

Abstract

Based on the economics of Joseph Schumpeter, National Innovation Systems have since the early 1990's emerged as a holistic and socioculturally embedded alternative approach to explaining economic growth. The idea that systemic relationships exist between different sectors of the economy that influence the production and implementation of new knowledge, and thus economic development is, however, much older than current research indicates. We will argue the Neapolitan mercantilist Antonio Serra coherently presented the kernel of a national innovation system already in his 1613 *Breve trattato*, including two of its key elements, *increasing returns* and *synergies*. The problems of establishing the institutions conducive to economic growth faced by mercantilists at the end of the Renaissance are shared today by policy-makers in the developing world, and it can therefore prove to be fruitful, if not necessary, to explore the historical roots of this early innovation system approach. Indeed, Serra's work has been brought back to light on several occasions in the past centuries, each time as a source of guidance in an era of economic turmoil: first on the eve of Italian unification, then at the dawn of German industrialization. Following the failure of the Cancun meetings in 2003 to reach a trade agreement between North and South, such turmoil is over us again as it becomes increasingly clear that the reigning economic dogma has failed to deliver on its political promises. We argue that, in the economic profession's inevitable search for new means and methods, Serra's message is again relevant.