

Île de France long term economic challenges and public governance

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- I. Main economic features**
- II. The present state of governance**
- III. Some issues for the future**

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I. Main economic features

The main innovation regions in Europe

	RD personnel (Eurostat, 2004)
<i>de1 Baden-Württemberg</i>	61458
<i>de2 Bayern</i>	54512
<i>Ireland</i>	10039
<i>es30 Comunidad de Madrid</i>	21624
<i>es51 Cataluña</i>	18387
<i>fr10 Île de France</i>	77898
<i>itc4 Lombardia</i>	13965
<i>ite4 Lazio</i>	13443
<i>at13 Wien</i>	11212
<i>Finland</i>	31629
<i>Sweden</i>	47836
<i>ukh Eastern</i>	34754
<i>uki London</i>	9478
<i>ukj South East</i>	26991
<i>Silicon Valley</i>	120-150000

The main innovation regions in Europe

Population	2004	annual growth rate 1997-2004
<i>de1 Baden-Württemberg</i>	10692556	0,44
<i>de2 Bayern</i>	12423386	1,22
<i>de3 Berlin</i>	3388477	-0,19
<i>es30 Comunidad de Madrid</i>	5705620	2,19
<i>fr10 Île de France</i>	11319972	0,83
<i>ite4 Lazio</i>	5205139	0,21
<i>fi18 Etelä-Suomi</i>	2569358	1,32
<i>se11 Stockholm</i>	1860872	1,91
<i>ukh Eastern</i>	5477106	0,96
<i>uki London</i>	7408545	0,62
<i>ukj South East</i>	8095261	0,81

The global diagnostic : human resources

	III.1	III.2	III.3	III.4	III.5	III.6	III.8
de1 Baden-Württemberg	42,60	26,60	6,05	61458	1,17	292943	8,93
de2 Bayern	42,20	23,70	6,35	54512	0,88	293971	7,56
de3 Berlin	50,30	33,70	7,02	16541	0,96	152775	12,29
fr10 Ile de France	52,90	40,60	8,65	77898	1,49	572372	8,40
se11 Stockholm	55,70	36,60	9,28	8608	0,85	90633	21,26
ukh Eastern	37,70	27,00	6,38	34754	1,23	161701	21,19
uki London	51,30	41,80	5,66	9478	0,25	304162	26,52
ukj South East	41,60	32,00	8,00	26991	0,63	261766	23,46

		Fourchette Fr	
III.1	Part des RHST dans emploi total	29,10	52,90
III.2	Part des RHST avec diplôme dans l'emploi total	17,70	40,60
III.3	Part de l'emploi dans les secteurs HT	1,61	8,65
III.4	Nombre de chercheurs (en équivalent temps plein)	827	77898
III.5	Nombre de chercheurs (en % de la population active)	0,22	1,49
III.6	Nombre d'étudiants au niveau 5&6 de la CITE 98	21237	572372
III.8	Formation continue (en % de la population active)	6,15	10,18

The global diagnostic : financial resources

	IV.1	IV.1bis	IV.2	IV.3
<i>de1 Baden-Württemberg</i>	3,88	0,8	0,159	0,011
<i>de2 Bayern</i>	2,95	0,59		
<i>de3 Berlin</i>	3,94	1,93		
<i>fr10 Ile de France</i>	3,20	0,98	1,343	0,053
<i>se11 Stockholm</i>	4,31	1,26	1,515	0,058
<i>ukh Eastern</i>	3,85	0,76	4 à 5	0,3 à 0,5
<i>uki London</i>	1,05	0,66		
<i>ukj South East</i>	2,99	0,73		
<i>Silicon Valley</i>	5	1,2	2,5	1,5

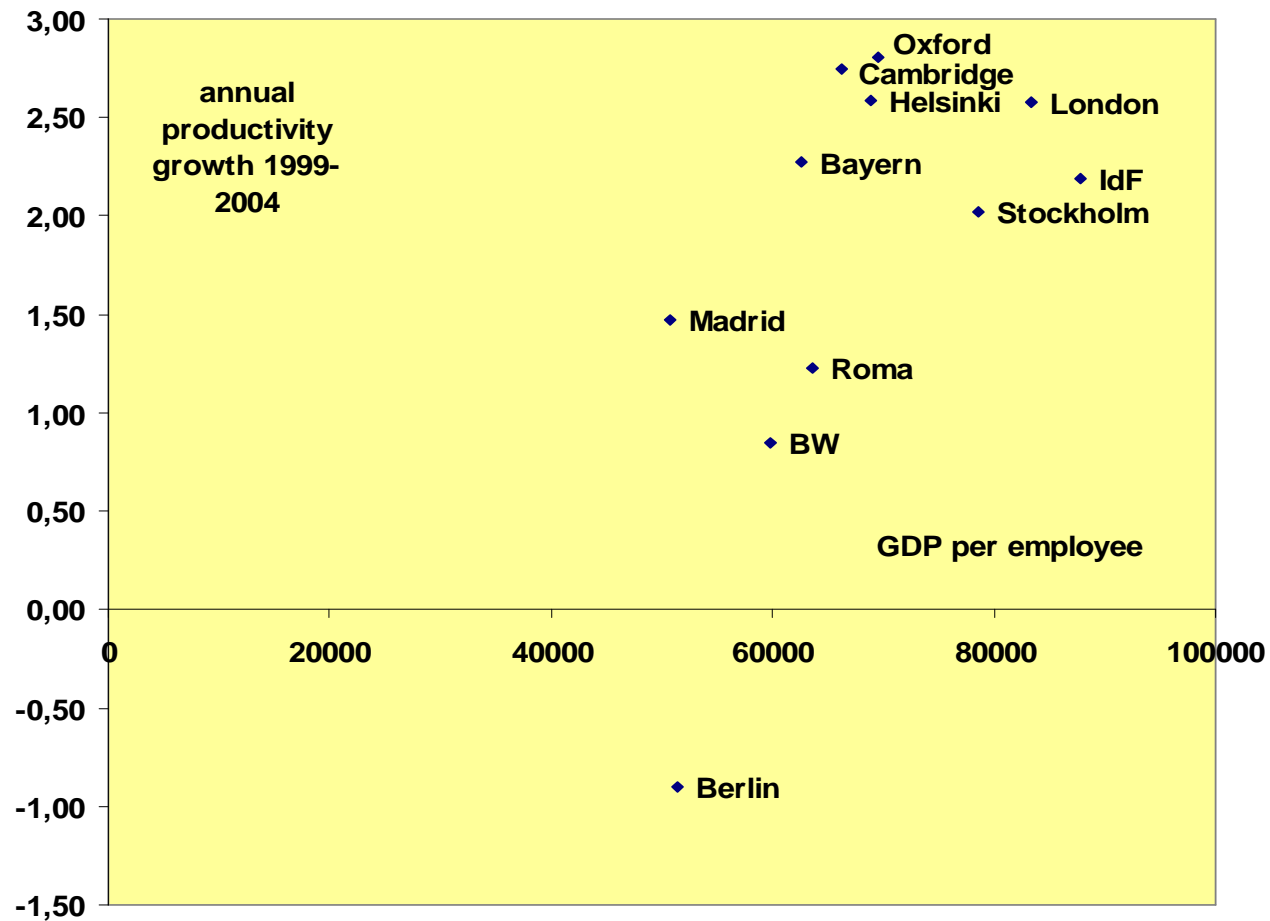
		Fourchette Fr	
IV.1	dépenses de RD en % du PIB	0,71	3,72
IV.1bis	dont publiques	0,19	1,42
IV.2	Capital Investissement	0,01	1,34
IV.3	Capital Risque	0,00	0,05

The global diagnostic : output data

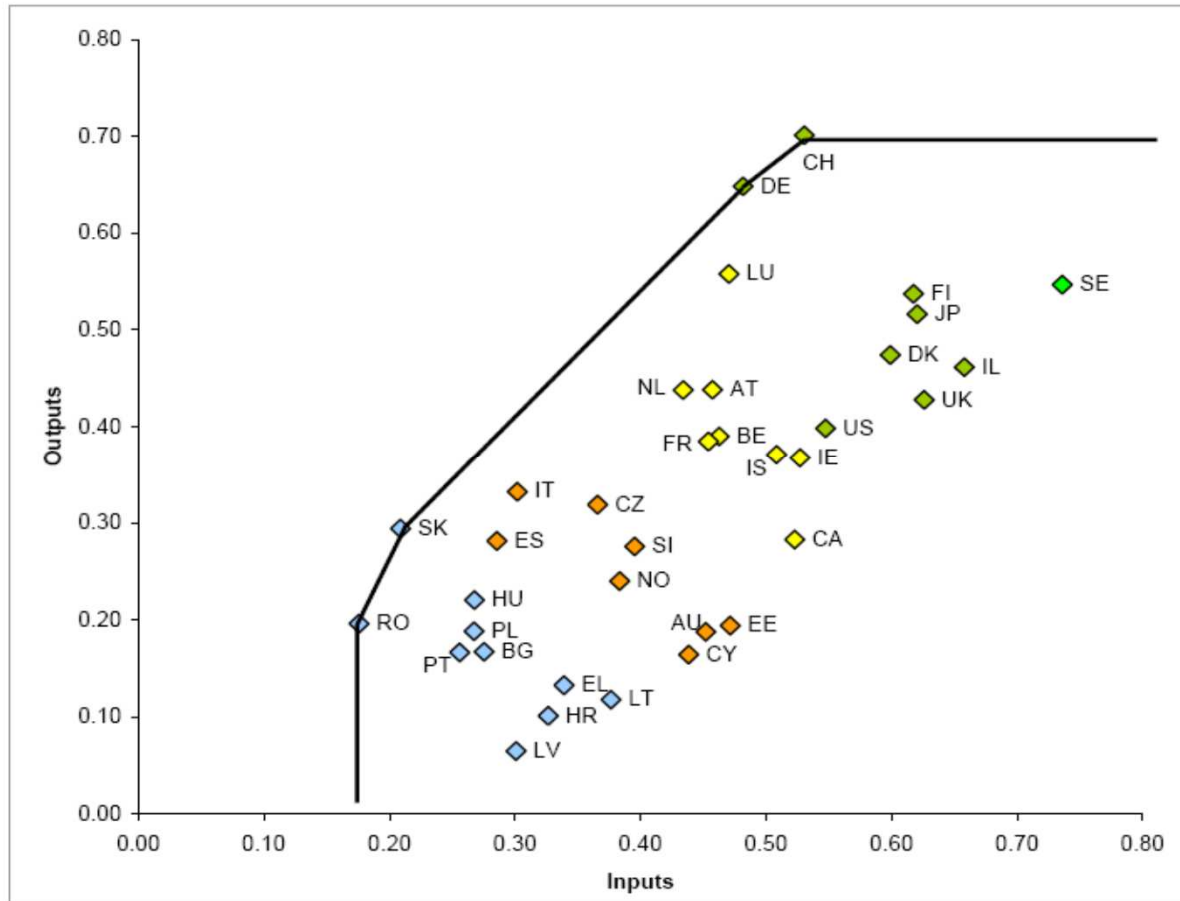
	VI.2	VI.3	VI.4	VI.5
<i>de1 Baden-Württemberg</i>	602,07	71,01	200	6,05
<i>de2 Bayern</i>	466,91	109,54	192	6,35
<i>de3 Berlin</i>	203,91	56,27	210	7,02
<i>fr10 Ile de France</i>	296,18	76,91	200	8,65
<i>se11 Stockholm</i>	419,68	119,13	300	9,28
<i>ukh Eastern</i>	239,97	85,14	300	6,38
<i>uki London</i>	164,54	55,09	300	5,66
<i>ukj South East</i>	263,59	80,27	300	8,00

		Fourchette Fr	
VI.2	Demandes de brevets déposées OEB	43	296
VI.3	Demandes de brevets HT OEB	2,01	76,91
VI.4	Publications: densité scientifique (100= Fr)	31	200
VI.5	Part des secteurs de haute technologie (manufacturier HT et services KIS-HT)	1,61	8,65

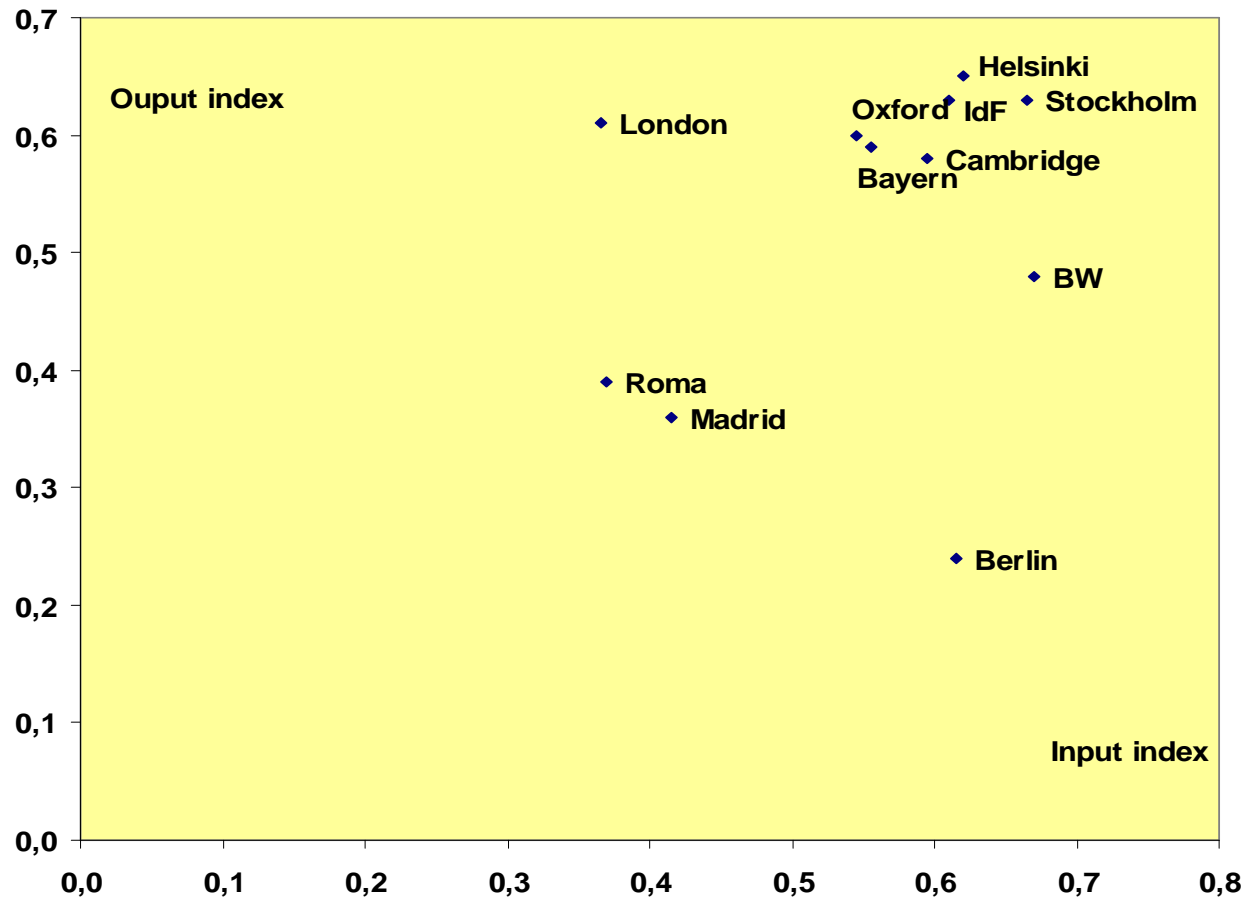
The main innovation regions in Europe: productivity and evolution



Global diagnostic of main advanced countries (Merit-EIS 2007)



Global diagnostic : efficiency and the “London paradox”

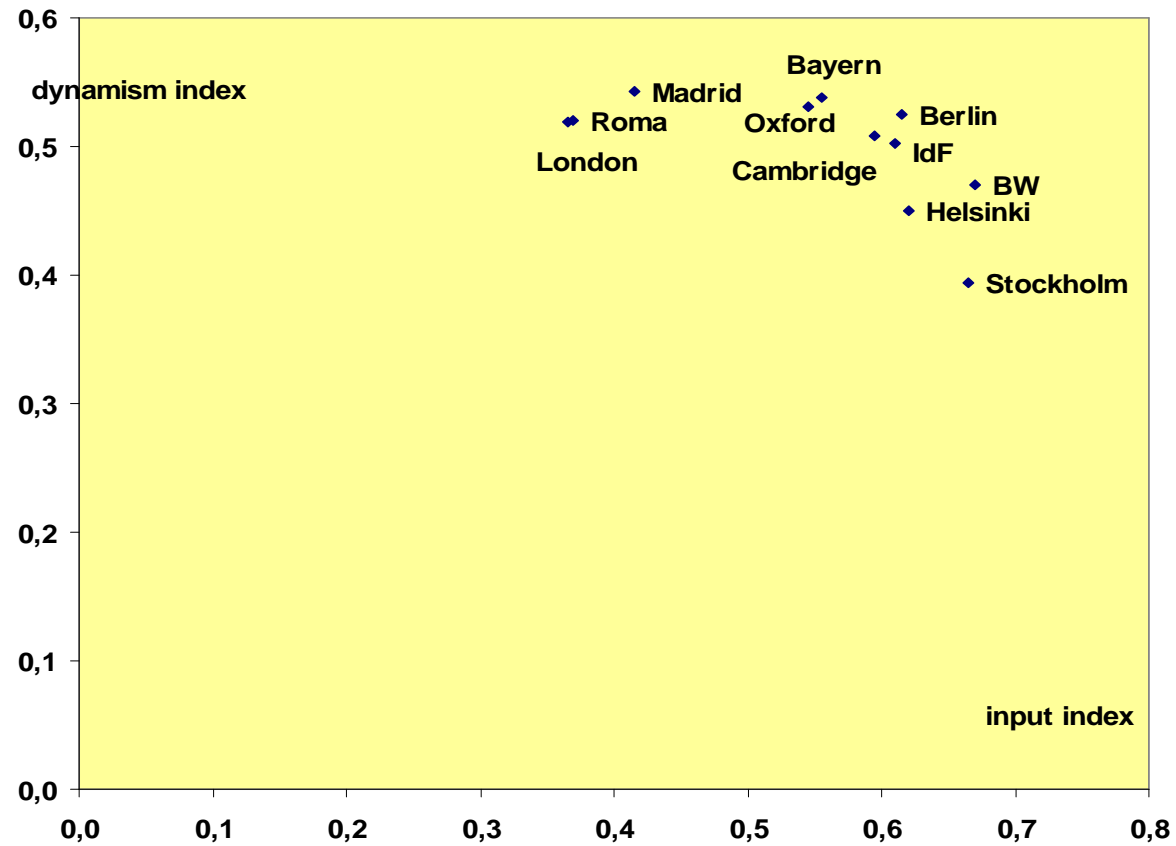


Global diagnostic : dynamics

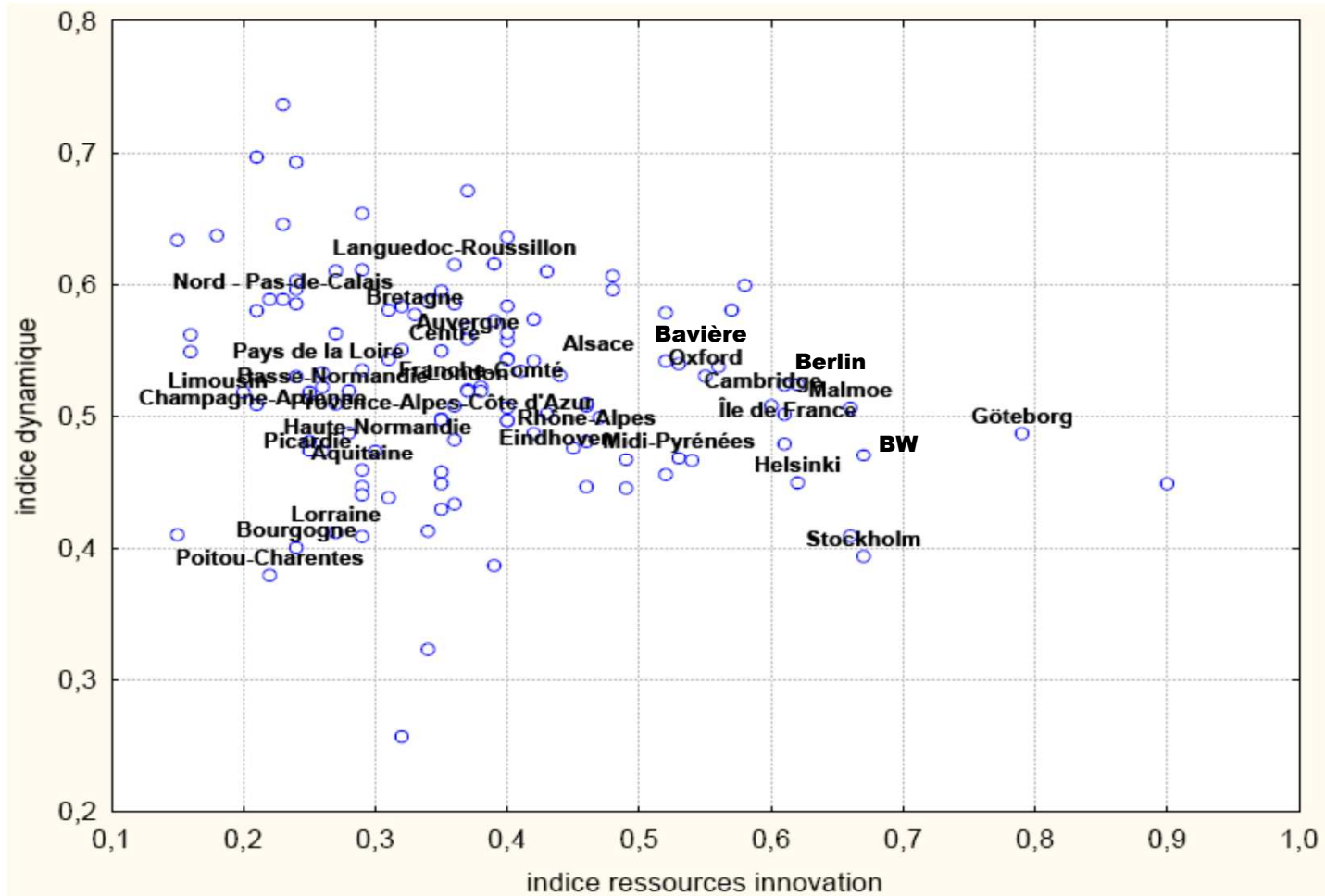
	VII.2	VII.3	VII.4	VII.5	VII.6	VII.7	VII.8	VII.9
de1 Baden-Württemberg	21,08	14,07	0,33	6,68	2,58	1,36	1,21	-0,79
de2 Bayern	24,23	15,96	0,80	4,77	1,38	1,42	1,96	4,01
de3 Berlin	23,30	15,61	1,08	7,13	1,80	6,04	0,72	2,50
fr10 Ile de France	19,86	15,10	1,38	3,14	1,28	-0,58	2,1	2,23
se11 Stockholm	18,40	18,68	1,91	-3,87	-2,33	:	0,8	-1,49
ukh Eastern	10,72	15,96	0,96	6,80	1,87	:	3,42	-1,17
uki London	9,98	12,21	2,96	12,81	3,98	:	2,84	-1,56
ukj South East	11,18	15,85	0,94	15,65	5,84	:	1,87	-0,09

		Fourchette Fr	
VII.1	Croissance prévue de la population - France seulement	-9,62	34,17
VII.2	Formation brute de capital fixe rapportée au PIB	18,39	22,86
VII.3	Formation brute de capital fixe rapportée à la VA du secteur manufacturier	14,95	25,25
VII.4	Investissements étrangers	0,00	2,64
VII.5	Taux de croissance annuel moyen du nombre de brevets par million h	-2,45	15,07
VII.6	Taux de croissance annuel moyen du nombre de brevets HT par million h	-5,35	7,82
VII.7	Taux de croissance annuel moyen du ratio RD/PIB	-0,58	9,77
VII.8	Taux de croissance annuel moyen de la part des RHST dans la pop active	1,16	4,81
VII.9	Taux de croissance annuel moyen de la part des secteurs de HT dans l'emploi	-5,06	5,53

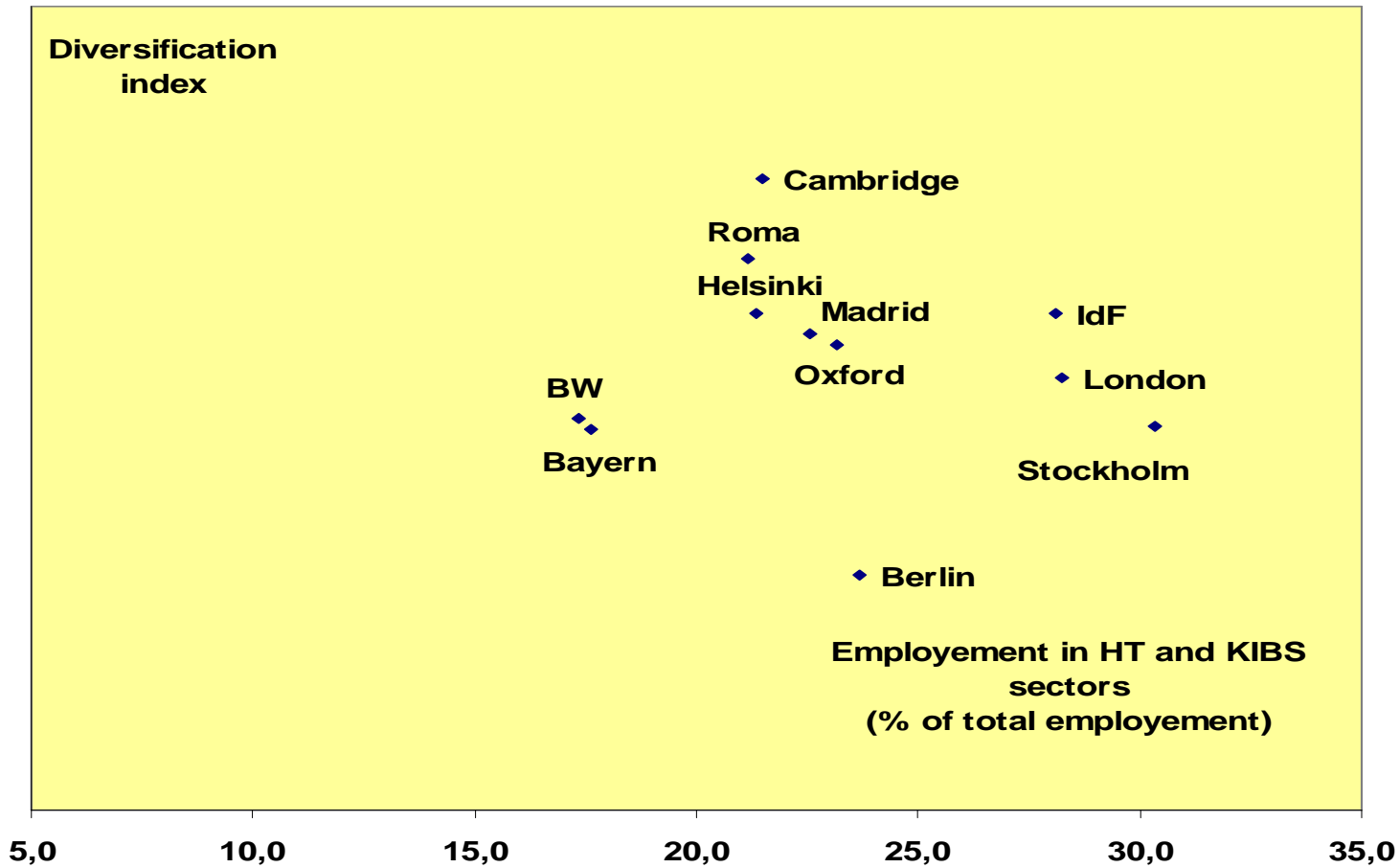
Global diagnostic : dynamics



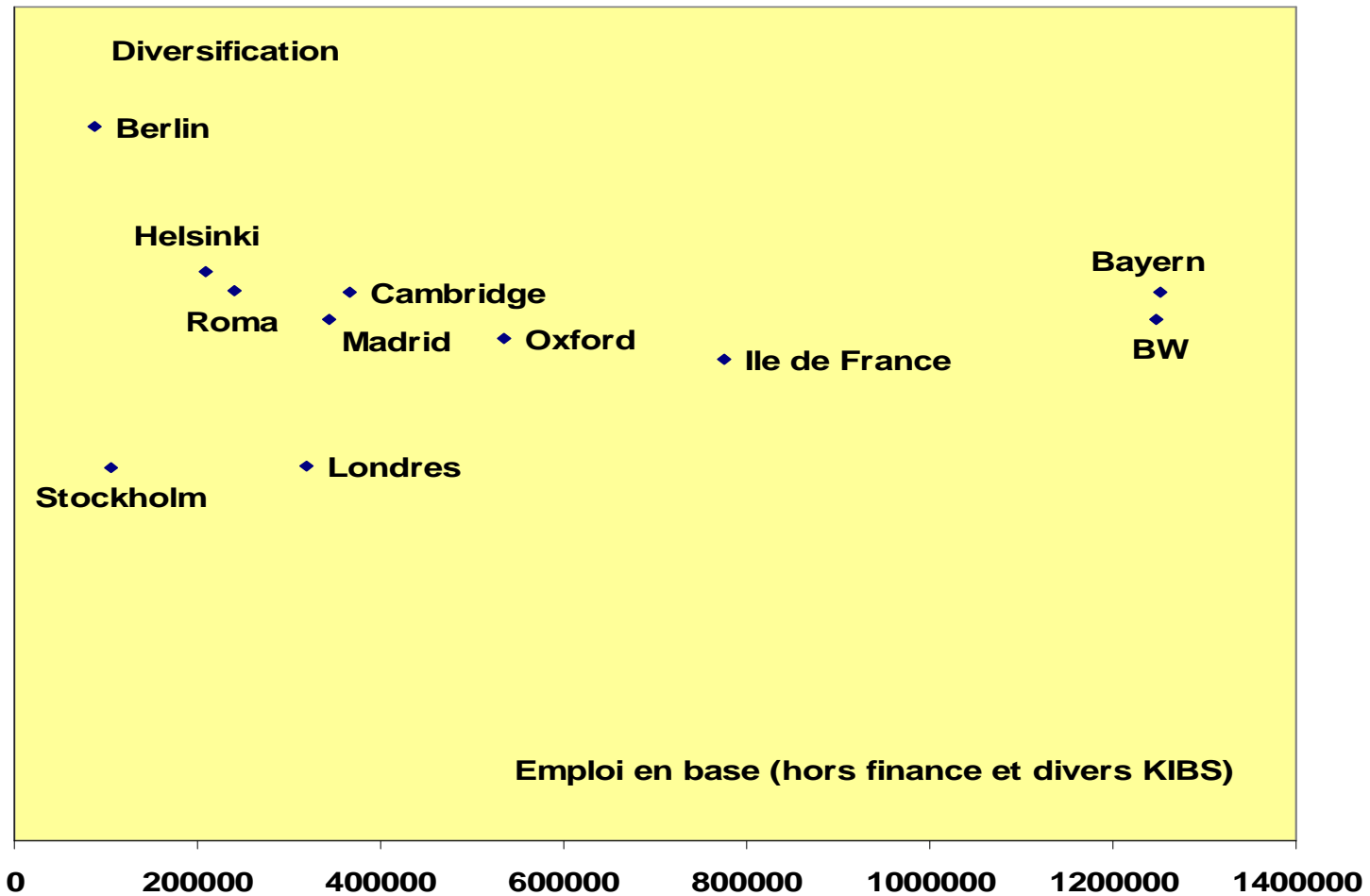
European regions: dynamics



Main innovation regions in Europe



The industrial platform : level and variety



Île de France long term economic challenges and public governance

II. The present state of governance –a quick reminder

The present state of governance: the set of public authorities – National State

- Primary responsibility: the National State – universities, research centers, technology transfer units, incubators, innovation public agency (Oséo-ANVAR)....
- With a “deconcentration” towards appointed bodies locally representatives of the State
- In Île de France, permanent interferences of national and local administrations of the State; and also political interferences
- A recent appointment of a Secretary of State for “Grand Paris” affairs and a direct implication of the Presidency

The present state of governance: growing role of regional and local authorities

- Since the 1982 laws, the range of competencies is regularly increasing
- The 2004 reform gives the Regional Council a (light) coordination power of local authorities on economic matters and the ability to define and manage the financial support for SME's
- In fact, the Île de France Regional Council does intervene in a large set of economic directions, with close connections with other public and private bodies (State agencies, universities, ..)

The present state of governance: importance of coordination tools

- The “contrats de projets” 2007-2013 between the State and the Regional Council (200 million € for innovation on a 5 billion global program)
- The European structural funding operational program 2007-2013 (126 millions € for innovation and competitiveness on a 312 million program)
- Some other institutional tools : Paris Capitale Eco...
- New tools of coordination: poles of competitiveness (7 in IdF), the RTRA (high level scientific networks), the PRES (poles of research and higher education)
- Small share of regionally designed public programs for innovation –roughly 40 million compared with the whole State supported RD, HEI and innovation, two to three points of a 500 billion GDP per year

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III. Some economic and institutional issues for the future

Issues for the future: the main economic challenges for a “megapolis” region

- Common problems in European countries: entrepreneurship, fostering of non technological innovation, innovation in services, strong universities, efficient incentives for innovation...
- The big issue for public authorities: how public policies can contribute to the permanent renewal of activities and maintain the productivity advantage necessary to balance inflationary pressures and congestion effects in big cities ? A debatable matter.
- The complexity of policy making in big metropolitan areas: difficulties of conception and governance

Issues for the future: specific economic challenges for the Île de France region

- A scattered set of non critical mass universities; and the difficulty to reform the higher education system
- Poor links between academics, research centers and SME's
- An illegible and heavy system of numerous public organizations for supporting SME's innovation (more than 200 representing a small thousand of public consultants)
- A still relatively small venture capital supply
- A probably insufficient system of informal networks

Issues for the future: very important and somewhat unique strengths

- Concentration of research and high education : somewhat 100000 research people, less than Silicon Valley and Tokyo region but equivalent to New York metropolitan area and higher than any other innovation platform in Europe
- A real “cluster of clusters” and a *variety advantage*, probably unique in the world
- Existence of a (too numerous) policy maker (advantage shared with London region)
- (The costs of living in Paris and a good welfare supply)

Issues for the future: the search for a new model of economic governance in the Île de France region

- The new Colbertism : alleviating “the visible hand of the State”, more incentives and private initiatives, less direct interventions, more asserted priorities, less scattering of programs...
- Some short term improvements: reappraisal of the regional innovation strategy, university reform, «Designing the Future of the Paris Agglomeration», possible influence of the new Secretary of State to foster the reorganization of the Saclay scientific park
- The institutional issue: useful but necessarily limited for long term economic problems, regarding the multiplicity of stakeholders in innovation, and a difficult topic in France.