

Project to study legal obstacles to entrepreneurship

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[摘要] Mar 19, 2007. The USC Gould School of Law has been awarded \$675,000 by the Ewing Marion Kauffman Foundation to establish the Southern California Innovation Project, a multi-disciplinary, multi-campus research center that will study the role of law in supporting, and sometimes inhibiting, innovation, USC Law Dean Edward J. McCaffery announced.
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The USC Gould School of Law has been awarded \$675,000 by the Ewing Marion Kauffman Foundation to establish the Southern California Innovation Project, a multi-disciplinary, multi-campus research center that will study the role of law in supporting, and sometimes inhibiting, innovation, USC Law Dean Edward J. McCaffery announced.

Under the direction of USC Law and Economics Professor Gillian Hadfield, and visiting USC Professor of Law, Business and Economics Suzanne Scotchmer, the interdisciplinary center will bring together top business and legal professionals to discuss how to generate and sustain productive creativity.

"This new initiative creates an extraordinary opportunity for USC and for Southern California," said USC Law Dean Edward J. McCaffery. "Creating a bridge between USC and private corporations and entrepreneurs could change the relationship between business and law. I believe this new endeavor will generate very important discussions about the research center will draw leading academics from law, business, economics, sociology, engineering and other sciences, at USC, Caltech, the University of California system, and elsewhere. The effort will bring together multiple disciplines to generate concrete data about the relationship between entrepreneurship, innovation and legal structures. A cornerstone of the Innovation Project is the study of entrepreneurship, a key ground-level activity in the business world.

While entrepreneurship leverages individual insights to build technologies, markets and organizations, it also heavily relies on the legal environment, which may or may not promote economic welfare, said Hadfield, the Richard L. and Annisette S. Kirland Professor of Law and Professor of Economics.

"Sophisticated academic analysis and common sense show that legal structures can support or impede innovative entrepreneurial activity," Hadfield said. "What laws encourage innovation? What laws impede it? Our goal is to investigate these questions through ground-level collaborative research into what really happens in innovative settings.

Rather than beginning with the conventional premise that law matters for innovation and entrepreneurship, Hadfield said the center will start with that as a question for investigation.

A key goal of the project is to identify professionals in business and law and invite them to roundtable and workshop discussions.

"The idea is that a partnership with business and law practitioners will identify the questions that academics raise, and hopefully, to get business interested in participating in research projects at their companies," said Scotchmer, who is a public policy and economics professor at UC Berkeley, currently visiting at USC Law.

"Conventional research on innovation and law has focused heavily on intellectual property rights and relatively abstract economic analysis of incentives," added Hadfield. "While this is a very useful approach, our goal is to extend that analysis in two directions: beyond intellectual property, and beyond ownership rights as the primary incentive.

As an example she cited the need to investigate whether the emergence of "patent trolls" — firms that accumulate patent portfolios exclusively for licensing purposes but do not engage in innovation or production themselves — is on an net an obstacle to innovation, particularly for the smaller entrepreneurial firms. She also cited the role of employment law in supporting the long-lived employment relationships that some highly innovative firms such as Google use as their primary means of protecting their core trade secrets, the role of contracting mechanisms, particularly on the Internet, in structuring the explosion of ways in which collaborative products such as search engines are produced, and the securities law issues that

Hadfield also emphasized that the center includes within its purview the study of innovation in law itself, a topic that is closely aligned with her current research efforts.

"We're interested in understanding why innovation in law, legal products and the structure of legal markets is so slow in a world characterized by such rapid innovation in markets generally, and why costs in law continue to spiral while innovation and globalization bring down costs in so many other areas," Hadfield said.

