

The paper is very well articulated. It indicates systematic research advantages versus serendipity ones in order to explain structural breaks, like industrial revolutions, but is not new.

Two different microeconomic approaches compete in the theoretical debate on economic growth: the traditional neoclassical one with its postulates of scarcity and rational agents maximizing their individual welfare and that of innovative systems close to evolutionary economics which focuses on the non-equilibrium processes that transform the economy from within and their implications. The first approach which seeks to explain uneven development and the emergence of industrial clusters out of economies of scale. The other approach does the same though emphasizing relational, social, and contextual aspects of economic behaviour, particularly the importance of tacit or non-codified knowledge.

Despite increasing inter-connectivity through developing information communication technologies, the contemporary world is still defined through its widening social and spatial divisions, which are increasingly gendered. Danny Quah (2009) explains these spatial divisions through the characteristics of knowledge goods in the New Economy: goods defined by their infinite expansibility, weightlessness and non-rivalry.

These divisions in the new economy are much more difficult to overcome as a result of few clear pathways of progression to higher-skilled work.

The paper overlooks a number of facts. First, endogenous growth models (Richard Goodwin's model should be quoted here) assign a key role to human capital and to knowledge accumulation which include knowledge capital and knowledge spillovers among the determinants of economic growth. Knowledge flows among the agents engendering spillovers (either MAR or Jacobian ones) which design the areas where innovation concentrates. Second, relevant insights into the role of institutional and socio-economic contextual factors for the production of economically successful innovation have produced the idea of "innovation prone" and "innovation averse" societies (Rodriguez-Pose 1999), which also plays an important part because it influences the extent and the effectiveness of the diffusion of (un-codified) knowledge. There are two kinds of spillovers depending on whether they occur within the same industry.