The complexities of multi-level governance: innovation policy in the EU

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Multi-scalar governance

TYPE I
multi-task jurisdictions
mutually exclusive jurisdictions at any particular level
limited number of jurisdictions
jurisdictions organized in a *limited number of levels*
jurisdictions are intended to be *permanent*

Multi-scalar governance

TYPE I	TYPE II
multi-task jurisdictions	*task-specific* jurisdictions
mutually exclusive jurisdictions at any particular level	*overlapping* jurisdictions at all levels
limited number of jurisdictions	*unlimited* number of jurisdictions
jurisdictions organized in a *limited number of levels*	*no limit* to the number of jurisdictional levels
jurisdictions are intended to be *permanent*	jurisdictions are intended to be *flexible*

SUBSIDIARITY AND ADDITIONALITY

Innovation policy

➢Public policy presented as a technocratic solution to wicked problems of underdevelopment

➢Example: smart specialisation – argues that through

➢ consultation with stakeholders;

➢ and identification of priorities, countries and regions can make better investment decisions

However…

Assumptions about context of public policy:

1. ambiguity

2. time constraints

3. problematic policy preferences

4. unclear technology

5. fluid participation

6. stream independence

Also:

Interaction between state and non-state actors influences <u>problem definition</u>, <u>solution identification</u> and <u>political opportunity</u>

Implementation of Smart Specialisation policy

Vertical power dynamics:

How multi-scalar dynamics within government affect decisionmaking at the regional level

Horizontal power dynamics:

How the strategic interests and demands of external interest groups affect decisionmaking

Previous work

Region	GDP (PPP as % of EU avg)		Innovation performance*	Quality of governance**
	2000	2017		
Kentriki Makedonia	71	53	Moderate (+) Innovator	22
Comunidad Valenciana	91	81	Moderate innovator	40
Centro (PT)	71	67	Strong (-) Innovator	51
Nord-Est Romania	18	39	Modest (-) Innovator	15

Table 1 – Economic, innovation and governance indicators for the four case studies
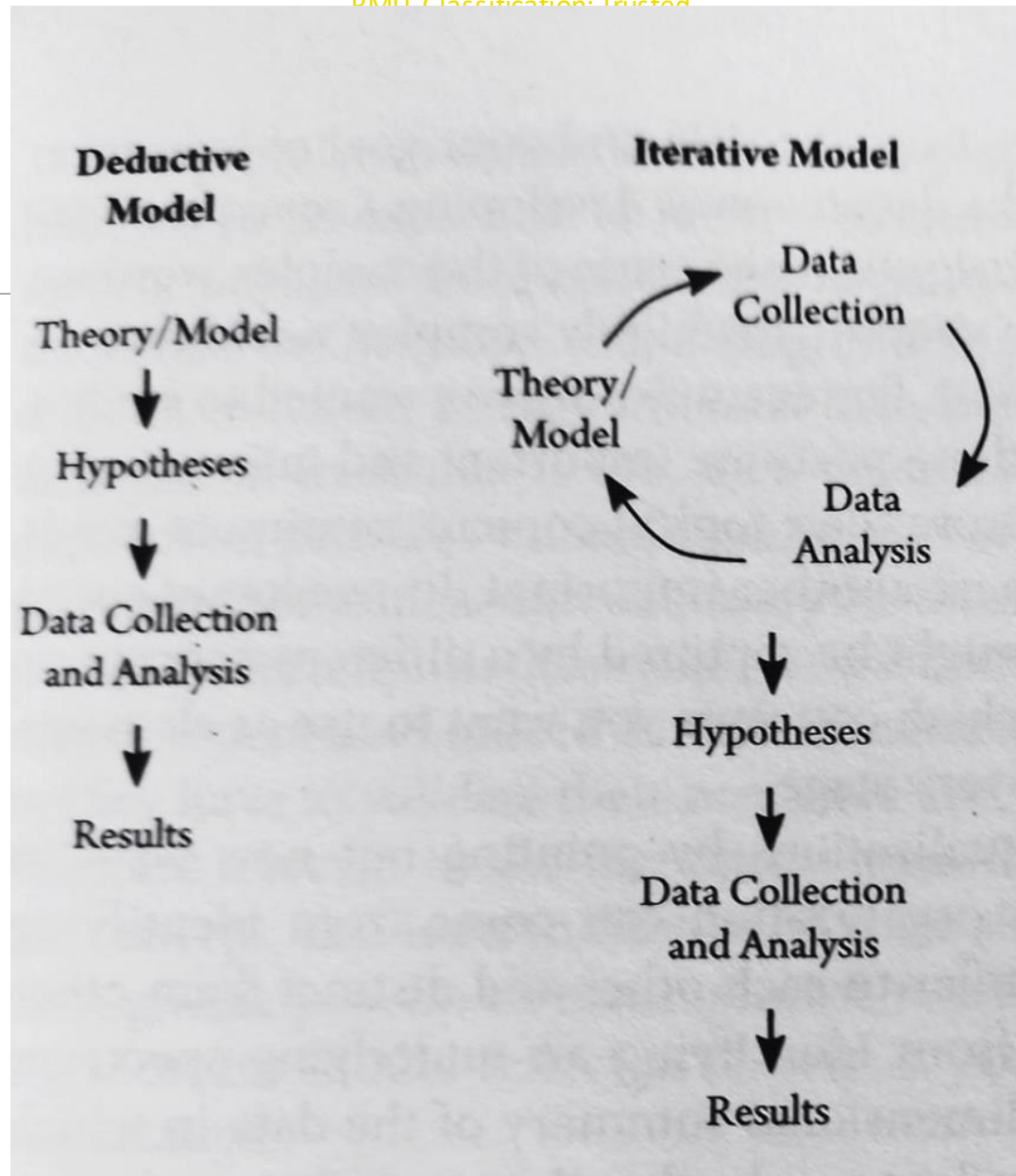
* European Commission. (2019)
** Charron et al (2019)

Region	European level
Central Macedonia	Research did not explore interaction between state and non-state actors at this scale. Tension between policy and compliance within European Commission
North East Romania	
Centro	
Valencian Community	

Methodology

Database of all projects funded by cohesion funds in two time periods: 2007-2013; 2014-2020

Standardisation of databases

Text mining to identify actors, sectors, technologies, etc.

Deductive Model

Theory/Model

↓

Hypotheses

↓

Data Collection and Analysis

↓

Results

Iterative Model

Theory/Model → Data Collection → Data Analysis → Theory/Model (cyclic)

↓

Hypotheses

↓

Data Collection and Analysis

↓

Results

At this stage…

Two main indicators for French and Portuguese regions

◦ Value of EU budget per project funded

◦ Percentage of Universities/Enterprises as PIs in projects

Variable	Variable2	Correlation	Count
ChangBudgt	QoG	.025	24
	Innov_Score	-.004	26
	GDP	-.182	25
Perc_Ent	QoG	.637	21
	Innov_Score	.382	21
	GDP	.185	21
Perc_Uni	QoG	-.263	21
	Innov_Score	-.247	21
	GDP	.128	21

Tentative (narrow) conclusions

Quality of governance is correlated with having a higher proportion of enterprises as PIs

Universities in regions with low QoG and worse economic performance tend to be more dominant – but results not significant

Increase in value per project cannot be explained by these variables

Tentative (broader) clonclusions

Austerity in Southern Europe pushed national governments to use cohesion funds to fund science policy – breaking with the principle of additionality

Growing emphasis on innovation has meant that in less developed regions Universities have taken over the agenda

If there were policy discontinuities, it was not those that were expected!

Future research

Identify sectors/technologies funded and test:
◦ Correspondence with RIS3 strategies
◦ Correspondence with economic/technological specialisations

Use abstracts to identify types of innovation (R&D, dissemination, adaptation) and explain variance

Combine projects with outputs (patents, publications, others) to have a measure of knowledge impact

Any suggestions?

Thank you for listening