

How New Industries Could Grow Out of the Fight Against Covid-19

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Although the COVID-19 pandemic is unprecedented in many respects, a historical perspective can teach us what happens when societies are faced with - and respond to - a grand challenge of this kind. My research has shown that in response to national security, public health and social issues, public-private partnerships may define grand challenges that can actually serve as "triggers" for the emergence of new industries.

What happens is that the challenge brings together a diverse group of actors - for example, businesspeople, healthcare providers, research scientists from universities, and government agencies. And the challenge fuels new activity among these actors, including exchanging information and collaborating with one another. These coordinated actions help to concurrently reduce two key types of uncertainty that can keep new industries from taking root: "demand" uncertainty, which has to do with the needs and behaviors of purchasers, and "technological" uncertainty, which pertains to the technical problems associated with the supply of a new good or service. And this process can accelerate the emergence of new industries that might have taken too long to arise, or wouldn't have arisen otherwise.

In a [recent article](https://www.forbes.com/sites/rajshreeagarwal/2020/03/16/lessons-from-penicillin-in-the-race-against-covid-19/#3a0403001493) (https://www.forbes.com/sites/rajshreeagarwal/2020/03/16/lessons-from-penicillin-in-the-race-against-covid-19/#3a0403001493) published in Forbes, my coauthor Rajshree Agarwal and I explained how this occurs by recounting some lessons learned from efforts to develop penicillin during the middle of the Twentieth Century. The story is fascinating in its own right, but it's all the more intriguing today, because it suggests ways in which the fight against COVID-19 could open doorways for the commercialization of important new technologies.

Learn More

["Lessons From Penicillin In The Race Against COVID-19,"](https://www.forbes.com/sites/rajshreeagarwal/2020/03/16/lessons-from-penicillin-in-the-race-against-covid-19/#3a0403001493)
(https://www.forbes.com/sites/rajshreeagarwal/2020/03/

16/lessons-from-penicillin-in-the-race-against-covid-19/#3a0403001493) Forbes, March 16, 2020

["Research Paper from Kenan Flagler Seeks to Provide Insight Into the Often-Overlooked Incubation Stage of New Industries,](https://kenaninstitute.unc.edu/news-media/research-paper-from-kenan-flagler-seeks-to-provide-insight-into-the-often-overlooked-incubation-stage-of-new-industries/) (https://kenaninstitute.unc.edu/news-media/research-paper-from-kenan-flagler-seeks-to-provide-insight-into-the-often-overlooked-incubation-stage-of-new-industries/) " Kenan Institute, University of North Carolina – Chapel Hill

Agarwal, R. Moeen, M. and Shah, S.K., ["Athena's Birth: Triggers, Actors and Actions Preceding Industry Inception](https://kenaninstitute.unc.edu/publication/athenas-birth-triggers-actors-and-actions-preceding-industry-inception-2/) (https://kenaninstitute.unc.edu/publication/athenas-birth-triggers-actors-and-actions-preceding-industry-inception-2/), " Strategic Entrepreneurship Journal, May 13, 2017.

