Participants of the KEN International Workshop on Business-Academia Partnership, co-organized by Institute Jožef Stefan, Ljubljana, Knowledge Economy Network (KEN) and Central European Initiative (CEI), in cooperation with the University of Ljubljana, University of Maribor and University of Primorska, in Ljubljana, Slovenia on 11 April 2012, have adopted the following:

In spite of adopted strategies demanding the focus on knowledge economy and excellence in research and innovation, their implementation is unsatisfactory and Europe’s productivity gap vis-à-vis its global competitors continues to widen. Key problems and underlying causes have long been identified, but it seems that the entire economic and socio-political environment remains insufficiently adjusted to the requirements of a modern knowledge economy. The systems of education and training do not produce enough of needed skills, R&D and innovation processes are not sufficiently linked to the needs of the economy, and in spite of many policies, there is very limited support for new ventures and strong growth companies, and indeed for entrepreneurship and SMEs in general. Leaders and authorities at all levels are not ready or able to undertake necessary, responsible, though sometimes unpopular decisions and actions to address identified problems and introduce long overdue structural changes. Unless all intellectual potential and positive political influence is mobilized to accelerate growth of knowledge economy – and being fully utilized, including the enormous potential of business-academia partnerships – it is difficult to be optimistic about the European future.

Although Europe historically led in launching debates on a new development paradigm, actually initiated international campaigns on sustainable development, and in some areas demonstrated remarkable performance in knowledge-based growth and development, the implementation of these concepts and policies remains rather unfavourable. Instead, Europe is adjusting too slowly, and increasingly faces deep structural, economic, political and moral crisis. This unfavourable situation, characterized by an aging population, and unviable systems of social and health security, this contributes to lack of confidence into institutions and authorities, creates demoralization, and discourages participation in public life. Consequently intellectuals contribute less to identifying the solutions for pertinent challenges of society. While not addressing still manageable problems, many governments tend to increase public debt beyond acceptable levels, without investing into enhanced capacity for sustainable growth.

While in many parts of the world, far richer in natural resources, economic growth is supported by increasingly skilled work force, Europe – depending primarily on its human capital – acts more slowly than others in modernizing the whole innovation process, education and training, and its entrepreneurship support environment.
After fifty years of successful performance of U.S. Small Business Administration, we in Europe still expect the banks to be the main providers of venture capital?! Fifteen years after the introduction of the Bologna Process, its implementation is still unsatisfactory, and Europe is facing lack of engineers, IT specialists, and the share of people involved in LLL is even decreasing. At the same time most labour markets are very rigid, and this in many ways affects negatively the European creative performance. Persistent brain drain flows make things even more difficult, but they reflect the unfavourable European position in the global brain circulation processes: while the bulk of immigrants into European countries represent people with very limited education, the United States, Canada and Australia attract (not only by higher salaries) a good share of tertiary educated migrants, not to mention numerous PhDs and post-Docs.

To become a vibrant knowledge economy Europe needs a Second Renaissance in which creative, bold intellectual initiatives for solutions to the accumulated problems will be welcomed, and will help activate and mobilise the creative human capital. Knowledge-based competitiveness has become the top EU priority, but for its implementation the political will is still not strong enough. Besides proper initiative at each and every institute or factory, at the local, regional and national level, more assertive leadership is needed also at European level.

Instead of simply accepting the gap between «two cultures», the question should be posed as to what maintains and reproduces this gap – besides the generic differences between traditional attitude of profit-making, versus generating and disseminating knowledge. Nothing happens without a cause and stimulus, and if the unsophisticated markets allow companies to sell non-innovative products and services, they should be very enlightened to invest into risky research and development. And if some academics are being paid by governments for research which is not competitive, and teach students in old fashioned ways which do not prepare them for their future work (while the students therefore seek to obtain a degree, and do not specially care about the (non)acquired competencies), where and how could the interests of two cultures meet? And in these circumstances and with this mindset, why should the two groups make an effort to bridge the “culture” gap.

The culture gap is actually greatly inconsistent with the very principles of modern knowledge economy and society. Namely, nowadays business which does not innovate and permanently seeks new ideas and practical solutions through their own researchers and developers, and do not collaborate with academia, cannot avoid becoming uncompetitive. On the other hand, academics who live in their isolated ivory tower, and do not bother to check their discoveries and theories in the real world, cannot avoid becoming irrelevant and self-serving.

The Bologna Process was introduced precisely to address these challenges, and the slow progress in implementing university reforms illustrates the lack of understanding and readiness to accept and adapt to the new conditions of academic work. On one hand, business-academia collaboration cannot develop successfully without the changes introduced by Bologna Process, and on the other, modern, post-Humboldt universities cannot be really successful without closer and more productive business-academia partnerships.

The efforts for bridging the “two cultures” are therefore not so much an attempt to “bring them closer to one another” but rather to modernize both, and to create a platform at which they will more easily identify and experience the urge not only to collaborate occasionally, but to build close and lasting, mutually enriching partnerships. The strongest argument for this approach is the fact that, without exceptions, all advanced countries are knowledge economies, having managed to develop both sectors, more or less simultaneously, and are characterized with advanced business-academia partnerships.

Specific recommendations based on this declaration are accessible on the Knowledge Economy Network website: www.knowledge-economy.net.