



## Knowledge Economy Network Bulletin

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KEN Chair: Boris Cizelj

KEN Vice-Chair: Thomas Friis Konst

Executive Editor:  
Bostjan Sinkovec  
[sinkovec@knowledge-economy.net](mailto:sinkovec@knowledge-economy.net)  
tel: +32 (0)2 645 19 15  
fax: +32 (0)2 645 19 17

Avenue Lloyd George 6  
1000, Brussels  
Belgium

Dear KEN Members,

The extraordinary meeting of the European Council (EU member states' highest decision-making body) have met in Brussels on 8-9 December to address the dramatic Euro crisis. During the preceding weeks the Franco-German tandem was working very hard to produce a unique solution for the stability of the European Monetary System which has been under attack by several troubled economies: first Ireland, Greece, Portugal, and finally Italy. Spain seems to have the courage to responsibly face the pain and is addressing their problems quite aggressively, in spite of the 50% youth unemployment.



It is quite disappointing that EU institutions (in particular the Commission, the European Central Bank, and Eurostat) have been caught with this crisis so ill-prepared. The question of accountability should be raised, and it would be interesting to hear who has prevented them to act professionally and turn on first the yellow, and later the red light. No alarms have been activated and that has made things much worse. Some insiders claim, that the politicians kept them for their hands, but they obviously obliged. Nobody resigned from the well-paid jobs, which would be ethical if one is prevented from doing one's job correctly. For most people who did not lose common sense this means shared responsibility. But, interestingly enough – although as a consequence of this gross mismanagement, millions of people have lost their jobs, and are struggling to make ends meet – nobody has asked for the names of those responsible!?! Isn't that strange?

Since early 2010 Brussels has been trying to resolve the Greek problem (two injections of 195 billion EUR and 50% write-off private bank loans - equivalent to 100 billion EUR). And then came Ireland's 85 billion rescue package, followed by 78 billion EUR bail-out for Portugal. The Italian situation is however a totally different ball game.

Italy's debt of 2.6 trillion EUR is almost 120 % of GDP and about 300 billion EUR of its debt matures in 2012. However its deficit of 4.6 percent of GDP in 2010 is lower than those of UK and France, and Italy even has a surplus in its primary budget (excluding debt interest payments).

All this leads to the conclusion that European Union faces a fundamental problem of governance. In the mid-eighties the Single Market was created, followed in 1999 by the Monetary union. While for the Single Market a number of rather effective set of mechanisms for monitoring, control and sanctions has created, forcing members and their economic operators to follow the rules, the Stability Pact was designed under naïve assumptions that members will respect fiscal and financial discipline required to maintain a stable common currency.



Based on the recent Council decision, the Fiscal Pact composed of all EU members (not only those with Euro) – except UK, having voted against - have been created. Each member will have to pay in advance a deposit of 0.2% of their GDP to the EMS, which will automatically become a penalty if they will break the commonly agreed rules concerning deficit and debt. With the support of IMF (contributing 150 billion) the member states will create a fund of about 500 billion EUR in order to be able to intervene for the benefit of the stability of European Monetary Union.

UK Prime Minister Cameron has voted against this new mechanism of closer integration, because he did not receive any concession for the protection of the financial service industry (which contributes about 8% of British GDP, and estimated that it should pay about 80% of the proposed EU tax on financial transactions). This has produced a serious gap in the ruling Tory-Liberal coalition. Namely the

Liberal Democrats have traditionally been more pro-EU, and they feel that UK will be marginalized in EU decision making. and will have little chance to defend its financial sector from future European legislation (about 80% of economic legislation is already the responsibility of the EU bodies). And who can nowadays argue against stronger regulation and higher taxes in the sector who has shown in recent years a great talent for socializing their losses, taking huge government aid packages, and at the same time taking big bonuses, and increasing managers' salaries. For example in UK in 2011 compared to 2010 the senior managers received 27% higher salaries - while the ministers experienced a reduction of 10% upon taking up their posts last year!!

Dr. Boris Cizelj

Editor



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## *Knowledge Economy Developments*

### *News in Brief*

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#### **India keeps interest rates on hold at 8.5%**

The Reserve Bank of India has held interest rates at 8.5%, interrupting a long period of rate increases.

The widely expected decision reflects concern at the weakness of the economy.

Inflation remains high, although the rate of wholesale price rises fell to 9.1% in November from 9.7% a month earlier.

Despite the central bank raising rates 13 times since March, the value of the Indian rupee fell to another all-time low against the dollar this week.

The currency's weakness, which has been driven by weakening economic data, has pushed up the price of imported goods in India, fueling inflation.

[Read more](#)

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#### **Indonesia regains investment grade after 14 years**

Indonesia has recovered the investment grade status for its sovereign debt at Fitch Ratings after 14 years, putting the country on the same level as India.

The agency said in a statement on Thursday that Indonesia had resilient economic growth, low government debt and prudent policy.

The country lost the investment grade rating in December 1997 during the Asian financial crisis.

The upgrade is expected to encourage more investment into the economy.

Analysts have long expected Indonesia's rating to be raised to investment grade.

It brings down borrowing costs and makes the

country more attractive to investors at a time when major economies are being downgraded.

"Indonesia, in terms of sovereign risk, is better than several Western European countries," said Jerome Booth from Ashmore Investment Management in London.

[Read more](#)

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#### **Going Social**

Participating in social media has become a business imperative and, regardless of industry group or ownership structure, social media is rapidly moving up the boardroom agenda. More than 70 percent of organizations operating around the world now active on social networks and there seems to be little doubt that social media is widely seen as a viable and effective business tool.

Surprisingly, many of the more developed markets seem to be lagging behind their peers in the emerging markets, indicating significant room for expansion in the advanced economies. Emerging markets seem to be quickly finding that social networks offer yet another opportunity to leapfrog the competition in the developed markets.

[KPMG Report](#)

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#### **A rumble along China's walls**

China's house prices have risen at an unprecedented pace since 2009, most remarkably in cities such as Beijing (+77 per cent between January 2009 and August 2011), Shanghai (+129 per cent) and Shenzhen (+154 per cent). The market now seems to be at a turning point. In major cities, the number



of housing transactions has dropped by about 50 per cent from the peak level and has remained low throughout 2011.

House prices have started to decline and inventory-to-sale ratios have more than doubled. In October, the weakening in the housing market seemed to have spread to smaller cities. This is triggering talks of a market collapse. So will house prices crash?

[Read more](#)

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### **In the United States, average student loan debt tops \$25,000**

Students graduating from college last year walked away with more than a diploma, they also left with a record level of student loan debt.

College seniors who took out loans to fund their college education owed an average of \$25,250, 5% more than the class of 2009 owed, according to a report from the Institute for College Access & Success' Project on Student Debt.

Thanks to rising tuition and the weak economy, students were forced to rely more heavily on loans to pay for their college education. If it weren't for a significant increase in federal grant aid, however, the increase in student loan debt could have been even higher, the Project on Student Debt said.

"Most students in the Class of 2010 started college before the recent economic downturn, but the economy soured while they were still in school, widening the gap between rising college costs and what students and their parents could afford," the report stated.

[Download the Full Report](#)

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### **The War for Talent in Emerging Markets**

"When it comes to engaging and retaining top tal-

ent in emerging markets, multinational companies are often their own worst enemies."

An executive running Asia for a major industrial company shared this comment during Frontier Strategy Group's Shanghai Executive Round Table last week. The event brought together more than 20 executives from a range of different companies that shared a common pain point: high attrition among key local talent is a major impediment to achieving the aggressive growth expectations that have been set for companies not just in Asia, but in high-growth emerging markets globally.

Demand for local talent is increasing as more companies expand their local teams, and supply remains limited. This imbalance has created a seller's market. Those with the most highly sought after skills are aggressively recruited and offered 20, 30, even 40% of more increases in compensation to leave their current firm. To address this dynamic, most companies have attempted to fight fire with fire. They offer big pay increases to their key talent in hopes of convincing them to stay with the firm for just a bit longer.

[Read more](#)

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### **China's consumer confidence has reached record levels this past quarter**

According to a joint study conducted by China's National Bureau of Statistics (NBS) and Nielsen, China's consumer confidence in Q1 2010 has reached levels not seen since 2007.

China is currently the fastest growing and second largest luxury goods market in the world, second only to Japan. It is expected to reach the number one spot by as early as 2015. In 2009 Chinese consumers purchased 27.5% of the world's luxury goods at a total of 9.4 billion USD, in comparison to 2004 when their total was only 2 billion USD. The rate at which China's luxury market has grown is tremendous, and China is now home to both the



world's second largest diamond market and the number one automobile market.

[Read more](#)

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### **Local markets: global opportunity**

As 2011 closes with uncertainty in Europe, the Americas and Asia, it's easy to be pessimistic. But amid this global gloom, large pockets of opportunity exist. Global trading is not only increasing in volume, but it is also expanding over a steadily increasing number of growing economies. Maturing local markets throughout the world are providing new sources of capital for issuers and creating promising opportunities for global traders.

More investors are dispersing the capital they manage into local markets, rather than just omitting it to the established money centers. Previously, only the very largest market participants had the capital resources needed to take advantage of these opportunities. The cost of installing and maintaining trading infrastructure was very high, varying regulation and technical requirements created a steep learning curve and retaining qualified support staff in multiple markets was a formidable challenge.

Recent advances, notably NYSE Technologies' Global Liquidity Centers, have arguably leveled the playing field. With simpler, more affordable ways to trade in proximity to growing local markets, a far larger community of global traders is now empowered to seek new growth opportunities.

[Read more](#)

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### **European Commission, EIB and EIF launch new scheme to help SMEs get loans for research and innovation**

The European Commission and the European In-

vestment Bank Group launch a new guarantee facility for innovative small and medium-sized enterprises (SMEs) to help them access finance from banks. This builds on the success of the Risk-Sharing Finance Facility (RSFF), launched in 2007, that has so far helped 75 companies benefit from over €7 billion in EIB loans to projects enhancing European growth and competitiveness. The new risk-sharing instrument for SMEs will be managed by the European Investment Fund (EIF). In addition, the EIB and the European Commission are to provide extra resources for research infrastructures.

More:

[Press release](#)

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### **Erasmus Mundus: funding boost for Arab Spring countries**

The European Commission has more than doubled the number of education and teaching grants available for young people and university staff from countries involved in the 'Arab Spring' uprisings in North Africa and the Middle East. Funding for a further 559 scholarships, on top of the 525 that were already planned for 2011-2012, are being allocated to Southern Mediterranean countries through 'Erasmus Mundus', the international version of the European Commission's Erasmus student and staff exchange scheme. The recipients will be able to spend part of their studies, research or a teaching period in the European Union. The Commission is increasing its grant funding to encourage learning and training opportunities for individuals who are viewed as key to strengthening democracy in the region. The move is part of the EU's strategic response to the Arab Spring.

More:

[Press release](#)

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## **Euro area hourly labour costs rose by 2.7%. Up by 2.6% in EU27**

Hourly labour costs in the euro area<sup>1</sup> (EA17) rose by 2.7% in the year up to the third quarter of 2011, compared with 3.3% for the previous quarter<sup>2</sup>. In the EU27<sup>1</sup>, the annual rise was 2.6% up to the third quarter of 2011, compared with 3.2% for the previous quarter<sup>2</sup>.

The two main components of labour costs are wages & salaries and non-wage costs. In the euro area, wages & salaries per hour worked grew by 2.6% in the year up to the third quarter of 2011, and the non-wage component by 3.2%, compared with 3.2% and 3.8% respectively for the second quarter of 2011. In the EU27, hourly wages & salaries rose by 2.6% and the non-wage component by 3.2% in the year up to the third quarter of 2011, compared with 3.1% and 3.6% respectively for the second quarter of 2011.

More:

[Press release](#)

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## **Successful conclusion of the WTO's government procurement negotiation: EU succeeds in gaining more market access**

The World Trade Organisation's negotiations on government procurement concluded successfully on 15 December after the Parties of the Government Procurement Agreement (GPA) reached an agreement on an updated set of tender rules and additional market access commitments. The GPA covers trade in the domain of public procurement worth 500 billion Euros globally annually. According to WTO estimates, the revision of the GPA will bring extra procurement opportunities worth around 100 billion Euros.

In total, 15 Parties, with the European Union counting as one Party, made commitments to expand market access that they offer to foreign companies.

This means the Parties open up their domestic public procurement markets to foreign bidders. With the world currently facing economic turbulence, and temptations to increase barriers not reduce them, the GPA Parties showed their commitment to international trade. Having open and transparent rules on procurement is the best way to achieve value for money for government expenditure as it optimises competition.

More:

[Press release](#)

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## **Russia membership accepted as ministers debate WTO's role**

On the day that Russia's membership agreement was formally accepted, 16 December 2011, WTO ministers also informally discussed how to strengthen the multilateral trading system and how it can help development.

The Russian membership deal was agreed by the Working Party of countries negotiating with the applicant on 10 November 2011, and ended 18 years of negotiation. Russia still has to ratify the agreement and will become a member 30 days after it notifies the WTO. Under the agreement, it should ratify within 220 days (about 22 July 2012).

[Read more](#)

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## **EU, IMF Suspend Hungary Talks Over Central Bank Independence**

The European Union and the International Monetary Fund interrupted talks with Hungary on a financial assistance package after Prime Minister Viktor Orban moved to curb the central bank's independence.

["The European Commission is concerned about the intention of the Hungarian authorities to push forward with the adoption of laws that can potentially](#)



undermine the independence of the central bank,” Amadeu Altafaj, spokesman for EU Economic and Monetary Affairs Commissioner Olli Rehn, said today in an e- mailed statement.

[Read more](#)

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### **BP Announces Settlement with Cameron International Corporation of Claims Related to the Deepwater Horizon Accident**

BP announced that it has reached agreement with Cameron International Corporation (“Cameron”), the designer and manufacturer of the Deepwater Horizon blowout preventer, to settle all claims between the companies related to the Deepwater Horizon accident and spill. BP and Cameron have concluded that the settlement is in their mutual best interests, and the agreement is not an admission of liability by either party.

Under the settlement agreement, Cameron will pay BP \$250 million. BP will immediately apply the payment to the \$20 billion trust it established to meet individual, business and government claims, as well as the cost of the natural resource damages.

[Read more](#)

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### **Forbes’ Top Ten Reasons Why Large Companies Fail To Keep Their Best Talent**

Whether it’s a high-profile tech company like Yahoo!, or a more established conglomerate like GE or Home Depot, large companies have a hard time keeping their best and brightest in house. Recently, GigaOM discussed the troubles at Yahoo! with a flat stock price, vested options for some of their best people, and the apparent free flow of VC dollars luring away some of their best people to do the start-up thing again.

Yet, Yahoo!, GE, Home Depot, and other large established companies have a tremendous advantage in retaining their top talent and don’t.

Top reasons for leaving large companies: Big company bureaucracy; Failing to Find a Project for the Talent that Ignites Their Passion; Poor Annual Performance Reviews; No Discussion around Career Development; Shifting Whims/Strategic Priorities; Lack of Accountability and/or telling them how to do their Jobs; Top Talent likes other Top Talent; The Missing Vision Thing; Lack of Open-Mindedness.

[Read more](#)

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### **Russia’s Silicon Valley**

When a group of 15 Russian entrepreneurs were recently welcomed as the newest members of Moscow’s Skolkovo innovation hub, they would have been forgiven for thinking they had accidentally ended up as contestants on a game show.

At a promotional event in July, long-legged models were on hand to present the entrepreneurs with prizes, while pop music muffled their acceptance speeches and explanations of their projects.

The Kremlin is working hard to position Skolkovo as a hallmark of its modernisation programme and a key part of its strategy to diversify away from oil and gas. The country will launch a “blitz tour” across the UK, Spain, France and Germany this autumn as it looks to draw in foreign investors to help create a Silicon Valley in Russia.

[Read more](#)

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### **Computing an answer to life, the universe and everything**

In the 1970s, high performance computing was a



major trend but in recent years, it's fallen into the shadows created by the personal computer and the world wide web. Indeed, for a while it seemed that HPC's destiny was to provide the basis for the Deep Thought computer in Douglas Adams' satire, The Hitchhiker's Guide to the Galaxy (HG2G), which was designed to provide the answer to life, the universe and everything.

In reality, HPC never went away and technology has been improving because of Fujitsu (and others) innovating and investing (indeed, IBM named one of their Chess-playing computers Deep Thought, in reference to the HG2G computer).

[Read more](#)

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## Articles on Key Topics

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### The first CEE research on “Hidden Champions” identifies 165 successful companies from 18 countries

Read the [full research report](#).

The two-day conference “[Hidden Champions in CEE and Dynamically Changing Environments](#)”, presenting the outcomes of the first research on “Hidden Champions” in Central and Eastern Europe (CEE), Turkey and Kazakhstan – highly innovative, differentiated and specialized small to medium size companies holding lead market positions in their field internationally – successfully concluded. The international event organized by [CEEMAN](#) international management development association, in cooperation with [IEDC-Bled School of Management](#) and [Austrian Federal Chamber of Commerce \(WKO\)](#), revealed 165 successful companies from the countries of CEE, Turkey and Kazakhstan, their business success trajectories and distinctive business and leadership practices.

*Over 130 business leaders, business thinkers, investors, deans of business schools, researchers, policy makers and media from 31 countries spoke about Hidden Champions as core pillars of open economies. [View conference presentations](#).*

The concept of Hidden Champions was **initially identified and studied by Prof. Hermann Simon**, world recognized expert in strategy, marketing and pricing, referred to as the most influential management thinker after the late Peter Drucker in German speaking area. According to the 1996 study performed on the German economy and the 2009 study extended from Germany also to Austria and Switzerland, Prof. Simon re-confirmed that Hidden Champion- type of companies present an important pillar of advanced economies of Germany, Austria and Switzerland.

The purpose of **CEEMAN-IEDC 2010/11 research project**, conducted in **18 countries by a group of over 50 researchers**, from management education institutions under CEEMAN leadership and in cooperation with [RABE-Russian Association of Business Education](#) and [Polish Association of Management Education FORUM](#), was to identify such companies in CEE, Kazakhstan and Turkey and examine the assessment prevalent in economic circles that some CEE countries are losing the significance in the globalization battle. The results of the research shall also help to find novel ways for Hidden Champion companies to develop and hence to contribute to the development of this region.

Prof. Danica Purg, President of CEEMAN and IEDC-Bled School of Management, stressed that “*CEEMAN and IEDC would like to share research results about the ‘hidden champions’ in CEE with the western countries and continue this project also in the future in order to support the companies with the knowledge they need and to help them grow.*” Dr. Christian Matznetter, Vice President of Austrian Federal Economic Chamber, explained that the Chamber brings together Austrian entrepreneurs, among them also numerous Hidden Champions, while he sees the CEE region has a large future potential. Dr. Wolfgang Waldner, Secretary of State at the Ministry of European and International Affairs of Republic of Austria, focused on the important role of Austrian Hidden Champions in the national economy, in CEE/SEE, which he sees as regions with best opportunities for Austrian Hidden Champions, and called for a tighter collaboration between business and public sectors and civil society in order to set common standards and create the environment of more European Hidden Champions.

The keynote speaker Prof. **Hermann Simon**, Chairman Emeritus, Simon Kucher & Partners, and the author of the bestselling book *Hidden Champions of the 21st Century*, pointed out that initially



he thought that Hidden Champions are a typical phenomenon in German speaking countries, while now, also based on the CEE Hidden Champions research, he is convinced that this is in fact a global phenomenon; they are big contributors to decentralization in an economy and should become key drivers of economic progress.

Dr. **Melita Rant** and Dr. **Marek Dietl**, Hidden Champions research project leader and co-leader, explained the scope and methodology of the extensive international research project and presented the researchers' conclusions: *"All of the 165 Hidden Champions, identified over the course of 16 months in countries of CEE, Kazakhstan and Turkey, are innovative either in product areas, production processes, or in business models; all of them have been growing over the last decade despite being in the midst of an economic recession. They are mainly originating from ICT and nano-technologies (35,7%), industrial machinery/equipment (18,4%), as well as electrical/electronics industries (11,2%) and are generally unknown to the general public due to operating mainly in the B2B segment. In general, these companies are highly innovative, embedded firmly in clients' business systems with their advanced technological solutions and consultancy. Their success can be viewed along several dimensions, like market positioning, innovation behavior and sustainability. Such companies present the core pillar of majority of open, export-oriented economies as they exhibit much lower export rate volatility to global recessions and financial shakeouts; they are the growth engine of the economies by creating new employments with an above average rate, and their sustainability of business growth and success is preserved over much longer period of time than that of average companies."* In their opinion, succession, financing and management of growth, and internationalization are three biggest challenges CEE Hidden Champions face, however, their future looks bright *"as they have major, often high-tech products at early (growth) stage and still many foreign markets to conquer."*

The researchers' panels with representatives of Hidden Champions like **CASON** (Hungary), **DOKING** (Croatia), **EXECOM** (Serbia), and **STIM** (Belarus), focused on three issues relevant for companies identified as Hidden Champions: benefiting from sectorial advantages vs. creating new sectors (or improving the existing ones), leverages of innovation of HC from CEE and emerging economies, and business environment and context for hidden champions to grow and sustain, led by Dr. **Irina Skorobogatykh** of Plekhanov Russian University of Economics, Dr. **Peter Baloh** of IEDC and Dr. **Nadya Zhexembayeva** of IEDC respectively; the speakers agreed that clarity, speed, knowledge and leadership are key to becoming a Hidden Champion, while innovations as the crucial competences of Hidden Champions need to be done in a sustainable way both on the level of processes and culture.

The conference featured also three panel discussions, on the current and potential business cooperation of Hidden Champions, moderated by Dr. **Kevin Desouza**, Director of the Metropolitan Institute, USA, on leadership challenges, led by Dr. **Ian Sutherland** of IEDC, and on financing Hidden Champions' growth and development, led by **Pavel Lebedev** of Department of Banking and Finance, RANEP, Russia. The panelists – researchers, financial experts and investors as well as representatives of Hidden Champions, such as **BISOL Group** (Slovenia), **Studio Moderna** (Slovenia), **Tajfun** (Slovenia), set out that Hidden Champions need to build strategic alliances based on a proper evaluation of mutual commitments in order to enable all parties to grow through relationships. The leadership of Hidden Champions is an essential component to their success; it has proven to be focused on vision, continuity and expert knowledge, however, the practice of Hidden Champions is also revolving around developing organizations of community both internally and externally. The way to proper capital structure is one of the most difficult issues of Hidden Champions, since investors appreciate understanding and transparency, while one of



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the patterns which build Hidden Champions' success is being hidden and to a large extent being managed based on the leaders' vision; however,

common success greatly depends on the ability of the partners to understand each other's positions and goals.

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## Recently published documents

To access any of the following publications, simply click on the title or cover page of the publication. Additional publications can be found on [the KEN website](#).

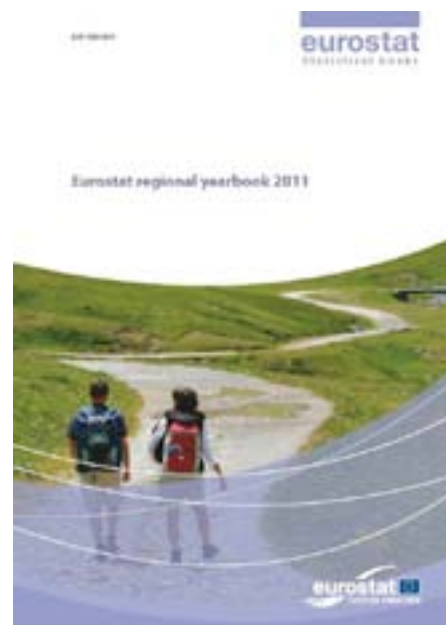
### Work-life balance



### Society at a Glance 2011: OECD Social Indicators



### Eurostat regional yearbook 2011



### Lifelong guidance across Europe: Reviewing policy progress and future prospects



### Towards standards in synthetic biology: An exploratory workshop of the US-EU task force in biotechnology



### Toolkit gender in EU-funded research





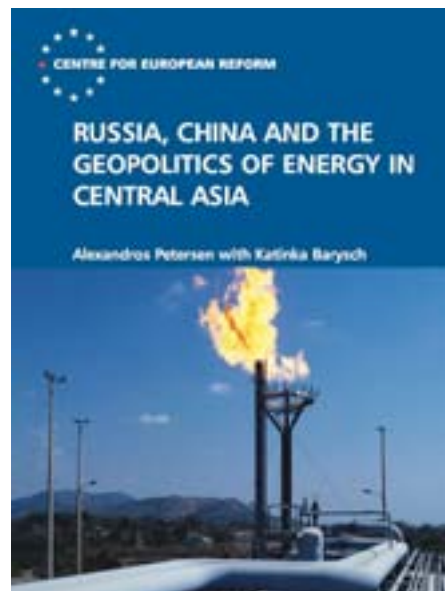
### Sharing knowledge



### Debt crisis, sovereignty crisis



### Russia, China and the geopolitics of energy in Central Asia



### Green, safe, cheap: Where next for EU energy policy?



### Division of labour gives competitive edge



### Revenue, competition, growth: Potential for privatization in the euro area







## Upcoming events

Below you will find a selection of the most pertinent events taking place in the coming months. For more events, please visit [our online interactive calendar](#).

★ indicates events added since issue 3 of KEN's Upcoming Events bulletin.

### December 2011

#### International Conference on Knowledge Management and Knowledge Economy

Date: 25 – 26 December 2011

Venue: Bangkok, Thailand

[Further Information](#)

#### International Conference on Management, Business Ethics and Economics

Date: 28 – 29 December 2011

Venue: Lahore, Pakistan

[Further Information](#)

#### Global Academy of Business & Economic Research

Date: 28 – 30 December 2011

Venue: Chennai, India

[Further Information](#)

### January 2012

#### The 2012 International Conference on Asia Pacific Business Innovation and Technology Management

Date: 13 - 15 January 2011

Venue: Pattaya, Thailand

[Further information](#)

#### Entrepreneurship: Changing the Present, Creating the Future

Date: 13 – 16 January, 2011

Venue: South Carolina, United States

[Further Information](#)

#### OCP9: Old World Conference in Phonology

Date: 18 – 21 January 2012

Venue: Berlin, Germany

[Further information](#)

#### Social attitudes toward fostering entrepreneurship and innovation demand

Date: 19 January 2012

Venue: Brussels, Belgium

[Further information](#)

#### ★ Sixth International Workshop on Variability Modeling of Software-Intensive Systems

Date: 25 January 2012

Venue: Leipzig, Germany

[Further information](#)



## **Fifth Advances Against Aspergillosis Conference**

Date: 26 January 2012

Venue: Istanbul, Turkey

[Further information](#)

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## **February 2012**

### **International conference on health informatics**

Date: 1 February 2012

Venue: Algarve, Portugal

[Further information](#)

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### **8th AGSE International Entrepreneurship Research Exchange**

Date: 1 - 4 February 2011

Venue: Melbourne, Victoria, Australia

[Further Information](#)

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### ★ **Eighth Italian Research Conference on Digital Libraries**

Date: 9 February 2012

Venue: Bari, Italy

[Further information](#)

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### **Workshop on developing intelligent user interfaces for e-accessibility**

Date: 14 February 2012

Venue: Lisbon, Portugal

[Further Information](#)

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### **Clean Energy Solutions for Sustainable Environment**

Date: 16 February 2012

Venue: Beirut, Lebanon

[Further information](#)

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### **18th Annual HBS Venture Capital and Private Equity Conference**

Date: 17 - 18 February 2011

Venue: Massachusetts, United States

[Further Information](#)

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### **2012 European Business Ethics Forums**

Date: 22 - 24 February 2012

Venue: Paris, France

[Further Information](#)

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### **Second International Conference on Pervasive and Embedded Computing and Communication Systems**

Date: 24 February 2012

Venue: Rome, Italy

[Further Information](#)

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### **First International Conference on Sensor Networks**

Date: 24 February 2012

Venue: Rome, Italy

[Further Information](#)

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## **Conference on self-adaptive networked embedded systems**

Date: 24 February 2012

Venue: Rome, Italy

[Further Information](#)

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## **Architecture of computing systems**

Date: 28 February 2012

Venue: Munich, Germany

[Further Information](#)

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## **March 2012**

### **PerCol 2012: Pervasive Collaboration and Social Networking**

Date: 19 March 2012

Venue: Lugano Switzerland

[Further information](#)

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### **International conference on industrial technology**

Date: 19 March 2012

Venue: Kos, Greece

[Further Information](#)

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### **The International Entrepreneurship Conference-Baltic Spark 2011**

Date: 25 - 27 March 2011

Venue: Riga, Latvia

[Further Information](#)

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## **Planet under Pressure: New knowledge towards solutions**

Date: 26 March 2012

Venue: London, United Kingdom

[Further information](#)

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## **Second International Workshop on Protocols and Applications with Multi-Homing Support**

Date: 26 March 2012

Venue: Fukuoka, Japan

[Further information](#)

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## **European e-skills Week 2012**

Date: 26 March 2012

Venue: Several EU Member States

[Further Information](#)

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## **International Conference on Entrepreneurship and Development**

Date: 27 March 2011

Venue: Dhaka, Bangladesh

[Further Information](#)

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## **Conference 'Save the Planet'**

Date: 28 March 2012

Venue: Sofia, Bulgaria

[Further information](#)

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★ **Tenth Workshop on Quantitative Aspects of Programming Languages**

Date: 31 March 2012

Venue: Tallinn, Estonia

[Further information](#)

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## April 2012

★ **Workshop on task-based and aggregated search**

Date: 1 April 2012

Venue: Barcelona, Spain

[Further information](#)

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★ **Fourth International Symposium on Agent-Based Modeling and Simulation**

Date: 10 April 2012

Venue: Vienna, Austria

[Further information](#)

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**Building the urban future and transit-oriented development**

Date: 16 April 2012

Venue: Paris-Marne-la-Vallée

[Further information](#)

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★ **Ninth International Cross-Disciplinary Conference on Web Accessibility**

Date: 16 April 2012

Venue: Lyon, France

[Further information](#)

**IICE-2012: Ireland International Conference on Education**

Date: 16 – 18 April 2012

Venue: Dublin, Ireland

[Further information](#)

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**Second European Energy Conference**

Date: 17 April 2012

Venue: Maastricht, the Netherlands

[Further information](#)

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★ **Workshop on privacy and security in online social media**

Date: 17 April 2012

Venue: Lyon, France

[Further information](#)

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**Cloud Computing and Services Science**

Date: 18 – 21 April 2012

Venue: Porto, Portugal

[Further information](#)

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★ **Transport Research Arena**

Date: 23 April 2012

Venue: Athens, Greece

[Further information](#)



★ **Workshop on applications of tree automata techniques in natural language processing**

Date: 24 April 2012

Venue: Avignon, France

[Further information](#)

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★ **First International Conference on the Design, Construction, Maintenance, Monitoring and Control of Urban Water Systems**

Date: 25 April 2012

Venue: New Forest, United Kingdom

[Further information](#)

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## May 2012

**Changing Spatial Patterns in a Globalising World**

Date: 9 – 12 May, 2012

Venue: Timisoara, Romania

[Further information](#)

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**World congress on water, climate and energy**

Date: 13 May 2012

Venue: Dublin, Ireland

[Further information](#)

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**Regional Studies Association European Conference 2012**

Date: 13 - 16 May 2012

Venue: Delft, the Netherlands

[Further information](#)

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**20th International Conference on Modeling, Monitoring and Management of Air Pollution**

Date: 16 May 2012

Venue: A Coruña, Spain

[Further information](#)

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**Inclusive Learning Technologies Conference 2012**

Date: 22 – 25 May 2012

Venue: Queensland, Australia

[Further information](#)

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**Role of research in sustainable development of AGRICULTURE AND rural areas**

Date: 23 May 2012

Venue: Podgorica, Montenegro

[Further information](#)

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**Fourth International Conference on Monitoring, Simulation, Prevention and Remediation of Dense and Debris Flow**

Date: 29 May 2012

Venue: Dubrovnik, Croatia

[Further information](#)

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## June 2012

★ **Tenth International Conference on Wired and Wireless Internet Communications**

Date: 4 June 2012

Venue: Santorini, Greece

[Further information](#)

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★ **Third International ICST Conference on Sensor Systems and Software**

Date: 4 June 2012

Venue: Lisbon, Portugal

[Further information](#)

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★ **Seventh International Conference on Persuasive Technology**

Date: 6 June 2012

Venue: Linköping, Sweden

[Further information](#)

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## June 2012

**Future of Education Conference**

Date: 7 June 2012

Venue: Firenze, Italy

[Further information](#)

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**Developing Knowledge Economy through Partnerships**

Date: 11 – 12 June 2012

Venue: Maribor, Slovenia

[Further information](#)

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★ **Knowledge, Innovation and Sustainability: Integrating Micro and Macro Perspectives**

Date: 13 – 15 June 2012

Venue: Matera, Italy

[Further information](#)

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★ **Tenth International Conference on Smart Homes and Health Telematics**

Date: 13 June 2012

Venue: Artimino, Italy

[Further information](#)

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**6th annual World National Oil Companies Congress**

Date: 18 June 2012

Venue: London, United Kingdom

[Further information](#)

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**25th Annual Conference on Learning Theory**

Date: 25 June 2012

Venue: Edinburgh, United Kingdom

[Further information](#)

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★ **2012 Wireless Innovation Forum European Conference on Communications Technologies and Software Defined Radio**

Date: 27 – 29 June 2012

Venue: Brussels, Belgium

[Further information](#)

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★ **Security in information systems**

Date: 28 June 2012

Venue: Wroclaw, Poland

[Further information](#)

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## Relevant indicators, statistics and graphs

### Corruption Perceptions Index 2011 – Top 10

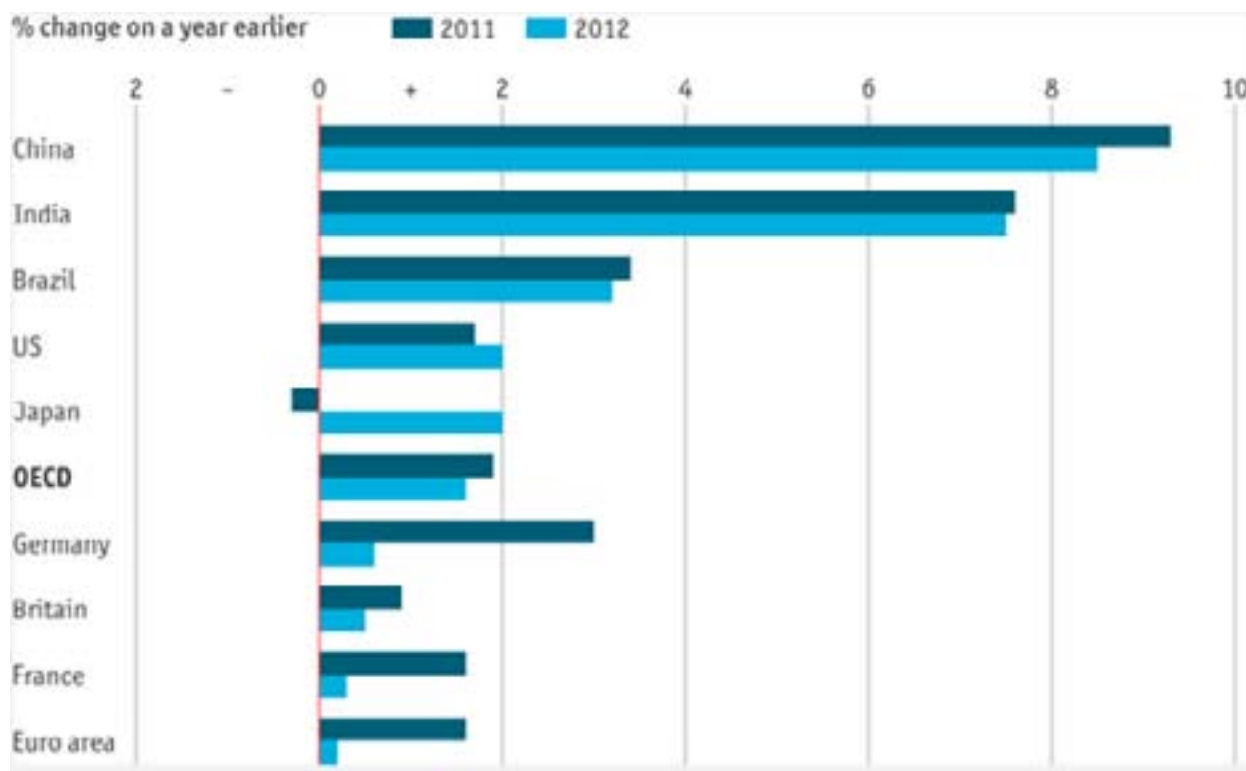
Public outcry at corruption, impunity and economic instability sent shockwaves around the world in 2011. Protests in many countries quickly spread to unite people from all parts of society. Their backgrounds may be diverse, but their message is the same: more transparency and accountability is needed from our leaders.

Source: [Transparency International – Interactive world map and complete table](#)

Rank	Country	Score
1	New Zealand	9.5
2	Denmark	9.4
2	Finland	9.4
4	Sweden	9.3
5	Singapore	9.2
6	Norway	9
7	Netherlands	8.9
8	Australia	8.8
8	Switzerland	8.8
10	Canada	8.7

### GDP Growth Forecasts for 2012

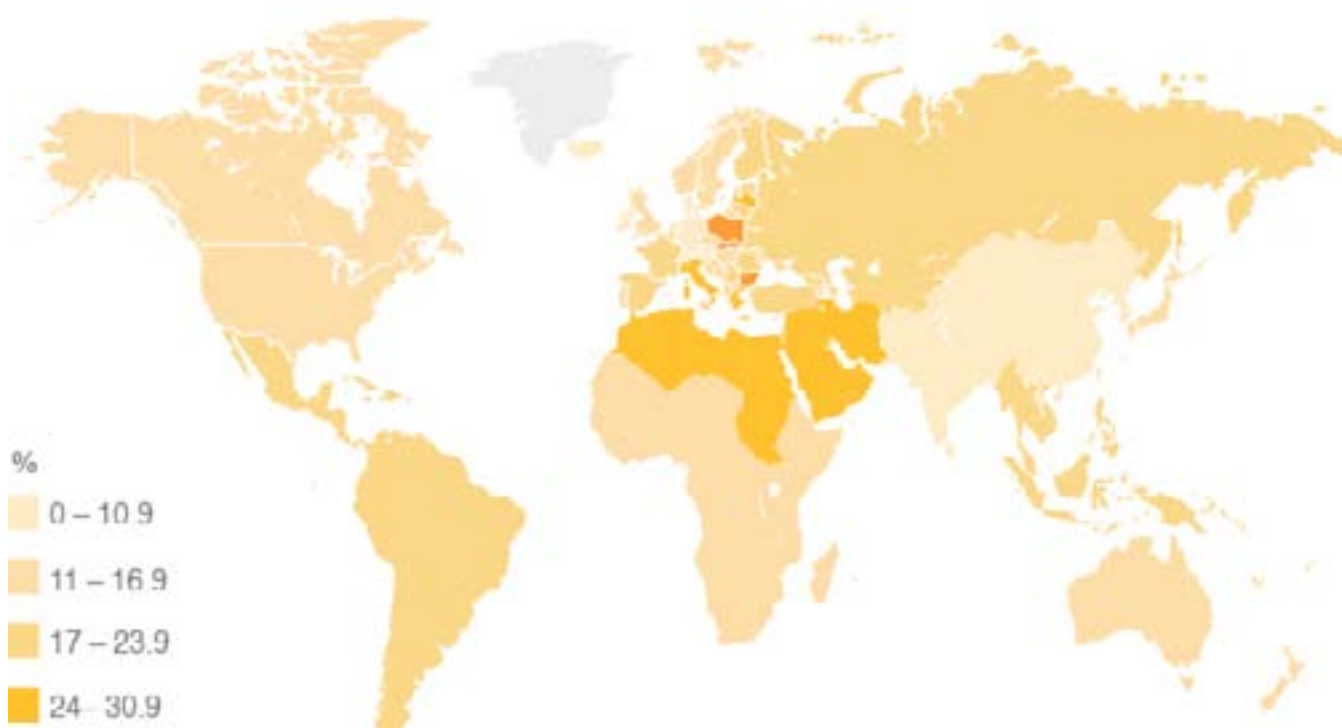
Source: [The Economist](#)





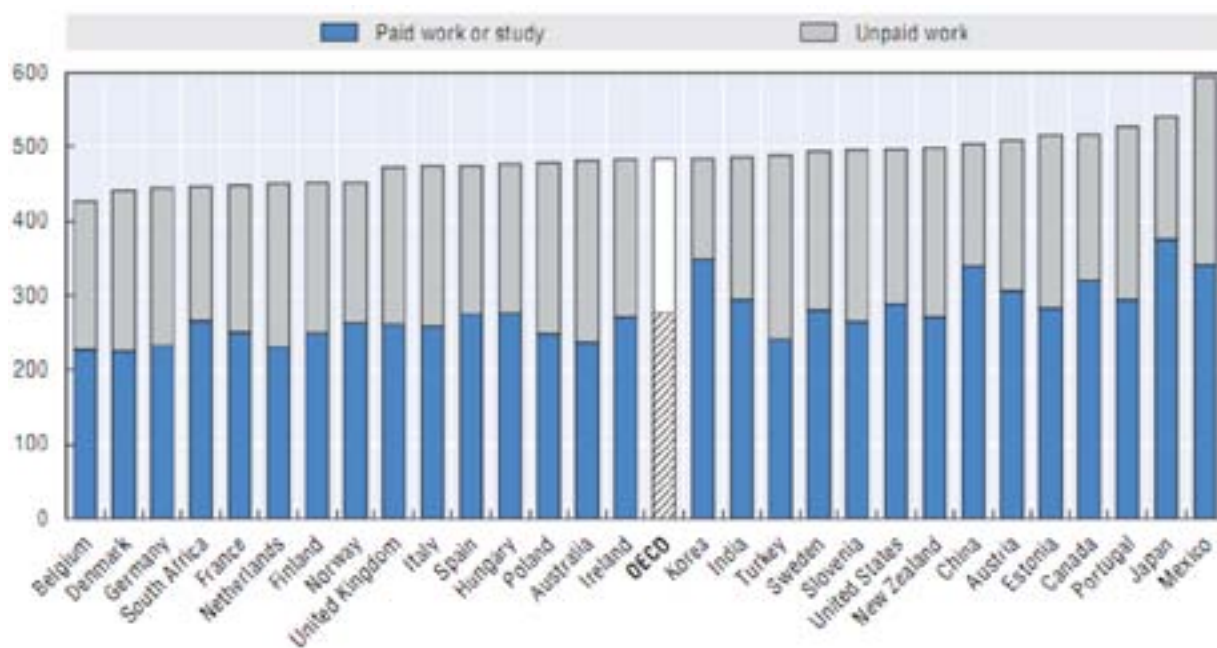
## Global Youth Unemployment in 2010

Source: [BBC News](#)



## OECD: Total working time is lowest in Western Europe and highest outside Europe

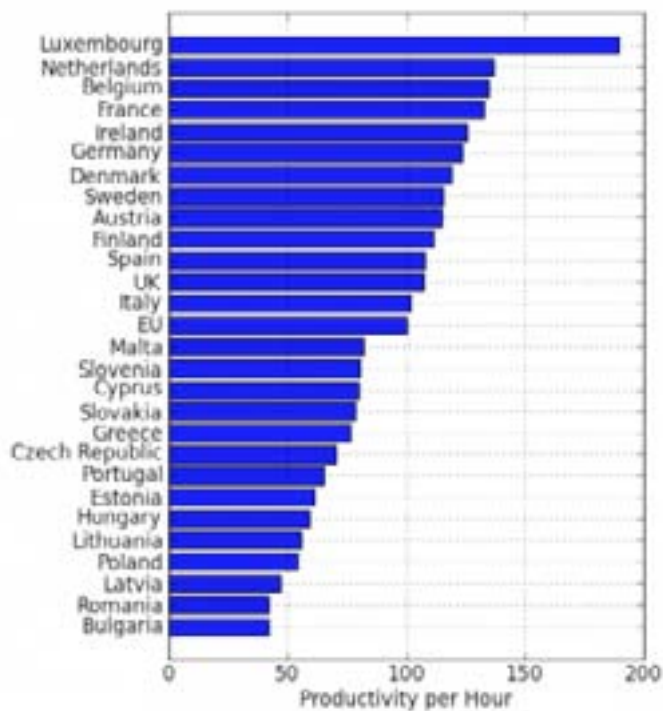
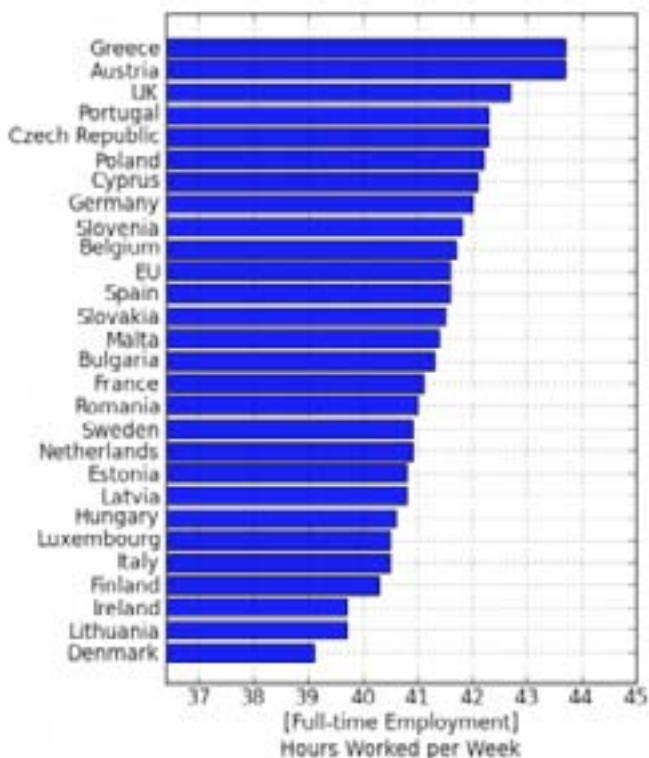
Source: [OECD, Society at a Glance 2011](#)





## Working hours versus Productivity (in the EU-27)

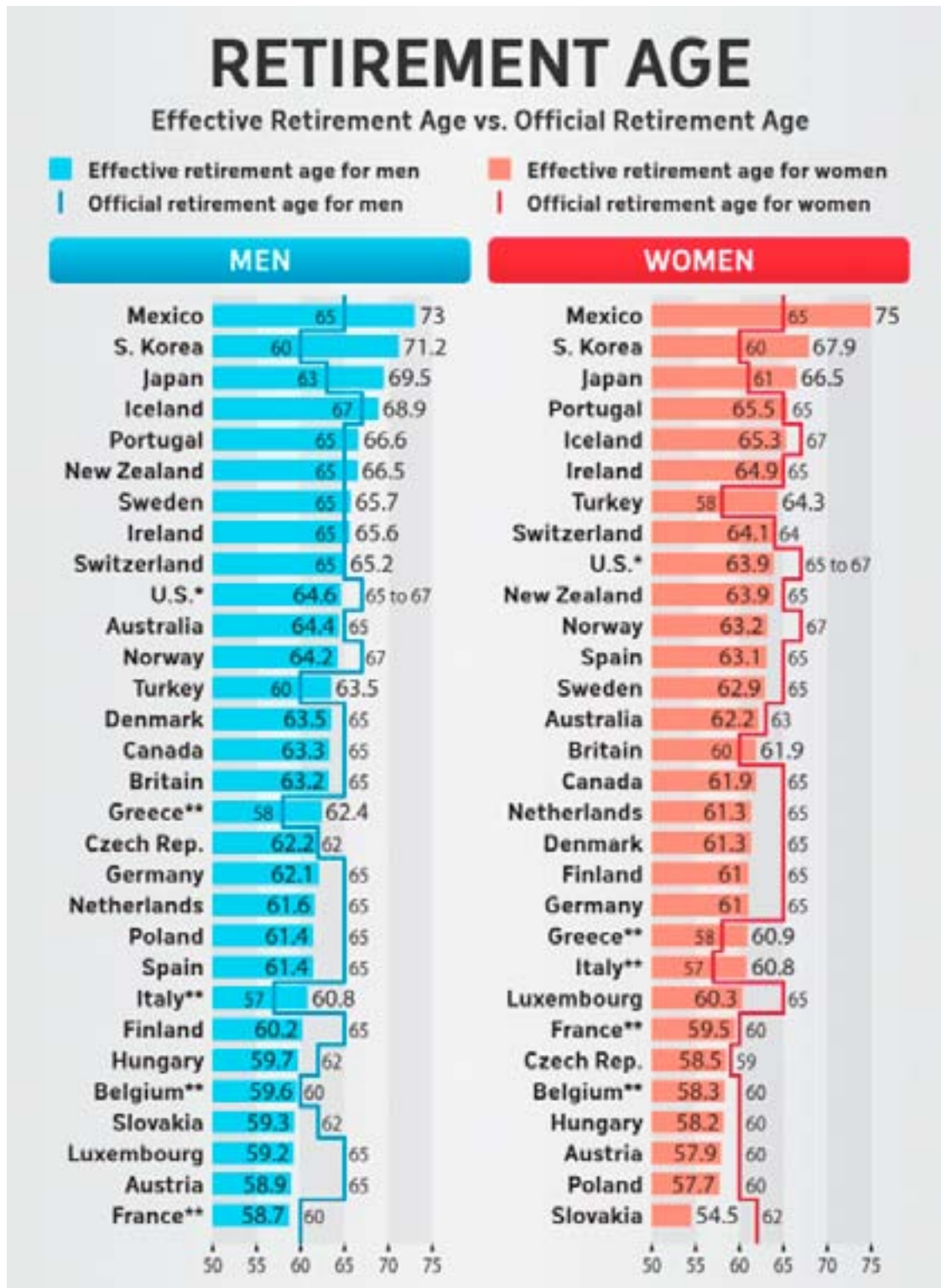
Source: [Aravanis Konstantinos Online Blog](#)





## Effective Retirement Age vs. Official Retirement Age

Source: [Forbes](#)





## *Annex 1: Knowledge, FDI and catching-up strategies*

Written by Francisco Sercovich

A recent Perspective by Terutomo Ozawa[1] singles out protectionism and foreign direct investment (FDI) as alternative drivers for the take-off phase of catching-up industrialization. This dichotomy neglects the rich and nuanced variety of strategic options revealed by recent successful industrialization experiences. Consider:

- Strong diffusion-oriented science and technology (S&T) capability-building policies focused on specialized small and medium-sized enterprises (SMEs) were key to Taiwan Province of China's industrialization strategy.
- The Republic of Korea focused on fostering learning and the acquisition of technological competence by chaebols, so that these organizations could achieve critical mass to compete globally in capital and technology-intensive industries.
- The allocation of public resources to engineering education, technical training and S&T has been critical to the development of scores of highly internationally competitive Brazilian private firms. Brazil's development bank subsidizes consolidations between local private firms, with the goal of achieving economies of scale high enough to engage successfully in R&D competition with multinational enterprises (MNEs).
- China's own brand of catching-up industrialization[2] relies heavily on strengthening indigenous enterprises, fostering S&T capabilities (particularly in high-tech sectors) and attracting FDI complying with stringent domestic technology absorption policies.

Key factors in shortening catching-up periods have been:

*Education and training.* Successful catching-up countries have reached record rates of growth in

the supply of university graduates, particularly in natural sciences and engineering (most relevant to technology absorption).

*Innovation and technology diffusion.* The Republic of Korea, Taiwan Province of China, Brazil, and China have given high priority to speeding up technological learning, incremental innovation and domestic knowledge diffusion through institutional innovations.

*Entrepreneurship development.* Fostering personnel and technology knowledge flows among research labs, universities and the private sector has helped to bridge imbalances in the supply and demand of S&T and entrepreneurial skills, promoting competence building and fostering efficiency gains. Brazil's government established state-owned enterprises and then privatized them once they acquired the abilities necessary to perform competitively. The strategy supporting the formerly state-owned Embraer was over 60 years in the making, starting with targeted state support of massive education and training, along with learning subsidization.

*MNEs.* These can also help in the catching-up process when favorable domestic conditions exist, particularly regarding technology absorption and capability-building policies.

These strategies often relied on a covenant between the state and the private sector whereby the state subsidized technological learning and orchestrated the levers -- financial, external, fiscal, regulatory, and institutional -- conducive to the effective exploitation of the outputs of such learning for production for world markets, while the private sector achieved sustainable standards of technological mastery and international competitiveness through increasing R&D, innovation and training efforts. Clear and effective rules applied so that the goals sought were achieved within specific timeframes.



FDI played a significant role in catching-up industrialization in some cases (China, Brazil). However, on the whole, FDI flows did not lead, but rather were led by host country policies and strategies.[3] Understanding the role of FDI in host countries first requires grasping the underpinnings of host countries' strategies, policies and institutions. Hence, FDI should not be seen as entirely exogenous, nor should infant development policies be considered as necessarily non-WTO compliant or antagonistic toward FDI.

Actual policy focuses ranged from domestic SME development (Taiwan Province of China) to fostering chaebols (Republic of Korea), from indirect state incentive orchestration (Republic of Korea) to "market socialism" (China) and from heavy reliance on FDI (China, Brazil) to arm's length technology deals with MNEs (Taiwan Province of China), including various blends of the strategies above. Commonalities include a capability-building focused strategy, the subsidization of domestic learning processes and the promotion of domestic entrepreneurship and export-orientation, along with episodes of import-substitution, which for the most part, when successful, were turned into export-oriented ventures and, when unsuccessful, were phased out.

The key to such policies today is the building and strengthening of domestic knowledge systems and the promotion of an internationally competitive private sector capable of embarking upon sustainable innovation trajectories.

The issue is not, therefore, whether MNEs are on board, but rather whether domestic pre-conditions are met so that MNEs can effectively contribute to sustainable catching-up development -- through FDI or otherwise. Accelerated international technology diffusion rates associated with FDI and information technology breakthroughs have not made lengthy domestic technological development efforts redundant, and subsidizing domestic learning processes is normally indispensable and not necessarily inefficient. Yes, catching-up has become faster over time; but costly endogenous learning processes are not passé. Sweeping leapfrogging alternatives are not available.

Without domestic absorption and innovative capabilities, little if any advantage can be taken of international knowledge flows, either through FDI or otherwise. Infant development policies are naturally -- not paradoxically -- consistent with outward integration.



## *Annex 2: The Bielsko-Biala Declaration:*

### **Maximising the Opportunities offered by Crowdfunding**

*Approved on 18 November 2011 at Agorada 2011+*

Original text is available at the [EURADA website](#).

Crowdfunding initiatives have recently started to be in place in order to provide funding to commercial, creative and social projects in some countries and regions. Experiences seem to be very promising for innovative people and enterprises to access new sources of funding or new types of investors.

Innovators, artists, entrepreneurs and social enterprises can now access investors offering non-bureaucratic and non-conventional funding opportunities “on purpose” or “on defined needs”. This should be analysed in detail as a future new early stage funding for innovative enterprises as well as for local societal projects.

With a view to boosting and better exploiting the future potential of crowdfunding for supporting innovative projects, the participants in the Agorada 2011+ Conference held in Bielsko-Biala ask the EU administration, Member States and Regional Authorities to consider the six recommendations and principles hereafter to design and support the development of crowdfunding sources.

The focus of crowdfunding:

1. The primary aim of a crowdfunding mechanism is to provide to any types of projects, with a relevant emotional drive, the financial means to leverage entrepreneurship when implementing an innovation, whatever nature it is. Crowdfunding can indeed be tailored to financial requirements from the creative industry (movies, music CDs, design,...), microcredit seekers, peer to peer lenders, entrepreneurs, to requirements for loans and equity and to social/societal projects. Crowdfunding can take the form of equity investments, loans or

donations. In contrast to traditional funding mechanisms, crowdfunding aims at mobilizing investors not only at local and regional level, by the use of IT. Crowdfunding is project bound and establishes a lasting link between the supported idea and the investor.

2. Public authorities should be interested in seeing the development and launch of such a tool in all regions as it can help to overcome barriers for entrepreneurial activity including in the non-for-profit sector. The main public purpose should be to give, to all would be entrepreneurs, the possibility to demonstrate commitment, involvement and market grid, to access to later stages of investment. To allow this, the needs of other investors/stakeholders that could intervene in a second stage, must be taken into proper consideration.

3. EU and national administrations have to ensure a minimum of professionalism and regulation for crowdfunding activities, but to avoid some of the constraints of any Financial Act (drafting and publicizing a prospectus...). The selection by a public tender of managing bodies with the capability of selecting potential fast growing and impactful projects is suggested.

They also have to ensure and facilitate the development of transnational fair and professional deal flows and to promote the creation of a favorable legal framework that allows transnational crowdfunding deals. Moreover if a regulation is needed, public authorities should put in place measures that keep the transaction costs as low as possible, mainly during the launch phase. The administrative procedures and control mechanisms should be proportional to the size and type of the funding



required.

4. Crowdfunding initiatives should be better understood to facilitate a large acceptance. This new sector should be subject to regular surveys intended to collect information regarding the take up of this funding mechanism in Member States, by sectors and types of funding (microcredit, loans, equity, donations). Such data will be useful to demonstrate the importance of the initiatives and to set up benchmarks at national/regional and at crowdfunding provider level.

5. Crowdfunding initiatives should be welcome at European, national, regional level as they aim at answering a wide spectrum of demands and needs of innovative stakeholders. The European level can play a role in avoiding the adoption of disturbing framework conditions by national authorities as well as in pointing out national and regional rel-

evant practices to support a wide dissemination of the concept and its benchmark. Furthermore, properly managed crowdfunding platforms could qualify for public co-investment if they generate the creation of new jobs. Public authorities should consider to co-invest in crowdfunding platforms as they would do for other forms of start-up support.

6. Member States, regions and cities are invited to consider the wider use and promotion of

crowdfunding with the objective of supporting all forms of creativity and innovation with a strong societal impact in a cost-efficiency way, especially projects with small size or local interest, and reducing the asymmetry of information and matchmaking opportunities between innovators and would be entrepreneurs on the one hand and between investors, sponsors or donors on the other hand.