

Innovation and Choice

Innovation is about making the possible desirable and the desirable possible. But which direction innovation takes depends in large part on what choices we have when it comes to expressing those desires and who wants to control those choices.

I wrote earlier about [the market for lemons](#), in which information asymmetry prevents the emergence of market alternatives to Genetically Modified Organism-based foods.

In your responses and conversations it's clear this issue reflects a much broader effect on both innovation in general and the pursuit of sustaining innovations in particular. What I want to explore in this post is whether this kind of ignorance - created by restricting access to knowledge - shapes the course of innovation.

Innovation is about making the possible desirable and the desirable possible. But which direction innovation takes depends in large part on how we express those desires. For good or bad, we express them, and thus shape the direction of innovation, with the choices we make from what's available.

Henry Ford's famous quip, "They can have any color, so long as it's black," worked so long as nobody had a choice. A decade later, General Motors recognized that one black car didn't fit all customers and began offering a wide variety of different makes and models, different colors and options. That choice then drove decades of experimentation and innovation in automobile design and engine technology. Indeed, the nobody believed there was a market for mini-vans until Chrysler introduced one in the early 1980's and found, as [one executive noted](#), there was a market "a lot bigger than we had imagined."

So what happens when we weren't not allowed to know the color of our cars or the presence of GMO foods in our pantry? For one thing, it means we can't collectively express our desires relative to those choices. And it means that established interests - dominant corporations, for example - can control the direction of innovation by controlling the presence of choice in the market.

Consider the following behaviors:

GMO foods: California's Prop 37, which would have required labeling foods containing GMO ingredients, was [defeated, as its corporate opponents outspent supporters](#) \$46 million to \$9 million.

Gun violence: Lobbying and political pressure by the National Rifle Association has led Congress to [prohibit federal agencies such as the Centers for Disease Control and Prevention \(CDC\) and the National Institutes of Health \(NIH\) from funding research](#) that could be used to promote gun control.

The use of antibiotics in livestock: Industrial use of antibiotics in food animal production is collected by the U.S. Food and Drug Administration, but, under pressure by established producers, is released only in aggregate form to protect "confidential commercial information." This is [despite the dangerous and growing public health threat of antibiotic resistant](#) bacteria prevalent in livestock production and harmful to humans.

Fracking fluids: Hydraulic Fracturing, or "fracking," is the practice of injecting a mix of steam and toxic chemicals at high pressure deep into the ground to release the gas trapped there. The procedure has raised concerns, and findings, of contamination of local drinking water. However, journalists, scientists, and residents living near fracking sites complain that corporations [have suppressed research findings from court cases](#).

Smoking: Not to trot out an old favorite, but documents later made available reveal that [cigarette companies suppressed research](#) (and publication of existing findings) into the links between smoking and lung cancer for beginning in the early 1960s.

Campaign contributions: A last example of the competitive value of ignorance comes from the court ruling, Citizens United, that enabled corporations and the subsequent flood of corporate contributions to political campaigns. [Senate Republicans blocked](#)

[legislation requiring transparency](#) into which firms give, how much, and how often.

It's not clear whether consumers would make different choices given this information. Not everyone needs to. Just enough to be noticed and to draw new investments in experimentation and innovation in different directions.

There are times when protecting corporate secrets is essential to rewarding investments in innovation. But it seems there are other times when the same policies actually may suppress that same innovation.

(this post first appeared Tuesday, February 5, 2013 on [The Hargadon Files](#), follow the [link](#) for the original)