

## **Abstract**

The Master's thesis "Swedish innovation policy: success or paradox?" focuses on Sweden's public policy for innovation during the past two decades. It, however, deviates somewhat from the conventional notion that places Sweden in the forefront when it comes to innovation. On the contrary this study follows the line of thought that believes there is an imbalance between the inputs to innovation in terms of R&D investments, which are truly outstanding, and the economic outputs that have been rather unimpressive and could be higher. Using the innovation systems perspective, a theoretical framework that has grown popular with academics and policymakers alike, the thesis analyzes Sweden's innovation policy, aiming to find out, whether the government really performs the activities, that the innovation systems theory views as vital. While it can be said that the innovation policy truly fulfills a wide range of activities that the theory views as key, there is still room for improvement in several areas, due to which the innovation paradox is still in operation, albeit we can view it less as an acute problem but a rather an opportunity, which policy has not been able to capitalize on.