

Table of contents

1	Summary	11
2	Deutsche Zusammenfassung	13
3	Introduction, task, and structure of the study	15
3.1	Introduction and aim of the study	15
3.2	The structure of the study	19
4	The two regions of the study: Karlstad and Leipzig	21
4.1	Region of Karlstad: size and economic situation	31
4.2	Region of Leipzig: size and economic situation	22
4.3	Differences and common problems	25
5	The projects of the evaluation	29
5.1	Project CENS in Karlstad	29
5.2	Project snille blix in Karlstad/Sweden	31
5.3	Inova (Science Park) in Karlstad	33
5.4	Project Input in Karlstad	35
5.5	Project/non-profit organisation communicare	37
5.6	Project u-STARt in Leipzig	39
5.7	Project ECOVIN in Leipzig	42
5.8	Project InnoRegio in East Germany/Leipzig	47
5.9	Innovation foundation in the City of Leipzig (Leipziger Innovationsstiftung)	48
5.10	Project Entre in Värmland/Karlstad and Leipzig	49
6	The evaluation of the projects	55
6.1	Description of the evaluation	55
6.2	Result of the evaluation	56
7	Conclusions and results for regional policy makers	59
7.1	The general support system for new enterprises and SMEs in Sweden and Germany	59
7.2	General conclusions for regional policy makers	61
7.2.1	Regional Development policy in a globalised knowledge economy	61
7.2.2	The concept of regional innovation networks	65
7.2.3	Modernisation of the regional administration	68

7.3	Conclusions and remarks for policy makers in Karlstad	71
7.3.1	The need for a regional innovation policy and first actions	71
7.3.2	Innovation award as an instrument for regional development	73
7.3.3	Transformation of the production cluster "paper industry" to a innovation network	75
7.3.4	Early stage financing for innovative and fast growing SMEs	77
7.4	Conclusions and remarks for policy makers in Leipzig	79
7.4.1	The need for a regional innovation policy	79
7.4.2	The systematic use of regional innovation potentials	80
7.4.3	Competition "Leipziger Innovationsprojekte" by the Innovationsstiftung to stimulated regional R&D co-operations	81
7.4.4	Systematic integration of the "Leipziger Innovationspreis"	83
7.4.5	The economic development of the rural area	85
7.5	Suggestions for new interregional projects	86
7.5.1	Build up of regional innovation networks and exchange of experiences	86
7.5.2	Development and support of export/import activities of regional SMEs	88
8	Literature	91
9	Appendix	95
9.1	Appendix 1: Regional Economic Growth Agreement Värmland	95
9.2	Appendix 2: Inova Information	102
9.3	Appendix 3 : Project evaluations	104

List of tables

Table 1: Employment by industry in Karlstad and Värmland, 1998	22
Table 2: Employment by industry in Leipzig and Saxony, 1998	23
Table 3: The scoring model for the evaluation	56
Table 4: Results of the evaluation	58

List of figures

Figure 1: Hierarchy of regional policy goals and development projects	18
Figure 2: The dynamics of the economic transformation in Leipzig: development of employment by industries between 1992 and 1996.	24
Figure 3: Two step approach to regional economic policy	64
Figure 4: The project process of the competition "Leipziger Innovationsprojekte"	83

List of case studies

Case study I: The Innovations Manager at BioPlanta GmbH	45
Case study II: The train-the-trainer concept in the Entre project Karlstad	52
Case study III: The lack of IT knowledge in administrations	69
Case study IV: The valves cluster in northern Italy	77