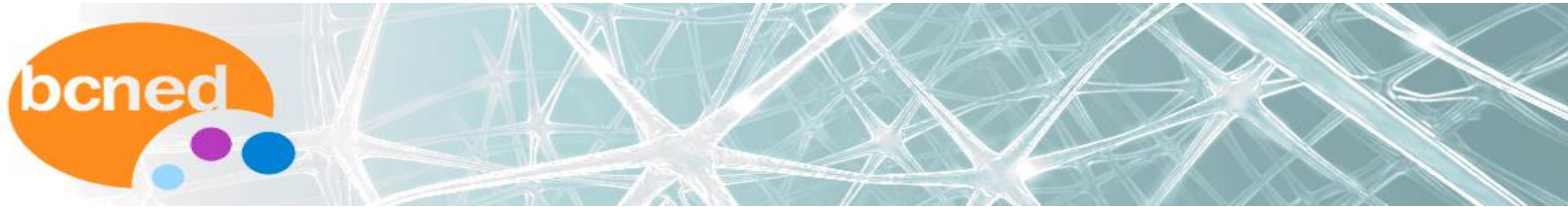


TCI MEDITERRANEAN CONFERENCE

Clusters as Drivers for Economic and Social Development in the Mediterranean Area

İzmir, 14-15 June 2012 – www.izmirconference.com

Governance of Triple Helix Relationships & Regional and National Intermediation



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14.06.2012

<http://www.surrey.ac.uk/BCNED/>

Challenges to Governance of Innovation & the Role of Government, University & Industry



- **The Triple Helix in Knowledge-Based Economies and Relationships at the Intersection Between the Public and the Private Sector**
- **R&D Collaborations Between Industry & University**
- **Governance of Innovation - Regulation and Administration of the Innovation Process**
- **Financing of Innovation**
- **Evaluation of Innovation Outcomes - Sustainability, market acceptance & the measurement of externalities**
- **Facilitation of Transactions, Interactions, Communications and Decisions Related to Innovation - Intermediation by consultants, business services, legal services, accounting and taxation, or communication and representation services**

Triple Helix Theory & The Role of Government

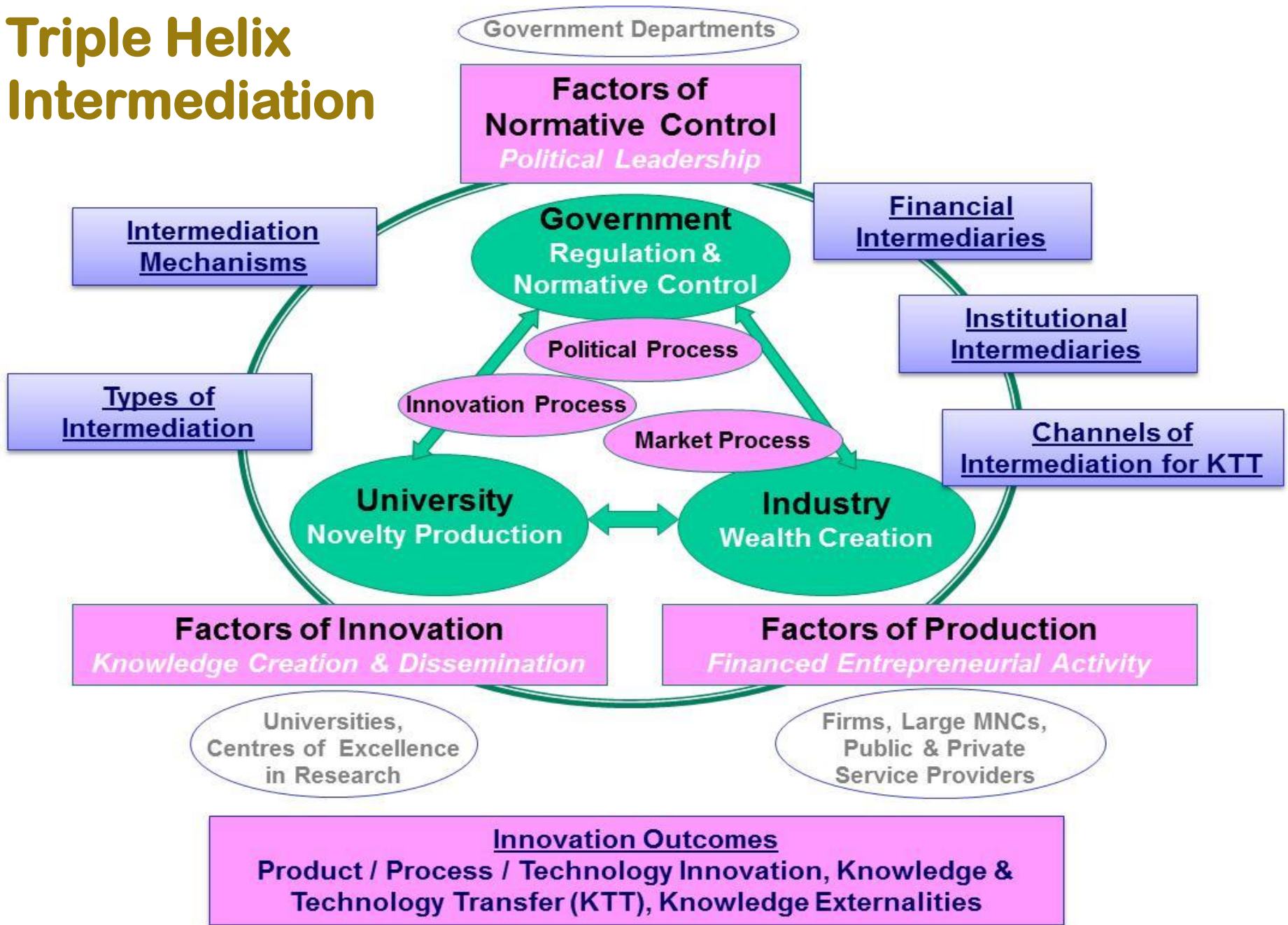


- **Designing and maintaining Systems of Innovation – for reproduction of knowledge and novelty creation**
- **Financing Universities and involving Industry**
- **Facilitating University-Industry knowledge transfer**
- **Control, Coordination and Facilitation of Technology Transfer**
- **Efficient Political Leadership and Normative Control**
 - *Oversight of the Market process, and the Innovation Process of knowledge & technology transfer*
 - *Oversight of the Innovation Outcomes*
- **Efficient employment of the Factors of Production**
- **Efficient management of the Factors of Innovation**

The Nature of Government Intervention

- **Government intervention and financing of innovation policies:**
 - **Mission Policies** (*i.e. setting priorities and targets*)
 - **Infrastructure Policies** (*i.e. defence, transportation, security*)
 - **Diffusion and Technology Transfer Policies** (*i.e. patents*)
 - **Technological Districts and Cluster Policies** (*i.e. assistance in economic development*)

Triple Helix Intermediation



Intermediation Theory: Facilitation & Accountability



Agents that reduce 'search', 'bargaining', & other transaction costs – wholesalers, retailers, financial institutions

Middlemen integrating markets in cases of market failure

Coordinators in cases of asymmetric information

- **Types of Intermediaries**

- **Institutional Intermediary**
- **Financial Intermediary**
- **Consultants & Consulting Organisations**

- **Types of Intermediation**

- **Channels of Intermediation**

Financial Intermediation

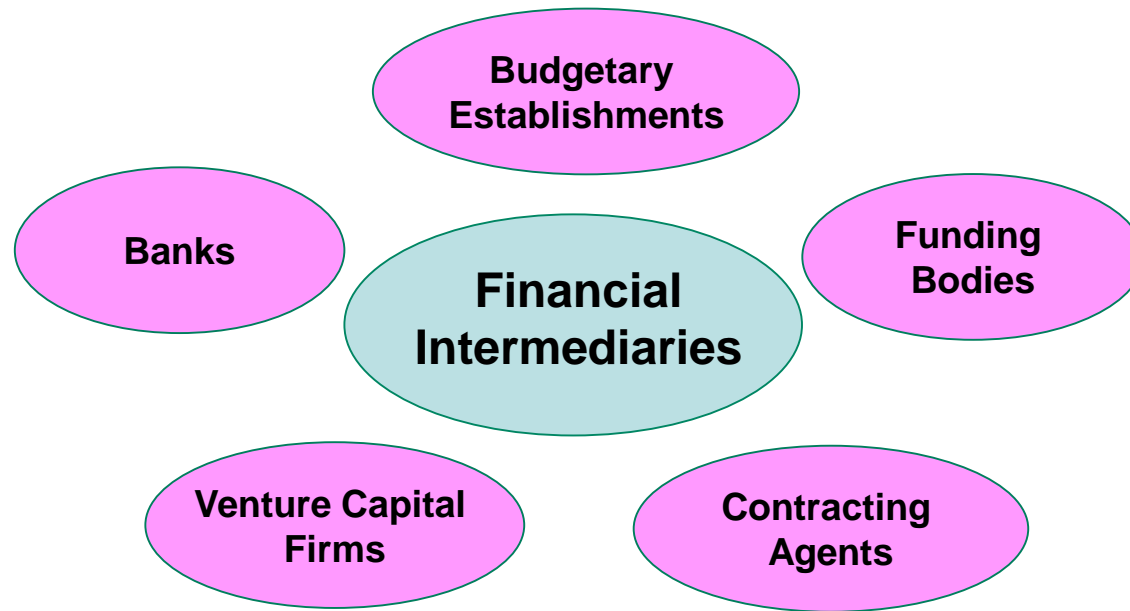
Government Budgetary Establishments (*fundamental research*)

Funding Bodies - Foundations, Charities, Voluntary Organisations (*applied research*)

Banks (*experimental and developmental research*)

Venture Capital Firms (*experimental and developmental research*)

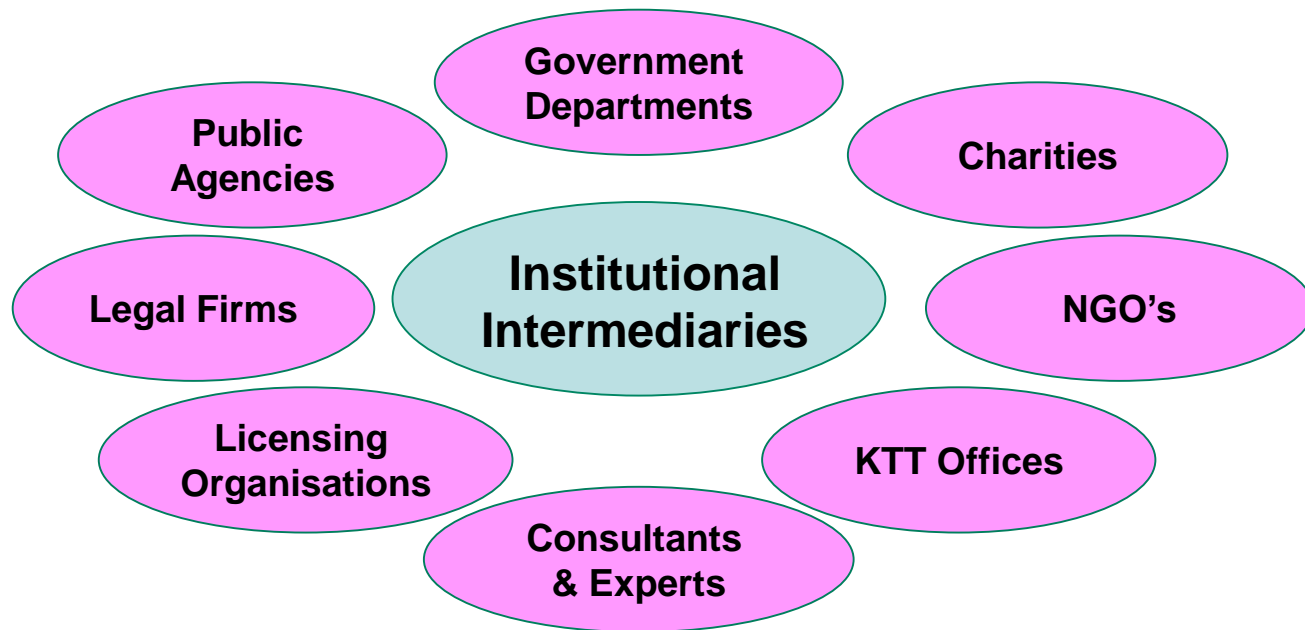
Contracting Agents



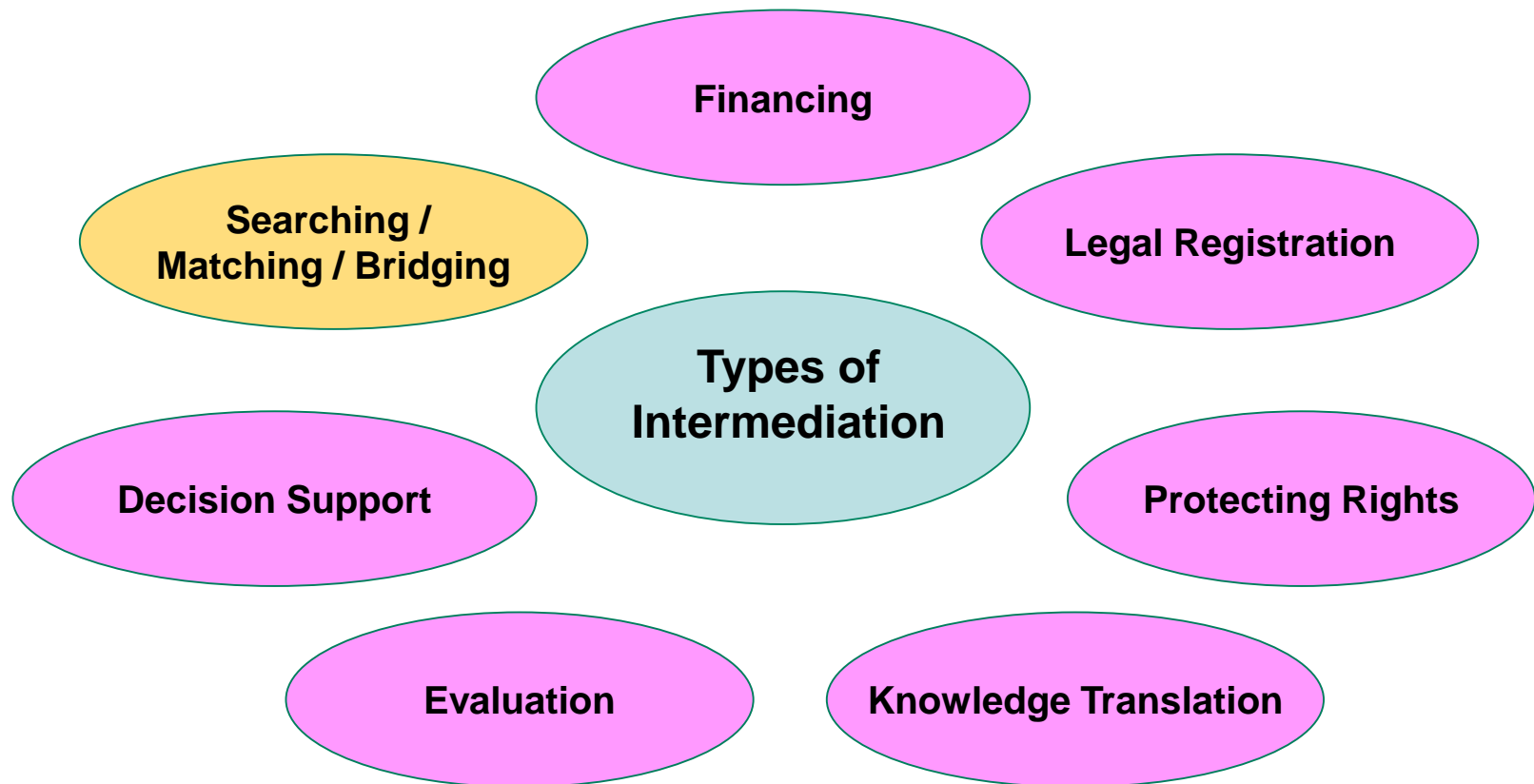
Institutional Intermediation & Relationship Management

Institutions are involved in:

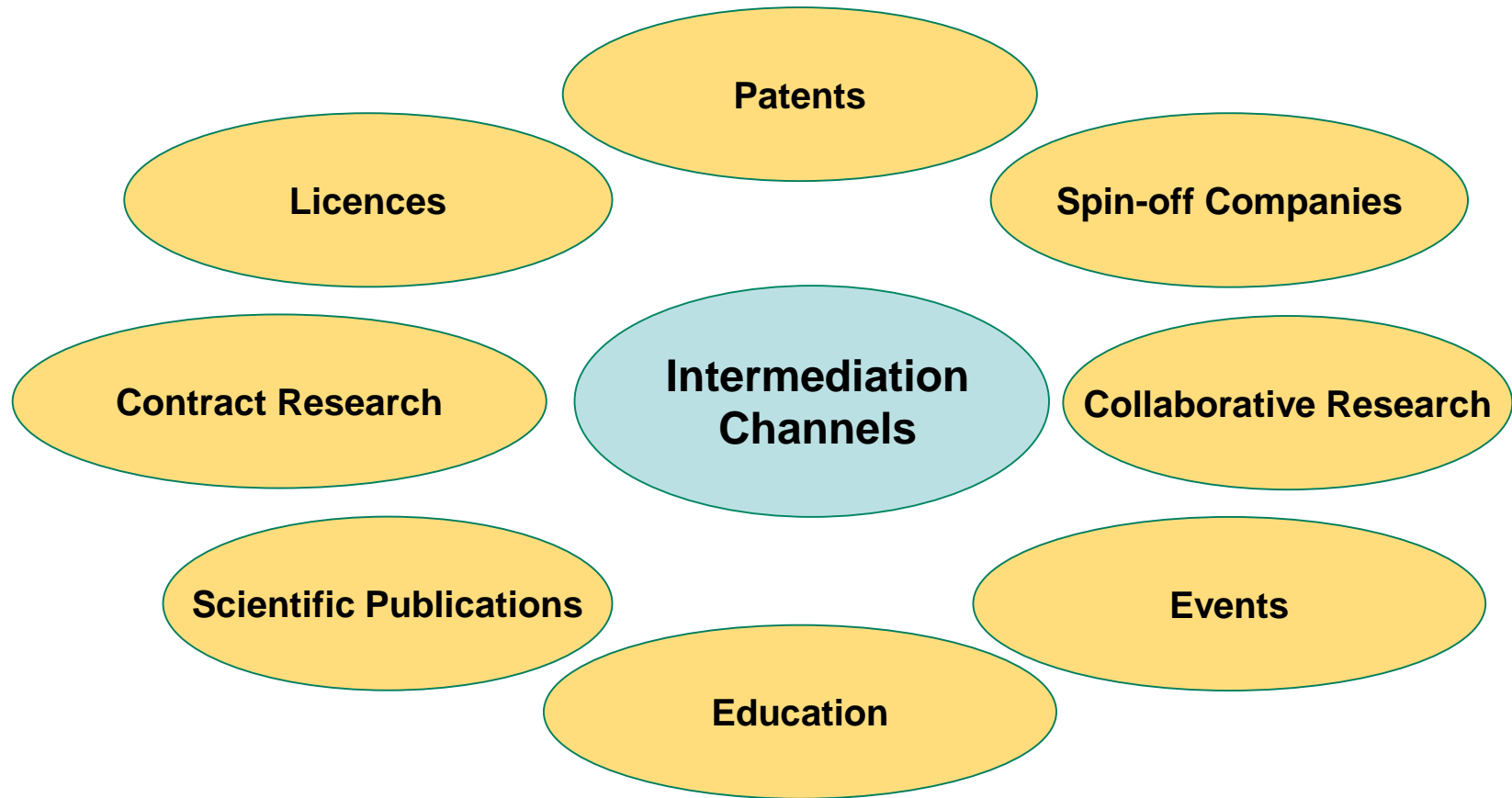
- Distribution of resources
- Events management
- Project management
- Representation, certification and legal advice



Types of Intermediation – National and Cross-border

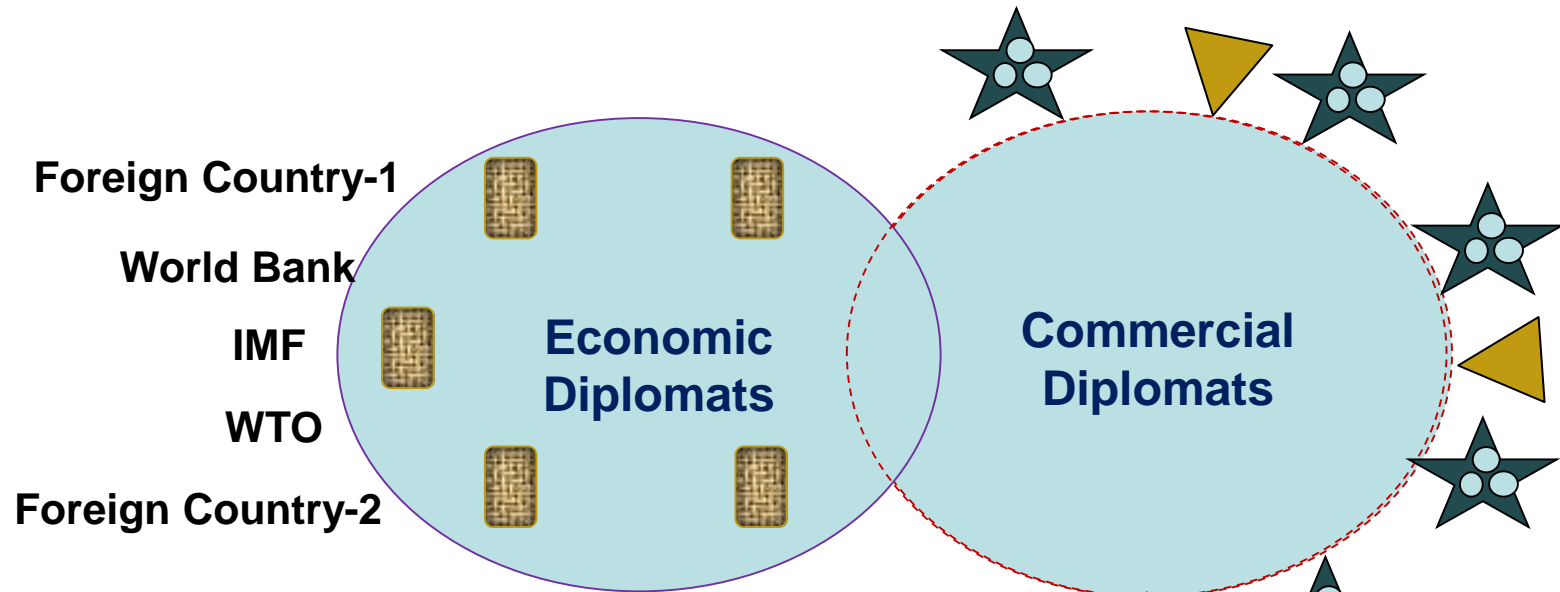


Developing Cross-border Intermediation Channels



Redefining Commercial Diplomacy for Cross-Border Economic Development

from **Representation, Communication, Negotiation**
to ***Impartial & Transparent Intermediation***



Embassies



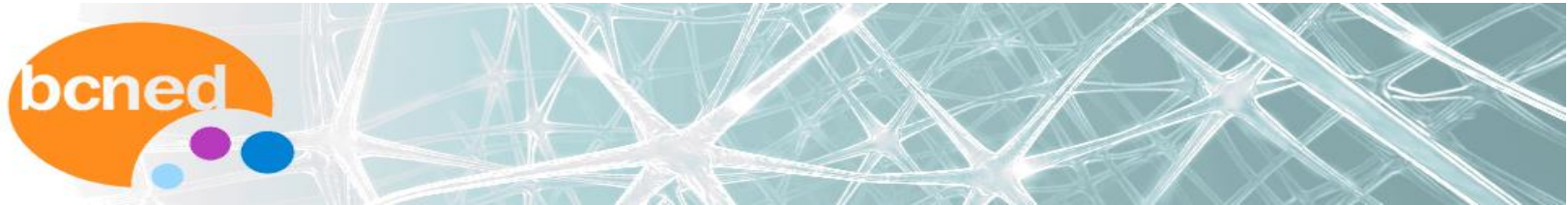
Foreign & National Companies



Universities

Conclusions

1. The locus of Innovation is in partnerships and networks that require coordination and facilitation
2. Intermediation enhances Absorptive Capacity in Universities, in Industry and in Government
3. Intermediation reduces Costs and increases Opportunities for all agents
4. Intermediaries provide specialised services and resources (information, capital) to networks and partnerships
5. Intermediation and Facilitation enhances the outcomes from KTT (knowledge and technology transfer)
6. Intermediation and Facilitation employ institutions and hybrid organisations that are difficult to subject to control and governance through traditional methods
7. Empirical evidence demonstrates that intermediaries serve multiple purposes and employ a 2-way communication between intermediated agents and organisations



The Challenges to Commercial Diplomacy & Cross-Country Regional Development



- **From State Regulation to Multilateralism and Transnational Business Diplomacy**
- **Proliferation of Non-Governmental Trans-border Alliances, NGOs and Working with Pressure Groups**
- **Consolidation of Supra-Territorial Relations – Leadership in Trading Blocks**
- **Globalisation of Competition – Global Trade and FDI, Globalisation of Business Networks and Business Clusters**
 - International Economic Standards Setting Organisations
 - Increasing Complexity of International Economic Relations
 - Multiplication of Regulatory and Diplomatic Actors - Regional 'Foreign Affairs' Departments, Corporate Policy Departments, National Regulatory Institutions, Supra-National Institutional Membership and Commitments
 - Discrete vs. Overt Intervention by the State – *Incentives, Transparency & the PR Factor*