this also encourages people to speculate on other people's risks, by betting on the investments of a particular credit agency. These elements of risk and speculation are central to the ideology of financialisation, which selectively draws on innovation as a buzzword.

By financialisation I mean the spread of finance to increasing areas of social life, the principal tool, which facilitates this process is credit. Financialisation in a sense takes off from here, although the spread of credit has worked in conjunction with a variety of other phenomena which can be associated with amalgamating and betting on credit, like derivatives (see Bryan and Rafferty, 2006), securitisation (see Roberts, 2009: 336) and speculation, all of which are integral to the present ideology of financialisation.

Unfortunately, ideology is a rather unfashionable term at present in much of organizational literature (Alvesson and Kärreman, 2000: 1145) but its value here is that it helps us to develop a more political perspective on the practices that the concept of innovation is helping to support. In using the term ideology I am employing Althusser's definition, which is the imaginary relation of individuals to their real conditions of existence (Althusser, 2008: 36). As Eagleton (1991: 18) notes, for Althusser ideology is 'a particular organization of signifying practices which goes to constitute human beings as social subjects'. The effects of this ideology are rooted in practices and material relations, combined with discourses. However, ideology here is not singular but multiple. There are a variety of symbolic codes, characterised by particular norms, which can be situated and problematised to reveal their ideological foundations.

---

3 It is worth noting that Schumpeter's writing is a great deal broader than the rather limited characterisation of innovation that I have extracted from his seminal *The Theory of Economic Development*. A demarcation is sometimes made between the early Schumpeter, 'Schumpeter Mark I', focused on the individual entrepreneur, and the later Schumpeter, 'Schumpeter Mark II', whose analysis was based on innovation in large firms (Fagerberg, 2005: 6). It must be emphasised that in many ways Schumpeter was a radical theorist of economic disequilibrium and creative destruction, which he saw as central to the capitalist process (see Rosenberg, 1994: 52). In *Capitalism, Socialism and Democracy* (1942), he engages sympathetically with Marx and his historical conception of capitalism (Rosenberg, 1994), going as far as to argue for the inevitability of socialism. However my intention here, rather than drawing out the richness of Schumpeter's work is to highlight the theoretical association between innovation and finance, which is pronounced in his earlier work. Having said this, there are more radical readings of the early Schumpeter focused on the non-economic or social aspects of entrepreneurship. Indeed in the earlier 1911 German edition, *Theorie der wirtschaftlichen Entwicklung* – heavily amended in the English translation, the 1934 *Theory of Economic Development* – there is a wider emphasis on non-economic dynamism and creativity. This partial focus on creativity in the non-economic sphere is evident in chapter 7, which was then completely removed in the abridged and much more widely circulated English 1934 edition (see Swedberg, 2006).

It is worth emphasising that economic relations within my own approach are not equated here with the 'real' as such, although this is the case within the dominant ideology thesis of Althusser. Within this account, the economic is not an a priori determinant of political identity and the conditions of existence. Furthermore, this notion of a dominant ideology underpinning capitalist relations of production becomes complexified in Althusser's later work and in a letter correspondence in which he notes 'the interpellation of the individual subject, which makes him an ideological subject, is realised not on the basis of a *single* ideology; but of *several ideologies* at once, under which the individual *lives* and *acts* his practice' (Althusser, 2006: 241). This is not to say at the same time that the economic is not hugely important as an ideological formation, and here I examine one key facet of that contemporary formation: financialisation.

There are three senses to ideology and what I mean by the ideology of financialisation. The first sense is that of the framing norms that we can characterise in the discourse and practices of financialisation. This is based around the expansion of credit and financial markets to increasing areas of social life in terms of certain key norms like the spreading of risk and financial literacy (see Martin, 2002) to individuals, families and public services. A key norm of financialisation is risk taking (Mandel, 1996: 8), the idea that we gamble now, that we bet on credit and the markets in the hope of securing profit later. Also accompanying the expansion of credit and financial thinking is the assumption that this can create profits and also wider social benefits. Financialisation is seen as a way of maximising opportunity and creativity, and it is in this sense that innovation becomes a central concept within financialisation.

The second sense of ideology is the practical denigration of ideology by ideology (Althusser, 2008: 49). A principal characteristic of ideology is that it does not cast itself as ideological, political or contestable. For example the practices of financialisation are constantly characterised as being about efficiency rather than a subject of political disagreement. The recent financial crisis clearly raises wide questions about the role of finance in shaping increasing spheres of our lives. Yet because financialisation has become hugely important, and more than this necessary, for economic growth it has been able to place itself beyond substantial questioning or political contestation. Žižek (2008: 31) expresses this neatly when he notes that 'the actualization of a notion of an ideology at its purest coincides with, or, more precisely appears as its opposite, as non-ideology'. Financialisation is cast as beyond politics and increasingly as part of the fabric of everyday life (Martin, 2002). These two features of ideology are closely bound up with one another: ideology is based around a set of key norms that are cast as necessary, resulting in ideological denegation. Thus the second sense of ideology, ideological denegation, has a central role in denigrating or depoliticising certain framing norms.

This connects closely with the third sense of ideology, which is focused on the ways in which this ideology is sedimented and the deeply rooted practices it is based on. Financialisation has substantially changed the patterns of everyday life principally through the spreading of credit and securitization. Securitization is essentially the process of pooling or bundling together debts in otherwise non-tradable goods like houses, into tradable assets (Martin, 2002; see Leyshon and Thrift, 2007: 100).

Furthermore as Dembinski (2009: 80) notes, financial transactions have become central to the globalising economy. Impersonal promises through credit become spread out through the economic system and rights, duties and commitments based on paper become 'financial assets' to be speculated upon. These are deeply rooted sets of practices that enter into our daily lives in ways that make them seem inevitable or natural. The three senses of ideology link together then, financialisation is based on certain key norms like risk and profitability, which are then taken as given rather than something which is political or questionable, and this ideology is sedimented around practices like financial transactions that become part of the fabric of everyday life.

Where does the discourse of innovation fit then within this increasingly financial picture? My principal claim is that the links between the function of innovation as a buzzword and the ideology of financialisation are under-examined in organization and management literature. The discourse of innovation is central to financialisation for four principal reasons. Firstly, at a theoretical level innovation can be associated with processes of credit formation and amalgamation; this is something we have seen through the analysis of Schumpeter. Second, risk is integral to the ideology of financialisation, which creates a certain routinization of risk (Martin, 2002: 106; see Roberts, 2009: 335). In this sense risk is an endemic feature of financial capitalism.[4]

To the extent to which risk is about betting on winners in financial markets it can be closely associated with the buzzword of innovation. To find innovations, the market needs to be open to those that are prepared to risk new combinations which may or may not be profitable, thus leading, in turn, to cycles of risk taking. Innovation becomes a key term in justifying increasing rounds of financial speculation, betting on risks that might become innovations, which then leads to betting on these financial risks, which then leads to greater amalgamations of those conjoining risks. It is unsurprising therefore that the language of innovation is employed by financial firms to publicise their activity, the large financial management and advisory service Merrill Lynch for example advertises itself as a 'driver of innovation' (De Cock et al., 2009: 14).

The first two characteristics of innovation and its association with financialisation work more at the ideological level of norms although they do affect practices. In the Schumpeterian sense, we see that credit and finance is necessary for the entrepreneurial activity that creates innovation. In the second sense, the norms of risk that are endemic to financial speculation become justified through the discourse of innovation.

At the ideological level of practices, financialisation is linked to innovation in two more practical senses. The proliferation of financial innovation is the third link between innovation and financialisation. Indeed, as Roberts notes:

---

4 Economists have tended to draw a distinction here between risk in which possibilities of financial return can be calculated and uncertainty, the immeasurable other of risk which involves potential totally unforeseen occurrences. The problem is that with the spread of financialisation any clear distinction between risk and uncertainty has become highly blurred. In the recent financial crisis, with securitization, long chains of risk led to scenarios in which nobody knew who was actually holding the risk (Erturk et al., 2008: 14; see also Stiglitz, 2010).

> The Collateralised Debt Obligation (CDO) offered a further innovation by devising a way in which such a pool of assets might be further divided in order to produce different 'tranches' of securities each with a different risk/reward profile. (Roberts, 2009: 336)

Roberts then goes onto describe how CDOs, the placing of pooled asset risks into structured tranches, led to the development of further innovation through 'synthetic' CDOs in which risks were sold onto investors through credit default swaps (CDSs). CDSs are the swapping of default risks to another body, such as a hedge fund, which takes the interest payments and is supposed to pay in the event of a default.

At a financial level then when we examine specifically financial innovations, they begin to sound very much like tools to increase lines of untrammelled financial speculation. While speculation is a difficult term to define conclusively it refers to buying and selling financial assets in different parts of the market and thereby distributing and redistributing risk (Bryan and Rafferty, 2006: 197). We can say that financial innovation is thus closely allied to speculation, in that financial innovations serve often to repackage risks that can then be invested in or betted on by other speculators. Thus, at the level of practices, the term financial innovation gives a positive gloss to increasingly speculative ways of pooling financial risk.

Fourthly, in terms of practices financial innovation has been about finding new asset streams. Essentially the purpose of making loans, mortgages and offering credit cards, is increasingly to generate 'tradeable financial assets' (Leyshon and Thrift, 2007: 106). Furthermore, new geographies and new classes of risk to create new assets are constantly being searched for by enormous databases of credit-rating companies, like Equifax (Leyshon and Thrift, 2007: 107). Thus we see a key instantiation of innovation, the creation of new assets through the further financialisation and commodification of existing entities.

Innovation it might be argued is about increased performance and economic growth rather than politics. However, in heralding an engagement with the new, innovation tends only to suggest a selective engagement, a selective engagement within the parameters of consumerism and finance. The link between innovation and the ideology of financialisation has also spread into the predominant conception of innovation we find in government and universities.

Government and university innovation

Innovation seems to have a series of rather nebulous positive associations at the political level which are difficult to ignore, it means at different times: technological development; useful research; a device to build economic dynamism and productivity; a tool to create sustainability; and a way to build growth in a competitive economy. My aim here has been to contribute to the literature on financialisation, by focusing on how the concept of innovation serves to support its central norms and practices. In this section then, I want to briefly situate the relation between innovation and financialisation in government and university discourses.

The Department of Innovation, Universities and Skills (DIUS) has been a key actor in the government embrace of innovation. It is immediately striking that innovation has been associated with universities in the name of a government department. There is an implicit assumption here around the idea that the primary role of universities is to innovate, meaning essentially that they are there to provide fresh research and ideas that will contribute to economic productivity and growth. As I will go onto discuss, this obsession with innovation at the level of universities is deeply intertwined with the pervasive business ethos that has come to predominate in large parts of the university sector, which Beverungen et al. (2009: 264) characterise as the 'financialisation of universities'.

In 'Innovation Nation', the DIUS recent white paper on innovation, it is not difficult to see the principal ideological tropes that the concept tends to operate within when government embraces the innovation buzzword. For example, the report notes in the early pages that 'government creates the conditions for innovation by securing macroeconomic stability and open and competitive markets' (DIUS, 2008: 4). The features of market openness and competition are seen as necessary conditions for innovation in the white paper, what this serves to do is solidify a certain financial orthodoxy around innovation. The idea is essentially that innovation can only be promoted if it can be ensured that it will render profits for the innovators (Corrado, 2007). An inevitable corollary of this is that massive profits might also be generated for those speculators who take risks on an innovation, those that bring together 'new combinations' in Schumpeter's terminology. Innovation also works with the governments' relentless faith in finance as the way to drive sustainable growth, something which remains unshaken despite the recent massive financial crisis. For example, the white paper proposes a range of financial support for innovative programmes, under the title 'Innovation finance' (DIUS, 2008: 36). Furthermore the improvement of access to finance for innovative products and services is seen as an area that needs to be improved upon (see NESTA, 2009: 21).

Underpinning much of this government discourse of innovation is the increasing commercialisation of universities. Within this framework universities exist principally to produce commercially viable ideas that can attract private sector investment. Indeed, the DIUS (now the DBIS) is seeking to brand universities as institutions that have a key role in helping business. The language of innovation is also one that modern universities have bought into equally as strongly, partly because it is a way to maximise the potential for public and private investment. By speaking in terms of innovation universities seek to demonstrate that they are relevant and useful in contemporary life by producing the ideas to foster economic growth and to create new technologies. Universities are characterised by an 'ongoing obsession with innovation and creativity' (Berglund, 2008: 322). The absorption of innovation into universities is extremely difficult to ignore, in that the concept of innovation is often present in job descriptions, university department names, research proposals and different funding body requirements.

For example, the concept of innovation seems to be particularly prevalent in the European Union and European Commission funding guidelines. They have an extensive funding programme available for research and innovation programmes, partly for PhD students and higher education institutions. Indeed, in the European Union's guide for research funding in innovation the sentiment expressed is similar to both the UK's DIUS white paper and the views of financial companies, like Deutsche Bank, that see regulation as a barrier to innovation. As the European Union (2010) guidelines note:

> In an open global economy, competitiveness lies in the capacity of businesses to create high value-added goods and services. A move towards innovation-based sustainable growth is therefore at the heart of the EU's response to globalisation.

In similar fashion to the DIUS white paper we see that innovation is invoked as the best way to secure growth in an *open* economy. The idea that market openness facilitates innovation, implicitly serves as a way of justifying the absence of substantive financial regulation. What is also interesting is that the open economy is taken as given and as something that must be adapted to through innovation, rather than a subject of any questioning. Innovation is then taken as the only way to be successful and competitive within this pre-given economic order. Research also has a key role in this conception of the economy, the purpose of which is to discover the ideas that might become the competitive innovations of tomorrow. The idea is that innovation research is the root to commercially profitable investment in the modern 'knowledge economy' (see European Commission, 2010; European Union, 2010).

The concept of innovation is particularly pervasive in academia also because it works with the increasing links between knowledge and business. Thrift (2005: 22) points to this as an instance of a more general trend in the move towards knowledgeable capitalism in which information skills become increasingly important. Business is linked to academia through a variety of recent phenomena, such as the focus on learning within business (*ibid.*; see Contu et al., 2003). Also business has become more academic while academia has become more business oriented, business workforces have become steadily more qualified, and often these fields draw on the same vocabularies, which the concept of innovation is one instance of (Thrift, 2005: 22-23). Indeed, Thrift (*ibid.*: 22) also notes that 'innovation necessarily involves the generation and deployment of information and knowledge'. Thus universities have seen an opportunity to market themselves as innovation drivers in order to ensure that they remain relevant and able to secure funding.

It is worth noting that with the almost wholehearted adoption of the concept of innovation into universities, an important point of critique has been circumscribed. Rather than being critical of any of the directions of contemporary capitalism and its gross inequalities the dominant discourse of innovation requires one to work within them. It means that researchers and academics have to work towards commercially viable ideas and to look at how to create the best conditions to facilitate innovations, which in turn works with processes and norms of financialisation.

The role of buzzwords is often to unite disparate groups around a key term; they create a positive gloss, which means that nobody can really disagree with them. Innovation has very much this kind of function in relation to financialisation and this is why it is increasingly used by financial companies, international institutions, university administrations, government departments, like the DIUS, and by a plethora of other public and private actors. However, because nobody can really disagree with buzzwords, such as innovation, they also have the function of ideological masking in giving a positive gloss to a range of practices. I have sought to demonstrate some of the links between the concept of innovation and the ideology of financialisation.

Conclusion and discussion

In this selective sociological problematisation of innovation, I hope I have succeeded above all else in demonstrating the strong connection the buzzword innovation often has with the ideology of financialisation. This ideological association with financialisation is also a long standing theoretical one, since for Schumpeter, perhaps the key theorist of innovation, it is financial investment for purposes of profit that distinguishes innovation from invention. One might say that there is nothing wrong with this, but this depends on one's political persuasion, and to what extent one acknowledges that the recent financial crisis means that the pervasive ideology of financialisation needs critical rethinking. However, at present the discourse of innovation serves as something of a mask with which to justify financialisation and its accompanying conditions of speculation and risk taking.

A difficult question remains however about whether it is possible to develop a different kind of innovation, one that is not dependent on financial markets and profit maximisation. One can detect currents in the discourse of innovation that might run counter to financialisation, since sometimes innovation is invoked to refer more to radical transformation or an alternative creativity (see for example Fisher, 2009: 76; Lohmann 2009: 28). This is why I have emphasised that we need to undertake a context-specific examination of innovation and its ideological associations in given instances. I am not claiming as of necessity then that the concept of innovation is inseparable from financial speculation; such a claim would be unsustainable. Furthermore, the link between innovation and the ideology of financialisation is a contingent rather than necessary construction. Thus I think we need to try to shift the discourses of innovation rooted in the ideology of financialisation to a more transformative or radical conception of innovation. By seeking to build a more transformative or radical notion of innovation we might begin to highlight the constraints that the concept of innovation based within financialisation presents us with. The idea of innovation is often one in which we must accept the constraints of existing capitalism and work within these constraints, to utilise finance in creative ways in order to solve problems. We can only challenge these constraints by developing a more transformative, politically-charged conception of innovation, and by pointing to the limitations of existing predominant understandings of the concept; these tasks should be the principal goal of academic researchers into innovation. Transformative innovation might then serve to challenge the constraints of financialisation by thinking of more egalitarian and socially just transformations; rather than taking financialisation as an implicit given and seeking to work within it as all too often researchers into innovation have tended to do.

references

Abrahamson, E. (1991) 'Managerial fads and fashions: The diffusion and rejection of innovations', *Academy of Management Review*, 16(3): 586-612.

Abrahamson, E. (1996) 'Management fashion', *Academy of Management Review*, 21(1): 254-285.

Akrich, M., M. Callon and B. Latour (2005) 'The key to success in innovation part I: The art of interessement', *International Journal of Innovation Management*, 6(2): 187-206.

Althusser, L. (2006) 'Correspondence about philosophy and Marxism', in F. Matheron and O. Corpet (eds.) *Louis Althusser: Philosophy of the encounter later writings, 1978-1987*. London: Verso.

Althusser, L. (2008) *On ideology*. London: New Left Books.

Alvesson, M. and D. Kärreman (2000) 'Varieties of discourse. On the study of organizations through discourse analysis', *Human Relations*, 53(9): 1125-1149.

Anderson, R.B., B. Honig and A.M. Paredo (2006) 'Communities in the global economy: Where social and indigenous entrepreneurship meet', in C. Steyaert and D. Hjorth (eds.) *Entrepreneurship as social change: A third movements in entrepreneurship book*. Cheltenham: Edward Elgar.

Berglund, E. (2008) 'I wanted to be an academic, not "a creative": Notes on universities and the new capitalism', *ephemera*, 8(3): 322-329.

Beverungen, A., S. Dunne and C. Hoedemaekers (2009) 'The university of finance', *ephemera*, 9(4): 261-270.

Bretton Woods Project (2010) 'Social insecurity: The financialisation of health and pensions in developing countries' [http://www.brettonwoodsproject.org/doc/private/socialinsecurity.pdf].

Bryan, D. and M. Rafferty (2006) *Capitalism with derivatives: A political economy of financial derivatives, capital and class*. Hampshire: Palgrave Macmillan.

Contu, A., C. Grey and A. Ortenblad (2003) 'Against learning', *Human Relations*, 56(8): 931-952.

Collins, D. (2000a) *Management fads and buzzwords: Critical-practical perspectives*. London: Routledge.

Collins, D. (2000b) 'The fad motif in management scholarship', *Employee Relations*, 23(1): 26-37.

Collins, D. (2001) 'BPR and the substance of change', *Strategic Change*, 10: 163-173.

Cornwall, A. and K. Brock (2005) 'What do buzzword do for development policy? A critical look at 'participation', 'empowerment' and 'poverty reduction'', *Third World Quarterly*, 26(7): 1043-160.

Corrado, C. (2007) 'Comment submitted to the advisory committee on measuring innovation in the 21st century economy'. [http://www.innovationmetrics.gov/comments/051107FederalReserveBoard.pdf]

Credit Suisse (2010) 'Financial center FL'. [https://www.credit-suisse.com/li/lifepensions/en/finanzplatz.jsp]

Damanpour, F. (1992) 'Organizational size and innovation', *Organization Studies*, 13(3): 375-402.

De Cock, C. and I. Hipkin (1997) 'TQM and BPR: Beyond the beyond myth', *Journal of Management Studies*, 34(5): 659-675.

De Cock, C., J. Fitchett and C. Volkmann (2009) 'Myths of a near past: Envisioning finance capitalism *anno* 2007', *ephemera*, 9(1): 8-25.

Dembinski, P.H. (2009) *Finance: Servant or deceiver?,* trans. K. Cook. Hampshire: Palgrave Macmillan.

Department of Innovation Universities and Skills (DIUS) (2008) 'Innovation nation', *Government White Paper*. [http://www.bis.gov.uk/Policies/innovation/white-paper]

Deutsche Bank (2010) 'OTC derivatives: A new market infrastructure is taking shape'. [http://www.dbresearch.com/PROD/CIB_INTERNET_EN-PROD/PROD0000000000256894.pdf]

Du Gay, P. (1996) *Consumption and identity at work*. London: Sage Publications.

Eagleton, T. (1991) *Ideology: An introduction*. London: Verso.

Erturk, I., J. Froud, S. Johal, A. Leaver and K. Williams (2008) 'General introduction: financialization, coupon pool and conjecture', in I. Erturk, J. Froud, S. Johal, A. Leaver and K. Williams (eds.) *Financialization at Work*. London: Routledge.

European Commission (2010) 'Practical guide to EU funding opportunities for research and innovation', Community Research and Development Information Service (CORDIS). [http://cordis.europa.eu/eu-funding-guide/home_en.html]

European Union (2010) 'Competitive European regions through research and innovation: Practical guide to EU funding opportunities for research and innovation', *Competitiveness and Innovation*

Framework Programme 2007-2013. [ftp://ftp.cordis.europa.eu/pub/fp7/docs/practical-guide-eufunding_en.pdf]

Fagerberg, J. (2005) 'Innovation: A guide to the literature', in J. Fagerberg, D.C. Mowery and R.R. Nelson (eds.) *The Oxford Handbook of Innovation*. Oxford: Oxford University Press.

Fisher, M. (2009) *Capitalist realism: Is there no alternative?* Winchester, UK: Zero Books.

Goldman Sachs (2010) 'Promoting entrepreneurship and business education'. [http://www2.goldmansachs.com/citizenship/philanthropy/publications-and-resources/promoting-leadership-entrepreneurship-business-ed/promoting-entrepreneurship-and-business-ed.pdf]

Hajer, M. (1993) 'Discourse coalitions and the institutionalisation of practice', in F. Fischer and J. Forester (eds.) *The argumentative turn in policy analysis and planning*. Durham, NC: Duke University Press.

Hellstrom, T. (2004) 'Innovation as social action', *Organization*, 11(5): 631-649.

Kimberly, J.M. (1981) 'Management innovation', in P.C. Nystrom and W.H. Starbuck (eds.) *Handbook of Organizational Change*, Vol. 1. New York: Oxford University Press.

Hjorth, D. and B. Bjerke (2006) 'Public entrepreneurship: Moving from social/consumer to public citizen', in C. Steyaert and D. Hjorth (eds.) *Entrepreneurship as social change: A third movements in entrepreneurship book*. Cheltenham: Edward Elgar.

Leyshon, A. and N. Thrift (2007) 'The capitalization of almost everything: The future of finance and capitalism', *Theory, Culture & Society*, 24(7-8): 97-115.

Lindgren, M. and J. Packendorff (2003) 'A project-based view of entrepreneurship: Towards action-orientation, seriality and collectivity', in C. Steyaert and D. Hjorth (eds.) *New movements in entrepreneurship*. Cheltenham: Edward Elgar.

Lohmann, L. (2009) 'Neoliberalism and the calculable world: The rise of carbon trading', in S. Böhm and S. Daphi (eds.) *Upsetting the offset: The political economy of carbon markets*. London: MayFly Books.

Mandel, M.J. (1996) *The high risk society: Peril and promise in the new economy*. New York: Random House.

Martin, R. (2002) *Financialization of daily life*. Philadelphia, USA: Temple University Press.

National Endowment for Science Technology and the Arts (NESTA) (2009) 'The innovation index: Measuring the UK's investment in innovation and its effects'. [http://www.nesta.org.uk/library/documents/innovation-index.pdf]

Nelson, R.R. and S.G. Winter (1982) *An evolutionary theory of economic change*. London: Harvard University Press.

O'Shea, A. (2002) 'The (r)evolution of new product innovation', *Organization*, 9(1): 113-125.

O'Sullivan, M. (2005) 'Finance and innovation', in J. Fagerberg, D.C. Mowery and R.R. Nelson (eds.) *The Oxford handbook of innovation*. Oxford: Oxford University Press.

Perez, C. (2002) *Technological revolutions and financial capital: The dynamics of bubbles and golden ages*. Northampton, Massachusetts: Edward Elgar Publishing, Inc.

Roberts, E.B. (eds.) (1987) *Generating technological innovation*. Oxford: Oxford University Press.

Roberts, J. (2009) 'Faith in the numbers', *ephemera*, 9(4): 335-343.

Rogers, E.M. (2003) *Diffusion of innovations.* New York: Free Press.

Rosenberg, N. (1994) *Exploring the black box: Technology, economics, and history*. Cambridge: Cambridge University Press.

Rosenbloom, R. S. and C.M. Christensen (1998) 'Technological discontinuities, organizational capabilities, and strategic commitments', in G. Dosi, D.J. Teece and J. Chytry (eds.) *Technology, organization and competiveness: Perspectives on industrial and corporate change*. Oxford: Oxford University Press.

Santander (2010) 'Santander Universities – Programme Information'. [http://www.santander.co.uk/csgs/Satellite?appID=abbey.internet.Abbeycom&canal=CABBEYCOM&cid=1210609061003&empr=Abbeycom&leng=en_GB&pagename=Abbeycom%2FPage%2FWC_ACOM_TemplateA2].

Scherer, F.M. (1984) *Innovation and growth: Schumpeterian perspectives*. Cambridge, Massachusetts: MIT Press.

Schumpeter, J.A. (1934) *The theory of economic development*, trans. R. Opie. Cambridge, Massachusetts: Harvard University Press.

Schumpeter, J.A. (1942) *Capitalism socialism and democracy*. London: Harper & Row Publishers.

Slappendel, C. (1996) 'Perspectives on innovation in organizations', *Organization Studies*, 17(1): 107-129.

Spicer, A. and C. Jones (2009) *Unmasking the entrepreneur*. Cheltenham: Edward Elgar Publishing Ltd.

Steyaert, C. and D. Hjorth (2006) 'Introduction: What is social entrepreneurship?', in C. Steyaert and D. Hjorth (eds.) *Entrepreneurship as social change: A third movements in entrepreneurship book*. Cheltenham: Edward Elgar.

Steyaert, C. and C. Katz (2004) 'Reclaiming the space of entrepreneurship in society: geographical, discursive and social dimensions', *Entrepreneurship and Regional Development*, 16(3): 191-221.

Stiglitz, J. (2010) 'The non-existent hand', *London Review of Books*, 32(8): 17-18.

Suchman, L. (2002) 'Practice-based design information systems: Notes from the hyperdeveloped world', *The Information Society*, 18(2): 139-144.

Suchman, L. and L. Bishop (2000) 'Problematizing 'innovation' as a critical project', *Technology Analysis & Strategic Management*, 12(3): 327-333.

Swedberg, R. (2006) 'Social entrepreneurship: The view of the young Schumpeter', in C. Steyaert and D. Hjorth (eds.) *Entrepreneurship as social change: A third movements in entrepreneurship book*. Cheltenham: Edward Elgar.

Thrift, N. (2005) *Knowing capitalism*. London: Sage Publications.

UBS (2010) 'The innovation stage: Developing unconventional approaches'. [http://www.ubs.com/1/e/wealthmanagement/optimusfoundation/granat_strategy/innovation.html]

Verspagen, B. (2005) 'Innovation and economic growth', in J. Fagerberg, D.C. Mowery and R.R. Nelson (eds.) *The Oxford handbook of innovation*. Oxford: Oxford University Press.

Von Hippel, E. (1995) *The sources of innovation*. Oxford: Oxford University Press.

Wijnberg, N.M. (2004) 'Innovation and organization: Value and competition in selection systems', *Organization Studies*, 25(8): 1413-1433.

Wolfe, R.A. (1994) 'Organizational innovation: Review critique and suggested research directions', *Journal of Management Studies*, 31(3): 405-430.

Zaltman, G., R. Duncan and J. Holbek (1973) *Innovation and organizations*. New York: Wiley.

Žižek, S. (2008) *Violence: Six sideways reflections*. London: Profile Books.

Žižek, S. (2009) *First as tragedy, then as farce*. London: Verso.

the author

Sam Dallyn is a Lecturer in Management at the University of Swansea. His current research interests are in poststructuralist theory, the role of ideology in different social formations, critical development studies and transnational finance.
E-mail: s.e.h.dallyn@swansea.ac.uk