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A Plethora of Transformative Innovation Policy Tensions

Lessons for Regional Restructuring

1 Introduction[1]

In the 2020s, climate change is humankind's main challenge. There is no shortage of writing about green growth, green transition, green transformation, energy transitions and so forth and for a reason. We need to rethink our activities and reorganise societies for a cleaner future. As a result, the literature on everything green is mounting, and practical solutions to take steps forward are emerging.

The transition to more sustainable regional economies is not only about new greener products or cleaner forms of energy; it is also about conflicting forces intersecting in a region, misaligned thinking, misplaced investments and related power struggles. It is no wonder people feel stretched tight or mentally strained when facing these grand challenges. Many feel not enough is done; others see the transition progressing in the right direction but too slowly, and many are frustrated with all the conflicting decisions and public debates hampering the transition efforts. In other words, we should not forget all the tensions inherently present in the green transition. In this essay, I argue that future-proof policies are built on a well-established understanding of the tensions hampering policy processes.

The grand challenges and regional restructuring have elevated the need for innovation policy to focus on those factors hindering or slowing sustainable transformation. Promoting sustainable (regional) restructuring requires a systematic and well-resourced transformative innovation policy (TIP). The need for innovation policy has traditionally been justified by addressing market and systemic failures and the economic and societal benefits that innovations bring. Integrating insights from the sustainability transitions literature, Schot and Steinmueller's (2018) third-generation innovation policy is based on an understanding that, instead of pursuing innovation for economic growth or innovation itself, innovation policies should address societal challenges (Haddad et al., 2022), and for that purpose, scholars have called for better 'directionality' of innovation policies (Diercks et al., 2019; Grillitsch, Hansen, & Madsen, 2021).

The TIP agenda is not yet well defined, nor are its processes, from agenda-setting to implementation, fully discussed (Haddad et al., 2022). The main aim of this essay is not to search for clarity in these respects but to argue that identifying the tensions embedded in any effort to transform societies and regions may be central. Although the vision of green and clean economies has been widely accepted, uncertainty about the potentially changing social positions of key actors and diverging future opportunities cause tensions, hindering the implementation of policies and locking regions into the past. The main aim of the present article is to open a horizon to tensions in TIP and related policymaking. As a note here, the issues we face today are not as novel as we like to think. For this, I rely on a few well-known names from literature, politics and philosophy.

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2 Transitions, transformations and George Orwell

The TIP elevates the need for innovation policy to focus on factors hindering or slowing sustainable transformations (Fagerberg, 2018). Transformational failures are related to (a) the difficulty in specifying societal needs and demand from the perspective of green growth, (b) the inability to make system-reforming decisions, (c) weak coordination among various public policies and (d) societies' low capacity to learn from their own mistakes and engage diverse actors to think and act collectively (Raven & Walrave, 2020). To escape these failures, TIP should significantly impact regions' normative goals, regulatory frameworks and people's mindsets, inevitably creating conditions where people are stretched tight and relations between them become strained. In other words, transformation brings about tensions.

Transition and transformation both refer to change but have different meanings and implications (Hölscher, Wittmayer & Loorbach, 2018). Assumedly, they cause different tensions. Still, they are often used interchangeably or even circularly. For example, Geels opens his hugely influential article by defining technological *transitions* 'as major technological *transformations* in the way societal functions such as transportation, communication, housing, feeding, are fulfilled' (2002, 1257). In another paper, Schott and Geels (2007) see transformation as one of the transition pathways. Transition studies have tremendously increased our understanding of socio-technical changes, including the geography of sustainability transitions (Hansen & Coenen, 2015). However, to better understand the tensions embedded in TIP and regional restructuring, it might be helpful to differentiate between 'transformation' and 'transition'. Conceptually, regional sustainable restructuring includes both a transformative and transitional understanding of the required change.

Instead of delving into the literature on socio-technical transitions, I draw on the New International Webster's Comprehensive Dictionary (1996) and define *transition* as a gradual change process from one state or condition to another. Transition also refers to a phase during which a change takes place. Thus, transition is about something moving from one stage to another, but it does not necessarily require that the result be fundamentally different from the starting point. Again, relying on Webster's definition, *transformation* refers to 'a complete and fundamental change of state, the passage from one way of being to another'. Thus, the result is fundamentally different from the starting point. Transformation entails institutional changes, while transition is more about reorientating a system—in our case, regional economies. This distinction may be crucial because transformation includes institutional changes, shifts in cognitive-cultural models, identities, regulations and normative assumptions (e.g., Scott, 2001).

However, something beginning as a transition may end up transforming a region. Institutional change often occurs through accumulating incremental changes over time (Streeck & Thelen, 2025), thus fundamentally transforming regions in the long term. The distinction between transition and transformation, as proposed here, is conceptual, but perhaps, it is helpful to remember when considering how various policies and initiatives

contribute to societal change in the long term instead of only meeting the objectives set for the short term. It may well be that a collective decision-making body that considers the strategic alternatives and is facing a perplexing predicament ends up taking small steps towards transition instead of transforming a system. The tensions emerging from small steps are easier to manage than those popping out from transformative actions.

The central ideas of sustainable regional restructuring and transformative innovation policies are easy to accept at a general level. Still, tensions emerge in specific situations in specific places and times. In his notoriously famous book 1984, George Orwell introduces the concept of doublethink, referring to how people may hold two contractionary beliefs simultaneously and accept both (Orwell, 2022 [1949]). Orwell refers to power holders' mental manipulation, but actors may believe they are working for sustainability and regional transformation, even though the evidence suggests otherwise. They aim to transform but end up tinkering with details. This type of self-inflicted 'doublethink', which is buried underneath grand ambitions and well-defined policies, may be one of the cornerstones of many regional restructuring tensions.

To escape self-inflicted doublethink, boost transformation and make sense of tensions, we need to understand the multidimensional nature of it all. In the words of the Intergovernmental Panel on Climate Change (IPCC):

> 'The drivers of transformation are multidimensional, involving social, cultural, economic, environmental, technical, and political processes. The combination of these creates the potential for abrupt and systemic change, the stability of entrenched and interlocked power structures, and the importance of individual beliefs and behaviours.' (Begum et al., 2022, 125)

The combination of everything imaginable creates not only the potential for abrupt and systemic change, but also for tensions locking us into tamping down fires instead of working for the future.

3 The selected tensions

3.1 Green growth and degrowth—Would Lincoln have solved this one?

In his novel *The Egyptian*, Mika Waltari, a Finnish author, writes, 'The world is a riddle, and the only question is whether you will let it become your prison, or whether you possess the key that can set you free' (translation by the author). The quote encapsulates the dilemma between green growth and degrowth—the tension between them may turn into a prison—if self-inflicted doublethink takes possession of our thinking—on both sides of the growth agenda.

Many countries and regions seek to achieve green growth, as advocated by the OECD (2011). Green growth describes a path of economic growth that sustainably uses (natural) resources, thus providing an alternative concept to typical industrial economic growth. The idea behind green growth theory is that it is possible to sustain economic growth in a way that is compatible with our planet's ecology. Green growth is based on the conviction that

technological change and renewed business models will allow us to decouple GDP growth from natural resource use and CO_2 emissions (Hickel & Kallis, 2020).

Schmalansee (2012) maintains that green growth is an attractive slogan with various possible meanings, varying from being a subset of sustainability to forming a new engine of growth. Fitzpatrick, Parrique and Cosme (2022) observe that the meaning of degrowth, on its part, is similarly scattered through the expanding literature, making it hard to translate it into the policy language. The Nordic countries generally subscribe to the idea of connecting ecological issues to those of economic and social ones (Andersen et al., 2018; Scordato et al., 2022), believing that economic growth is desirable to maintain welfare levels, secure employment and, globally, lift more people from poverty while acknowledging that eroding the ecological basis would ruin not only nature, but also human welfare and economic development (Bowen & Hepburn, 2014).

Adverse environmental externalities from economic activity directly and indirectly affect human welfare. Therefore, many scholars and activists have increasingly advocated for the concept of degrowth with the explicit goal of challenging the long-held notion of the importance of economic growth (Cosme, Santos & O'Neill, 2017). Born in the 1970s, the degrowth agenda is a political and economic proposition advocating that economies should shrink by using less of the world's resources and prioritising well-being over profit. Fitzpatrick, Parrique and Cosme (2022, 1) define degrowth as 'the planned and democratic reduction of production and consumption as a solution to the social-ecological crises'. Cosme, Santos and O'Neill (2017) categorise the proposals to support degrowth into three broad categories, according to their goals: (1) reduce the environmental impact of human activities; (2) redistribute income and wealth both within and between countries; and (3) promote the transition from a materialistic to a convivial and participatory society. Although some proponents argue that degrowth policies can help economies become more sustainable, others have criticised this idea for various reasons (see O'Neill, 2018).

In sum, green growth and degrowth agendas have the same purpose: transforming economies to achieve sustainable economic development. Still, the theories on which the two propositions draw significantly differ, creating socio-politico tensions. The central tension between these two approaches is whether economic growth can be decoupled from environmental degradation. Green growth advocates believe that achieving economic growth while reducing ecological impact using new technologies and sustainable practices is possible. They further argue that investing in renewable energy, improving energy efficiency and reducing waste can continue to grow the economy while minimising our environmental impact (O'Neill, 2018). Degrowth proponents argue that economic growth is inherently unsustainable and that we need to reduce our consumption and production levels to achieve a sustainable future (Stratford, 2020); they believe that the current economic system assumes infinite growth, which is impossible on a finite planet. Furthermore, degrowth proponents argue that we must shift our focus away from economic growth and towards well-being, social justice and ecological sustainability (Kallis et al. 2018).

In sum, the mother of all tensions is the one between green growth and full degrowth. With the visions being parallel, the main problem is not in their theoretical underpinnings but in societal strategies and related innovation policies; that is, the thinking on what to do differs significantly. The primary tension for the TIP agenda is that degrowth advocates criticise the only shared action plan to save the planet but without providing a plan for how to manage the degrowth-based transformation.

For politicians, the tension between green growth and degrowth is a dilemma, a situation in which a difficult choice must be made between two alternatives, both appearing equally undesirable or impossible, depending on whom you ask. Of course, societies and their leaders have faced—and will continuously face—difficult dilemmas. For example, during the American Civil War, President Abraham Lincoln faced a tough dilemma: should he work to issue a proclamation that would free the enslaved people or maintain the status quo, not to weaken the Confederacy and, thus, strengthening the Union. Like many leaders, he contemplated between his moral convictions and more pressing short-term issues. After deep deliberation, he decided to issue the Emancipation Proclamation on January 1, 1863; henceforward, all the slaves were free. What we can—and perhaps should—learn from Lincoln when facing the challenge of transforming hugely multidimensional, multipurpose and multi-interest systems is how to assemble *teams of rivals* and lead them to navigate through tensions and solve the issues together (Goodwin, 2006).

3.2 Short-term and long-term goals—The Owl of Minerva flies again

With public debates around climate change intensifying and its impacts becoming more visible, policymakers are commonly urged to assess the impact of their strategies and policies in terms of sustainable development or regional restructuring. Thus, less surprisingly, the central tension between green growth and degrowth takes us to one of the eternal tensions in policymaking—the temporal tension. This refers to the conflicts, pressures or challenges related to time within a given context and manifests in the need to balance short- and long-term goals. Policymakers need to work for the future but ensure they do not damage anything crucial in the short term. They constantly face the need to address immediate concerns while planning for long-term sustainability. However, the temporal tensions may also surface when actors focus more on securing political or other personal benefits and, thus, end up pushing the more difficult futures-oriented issues forward. Political cycles commonly prioritise short-term gains (Jacobs, 2016), while regional restructuring requires a long-term vision and commitment.

Voß, Smith and Grin (2009) observe that, with climate change and sustainable development challenges mounting, long-term policies are called for more than for some time. They also maintain that, in the revival of long-term policymaking, we need avoid the pitfalls of the earlier versions of it that have relied on positivistic planning and control approaches. The new policy formulations are built on reflexive and strategic governance concepts. Deliberation, probing, facilitation and collective learning have taken centre stage in policymaking, often critiqued for lack of substantial and implemental ideas, however (Voß,

Smith & Grin, 2009). Governance reforms have emphasised the inclusion of a broader set of stakeholders and have increased the use of performance assessment and evaluation instruments. According to Van Thiel and Leeuw (2002), in the public sector, this has led to the performance paradox, tunnel vision and 'analysis paralysis'. All of this again has led to uncertainty around the effectiveness of different policies, their implementation and measurement (see Rijke et al., 2012)—the implementation gaps seem not to be narrowing but widening (Tsoi, Loo & Banister, 2021), keeping short-term actions with us.

In Greek mythology, a little owl accompanied Athena, the goddess of wisdom. For its association with Athena, the owl became known as the Owl of Minerva (or the owl of Athena), a symbol of erudition, knowledge and wisdom (Aikin, 2020). Hegel (2001, 20 [1820]) made the little owl famous by writing, 'The Owl of Minerva takes its flight only when the shades of night are gathering'. This is Hegel's way of saying that wisdom is achieved only in hindsight. Godden frames the Owl of Minerva Problem as follows: 'Our efforts to make explicit the norms of our practices, in the hope of improving their self-regulation, make possible new discursive errors and pathologies which can result in the degradation and deregulation of our discursive practices' (2022, 38). Is this paradox slowing down our efforts to make climate change disappear? As Aikin (2020) puts it, our conceptual formulation depends on good practices, followed by new efforts to design novel conceptual devices, but, then we mess it all up again.

The IPCC (2022a) emphasises the importance of capacity building and moving from ideas to long-term action. In other words, the report encourages the Owl of Minerva to fly in daylight to close the gap between long-term ambitions and short-term decisions and actions to manage the temporal tension.

3.3 Governance tensions—Was Churchill correct?

The Owl of Minerva takes us to visit Winston Churchill's famous view of governance. As Churchill said:

> 'Many forms of government have been tried and will be tried in this world of sin and woe. No one pretends that democracy is perfect or all-wise. Indeed, it has been said that democracy is the worst form of government except for all those other forms that have been tried from time to time.' (Churchill, W. S. & Rhodes James, R. (1980)

It may well be that Churchill is correct; it is not easy to find a perfect governance model to manage the issues we face. Still, we need to pool our resources and capabilities for collective action and overcome governance tensions. Here, governance tension refers to the conflicts, challenges or disagreements within governance structures and policymaking processes. The tensions arise from differing priorities, values or interpretations of public interest. Raven and Walrave (2020) identify systemic failures (causing tensions) that arise from the complex interactions and interdependencies among various actors, institutions and technologies, including lock-in effects, path dependencies, network failures, institutional failures and capability failures. They also mention transformational shortcomings stemming from resistance and inertia, which undermine the emergence and diffusion of radical innovations.

Transformational failures can include flimsy directionality and demand articulation, poor reflexivity and a lack of policy coordination (Raven & Walrave, 2020). All this manifests in innovation policy design and implementation, evaluation and policy learning failures. It is precisely here that TIP promises to make a difference. However, it is hard to imagine TIP becoming a successful approach without finding a way to cut to the heart of these failures and tensions.

Borras (2012) specifies governance tensions by highlighting the tension between self-organisation and the politics of purpose, and the tension between hierarchy, network or market forms of organising interactions. Lupova-Henry and Dotti (2021) argue that, in the twenty-first century, the trichotomy—hierarchy, networks and markets—is becoming outdated when analysing innovation activities and related governance models and policies. The boundaries between the markets, bureaucracy and networks are more permeable and porous than earlier, with hybrid forms of governance becoming more common. Whether the increased hybridity will resolve or hide tensions remains to be seen. The hybrid forms of action may shade the actual patterns of interaction and pave the way for increased fuzz and buzz without a clear direction and for corrupt forms of action.

At all events, TIP emphasises inclusive growth, directionality and network forms of organisation and, hence, also politics, more than its predecessors (Haddard et al., 2022). If the TIP becomes a political arena, the heated debates between degrowth and green growth advocates will most likely enter it more than today. The political pressure increasing the tension between various forms of organising might surface beneath the fuzzy policy boundaries, and porous boundaries turn into a new balance as the political stance calls for better 'directionality'. TIP might end up being more steered, controlled and regulated than earlier versions of innovation policy, which again might lead to increased bureaucracy and diminishing self-organisation. Thus, the call for direction might lead to increased tension between the bureaucracy and autonomy of higher education institutes and businesses. At all events, without digging deeply into the specifics of potential tensions, it is evident that each way of organising and associated governance systems has advantages and disadvantages, as well as supporters and adversaries. As is evident, tensions emerge when the dynamics and balance between the three changes.

Importantly, drawing on their literature analysis, Lupova-Henry and Dotti (2021) argue that, instead of simplifying the analysis, we should 'focus on the "how" rather than debating over the "who"'. Their view is crucial for future research on innovation policy, as innovation relies mainly on individual and organisational initiatives and ambitions, accompanied by self-organising networks and permissive regulation (see, e.g., Stam et al., 2012). More politically directed transformative innovation policies with enhanced top-down measures and increasing 'analysis paralysis' may conflict with bottom-up innovation activity instead of improving it. Increased political steering might induce politicians to be more active in establishing the strategic direction and having a say in specific issues. The potential governance tensions challenging the uptake of transformative innovation policies primarily relate to policymakers' inability to cope with multiple demands, conflicting purposes and

values, along with the interpersonal tensions emerging from these. Scordato et al. (2022) show how this leads to policy layering, new policy goals and instruments being added to existing policy mixes without discarding previous measures. The tensions may also lead to policy drift when new goals replace old ones without changing the tools used to implement them (Scordato et al., 2022). In other words, governance tensions emerge from ambiguous purposes and objectives drifting to unintended spaces, adding a layer on top of the existing layers, all of this diluting policy intent.

3.4 Spatial tensions

In innovation policy, the term 'spatial tension' refers to the disparities or variations in innovation capabilities, activities and outcomes across different geographical regions or spaces. Innovation is not evenly distributed; certain cities or regions exhibit higher levels of innovation while others lag. The literature on regional innovation systems, for example, emphasises the role of the region as a locus for interactive learning and knowledge exchange, stressing the importance of geographical proximity for innovation (Martin et al., 2018). Moreover, even though the importance of extra-regional knowledge is widely acknowledged, there has been little emphasis on the role and nature of global knowledge flows. Still, in a globalised knowledge economy, innovation processes increasingly depend on the interactions between distant places. Many conceptual frameworks explaining innovation have paid limited empirical attention to the multiscalar and multilocational nature of innovation and transformative change (Binz & Truffler, 2020). As Binz and Truffler (2020) argue, this is because of their focus on regions and countries as agents that shape innovation governance and as containers that provide institutional conditions for innovation success.

The tension between globalisation and localisation brings about other tensions, such as balancing the benefits of global knowledge flows and economies of scale with the need to support local innovation capabilities and address regional disparities. Moreover, as Rodriguez-Pose, Terrero-Dávila and Lee (2023) reveal, the rising inequality between regions is a root cause of political tensions. According to their analysis, there are both similarities and differences in US and European populism. Strategies that have already been proposed to address the visible tensions include promoting the development of regional innovation ecosystems that are connected to global networks, aligning national and regional innovation policies and fostering the social and environmental benefits of innovation (Koutroumpis & Lafond, 2018; Martin et al., 2018). However, in the 1990s, Lovering (1999) claimed that theories revolving around endogenous regional development and innovation drew on policymakers' craving to show that their regions were transforming, whether true or not. The political pressure and individual inclination to show results can easily lead to the trap of self-inflicted doublethink and the Owl of Minerva flying at night. In a more positive tone, Bours, Wanzenböck and Frenken (2021) argue that, when searching for governance strategies to deal with wicked issues and grand challenges, instead of trying to make great leaps at once, regions could search for small wins, which appear organically through accumulation of incremental innovations, which, over time, can generate transformative changes. In the

words adopted in this essay, and as said above, transformation may occur through transitive measures.

4 Discussion—Creative or disruptive tensions

The basic premises of sustainable regional restructuring and TIP are appealing at a general level, but in specific situations, they cause a variety of tensions. Inevitably, transformation gives rise to fears and concerns provoked by predictable and unpredictable discontinuities that are connected to the ever-present need to ensure individual interests amid change. As a result, we need to approach TIP and regional restructuring as complex processes in which capabilities to navigate various tensions and trade-offs are central. Tensions arise from the competing interests, values and objectives that policymakers must consider when crafting and implementing policies.

TIP advocates the government to take more substantial responsibility for formulating strategies and identifying key policy objectives. TIP ideally flows from outward-looking analysis to the creation of a vision and then to setting direction (objectives and priorities) for experimentation and other policy measures and, finally, to implementation and evaluation. The policy process is supposed to be embedded in an inclusive governance structure, broadly including society in its design and implementation. When asking who knows what to focus on in innovation policy or regional restructuring, the answer is clear: not a single actor; knowledge is dispersed. In addition, when continuing with this line of inquiry, the question of how to pool distributed knowledge for the common purpose emerges. The answer is again clear: organise a collective strategy process, one that results in a shared vision and joint strategies. However, as the brief discussion of tensions shows, the world is more tense than what our policy recommendations recognise. The many unintended consequences resulting from the web of tensions may reduce the quality, even of the best-organised policy processes, thus diminishing actual performance levels or even produce negative results.

Indeed, addressing the many policymaking tensions requires, as we have been taught, a holistic and inclusive approach that involves diverse stakeholders, transparent processes and a commitment to the principles of shared direction, sustainability and social equity. However, adaptive and inclusive governance structures alone do not solve the tensions stemming from competition among various actors, which then hinders collaboration. Nor does it provide ready-made solutions on how to involve a diverse set of stakeholders in the policymaking process without losing its effectiveness. Involvement can be hugely time-consuming, potentially slowing down efficiency. Moreover, the inclusive governance models present many principles and guidelines about transparency but less on how to manage the balance between transparency and confidentiality. Openness and transparency may conflict with the need to protect sensitive information. All of this also increases intellectual tensions, as, inevitably, the more there are stakeholders and the more transparent the processes are, the more ideas, theories or perspectives conflict.

Because the TIP aims to impact society's normative goals, regulatory frameworks and people's mindsets, we need to focus more than before on continuously evolving policy

processes and tensions in them. Essentially, tensions are catalysts for change, often pushing individuals, organisations or systems out of their comfort zones and prompting them to adapt and evolve in response to the challenges presented. Tensions can be creative if adequately led.

The concept of creative tension is often associated with Peter Senge's book, *The Fifth Discipline*. In the book, Senge introduces the idea of creative tension as a driving force behind organisational learning and improvement, arguing that creative tensions enhance innovation and problem-solving. Creative tension refers to the productive discomfort or conflict that arises when individuals or teams hold different ideas or approaches, leading to innovative solutions. Creative tension is a positive and constructive force that occurs when a gap exists between current reality and a desired future state or goal. Creative tension involves a dynamic interplay between the vision of what an individual or organisation aspires to achieve and current circumstances or limitations. Instead of viewing this gap as a source of frustration or dissatisfaction, creative tension encourages individuals or groups to harness the energy generated by the differences between the current and desired states to drive innovation, problem-solving and growth (Sotarauta, 2000).

> 'The gap between vision and current reality is also a source of energy. If there were no gap, there would be no need for any action to move towards the vision. We call this gap creative tension.' (Senge, 1997, 139-140)

Harmful or disruptive tensions, on their part, can lead to stress, conflict and challenges that dampen even the best of efforts. Effectively managing and turning potentially disruptive tensions into creative ones is essential for mobilising and coordinating heterogeneous sets of actors, producing well-informed policies, fostering cooperation and achieving balance in various aspects of innovation policy.

There is indeed a recognised but not fully shared gap between the current reality and desired cleaner future. It has already generated an urge to resolve that gap and bring the vision of a cleaner future into being. Our capabilities in using the concept of green growth to direct worries and desperation to a constructive effort may be the best of the identified routes to the future. The main thing is to minimise the disruptive tensions hampering collective effort. However, disagreements about what should be done and what is enough simultaneously challenge all efforts. I argue that the plethora of tensions embedded in TIP could be a powerful way to facilitate creativity and change. Still, it can also be a source of conflict and stress if not managed properly. In principle, TIP and the associated forms of governance are among the recognised ways to translate tensions into something creative but not without proper leadership (see e.g. Sotarauta & Suvinen, 2019).

The call for creative tension and better leadership takes us back to the core of intellectual tensions in politics and policymaking. In the words of William Shakespeare, 'Men at some times are masters of their fates: The fault, dear Brutus, is not in our stars, but in ourselves, that we are underlings' (see Dunton-Downer & Riding, 2021). Indeed, the tension between personal agency and external forces underlines the eternal intellectual struggle actors face when navigating the web of tensions. Shakespeare suggests that external circumstances do

not solely dictate policy challenges, but they are influenced by our choices and actions. The leadership skills needed to navigate actors through multidimensional webs of action are in great demand. We face new challenges, but the policymaking issues of today or needed leadership skills are not completely novel.

Inspired by Shakespeare's work, I conclude that, in politics and policy, leaders bear the burden of governing and navigating the intricate web of competing interests, ideologies and relentless pursuit of power. However, as the master of stories has also said in *The Merchant of Venice*, 'The devil can cite Scripture for his purpose'. As the play indicates, it is always possible that leaders may use all the correct TIP and sustainable restructuring–related words to justify their individual interests, instead of working in a shared direction—does the TIP research acknowledge innovation hypocrisy?

5 Conclusion

We have not escaped the past: in the hush of piles of books, articles and reports, innovation wishes to be unleashed, but tradition is echoed in our decisions.

Encouraging innovation and transformation, TIP clashes with the past and all those forces that aim to preserve achieved advantages and traditional practices, not risking individual actors' political, economic or social positions. Transformative policies operate at the junction of a trade-off between encouraging risk-taking and experimentation, on the one hand, and choosing a safe route to the future by maintaining the status quo with incremental changes, on the other hand. Indeed, striving for consistency and adhering to established rules conflict with the need for flexibility and adaptability in changing circumstances. It is human to emphasise vision and the need to work for future generations while simultaneously ensuring that individual benefits are not sacrificed in the short term.

This essay adds to the literature on TIP and regional restructuring by reminding us that many policymaking issues are not novel. The tensions we experience today have been with human beings for a long time, with the context and their manifestations changing, but human-to-human interaction carries many things from the past to future. The main argument is that we should study the plethora of tensions in more depth and find ways to turn them into creative ones before they become disruptive. Thus, I call for more studies on new modes of leadership in innovation ecosystems. It may well be that we carry a simplistic view of leadership in tense situations. It cannot only be about activation and facilitation. Be it as it may, imagination needs to be freed, and creative tension led.

'What is now proved was once, only imagin'd'. (Blake & Erdman, 1982, 36)

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