
Successful Local Milieux and the Lisbon Process



A Fourth Thematic Report of the IDELE Project

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Annex A: Database of Good Practice Projects

1.0 INTRODUCTION

The previous thematic reports¹ of the IDELE programme dealt with more clearly defined geographical settings – urban-industrial areas², big cities³ and rural areas⁴ – while this report embraces a wider variety of settings in the context of a major high-level theme for the EU. The aim here is to explore the role of local employment development in the context of the Lisbon Strategy. The EU policy agenda often seems distant to local-level stakeholders and this report offers an essential opportunity to explore how local level action links directly to the Lisbon agenda. This theme is especially timely with the recent release of the Kok report into EU competitiveness, which reported that the EU, at its current rate of progression, will not reach the ambitious targets that underpin the Lisbon Agenda. Moreover, the report notes that while some aspects of the EU economic performance have improved, other aspects of its performance has weakened or remain unchanged.

This thematic report also offers, in common with all the IDELE reports, a practical opportunity to explore how local projects are adding value, not just in terms of the Lisbon objectives, but also in general terms. It identifies the elements of best practice across the EU and how this might be transferred across the EU including the new Member States. The case studies and the lessons from experience presented here have emerged from research culminating in an international seminar taking place at Cork, Ireland on 8 October 2004.

¹ Available from www.ecotec.co.uk/idele

² First Thematic Report: *Old Industrial and Mining Areas: The Added Value of Local Employment Development*;

³ Second Thematic Report: *The Metropolitan City: Seeking Competitive Advantage through Local Actions to Integrate Immigrants and Minority Groups*;

⁴ Third Thematic Report: *Remote Rural Areas: Stimulating and Managing New Firm Creation and Entrepreneurship through Local Action*.

2.0 SUCCESSFUL LOCAL MILIEUX AND THE LISBON PROCESS

2.1 The Geographical Context

By contrast with our previous theme papers we have not sought to define the subject matter in this case in terms of a given geographical label such as major urban agglomeration or remote rural area. In practice, however, the examples we have chosen fall under the broad label “free-standing and ex-urban places”. For the most part they are places that:

- are intermediate in size;
- have a discrete spatial and community identity; and
- are “urban” in economic activity but semi-rural in lifestyle and setting.

Some are identifiable as *ex-urban* (satellites, new towns or “edge cities” set within city regions) while others are more clearly seen as *freestanding* (small and medium sized cities and towns with discrete rural or semi-rural hinterlands).

What makes the geography interesting to IDELE is that there are some places within this set that appear to have been uniquely successful in “catching the wave” of the modern globalised world economy. They tend to be places whose attractiveness has been underpinned by the arrival of new transport systems and the new information and communications technologies and that have thrived on the shift of economic emphasis to high value added, high skill and knowledge-based activities. They also tend to offer attractive environments that appeal to the more mobile, higher educated professional and technical workers. The people that operate in them are often drawn by the possibility of achieving a unique combination of possibilities in the work-life balance – participation in the global and metropolitan economy while at the same time living in an amenity-rich community with a strong sense of locality.

By no means all (or even most) of the places we have called “ex-urban and freestanding” can, of course, hope to achieve this status. But for our purposes in IDELE, these more *successful local milieux* can offer some clear lessons about the power of the local in the new knowledge-based economy. There is an extensive academic literature on these “new industrial spaces” and on the “flexible specialisation” that gives them their competitive edge. In what follows we explore what can be learned about the *practicalities of action* through a selection of case study environments where the local milieu has had a powerful impact on success. Most such places have not been the beneficiaries of EU regional policies; indeed they demonstrate that local employment development is not just about helping ‘poor people in poor places’ but has relevance to all types of locality as a means of improving governance. They offer important lessons about how locally-driven development can be sustained by competitive action to generate continuous revenue. Our discussion of this group of local knowledge-based places is set within a broader context that is critical for the EU as whole – the Lisbon Policy Agenda.

2.2 *The Lisbon Policy Agenda and Process*

The Lisbon Strategy is a commitment to bring about economic, social and environmental renewal in the EU. In March 2000, the European Council in Lisbon set out a ten-year strategy to make the EU the world's most dynamic and competitive economy. Under the strategy, a stronger economy will drive job creation alongside social and environmental policies that ensure sustainable development and social inclusion.

Apart from the original definition provided at the Lisbon Council, subsequent Councils have continued to add further objectives. These include the following:

- Competitiveness: stepping up structural reform for competitiveness and innovation, and completing the internal market;
- Knowledge-based economy: information society and research;
- Economic growth: appropriate macro-economic policy mix;
- More and better jobs: goal of full employment;
- Greater social cohesion: modernising the European social model; investing in people; and combating social exclusion; and
- Sustainable development.

A series of ambitious targets has been set out to measure progress toward these objectives. To date, however, progress appears to have been modest at best. Indeed, the recent Kok Report⁵ into EU competitiveness has indicated just how slow progress has been. Early indications suggest, for example, that net overall job creation in the EU stopped in 2001 and only a handful of Member States have achieved the target employment rates. On top of this, the overall employment rate has come to a standstill and, at 64.4% in 2003⁶, it is now clear that the EU will miss the intermediate employment rate target for 2005 of 67%. Only three countries have boosted research and development spending to the target of 3% GDP and most EU countries are below their Kyoto pledges on greenhouse gas emissions.

While local action can only make a limited contribution to altering this depressing set of outcomes to date, the purpose of this paper is to suggest that there are things about acting locally for employment and development that can make a difference.

2.3 *The Policy Issues from an IDELE Perspective*

Lisbon is an ambitious policy proposition that, despite the right-mindedness of its overall aims, has come in for considerable criticism. One such critique is that it is too long on grand theory and too short on the practical means necessary to meet its aims. Another is that it appears to have little or nothing to say about the local level of action – despite this being a

⁵ *Facing the Challenge; the Lisbon strategy for growth and employment*. Report from the High Level Group chaired by Wim Kok. http://europa.eu/int/comm/lisbon_strategy/index/en.html

⁶ Figure for EU-15. Equivalent figure for EU-25 is 62.9%. Source: Eurostat.

clear dimension of existing policy for development and employment. From the IDELE perspective we are in a unique position to be of assistance.

Following Myrdal's⁷ seminal work on the processes of economic development, we can structure our review of the local contribution around three components of the general spatial development process:

- Initial triggers to development – those things that “once started there and not in a number of other places where (they) could equally well or better have started and where the start met with success”
- Cumulative growth – where “geographical differentiation starts out as a matter of homeopathic doses of mild concentration and winds up as a system of (massive) localisation based on a wide range of internal and external economies of scale”
- Continued growth and the retardation of “limiting values” – where the system in place becomes sustainable by identifying and removing those forces that will hold it back and by developing strong maintenance functions to ensure long term survival

In the specific context of our task to see what can be learned about local development and the Lisbon Agenda, we can also see these as the following components of the project lifecycle.

- *Development*: Capturing geographically grounded examples of how the role of locality and local social relations helped to get particular knowledge-based projects off the ground in the first place.
- *Management*: Examining how local players took responsibility for change management in a local economy that needed to remain open and dynamic.
- *Sustaining*: Showing how, once established, local conditions needed to be continuously readjusted to sustain competitive advantage and how local interests organised themselves to ensure this.

Wherever possible our approach is to allow the experiences of the case study projects to speak for themselves.

The case studies identified in this report were selected to demonstrate the potentials that exist within the EU to deliver some aspects of the Lisbon Agenda. More specifically, the aim is to see how far “locality effects” and actions taken at local level can give a measurable boost to development in the sphere of knowledge-based activities. Given the largely “abstract” nature of much of the debate about Lisbon, our aim is more concrete – to explore the building of the knowledge-based economy in real terms and in real local settings.

⁷ Gunnar Myrdal (1898-1987) 1974 Nobel Laureate in Economics.

2.4 *The Case Studies*

In all, the experiences of 6 case study areas are highlighted in this report. These are:

- Sophia Antipolis (France); long standing, highly successful ‘technopole’ generated by local drive and connections able to manage change and achieve sustainable growth;
- Oyonnax (France); a classic urbanised but essentially rural place that has mobilised a particular cultural and economic history to become a global player and to ride the processes of technology and market change;
- Dundee (UK); a medium-sized relatively remote city that has harnessed a local competency pool from its university to initiate an agglomeration of new technology industries;
- Flanders District of Creativity (Belgium); an example of how a local initiative used the Lisbon agenda as guidance for delivering a creative economy and to increase the competitiveness of Flanders through creativity, innovation, entrepreneurship and international business; with Leuven; as a local university-based component within the regional initiative;
- Erlangen (Germany); a Bavarian example where the impulses for growth have emerged from a Lander initiative but with a strong input by trans-national companies in a particular local setting; and
- Cork (Ireland); a local approach to increasing the local supply of labour for knowledge-based enterprises by providing access for unemployed people to higher education in IT.

We have also given consideration to the experiences of new Member States, notably Poland, and what local employment means and opportunities and constraints such countries might face.

3.0 VALUE ADDED OF THE LOCAL EMPLOYMENT DEVELOPMENT APPROACH

3.1 Local forces as initial triggers to development

Local Embeddedness

Creative actions of all kinds need a number of things to be successful. At the very least, they need their sponsors to have significant drive and the will to succeed. They also require an ethos that engenders mutual trust and that fosters shared risk taking. Our focus here is on those places that, either by locally spontaneous action or by ambitious local responses to regional or national initiatives, were able to kick-start a “new industrial space” in the knowledge-based sectors. The evidence shows that, for one place to succeed over another with similar potential, a key ingredient is the drive that comes from *local ambitions* to be successful. Success is even more readily assured where these are fully integrated with local political and cultural aspirations and are *locally* owned in a sophisticated and comprehensive way. This complex bundle of mutually reinforcing attributes where there is an ethos of trust, local pride and self-confidence is captured by indicating that the venture is *locally embedded*.

In drawing out the essential value added of local embeddedness it is possible to show that there are clear economic as well as social and political advantages. For example, transaction costs can be reduced in ways that can offset the opportunity costs associated with complex, multi-participant activities – people can rely on others doing what they say they will do. The burden of risk can be spread in ways that induce experimentation. Sharing an economic activity across a multiplicity of partners can offset individual nervousness about exposure to the prospects of failure. Difficult questions of intellectual property ownership can be mediated where these are handled within a framework of trust and common ownership and so on. Added together, these trust-based behaviours can go on to foster higher levels of intellectual interaction and experimentation and the ethos of *combined and shared learning* that is essential for the commercial success of knowledge-based activities.

One of the features of the case studies is the way that local players and a local ethos have come together to generate and sustain the sorts of knowledge-based clusters that offer real examples of what the Lisbon Agenda is driving at. They show how the quality of the *local labour or competency pool* plus the *local ethos* adds significant value to the processes of innovation and technological change.

Locally Sponsored (“Non-Planned”) Knowledge Clusters

Sophia Antipolis⁸, France

Sophia Antipolis was created in 1969 – the vision of Pierre Laffitte who wanted to create a ‘city of science and wisdom’. Laffitte came from the Antibes/Nice part of France, and this is where he wanted to realize his vision. The idea ran contrary to other thoughts at the time – because the economy around Nice/Antibes was almost wholly based on tourism. Laffitte’s personality was very important in the early stages of the project – his connections and influence with people/organisations were an important force driving the development of the initiative.

The *Fondation Sophia Antipolis* was created in 1984. It leads the scientific and cultural activities of the park. The Foundation’s aim is to facilitate exchanges and prospective reflection, at the French, European and international levels, in the fields of science, industry and culture.

Sophia Antipolis demonstrates the importance for start-up of the key leadership role of a single individual. Also essential was a “political” plan of action that involved getting local interests around the venture and taking carefully considered steps to engage with the regional and national authorities at the appropriate levels. This took the sponsor from the *Département* through to the *Ecole des Mines* and departments of the Paris administration in a search for backing. The key point is that, while the individual leader has a crucial role, his/her actions need to be embedded within a coherent framework that engages local actors and institutions and has them buy into a coherent and evolving strategy.

Plastics Vallée⁹, Oyonnax, France

Plastics Vallée is located in a valley in the *département* of Ain, the nearest large city being Lyon. It has a history of manufacturing going back 150 years. But the beginning of the 19th century signalled the transition from a cottage-based production process to a major manufacturing centre. The advent of celluloid further transformed Oyonnax’s key industry: comb manufacturing, making Oyonnax famous for its product. After the Second World War, another transformation of local industry occurred; the plastics industry took off and was able to establish itself on the local, national and international markets. This expansion and this competence are such that the Oyonnax area is now known as "Plastics Vallée".

Now there are over 1500 companies which are responsible for all stages of the plastic industry including: design, mould production, machinery manufacture, polymer processing, finishing, decoration, recycling.

⁸ www.sophia-antipolis.org

⁹ www.plasticsvallee.com

The Oyonnax case shows a different kind of example. The start-up process appears to have been more evolutionary in character with no clear “entrepreneurial act” to represent the initial trigger to development. Instead, what we see is a “filière” or thread of activity that runs from an earlier industrial complex through to the present. What is remarkable, however, is that along the way there appear to have been a number of crucial step-changes – each one of which opened the door to a new technological platform for development. The entrepreneurial act comes at these historic “switch” points over a 200-year history and implies the existence of the right players with the right supporting structures in place to effect the innovation. Today’s centre of international excellence in plastics technology cannot be attached to a single person or a planned act. It is in a real sense a product of the milieu itself - a particular setting, its people and its local culture. Each new “switch” benefited from being *locally embedded* in ways that gave it competitive advantage.

Knowledge Clusters Associated with Regional or National Strategies (“Planned Clusters”)

Flanders District of Creativity (Flanders DC)¹⁰, Belgium

The purpose of the initiative is to reinforce regional competitiveness through the stimulation of creativity, innovation, entrepreneurship and international entrepreneurship. It involves a partnership of regional and supra-regional partners, and has an international dimension with partners in Catalonia (COPCA and CIDEM), Scotland (Scottish Enterprise) and Baden-Württemberg (Steinbeis foundation).

The project targets the whole population to the extent that it wants to stimulate people to adopt a more pro-active and creative mindset. It situates itself on the crossroads of different policy domains (education, economy and employment, culture). Accordingly, the project partners thought it therefore important to reflect this and the ministries of education, economy and employment, and culture are all involved and act as “sounding boards”.

In contrast with the earlier examples, Flanders DC is a direct product of regional government action, though it is captured spatially in the idea of a “creativity district” – no doubt to associate the concept with the *industrial districts* in the successful Italian model for local development. Flanders DC was the initiative of the former Flemish Minister of the Economy, Foreign Affairs and E-government under the sponsorship of the entire Flemish government. The stated objective was to put the creative economy on the map and to increase the competitiveness of the Region of Flanders through creativity, innovation, entrepreneurship and international business. Locally conceptualised, Flanders DC represents a component within the regional Flemish programme.

Once again, we encounter the problem of “in what sense local” and once again the answer has to be that hard definitions and boundaries are counterproductive. There is no inherent conflict between a regional programme with a local or “district” component and some more

¹⁰ www.flanders-dc.org

definitively “local” venture on a smaller scale. Both are valid for the exploration of local employment development. In the context of local embedding, the Flanders example works some of this out on a regional basis while no doubt the individual ventures themselves are embedded much more locally. The association of the University of Leuven as a component within the wider venture shows how this *multi-level* model can see actions embedded and supported at different levels working in concert with each other. Here, the local has to be seen as just one component within a multi-level system of governance.

Bio Dundee¹¹, Dundee, UK

Bio Dundee is a partnership between public, private and academic bodies in the Tayside area initiated in 1998. The aim of Bio Dundee is to promote the growth of life sciences and biotechnology in Tayside area of Scotland.

With limited public funding, it has achieved considerable success and is now an internationally recognised brand. This has been achieved by focusing on activities that have potential to add most value. For example, a newsletter entitled *biodundee update* goes out to 14,000 biotech sector people internationally. Bio Dundee has delivered a consistent and cohesive message but has also been able to adapt its activities locally in the light of changing needs.

At the start, the challenge was to attract scientists to Dundee. This is now less of a challenge and issues such as identifying suitable premises for expanding businesses are now more important. Straightforward activities such as local networking events have also been important. As a result, there is a much stronger partnership across the sector. Indeed, Bio Dundee is now seen as the ‘cement’ that binds the sector together here.

Bio Dundee was initiated by a local partnership between the public, private and the academic sectors, based on a broadly defined policy to promote biotechnology activities in the Tayside area of Scotland. At Scottish national level, Bio Dundee was also linked to a policy of Scottish Enterprise to promote sectoral clusters in the knowledge-based industries. Once again, in this case we see the local action taking its place within a multi-level system that links upwards to the highest levels. From a particularly local (Dundee) perspective, the aim was to bring together many separate activities already present in the area and give them focus, direction and most importantly critical mass.

In support of this, was a deliberate policy to attract biotechnology specialists to the city and the University of Dundee as a way of capturing competitive advantage from a high quality specialist labour pool. The ambition and the driving force for the initiation of the venture were to position Dundee’s biotechnology expertise in the global marketplace. The presence in the university of four key international players in the field was seen as a vital Unique Selling Proposition (or ‘USP’) in establishing Dundee’s position in the marketplace.

¹¹ www.biodundee.co.uk

Medical Valley¹², Erlangen, Germany

The impetus for the creation of the cluster was the Department of Economics of Bavaria, which funded several infrastructure projects. Erlangen was one of the areas to benefit from this initiative, which resulted in the creation of a science park development. The intention of the project was to tap into existing resources/infrastructure such as the local university, which has good technology and medical faculties. The longer-term aim was to create places where highly qualified staff would be willing to work in settings that offer an attractive workplace and living environment.

The Erlangen medical cluster is an initiative of the Bavarian government to encourage entrepreneurship in the medical and pharmaceutical sectors by providing supporting infrastructure. Its key success has been the arrival of more than 20 international companies in the area, creating over 150 jobs in the last two years.

The Erlangen case produces another variant for local employment development in that it introduces a stronger role for the major corporate enterprises alongside the public authorities as joint creators of knowledge clusters. Part of the attraction for Erlangen – in addition to the University as in the case of Dundee – is the presence of the key trans-national enterprises in the medical field. These both serve to attract the best-qualified workers in the field and have a continuing need themselves to remain attractive to such workers.

Over time, a locality and its players need to understand how the “mix” of all its available competencies works in concert and to manage it appropriately. Getting the best to join often demands being known for already having and retaining the best. This demands that managing the skills pool is not just about focussing on those with the highest levels of skills and competencies but also those at other levels. Implanting some higher order technical skills may depend, for example, on quite other kinds of competencies to make the overall mix work (e.g. available quality child care to help recruit highly skilled women with caring responsibilities). It may well be critical to understand and manage the local “skills ecology”, if the cluster is to maintain its position.

¹² www.medicalvalley.org

Katholieke Universiteit Leuven¹³, Belgium

In the case of Leuven, the university created a professional support infrastructure and environment that allowed start-ups and companies to thrive. A combination of factors was behind this success. These included the presence of entrepreneurial individuals; the size and quality of research base; the appropriate mix of knowledge-intensive high-tech start-ups and established companies; and institutional context (Intellectual Property and exploitation rights, and seed money availability). However, the single biggest factor determining success was the creation of a venture capital fund, which led to a large increase in the number of start-ups and the turnover of companies.

The Leuven example represents perhaps the most widely applied model for creating a knowledge-based cluster – using a university as the hub. We have seen this already in the case of Dundee. The issue for these sorts of ventures is often, however, that they still need to engineer the wider links that can embed the cluster more securely into the wider local community. Where the venture becomes too closely identified with the university itself, as it drives its own ambition to be a centre of *academic* excellence, the process of broadening out may be more challenging. In the case of Leuven, its status as part of the Flanders DC regional initiative enables it to make wider connections of this nature.

3.2 Cumulative Development and the Management of Change

Maintaining Openness and Flexibility

The sustainability of knowledge-based industries depends on them remaining open and flexible in the face of dynamic change. While more traditional sectors can use the standardisation and automation of products and processes to capture and defend their markets, knowledge-based activities *demand change* and get their competitive advantage from the ways they manage it. It is vital for them to capitalise on their “first mover advantage” and then stay ahead. The case studies suggest that those that are *locally embedded* have the capacity to manage change in a more positive way.

¹³ www.kuleuven.ac.be

Plastics Vallée, Oyonnax

Oyonnax is a classic example of an enterprise milieu constantly adapting and evolving to meet the challenges of market change and competitiveness demands. Local industries and business leaders possess exceptional entrepreneurial skills and the concentration of continuously innovative specialist plastics firms has allowed Oyonnax successfully to maintain its leading position for research and development in the plastics sector. The majority of businesses in the valley have been founded by families or individuals that live in the area. Here, *local embeddedness* is a given and not one that has to be installed as an act of policy.

Oyonnax has withstood the impacts of global market forces and continues to be a leader in plastics manufacturing research and innovation. For example, as plastics manufacturing became increasingly technical, it was recognised that to maintain a competitive edge, research and development of new technologies and production techniques would need to be enhanced at the local level. Thus, in 1989 the '*Pole Européen de Plasturgie*'¹⁴ (PEP) was established. This centre for research and innovation in the plastics sector has allowed the region to stay at the forefront of innovation in plastics and plastics manufacturing technology.

Managing Change

Inevitably dynamic economic change produces winners and losers and the necessary speed of change in the knowledge-based industries makes this more prominent. Where a wide local portfolio of actors has complementary skills and competencies within some generic knowledge segment, there is greater scope to absorb local shocks. With the right contingent conditions, workers released in one area can be redeployed in another. Those faced with discontinuities in employment can be offered the opportunities to gain new or additional skills.

These sorts of adjustment processes form part of the normal dynamics of economic change and part of the added value of local embeddedness is to provide a means to mediate conflicts and offset the potential threats that can arise when a local plant or office closes. This sort of local or sub-regional change management is a key component in the competitive advantage of particular places.

¹⁴ www.poleplasturgie.net

Sophia Antipolis

Part of the ethos of Sophia Antipolis is to manage change actively. This operates at several levels:

- within the labour pool through links with training and educational institutions;
- within civil society through links with 60 local community partners;
- with key national institutions, for example, by acting as a centre for national telecommunication regulation; and
- with green interests by taking a key role in environmental issues and so on.

There is an acknowledgement that, over the long-term, change will see some employers move to more mature and cost-sensitive processes and needing to find alternative locations. This acceptance of the reality of change and its transmission to the wider community through close links with the media adds emphasis to the need always to be open and forward looking. The sustainable solution is to be found in aggressively seeking out new product markets and new businesses.

Managing the Local Skills Pool

The literature on new industrial spaces identifies *flexible specialisation* as the essence of what these sorts of places offer that keeps them ahead of other localities where *Taylorism*¹⁵ / *Fordism*¹⁶ is still the dominant model for labour management. This is consistent with what the European Employment Strategy is seeking to promote, in a more macro-economic context, through its concern with adaptability and flexibility in the general workforce. The ambition is to take the “high road” – high skills, high wages, high value added – to future development rather than the “low road” that involves competing on wage costs per unit of output. One of the ways that the case examples show this path being taken is by integrated local action. Where this is set in a context of a mutually accepted view that flexibility and security come from working together as partners, the high road is more easily achieved, as demonstrated by the example of Oyonnax.

¹⁵ Taylorism, also known as Scientific Management, is the approach to improving industrial efficiency initiated by Frederick Winslow Taylor (1856-1915), in his 1911 monograph "The Principles of Scientific Management". It relies upon time and motion study to find the "one best method" to achieve a goal, i.e., one that is shorn of unnecessary extra movements.

¹⁶ Fordism describes the process of assembly line manufacturing applied to the mass production of affordable automobiles. It is named after Henry Ford (1863-1947) founder of the Ford Motor Company.

Plastics Vallée, Oyonnax

Maintaining and developing a skilled local workforce has been vital to the continuing success of Plastics Vallée. Linked to the issues of adaptability and innovation, the area has continually sought to maintain a local pool of high skills. During the nascent stages of the development of the Plastics Vallée, high levels of skills and qualifications were not particularly required in the workforce since many of the businesses in the region had been created in rudimentary settings, including people's garages. However, the increasing level of technical refinement in the plastics sector has meant that specialist skills in the plastics sector have become more sought after.

With this in mind, initiatives by local industries led to the creation of the *Ecole Supérieure de Plastique (ESP)*, which trains future plastics manufacturing engineers. This ensures that industries in the area can recruit suitable persons to fill the project manager and technical supervisory positions necessary across the whole plastics sector.

Not only are increasingly specialised engineers required, but also skilled technicians to operate machinery, monitor processes, and undertake other production tasks that have become more sophisticated. The development of the *Lycée Arbez Carme*¹⁷ since its foundation in 1978 has helped train local people in the skills required to work in the production side of the plastics sector, thus helping to contribute to the development and maintenance of a suitably skilled local workforce of technicians.

In addition to the engineers and technicians, industries in the Plastics Vallée also need a lower skilled workforce to undertake more general tasks in the production process. Typically, this workforce has been provided by immigrants into the area, and the Oyonnax valley has a culturally rich workforce. However, more recent waves of employees have not possessed sufficient educational qualifications and skills to undertake even the most basic of tasks. But faced with a lack of workers from this sector of the workforce, many businesses would lose the 'backbone' of their personnel. To combat this basic skills shortage in the local labour market, business in the Plastics Vallée has collaborated with organisations such as the ANPE (the French national employment agency), in developing training schemes to bring the basic skills levels of the local labour force up to a satisfactory level. One such scheme, named '*Action de Développement des Compétences*' (ADC) was founded on an agreement between industrial partners and the ANPE worked on training job seekers for the work needed by local industry. Upon successful completion of training, the job-seekers received a certification validating their training, which increased their employability. Simultaneously, this created a bigger pool of sufficiently skilled workers for local industry.

Similarly the case study from Cork demonstrates an innovative approach to expanding the local pool of highly skilled labour.

¹⁷ www.plasticsvallee.com/arbez.htm

Business Computing¹⁸, Cork, Ireland

The Diploma in Business Computing is run by a group comprising the BIS department in University College Cork, Foras Áiseanna Saothair (FAS – the National Training and Employment Authority), Cork Institute of Technology, Cork City Partnership and Local Employment Scheme. The purpose of the course is to teach the students a wide range of subjects required in today's knowledge-driven economy. It provides a third-level qualification to those who, for a variety of reasons, did not enter third level.

The social inclusion element of the diploma is one of the main factors in its success. Student intake is aimed at disadvantaged areas in the Cork region. For a wide variety of reasons, these students did not receive a formal third-level education. The diploma offers them the opportunity to do this. To gain employment in today's knowledge driven economy, students require a broad understanding of IT. The diploma provides this broad range where they learn skills ranging from programming to multimedia to database development. Students also gain an understanding how IT systems fit into the business environment and are taught the personal communications skills that are required in this area.

The course is targeted at the unemployed wishing to gain a third-level qualification. Its key successes have been a very high completion and retention rates.

Managing Quality of Life as an Attraction

Given the importance of retaining the quality of the local competency pool, a critical element of economic development that is distinctly local is the creation of a good environment to work and *live* in. One of the features of modern work organisation, especially in the knowledge-based industries, is the extent to which the workplace itself has become “more porous”. ‘Work-life balance’ is a key source of satisfaction for those workers with the highest supplier power in the skills marketplace. For example, gender roles have changed in ways that make the wider home base an integral part of the work place equation for both men and women.

These issues are often essentially local. So it is no coincidence that many of the obviously most successful technology and innovation clusters are to be found in settings where the wider quality of life available to the professionals is exceptional, such as Palo Alto, the North Carolina Research Triangle, Cambridge (Massachusetts), Cambridge, (England) and so on. The ability of a particular local place to attract *and retain* the very best brains is by no means independent of the cultural and environmental milieu that was discussed earlier.

¹⁸ www.ucc.ie

Sophia Antipolis, France

Sophia Antipolis takes pride on promoting itself under a slogan that highlights its “300 hours of sunshine” in a setting on the Cote d’Azur. There is also a clear management imperative to maintain the quality and balance of the living community and supporting physical environment. This can sometimes produce hard political choices about which firms to encourage into the area and which to deflect. The key is the recognition that for the highest quality of professional and technical workers to move to the area and be prepared to commit their family lives to it, there is a *whole local community* dimension to the planning and development process. Quality of life is also addressed in other ways in the Sophia Antipolis project. Indeed, the Fondation Sophia Antipolis aims to create a ‘Florence for the 21st Century’. It aims not only to foster industrial and technological research and development but also to nurture culture and philosophy.

Ensuring the best local “skills ecology” is then as much about providing a rich cultural environment (in the widest sense) as about maintaining a good workplace ethos and offering opportunities to learn new things and to develop knowledge. From the perspective of sustainability, all of these elements give significant weight in local (and therefore regional) competitive advantage insofar as they make it possible to retain the talent and “outbid” other places and their knowledge-based firms.

Erlangen, Germany

Erlangen is developing an international school in the area in order to encourage international level managers to send their children to school there, so helping to create a feeling of belonging in the area. The key professional and managerial employees in those enterprises that Erlangen needs to attract are internationally highly mobile and have the power to choose. Capturing them through local attributes that operate as much on family choice as on workplace opportunity is a clear strategy to manage change in the interests of the Erlangen venture.

The case studies described in this section demonstrate how critical change management is for local employment ventures. Getting them started is one thing; but making them flexible and able to change with circumstances over time quite another. This is a general finding for the IDELE process – the *openness and flexibility* of the supporting structures that evolve out of local initiatives is just as important as the start-up criteria.

Many local development initiatives tend to ossify over time. Many of them become tied up in bureaucratic rules and procedures handed down from the public programmes that enabled them to start in the first instance. A number also become caught up in the legacy of the “charismatic leader” and find themselves unable to make the transition to the new models needed as external conditions change.

These sorts of problems are amplified in the case of the knowledge-based industries, where “riding dynamic change” quickly becomes vital to survival. The longevity of the Sophia

Antipolis and Oyonnax examples gives them the status of vital laboratories for those who want to see how to manage change to achieve what we now turn to – sustainable growth.

3.3 Sustainability, Scaling Up and Connection to Regional strategies

Playing Host to Successful Enterprises

One of the features of the locally embedded partnerships or coalitions in the case study examples is that they achieve sustainable development with only limited amounts of public subsidy. There clearly has been a degree of public subsidy. But, for the most part, the ventures are based upon the principle of doing what is needed to ensure that their local areas *play host* to successful commercial enterprises. Their raison d'être is to create and sustain the conditions that see the enterprises established and then provide what they can to support them to thrive competitively as business enterprises. Their task appears above all to be *facilitation*. What this report has attempted to establish is the intrinsic value that can accrue from having agglomerations of enterprises in particular local settings and the sorts of roles that facilitating local agencies can best perform in *sustaining* such local milieux.

Sophia Antipolis, France

The specific aim of the Fondation Sophia Antipolis is to act as facilitator for all the scientific and cultural activities of the Technopole. It facilitates exchanges of information and expertise and the joint exploration of scenarios for the future at national, European and international levels.

The Need for Critical Mass

To gain the necessary advantages of scale and critical mass, the *coordination of the local with the regional* is crucial. Acting locally is probably vital at the outset because of the potential complexity of co-ordination at higher scales and building up from the bottom may well be the best strategy – allowing complexity to build naturally as the ventures evolve. Beyond a certain point, however, there is a need for critical mass and this brings in its wake the need to link local activity effectively with strategies at regional or even national level. At the highest level, this returns us to the question of how the local can contribute to the Lisbon Agenda.

Flanders DC, Belgium

Specific to the Flanders DC case is an ambition to network with other regions from all over the world. There are many perceived advantages in this international multi-regional networking including promoting the region abroad and showing its creativity and innovativeness; benchmarking the region with other regions; and learning from other regions. Another reason for this multiregional networking approach is that this can leverage local activities. These “local activities” often lack critical mass and exposure. An ‘umbrella structure’ can provide this leverage.

Linking Up with Regional Strategies

Three sorts of economic advantages have been recognised in Richard Florida's *creative economy theory*¹⁹. They are:

- innovation and technological change;
- a pool of talent and training system (to be boosted through education and research); and
- diversity, open mindedness and international reach (implying a diversity of people working and living in the region).

Florida's principles are envisioned as operating at *regional* rather than local level but, as can be seen, they are entirely the same principles that we have been applying to our *local* case examples.

To make a connection that links the regional with the local, we need to bring together the full set that includes both initiatives that are *locally initiated* and those that emanate from regional or national strategies and are then *worked out locally*. We have seen these across our examples thus far and have captured the idea in the distinction between "planned" and "non-planned" clusters. The regional level is essentially the *strategic* level where decisions are made about infrastructural support, some issues about labour (regulation, education and training, inclusion policies etc) and investment support and incentives (Regional Technology Development Initiatives, Sector Support Strategies for Knowledge-based Industries etc). The *local* level is where the activities actually take place, the labour forces are mobilised and employed and the sites and premises are occupied.

Any successful *regional* strategy for the development of the knowledge-based industries needs to be based on the key principles we have been exploring that make *local* clusters successful in managing change and achieving sustainability. Indeed, Florida's regional complexes are made up of sub-regional and local components *operating together in multi-level regional/national systems*. It is equally obvious that if the ambition of the Lisbon Agenda is to create "the world's most competitive and dynamic economy" then the lessons that have been demonstrated here about the *value added of the local* in a multi-level strategy to promote knowledge-based industries must not be overlooked.

¹⁹ *The Rise of the Creative Class*; Richard Florida; www.creativeclass.org.

4.0 LESSONS FOR PRACTICE

4.1 Key Success Factors

The case studies identify good practice lessons for transmission to others seeking to replicate their actions. Some of the more general lessons with regard to such issues as change management and sustainability have been explored earlier in the paper. But there are a number of others that should be highlighted in the context of on-the-ground practice and that arose in the context of general discussion at the Cork seminar.

- Branding and critical mass

This was regarded as vital in giving an established cluster a profile visible across the global marketplace. Having both visibility and a brand associated with quality was seen as essential for success in competing with other, similar localities seeking to capture the best firms and the best-qualified professionals. This demands a strategy both to build a brand name associated with a successful local milieu and one that sets out active steps to protect and maintain the quality of that brand. All the case examples in the set regarded this component of strategy as vital.

In Dundee, Erlangen, Oyonnax and Flanders, the areas were branded as ‘Bio Dundee’, ‘Medical Valley’, ‘Plastics Vallée’ and ‘District of Creativity’ respectively. The branding helped to build internal and external identities, which allowed each locality to create a positive image. This served to promote each location to companies seeking to invest and for individuals in the labour force to feel a sense of loyalty and belonging not just to the company but also to the area or milieu as a whole.

A key component of positioning in the competitive marketplace for localities seeking to capture the knowledge-based industries is some means to acquire *critical mass*. There is a sense here that there exists a minimum scale threshold below which the necessary profile is unlikely to be achieved.

What is surprising is how different localities have achieved this critical mass. For Bio Dundee it has been about creating it in one particular sector through a focused marketing campaign. In Erlangen Medical Valley and Sophia Antipolis it has been more important to market the whole area rather than to focus on any particular sector. For Flanders DC, a collaboration between localities in the region was used to achieve critical mass. In Leuven, it was already present in the university’s research base but a supportive environment was required to maximise the benefits of this asset.

- Market intelligence

While creating and sustaining the brand itself is a vital management activity, this needs to go hand in hand with the active gathering of market intelligence for the locality as a player in a competitive “localities” marketplace (over and above that of its constituent firms in their

individual market segments). Staying ahead as a place also means watching for and responding actively to general market trends in the high technology environment. This involves having systems in place within the local partnership or management team to have an early sense of those “weak signals” that can give early warning of significant shifts in the overall market or technological environment. It was agreed that a successful milieu needs to be capable of anticipating such shifts and ready to respond to them ahead of their rivals.

- Access to finance capital

Keeping a successful growth trajectory in the most successful local milieux demands continual investment and re-investment in the place and its hard and soft infrastructure. While the public purse can and does offer assistance, it is essential for these places to attract investment capital from the open financial marketplace. The most successful local milieux know that they needed to persuade finance capital to invest in them. They have to regard themselves as businesses in own right and offer investment and equity opportunities to those who would finance their growth. Having a well-known and successful “locality” brand and showing that they have a good grasp of the market intelligence needed to stay ahead is a critical part of the “offer” to the international investment market for the funds to sustain growth.

- Foster international reach for client companies

Being well-known is an important feature for successful local milieux. Being *internationally* well known is, however, the real ambition for those localities that have the highest ambitions. International recognition brings in its wake a host of networking possibilities and, as a valuable by-product, can deliver *free-rider benefits in marketing opportunities* for constituent firms. Through this connection to the wider world by virtue of being a known “locality” brand, a successful local milieu can offer economic advantage to firms within it – helping them capture or extend their market reach. Sustained growth can arise from these sorts of subtle circuits that can offer reciprocal benefits both to firms and to the place that plays host to them.

- Extend influence at all government levels

The most successful local milieux are singularly adept at extending their influence across all levels of government and this is considered to be another vital role for the management team and partnership body. There are clear lessons here for IDELE in general about how a locality needs to position itself optimally across the full range of government bodies and how sophisticated the strategies need to be to navigate between legitimate local interests, regional strategic aims and the demands of the nation state. While the need for optimal positioning can be set out as a generic lesson, the precise form that it needs to take is, however, highly contingent to local circumstances and experience shows that it is often particular individuals that make the real difference. In this latter respect “succession strategies” can be regarded as essential especially where early success has been closely associated with a charismatic individual. Continuity needs to be assured.

- Developing and maintaining a quality skill pool

The Lisbon strategy for a knowledge-based society demands creating and sustaining a pool of skill and competency that can support local businesses in a highly competitive global marketplace. Building competitiveness in the knowledge-based industries and developing the skills that underpin them is central to the Lisbon strategy as it is set out in general terms. The IDELE proposition is that those who promote the Lisbon generality need to be made more aware of the *specificity* that the knowledge-based industries are situated in local contexts and that the necessary skills are mobilised/sustained in local settings.

The competitive advantage as places of the case examples comes from being at the forefront of the knowledge-based industries sector. Labour is at the heart of the competitive equation for them – finding the best, keeping the best, building on the best in terms of *skills and wider competencies*. A clear lesson from the case examples is the importance of taking a sophisticated and dynamic view of the local pool of skills and competencies and of keeping it “healthy” through local actions - not just by the employers themselves but by actors across the wider community. The image here is of a local “ecology” of complex, mutually interacting and often delicately balanced elements – workers, social partners, employers, carers, educators, training providers, state bodies with a shared interest and so on.

The orthodox model of bidders supplying and demanding labour in a competitive marketplace is not denied by this perspective. But it emphasises the role of *embedded culture with its relations of trust and co-operation* as a powerful discriminant of success or failure from place to place. To think only of labour or skills per se is too narrow. The case examples showed that the best local approaches are able to identify and work on what can be *shared across the players* while the labour market itself can continue to be configured by the competitive process. The discussions also highlighted the growing importance of conditions outside the employing organisations themselves –in local civic society generally – for attracting and retaining those with the highest professional competencies. The way the local milieu functions can have a powerful impact on the competitive process.

- Improving risk management

The most open and creative enterprises are, by definition, those that need the best strategies for dealing with risk. The same is true of those places that seek to play host to these kinds of businesses. They too need to measure the risks that they can be exposed to as the price for setting themselves out as open and creative local milieux for these sorts of businesses. They too need a risk management strategy.

Having *scale and diversity* in the local business portfolio is the obvious best insurance against these uncertainties. But the competitive advantage that comes from specialisation and a labour pool with particular skills can tend to pull them in the opposite direction – especially where they become successful. For the case study examples this tendency toward sectoral dependency is identifiable to differing degrees but all have at one time or other to confront the downside risks associated with economic change. What marks the longest surviving of them out is an ability to ride these changes successfully as their economies have shifted to

meet new conditions. This has often been easier for a local community that has created a sense of common endeavour and has had the embedded relations of local trust that can allow the hardest choices to be confronted. *Change management* is an important function for any local partnership or coordinating group and that long run sustainability depends upon the organisations involved having a clearly defined strategy for the *management of risk*.

- Avoiding ossification and staying institutionally adaptable

One of the concerns of the case examples is that over time there is an inherent tendency for local institutions to become ossified and to lose their ability to respond to change in the open and flexible way described in the previous section. Not only, then, do they see a need for change management in the case of the local economy and labour market but also in the case of the organising body for the locality itself. The recommendation in this case is that active measures need to be put in place constantly to promote an awareness of the danger that the institutional structure can become a drag on development.

One way of dealing with this is through classic *benchmarking methods* – consistently seeking out the best practice examples of successful local milieux for the knowledge-based industries, finding out how they operate and taking steps to level up to the performance and quality of the best of them. This is, of course, a process to which IDELE can make an important contribution.

- “Deepening downwards” - ensuring socially inclusive attitudes

One concern of successful local milieux is not to achieve competitive success at the detriment of other objectives. It is a measure of the importance they give to being embedded locally that they see themselves as having a dual mission – being competitive by hosting successful firms but having clear social and environmental objectives that would sometimes need to temper the clear attachment to the demands of the competitive marketplace. On occasion, the case study examples have turned away the prospect of new enterprises and jobs where these did not meet the standards of environmental protection or the jobs involved were of too low a quality to fit with the overall quality and inclusiveness ethos of the local partnership.

The lesson to be conveyed here is that even the most successful local partnerships face difficult ethical and moral choices and that they need to be very clear about their *core mission* in relation to the wider local community. They need to have clear and transparent procedures for dealing with those sorts of choices as well as those that are more narrowly economic in nature.

- Forms of partnership and collaboration

Across all the case studies, partnership and collaboration were inherent to the creation of the local venture. What is revealing, however, is the variety of forms it can take under different circumstances. A clear lesson is that there is no prospect of a “one-size-fits-all” proposition for partnership form.

Flanders DC, Belgium

The coordination of local and regional actions is crucial to success. One of the aims of the coordinating network is to help individual places focus on the right objectives and to ensure that they are linked in with regional and national strategic objectives. Flanders DC has taken the collaboration a step further - to an international level. This enables the region to showcase its creativity and innovativeness abroad and to benchmark it with other regions as part of a programme of continuous improvement.

Oyonnax, France

In Plastics Vallée local firms were initially unwilling to collaborate for fear of losing competitive advantage through sharing otherwise exclusive knowledge. Subsequently, they came to realise the benefits of working in partnership. This collaboration led to the creation of the Pole Européen de Plasturgie that allows businesses to share know-how and learning and, by extension, to reinforce the overall comparative advantage of the region and its firms.

Sophia Antipolis, France

The Sophia Antipolis venture only allows implantation of companies whose activities are focused on research and development. But while the research is undertaken by many different sectors, the Sophia Antipolis Foundation encourages 'cross-fertilisation', i.e. networking among these companies to encourage the sharing of ideas. There is recognition that ideas can be shared across sectors or even combined to foster further innovation, and encourage networking via a number of means, such as the holding of informal 'get-togethers' over breakfast, seminars and forums, etc. Not only does this cross-fertilisation help in getting different sectors of research to interact, but it also helps to add to a sense of 'community' for the people who work in Sophia Antipolis.

A further key factor for the success of Sophia Antipolis and its longevity has been the successful engagement of a network of local actors. These actors combine to add to the sustainability of the project, and represent regional and local government, the academic sector and the Chamber of Commerce.

Sophia Antipolis recognised the need to engage the academic sector from the outset. The University of Nice is closely involved with the venture, so much so, that it modified its name to '*Université Nice Sophia Antipolis*'²⁰. Part of the university campus is now on the site of Sophia Antipolis. It hosts 5000 students and helps to foster an atmosphere of networking and 'cross-fertilisation' between the academic world and the private sector.

In the government sector, significant investment in the project has come from local and regional government (around 1/3 of the overall investment). In 2002, 16 communes from the area around the site of Sophia Antipolis united to create the 'Communauté d'Agglomération

²⁰ www.unice.fr

Sophia Antipolis²¹. The local Chamber of Commerce is also heavily involved in the Sophia Antipolis partnership, further enhancing Sophia Antipolis' credibility in the private sector, given the considerable influence of Chambers in France.

- Issues of transfer to New Member States

One of the subjects for debate among the attendees to the seminar the sorts of lessons that were most likely to be transferable to Member States where there is as yet only a limited experience of the LED approach. While there are cases where this situation prevails within the EU15, a future concern for IDELE will be that for the New Member States. The expectation here is that a range of cultural, institutional, environmental, economic, regulatory and governance factors will present dramatically different conditions.

A perspective available to the seminar from Poland suggested, however, that a number of key elements of good practice can still be transferred despite the vast differences in structure that exist between it and the case study countries. While there is still much to learn about the different contexts involved, it may be that some new model of local development will need to be constructed allowing new starters to learn as much from the mistakes and the “blind alleys” of the past in the EU15 as from “best practice”. It may indeed be necessary for some new model variant to be evolved that can “play back” into new starters not only in the new Member States but also in some old Member States.

Perspective from a New Member State, Poland

Local employment development initiatives are relatively new in Poland due to the limited support from central and regional government for such actions (although since the early 1990s there have been a few). Local employment development is now more and more seen as a tool for managing local unemployment. For most regions though, it still is a completely new experience. Local governments have a long tradition of governing top-down. The role of the public employment service is now changing. Before, there were few active measures for employment now the public employment service initiates more individualised programmes and career guidance (financed by ESF funds). Since local democracy is new for Poland, there is a particular issue around capacity building. At present only the more confident local leaders are willing to form partnerships.

²¹ www.agglo-sophia-antipolis.fr; www.sophia-antipolis.org/communaute/chartedvt.htm

5.0 CONCLUSIONS

This report explores the contribution that local employment development makes to the debate on the Lisbon process. For the most part, this debate seems to make little reference to the importance of contexts for strategy and action below that of the EU, the nation and the region. Our limited review of case examples indicates that this is at best a lost opportunity to get some important issues into the discussions about the policy and at worst a significant flaw in the top-down conceptualisation that drives the Lisbon process.

The geographical context for this report is hard to specify with great clarity. Indeed, the focus was not necessarily on *a particular spatial category*. It was not about old industrial regions and urban agglomerations. It was not about core metropolitan cities. It was not about remote rural regions. What it *was* about, however, was the sorts of places that are none of these but where there is a body of evidence and academic debate available to show that Lisbon's knowledge-based industries are likely to be found there and that there is a *strong local component* in their success.

This does not mean, of course, that knowledge-based industries are not to be found in those other places listed but more substantively that there is a cadre of local places – freestanding and ex-urban for shorthand – where the development of the knowledge-based industries is closely underpinned by local circumstances. These are our *Successful Local Milieux*. Aggregated together, such localities can serve to make up growth regions or dynamic regional clusters – Emilia Romagna, Rhone Alpes, Baden Wurttemberg, Thames Valley, the Cambridge area and so on. In this guise they are the subject of Regional Technology and Development Strategies and Regional Cluster Strategies. The difference lies in the spatial frame of reference for analysis. For our purposes the focus is on the local milieu through IDELE. Seen this way, the regional and local development debates come together – multiple levels of spatial scale and governance that provide an overall context (local and regional) for employment and development.

What we have seen through the case examples is that some localities – Sophia Antipolis and the Oyonnax Plastics Valley were the most prominent among them - have achieved significant success in attracting knowledge-based industries and in sustaining a competitive position in continuing to do this over time. While the pure facts of location, economic history, environmental attractiveness and sunshine hours come through strongly as the drivers that have given them advantage it is clear that something more was necessarily involved.

To go back to Myrdal again, they captured those things that “started there and not in a number of other places where (they) could equally well or better have started and where the start met with success”. They then experienced cumulative growth – where “geographical differentiation starts out as a matter of homeopathic doses of mild concentration and winds up as a system of localisation based on a wide range of internal and external economies of scale”. Finally, they were able to sustain continued growth and the “retardation of limiting values - by identifying and removing those forces that will hold it back and by developing strong maintenance functions to ensure long term survival”.

To do this they needed a set of locally embedded economic and cultural relationships that enabled them to self-identify (brand themselves as a particular place that they and outsiders recognised). They found ways to achieve a critical mass by engaging with all the relevant levels of governance from local through regional to national and by attracting private investment. They found concerted ways to manage change in such a way as to offset those “limiting values” – ossified institutions, over-specialisation, too close an identification with a single charismatic leader – that would stop them being open and creative. Critical to doing all this was that they evolved a local consciousness, a local ethos, a local strategy and a set of local change management and maintenance functions.

This is the essence of the local approach that IDELE seeks to reveal. The difficulty is that it involves a set of complex and interlocking relationships that evolve over time and that are virtually impossible to describe effectively out of context. If this is not clearly understood, transferring best practice can be reduced to a series of obvious and often prosaic recommendations that carry nothing of the real processes of negotiation, compromise and conflict resolution that distinguish how the successful find the means to succeed and the unsuccessful end up with failure.

So what then of the local approach and the Lisbon process? First, an overly top-down approach with grand aspirations for sustainable economic growth, while vital in its own terms, must eventually deal with specificity and context. Second, there are national level and regional level strategies and actions that necessarily provide facilitating frameworks for a European growth strategy based on the knowledge-based industries. But third, there is evidence to show that a strategy that bases itself on having the most sophisticated, skilled, creative and dedicated labour force in the world must take account of where such people choose to locate themselves and what sort of cultural and environmental context will attract and retain the very best of them at different stages in their life.

What the best of the case study examples lead us to understand is that the local milieu – capturing the widest sense of the description – is vital and that, while in an unequal world some places are naturally better endowed than others, the power of local people and organisations to extemporize on broad themes to create their own particular and attractive “mood music” for local development is a power not to be ignored.