

EXECUTIVE SUMMARY
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TERRITORIAL STRATEGY OF THE BASQUE COUNTRY: LESSONS AND CHALLENGES FOR THE GRAND TRANSITIONS

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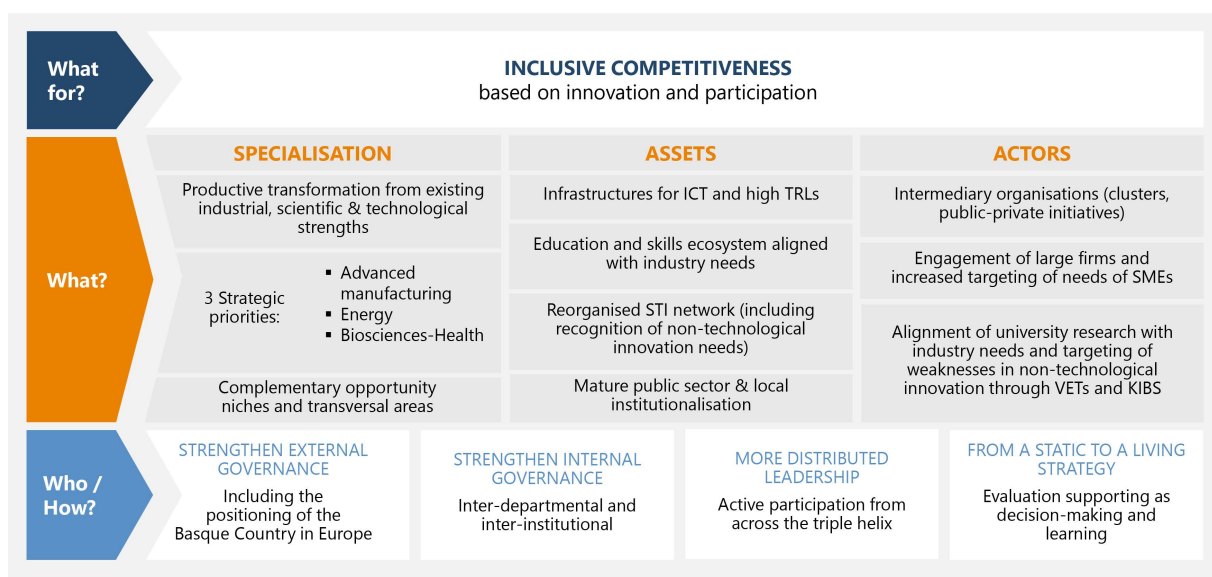
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Executive Summary

The Basque Country faces the challenges of the three grand transitions: socio-demographic; green; and digital-technological, from a solid base. This base was built during the period comprising 1980-2008, in which the development strategy was characterised by an inclusive competitiveness that transitions from competing on traditional factors to competing on efficiency and innovation, and was consolidated during the period 2009-2020, in which the development strategy continues to be characterised by an inclusive competitiveness, based on innovation and the result of a multilevel Triple Helix governance led by the Basque Government.

Summary of the Basque Country Strategy 2009-2020



The Basque Country now faces the challenge of building on this foundation to maintain and increase its inclusive competitiveness in the context of rapid, disruptive transitions accompanied by various uncertainties.

Why?

A key element in addressing sustainable transitions is the directionality of economic development, which cannot be dissociated from social and environmental sustainability. In this context, the Basque Country has to reinforce its model of competitiveness in solidarity by adopting an inclusive strategy for economic recovery, in a context in which inequality is increasing in Europe and in certain groups, such as young people. Economic and social sustainability must go hand in hand with environmental sustainability, as central axes of the strategy.

What?

To deal with transitions, it will be necessary to work on four key elements: economic and scientific-technological specialisation, physical infrastructures, the capacities of people and actors in the territory.

- **Economic and scientific-technological specialisation**

The efforts that have been made over the last decades both to diversify the economy and to generate scientific-technological strengths in areas linked to the transitions are a solid basis for the generation of opportunities. However, given the social nature of grandtransitions, it will be necessary to strengthen non-technological innovation within the innovation strategy. It will also be necessary to strengthen and

enhance the fundamental economy, as a key vector for the well-being of people through the development of the health system, the education system and the food system, and for the productivity of all sectors.

- **Physical infrastructures**

One strength is the great effort made in recent decades to generate infrastructures, especially those of an intelligent nature linked to transitions such as the Basque Digital Innovation Hub, or the advanced manufacturing centres in the automotive, aeronautics or energy sectors. However, it will be important to activate the demand that guarantees its use and profitability, as well as to promote cooperation within the framework of the Euroregion Aquitaine, Euskadi, Navarre in order to reach a greater critical mass.

- **The capabilities of people**

The commitment that has been made to the Basque skills system and its continuous improvement will allow people's skills to go hand in hand with transitions, which will require new competences. However, it will be necessary to work on four fronts: (i) anticipating the needs of future profiles, adapting them and ensuring their provision; (ii) carrying out sophisticated management of people's professional careers; (iii) continuing to develop skills for collaboration, collective leadership and performance in environments characterised by diversity; and, (iv) promoting training throughout the life cycle.

- **The actors in area**

The Basque Country has an extensive network of intermediate actors such as Cluster Associations and Regional Development Agencies, as well as companies with relevant knowledge for the transitions, but it will be important to attract key companies that complement the existing ones. The key challenge, however, is to intensify collaboration among all actors and to focus each actor on its distinctive value contribution in dealing with transitions.

How?

For transitions, it is necessary to develop a shared strategy that includes users and civil society. The strengths and challenges of the Basque Country are grouped into two areas: collaborative governance, and the capacities and distributed leadership of the strategy.

- **Collaborative governance**

The multi-actor and multi-level governance model that has allowed the emergence of 'bottom-up' strategies in the Basque Country can serve as a basis for addressing the complexity associated with transitions. However, it is necessary to promote collaboration between the different RIS3 steering groups, as well as to move from the triple helix to the fourth helix. The latter involves strengthening the role of universities, small and medium-sized enterprises, entrepreneurs, the world of work and civil society.

- **Capabilities and distributed leadership of the strategy**

The capacities developed over the last decades to create a policy community and develop a strategic vision of learning and flexibility in the Basque Country are fundamental to face transitions. However, the competencies developed at the regional and sub-regional level will have to be extended, deepened and sophisticated, integrating new key actors for the transitions (research centres and specialised companies or civil society actors). It will also be necessary to develop an anticipatory capacity that facilitates the development of an innovative strategy to deal with transitions with a long-term perspective.

Throughout its history, the Basque Country has developed a strategy that has enabled it to lay the foundations of its current competitiveness and on which it can leverage to face the challenges associated with the three transitions. Working on the challenges identified will allow it to maintain and increase its competitiveness in a context characterised by uncertainty.



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