Time to Grow
Emerging Knowledge Base for Growth Policy in Europe
EUROPEAN COMMISSION

Directorate-General for Research and Innovation
Directorate B – European Research Area
Unit B.6 – Reflective Societies

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EUROPEAN COMMISSION

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REFLECTIVE SOCIETIES

Development

Youth

Democracy

Inequalities

Growth

Fairness

Jobs

Migration
Setting the Scene

Economic growth has top priority on the agenda of European economic policy. Since the 2008 economic crisis, Europe’s growth performance has been sluggish and incapable of reaching the level of growth in the USA, which has recovered much faster from the economic crisis. The low growth and high unemployment in Europe has negative effects on the lives of European citizens and on European states, and it has entailed increased inequality and raised new sustainability issues. However, Europe’s growth pattern has at the same time experienced important qualitative changes as Europe has become more knowledge based and globalised, and solving the current challenges also provides new growth opportunities.

Growth and jobs are at the core of the Juncker Commission’s agenda for the next 5 years, which includes a concrete Investment Plan for immediately strengthening European growth. In view of Europe’s changing internal and external environment, the long term growth strategies as spelled out in the Europe 2020 Strategy and the Lisbon Strategy already introduce qualitative dimensions into the growth and jobs strategy, seeking to create conditions for a stronger growth with an internationally competitive European industry.

The changing global context and the requirements for a higher and new type of growth and job creation in Europe involve many still unknown determinants and trends. These in particular concern the micro foundations of European growth such as how Europe performs in introducing new technologies, especially information and communication technologies (ICT); how much Europe invests in research and development (R&D), innovation, education, learning and skills; how dynamic and creative European entrepreneurship and start-ups are; how European financial markets are developing, and, last but not least, whether Europe’s growth manages to benefit all citizens in an inclusive way. In modern growth models strong focus is given to the roles of social innovations, of social capital and well-being as well as the role of cities. These issues link to the discussion about «GDP and beyond» and measurement of economic and social progress.

This publication presents those FP7 SSH research projects, which took up the task of understanding the (lack of) European growth dynamism and Europe’s readiness to enter into a new and sustainable growth path.
Understanding the reasons for Europe's relatively weak productivity performance and weak investment in R&D, innovation and other intangibles as well as lack of knowledge-intensive firms provide insights necessary for designing better and more targeted European growth and job creation policies. Research has also taken up the European risk capital markets as a necessary condition for growth as well as the role of social innovation and creativity as a source of job creation and inclusive growth.

Research activities in the European context typically require comparisons across the Member States but comprehensive data is often lacking or is of low quality. This is why a number of the Social Science and Humanities research projects take up a pioneer role in co-creating comparative high quality data for their research purposes and provide open access to the new, comprehensive data on a voluntary basis. The new comparative data allow conducting timely research on the determinants of European growth and job creation and ultimately feed into economic policy-making.
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1.
FP6 and FP7 projects
Productivity in the European Union: A Comparative Industry Approach

Description

The aim of the EU KLEMS project was the development of a new productivity database and additional analyses of the sources of European growth.

This work provided an important input to academic research on sources of economic performance and on policy evaluation, for example for the assessment of the goals concerning competitiveness and economic growth potential.

The balance in academic, statistical and policy input in this project was realised by the participation of 15 organisations from across the EU, representing a mix of academic institutions and national economic policy research institutes and with the support from various statistical offices and the OECD.
Outcomes

The database includes measures of economic growth, productivity, employment creation and capital formation at the industry level for 25 European Union member states, Japan and the United States from 1970 onwards. While the output measures are provided at industry level, the input measures include various categories of capital (such as ICT versus non-ICT), labour (such as skill, age and gender decomposition) and a breakdown of energy, material and service inputs.

Productivity measures have been developed on the basis of growth accounting techniques. The database is used for a wide range of analytical and policy-related purposes, in particular by studying the relationship between skill formation, technological progress and innovation on the one hand and productivity on the other. The database has been continued and updated after the projects lifetime, attracting annually around 60,000 unique page views.
Welfare, Wealth and Work for Europe

Description

The overall objective is to provide evidence-based analyses serving public policy making aimed at promoting a socio-ecological transition to a sustainable, low-carbon economy. This involves deriving policy instruments for shifting Europe to a new high road path, and determining the institutional changes as well as policy instruments needed at all policy levels.

The vision shaping the final outcome of the project is that of Europe becoming a role model for implementing a new high road strategy which actively incorporates social and environmental goals, employment, gender and cultural aspects in an ambitious, forward looking way while proving competitive in a globalised world.

The project underlines the need for change, looking for existing best practice and experience and revealing obstacles and feedbacks.
Outcomes

The expected outcome will be an analysis of the deficiencies of the current European path, the definition of the main elements of a socio-ecological transition, and the identification of the instruments and policy changes needed to embark on a high road strategy. The consequences, synergies and trade-offs involved in this large-scale transition will be analysed with regard to its impact on welfare, work and the environment.

A new growth path or even a new European Role Model could and should be «marketed» to neighbouring countries and even used for policy design world-wide, e.g. within the G-20, thus mitigating global problems (like climate change) and limiting the danger of low-cost competition through adoption of low social standards. A comprehensive social system and ecological excellence in Europe, if well designed, could ultimately be a comparative advantage instead of a barrier to growth and a desirable social development.
European Framework for Measuring Progress

Description

The key purpose was to provide a European framework for the debate over the measurement of economic and social progress including well-being among all relevant stakeholders, providing tools and opportunities for coordinating activities and proposing the way forward. The e-frame coordination action contributes both to the European “GDP and beyond” agenda and to the Europe 2020 strategy.

These objectives are achieved through coordinated stocktaking of ongoing research on measuring progress; fostering a European debate over the issue; defining guidelines for the use of existing indicators; proposing a coherent way of delivering information; identifying new topics for future research agenda, and coordinating National Statistical Institutes’ initiatives on the measurement of economic and social progress.
Outcomes

Coordinating European research and measurement activities on the measurement of economic and social progress took place through the initial conference to kick-off the e-FrameNET - European Network on Measuring Progress, which aims to reinforce the European coordination and position at the international agenda of measuring economic and social progress. Two general conferences and nine thematic workshops discussed and drew conclusions on progress measurement, well-being and sustainability. Several stocktaking reports covered major subjects in progress measurement, describing the state of the art, proposing improvements, addressing specific guidelines to National Statistical Institutes, highlighting existing gaps and research needs. These coordination activities contributed to the setting of the future European agenda on “GDP and beyond” with three Policy documents: Convergence report which provides an overview of sustainable development measurement systems, Map on Policy Use of Progress Indicators which provides guidance on the use of well-being indicators in policy and Roadmap for future research needs, which highlights existing knowledge gaps and proposing the next steps for moving forward the European agenda on “GDP and beyond”.
GRASP

http://www.sv.uio.no/esop/english/research/projects/grasp

Project reference: 244725

EU contribution: EUR 1 234 567

From 2009 to 2013

Project coordinator: CENTRE FOR ECONOMIC POLICY RESEARCH, United Kingdom

economic growth • taxation • government expenditure • public institutions • multiple policies

Description

The main purpose and the novelty of the project Growth and Sustainability Policies for Europe (GRASP) was to address policy concerns associated with growth in an integrated analytical framework. It emphasised quality-improving innovation in imperfectly competitive markets and suggested that optimal growth policy may depend on levels of technological (and financial) development and on seemingly unrelated, yet relevant policies.

The policies correspond to a multi-layered vision of policy drivers of growth. Firstly, policies on R&D and innovation (property rights and incentive issues) were discussed. Secondly, focus was on the main structural policies driving growth, i.e. the sectoral (infrastructure, education and social) and regional policies. Thirdly, focus was on interactions between the law and the drivers of innovation. A forth focus was on global commitments, trade policies and global environmental commitments. Finally, the fiscal dimensions and the government financing of any public good component of these layers and their effectiveness in contributing to growth were analysed. This multilayer approach allowed for a multidisciplinary diagnostic as well as a “Schumpeterian diagnostic” to identify themes of effectiveness of policies and adequacy, and sustainability of growth.
Outcomes

The real value added of the GRASP project lies in its efforts to define multiple policy dimensions in the European context and show that thinking in terms of industrial (or more recently digital) innovation alone is not enough. The idea is that innovation policy needs to apply to a much broader set of policy and political dimensions, rather than merely changing the technology of production to improve productivity and increasing the diversity of products to increase potential markets by shifting away from traditional less competitive sectors. The GRASP-project also identified the direct and indirect interactions between policy domains to be used in the European context.

The research pointed out multiple imperfections across and within countries, such as imperfections in key domestic and international markets at both the macro and the micro level, but also imperfections among institutions and administrative, legal and political processes defining and supporting policies. Policy failures were also identified resulting from wrong incentives built into misleading or incomplete laws, which were designed, implemented and enforced by well-intended institutions and progressively captured by political interests at a high cost for today’s and tomorrow’s consumers and taxpayers. These failures reduce the effectiveness of long-term growth policies in Europe.
Growth Innovation Competitiveness: Fostering Cohesion in Central and Eastern Europe

Description

The main objectives of the GRINCOH project is to deal with two major challenges facing the CEECs that are central to the goals of cohesion: the need to embark on a more innovation-driven process of development to secure long-term competitive and sustainable growth and, at the same time, the need to create conditions for citizens that allow them to enjoy more equal opportunities and to mobilise their full potential for economic and social development. The objectives of the project are:

• to establish development scenarios for the CEECs for the period up to;
• to identify the implications for sustainable growth based on innovation and the development of technological capabilities and greater economic, social and territorial cohesion in the CEECs; and
• to advise on future policy options for the CEECs, in particular for EU Cohesion policy.
Outcomes

Based on rich scientific outcomes, policy suggestions have been formulated. Scenario building has led to the conclusion that the two parts of European Union – the western and the eastern - are closely mutually interconnected, and the strategies of the one part are interrelated with the performance of the other. This interrelationship arguably renders the traditional division of the EU into “old” and “new” Member States obsolete, due to two phenomena: completion of the post-socialist transformation process, and diversified reactions of particular European countries to the financial crisis, which have not followed a clear east-west division but were also revealed north-south differences. Thus, the typologies of the EU Member States have become more complex, making also the interrelationships within the EU more complicated.
Description

The aim of the SmartSpec project is to provide substance, guidance and practical support to the EU Smart Specialisation Platform, based on the combination of leading academic and practical expertise present in the consortium. In particular, the project is directed at operationalising the concept of smart specialisation in a manner that will be useful to actors in different regional contexts. It will do this by strengthening the analytical underpinnings of the smart specialisation concept, providing methodological guidance for practice and by generating strategic intelligence for policy-makers.
Outcomes

The SmartSpec project develops robust practical and analytical findings to strengthen the implementation of smart specialisation strategies by using an integrated, multi-dimensional and place-based approach as described in 8 Work Packages. With a strong emphasis on knowledge exchange and facilitated learning, SmartSpec will deliver useful results to inform practitioners and policymakers in the development and assessment of smart specialisation strategies, whilst extending the state of the art.
INNODRIVE

http://www.innodrive.org

Project reference: 214576

EU contribution:
EUR 1 496 523

From 2008 to 2011

Project coordinator:
VAASAN YLIOPISTO, Finland

Description

INNODRIVE produced new national estimates of intangibles for EU27 countries and Norway following the approach of Corrado, Hulten & Sichel (2006) and at the company level in six countries. At company-level, the simplifying assumption is that intangible investment is proportional to the salary costs of ICT, R&D and organisational (management and marketing) personnel.
Outcomes

INNODRIVE reveals to European policy-makers new data to evaluate European competitiveness. Results were included in the Innovation Union Competitiveness Report 2011. Some countries that are not particularly R&D-intensive rank very high on a broader measure of innovation intensity. While investment in R&D accounts for only around 1% of GDP in Belgium, the Czech Republic and the Netherlands, these countries reach much higher values on a broader measure of innovation intensity (Belgium 8.3%, Czech Republic 8%, Netherlands 7.7%).

By making visible different innovation models across countries, the findings of INNODRIVE are arguably influencing the implementation of the EU 2020 strategy. Other projects, like the European research project COINVEST and the Conference Board in the US collaborated with the INNODRIVE team to further measure the value of intangibles. By collecting comparable data on intangibles over the 27 EU member states between 1995 and 2005, INNODRIVE has also closed a gap in data that can be used by both policy-makers for research-based decisions and by future research projects.
Description

The project aimed to understand the contributions of intangible investments to innovation, competitiveness, growth and productivity in Europe. An intangible asset or intangible investment is defined as identifiable non-monetary assets that cannot be seen, touched or physically measured, which are created through time and/or effort and produce an enduring knowledge asset that provides a flow of knowledge services (for example, a databank). Some knowledge assets are protected by formal means e.g. trade secrets (e.g., customer lists), copyrights, patents, and trademarks. Others are not, such as know-how, knowledge, collaboration activities, leverage activities, and structural activities.

Examining intangible investments was necessary because most intangible investments are “hidden” in national accounts and micro data. In national accounts this is because they are treated as intermediate inputs and so do not show up as part of investment either in GDP or as creating an asset that might account for changes in GDP. Similarly, intangibles are often not reported in micro work or are reported in only an occasional way across countries.
Outcomes

This project set out a method and collected the data required on a wide range of knowledge investment at macro and micro levels, and incorporated them into macro and micro performance measures, which considerably contributed to our understanding of modern growth and growth policies. Today, only some knowledge investment is counted as such in the key economic measures such as GDP (e.g. software). However, R&D and other knowledge investment (like investment in human capital via training, investment in reputation capital, investment in organisational capital etc.) are all treated as day-to-day expenses, not investment.

There has not been much research on this relatively new field or a serious attempt to estimate these investments’ real size and impacts. The project estimated intangible assets by country and cross-compared them, revealing large investments in different intangibles and an increasing trend in this direction. Based on this the project team calculated how intangibles affected output and productivity, specifically the impact of intangible expenditures on total factor productivity (TFP).

A data set on intangible investment by country has been provided on http://www.intan-invest.net.
Intangible Assets and Regional Economic Growth

Description

The aim of the IAREG project was to analyse the role played by Intangible Assets in the generation of innovation, productivity and growth in European regions at a theoretical and especially at an empirical level.

The project paid special attention to the most relevant Intangible Assets: knowledge capital, human capital, social capital and entrepreneurship capital.

In addition to the analysis of the actors generating these Intangible Assets, the project also considered the linkages among them and the geographical dimension in which these processes take place. This was done in order to give scientific support to policy activities in relation to Intangible Assets and to identify best practices for regional innovation systems.
Outcomes

The main conclusions of the IAREG project were, firstly, to integrate multinationals and Universities as this stimulate regional Intangible Assets. Secondly, universities should improve the commercialisation of knowledge. Thirdly, human capital resources should be promoted. Formal education levels might not be sufficient, and this is especially relevant in periods of rapid technical change. A mix of components is required for success. Fourthly, there is the need to foster policies of entrepreneurship: to support entrepreneurial clusters, to improve financing conditions for new businesses as well as to develop a culture of entrepreneurship. Finally, knowledge flows across regions should be promoted.

The project produced 60 reviewed working papers and 4 technical progress reports. From this body of research, useful policy implications were extracted and presented in 5 Policy Reports and 13 Policy Briefs.
The SPINTAN project aims at discovering the theoretical and empirical underpinnings of public intangible policies. It widens previous work carried out in other international projects (COINVEST, INNODRIVE and INTAN-Invest,) including the public sector in the analytical framework in different complementary directions.

The project has the following objectives:

- To clarify the boundaries of the non-market economy; the concept of public intangibles; their distribution by industries, and the conceptual problems posed by the measurement of its capital services.
- To build up a public sector intangibles database for a wide set of EU countries, supplemented by some big non-EU countries.
- To analyse the impact of public sector intangibles on innovation, well-being and “smart” growth, including Public Intangibles spill-overs effects to the market sector.
- To analyse the consequences of austerity policies in view of the expected recovery.
Outcomes

The expected outcomes are to reveal the role of public sector investment in general and of public sector investment in intangibles in particular in order to generate long term “smart” growth and in order to improve the competitiveness of the economies.

Secondly, it will provide information to what extent public intangibles are complementary or substitutes for private intangibles.

Thirdly, it will provide estimates how strong are the spill-over effects from public intangibles vis-à-vis private intangibles, i.e. creating benefits for growth beyond the investor itself.

Fourthly it will judge whether investment in different kinds of intangibles is equally important in terms of its impact on growth as well as it will assess what public intangibles mean for the well-being of citizens.
Unveiling Creativity for Innovation in Europe

Description

The CRE8TV.EU project is premised on the understanding that creativity is a little understood driver of innovation, of wealth creation and of welfare provision in Europe. The CRE8TV.EU project is organised in six themes. Theme 1 addresses the challenge of defining, mapping and measuring the creative and cultural industries. Theme 2 concerns the nature of creativity and design. Theme 3 focuses on industrial dynamics in the creative industries. Theme 4 concerns the production and consumption of digital media and content, including changing consumer participation. Theme 5 addresses creativity and intellectual property rights. Theme 6 focuses on the policy issues and recommendations arising from the project.
Outcomes

The CRE8TV.EU project provides us with new insights about the relationship between creativity and innovation which is an under-researched topic. The project substantially enhances the state of knowledge and understanding of the nature and characteristics of creativity and innovation, the cultural and creative industries, and their role in shaping the future European economy and society.

The project also provides important and reliable evidence regarding the emergence, promotion and stimulation of creativity in relation to innovation in Europe, and how creativity-based entrepreneurship contributes to economic growth and wellbeing. In this respect, the project is expected to provide a highly valuable and original source of knowledge and understanding for the research, business and policymaking communities at both the EU, national and regional levels.
Advancing Knowledge-Intensive Entrepreneurship and Innovation for Economic Growth and Social Well-being in Europe

Description

The AEGIS project studied knowledge-intensive ENTREPRENEURSHIP (KIE), as a necessary mechanism and an agent of change mediating between the creation of knowledge and its transformation into economic activity, thus creating or improving Innovative ENTREPRENEURSHIP.

The AEGIS project had three main objectives. At the micro level, it examined the act of knowledge-intensive ENTREPRENEURSHIP (KIE), its defining characteristics, boundaries, scope and incentives in various sectors. At the macro level it examined the link between KIE, economic growth and social well-being. Finally, at the policy level it sought to translate its findings into diagnostics tools for country or sector specific assessment of Knowledge Intensive ENTREPRENEURSHIP.
Outcomes

The project created new knowledge and brought about significant added value. AEGIS introduced an organisation-centred and network-centred view; emphasised the link between micro and macro phenomena; concentrated on both high and low-tech sectors; analysed in the context of various socio-economic models and systems of regional /national innovation in Europe; compared European patterns with those of other economies such as Russia, China and India, and provided a systemic view of the phenomenon and the relevant policy implications.

Key outcomes of the project were firstly the results of a survey carried out across ten European countries examining the relationship between knowledge, innovation and growth within recently established firms. Secondly, the project developed recommendations for a diverse set of policies addressing supply, demand and system features.

Overall, the AEGIS project produced over 80 scientific papers examining various aspects of Knowledge-Intensive Entrepreneurship both within Europe and in comparison with key global actors (China, India and Russia).
Boosting the Impact of Social Innovation in Europe through Economic Underpinnings

Description

SIMPACT investigates the economic foundation of social innovation in relation to markets, public sector and institutions with the intention to provide a dynamic framework for action at the level of individuals, organisations and networks.

Substantiating the economic dimensions of social innovation is expected to accelerate the social and economic impact of social innovation through an advanced knowledge base and tailored tools supporting policymakers, innovators (including civil society), investors and intermediaries.

The SIMPACT-project understands social innovation as novel combinations of ideas and distinct forms of collaboration that transcend established institutional contexts with the effect of empowering and (re)engaging vulnerable groups either in the process of the innovation, or as a result of it.
Outcomes

A multidisciplinary literature review resulted in a preliminary categorisation of social innovations according to their economic principles, objectives and components to feed the discussion towards a multidisciplinary middle-range theory. Subject to an iterative process of theorising and evidence collection, the categories were empirically tested:

- Drawing from the rich but scattered evidence, meta-analysis was applied for 100 social innovations to systematically integrate findings from existing cases in the fields of employment, migration and demographic change as well as the transversal themes gender and education.
- 27 Business Case Studies of successful and less successful social innovations provide important insights into value chains and business models.
- 31 Social Innovation Biographies help understanding development paths, knowledge trajectories and stakeholder interactions throughout the innovation process.
Description

The CRESSI project explores the economic underpinnings of social innovation with a particular focus on how policy and practice can enhance the lives of the most marginalised and disempowered citizens in society. Overall, the bid will take an institutionalist view of the key issues exploring the drivers and structures that lead to marginalisation and disempowerment and will set out how interventions drawing on social innovation can address major economic, social and power imbalances and inequalities.

The project draws upon three interlinked strands of theory to provide an overarching conceptual framework: Beckert’s social grid model, Sen’s Capabilities Approach, and Mann’s analysis of institutional power structures and their enactments. The main work packages will focus on: establishing an economic theory and context for social innovation across the EU; contextualising social innovation within established research and practice on technological innovation; exploring emergent social innovation eco-systems and lifecycles; setting out effective policy agendas and instruments for fostering social innovation and establishing best practice metrics for capturing the impact of social innovation.
Outcomes

The conceptual and theoretical elements of the project will be tested and revised with a rigorous programme of empirical data collection encompassing qualitative case studies and linked with quantitative analyses focusing on key topic areas across several member states. This will inform the EU Commission debates on building inclusive economies that reduce inequality and socio-economic marginalisation.
The impact of Service Sector Innovation and Internationalization on Growth and Productivity

Description

The main objective of the SERVICEGAP project was to understand the impact of market services on aggregate economic growth in the EU and its comparative performance relative to competitor regions, such as the US.

The project investigated developments in productivity and its drivers within market services; linkages between services and manufacturing industries; innovation in delivery and types of services, and international relationships.
Outcomes

Key findings on productivity include highlighting the important role of workforce training and other intangible assets in service sectors. The research showed that many manufacturing firms are increasingly involved in services activities such as product marketing, distribution and transportation. It suggested a significant role for business services in driving aggregate growth, given their strong linkages with other sectors. Innovation in services occurs through agglomeration in high skilled sectors and the development of organisational capital. Information technology outsourcing is particularly important for process innovation in services. Trade in services is growing and occurs more in multinational firms, those that pay higher wages and more productive firms. Access barriers to trade remain important in services. International investment through mergers and acquisitions has been growing in services and are more likely to raise productivity growth in firms located in high tech sectors and in larger, less open economies.
Indicators for Evaluating International Performance in Service Sectors

Description

The objective of the INDICSER project was to develop indicators which provide information on the performance of service sectors in the EU. Service sectors and industries are believed to play a major role in the perceived productivity gap between Europe and the United States. Also non-market services probably contribute substantially, though hitherto their output has been poorly measured or not at all.

The approach adopted was to include both an EU-wide application of existing concepts and develop and experiment with new concepts. This was carried out within an overall coherent structural framework designed to address the key issues of productivity in Europe.

The indicators were divided into market services whose performance are crucial for raising growth in the EU relative to its competitors, and into non-market services, mostly government run, where it is important that tax-payers can assess how far public spending is effective as well as their contribution to the economy. For market services the project constructed indicators that describe trends in growth and productivity in service sectors, and indicators that are useful in analysing determinants of growth, such as innovation, ICT, intangible capital, competitive environment and foreign presence. In view of the global financial crisis, financial services were covered in greater detail with new output measures developed and applied to a large set of EU countries. Finally, the project also developed experimental indicators, which might be useful in the future, covering insurance, collective services, distributive trades and research sector output.
Outcomes

The INDICSER project documented labour force composition and estimated investments in human and other capital. The study developed composite indicators about ICT use as well as new measures for labour market regulation. Europe’s educational attainments were compared against Europe 2020 targets, and a separate study evaluated the research performance of EU universities.

A second part of the research yielded numerous data series, available to the public via the project website. The data reflect many aspects of labour composition. Sector-specific indicators, including a comprehensive database were developed on performance aspects of EU financial services. Research using these data suggested larger increases in labour hoarding during the financial crisis compared to previous downturns which led to lower productivity growth and lower wages without increased unemployment. The study identified potentially negative impacts of financial regulation on growth. However, the actual effects of financial regulation on investment depended on more complex factors.

The impact of this research was three-fold. It will enable academic and policy use of the database, yield insights into current information needs, and inform policy through its analytical results.

Project partners

RIJKSUNIVERSITEIT GRONINGEN, NL
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KOPINT-TARKI KONJUNKTURAKUTATO INTEZET ZRT, HU
Description

The long-term economic performance of Europe depends on its ability to generate new knowledge and inventions, and to translate invention into innovation and innovation into economic growth. This ability is central to achieve the objectives of the Lisbon Agenda and the new industrial policy in an enlarged EU. However, innovation involves more than invention. It involves not just funding of science, technology and R&D but also funding of exploration, manufacturing and commercialisation of novelty. The analysis of financial markets is of the outmost importance for understanding their dependence on supply finance and for understanding the returns to innovation.

FINNOV analysed different modes of bank and venture funding, operation of equity markets and innovation, effects of finance on the selection dynamics of market growth and evolution, and conducted a study of consequences of modes of financing innovation for the distribution of income and employment generation. This last point is essential since different modes of financing of innovation, investment and corporate growth are likely also to entail far reaching consequences in terms of employment dynamics across different types of firms. By exploring the interactions between financial structure, productivity, profitability, investment, growth and employment, the FINNOV-project offers direct insights on the scope for European innovation policy and tries to identify the technological and market conditions, which foster innovation and growth.
Outcomes

Research in the FINNOV project found that long-term economic success hinges on Europe’s capacity to generate new knowledge and inventions. These then need to be translated into economic adaptation and growth. This, however, is not today’s reality. The FINNOV findings, which were presented during a final conference at the House of Commons of the British Parliament, suggest that the current financial system in Europe penalises innovation rather than supports it.

In line with the EU’s 2020 goal to develop a knowledge-based economy driven by innovation, FINNOV tabled policy recommendations to ensure state investments actually deliver tangible returns to the public purse, not just debt.

FINNOV outcomes improved understanding of the interaction between financial markets and innovation-led growth, and the effect of such growth on the social distribution of risks and rewards. The project can assist policymakers forge a sustainable and equitable model of economic growth that will ultimately help Europe recover from the crisis.
Financial Systems, Efficiency and Stimulation of Sustainable Growth

Description

The main purpose of FINESS was to get a clear understanding of the implications of ongoing financial market integration in Europe on economic growth, employment and competitiveness, to identify likely future paths of the development and to draw policy relevant conclusions.

Several main breakthroughs was achieved throughout the project. The comparative approach undertaken by FINESS is especially useful to uncover catalysts and bottlenecks in the architecture of financial systems. By investigating unique datasets, the role of the financial structure (i.e., the banking sector, markets for private equity and venture capital) for improving efficiency and sustainable expansion of start-ups and established firms was studied. The impacts of different degrees of financial integration on the portfolio decisions of households were explored with simulation models.

Topics specifically related to the transition period of the New Member States as well as the gender dimension in turning impulses from the financial system into efficiency and growth were covered by the project.
Outcomes

On the macroeconomic level, the role of financial systems and their transmission channels on growth was explored by innovative and tailor made econometric techniques, taking into account dynamic interactions between financial, product and labour markets. A range of indicators to measure the degree of financial integration was constructed, and their development in time was addressed. Moreover, insights into the working of financial institutions were provided for the microeconomic level. By fulfilling its goals, FINESS provided in-depth knowledge on the relationship between financial systems and sustainable economic growth in a changing environment.
Financing Entrepreneurial Ventures in Europe: Impact on Innovation, Employment Growth and Competitiveness

Description

The aim of the VICO project was to assess the impact of Venture Capital and Private Equity (VC/PE) financing on the economic performance of European innovative entrepreneurial ventures measured by their innovation output, employment, growth, and competitiveness. The VC/PE investors help these firms bridge their resource and competence gap beyond the provision of financing.

The analysis considered the effects of VC/PE financing on the economic performance of portfolio companies while taking into account:
• the characteristics of the investor,
• the characteristics of invested firms, and
• the characteristics of the business and institutional environment in which firms operate.

Specific open issues that play a crucial role for the development of the VC/PE sector in Europe were examined:
• the design of a mix of multi-level policy schemes targeting seed and pre-seed capital;
• exit mechanisms for VC/PE investors; and
• the European integration of the VC/PE sector and the internationalisation of VC/PE investors.

The project combined qualitative (survey analyses and case studies) and quantitative empirical methodologies and build a micro & macro cross-country longitudinal panel type dataset with wide coverage of EU countries improving the empirical literature.
Outcomes

Venture capital investment has been behind the success of numerous high-potential start-up companies and has spurred growth across the world and in the EU. A key achievement revealed the diversity or heterogeneity of VC investors on the performance of the portfolio firms. VICO also studied how VC investors selected their firms and improved these firms’ performance, revealing that investors do indeed boost a company’s productivity and growth, even during the financial crisis. The project clearly showed that the impact of VC investors was significantly higher than previously documented, with success depending more on investors’ guidance rather than on selection of firms.

Another important finding was that government investments in firms younger than five years of age were more successful than in older firms. That said, the age of a firm played a negligible role where university VCs were concerned. On another front, much of the successful investment portfolio depended on cross-border VC initiatives, pointing out a useful and valuable trend in the EU. Encouraging innovation and influencing economic growth call for fostering more entrepreneurial risk-taking, creating a VC-friendly tax environment, and establishing liquid markets. This should be a policy focus as well as the provision of selected subsidies on a competitive basis and promotion of support services such as business incubators.
Other projects important for understanding European Growth Patterns
World Input-Output Database: Construction and Applications

Description

Production processes are increasingly fragmented across borders. This fundamentally alters the nature of international trade with deep consequences for the location of production. The World Input-Output Database (WIOD) is the first public database that contains new information on these trends and provides the opportunity to analyse the consequences of fragmentation, for example for shifting patterns in demand for skills in labour markets, or for local emissions of air pollutants. These tables have been constructed in a clear conceptual framework on the basis of officially published input-output tables in conjunction with national accounts and international trade statistics.
Outcomes

The World Input-Output Database (WIOD) provides time-series of world input-output tables for forty countries worldwide and a model for the rest-of-the-world, covering the period from 1995 to 2009 (and later updated to 2011). In addition, the WIOD provides extensive satellite accounts with environmental and socio-economic indicators (e.g. with data on emissions to air and data on labour and capital inputs) at the industry level. These indicators can be used in conjunction with the input-output tables for a wide range of possible applications.

The databases in WIOD have been widely used by many researchers, policy makers, analysts, and consulting agencies. This has led to media coverage, policy briefs, pocket books, and numerous publications in scientific journals. The WIOD project and its key publications (with a description of the construction and possible applications) are heavily cited in the literature.
NEUJOBS

http://www.neujobs.eu

Project reference: 266833

EU contribution: EUR 7 902 328

From 2011 to 2015

Project coordinator: CENTRE FOR EUROPEAN POLICY STUDIES (CEPS), Belgium

Description

NEUJOBS addresses how the universalisation of higher education might take place and explores its consequences. Focusing on the universalisation of upper-secondary education, it shows that elite forms of education stubbornly survive, even in the mass and universal stages of education systems. For instance, after completing their upper secondary education, young people entering the university tend to prefer an education in the humanities and social sciences over an education in STEM disciplines (natural and physical sciences, technology, engineering and mathematics).
Outcomes

The project looked at whether it is more financially beneficial for young people to study engineering or art. To answer this question, it calculated the net present value of university studies five years post-graduation for five European countries: France, Italy, Hungary, Poland and Slovenia.

Surprisingly, it is not the STEM degrees that ensure the highest return on investment, but rather the social science degrees, while graduates of art, the humanities and education obtain the lowest net present value. Based on this evidence, the expansion of enrolment in fields such as economics, business and law can be explained by rational choice.

More findings on the subject are available in the NEUJOBS publication: Let’s Get to Work! The Future of Labour in Europe, Vol. 1., 2014, Beblavý, Maselli and Veselková (Eds.), Centre for European Policy Studies (CEPS), Brussels.
Mapping European Competitiveness

Description

Mapping European Competitiveness (MAPCOMPETE support action) is a FP7 project by six European research centres to provide an assessment of data opportunities and requirements for the analysis of comparative competitiveness in European countries. Competitiveness is at the heart of policy making at the Union level and specifically within the Eurogroup. Definition of new country-level competitiveness indicators is an essential task.

The aim of this project is to provide a thorough assessment of data opportunities and requirements for the analysis of comparative competitiveness in European countries. The work examines how to interconnect different approaches to research and policy making in this field at the macro, sectoral and micro-level, and consequently map data availability and needs.

It will provide proposals for enhancing standards and consistency of data, with the aim of improving future comparative work on competitiveness. It will analyse data requirements and suggest collection methods for selected topics such as global value chains, trade and performance as well as pricing and quality.
Outcomes

The project results help to combine macro and micro approaches on the study of competitiveness by providing information on existing data for various types of competitiveness indicators. Taking stock from these two sets of activities, researchers have mapped new data opportunities and requirements in this field, which resulted into a handbook on metadata and a web tool to map the existing data availability across the Member states.
SIMPATIC

http://www.simpatic.eu

Project reference: 290597

EU contribution:
EUR 2 696 560

From 2012 to 2015

Project coordinator:
BRUEGEL AISBL, Belgium

innovation • R&D spending • sustainable growth • green technologies subsidies • social models

Social Impact Policy Analysis of Technological Innovation Challenges

Description

The objective of SIMPATIC is to provide a comprehensive and operational tool box allowing for a better assessment of the impact of research and innovation policies in Europe and how they address Europe 2020 challenges.

SIMPATIC brings together micro and macro researchers. Insights from micro-analysis and micro-evidence, including SIMPATIC’s own frontier pushing ex-post policy impact analysis of R&D subsidies and tax credits will be used as input in SIMPATIC’s sectorial EU macro models, NEMESIS and GEM G3.

SIMPATIC will thus develop and use the best possible evidence and methodologies to simulate the impact of a number of research and innovation policy alternatives, providing new insights into the potential impact of various policy alternatives, thus contributing to advancing impact assessment and evidence based innovation policy design in Europe.
Outcomes

The SIMPATIC evidence suggests that by and large R&D grants and R&D tax credits have the scope for positive effects, especially at a coordinated international level, but only if they are targeted towards firms that are impeded to develop R&D projects where social rates of return are substantially exceeding private rates of return.

The SIMPATIC evidence reveals a practice where public funding mostly goes to firms which are already spending on R&D. However, a more promising target for public R&D programs would be to entice ‘new’ firms to engage in innovative projects, which seem not be the case in the current standard public R&D programs.

Another important insight from the SIMPATIC evidence is the low rate with which private firms apply to government public R&D programs. This low attrition rate may seriously impede the effectiveness of government programs. The most potent policy avenue to get more applications and improve the effectiveness of public R&D programs is to help firms to get R&D projects with higher private returns. This calls for complementary policies addressing the framework conditions for innovation.
European Firms in a Global Economy: Internal Policies for External Competitiveness

Description

New technology, lower trade barriers and the rise of the emerging economies are forcing European firms to readjust and reorganise their activities in order to cope with increasingly globalised markets and production networks. These patterns also influence the geographic distribution of economic activities within and outside the EU internal market.

Understanding the interaction between globalisation and the European economy requires an in-depth analysis of how firms are coping and particularly how they are reorganising their international activities in the internal market and outside Europe. Much of the adjustment does not run only between sectors and increasingly both winners and losers from globalisation can also be found within sectors.

This intra-sectorial dimension is quite a conundrum for the standard analysis of trade specialisation. In particular, the EFIGE-project has set out to create, for the first time, a fully harmonised and representative firm-level database on the international activities of European firms covering seven countries (Austria, France, Germany, Hungary, Italy, Spain and the UK) with respect to firm size and productivity, firm organisation, geographical scope, skills and tasks, innovation, financial constraints and internationalisation and the euro.
Outcomes

The first lesson is a methodological one: it has become crucial to focus on the firm-level dimension of international economic performance. Nations do not trade, it is firms that trade. To speak of competitiveness without speaking of firms would be awkward. Second, there is a strong and robust correlation between firm internationalisation and firm performance. A firm that exports tends to be also more profitable, more productive and more innovative. Third, the evidence collected within the framework of the project has confirmed to a remarkable extent that across countries, firms with the same characteristics tend to behave in the same way vis-à-vis international competition. The density of medium sized, skill-endowed and innovative firms explain the German export performance while the weaker trade performance of Italy and Spain is due to the much higher density of small firms. Fourth, to let domestic firms grow is one of the surest ways to improve export performance. How to tear down barriers to growth is a country specific question. Each government must do its homework and identify domestic roadblocks. Fifth, the relationship between firm characteristics and internationalisation is highly non-linear. Export and FDI involve fixed costs and this gives rise to threshold effects. For this reason, long-distance exports and even more FDI rely on a tiny group of truly global firms, and the passage from serving the domestic market to serving the neighbouring ones is also made by a minority of firms only. From a policy perspective, this implies that the highest returns from public action are to be expected from initiatives that ‘fatten the tail’ of globally competitive firms.
The Changing Nature of Internationalization of Innovation in Europe

Description

The overall purpose of the GLOBINN project was to improve our understanding of the changing nature of internationalisation of Europe’s innovation systems by studying the international knowledge sourcing strategies of European firms and their effect on performance. The starting premise of the project was that Europe’s knowledge resources and its role in the global economy will be increasingly shaped by the ability of EU firms to source knowledge internationally. Firms can employ three modes in internationalising their innovative activities:

- the global trading of technology based services and licensing as firms seek to exploit the global markets for their technologies;
- international collaborative agreements and strategic alliances as firms seek out international partners for their knowledge generating activities; and
- the international dispersal of their own R&D and technology creating activities as they seek out new regions and resources in different parts of the world.

In the first instance this analysis mapped the trends in the growth of each of these modes with an emphasis on whether internationalisation of innovation in European firms is an intra EU or extra EU phenomenon. The second focal point was the organisational and managerial issues which influence the strategies of EU firms in seeking international sources of knowledge, and have an impact on their own innovation and economic performance.
Outcomes

The GLOBINN project investigated the knowledge sourcing strategies of European firms. These strategies include global trading, licencing, dispersal of technologies and strategic research alliances. The project performed a holistic analysis using publically available data, and information from national statistical offices and firms.

It compared European firms with those in Japan and the United States, and examined how these firms engage with companies in emerging countries like China. The project also looked at how firms’ knowledge sourcing strategies affected their innovation and performance.

Evidence collected and knowledge produced by the GLOBINN initiative acted as a solid base to inform policy discussions, and, thus, played a vital role in helping the EU address innovation challenges in a changing global economy.
Urban Chances, City Growth and the Sustainability Challenge

Description

This research project examines how governments and citizens in cities with differing patterns of urban economic growth make use of the participatory (or integrated) spatial knowledge management to direct urban governance towards more sustainable development. The concept of participatory spatial knowledge management reflects a strategic resource to which all stakeholders can contribute during the urban governance processes towards sustainable development. It includes both expert knowledge and several forms of non-expert knowledge, such as knowledge from (working) experience (tacit), embedded sectoral knowledge, and social (or community-based) knowledge at the neighbourhood and city-wide level.

The success of the participatory spatial knowledge management depends on external political and economic conditions. The influence of various external conditions has not yet been analysed much locally, and certainly not comparatively across different socio-political contexts, although it is a strategic question, given the inherent trade-offs and potential political conflicts in combining environmental, social and economic goals (within sustainable development). Therefore, the project focuses on ten cities with contrasting economic and political conditions, with the main scientific objective of developing a model on participatory spatial knowledge management to direct urban governance to sustainable development.
Outcomes

Change2Sustain project has developed an analytical framework for understanding the knowledge configurations related to the processes of governance that aim at addressing issues of social inequality, economic inequality and environmental and climate protection.

The concept of ‘configuration’ was a main result of the project which emerged from case studies and was used to capture the important combination of elements that contribute to urban development decision-making and outcomes in the social, economic and environmental domains.

Organisational interaction is necessary to solve problems of urban sustainable development, characterised by complexity, uncertainty of trajectories, and a variety of stresses. We recognise the necessity of focusing on the combinations of issues that governance networks do or do not include in governing, and the extent to which spaces for more deliberative processes are created and utilised as well as what knowledge and information is constructed in them to inform decision-making processes (from expert to community-based) and how reflexive such processes are.
3.
Horizon 2020 projects
Industrial Innovation in Transition

Description

Industrial innovation has fundamentally changed over the last ten years. At the same time European competitiveness and employment have become more and more dependent on increasing innovativeness and innovative capabilities. Companies have widely adopted new innovation practices such as those rising from the concept of open innovation, innovation ecosystems and crowd sourcing.

These new practices have improved the innovation capabilities of companies, but at the same time they challenge traditional innovation policy instruments to evolve. This project will examine the current adoption level of new innovation practices and identify best innovation management practices. The project will also evaluate existing innovation policies and assess their supportiveness towards job creation, growth and profitability among European companies. The study will cover key industrial sectors in 11 EU Member States, with a survey targeting 800 companies.
Expected outcomes

The best practices and other results will be disseminated widely both among the European business community and governments. International organisations such as the OECD and the ERT, industrial associations and government agencies are actively participating in the study, and in the dissemination of the results.

The IIT project will produce a toolbox for replicating the study in other countries and create a living data base for continuous European benchmarking.

This project will improve the innovation capacity and competitiveness of the European industry, and thereby help to restore economic and social development in Europe.
Financial and Institutional Reforms for the Entrepreneurial Society

Description

This project will analyse the broader contexts of smart, inclusive and sustainable growth in Europe to support implementation of the ‘Europe 2020’ growth strategy and to restore Europe’s ability to innovate, grow and create jobs over the coming decades.

We argue that entrepreneurship must play a central role in that effort. ‘Entrepreneurship’ tends to make people think of the US and its model of high growth and high-tech start-ups in Silicon Valley. We are aware, however, that European growth agenda requires a focus on European entrepreneurship. US recipes and models will not fit the European context and do not deliver the results Europe wants.
Expected outcomes

Our objective is to thoroughly analyse European institutional arrangements and their current (in)ability to mobilise Europe’s human, financial and knowledge resources for entrepreneurial activity. This will help us formulate an effective reform strategy to reinvigorate European economies.

The current diversity of institutional arrangements in Europe has long and common historical roots that must first be recognised and understood.

Based on common global trends in technology and competition, we then establish the urgency and desirability for making the transition to a more entrepreneurial economy throughout Europe.

After that we will develop and provide the tools for policy makers to assess the quality of national and regional entrepreneurial ecosystems and to identify the main strengths and weaknesses with regard to making the transition.

Based on this assessment we will formulate specific proposals to enhance the allocation of talent, finance and knowledge to new value creation and we will conclude our project with a legal analysis on where competencies currently lie and what action could be taken.
Innovation-fuelled, Sustainable, Inclusive Growth

Description

The project mainly addresses the second topic of the call: “Innovation-based growth strategy for Europe” but will contribute as well to topics 1 and 3 – respectively “Reform management for economic recovery” and “Global production and innovation networks”.

Cross-cutting themes (CCTs) addressed: the first layer contains the most important CCTs which should be present in most work packages: patterns of innovation; structural change; financialisation; inequality; growth patterns. The second layer includes CCTs deriving from the first layer ones or strictly associated to them: globalisation; the importance of manufacturing; climate-change and green revolution; links between innovation, demand generation and employment. Finally, there is the policy dimension, which is strictly intertwined to both the foregoing CCTs layers. Here the general idea is to have ensembles of policies (science and innovation policies, mission-oriented industrial policies, competition, fiscal and monetary policies) and institutional changes tuned with each other in order to promote innovation-fuelled, sustainable, socially inclusive growth.
Expected outcomes

The expected outcomes of ISI Growth are twofold.

First, providing novel and comprehensive diagnostics of the relationships between innovation, employment dynamics and growth in an increasingly globalised and financialised world economy.

Second, on the grounds of such diagnostics, elaborating policy scenarios in order to deliver a coherent policy toolkit to achieve the Europe 2020 objectives of smart, sustainable and inclusive growth.
Quality of Jobs and Innovation Generated Employment Outcomes

Description

QuInnE investigates how job quality and innovation mutually impact each other at the organisation level, and what employment outcomes result from this interaction. The interaction between job quality and innovation is investigated as potentially mutually supportive.

Job quality is a multi-dimensional concept covering various aspects of work organisation and the terms and conditions of employment. Drawing on the Oslo Manual, both technical and non-technical innovation are investigated, with an emphasis on organisational innovation.

Through quantitative analyses and qualitative organisation-level case studies, the factors and also the mechanisms and processes by which job quality and innovation impact each other are identified. The effects of this interaction between job quality and innovation are then analysed in terms of its employment outcomes and whether it creates more and better jobs. The employment outcomes are then tracked in terms of their impact on social inclusion and inequality.
Expected outcomes

QuInnE will produce three main outcomes:

- new scientific understanding of the innovation-job quality-employment dynamic;
- new diagnostic and developmental tools to monitor, measure and improve this dynamic at the firm and workplace level as well as approaches to analysing this dynamic at the national level - which directly feeds into the third outcome;
- evidence-based advice on developing policy to boost innovation and economic and employment growth in the EU, along with an awareness of ensuing impacts on social inclusion and inequality.
Publications relevant for growth policy
Financial crisis: causes, policy responses, future challenges - Outcomes of EU-funded research

Reviewing the outcomes of EU-funded research in social sciences funded under the seventh framework programme, this publication addresses the causes of the financial crisis, the policy responses taken, and future challenges left to resolve.

The first chapter opens with a discussion on the functions of financial markets, the causes of the financial crisis in 2007/2008 and its contagion to other regions of the world, as well as the role of financialisation and the economics of risk-shifting which may have undermined productivity enhancing innovation at the expense of social inequity.

Following the discussion on the changes in financial markets and the pros and cons of complex financial innovations, the topic shifts in the second chapter to analyse the role of forecasting models to predict the Great Recession of 2008 and 2009. Excessive risk-taking and the crisis in the banking sector are the focus of the third chapter.

Related to banking and the credit market is the conduct of monetary policy in integrated financial markets, discussed in the fourth chapter. The next section analyses different fiscal policy proposals and their macroeconomic outcomes. This issue goes to the heart of the debate as to whether fiscal policy has macroeconomic stabilising effects.

The last chapter ends with a discussion on challenges left for policymakers and academics to reform the financial system, foster long-term sustainable and equitable economic growth (Lisbon Agenda 2005), and ensure smart, but also inclusive growth (Europe 2020 Strategy).

http://ec.europa.eu/research/social-sciences/pdf/policy_reviews/KI-NA-26554_EN-C.pdf#view=fit&pagemode=none
Social innovation research in the European Union: Approaches, findings and future directions

‘Buzzword’ or ‘Concept’? ‘Solution’ or ‘Tool’? ‘Sustainable’ or ‘Elusive’? Although social innovations pop up in many areas and policies and in many disguises, and social innovation is researched from a number of theoretical and methodological angles, the conditions under which social innovations develop, flourish and sustain and finally lead to societal change are not yet fully understood both in political and academic circles. However, in particular in the current times of social, political and economic crisis, social innovation has evoked many hopes and further triggered academic and political debates.

In the framework of FP5, FP6 and FP7, the Socio-economic Sciences and Humanities Programme has funded a substantial body of research on issues related to social innovation. This policy review, written by Jane Jenson and Denis Harrisson, has produced a systematic overview of research findings of 17 comparative European projects in the area of social innovation. The review focusses on how these projects address ‘social innovation’ in terms of theory, methodology, policy areas, actors, and level of analysis with the aim of bringing the results to the attention of policy-makers, wider groups of stakeholders and the broader public in a comprehensive way. The report makes substantial recommendations for future research practices on social innovation, including in HORIZON 2020.

http://ec.europa.eu/research/social-sciences/pdf/policy_reviews/social_innovation.pdf#view=fit&pagemode=none
Research and Innovation on Sustainable Urban Dynamics

Urban issues are tackled in different Challenges of the Horizon 2020, the European Framework Programme for Research and Innovation. In Challenge 6 dealing with Inclusive, Innovative and Reflective Societies, a specific socio-economic item deals with «The promotion of sustainable and inclusive environments through innovative spatial and urban planning and design».

This publication highlights 10 stakeholders-based urban subjects to be addressed over the next years. It also provides a list of the EU urban research projects funded in the 7th EU Framework Programme (Social Sciences and Humanities; Sustainability and Environment; Transport and Energy; ICT; Smart Cities; and Security).


http://ec.europa.eu/research/social-sciences/pdf/policy_reviews/sustainable-urban-dynamics_en.pdf#view=fit&pagemode=none

Joint database on intangibles for European policymaking: Data from Innodrive, Coinvest and The Conference Board

A harmonised database on investment in intangibles has been created and made accessible online, thanks to the effort of two EU-funded research projects (Coinvest and Innodrive) and The Conference Board. This publication presents the proceedings of the conference where the joint database was announced.

The database, which covers the 27 Member States of the European Union, Norway and the United States, will improve research productivity in the field of intangibles, contributing to informed policymaking.


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Priced publications:

The Social Sciences and Humanities comprise a range of scientific disciplines examining the relations between humans in their societal contexts. While the Humanities deal particularly with history, culture and various forms of human behaviour, Social Sciences tend to focus on the social interactions of individual human beings and groups. They address questions such as: How do people live and work together in contemporary societies? Why do individuals organise themselves into communities and want to share the same future? What do Europeans think about globalisation and how do they react to it? Why and how do citizens engage in or abstain from electoral and other forms of political participation?

Addressing such far-reaching questions, the Social Sciences and Humanities play a critical role in anticipating and accompanying the evolution of societies, while satisfying humanity’s deep-rooted interest in reflecting on life. Consecutive European Union Framework Programmes for Research have acknowledged the significance of Social Sciences and Humanities research and have supported it at EU level over the past decades. Horizon 2020 recognises Social Sciences and Humanities (SSH) as an ensemble of separate disciplines and highlights their particularly high aptitude to fruitfully collaborate with other disciplines in tackling major societal challenges.

*Project information*