

Location: Krannert School of Management

Date/Time: February 28, 2020, 10:00 am – 11:30 am, KCTR 124
Reception, 11:30 am – 12:15, Krannert Drawing Room

Host: Innovation Research and Teaching Committee

Speaker: Josh Lerner, Professor of Entrepreneurial Management

Title: Venture Capital and Regional Economic Growth and Innovation: Lessons for Universities and Governments



Josh Lerner graduated from Yale College with a special divisional major. He worked for several years on issues concerning technological innovation and public policy at the Brookings Institution, for a public-private task force in Chicago, and on Capitol Hill. He then earned a Ph.D. from Harvard's Economics Department.

Abstract:

In the dozen years since the Global Financial Crisis, there has been a surge of interest on the part of governments in promoting entrepreneurial activity, largely by providing financing. This talk will explore these policies, focusing on financial incentives to entrepreneurs and the intermediaries who fund them. The motivation for these efforts is clear: the well-documented relationships between economic growth, innovation, entrepreneurship and venture capital. Yet despite good intentions, many of these public initiatives have ended in disappointment. I argue that these failures have not simply been a matter of bad luck, but bad choices. Instead, the unfortunate outcomes have reflected the fundamental structural issues that make it difficult for governments to launch sustained successful efforts to promote entrepreneurship over sustained periods. I highlight several critical challenges, and suggest two principles that might render these efforts more effective.

Krannert School of Management

Much of his research focuses on venture capital and private equity organizations. (This research is collected in three books, *The Venture Capital Cycle*, *The Money of Invention*, and *Boulevard of Broken Dreams*.) He also examines policies on innovation and how they impact firm strategies. (That research is discussed in the books *Innovation and Its Discontents*, *The Comingled Code*, and *The Architecture of Innovation*.) He co-directs the National Bureau of Economic Research's Productivity, Innovation, and Entrepreneurship Program and serves as co-editor of their publication, *Innovation Policy and the Economy*. He founded and runs the Private Capital Research Institute, a nonprofit devoted to encouraging access to data and research, and has been a frequent leader of and participant in the World Economic Forum projects and events.

In the 1993-1994 academic year, he introduced an elective course for second-year MBAs. Over the past two decades, "Venture Capital and Private Equity" has consistently been one of the largest elective courses at Harvard Business School. (The course materials are collected in *Venture Capital and Private Equity: A Casebook*, now in its fifth edition, and the textbook *Venture Capital, Private Equity, and the Financing of Entrepreneurship*.) He also established and teaches doctoral courses on entrepreneurship, teaches in the Owners-Presidents-Managers Program, and leads executive courses on private equity. He is the Jacob H. Schiff Professor and Chair of the Entrepreneurial Management unit.

Among other recognitions, he is the winner of the Swedish government's Global Entrepreneurship Research Award and Cheng Siwei Award for Venture Capital Research. For information on Josh's compensated outside activities, please see www.bella-pm.com.