

Creating a platform for strategy and competitiveness

Jon Azua, President of Enovating Lab

What are the main strengths of the Basque Country in the global economy?

The Basque Country defined its strategy 30 or 40 years ago when it achieved self-government status. We decided to introduce innovation into all our processes, business models, and technology, whilst maintaining the core values and activities that the manufacturing sector had always enjoyed.

We also understood that although globalization is important for market access, the local effect is essential for competitiveness. We therefore realized that a cluster-based economy was key to break down the traditional set-up of sectors and build connectivity between different economic activities.

We also realized the importance of not separating economic and social policies. Social policies are not only about providing justice or equity, but are also key for competitiveness. Providing high quality education, healthcare, social services and minimum salary for citizens allows growth and development in an inclusive way. Today, all mindsets are moving in that direction. I would therefore say our competitive advantage is the previous long-term work that the Basque Country has undertaken to build the future.

How have clusters transformed the economy over the past 25 years?

Clusters are not just about organizing the economy. They require a new mindset and way of doing things. We had to understand the territory

where we work and put our efforts into microeconomics. Macroeconomics are naturally important and relevant, but the decision-making takes place outside of the Basque Country. The important thing was to create microeconomics for the micro and SMEs as 90% of our economy is made up of this type of company. It is very difficult for them to be international, carry out research and reach the capital markets. Clusters make

all of this easier; they change the business models of these companies and allow them grow.

Michael Porter, the renowned economist and expert in clusters, has stated that the Basque Country is the best place in the world for clusters, because we have really adopted the necessary strategy and philosophy.

Can you tell us about the ORKESTRA Institute?

We created ORKESTRA because we needed an independent institution to work in three main areas; to research our competitiveness, to provide instruction and framework, and to create a real impact on Basque society. It is a very international institution and related to a whole network of think tanks and universities which share and learn together. Michael Porter is part of the Institute for Strategy



and Competitiveness at Harvard. We strategically created an advisory board with key international people who have a different outlook than the people in the Basque country. They make and publish a lot of different research which historically hasn't been done in the past.

How can the Enovating Lab help the Basque country in competitiveness and what kind of projects have you worked on?

The Enovating Lab was created in 2002. It is a platform for ideas, original development and competitiveness. The Enovating Lab Academy is where we learn from the key think tanks, institutions and universities. The Enovating Lab is a member of the ISC, Harvard University, World Economic Forum and we contribute to research and to sharing information across the world. It is not a consultancy, but it participates on international advisory boards.

Since we began, we have been involved in many different projects and clients. We work on a wide range of projects, boards of directors and advisory boards around the world in industries such as biotech, energy, health, financials, technology, manufacturing etc. We also take part in nonprofit organizations, international institutions and governments on matters including competitiveness strategies, cluster development, S&M Companies, health coverage and venturing. We have also worked on R&D share collaborative initiatives. Interacting with international key players provides a wealth of knowledge for all involved.

2002
date of creation of
Enovating Lab

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