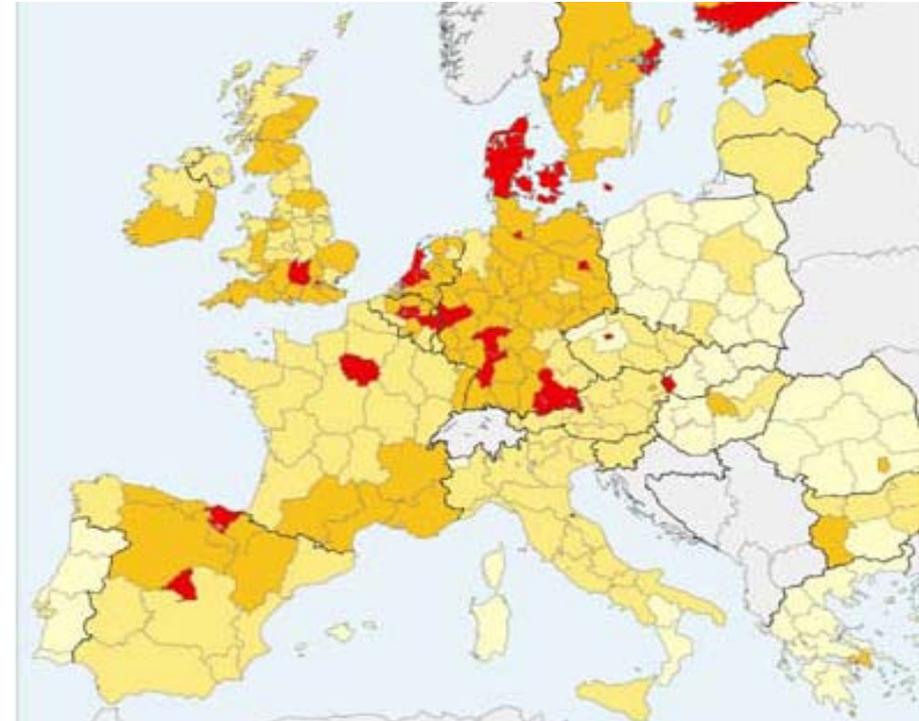


Innovative Regionalentwicklung in Europa zwischen Kohäsion und Wettbewerbsfähigkeit

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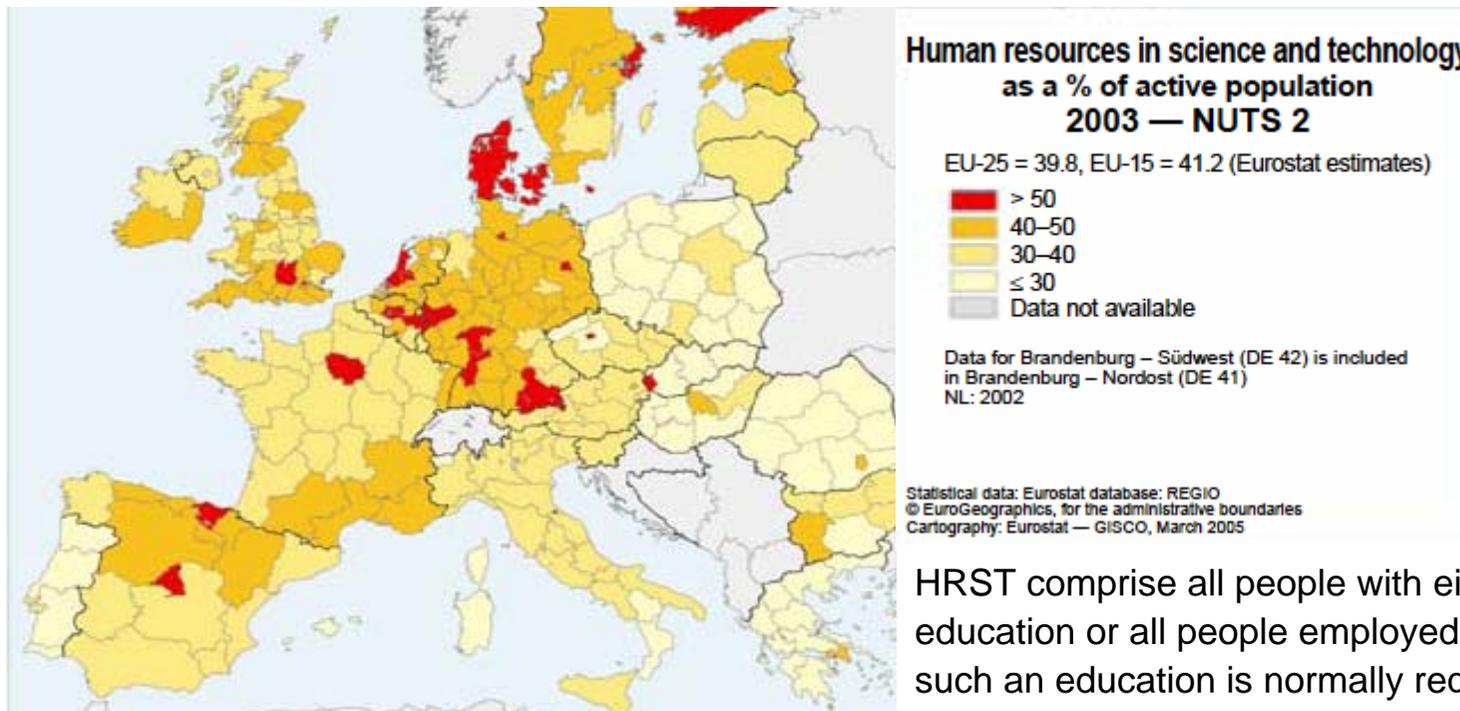


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Distribution of knowledge resources

Knowledge and creativity is not evenly distributed in space, but clustered in locations which provide a favourable breeding ground ("creative city", "industrial hollywoods")



Trends of regional innovation in Europe

- Regionalisation: Increased relevance of regions and regional hotspots of knowledge generation (first mover advantages)
- Globalisation: Simultaneously, growing competition between these regional hotspots on a global scale
- Europeanisation: emergence of regional innovation clusters spanning national borders
- Regions and cities in Europe (and their economic actors) both face global and European competition, because of the devolution of political powers and competences and the multiple replication of popular innovation policy concepts



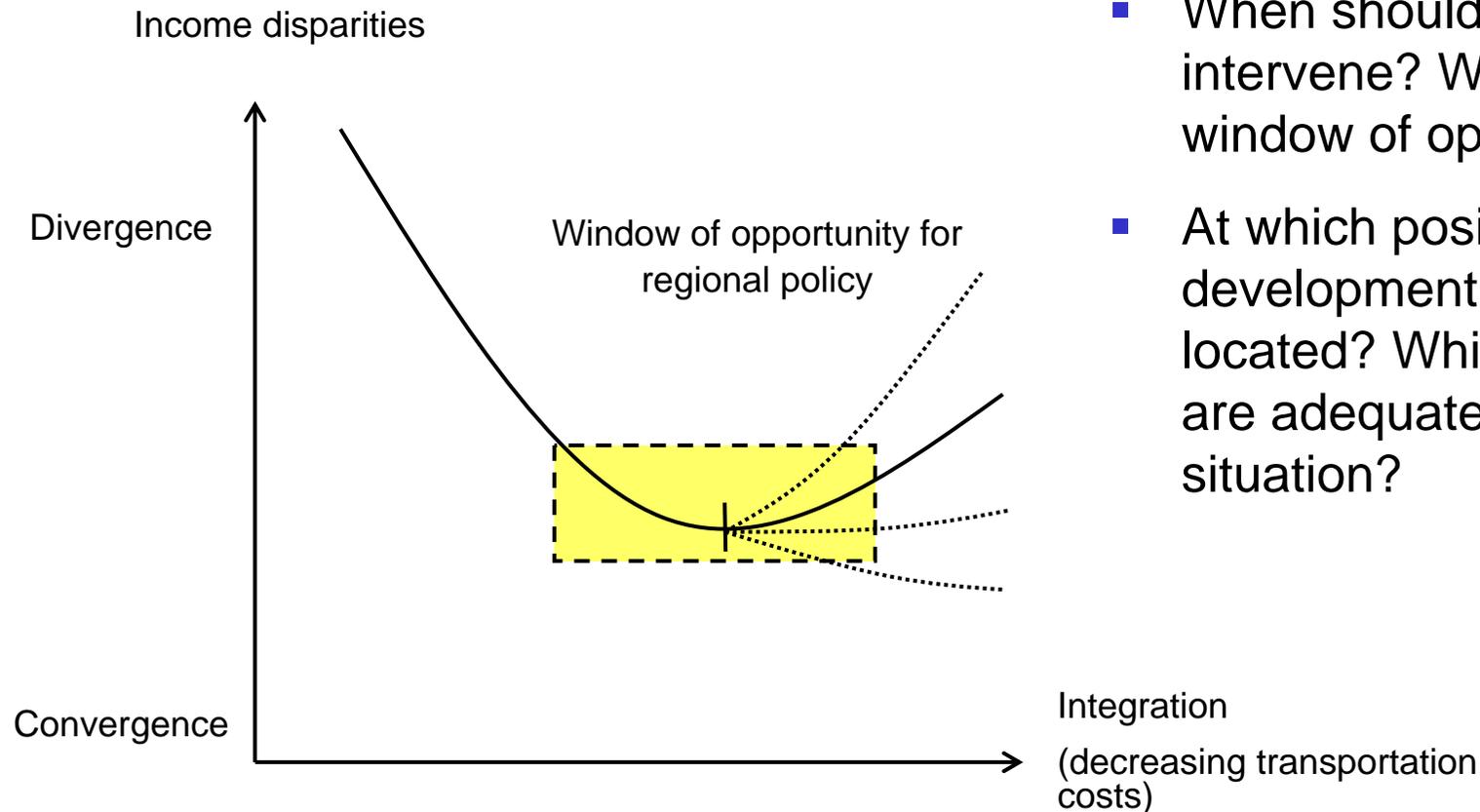
Convergence and divergence in the EU

- Disparities between Member States remain despite strong convergence
- Disparities between regions have narrowed but by less speed
- Regional disparities within countries are large, but may be stabilising
- Disparities double in scale with the inclusion of applicant countries; regional disparities also double with enlargement
- Trends towards convergence: if past trends continue, it will take a number of decades for regional disparities in the present EU to be eliminated; there can be no guarantee that such an elimination will occur. The only way to be sure of a reduction in regional disparities is if there is a change in the underlying conditions themselves and in relative factor endowments (in terms of capital of all kinds and different labour force skills). The primary objective of regional and structural policies is precisely to bring about such a change.

Folie 4



Intervention by regional policy



- When should regional policy intervene? When is the best window of opportunity?
- At which position on the development curve are regions located? Which policy concepts are adequate for each specific situation?



Cohesion policy framework

- Cohesion policy became part of the Lisbon agenda in a way that the Community Strategic Guidelines on Cohesion (CSG) are consistent with the Lisbon Integrated Guidelines. Guiding principles are cohesion **and** growth
- Three major objectives are pursued:
 - ➔ Make Europe and its regions more attractive places to invest and work
 - ➔ Encourage innovation, entrepreneurship and the growth of the knowledge economy
 - ➔ Create more and better jobs
- Cohesion policy budget: 81,5% is allocated to the convergence objective, 16% to the regional competitive and employment objective, 2.5% to European territorial cooperation (total budget 2007-2013: 347bn €)



Financial data for Germany: RCE, Convergence

Regional Competitiveness and Employment	Community Contribution	
Baden-Wuerttemberg	ESF	265 998 586
Bayern	ESF	310 059 703
Berlin	ESF	335 976 031
Bremen	ESF	89 054 742
Hamburg	ESF	91 152 890
Hessen	ESF	186 735 204
Niedersachsen (ohne R. Lueneburg)	ESF	237 090 765
Nordrhein-Westfalen	ESF	683 996 369
Rheinland-Pfalz	ESF	113 766 267
Saarland	ESF	86 490 338
Schleswig-Holstein	ESF	100 011 739
Bund	ESF	2 162 219 289
Bayern	ERDF	575 934 188
Saarland	ERDF	197 512 437
Schleswig-Holstein	ERDF	373 888 769
Berlin	ERDF	875 589 810
Hessen	ERDF	263 454 159
Bremen	ERDF	142 006 631
Nordrhein-Westfalen	ERDF	1 283 430 816
Baden-Wuerttemberg	ERDF	143 400 068
Hamburg	ERDF	35 268 791
Niedersachsen (ohne R. Lueneburg)	ERDF	638 769 613
Rheinland-Pfalz	ERDF	217 613 760
Total	ERDF	4 746 869 042
Total	ESF	4 662 551 923

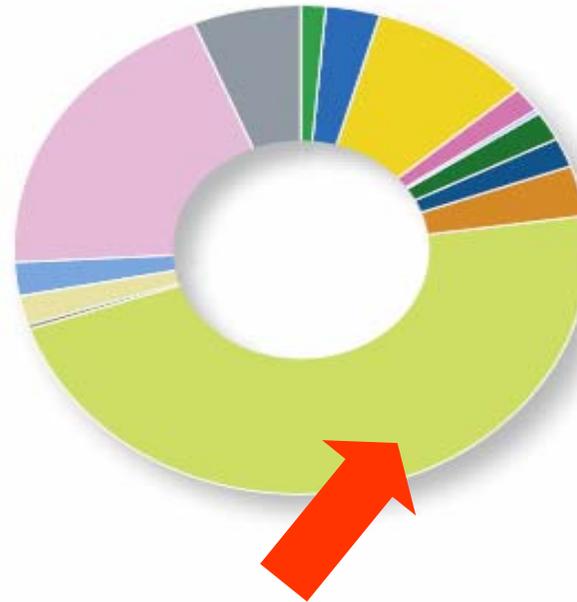
Operational Programme	Fund	Total
Convergence	Community Contribution	
Brandenburg	ESF	620 249 615
Mecklenburg-Vorpommern	ESF	417 473 463
Niedersachsen-Region Lueneburg	ESF	210 010 942
Sachsen	ESF	871 859 914
Sachsen-Anhalt	ESF	643 930 752
Thuringen	ESF	629 009 103
Bund	ESF	1 325 569 051
Thuringen	ERDF	1 477 687 909
Brandenburg	ERDF	1 498 732 588
Mecklenburg-Vorpommern	ERDF	1 252 420 390
Sachsen	ERDF	3 091 139 706
Verkehr EFRE Bund	ERDF	1 520 319 639
Niedersachsen-Region Lueneburg	ERDF	589 000 000
Sachsen-Anhalt	ERDF	1 931 792 253
Total	ERDF	11 361 092 485



Breakdown by themes for Germany

European Regional Development Fund 2007-13

Culture	1.6%
Energy	3.0%
Environmental protection and risk prevention	9.1%
Improving access to employment and sustainability	1.8%
Improving human capital	0.3%
Improving the social inclusion of less-favoured persons	0.0%
Increasing the adaptability of workers and firms, enterprises and entrepreneurs	1.8%
Information society	2.1%
Investment in social infrastructure	3.3%
Mobilisation for reforms in the fields of employment and inclusion	0.0%
Research and technological development (R&TD), innovation and entrepreneurship	46.9%
Strengthening institutional capacity at national, regional and local level	0.1%
Technical assistance	2.1%
Tourism	2.2%
Transport	19.6%
Urban and rural regeneration	6.1%



Regional RTDI policy concepts

- Concepts like Regional Innovation Systems, Innovation Regimes and the Cluster approach stress the importance of learning in the innovation process and underline the specific character of tacit knowledge and the necessity of being embedded in certain spatial contexts (*Porter 1998, Cooke 1992, MacKinnon 2002*)
- Most theories, concepts and even empirical studies remain quite vague about possible policy implications; often, the translation of conclusions to a level which allows regional policy makers to directly transfer these conclusions into real regional policy measures does not happen (*Lorenzen 2001*)
- Since theory is unable to provide precise policy answers, other regional role models are taken as source for orientation; successful role models can be "sold" more easily to policy makers than other not yet tested approaches: decision making is linked to already proven development paths (*North 1990*)



Innovation policy and policy learning



- Innovation in its broadest sense is an uncertain process
- Innovation policy is characterised by a high degree of anticipation and experimentalism
- Innovation is a policy field which profits from good practices exchange
- Theories and role models could be used for orientation, but not for mere adaptation
- Theory can contribute to confusion because concepts are not always practical and easily adaptable
- Regional policy learning depends on own competences and expertise, on the use of strategic intelligence (evaluation), but also on the exploitation of experiences made by others (learning through networking)



Measures for improving innovation governance and strategic intelligence

- **Strategic vision:** technology foresight, regional foresight, regional benchmarking, regional roadmapping
- **Innovation studies:** evaluation of RTDI support measures/programmes, studies on trans-national learning with regard to RTDI, drafting and implementation of national strategy papers on R&D
- **Innovation strategies:** national/regional innovation agency, streamlining of general legislation to ease R&D activities, strategic consortiums for research and innovation, PR-campaigns, funds for innovation, investment in interdisciplinary research
- **Transregional co-operation:** EU framework programme, establishment of international networks for mutual learning, policy collaboration
- **Policy learning:** Involvement in transregional innovation strategy building projects, use of exchange platforms like the IRE network, participation in ERA-NET programmes



Conclusions

- The new cohesion policy consists of a policy mix which should contribute to cohesion **and** growth. It is not a continuation of the classical balance-oriented structural policy, but a new policy approach which tries to combine both objectives.
- The underlying rationale is that knowledge and innovation play crucial roles in economic transition and development, **irrespective** of the regional development level
- National RTDI policy **strategies** and **instruments** still have the highest importance on the definition of innovation related innovation policy strategies on the level of regions
- The set of measures formulated in the Operational Programmes reflects common innovation policy experiences



Policy Implications

1. Chances in the Lisbon orientation in cohesion policy clearly lie in the relatively openness with regard to strategies to be developed at regional level (bottom-up)
2. Possible risk of policy failure is increased by the fact that the highest share of cohesion policy funds is allocated to the convergence regions of which many do not have a long record in regional innovation policy experience (profound assistance for policy makers is needed)
3. Regional innovation paradox (Landabaso et al. 2001): regions with an already above average innovation capacity applied more for innovation funding at the EC compared to those regions which were in need because they displayed a lower innovation capacity.
4. Policy learning is an important element in the ongoing process of the merger between cohesion and innovation policy (e.g. on-going and ex-post evaluation)

