The evolution of the political economy of innovation has differed between the United States and Europe, write Stephen Ezell and Philip Marxgut of the Austrian Office of Science and Technology in a chapter of *Shaping the Future: Economic, Social, and Political Dimensions of Innovation* (Austrian Council for Research and Technology Development, August 2015). Ezell and Marxgut examine the regions’ differing attitudes toward entrepreneurship, innovation, and creative destruction and find that a substantial share of European innovation happens within well-established corporations—notably the so-called “hidden champions” of the industrial, export-oriented Mittelstand companies of Austria, Germany, Sweden, and Switzerland—whereas brash young start-ups and entrepreneurial ventures are more celebrated (and relied upon as drivers of innovation) in the American innovation culture and system. The chapter concludes by explaining how each region can better leverage the distinct strengths of their innovation cultures, and offers policy recommendations to improve framework environments for innovation in both.