

# The emergent knowledge-based theory of competitive advantage: an evolutionary approach to integrating economics and management

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## Abstract

This article explores the intersection of management and economics in the strategic management literature. Specifically, it examines knowledge-based advantages from management and economics perspectives to highlight differences in explanations of: (1) the source of an advantage, (2) determinants of sustainability of an advantage, and (3) the factors that predict rent appropriation patterns from a competitive advantage.

I conclude that both perspectives contribute to our understanding of why firms perform differently. Furthermore, the gradual or evolutionary integration that has occurred over time is effective and efficient for exploring the nature of strategic management problems. Finally, the dynamic competitive and technological environment will continue to yield new opportunities for integration of theoretical approaches. Copyright © 2003 John Wiley & Sons, Ltd.

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