

Applied Research project

Geography of new employment dynamics in Europe

Theme: Employment

Scope

The free movement of labour is one of the basic cornerstones of the EU. Up until the economic crisis in 2008, labour mobility in Europe has generally been rather low. However, in the wake of the economic crisis, labour migration has started to rise, mainly due to the fact that Europeans are ever more willing to relocate to seek employment opportunities. This has led to increasing numbers of migrants, particularly young people, moving both between regions within countries and between countries, resulting in new patterns of migration, new diasporas, and the phenomenon of 'brain drain'.

Current EU Cohesion Policy has a very strong emphasis on research, innovation and information and communications technology sectors as a priority means for generating growth, investment and jobs. The current focus on these 'knowledge economy' sectors therefore has an inherent and understandable tendency towards urban regions as the primary engines of growth as such regions offer the essential milieus for innovation and dense collaboration linkages, high levels of social capital and good physical accessibility etc. These attributes are typically located in technologically more advanced regions where sufficient agglomerations of knowledge activities are present. At the same time, however, Cohesion Policy also aims to reduce economic, social and territorial disparities across the EU and bolster the economic performance of lagging regions, reduce uneven territorial development and promote economic convergence.

The geography of new post-crisis employment dynamics and the unbalanced spatial distribution of new employment opportunities are therefore undoubtedly having significant territorial impacts which is likely to have important implications for future EU cohesion and investment policies.

The purpose of this research is to explore the current dynamics within Europe's regions in order to unpack the key policy factors, trends and territorial endowments driving the locational preferences of new employment



creation. It shall further draw out the key policy lessons for Cohesion Policy in addressing the apparent contradictory forces and tensions at play in promoting knowledge economy sectors as a key pathway for growth and the impact for territorial cohesion.

Policy questions

- What is the territorial pattern of new employment creation in Europe and how is this likely to evolve into the future based on current policy orientations? What impact will recent trends have on the future development of Europe's regions?
- How is the European policy focus on 'knowledge economy' sectors for investment, jobs and growth impacting on the geographical distribution of new employment creation and what impact does this have for regional development and territorial cohesion?
- What are the key policy lessons for Cohesion Policy and what are the opportunities for lagging regions to capitalise on their place-based potentials and emigrant skill base in order to capture spillovers and to re-capture the lost skills base of emigrants and innovate in new sectors?

Main expected results

New evidence and data on the geographical trends (with a particular focus on the period since 2000) of new employment growth (including pan-European maps) and empirically based qualitative projections on likely future patterns based on current policy orientations.

An in-depth analysis of the role knowledge economy sectors play in new employment growth in Europe and identification of the main territorial factors driving the location preferences of these sectors.

Analysis of the territorial impact of the increasing prominence of knowledge economy sectors in national employment strategies and their implications for both EU urban and cohesion policies.

Identification and mapping of typologies of European regions with respect to their potentials for knowledge economy sectors.



Based on 3-5 case studies, evidence about the factors that can support European regions in making full use of their specific territorial diversity and assets to develop place-based regional and innovation strategies for smart specialisation. Case studies should be selected so as to elucidate insights of a different range of European regions.

Knowledge about how complementary migration or diaspora centred development strategies could potentially be developed by countries and regions as proactive means to re-capture their lost human capital skill base. Such strategies may assist emigrants and expatriates in potentially contributing to their home regions both from afar and via circular migration, and therefore to contribute to wider cohesion policy goals. This should include analysis of both the 'sending' and 'host' regions in building potential bridges to new markets. Recommendations for future Cohesion Policy in respect of promoting knowledge economy sectors, particularly in lagging or peripheral regions.

Contractors

- Istituto per la Ricerca Sociale, IT (lead contractor)
- Institute for Employment Studies, UK
- Institute for Regional Development and Structural Planning, DE
- University College London, UK
- Technische Universität Berlin, DE

Project Support Team

- Laura Dimitrijeva, Latvia
- Marie-Lorraine Dangeard, France
- Carlo Lavalle, European Commission

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Deliveries

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- Final delivery, 1 December 2017



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