



## KEN-2012 Resolution

### Developing Knowledge Economy through Partnerships

1. In spite of the current economic crisis, an increasing part of the world is making efforts to grow in line with the model of Knowledge Economy, but only some countries are really succeeding to achieve this goal in a satisfactory manner. In KEN we believe that policy-makers and stakeholders cannot fail in their efforts if guided by **common sense, knowledge, and ethics**, and if they develop adequate **partnership** for the **benefit and wellbeing of all members** of their respective communities. For many countries and for various reasons, this still unfortunately represents a big challenge, and therefore KEN has adopted as its primary mission to contribute by facilitating and encouraging these important efforts.

2. Why is it so **difficult to create a knowledge economy**? Primarily, since it cannot function unless all segments of the economic, social and political processes are supporting this **strategic orientation**. Knowledge economy policies need to be **cohesive and well coordinated**. Besides appropriate strategy, supported by undivided commitment by leadership and main social actors, and accompanied by well harmonized, monitored and efficiently implemented policy instruments, optimal results cannot be expected. Many countries and regions are experiencing an important **implementation deficit**, which in turn demobilizes social actors, particularly the knowledge workers for whose performance motivation is critically important.

3. Scope of changes required to achieve **inclusive and sustainable development** demand a **new paradigm** and an important shift in our mindsets. For their proper functioning modern democracies require **competent, engaged and responsible leaders**, as well as **active and engaged citizens**, who are aware of their rights, but are also ready to take their part of responsibility not just for their own behavior, but also for monitoring and controlling the performance of their elected representatives. Voters' confidence is deserved by candidates who are not motivated to improve their material position and social standing, but those who have already achieved both in a legitimate way, and wish to contribute to the development of their community. **Active involvement of civil society**, including experts and professional public also contributes to better quality of legislation and the political process in general.

4. It is increasingly realized around the globe that **human capital** represents the **key pillar of knowledge economy**. In advanced economies over the last 2 generations the share of college graduates doubled, and in emerging countries there is an unprecedented output of tertiary graduates. In some cases quantity is achieved on expense of quality, and very often the present post-graduate degree does not reach much higher than the former undergraduate degree, and sometimes the same could be said for the comparison between some of the present day PhDs and former MSc degrees. It is wrong to blame it on introduction of the Bologna Process.

Too many students graduate without **relevant, mostly interdisciplinary competencies and skills**, required by the exceedingly changing labor market. Modern education must enable young people for creative thinking, and not just to memorize facts and information. Both **curricula** and **methods of teaching** should be modernized, from primary school onwards, and motivate students for Life Long Learning, including Distance and e-Learning. Education must give to youngsters a combination of an intellectual base and skills for future multiple jobs and various professions. Teaching staff should be of superior quality and paid accordingly, as well as recognized and rewarded for good performance. Some people blame deteriorating quality on sharp rise of private universities, instead of the regulatory and accreditation authorities – disregarding the fact that among the best universities and colleges in the world many are actually in the private sector.

5. Knowledge Economy can prosper only via **fair and balanced partnerships** across the inclusive innovation process and between generations. There are several reasons why the intensity and nature

of existing partnerships do not respond to the requirements of modern economy and society, and in particular to the fundamentally changed innovation process. In most cases the initial problem originates in **outdated attitudes of many stakeholders, knowledge actors, and representatives of various generations**. There is a profound need for better mutual understanding and appreciation of differences based on age, sex, experience, specific knowledge and values. By definition knowledge economy requires, and also offers opportunities for productive engagement for all generations, and profiles - but requiring proper mutual respect and open-minded collaboration.

6. Although most countries make efforts to **increase R&D funding**, both public and private, the actual implementation of these commitments – such as the missed 3% GERD target from the EU Lisbon Strategy – often fall short of their targets. Many politicians place research and innovation simply too low among their priorities, failing to understand that also in this domain points are to be gained. The R&D community should also be more proactive, not only when lobbying for funds. Additionally, **instruments of public funding** remain in many countries **insufficiently result-oriented**, and do not really stimulate and reward quality and excellence. **Interaction between public and private funding instruments** has proven to be successful in several countries and should be elaborated and applied wherever possible. It also tends to improve selection of relevant research priorities.

7. **Business – Academia partnership** is absolutely essential to knowledge economy and particularly to innovative entrepreneurship. It allows unparalleled mobilization of innovation potential in business and academia, and it creates knowledge-based competitiveness of an economy. The notorious “culture gap” is not much more than an alibi for those who are not capable and/or willing to understand the changed nature of the innovation process, and insist on outdated models and relationships, which are incompatible with modern market economy. Besides stakeholders from both sides, the authorities also share responsibility for the success of this partnership as they need to create the **necessary conditions** effectively stimulating and rewarding productive B-A collaboration.

8. Important, but still insufficient progress has been achieved in **gender balance in corporate decision making**, in spite of mounting evidence demonstrating its great benefits. KEN is focusing on unrecognized specific female qualities, contributing importantly to the human capital potential which remains underutilized and supports all initiatives in this direction, including voluntary or mandatory quotas for female representation in company boards, as an effective, though temporary measure.

9. **Regional innovation policy** has to be an organic part of development strategy, corresponding to specific conditions and opportunities, paying particular attention to human capital. Due to their proximity to key stakeholders and consumers, the regions are in an advantageous position to mobilize and involve all of them in formulating and implementing instruments of inclusive innovation policy, but should also provide **additional specific measures** to respond to particular needs and conditions in the respective region.

10. Small and medium Enterprises, **SMEs**, are not important only in terms of securing employment, but also as a **source of inclusive innovation**, however, this cannot happen unless **proper conditions** have been developed by national and regional authorities. An important objective of SME policy is the **support for clustering** and other forms of closer and long-term collaboration among SMEs themselves, as well as with big corporations, and with academic institutions.

***KEN Secretariat, Partners and Members will disseminate this Resolution as widely as possible among knowledge economy stakeholders, relevant authorities, other Triple Helix partners, as well as the media and representatives of civil society in their respective environments.***

***According to the results of Forum participants' vote, the topic of Forum 2013 will be in the domain of education and skills development.***

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