



Realising the New Renaissance

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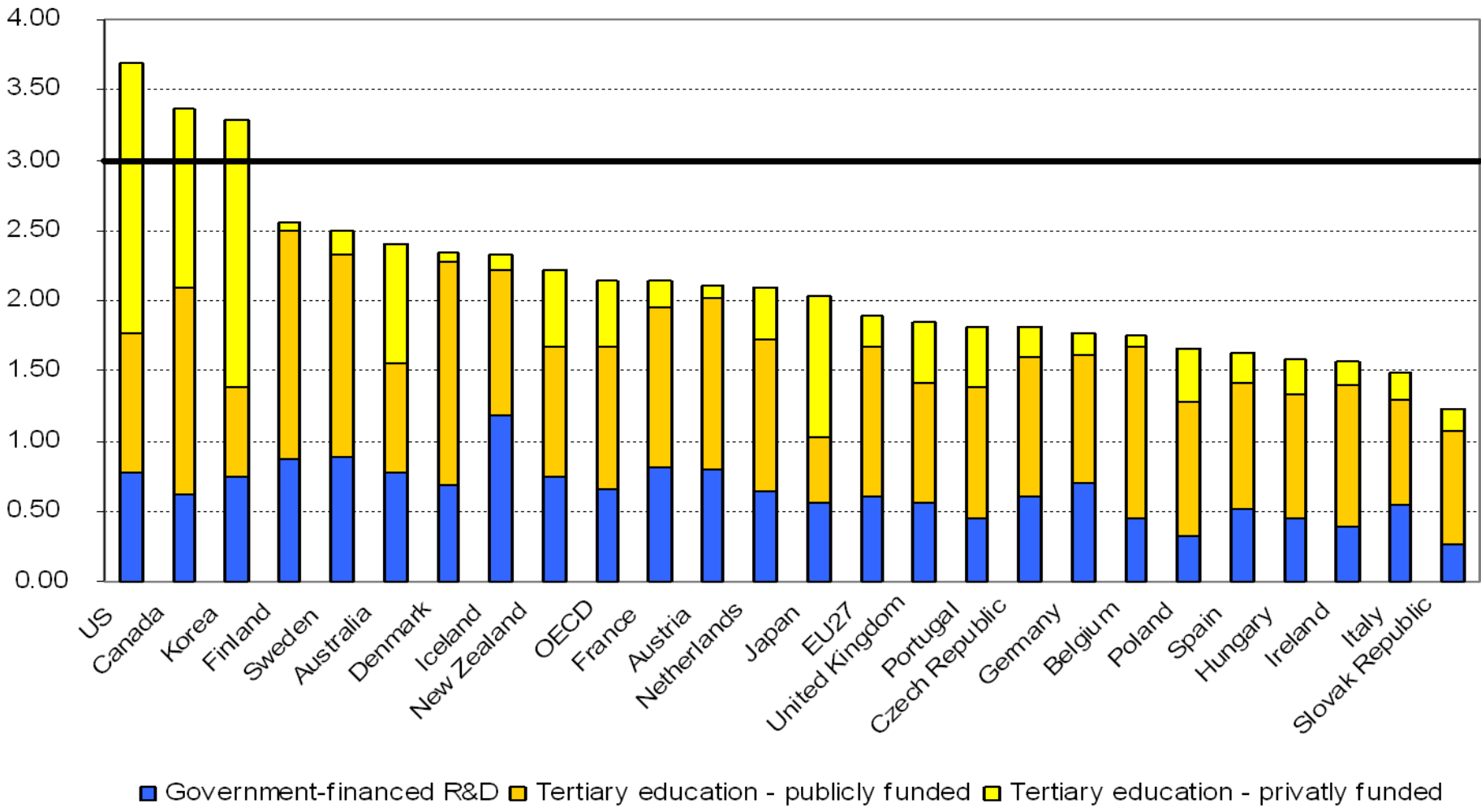
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The EU in October 2010

- Rapidly expanding fiscal austerity in many MS (today the UK budget):
 - Much more in some MS than in others;
 - Different prioritisations (excluding or including knowledge investments).
- As a result a period – a decade – a likely period of significant growth divergence between MS and MS' regions.
- How will/should EU Research and Structural Change (Innovation) policies respond?
 - Some MS and regions awash with money, enabling to “match” EU funding, others lacking desperately public funds not using available Structural Funds.
 - Surprising ERAB does not say anything about this.
- Repeat an argument of alreday one year ago: ***absolute need for public funding commitment to knowledge investments*** (R&D, innovation, higher education) in Europe today... Otherwise it will be policies for European decline (see recent figures on patents).



A new 3% target

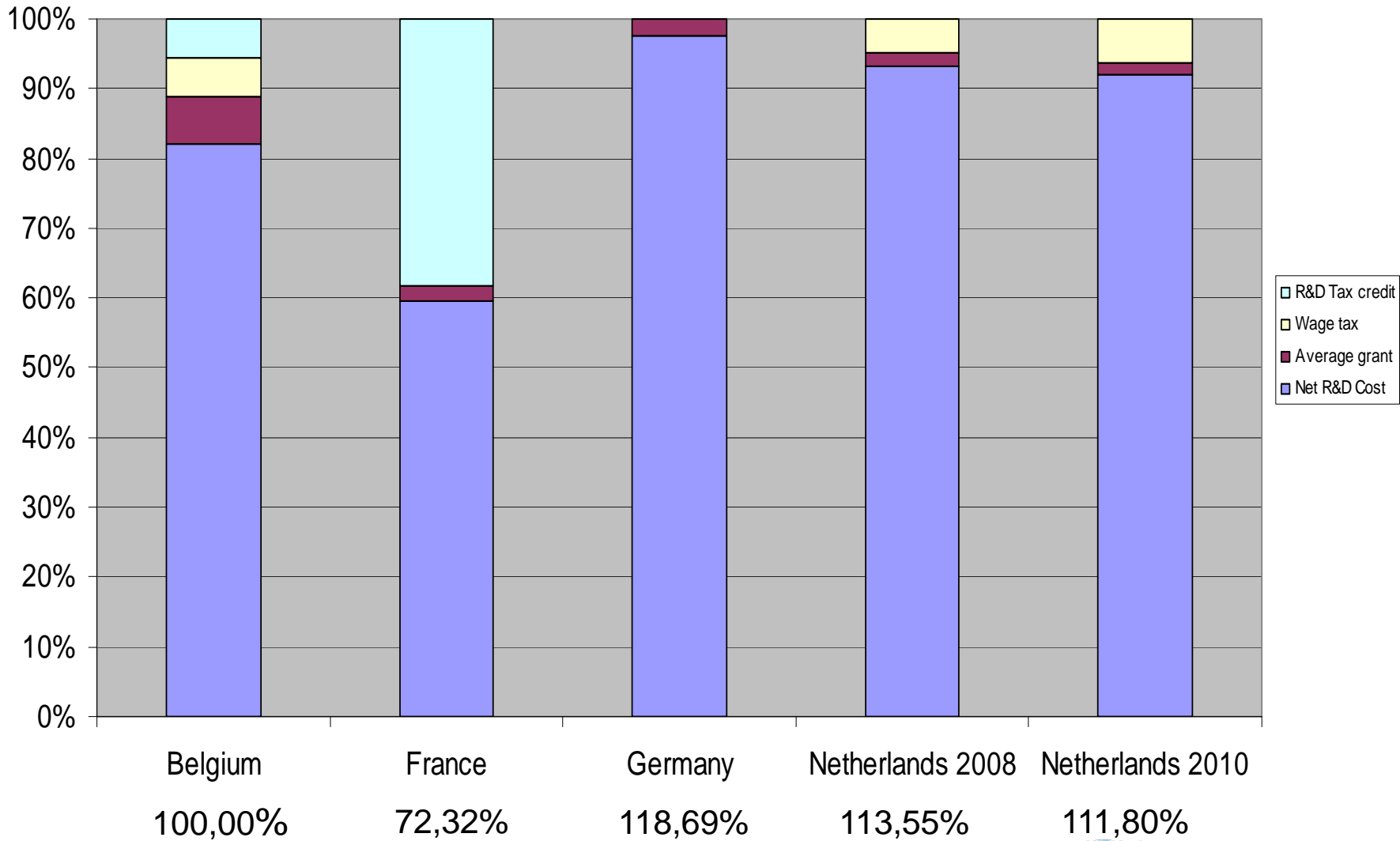


The Innovation Union flagship

- Central role for knowledge trade, transfer, exchange in all its forms (fifth freedom, single market for knowledge services, joint programming, public procurement as innovation demand inducement area);
- Role of regions as the new crucial innovation immobile production factor attractors;
- Recognition of social innovation with link towards European Social Funds.
- Central challenge how to create synergies also in the **operational** sense between those three areas:
 - At European level
 - At national/regional level.



R&D personnel costs within W-EU region (2008)



Belgium
100,00%

France
72,32%

Germany
118,69%

Netherlands 2008
113,55%

Netherlands 2010
111,80%

Source: Agoria, Belgium

Ageing policy concerns

- Ageing and health as first knowledge “grand challenge”, but ageing is also a major policy challenge...
- Growing danger of a generation conflict within Europe:
 - Growing policy priority towards the ageing population (investment in security, “securitisation” of social welfare and income, rapidly growing ageing health costs);
 - How to maintain active interest and participation of young generations. Not just in research, but more broadly how to deal with the many barriers to enter for the new generations (in work and in housing).
- Growing part of the costs of a non-innovative Europe.

