

## ABSTRACTS OF THE KEYNOTE SPEAKERS

### The Globalisation of Innovation? Prospects for Regions

*Michael Storper, Professor of Economic Geography, London School of Economics*

It has long been recognized that the development of regions in the highly developed countries has depended on innovation. This is because activities are constantly undergoing technological and organizational change that leads them to quit high-cost regions. Those regions must therefore move “up the chain” of innovation, or renew the innovative content of their existing activities. Such innovation can take many forms, from high-tech to low-tech, from organizational, to process-based to product-based changes. This insight has greater relevance than ever because innovation itself is now undergoing a partial globalization. The “innovation sector” is becoming a global production chain, with parts of it now occurring in less developed countries and regions. How important is this phenomenon? For the moment, it is partial and limited. But as it continues to develop, it will require developed regions in developed countries to enhance their ability to innovate and “extend innovation ladders upward.” In this paper, we examine the theory and evidence behind the globalization of innovation to assess the position of developed countries and regions in the global economic hierarchy.

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### The Challenges of Evaluating Foresight Impacts in the Context of Regional Development

*Dr. Michael Keenan, PREST, University of Manchester*

Regional foresight (RF) is more popular than ever and is being deployed in a growing number of policy spheres towards a wide variety of goals. For sure, this upsurge of interest can be related to a growing regionalism and the associated regionalisation of policy areas that were once exclusive to the realm of nation states. In this respect, RF promises to contribute to regional intelligence, which allows policy makers to intervene more effectively within their regions. Moreover, it claims to contribute to the formation of regional social capital by networking strategic assets in such a way as to foster ‘smart’ regions. Yet, evidence that RF does any of these things effectively remains rather sparse. Perhaps this can be explained partially by the fact that most RF exercises are very recent or still ongoing, with little time for evaluation and reflection. However, it is more likely that a weak precedent for foresight evaluation more generally has left regions with little idea of how to assess the effectiveness of their RF exercises in a systematic manner. This presentation therefore seeks to examine some of the challenges facing evaluators of RF exercises and will propose a variety of evaluative lenses through which they can be conceptualised. As with foresight, evaluation comes in many shapes and sizes, and the process can be just as important as the end result. Indeed, evaluation can also be framed as distributed learning, which tends to emphasise the process, as in foresight. So thinking about approaches to evaluation needs to go beyond choosing appropriate conceptualisations of impact, and should also take into account the process of evaluation itself, for whom it is for, its purposes, and so on. Whilst no general theory of RF evaluation will be proposed, a number of pointers will be raised that any potential evaluator of RF exercises will need to take into account.

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## **Methods, Spontaneity and Space: Wealth Creation in a Scenario of a Learning Intensive Society**

*Dr. Riel Miller, XperiodX: Futures Consulting, France*

This presentation examines the question of how changing foresight practices might be useful for regional development. The analysis is divided into two parts, starting with a scenario of the learning intensive society. This scenario calls into question some of the assumptions that usually shape discussions of regional development. The core issue is that of wealth creation. How might improvements in the quality of life and even productivity growth continue in a post-industrial society? The model of the learning intensive society considers one response rooted in the attributes of learning as an activity that is inherently and simultaneously production and consumption. As such a learning intensive society could, under certain conditions, exhibit productivity growth. The second part of the presentation considers the questions: are foresight practices changing and, if so, how might the new practices contribute to regional development? The response looks at one approach called “futures literacy” that attempts to reformulate the epistemological foundations of foresight in line with recent developments in “theories of science”. As a result foresight, as a tool for telling stories about the potential of the present, can be seen as breaking with its origins in industrial era planning to become a constituent part of the foundation of a spontaneous society. Like acquiring alpha-numeric literacy in industrial society - inextricably tied through the mechanism of schooling to the functionality-critical behavioural patterns of punctuality and obedience - the acquisition of “futures literacy” enables people to discover, recount and act on the potential of the present in ways conducive to the functioning of a spontaneous learning intensive society. Foresight for regional development is gone. Instead there is foresight as regional development.

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## **Financial Integration from a Regional Perspective**

*Dr Sinikka Salo, Member of the Board, Bank of Finland*

Financial markets are usually seen as forerunners in globalization, since the immaterial and weightless nature of finance seems to make geography less relevant than in most other industries. This picture of finance as the most global of businesses is only partly true, however. For some parts of the financial markets, geography has lost its importance already a long time ago, but there are others where international and regional integration is still incomplete and on-going. Globally, the most important of the on-going processes is the financial opening up of the big emerging market economies, which poses huge challenges for international policy coordination and the development of institutions; at the European level, retail banking markets and payments systems are still very fragmented and a lot of work is needed to achieve the goal of a single market at least in the euro area. Finally, at the subnational level, the impact of financial integration is mostly felt through the changes in the variety of services and customer relationships available to SME's and households. At each of these levels, financial integration holds great promise in terms of growth, efficiency and economic opportunities, but also requires significant adjustments in public policy and private business performance.

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## **The Role of Regions in Tomorrow´s Economy**

*Markku Wilenius, Professor, Finland Futures Research Centre, Turku School of Economics*

As the new phase of globalization has emerged after the fall of the Berlin Wall, the role of regions has changed fundamentally. We are witnessing two interrelated phenomena that will crucially shape the role of

regions: First, in a larger picture, the Triadisation of the world system is coming to stage soon where size and the influence of Asia is surpassing those of the US and EU, provided that the rising cooperation within Asia will progress swiftly, as can be expected. This will greatly shake the prevailing US/EU-led global power structure. Secondly, inside countries, the differences of regions will widen as a result of their efforts to sharpen their image in search of specific niche in increasing competition. The winners are those that are able to connect their activities globally and who are able to persuade talented workforce. Losers will stay unconnected with decreasing and aging population.

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## **Forecasting the Technology Revolution: Implications for Europe and Other Regions**

*William E. Halal, Professor of Science, Technology, & Innovation, George Washington University. President TechCast LLC.*

Prof. Halal will present highlights of his work pooling the knowledge of 100 experts online to forecast breakthroughs in all fields of science and technology. Drawing on recent data from the website used for this project (TechCast.org), he will highlight breakthroughs in energy & environment, manufacturing, robotics, health care, biogenetics, information technology & e-commerce, transportation, and space. Halal argues that this unprecedented wave of innovation is occurring today because powerful information systems are advancing knowledge as never before, and that a transformation of societies is likely over the next 20 years. Strategic implications for various regions will be explored, and active audience participation is encouraged.