

## Innovative and productive regions and cities: A policy perspective

*Special sessions of the Spatial Productivity Lab, the OECD Trento Centre for Local Development*

*Organisers:*

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### Format

The proposed sessions would have a strong policy focus and combine short presentations with a longer round of discussion among panellists (and the audience). An opening presentation by the OECD would be followed by a presentation from another international organisation (e.g. European Commission or World Bank) and a national or regional (research-minded) policy maker. Following the presentations the three panellists will engage in a moderated discussion that is open to questions from the audience.

### Background

Productivity, the efficiency of input conversion into output, is the main determinant of living standards (Easterly & Levine, 2001). More productive economies have greater ability to support and enhance well-being of their citizens via higher incomes, better infrastructure, more services and other means. Innovation is the main driver of productivity growth, while knowledge diffusion is crucial for balanced growth with no places left behind.

The data show that productivity growth in the OECD area has slowed in the last decade and the subnational productivity disparities are on the rise. How these trends can be reversed? What role innovation, universities and other knowledge-generators can play? Is there a scope for successful place-based policies that leverage innovation potential of places for (productivity) growth?

### Topics

We propose to organise two linked policy sessions at the 5th GeoInno Conference that will address the related questions of spatial productivity (within regions and cities) and innovation diffusion.

The first session “Innovation diffusion, industrial landscape and spatial productivity” will address the recent (subnational) productivity trends and delineate the role of innovation and innovation diffusion in shaping the observed patterns taking into account industrial composition. We would like to highlight the spatial dimension of both productivity and innovation across industries and explore the ways subnational policies can benefit from embracing such a dimension.

The second session “Towards a broad-based innovation policy for all cities and regions” will focus on how innovation policy can support uptake of existing and creation of new ideas in all types of regions. This requires going beyond a focus on excellence and strengthening diffusion channels. The session would draw on recent and ongoing OECD work.

**Kommentert [LAC1]:** Innovation and productivity are tough to link. I would suggest to put it in terms of the question on how take up of innovation can be spread to different places and what is required to translate it into economic (and specifically productivity) gains. the aim is less ‘why should governments acknowledge that regions exist’ and more ‘what can national, regional and local governments do to support productivity growth?’

## References

Easterly, W., & Levine, R. (2001). What have we learned from a decade of empirical research on growth? It's Not Factor Accumulation: Stylized Facts and Growth Models. *The world bank economic review*, 15(2), 177-219.