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Structure of project proposal: "Innovation & Regional Policy". Pedro León Delgado. University of the Basque Country, Spain.

1. Theoretical model:

The research project here proposed will try to assess at a what extent a reduction in regional support for those regions currently assisted, would lead to larger disparities in economic development, due to more differences in levels of innovation.

Thus, the major contribution of this research to European policy making, is the definition of a new objective in Regional Policy, aimed to support only new investments in systems of innovation, R&D and new technologies for those regions with levels of innovation "lagging behind". This new Objective of regional support may provide the maintenance of financial transfer of funds between those regions technologically more reach than others.

This theoretical position enhances its own significance because its relation with studies concerning regional cohesion within the European Union (most of them drawn by the Commission) on one hand, and the theories about regional innovation systems and their contribution to general economic development (RIS, RIDER, Lundvall, Edquist, Cooke, Freeman,etc.), on the other.

Furthermore, this new approach tries to complete the current treatment of innovation as regards regional support, as long as innovation as such is just consider as an extraordinary measure upon Structural Funds Regulations ("Innovate Measures" under art. 4 of ERDF and former art.10).

In spite of the regional support provided during the last few years, the disparities in the performance of innovation among regions still remain. This research will asses the veracity of this hypothesis. To do so, firstly the research work will outline the theoretical basis of the innovation in regional development; second, the evolution of both Community Regional and Innovation Policies, with an assessment about their achievements and constrains; after that, it will be tackled both empirical and qualitative analyses of Innovation and research development in different regions as case studies of the results.

This model could be interesting as a coherent analyse that takes into account different regions under different national innovation systems, so could bring about common problems on one hand, and reasons of disparities despite the support provided so far, on the other. With this model it could be define a typology of regions within which a specific support for innovation development could be drawn.

The research has a major relevance in three European current policies: regional, R&D, and competence policies

1. Regional Policy: as above mentioned with the definition of a new objective of regional support for those regions technologically lagging behind.
2. R&D Policy: with a broad co-ordination between this and the regional policy, that may lead to a lesser significance of support to precompetitive research encouraging Search and Innovation oriented to the market.
3. Competition policy: the support to innovation must be conceived as for regional networks and transfer of Knowledge with no distortions of prices.

To sum up, this research doctoral paper establishes a radical innovation in the theoretical basis of Innovation and R&D issues, considered so far as instruments of an "horizontal policy" of the EU. From now on, Innovation support will be understood mainly as an instrument of Territorial Policy, that must be used to correct unbalances between regions as regards R&D. Thus, with this stance, more resources may be addressed to those local technological projects with a bigger flexibility to carry them out, than the ones currently launched under the V R&D Framework Programme.

2. Methodology of research:

The most suitable method for this new approach, is the comparison between different countries with the so called "most dissimilar cases design". We would like to find disparities in some issues like: the system of innovation -if any- that each region is running, the different political and social organisation (institutions), the different relations between firms and innovative support infrastructures, ... to finally conclude with a common feature to some of them: in spite of their efforts to catch up innovation standards of Europe, the gap still remains. A typology of this "innovation problem regions" must be defined.

Disparities still remain, since then? We think that a period of 9 years is as much as relevant, that is to say, the level of innovation in 1991 and in 1999, in regions of 8/10 countries could be adequate. The beginning of the period coincides with the reform of the Structural Funds and with the starting of the economic crises that stroke with similar intensity every country in Europe. The end of the period chosen is the same of the Programming period of Structural funds (1994-1999).

Nevertheless, regional support for those last candidates in joining EU is shorter (from 1995).

Finally, three major data sources are been foreseen:

1. Empirical or statistical data available: EUROSTAT, and regional statistical offices (like EUSTAT in the Basque Country for instance);
2. Another Reseachs related to this issue: like RIS, REGIS Project or RIDER Reports...
3. Personal interviews to those responsables of innovation in Regional Governments and Development Agencies (in 12/13 regions).