



HORIZON 2020 MSCA RISE 2018 TREND PROJECT NUMBER: 823952

FIRST ASSESSMENT MEETING

October, 8-9 2019

Northeastern University

Department of Economics, Lake Hall, 360 Huntington Ave #301,
Boston, MA 02115



EXECUTIVE SUMMARY

1. Grant Agreement – 823952 Annex I Document of Action

TREnD general objective: stimulating regional diversification to be seen more as a co-creation of solutions and concepts on development problems¹: i) enhancing the resilient capacity of regions; ii) applying a transitional approach to tailored placed-based innovation policies.

HOW: strengthening the regional capabilities in triggering, implementing and managing Transition strategies towards driving “resilience-building” processes.

SCOPE: combining Transition with Resilience for Evolutionary Development in different territorial contexts towards a reforming process of Cohesion Policy.

Methodological approach: According with the Description of Actions – Annex I of the TREnD project – (DoA):

4 main topics - the general framework:

- i. Evolutionary Economics - recognizing that the dynamic process due to innovation and research defines different equilibrium path that can be better explained by the territorial response. Past development trajectories (e.g. RIS3 for European case studies and US cluster); Relatedness; Variety; Local tacit Knowledge; Embeddedness in Territorial Knowledge dynamics;
- ii. Resilience - Factors related to the governance systems in terms of adaptive process - Local and national policies; Institutional capacities; Rate of entrepreneurship; New firm formation in the region; Access to credit.
- iii. Transition Management Strategic and tactic approach to response to shocks and crisis - Time, Frame and scope of Transition; Screening of the policies and legislations in the relevant policy field/s; Networks; Composition of Transition Arenas; Windows of local opportunity disclosed in the aftermath of shocks
- iv. multi-scalar approach: from regional to local/urban level.

4 Phases Research design:

1 The conceptual phase looks at converting the theoretical frame of the project into a realistic and appropriate research design (Methodology, data, methods).

...unfolding critical factors, drivers and hindrances, which define Transitions and “Resilience-building” processes. Upon an evolutionary perspective, the analysis will be based on retrospective longitudinal studies addressing ongoing trends and, in a broader time framework, past or current transitions trends both in EU and US. The characterization of regions will be defined upon a set of indicators (socio-economical) concerning the past development trajectories (e.g. Path-dependency) and the local degree to shift into a related/unrelated diversification.

2 The Implementation phase: involves the collection of data and the preparation of data for analysis. A data collection plan needs to be developed specifying: • What data will be

¹ Recently, both academics and policy makers have been putting more and more emphasis on “regional diversification” as a strategy towards the path creation (Neffke et al. 2011). According to Boschma (2017), the diversification patterns in EU occur upon related and unrelated pathways. In this respect, we recall the “proximity” (Boschma, 2005) along with “the related variety” (Frenken et al. 2007) as significant milestones in the economic geography studies. Up to date, the later has been the center of an extensive literature that emphasises the opportunity to develop economic linkages on industries related to the existing portfolio. On the one hand, the related diversification is found to be a more common phenomenon in regions (Boschma et al. 2017), indeed is one of the rationales underpinning cluster policy (Porter, 1990). On the other hand, the unrelated diversification seems still uncharted in terms of policy guidelines, monitoring/evaluation and spatial outcomes. In this regard, a novel strand of literature recalls the transition management (TM) to explain the “reorientation of existing functions in terms of forms and nature, prompting a change in their main organizations, arrangements, aim and scope” (Capello and Lenzi, 2018). Therefore, the innovation has to be considered as an outcome of “bricolage” (Boschma et al. 2017) where all actors (e.g. quadruple helix) contribute to share and recombine resources towards a new path creation.



collected; • How the data will be collected; • Who will collect the data; and • The data collection procedure (i.e., what order forms are filled out, what the interview questions are).

unveils the impacts of the territorial aspects in regard of “resilience-building processes” towards new equilibriums, namely new patterns of territorial development. An evaluation framework to address study cases will be set up in both the US and the EU contexts. It will be rewarded much emphasis on governance aspects including: local networks, transition arenas, and role of external actors. Both qualitative and quantitative approaches will be implied to the case studies analysis which will be developed through data gathering (e.g. interviews and surveys) and data analysis (e.g. social network analysis). In addition, spatial analysis will be conducted to gauge the effect of the “space/place” on related/unrelated diversification through indicators, previously deduced from literature. These indicators will be projected into GIS mapping database to help link the theoretical framework to the Territorial/urban dimension of Cohesion policy in an evolutionary perspective.

3 The Evaluation Phase Assessing the implementation of the research activities in terms of the pre-set goals and objectives

sketching out how external shocks can provide latent opportunities to re-orient local development trajectories. The case studies will be assessed according to the “back casting” approach in order to fully exploit the window of local opportunity disclosed in the aftermath of shocks and to design TM.

4. The Research strategy will be incrementally developed over project lifetime to upgrade metrics of TM and Resilience building process to be implemented through the Open Access Toolkit

2. The operative Framework: WP1 – *Transition Management and Resilience in evolutionary perspective*

According with the Document of Action – Annex I of the TRENd project – (DoA) the main objective of the WP1 is:

Setting up an analytical process to understand how to integrate Transition and Resilience building policies in a frame of reference. Result: conceptual framework.

The research carried out at the date

Problem Statement

Despite the public investments and public policies already in place, inequalities among EU regions are increasing (Iammarino, Rodríguez-Pose, Storper, 2017). The inequalities are the results of two forces.

1. the technological progresses phase began during the 1970s that “stimulated output in advanced technologies, finance and advanced services sectors that depend on agglomeration economies and therefore whose core, non-routine jobs favour large metropolitan areas and draw from pools of skilled workers in high-turnover labour markets” (Iammarino, Rodríguez-Pose, Storper, 2017: 4).
2. “the long cycle of regional evolutionary features, consisting of place-specific endowments of people and skills, firms and industries, formal and informal institutions, capacities for innovation, and their reaction to change” (Iammarino, Rodríguez-Pose, Storper, 2017: 4).

Goal

to reduce the gap between EU excellences in innovation and EU peripheral areas by empowering the linkage between R&I and Cohesion Policies, namely Smart Specialization Strategies, Horizon 2020 and Cohesion Policy.

The EU expected change towards the knowledge society through the focus of public policy on Research and Innovation worked well in reducing the “research” side gap (measured in terms of scientific publications) but a persistent gap on the “development” side persists. It means that peripheral regions still need to focus on



how to maximize the impact of the knowledge created for local communities, and policies should support this transfer through specific and tailored actions. These elements could be one of the drivers for the Cohesion Policy for the next programming period 2021-2027 as well as for the Horizon Europe Program (the 9th EU Research Framework Program).

Research questions

Key issues for smart specialisation post-2020 (EU- DG Regio RI)

- How to better adapt smart specialization to different regional needs?
- How to broaden innovation and reinforce innovation diffusion?
- How to strengthen links between regional innovation ecosystems and national reforms?
- How to strengthen cooperation and internationalization?
- How to improve links with other EU programs such as Horizon Europe and industrial competitiveness policies?
- How to make smart specialization more responsive to industrial change and technological disruption?
- How to strengthen monitoring and evaluation, lesson learning?
- How to strengthen and embed governance?
- How to promote inclusive growth?

Purpose and Scope

(Trend project)

The aforementioned Goal (challenge, thereby) matches the research objective and the activities envisaged by the TREnD project as following:

1. Regions and cities' ability to adapt and respond to external shocks and their ability to manage the transition, crucial for a more inclusive development trajectory (How S3 can be more inclusive);
2. The need to promote and empower a different regional – and sub-regional - development based on the place-sensitive approach that merges the people-based and place-based approaches into a new vision aimed at empower Distributed Development Strategies where “economic development strategies need to be adaptive and to maximise the diversity of people, firms and places involved” (Iammarino, Rodríguez-Pose, Storper, 2017: 26) (the multidimensional and multi-scalar aspect of regional diversification).

Design and planning research

(WP1)

1. **Literature Review** on the following Topics: post-2020 EU Scenario - Cohesion - S3 – Horizon; Global Market Power; economic complexity; evolutionary economy; economic resilience, urban resilience; transition management and urban planning; regional diversification;
2. **Methods:**
 - a. Case study methodology design
 - i. Definition of the Territorial Unit of Analysis: regional, sub-regional, city/local;
 - ii. Identification of case studies selection criteria;
 - iii. Definition of the quantitative/qualitative research tools and techniques to carry on the case study analysis:
 1. Survey Forms (quantitative - spatial connotation to economic forces that affect physical transformation);
 2. Interview forms (qualitative information about governance, organizational structure, strategy and private involvement.);
 - iv. Definition of the indicators for the case studies comparative analysis.
 - v. Case Study Reports;
3. **Key data sources** for the investigation:



- a. Official Data sources: American Factfinder (Census, ACS); Bureau of Economic Analysis, Bureau of Labor Statistics; City of Boston data (analyze Boston);
- b. Other data sources: The Observatory of Economic Complexity; Data USA; Boston Data Portal; US Cluster Mapping portal;
- 4. Key **data Analysis tools**: Spatial, Statistics; Network Analysis; Data visualization;

Some suggestions

- 1. Analysis of past development trends in the Boston areas (2000-2018) to identify shocks and stresses (What happened?);

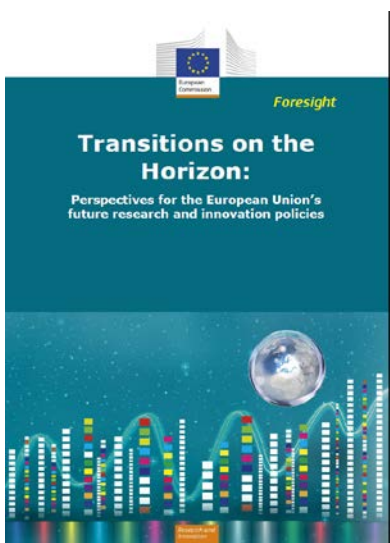
The focus on Transition Management could take into account the past development trends (from 2000 – to 2018) to identify the socio-economic shocks and stresses in the Boston area and how the public institutions have adapted or re-shaped their development strategies. We adopt transition as a way to design innovation-led development policy towards the expected changes.

- 2. Identification of the strategies adopted to adapt and re-shape development trajectories according to local context and capabilities (How shocks have been translated into opportunities?)
- 3. Analysis of the processes undertaken and still in place to understand the role of the different stakeholders (The role of institutions and other actors)

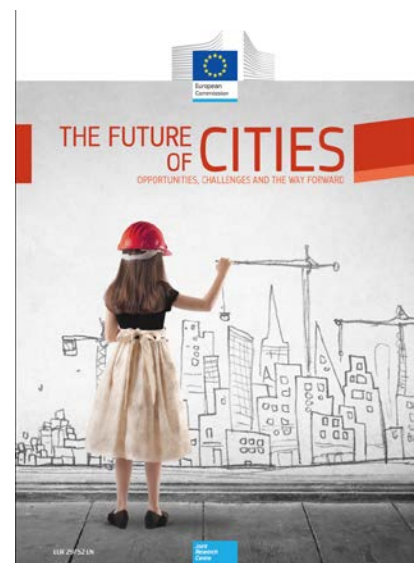
Boston and Cambridge are cities (Boston Area) where cluster innovation policy and urban planning act in a complementary way to support the regeneration of the local economy. Cluster spatialization brought to light how the places where innovation is concentrated are urban areas subjected to urban regeneration initiatives, some of them explicitly finalized to innovation districts. The analysis of Cluster spatialization and the resilience-based building processes at the city level could reveal the mechanisms adopted to generate new development trajectories aftershocks and stresses concerning the local context and capabilities.

- 4. Analysis of the effects/impacts from a multidimensional perspective (what results?)

The expected result is the understanding of triggering mechanisms helping to frame a more inclusive S3 process for the post-2020 Cohesion Policy. This new framework, thanks to resilience-based process and transition management would define S3 processes more tailored to the different regional needs reinforcing innovation diffusion, diversification and empowering the linkages between more advanced and less developed ecosystems (at regional and subregional level) through more inclusive approaches.



The post 2020 EU scenario





TREnD First Assessment Meeting Agenda

Tuesday 8 October, 2019

- 10.00 -10.15 am **Welcome address**
 Prof. Robert Triest, Chair of the Department of Economics
 Northeastern University of Boston
- 10.15 - 12.30am panel discussion: **Knowledge Complexity and Global Market Powers, how do peripheral area matter?**
 How innovation policy can incorporate inclusiveness?
 Framing a transitions agenda
 Diffusion of innovation
- The Global Resilience Institute
 Northeastern University of Boston
 MITlab/Harvard
 Boston local Stakeholders*
- 12.30 – 1.30 pm Lunch
- 1.30 – 2.30.pm open remark: **Innovation in the TREnD Perspective**
 a bridge via Transition and Resilience
 how harmonize EU policies (Cohesion – Research - Innovation) in reducing the gap highlighted above and to reduce the disparities linked with an unbalanced regional development.
- 2.30 – 3.30 pm roundtable: **Introduction to Design and planning research (WP1)**
The temporary lab proposal
 What analyze in Boston
 Case study selection
- 3.30 – 3.45 pm Coffee break
- 3.45 – 4.00pm Closing Remarks and Draft research plan

Wednesday 9 October 2019 From 10 am to 4 pm

	Day 2 - Topics	Who
1.	<i>Secondment: list of ERs and ESRs involved in the Boston Research Activities WP1 for all partners; NEU Visa procedures and requirements.</i>	ALL
2	<i>Training activities: Classes, Temporary Lab and Supervisions.</i>	
2.	Confirmation of the Methodological approach for each unit. Set up a first framework of comparative analysis across US and Europe Case studies' selection to develop in Boston. . <i>The goal is to operationalize the research activities to conduct</i>	ALL
3.	The New Metropolitan Perspective Symposium in Reggio Calabria	UNIRC