

Current Status and Challenges of Eco-innovation Research: A Survey

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Abstract

It cannot be avoided to consider the development and adoption Eco-innovation if actors in market are eager to cut down the environmental load. Jaffe, Newell and Stavins(2003) summarize the previous work with classifying them into two streams; Induced Innovation Approach and Evolutionary Approach. Former describes the innovation that is induced by the change in factor price or cost. On the other hand, latter focuses on the surroundings of the innovation system and analyses which factor encourages the innovation.

This study follows the work by Jaffe, Newell and Stavins(2003), and selects and summarizes the current status of each approaches again and reviews the challenges these approaches face. Conclusively, this study implies that innovation research can be divided into two parts (induced innovation aspects and evolutionary aspects) and Lead Market approach is a valid way to elaborate the evolutionary aspects..

Keyword : Eco-innovation, Induced Innovation Approach, Evolutionary Approach, Porter Hypothesis, Lead Markets