

# Preface

The ongoing financial crisis and economic recession are likely to go down in history as a defining feature of this decade. It is too rash to predict what the long term consequences are. But the short-term impacts are too clear and unfortunately for many either too painful or too unpleasant to forget.

The book you are reading is but one of several if not dozens that try to inform and analyze the crisis. It is intended for the general public. We have therefore avoided jargons and terms which are too technical. If we fail in our attempt, we are grateful if you could kindly write to us so as to assist us in our future book projects.

Before the advent of modernization, the term “innovation” had a bad press. Since then it has enjoyed accolade and is associated with something progressive, forward-looking and wealth creation. Joseph Schumpeter had given us the concept of “creative destruction”. But innovation is a double-edged sword too, and this is told through the story of Frankenstein. It is displayed on the stage of history in the form of technologies and systems that may not have always benefitted human kind. It is to convey our ambivalent feelings about innovation that explains the first half of the title of this book.

Writing a book on an unfolding event has its excitement and difficulties. It is exciting because there is a stream of interesting terms and ideas in the mass media. It is difficult because we do not have the benefit of hindsight to reflect. At the same time, it is difficult to decide on a cut-off point. In that sense, this book is a work-in-progress, and hopefully we have the opportunity to return to finish the project.

We are aware that there will be detractors and we welcome comments. Indeed, colleagues and friends who have read some of the chapters are forthcoming in their views. In particular we would like to thank Dr. Sven Fischer, Professor Huang Jing and Mr. Lie Chen-Ie for pointing out the mistakes and ambiguities in the drafts. As authors of the final draft, we alone are responsible for weaknesses in the book. We hope you will join them in clarifying our thoughts and in helping us to write a better book in the future.

We would also like to thank Mr. Ho Kwon Ping for his kind permission to let us reproduce excerpts of his speech at the Singapore Venture Capital Association Gala Dinner on 30th September 2008.

Finally we would like to thank Ms. Lim Shujuan, the editor in charge of the project from our publisher World Scientific. Her skill and patience have made the work lighter by the kilograms.

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