

CUADERNOS ORKESTRA

ISSN 2340-7638

 <https://doi.org/10.18543/RTWM2847>

COMPETITIVENESS FOR THE WELLBEING OF EUSKADI 2040

EXECUTIVE SUMMARY

No. 06/2023

 <https://doi.org/10.18543/UDWW8070>

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CUADERNOS ORKESTRA, no. 06/2023. Executive summary.

ISSN 2340-7638

 Collection: <https://doi.org/10.18543/RTWM2847>

 Executive summary in English: <https://doi.org/10.18543/UDWW8070>

 Notebook in Spanish: <https://doi.org/10.18543/UGSG4703>

 Notebook in Basque: <https://doi.org/10.18543/VPHK2930>

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Acknowledgements

This report is part of the research project "Competitiveness for the wellbeing of Euskadi" and is financially supported by the Department of Economic Development, Sustainability and Environment of the Basque Government. The authors would like to thank those people from both the Department and the Presidency office, who have driven the project and cogenerated the results together with Orkestra.



They would also like to thank all the institutions, organisations, companies and individuals who have formed part of the process of building the Vision of Euskadi 2040: the Provincial Council of Alava, the Provincial Council of Bizkaia, the Provincial Council of Gipuzkoa, Bilbao City Council, Donostia-San Sebastián City Council, Vitoria-Gasteiz City Council, the Economic Development and Innovation Commission of the Basque Parliament, CCOO, LAB, UGT, Confebask, Adeg, SEA, Cebek, ASLE, Konfekoop, Sareen Sarea and the companies Bellota Agrisolutions, Biolan, Alcorta Forging, Grupo Gamiz, Etxe-Tar, Salto Systems, Soralue, Mondragón componentes, Lantek, Ega Master, and Ormazabal, as well as Orkestra's Board of Directors, Advisory Board and Community of Ambassadors, and the Future Generations Commissioner for Wales, Sophie Howe.

They would also like to thank the University of Deusto, and the EASO, Egibide and San Jorge Vocational Training Centres for facilitating the access to the group of young people, and of course, all the young people who shared their vision and expectations for the future of the territory with the research team during the process.

Finally, to Bart Kamp, Edurne Magro, Jorge Fernández, Mikel Navarro, Patricia Canto, Susana Franco and Usue Lorenz, for their reflections and contributions throughout the development of the project, which have fuelled this report.

The opinions and comments contained in the report are the authorship of the research team, even though the work on which they are based has been cogenerated.

Executive summary

Foresight has become a science dedicated not only to anticipating potential long-term trends or scenarios, but also to agreeing on a desired or preferable future and defining actions for its construction from the present. "Competitiveness for the wellbeing of Euskadi" (hereinafter, Euskadi 2040) is a transformative research initiative promoted by Orkestra - Basque Institute of Competitiveness and the Basque Government. Its main objective is to identify what the competitiveness challenges of the Basque Country are and how they are changing, in order to build a sustainable and inclusive wellbeing model for the next generation. Thus, Euskadi 2040 responds to two needs:

1. The need to adopt a proactive approach to the future with the horizon of the next generation.
2. The need to measure and understand progress beyond an exclusively economic perspective, opting for a directionality towards inclusive and sustainable wellbeing.

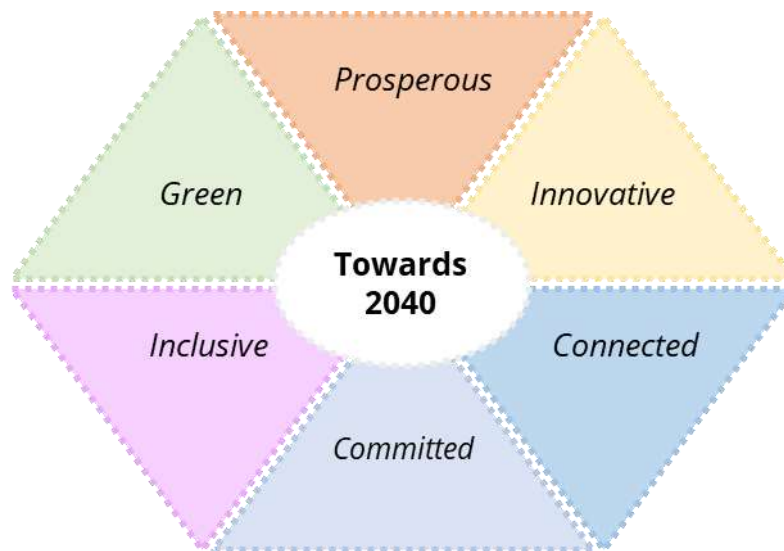
The Vision of Euskadi 2040 and its six dimensions

The Vision de Euskadi in 2040, resulting from the participatory and collaborative drafting process, is as follows:

A Basque Country that is...

- ***Prosperous.*** Leader in competitive and sustainable industrial development. With a prosperous and diversified economy that ensures full employment and quality of life for all people
- ***Inclusive.*** That empowers, embraces diversity and enables all people to fully develop in an inclusive and equitable society
- ***Green.*** Carbon neutral
- ***Innovative.*** Pioneering, and continuously transforming
- ***Committed.*** A unique place, which cultivates its singularities, and has a socially, culturally, politically and entrepreneurially committed society
- ***Connected.*** Co-responsible with the world and a benchmark on the international level

In short, a competitive Euskadi that is committed to the wellbeing of all people, with intergenerational co-responsibility and in solidarity with the rest of the world. A differentiated, attractive place to live and to contribute to.



The Vision of **Euskadi 2040** has six dimensions, which identify different competitiveness challenges. An essential characteristic of the Vision is its **systemic** nature, as a tool for not looking at each dimension in isolation, but rather for understanding the potential positive or conflicting impacts that the incidence in one dimension may have on the rest of the dimensions, with a view to prioritising synergies.

The objectives for each dimension

For each of the dimensions, a series of objectives have been established with their respective reference indicators that specify the vision's dimensions and enable monitoring to be carried out. In addition, a broader panel of 39 indicators (Annex I) has also been established to reflect the diversity of areas included in the Vision and Challenges of Euskadi 2040.

SCOPE	OBJECTIVES	REFERENCE INDICATOR
PROSPEROUS	Territory with unemployment below 6%	Unemployment rate (% active population)
	Among the 10% of European regions with the highest per capita incomes	GDP per capita (PPPs)
INCLUSIVE	Among the 10% of European regions with the lowest poverty rate	Risk of poverty and exclusion rate Arope
INNOVATIVE	Leading European region in innovation	Regional Innovation Scoreboard (RIS)
GREEN	Carbon neutral territory	Greenhouse Gas Emissions Index (base year 2005)

COMMITTED	To be achieved through a growing commitment by all to the future of the Basque Country, respecting and supporting its uniqueness, and in a way that is increasingly open and interconnected with the world.
CONNECTED	

The Vision of Euskadi 2040 is an aspirational but realistic vision, built on the existing competitiveness bases, and with a vocation to remain not only at the territorial strategic reflection level but also to be put into action. To this end, a series of **driving forces** have been identified, understood as innovative, structural, scalable initiatives developed in collaboration between different agents (institutions, public and private agents, etc.) with a view to generating transformations that will enable the Vision of Euskadi 2040 to become a reality.

Vision development process

The vision has been developed through a process of action-research, where several analyses have been based on the diagnosis of the current positioning of the Basque Country in terms of competitiveness and wellbeing, the key factors that have led the territory to its current reality, and the main international megatrends. The initial proposal was developed within a driving group made up of representatives of the Basque Government and Orkestra, and later contrasted with different agents in the territory:

- A multilevel contrast, which has included both the historical territory level through the presence of the three Provincial Councils (Alava, Bizkaia and Gipuzkoa) and the municipal level, through the three capital city councils (Bilbao, Donostia-San Sebastian and Vitoria-Gasteiz) and EUDEL.
- An interdepartmental contrast, aimed at guaranteeing coherence and alignment within the Basque Government.
- A multi-agent contrast, which has included local and international agents for the incorporation of the perspectives of various groups, including representatives of workers, employers and companies, the third sector, and the group of young people whose role is essential for the construction of the future competitive model.

Two approaches were used when engaging with the different territorial agents: on the one hand, direct contact with the collective; and on the other hand, through associations/organisations that represent their interests.

Main lessons learned

In addition to the milestone of the construction of the Vision of Euskadi 2040, the process has made it possible to extract a series of lessons learned from a research perspective, which may be relevant both for those territories that wish to carry out a similar process of defining a strategy for the future, and for generating new shared visions in other areas in the Basque Country, and for making progress in the following phases of the Euskadi 2040 process:

Learnings on the Vision	Learnings on the Process
<ul style="list-style-type: none"> • It is essential in the process of constructing a shared vision to define its scope and the perspective from which the work is to be carried out. In the case of Euskadi 2040, the objective was to have a "Competitiveness for wellbeing" perspective. • - A systemic approach to competitiveness allows the simultaneous development of several dimensions of wellbeing. The process has helped to highlight possible conflicts between dimensions, and to try to find alternative ways to make their simultaneous progress compatible (e.g., a prosperous and green territory through innovation). • - The process of working on the systemic approach is complex, given that behind the progress or lack of progress in each dimension there are actors with their own legitimate interests. This sometimes generates polarised positions that do not allow progress to be made. Dialogue with actors who have different visions and the construction of a shared narrative and language on how the different dimensions can work simultaneously are essential tools in the search for the lowest common denominators that allow progress to be made. 	<ul style="list-style-type: none"> • The scope and perspective from which the process is viewed determines the driving leadership of the process, making it easier to keep the process alive and to monitor improvements. However, in the medium to long term, it is important to activate other leaderships with different roles, depending on the moment and objectives of the process. • - As the process advances and new challenges emerge, it is necessary to think about which new actors need to be involved in the process and how. In Euskadi 2040, as a project to build the future, it has been considered essential to incorporate young people, who do not usually participate in this type of process. Their incorporation has also required innovation in the modes of participation. • - The participation process of different agents means that, in addition to the individual capacities of each actor, collective capacities are being generated in the territory, such as the capacity for mutual learning and innovation and the capacity to build networks and relationships, which are very important for the promotion of a long-term territorial strategy.

As the next step in this process, it will be important to generate and consolidate a governance model that will enable dialogue on the future of the Basque Country to be kept alive. The shared Vision also serves as a tool for the construction of a shared agenda, as it is understood as a mirror in which each of the actors in the territory can see themselves reflected, using it to define their actions, based on their role, and evaluating the level of their contribution to the Vision. In this way, the vision would help in the articulation and alignment of the agendas of the different actors in the territory towards the same common horizon for the future.



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