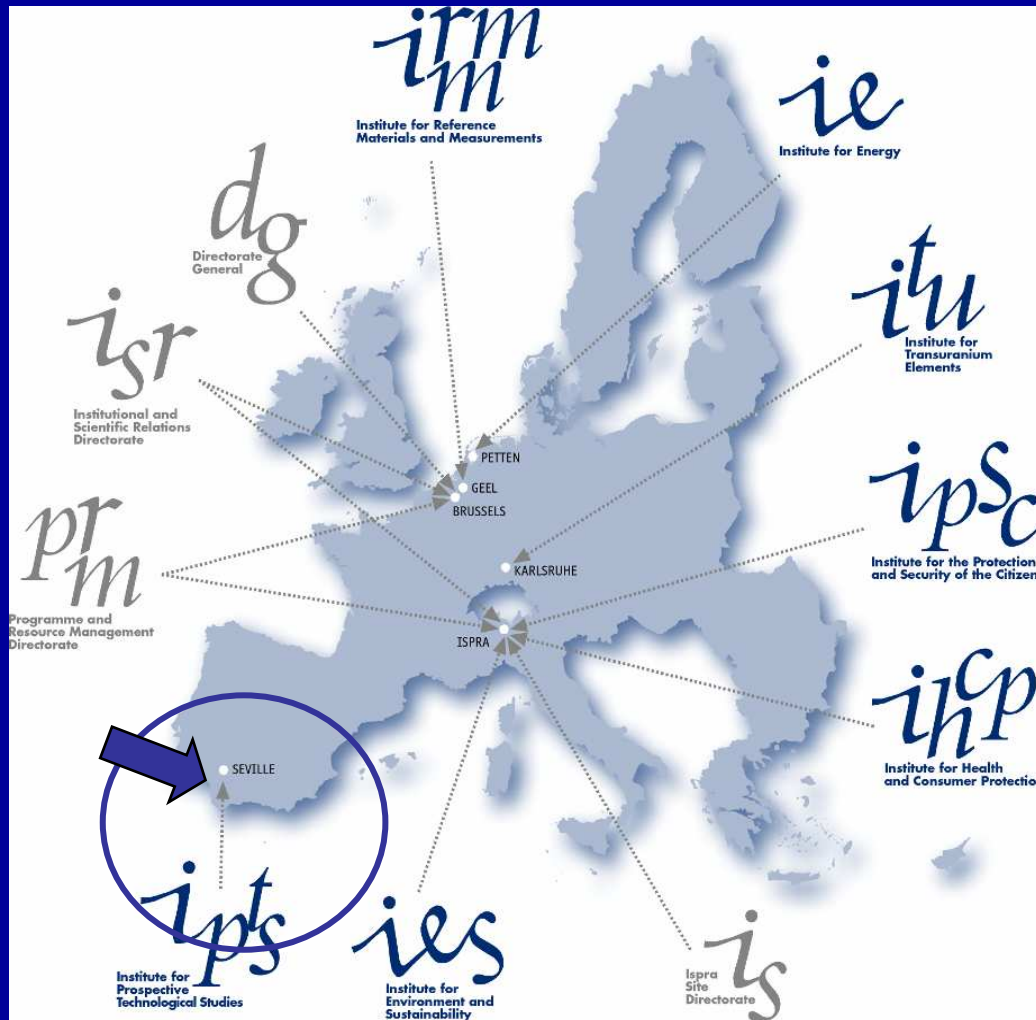




Matching local decisions and global trends

Regional development in search of opportunities

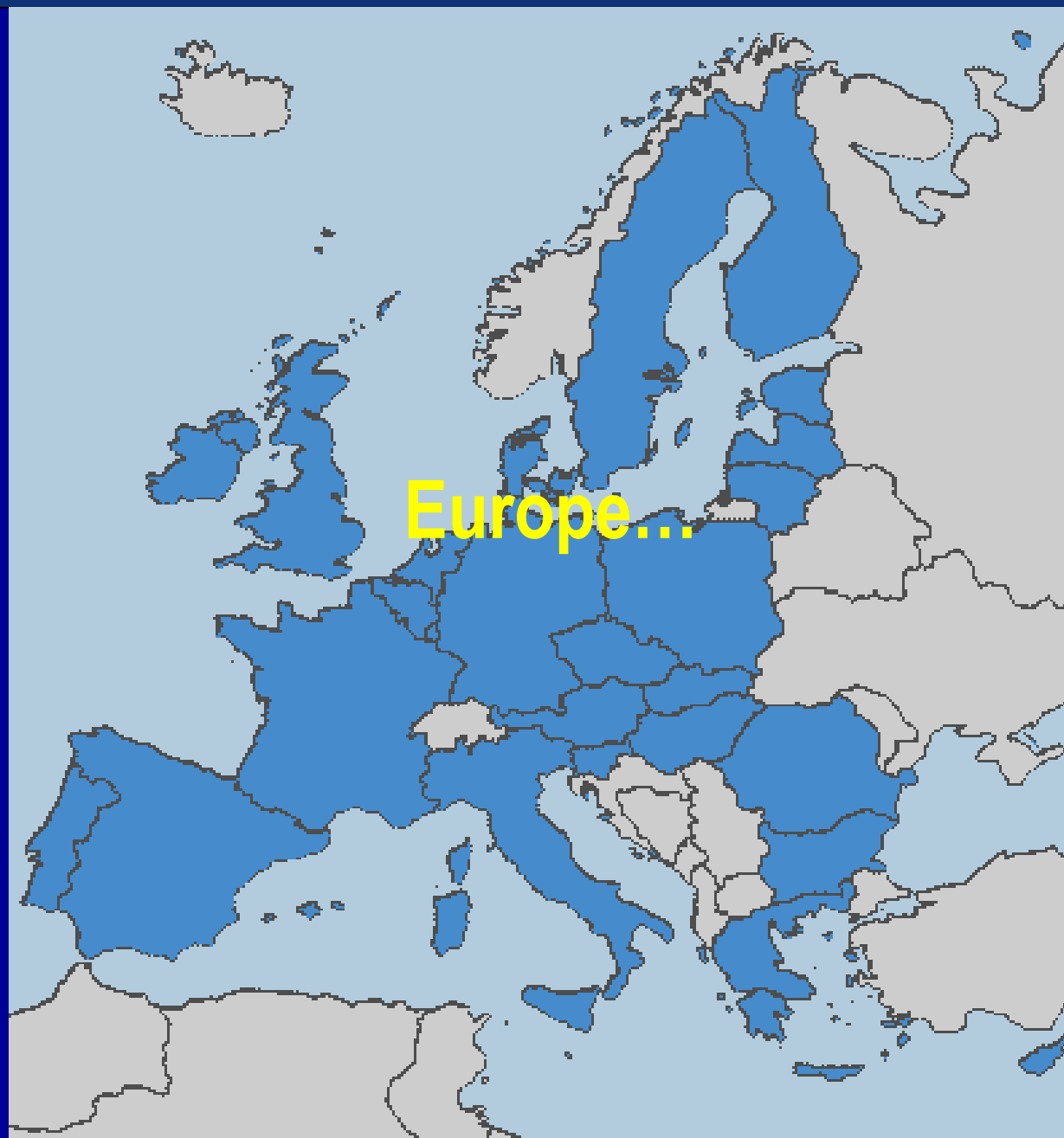
Marc Bogdanowicz, Andrea de Panizza
JRC, IPTS – European Commission



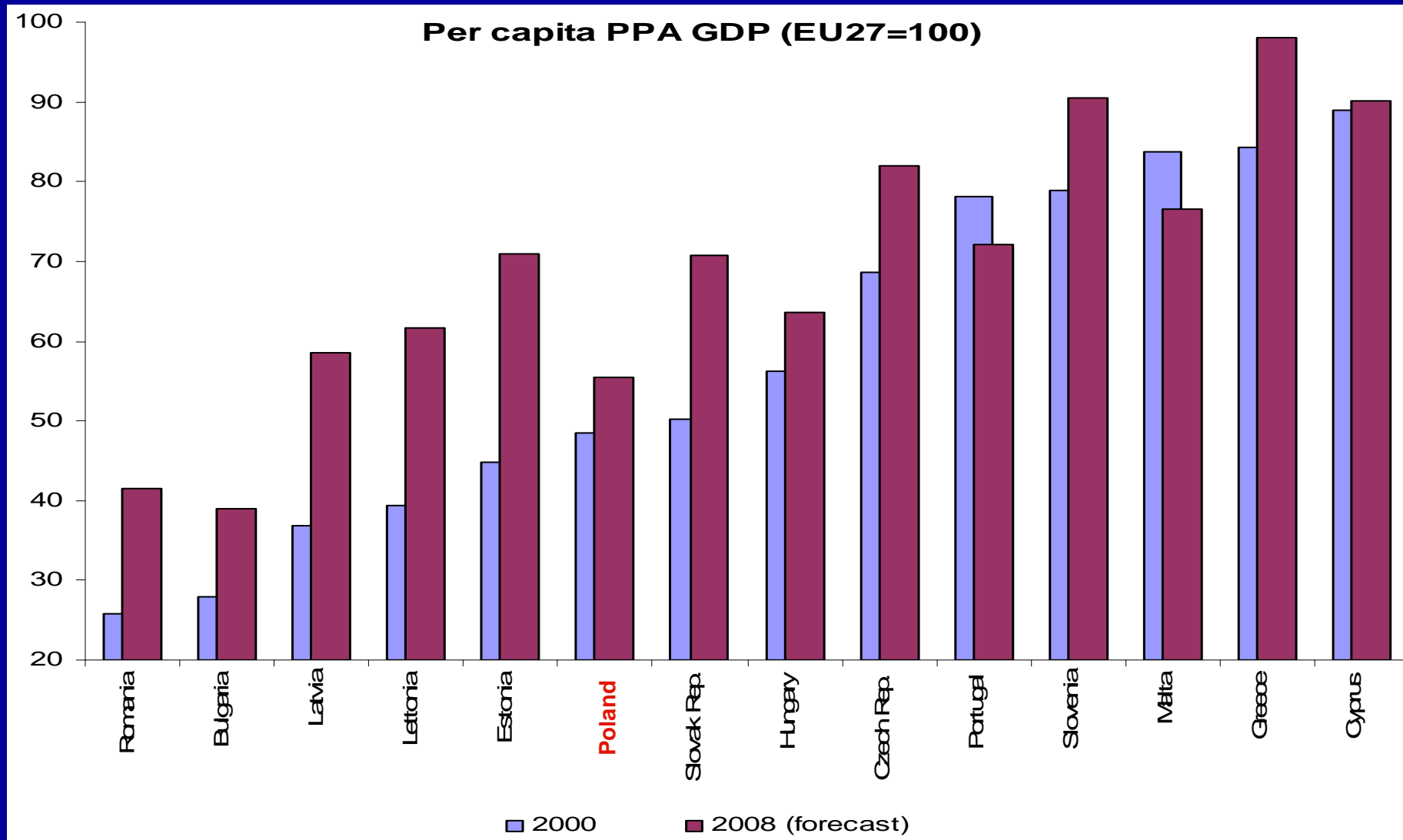
IPTS: Part of DG JRC of the EC:
7 Research Institutes across Europe

Mission: “to provide customer-driven support to the EU policy-making process by researching science-based responses to policy challenges that have both a socio-economic as well as a scientific /technological dimension”

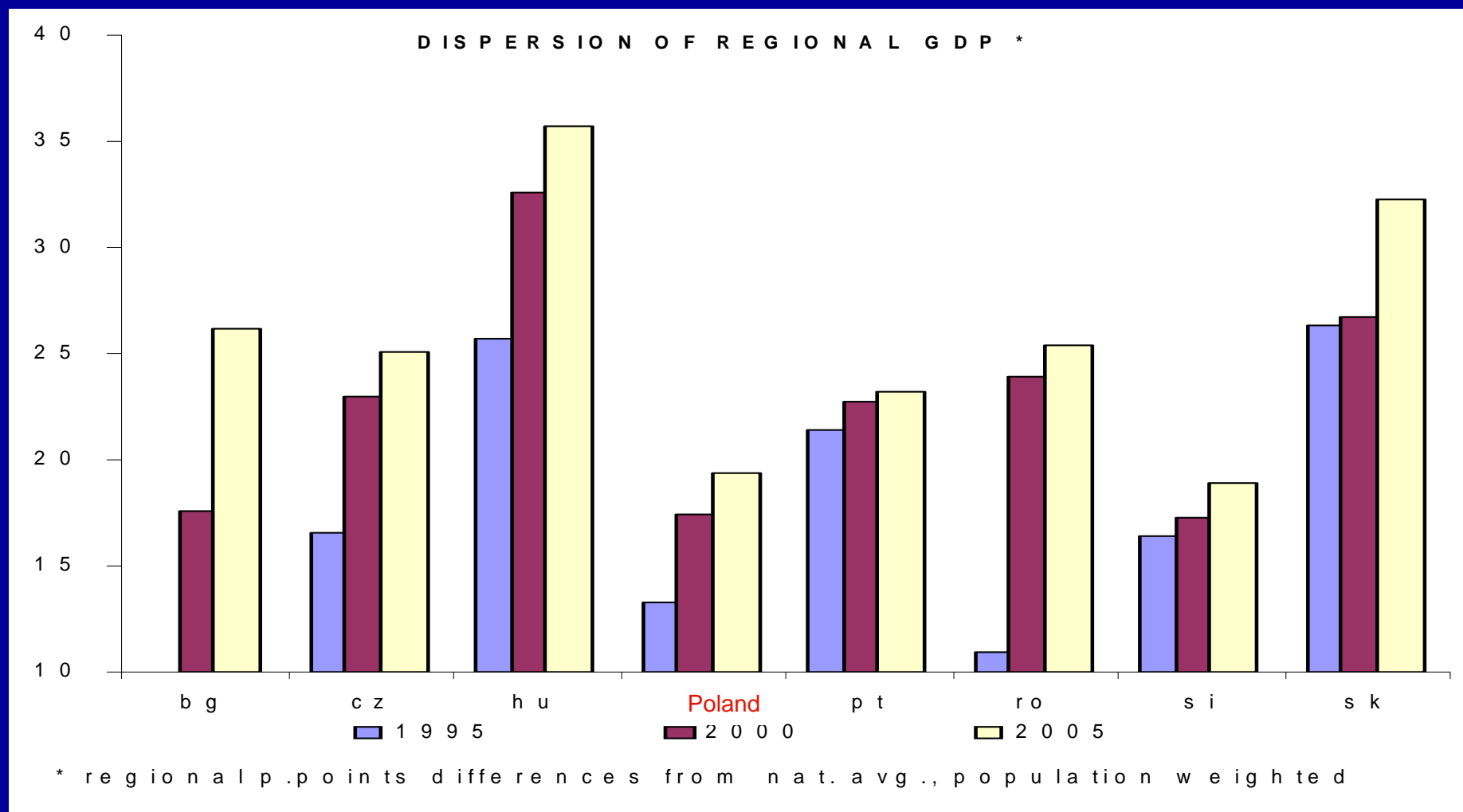
Modus operandi: desk research, expert groups, modelling, centres of expertise,...



Inter-national convergence...



... and regional divergence



The financial instruments of EU regional policy intend to narrow the development disparities among regions and Member States

➡ A drive for increased competitiveness and economic, social and territorial cohesion.

Distribution of EU budget 2007-2013



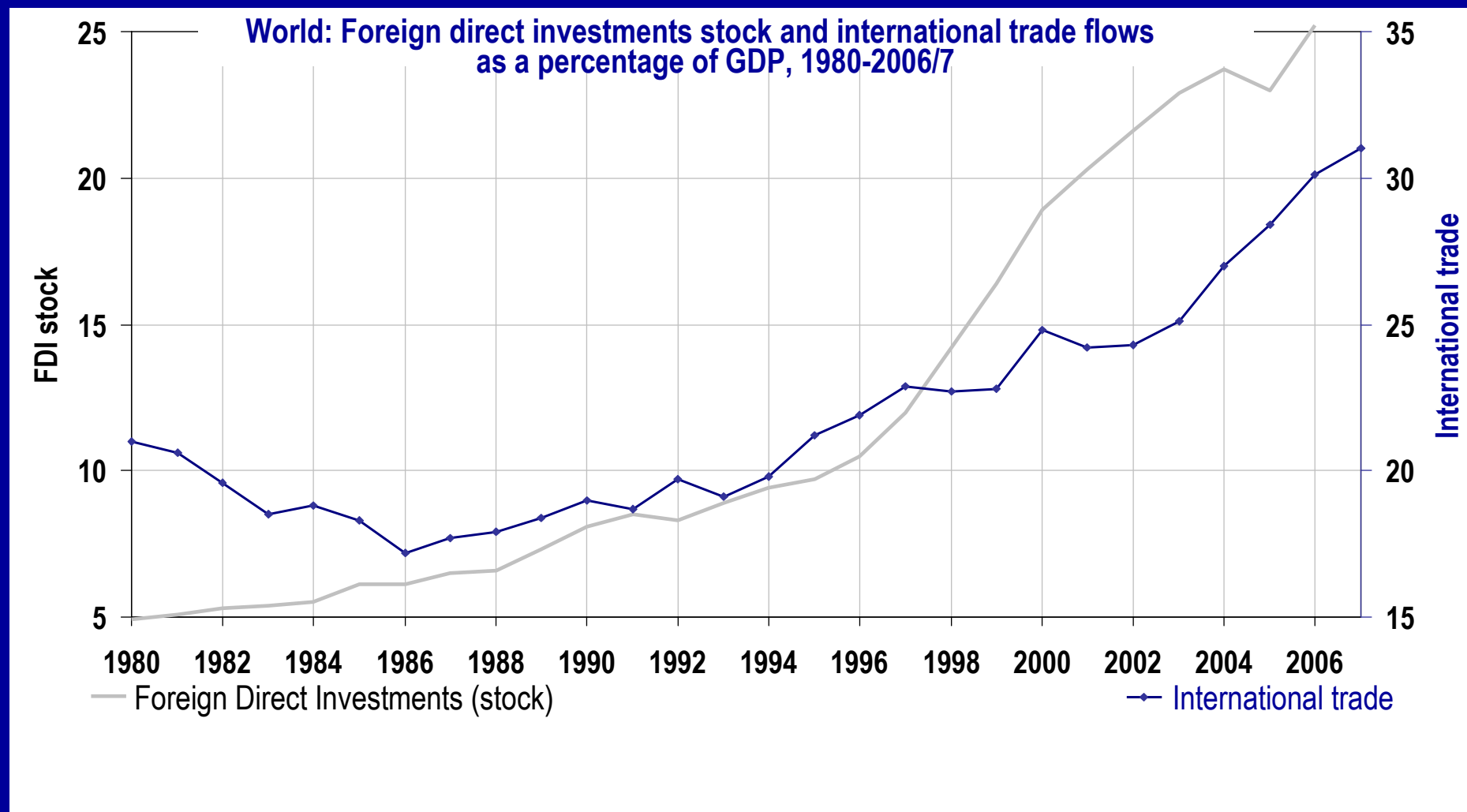
Budget regional policy: € 348 billion,
Comprising:
- € 278 billion for the Structural Funds
- € 70 billion for the Cohesion Fund.

EU structural and cohesion funds 2009: € 48.4 billions (~35% of total EU budget)
out of which 50% to invest in Eastern Europe

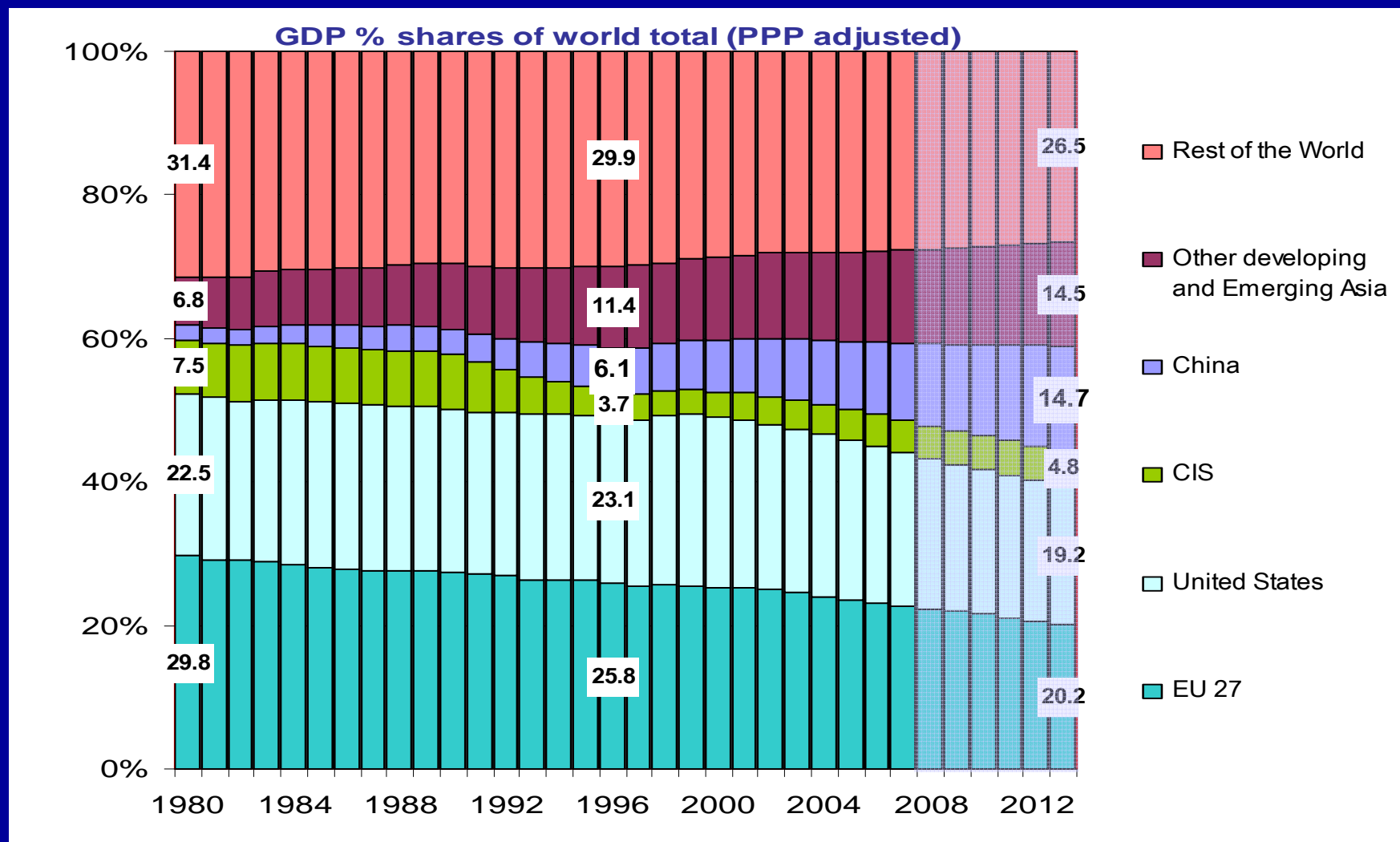


Globalisation...

Accelerated change in international conditions since the mid '90s...



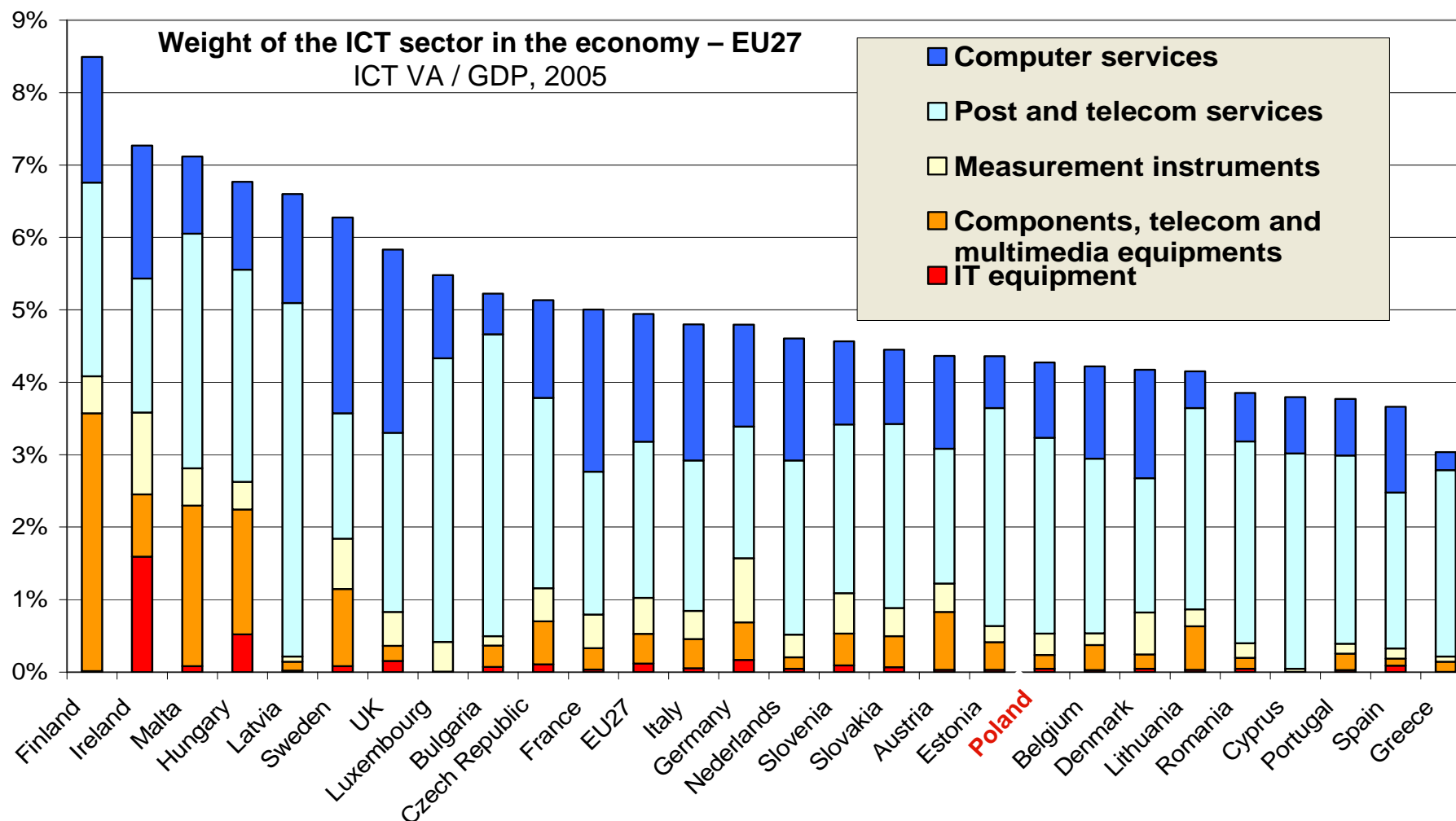
...and new actors emerging in the world economy



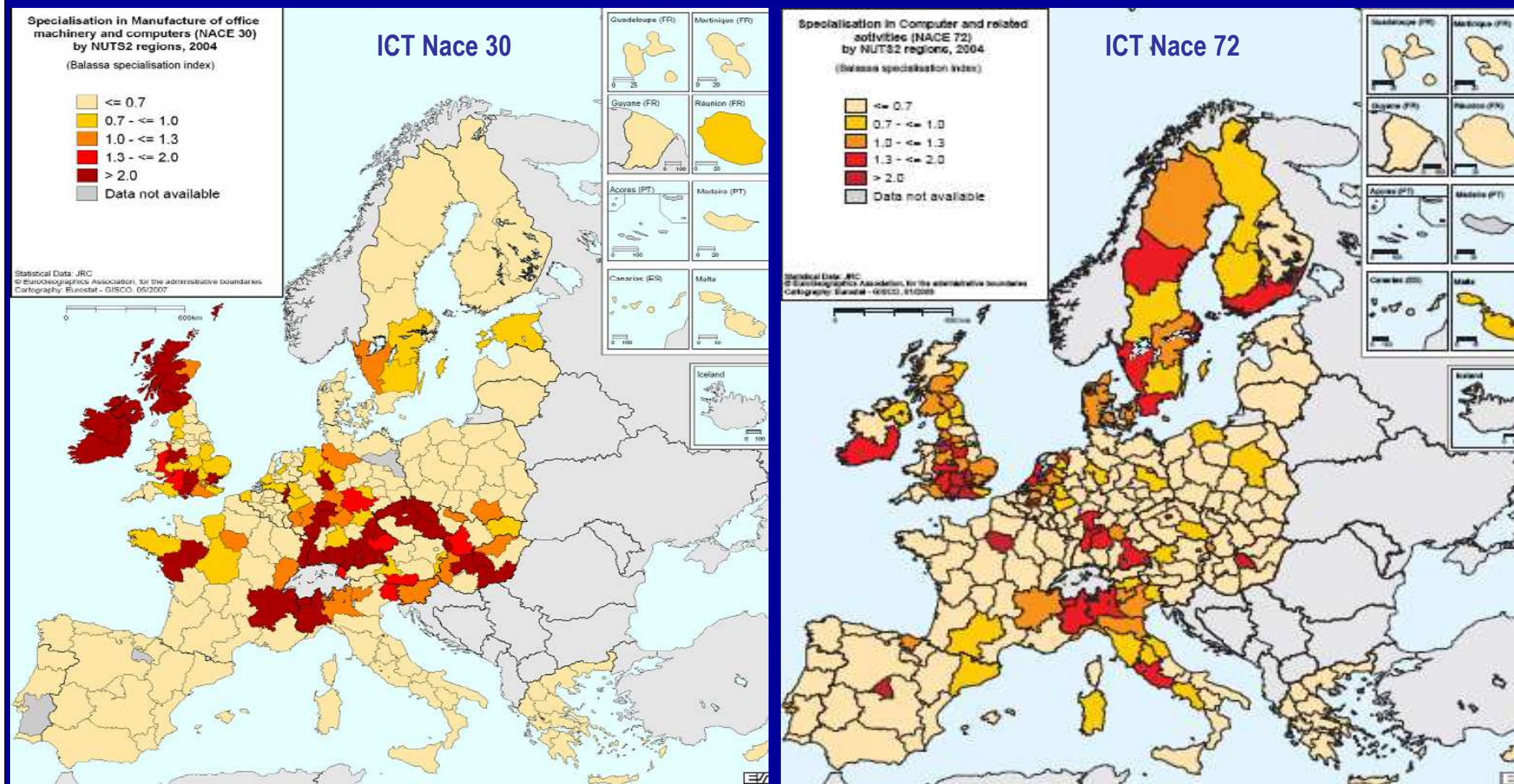


The deployment phase of Information and Communication Technologies...

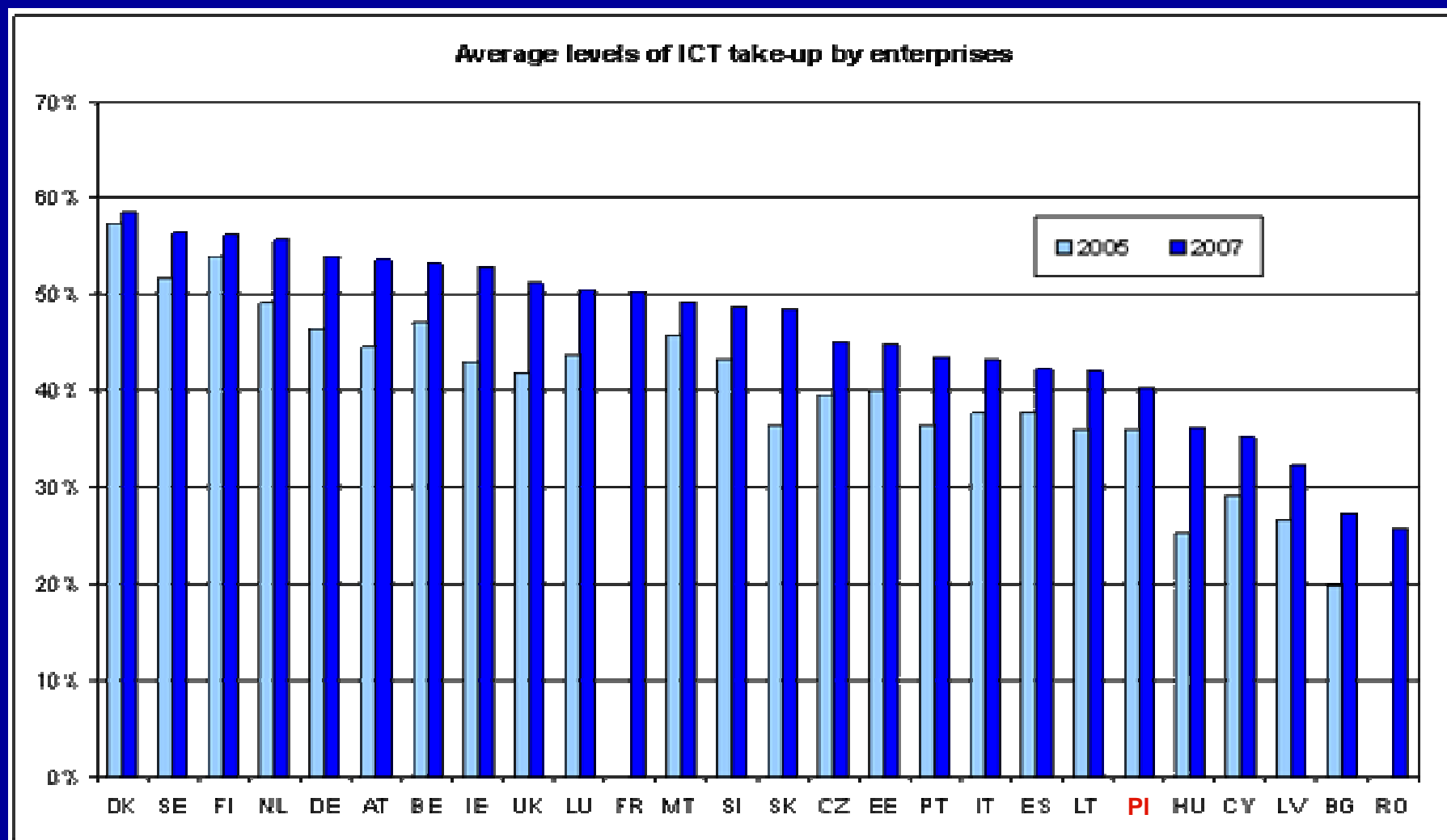
ICT: less the story of an industry....



In all cases, only a few regions are specialised ...



...than the story of a “General purpose technology” transforming the economy

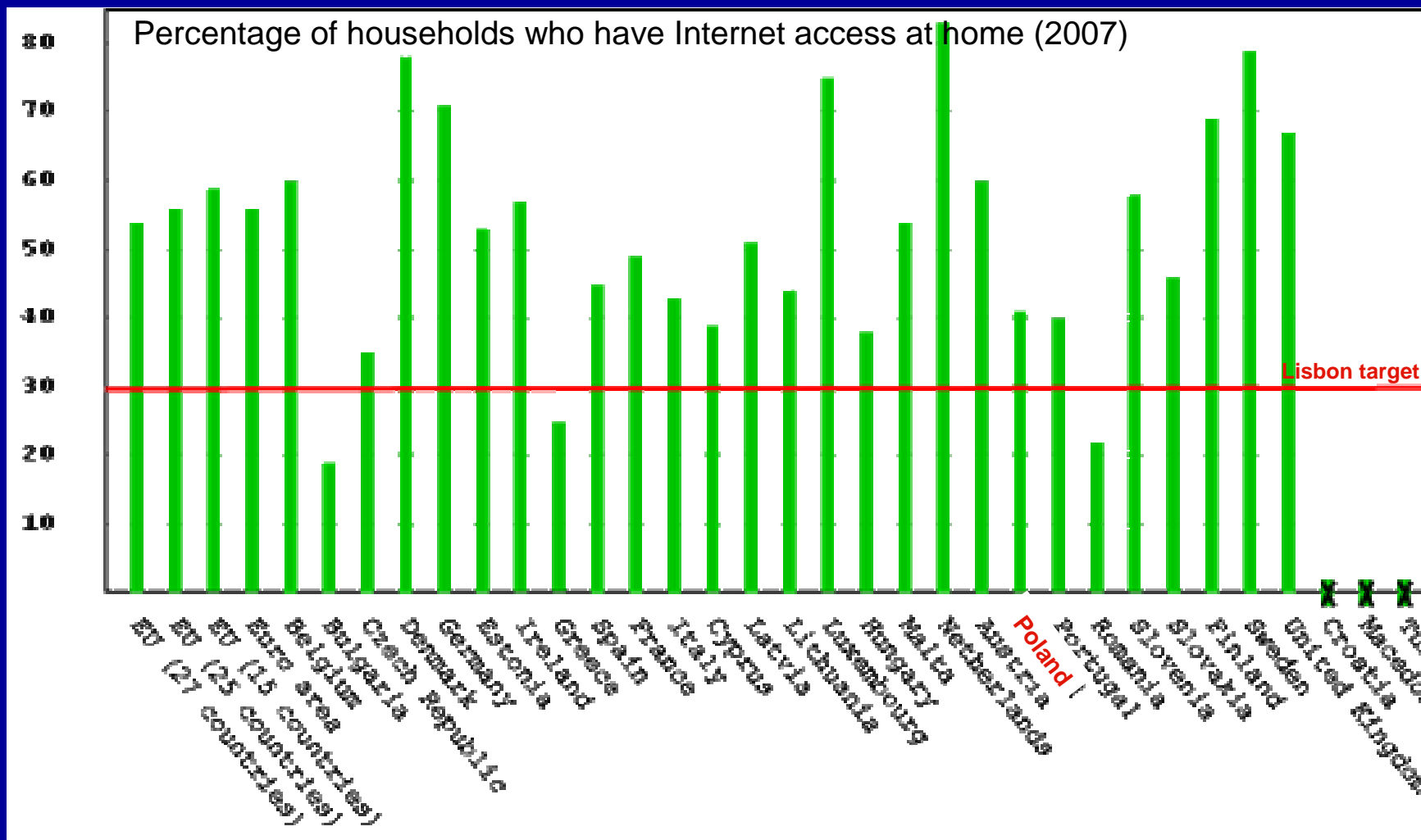


Source: i2010 MidTerm. Preparing Europe's digital future. DG INFSO 2008.

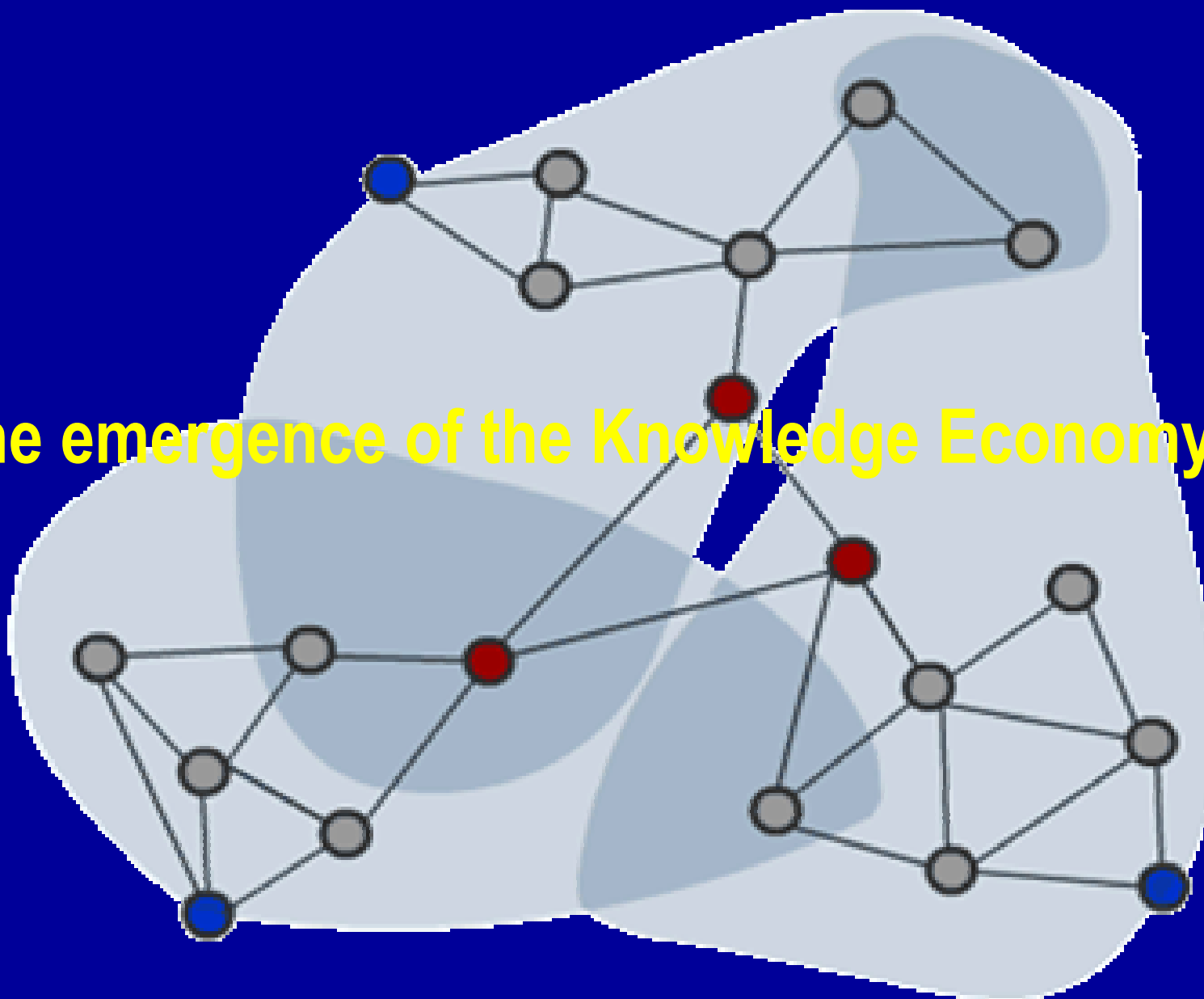
Data refer to all the enterprises, excluding the financial sector.

Source: Community Survey of ICT usage by Enterprises, 2007, Eurostat

...and progressing also rapidly in peoples' private sphere



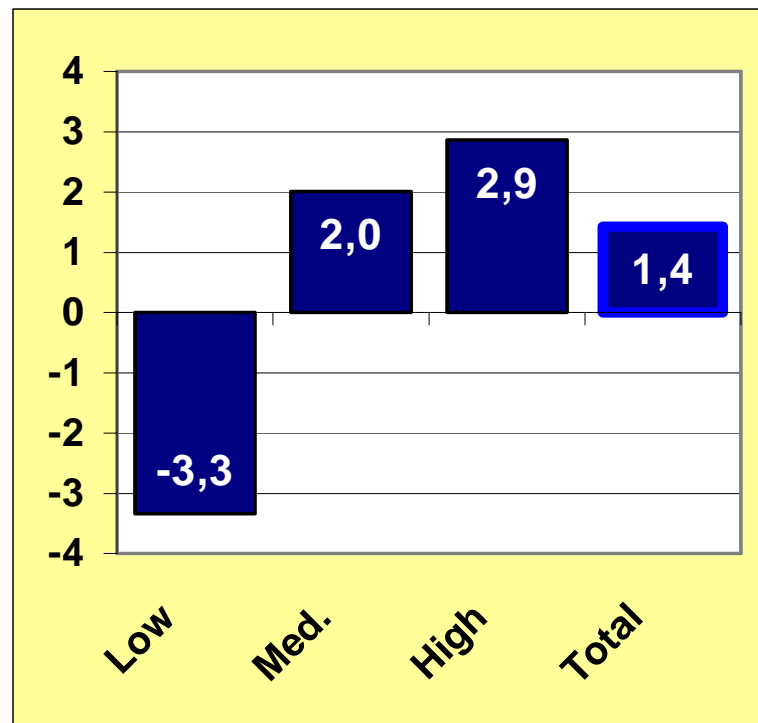
The emergence of the Knowledge Economy...



The rise of qualified employment in Europe and the USA...

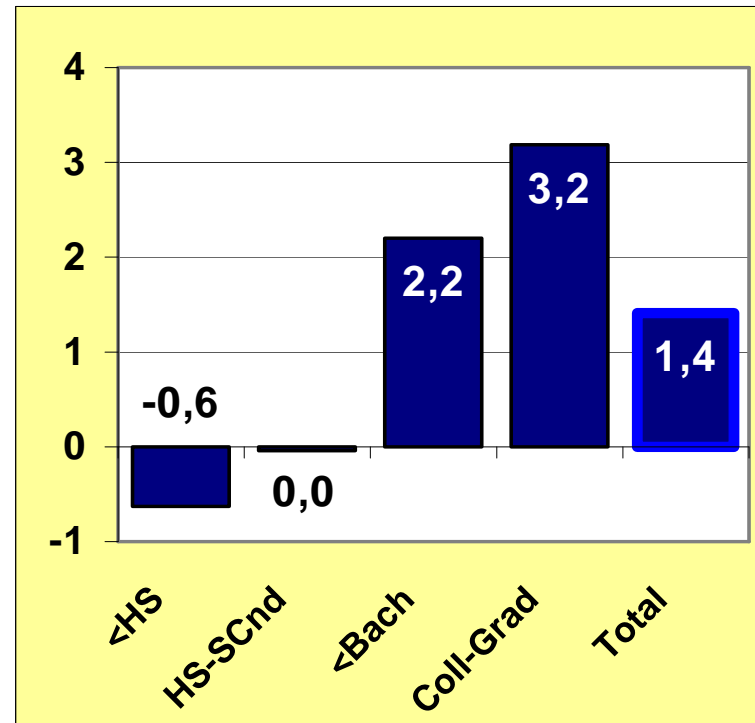
Average annual growth of employment per educational level

EU15 - 1996-2003



Source: Eurostat LFS

USA - 1992-2002



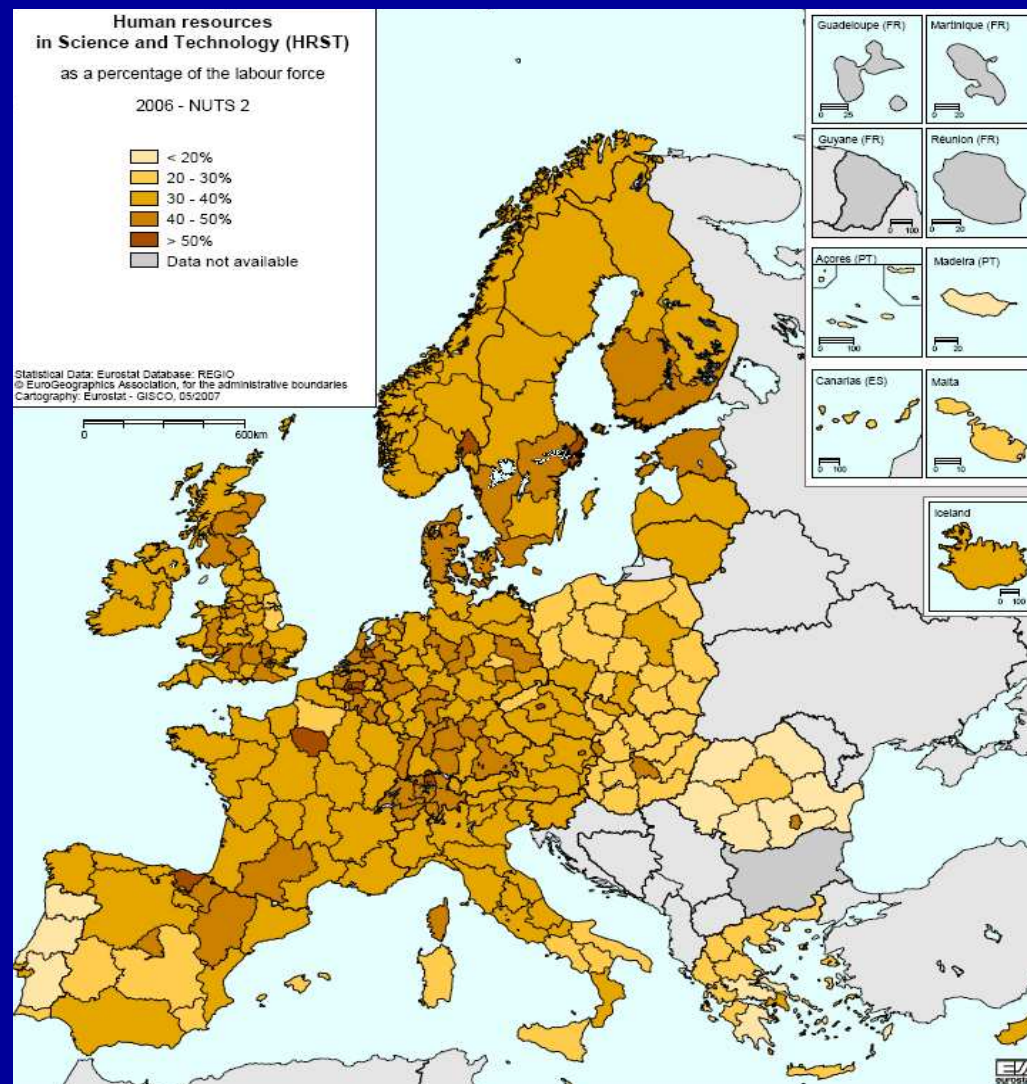
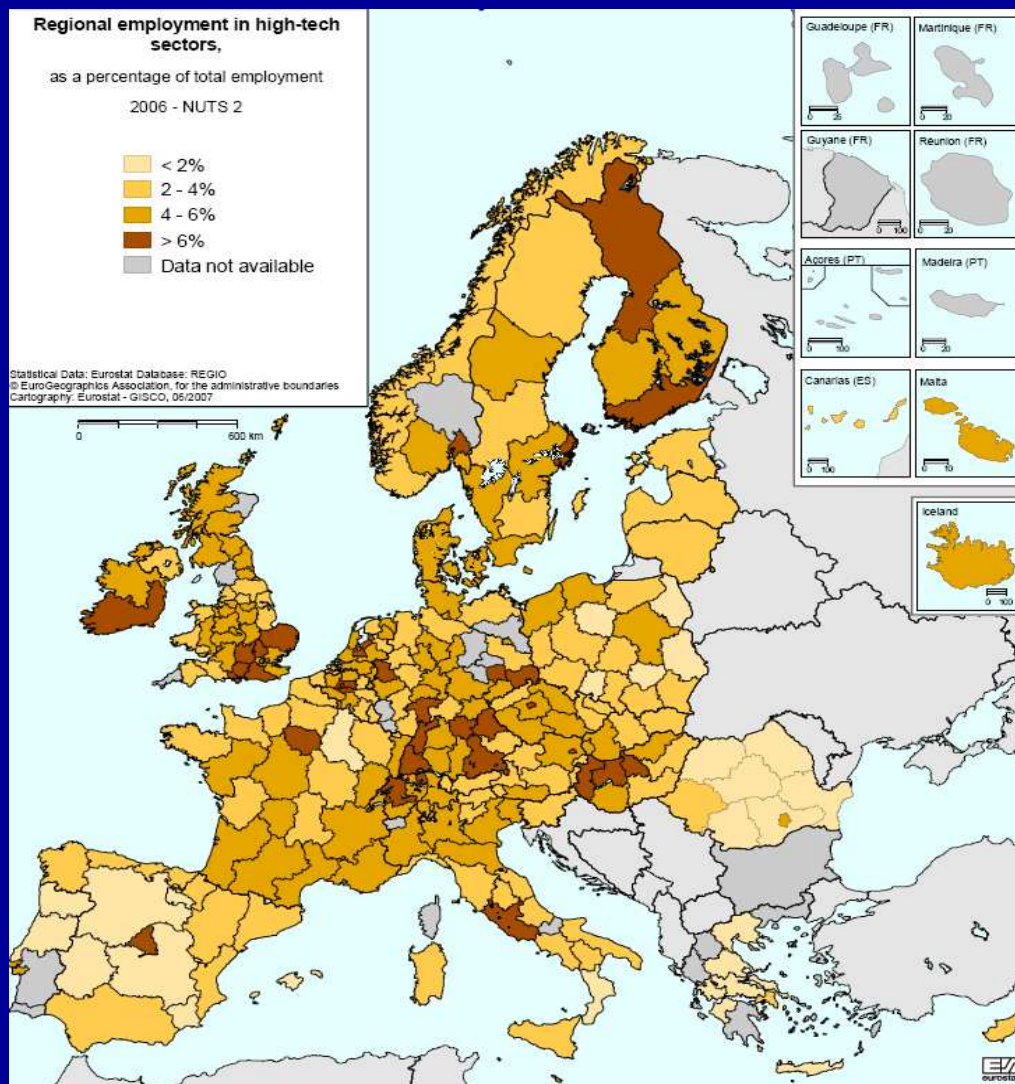
US BLS (Bureau of Labor Statistics)

Source: Coomans, 2005. Edit.: IPTS.

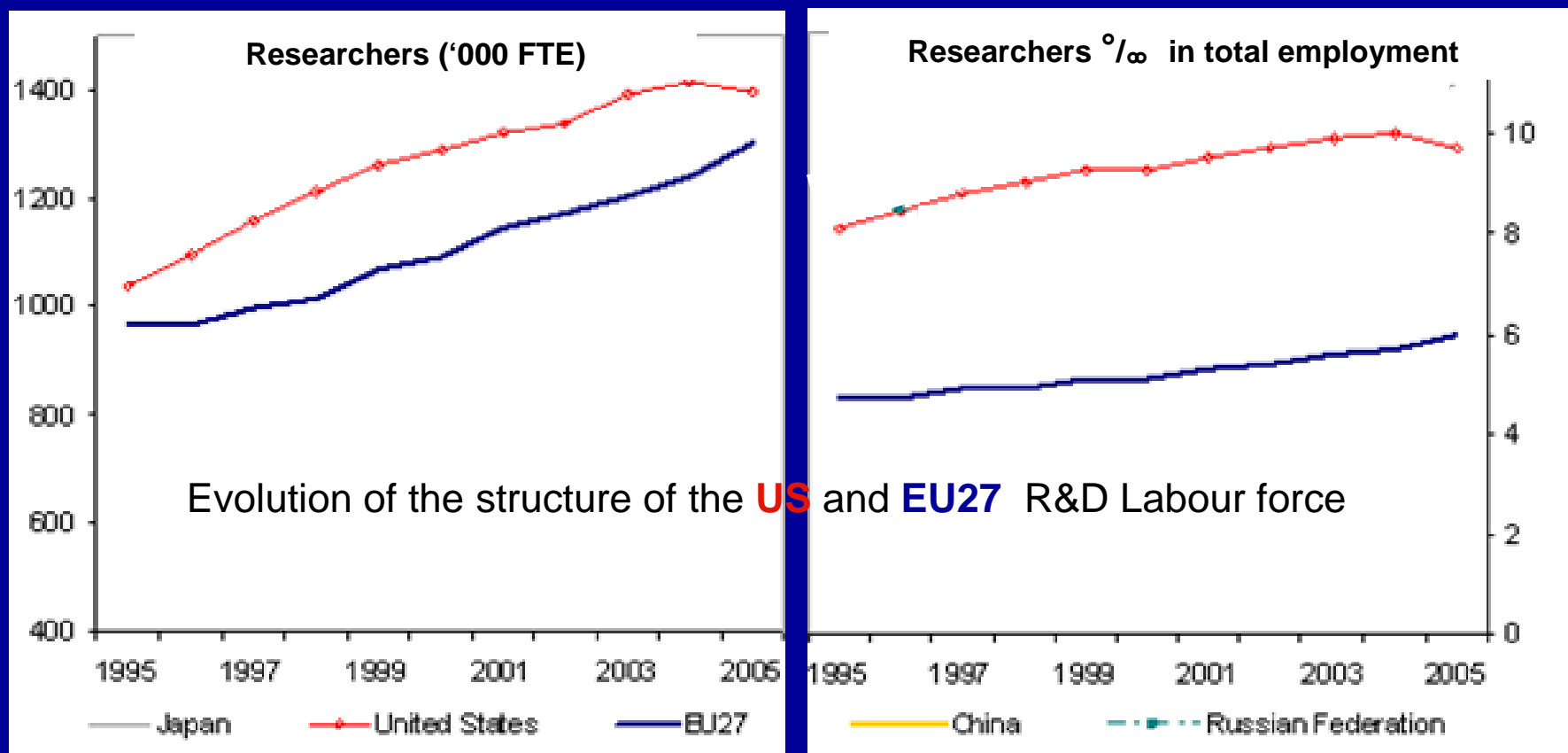
* For the USA, : « <HS » comes for « Less than High School », « HS-SCnd » for « High School, some College (no degree) », « <Bach » for « Less than Bachelor degree », « Coll-Grad » for College Graduates.

(Highly) qualified at work

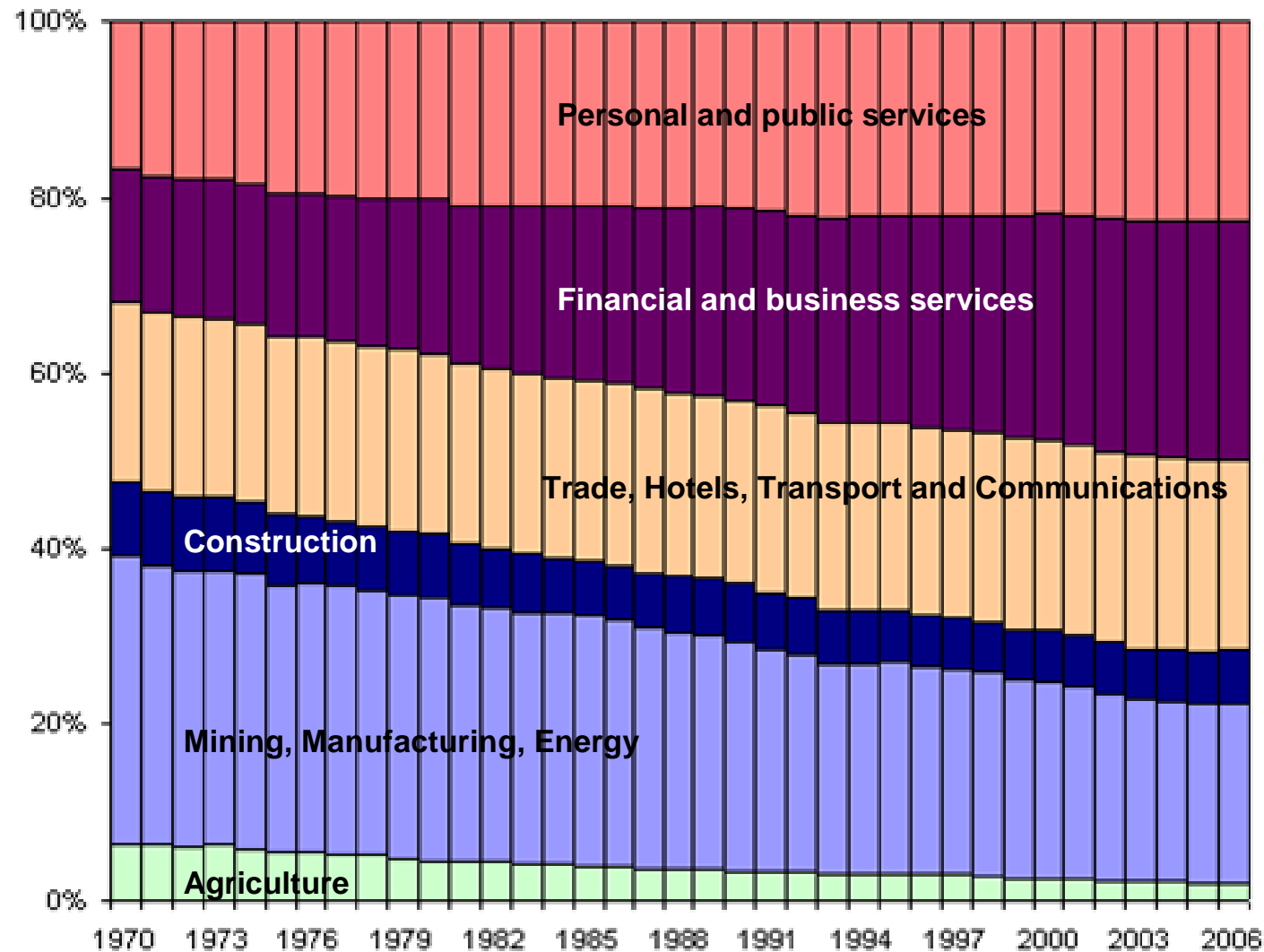
...and still potential qualified labour force



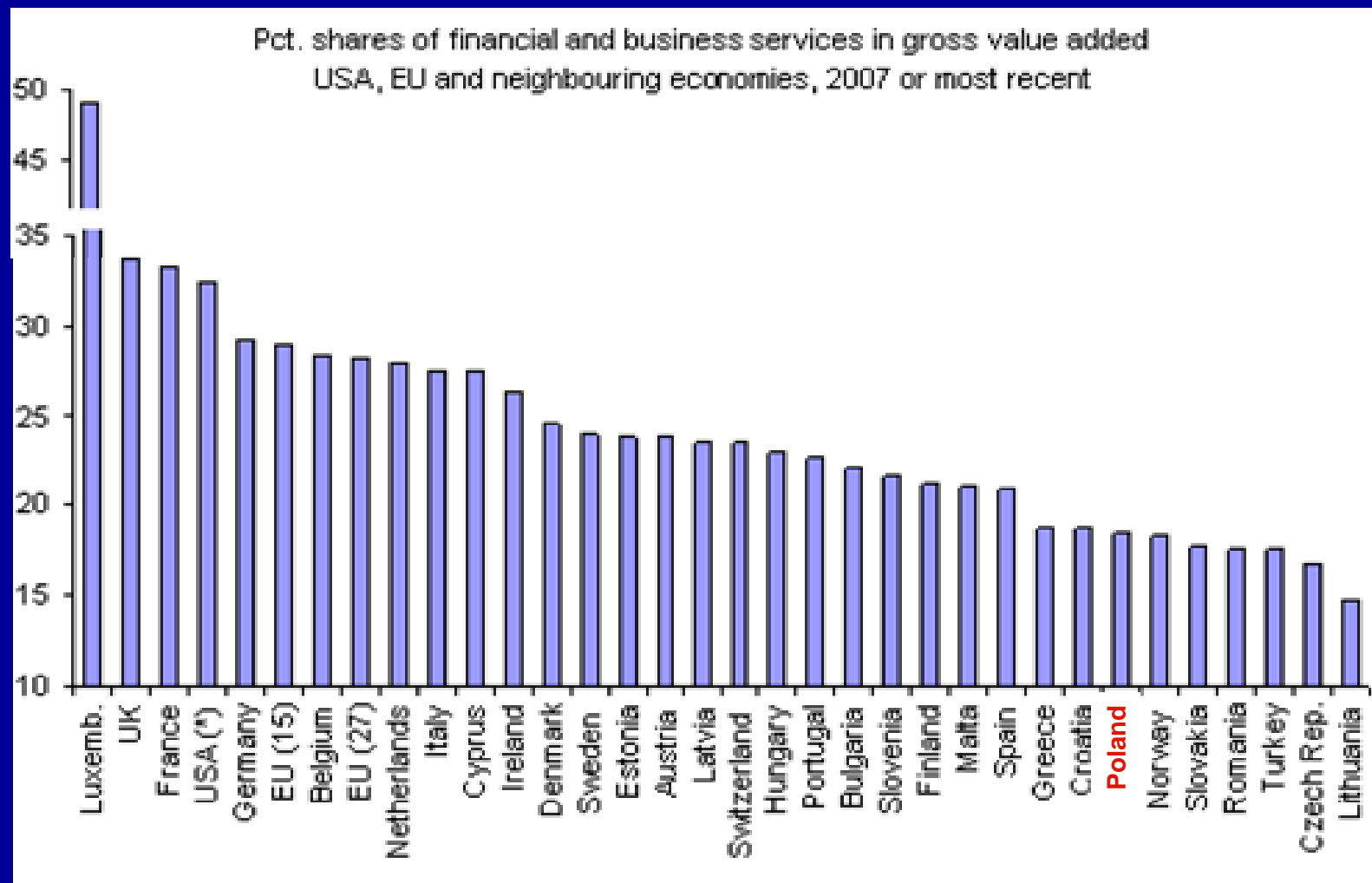
... and the reinforcement of an innovative knowledge base



The progressive emergence of the European service economy

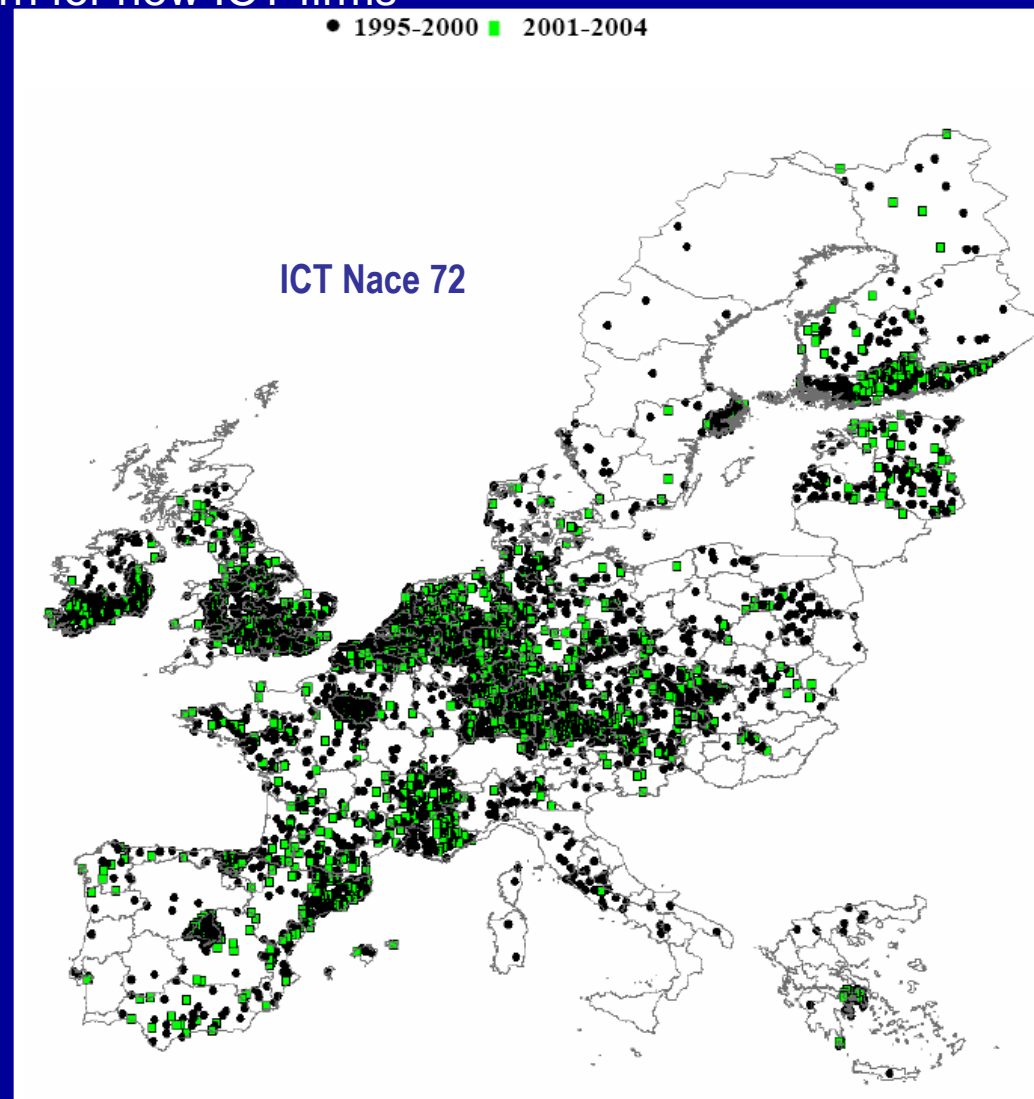
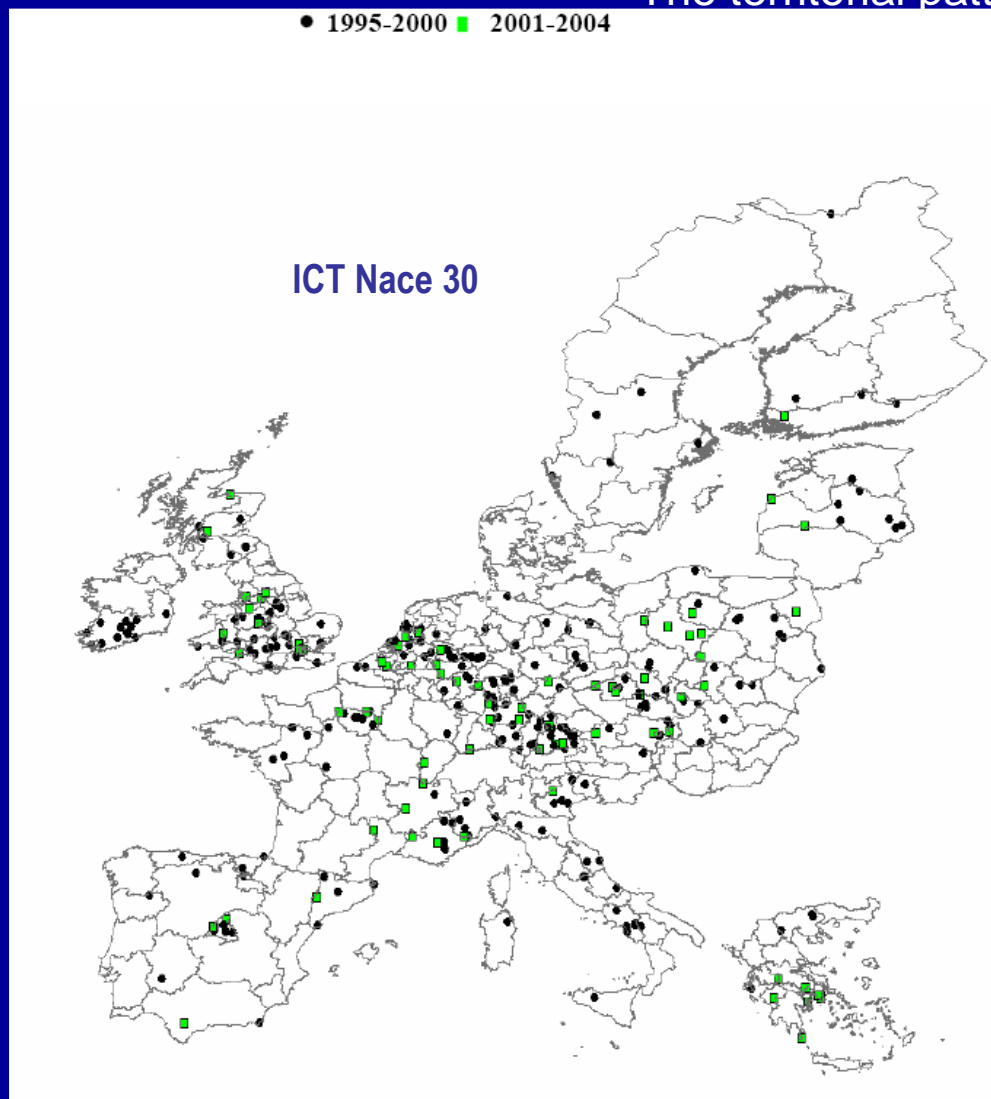


... accompanying wealth creation...

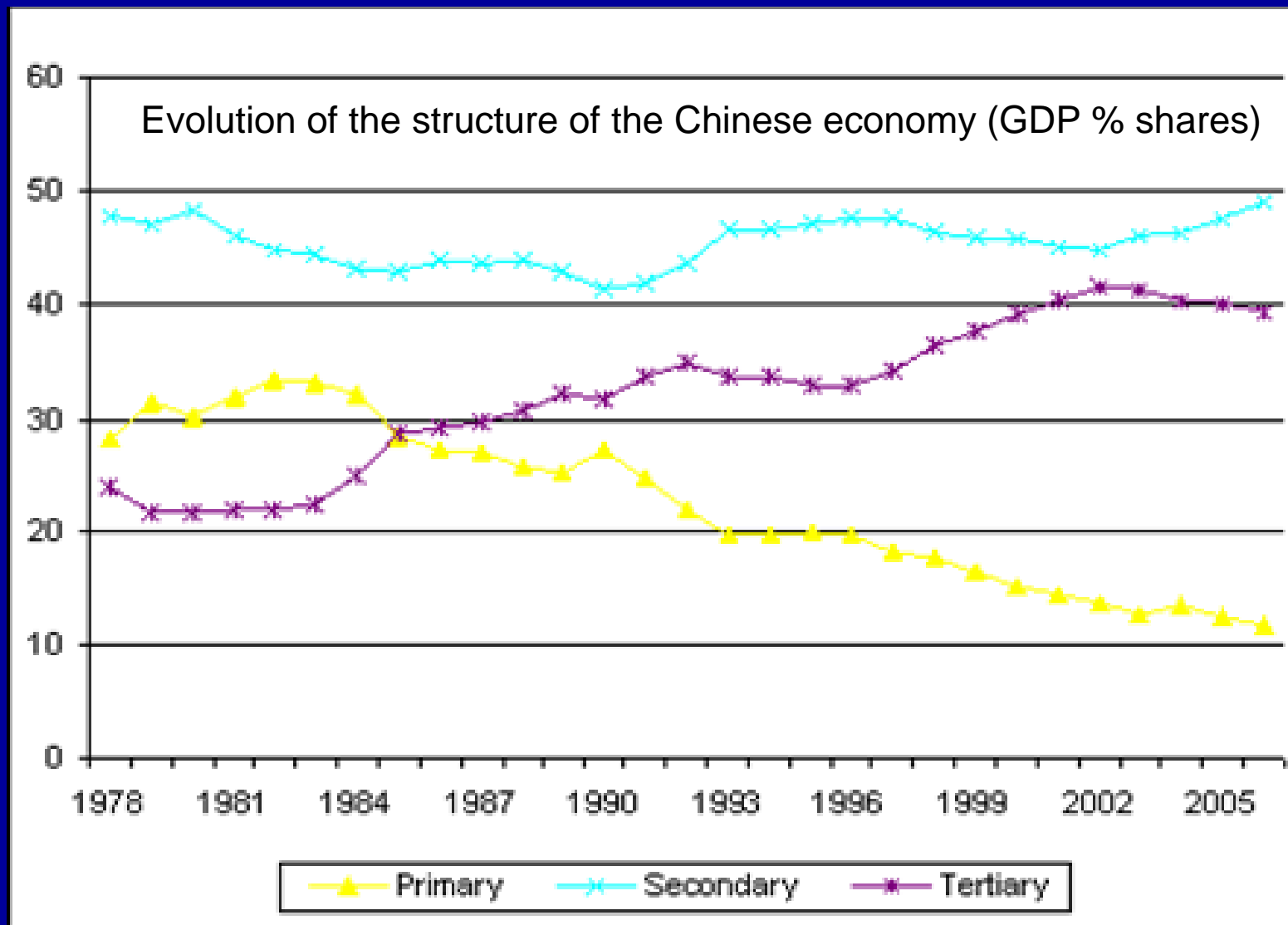


... possibly a new economic geography...

The territorial pattern for new ICT firms

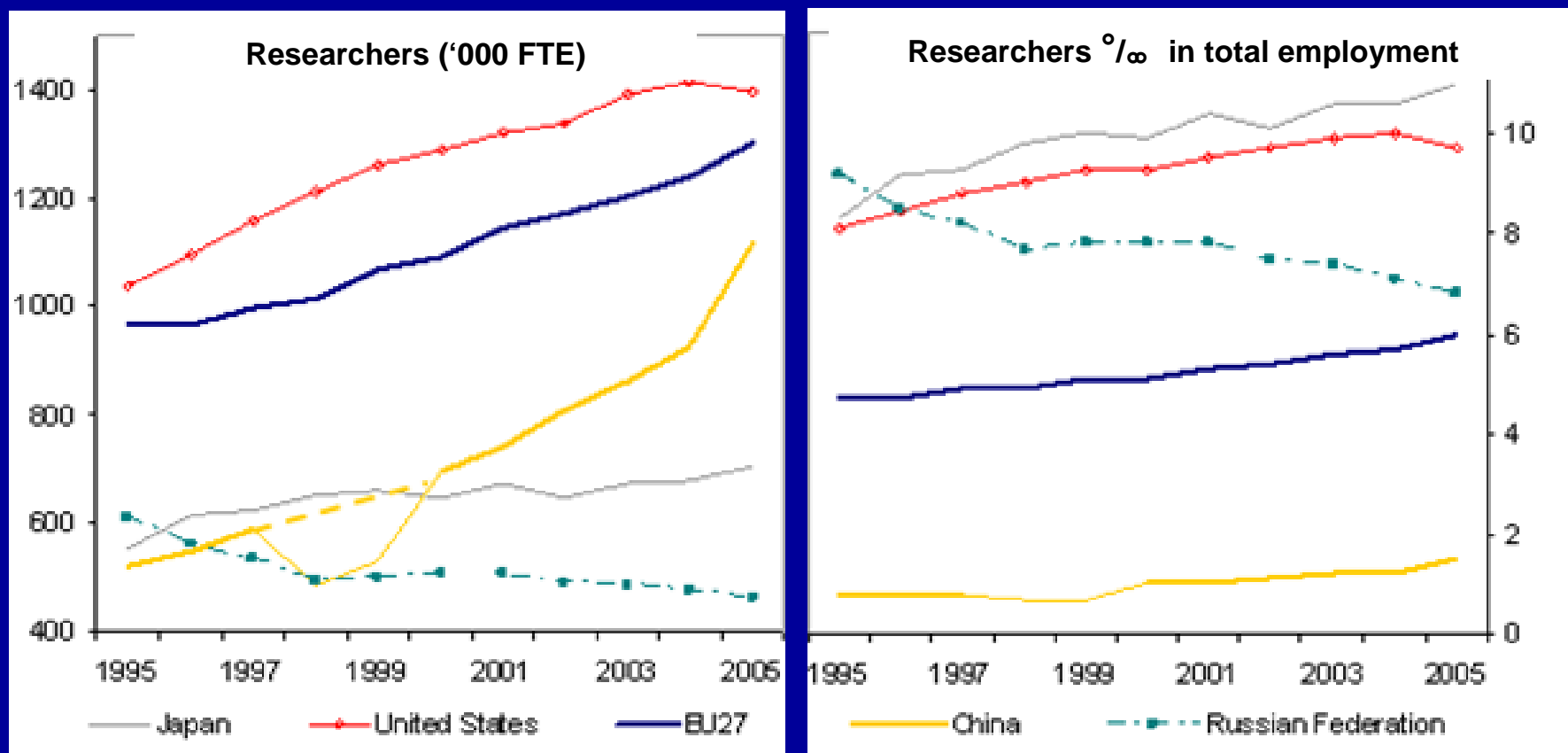


... and complementary/competing changes elsewhere



... and again complementary/competing changes elsewhere

Evolution of the structure of the world R&D Labour force



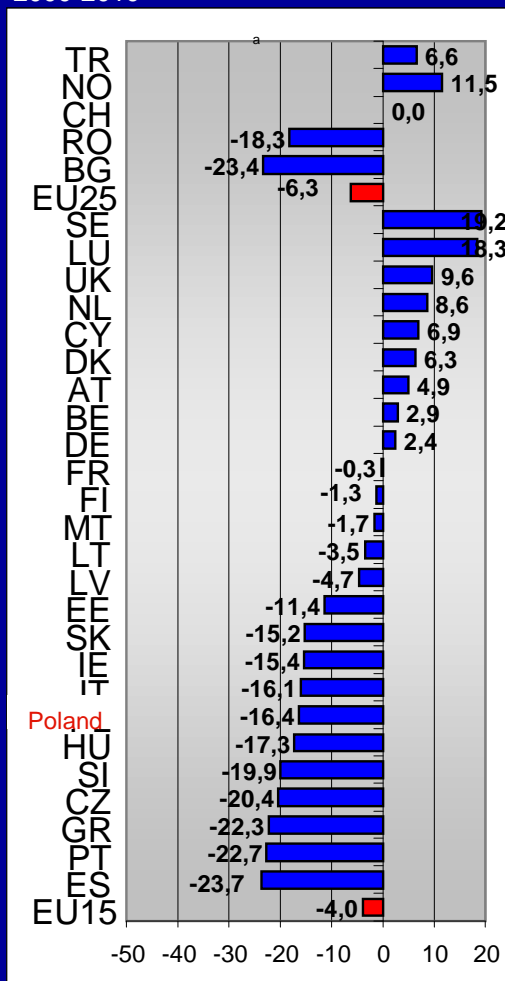


The Education/ Demography squeeze...

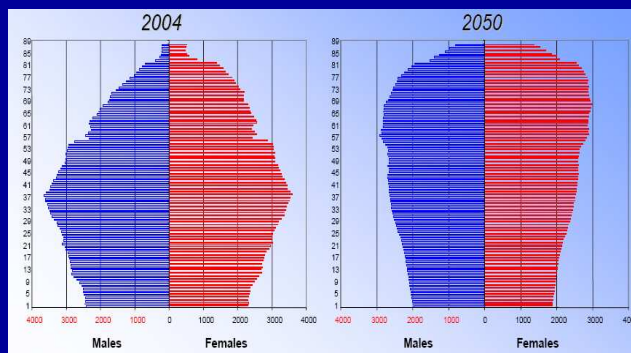
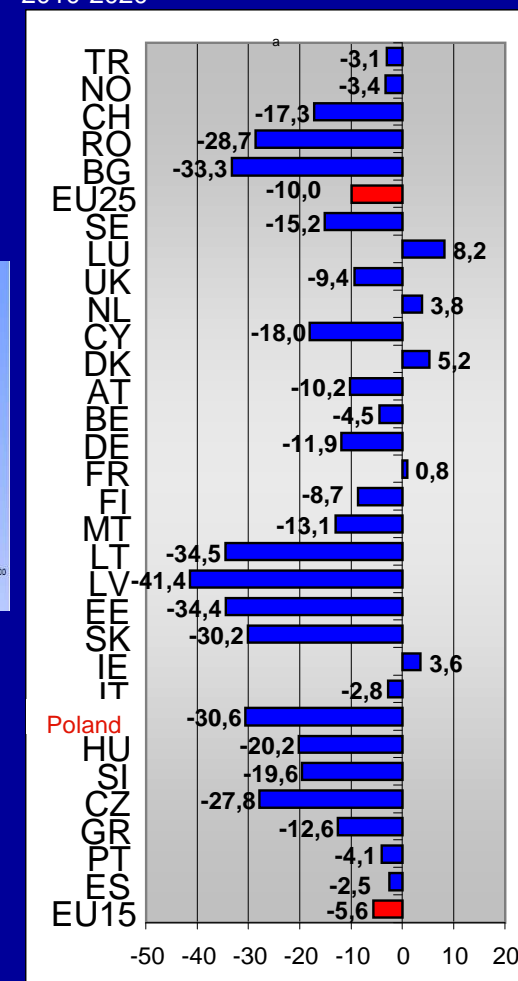
While the share of youngsters declines....

Decennial growth of the 15-24 age group

2000-2010



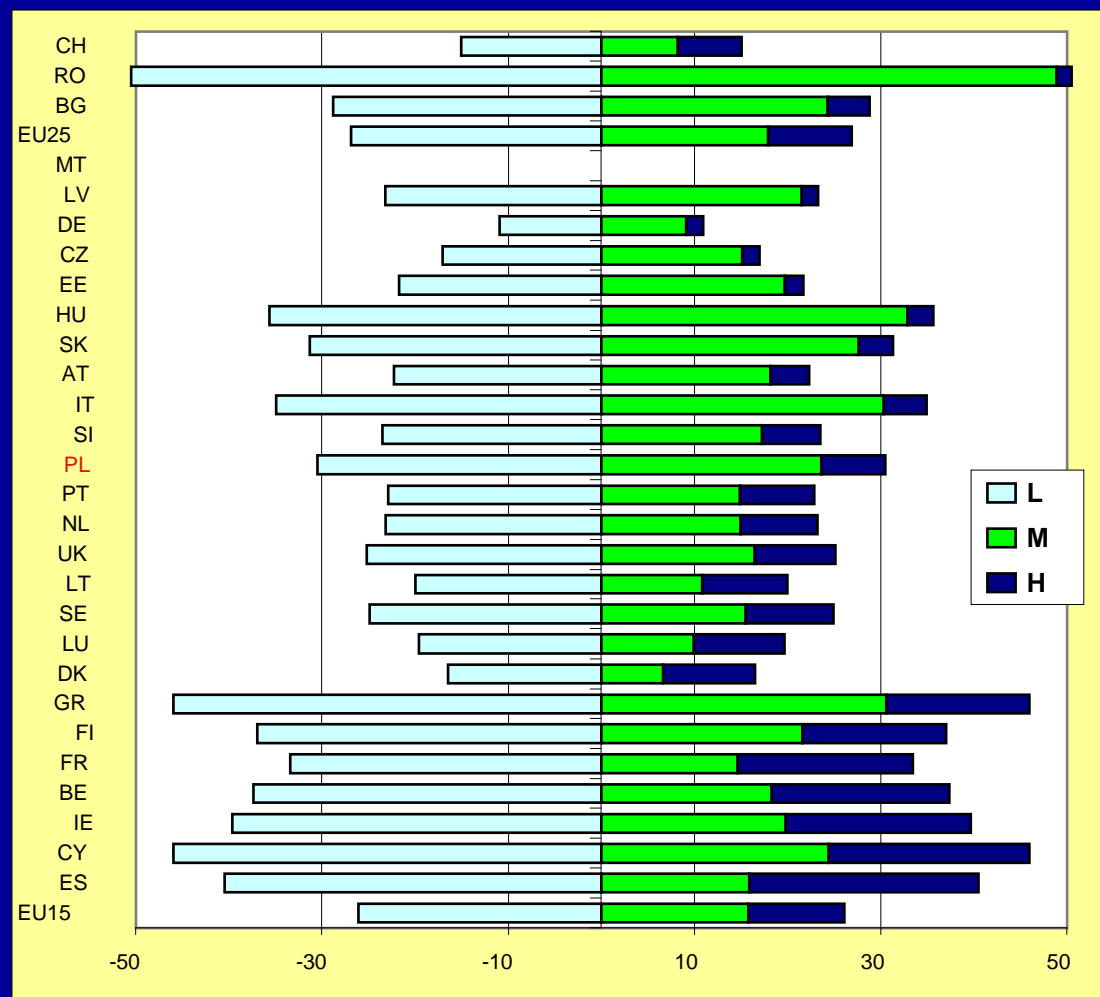
2010-2020



...the share of qualified workers needs to increase rapidly

The need for an “Educational transition” to reduce the “Education/Demography squeeze”

Change in the educational distribution between the 55-64 and the 25-34 age group (2000)



Concluding...

Facing the Convergence / Divergence dynamics of Growth in Europe

➡ Investing for tomorrow's regional growth and cohesion

Taking in account...

a) Globalisation and the rise of Asia

b) Information and Communication Technologies in the deployment phase

c) The emergence of the knowledge economy

d) The Demography/Education squeeze

And emerging trends... Energy, Food, Climate change, WEB 2.0 ?

Think 30 years ahead...

Thank you

Contacts:

Marc.Bogdanowicz@ec.europa.eu,
Andrea.De-Panizza@ec.europa.eu

JRC, IPTS – European Commission
<http://ipts.jrc.ec.europa.eu/>

Major references used

ICT Diffusion, Innovation Systems, Globalisation and Regional Economic Dynamics: Theory and Empirical evidence

C.Karlsson, G.Mayer, M.Trippl, I.Siedschlag, R.Owen, G. Murphy, 2008
ESRI Working paper, Report to IPTS

Mapping the ICT in EU Regions: location, employment, factors of attractiveness and economic impacts

S. Barrios, M.Mas, E. Navajas, J. Quesada, 2008
IPTS, Sevilla. EUR 23067 EN

The Demography/Education Squeeze in a Knowledge-based Economy

Coomans G., 2005.
IPTS, Sevilla. EUR 21573 EN

All three papers are freely available on the website of IPTS and of ESRI.