

TRANSFORMATIVE INNOVATION POLICIES ACROSS THE WORLD: SMART SPECIALISATION EXPERIENCES IN AUSTRALIA

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The Australian Context

- 24.67 million people (2017), mostly on the coast
- AUD1.62 trillion GDP (2015), approximately 12-13th largest economy, mixed market
- Federal, state and local governments, two party preferred
- 55 Regional Development Australia committees
- 38 public universities, mostly comprehensive, with multiple campuses in city & rural locations
12 with headquarters outside metropolitan capitals



National Innovation Policies

Powering Ideas

- a national innovation system promoting collaboration between researchers, business and government. Increasing the number of researchers, international performance and collaboration. Improved business engagement in innovation, + R&D investment.

National Innovation and Science Agenda

- Problems of collaboration, capital, STEM. Promote culture & capital, collaboration, talent, govt example.

- [Occasional interest in clusters (eg SA 2013-17), bur current working group on 'precincts']



The innovation policy problem in Australia

- Innovation is a recurring Australian policy problem. Typically, we are preoccupied with the linkages between science and industry.
- The typical emphasis is linear (knowledge 'translation'), focused on start ups, on the firm as the object of innovation. University drivers take precedence.
- We fail to recognise the importance of innovation as problem-solving by all types of businesses: refined business models, technological invention, organisational processes.
- We give insufficient priority to the economic and social potential of place-based innovation eco-systems. In other words, poor conceptualisation hinders effective progress.
- A policy conundrum: when there is such strong focus on innovation, how is it that the place-based dimension of innovation policy is so neglected?

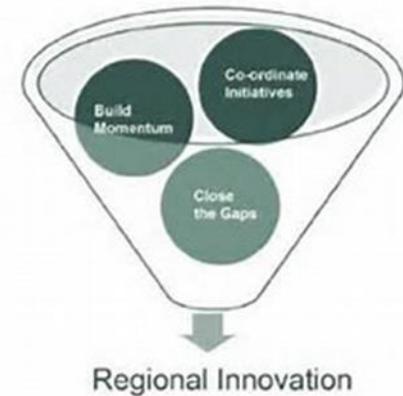
Getting Some Conceptual Clarity

- Rutten & Boekema: co-edited a special issue of *Regional Studies* on 'Learning Regions' (2012)
- Fuzzy concepts: 'learning', 'region', policy or research, reliance on case studies
- Several issues in Australia:
 1. the question of place: '(city-)regions'
 - administrative, functional, identity, ecosystem?? In practice, the focus is on the state, RDA, or LGA
 2. Ambiguities around the meaning of innovation, learning, and knowledge – particularly the significance of knowledge in innovation processes: generation of new knowledge? adaptation, or diffusion? (cf Castells and the informational mode)



Conceptual Issues (cont.)

3. Relative significance of place-based & other networks
4. Blurred boundaries between policy and research, case studies and policy advocacy...
5. The policy agenda is confounded by multilevel, cross-sectoral governance, the echo of neoliberalism (distrust of 'market' 'intervention'), lack of political courage (public sector leadership), poor connectedness with key stakeholders (researchers, business, civil society)
6. Research is fragmented by discipline, focus, scale, limitations of data, blurred boundaries between academic and commercial exchanges, publishing options.



Smart Specialisation in Australia

- EU Centre and Comparative Regional Policy – tracking development of Smart Specialisation...
- Growing interest from both regional (eg 'Regional Capitals') and Federal policy-makers
- SMARTER Conference – basis for development of Smart Specialisation policy
- Regional Jobs and Investment Package
- Smart Specialisation in Hunter Valley and Gippsland
- Regional innovation systems in Geelong, Canberra and south Adelaide

Smart Specialisation in Australia: the Hunter RDA

Hunter Regional Development Australia Committee, 2015

- Benchmarking against the EU Regional Innovation Index, twice – fostered a debate about innovation possibilities and collaboration
- The Entrepreneurial Discovery was energetic but contained and the resulting strategy was framed around sectors, albeit with important investment opportunities
- High profile document (Prime Minister, EU Delegation) but no money
- Very successful STEM project linked with industry, local university developed an innovation centre

Smart Specialisation in Australia: Latrobe Valley and Gippsland

- A coal and energy transition region: privatisation in 1990s, and then closure of Engie electricity plant, March 2017
- La Trobe Valley Authority: significant investment resources
- Horticulture and food (Agribusiness Gippsland) as key starting point, then energy and advanced manufacturing
- The mapping phase: early initiatives, quadruple helix, multiple layers of governance, climate, education levels, cultural reticence, deep silos, political context
- Entrepreneurial discovery to focus on operational level of collaboration
- First round of investment pilots by end of October