



Image: WIPO

18.08.2016 – The value of innovation lies in itself and as a driver of economic growth and prosperity.

What is the Global Innovation Index?

Since its initial publication in 2007, the [Global Innovation Index](#) (GII) has established itself as a leading reference on innovation. Co-published with [Cornell University](#)

, [INSEAD](#)

, and the

[World Intellectual Property Organization](#)

(WIPO) of the UN, the report consists of a ranking of world economies' innovation capabilities and results. This year encompassing 128 economies, representing 92.8% of the world's population and 97.9% of global GDP, it assists in tailoring policies to promote long-term output growth, improved productivity, and job growth.

Recognising multiple facets of innovation, the GII goes beyond traditional measures of innovation to cover a broad horizontal range of qualitative and quantitative factors. Understanding in more detail the human aspects behind innovation is essential to promote

economic development and innovative environments.

Europe's role

Europe is represented by 39 economies in the GII, all of which are in the top 100 and 15 of which enter the top 25 this year. Switzerland comes 1st for the sixth consecutive year, Sweden 2nd, and the United Kingdom 3rd. Following these regional leaders among this group are Finland (5th), Ireland (7th), Denmark (8th), the Netherlands (9th), Germany (10th), Luxembourg (12th), Iceland (13th), France (18th), Austria (20th), Norway (22nd), Belgium (23rd), and Estonia (24th). It should be noted that most of the economies in this region have the fewest missing values, leading them to display the most accurate GII rankings.



Image: GII, see more at <https://www.globalinnovationindex.org/media-infographics>

So what puts certain economies at the top? The report found that Europe benefits from comparatively strong institutions and well-developed infrastructure. According to WIPO, among the GII 2016 leaders, four economies – Japan, the US, the UK, and Germany – stand out in

“innovation quality,” a top-level indicator that looks at the calibre of universities, number of scientific publications and international patent filings.

However, the GII report emphasises that “there is no automatism or mechanical recipe for creating sound innovation systems.” Easily measurable factors such as absolute figures on research and development or the number of domestic research-ers, graduates and scientific publications are of limited potential and “all too often a higher share of science and engineering graduates, for example, is pursued as a panacea for creating sound innovation systems”. While the role of governments in spurring innovation in high-income countries in Northern America and Europe has been strong throughout history, the report argues that

high-quality innovation inputs and outputs are often the reflection of other factors that make an innovation ecosystem healthy, vibrant, and productive. Ideally, these systems become self-perpetuating, bottom-up, and without a recurrent need for policy or government to drive innovation... Providing enough space for entrepreneurship and innovation; the right incentives and encouragement to bottom-up forces such as individuals, students, small firms, and others; and a certain ‘freedom to operate’ that often challenges the status quo is part of the equation.



The informal economy represents between 40 and 80 percent of the workforce in developing countries. Photo: International Labour Organisation (ILO)/Ferry Latief

Innovation and the Sustainable Development Goals (SDGs)

The broad scope of the GII shows innovation to be connected with the pursuit of the SDGs, such as [quality education](#) , [sustainable communities](#) , and [strong institutions](#) . Fostering innovation is an explicit part of

[Goal 9](#)

along with promoting inclusive and sustainable industrialisation and building resilient infrastructure. There is an acknowledgment of the relationship between innovation and

[Goal 8](#)

, with Francis Gurry (WIPO Director-General) noting that the 2016 findings point to an increasing awareness that “investing in innovation is critical to raising long-term economic growth”.

The [final Goal 17](#) to strengthen global partnership for sustainable development is reflected in innovation as according to Bruno Lanvin (INSEAD Executive Director for Global Indices and co-editor of the report), ‘on one hand, more emerging countries are becoming successful innovators, and on the other hand, an increasing share of innovation benefits stem from cross-border co-operation.’ Evidently, the pursuit of innovation connects the SDGs and progress towards innovation and the SDGs is related.

There is potential for us to advance towards the SDGs through innovation.