

# **Regional innovation strategies: the challenge of collaboration and governance**

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# Overview

- Innovation narratives
- Regional innovation strategies
- Smart specialisation
- Key challenges

# Innovation Narratives

- Innovation looms larger and larger in local, regional and national growth debates
- But there's more than one innovation narrative
  - Science & technology narrative (linear/open models)
  - Ecological narrative (green growth etc)
  - Social innovation (civil society/quadruple helix)
  - Transition narrative (“the power of just doing stuff”)

# RIS+20

- Regional innovation strategies will be 20 years old next year
- Regional Technology Plans launched with great expectations in 1994, but why so little impact?
- Some possible reasons:
  - the weight of path dependency in the worlds of policy and practice was hugely under-estimated
  - the role of public policy was/is over-estimated, especially on the Left
  - the significance of policy and institutional continuity was under-estimated
  - Vertical state-centric actions were privileged over horizontal inter-organisational networks
  - RIS programmes were marginalised in terms of political attention and financial resources

# Smart specialisation

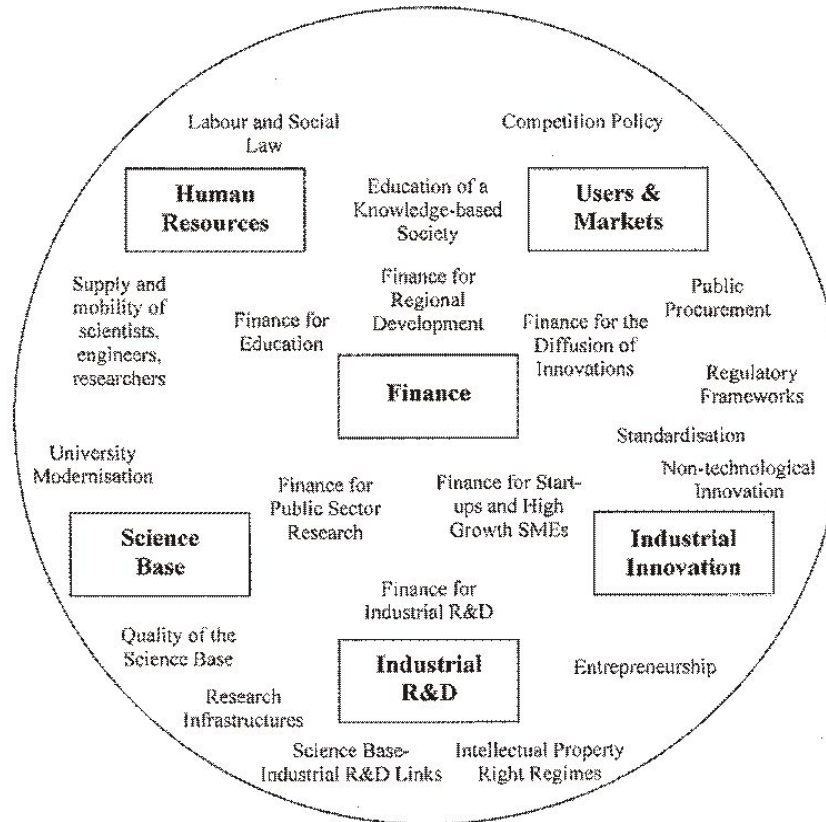
- Research and innovation strategies for smart specialisation (RIS3) is predicated on the place-based approach to regional development and aims to do the following:
  - Focus policy & investment on key priorities
  - Build on the strengths of each country/region
  - Support technological as well as practice-based innovation
  - Involve all stakeholders in a process of regional experimentation
  - Sound monitoring and evaluation systems are designed in not bolted on
- Apart from the *Place-Based Approach*, RIS3 also draws on *Evolutionary Economic Geography*

# A challenging process

- The RIS3 process is far more challenging than policy-makers currently realise. Recall the key “steps” -
  - Analyse the potential for innovation in the region
  - Set up an inclusive governance system
  - Produce a shared vision for the future
  - Select a limited number of priorities for investment
  - Establish an appropriate policy mix
  - Integrate M&E mechanisms
- Every one of these “steps” could trigger a political conflict because it is a highly contested exercise
- The RIS3 process will also face innovation system challenges

# Innovation System Failure?

Exhibit 6: Research and Innovation System Components and Policy Concerns



Source: JRC-IPTS

# Challenges: collaboration

- One of the merits of RIS3 is that innovation is recognised for what it really is – a collective social endeavour
- The core of this collaborative effort is deemed to be “*the entrepreneurial process of discovery*”
- Entrepreneurial actors are defined broadly to include universities as well as firms – but are universities expected to become something other than what they really are?
- Take the UK for example –
  - only 19% of patent applications are from universities
  - less than 5% of universities’ externally generated income comes from licensing and sales of shares of spinouts
  - the role of the university in commercialising knowledge has been exaggerated and misconstrued



# Challenges: governance

- Fashioning an inclusive governance system at the regional level is another key requirement of the RIS3 process
- But this is easier said than done:
  - Sub-national governance in England is prey to perennial bouts of creative destruction
  - Regional governance in Wales is among the most state-centric in the EU since the abolition of the WDA
  - Less developed regions in the EU have governance systems that are also very state-centric
- In short, two of the essential requirements of the RIS3 exercise are predicated on highly questionable assumptions

# References

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