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Assessing spatial justice practices in innovation ecosystem: The endeavour of the Alexander Innovation Zone in Thessaloniki

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Summary:

The concept of spatial justice indicates a fair and equitable distribution in space of socially valued resources and the opportunities. On this basis, this paper examines the case study of the Alexander Innovation Zone (AIZ), of the Metropolitan Area of Thessaloniki, in Greece, focusing on specific locality, within wider territorial and policy context. What is attempted is to test place-based regional policies dealt with innovation ecosystems, through the lens of spatial justice, investigating whether a focus on localities would be better able to deliver the demands of spatial justice. The hypothesis to be tested is that equity in socially valued resources and opportunities can be achieved through place-based strategies. Based upon empirical material collected in 2018, within the framework of RELOCAL project (H2020, www.relocal.eu), this contribution attempt to shed some light in the aforementioned research hypothesis.

Key-words: spatial (in)justice, distributive/procedural justice, innovation

1. Introduction

Spatial (in)justice refers to an intentional and focused emphasis on the spatial or geographical aspects of justice and injustice (Soja, 2010). The idea of spatial justice as fairness can be understood both as a vision as well as a critique of the political objectives and ambitions associated with EU policies. As an aim of cohesion policy, the promotion of harmonious development and reducing regional inequalities should basically serve spatial justice as well (EC, 2004).

On this basis, this paper examines the case study of the Alexander Innovation Zone (hereafter as AIZ), located in the Metropolitan Area of Thessaloniki, in Greece, focusing on a specific locality, within wider territorial and policy context. AIZ's mission is the development and management of the innovation zone of Thessaloniki which aims at the concentration of a critical mass of high-tech and innovative companies. AIZ stands as a typical top-down initiative, since its main shareholder is the Greek state.

What is attempted in this paper is to test place-based regional policies dealt with innovation ecosystems, through the lens of social and spatial justice, investigating whether a focus on localities would be better able to deliver the demands of spatial justice. The concept of spatial justice indicates a fair and equitable distribution in space of socially valued resources and the opportunities to be used (Morange and Quentin, 2018; Madanipour et al. 2017). Seen in this respect, equity in social space can be achieved through place-based strategies. Within this context, place-based policy is scrutinized on 'place specificities and territorial assets, designed in a transparent and inclusive way by local actors' with the support from multi-level governance (Camagni and Capello, 2015). Once we focus more closely to ensure democratic empowerment and legitimacy in particular, it is important to know if multi-level governance processes could achieve better distribution of resources and opportunities.

In setting out a framework for analysing place-based strategies in innovation ecosystems, emphasis is given on two distinguished directions. The redistributive logic on the one hand, and the endogenous competitive potential of the locality on the other. Through these lenses, redistributive logic reflects needs and outcomes while the development logic focuses on territorial potential and inclusive growth (Madanipour et al. 2017). Going beyond this dichotomy, an interesting question comes to the fore. Should these directions be considered as mutually exclusive or there is room for combination of distributive with procedural justice?

Seen from the perspective of power imbalance across stakeholders involved in innovation ecosystems, it would be interesting to know whether or not regional autonomy or decentralisation are justifiable on account of economic, political and social justice. Turning the question around, it should be taken into consideration that one of the central notions of governance in the European Union has been subsidiarity. According to this principle, 'a larger and higher-ranking body should not exercise functions which could be efficiently carried out by a smaller and lesser body' (Melé, 2005). This offers a degree of autonomy to the lower levels of authority, providing an alternative to democratic deficit which is based upon a centralized and bureaucratic mode of governance.

The aforementioned research questions have been tested through empirical investigations based on in-depth interviews, informal talks and observations. More analytically, 20 formal interviews were conducted with representatives of stakeholders, mainly face-to-face, employing a snowballing sampling technique, within the framework of RELOCAL project (H2020, www.relocal.eu).

The structure of the paper is as follows. The next section briefly outlines the discussion on the relevant literature, while section 3 focuses on the locality and the specific locally-driven action referring to the AIZ. Section 4 presents the empirical analysis and interpretation of the data gathered. The last section provides the conclusions and puts into the limelight some policy implications of this research.

2. Theoretical considerations

Social and spatial justices are multifaceted and overlapping theoretical concepts, with a strong normative character and a wide variety of different understandings (Morange and Quentin, 2018). The distribution of resources and opportunities stands as the central notion in identifying (in)justice, with social justice focusing more on the distribution between social entities. Spatial justice on the other hand, is mainly focused on the geography of distribution (Soja, 2010, Madanipour et al. 2017). The social and the spatial processes are mutually intercorrelated: social processes are spatially reflected while spatial processes influence the social processes. In other words, spatial justice is the spatial dimension of social justice. Within this frame, spatial justice is the term used to capture this dialectical relationship (Soja, 2010). In parallel to social justice, therefore, spatial justice indicates the equitable formation of social space (Madanipour, 2017). On the above basis, the spatiality of the local, becomes the framework that links solidarity, democracy and sustainable development. Element of spatiality could be the processes of agglomeration and dispersion, centralisation and decentralisation, centre-periphery relations, polarisation, domination, boundary setting, rescaling, and spatial transformation (Madanipour et al. 2017).

The support of innovation, R&D and SME's, is included among the priorities for funding under Cohesion Policy 2014-2020. These strategies must be aligned with the Europe 2020 agenda and with the Community Strategic Framework. This policy framework, though, does not include any territorial cohesion objectives (Farago and Varro, 2016). Within the same track, the concept of Regional Innovation System (RIS) has been the central goal of the European technology and innovation policy. This concept is considered to contribute to the Lisbon strategy by enhancing European regional competitiveness by building on the endogenous competitive potential of each territory and knowledge-based economy (Bruijn and Lagednik, 2005, EC, 2008).

Given this background, Innovation Zones could function as magnets for large and small enterprises, or for the research and development departments of large enterprises, which – in order to succeed – require collaborations, highly skilled administrative and scientific staff, as well as a supportive financial and tax environment. Based on international experience, an Innovation Zone is an area reserved for the establishment of innovative businesses and research entities engaging in rapidly-developing innovative activities, relying mainly on synergies, thus contributing to the economic development of the wider region. Its aim is to attract direct foreign investment and house economic activities which, due to their focus on knowledge and cutting-edge technologies, are able to provide the country's economy with a new boost and orientation (Katz and Wagner, 2014).

The literature suggests that RIS possesses two sides: the supply side and the demand side. The supply side includes institutional sources of knowledge generation and institutions accountable for the preparation of qualified labor (Cooke, 2007). The demand side incorporates the productive systems, companies that apply the scientific output of the supply side (Laurentis, 2006). Seeing such innovation strategies through the EU territorial cohesion perspective, a number of competing ideologies (broadly Keynesian and neoliberal) and tensions come to the fore, between competitiveness and solidarity, between efficiency and equity, between

redistributive logic (in terms of needs and outcomes) and development logic (in terms of territorial potential) and especially between spatially blind policies and place-based policies (Barca et al, 2012).

From a policy perspective, understanding innovation as a systemic process has important implications for policy-makers and for identifying effective innovation policy measures (Kominos and Tsamis, 2008). There is an increasing interest among policy makers to the regional competitiveness and regional innovative capability related to the local firms' capabilities to innovate (Cook and Memedovic, 2003). On this basis, innovation, through spatially-blind lens, is considered as part of sustainable development and became a driver of the competitiveness within the regions, upgrading the economic development of all places together, rather than the improvement of one place at the expense of another (Arundel et al, 2007).

Contrary to the spatially-blind or place-neutral policies, it is argued that the best option to promote economic growth and facilitate the catch-up of lagging areas is the place-based development strategies (Barca et al, 2012). Over time, local and place-based development has become more eminent in the Cohesion Policy discourse but 'in reality cohesion programmes are hardly bottom-up, but the result of strategic choices made by regional and national authorities' (Pazos-Vidal, 2016). The aggregate efficiency approach calls for 'a national and mainly institutional intervention with no concern for territorial specificities' while the place-based approach calls for "a regionalized, bottom-up intervention concerned with local institutions and providing both a method for devising good and shared projects and financial support' (Camagni and Capello, 2015).

The influential Barca report, defines a place-based policy as 'a long-term strategy aimed at tackling persistent underutilisation of potential and reducing persistent social exclusion in specific places through external interventions and multilevel governance' (Barca, 2009). Notably, the issue is whether there is a rationale for inequality to be tackled by a place-based development policy rather than by financial transfers (redistributive justice) to people, independently of where they live. Accordingly, 'the conflict between solidarity and efficiency in cohesion policy can be overcome using a notion of territorial capital, or place-based policy' (Sarmiento-Mirwaldt 2015).

Place-based policies could be exercised either through a redistributive logic, where emphasis is given on ensuring a better balance in access to resources and opportunities across the space, or through an emphasis on localities, as the Lisbon Strategy does, based on the endogenous competitive potential of each territory (Madanipour et al, 2017). In this setting, smart specialisation in a place-based approach follows an economic logic, in which each region is encouraged to think what it can bring to the marketplace.

Spatial justice is a form of justice that combines the two important forms of justice: distributive and procedural. Distributive justice is focused on identifying the patterns of exclusion and unfairness as well as the perceptions of spatial injustice, while procedural justice focuses on actions and institutional arrangement that can combat spatial injustice (Fischer and Iveson, 2012). For the distributive paradigm, an equal distribution of goods, services and opportunities is the basic prescription for justice. Noticeably, for the procedural paradigm, what matters are just institutions and procedures that are necessary to have a just society (Madanipour, Cars and Allen, 2003; Madanipour et al, 2017, Soja, 2010).

It can be found, however, meaningful components in both paradigms of justice: Just procedures are necessary, but not sufficient for the fairness of the outcome, while attention to the outcome may mask the injustices of the process (Bret, 2009). In other words, the dichotomy between a just process and a just outcome is a false one, as they are not, and should not be, mutually exclusive

(Madanipour et al, 2017). Social justice in particular, involves both distributional and procedural aspects of justice, such as material conditions, institutional arrangements, and social relations and processes that facilitate a fair and equitable distribution of resources and opportunities in society (Holder & Layard, 2010, Madanipour et al, 2017).

3. The locality and the locally-driven action

The Locality

This paper addresses the Alexander Innovation Zone (AIZ), which is based in the Metropolitan Area of Thessaloniki, in the Region of Central Macedonia (RCM). The RCM, is one of the thirteen regions of Greece, situated in Northern Greece, in the South – Eastern part of Europe. It has a population of 1.874.590 inhabitants, representing 17% of the country population and 13,5% of the Greek GDP (National Statistics Service, 2011 census) covering a total land area of 18.811 km². Thessaloniki is the second largest city in Greece, with population over one million in its metropolitan area. At the Regional Unit level, the 57% of the Region's population lived in the Regional Unit of Thessaloniki. The Region went through a period of rapid industrial and economic growth that shaped today's urban network dominated by the Greater Thessaloniki Area and complemented by smaller urban centers.

In the RCM, the social and economic transformations after the liberation in 1912 were shocking. The arrival of thousands of refugees after the 1922 Asia Minor catastrophe brought impressive productivity growth in the primary and secondary sectors. From the post-war period to the late 1980s, small craft shops and industry have also impressively grown. It should be noted, however, that the closure of Greece to its northern border due to cold war and the obsessions that accompanied it did not contribute to the exploitation of the geographic comparative advantages of Thessaloniki (Int.#8). Most agree, that following the opening of the northern border since the early 1990s, to date, that the city of Thessaloniki lost many opportunities to become a metropolitan center in the Balkans. The predominant feeling is that there has never been a coherent regional policy plan to showcase the leading role of Thessaloniki. As a result, the advantage is gradually turning into a handicap, especially during the time of economic crisis (Int.#8).

The RCM is a traditional gateway for trade between Greece, the Balkans and south-eastern Europe. Between mid-90s and 2008, the time of onset of the current economic crisis, the region experienced high economic growth rates. Despite this fact, unemployment rates remained relatively high compared to the EU and the national average. With regards to the economic activity, the primary sector, despite its decline, remains quite significant for the local economy, with high productivity above the national average. It is important to be mentioned the high proportion of arable and irrigated areas, the above national average production of cereals, industrial and aromatic plants, the improved structure of agricultural holdings compared to the national average and the relatively high degree of mechanisation and organisation of animal farming. Nevertheless, the primary sector remains vulnerable because of its dependence on agricultural subsidies and the replacement of products by imports.

The secondary (manufacturing) sector remains highly specialized in certain medium to low technology and labour-intensive sectors. It accounts for a significant part of regional employment and thus is a factor of social cohesion and a key component of economic activity due to the intense and interactive relationship with other productive activities in all three sectors of the economy. However recent negative trends in investment have been noted, accompanied by relatively lower labour productivity and growth. The rates of setting up new and modern manufacturing

enterprises remain low and far from internationally competitive manufacturing standards. The difficulties in attracting foreign direct investments are indicative of the fact. In addition, dramatic losses in income, employment and nearly all aspects of economic and social life have negatively impacted due to the recent economic crisis (Petrakos, 2014).

The RCM is an example of what we may label as a ‘European paradox’, observed at a country-level, as well as at a regional level in the European Union: while there is a high level of research activity and knowledge production by a number of scientific entities and initiatives, the performance of RCM in the field of innovation remains low (Georgiou et. al. 2012). In RCM a relatively small proportion (12%) of firms operate in industries characterized by the OECD as medium - intensive technology. RCM and its capital Thessaloniki appear as ‘consumer’ rather than ‘producer’ of innovation. Based on the Regional Innovation Scoreboard in 2019, the RCM is characterized as being of ‘moderate - low level’ of innovation, despite the fact that within its geographical boundaries hosts important Universities such as the Aristotle University of Thessaloniki (A.U.TH) and significant research institutions such as the Centre for Research and Technology Hellas (C.E.R.T.H).

The low innovation output indexes, lasting for several years, indicate that local industry demonstrates low or no demand for innovation. However, while the overall innovation performance of RCM is very low at the EU level, the Region ranks among the top three regions in Greece in terms of innovative performance. Athens and Thessaloniki maintain their top positions because of the ongoing presence of industry and technology-intensive services within their geographical boundaries (Georgiou et. al. 2012).

The Locally-driven Action

Alexander Innovation Zone S.A. (AIZ), established in 2006, is the managing body that has undertaken to organize and promote the Thessaloniki Innovation Zone, under the Law 3948. A.I.Z.’s role is to empower and promote the innovation activity with emphasis on purposes of common benefit and public interest. Also A.I.Z. aims to support the organized innovation ecosystem which includes all Thessaloniki’s stakeholders and organisations. AIZ shares are equally distributed to the Ministry of Finance and the Ministry of Macedonia & Thrace, while the Company is supervised by the Minister of Interior. The exact delimitation of Thessaloniki Innovation Zone (TIZ) was finalized in 2012, following the decision made by the Minister of Finance and the Minister of Environment and Energy and the Minister of Development. AIZ was granted a land plot of 60.000 m² for exclusive use, in 2014, which was previously owned by the Greek Agricultural Organization Dimitra. The land plot is located in close proximity to the city’s main transportation hub and other industrial infrastructure.

AIZ is the area where both public and private organizations, institutions and companies can be relocated or established. Moreover, AIZ is aiming to create synergies and collaborating opportunities and subsequently foster research, innovation and technology. Among others, AIZ tried to strengthen the extroversion of the area under the motto ‘Thessaloniki Friendly Destination’, in order to facilitate international knowledge development partnerships and to attract investments that will create high-value jobs and skills.

The main argument behind the establishment of the AIZ, was that in Thessaloniki there is an extensive academic and research community that can aid – through synergies and staff – the operation of research and development departments of medium and large enterprises or spin-off companies. Moreover, it was argued that Thessaloniki, due to its geographic position and geopolitical significance, can become the first, most important and the most recognisable innovation hub in Southeast Europe. In this perspective, the metropolitan innovation ecosystem

must be coordinated and organized from a widely participated body of R&D actors and business organizations, aiming to minimize the gap between R&D and the business world. Consequently, the R&D concentrated within the limits of the higher education system must permeate the narrow limits of the universities and research institutions, enriching the start-up repository for new business ideas and technological innovation in the area.

It is worth to mention that the two biggest universities (Aristotle University of Thessaloniki, University of Macedonia) of the city are located in the center of the urban area, in close proximity to Thessaloniki Innovation Zone, In addition, the International Hellenic University, the American Farm School and Thessaloniki's main research centres (Centre of Research and Technology Hellas, ELGO-Dimitra, LFTN Noesis) are located within the same area.

The fundamental objective included in the Company's midterm plan is to turn Thessaloniki into a worldwide known destination of innovation and entrepreneurship. Some of the major steps taken by the company up until now are: (a) The A.I.Z. Strategic Development Plan has been completed. (b) The delimitation of the A.I.Z. has been published and public land plot area has been conceded. (c) At the initiative of the A.I.Z., a Memorandum of Understanding has been signed with the top 16 research and innovative entrepreneurship entities of Thessaloniki. The objective is to increase synergies and the added value of joint actions under the umbrella of the Innovation Zone. (d) It is currently in touch with investors, research organizations and individual researchers who have expressed a strong interest in the venture as a whole. (e) A favorable provision has been granted under the recent investment law, which provides 5% additional aid to investment plans implemented within the A.I.Z. (f) The first important soft action of A.I.Z. has been created and successfully implemented by Thessaloniki Smart Inno-hub, which is incubating new business plans with the intention of turning them into start-up businesses (www.thessinnozone.gr).

The goal of AIZ is not to produce innovation itself but to identify and help innovative ideas that fail to get through the Death Valley, transforming innovation into a commercial activity giving added value to the market (Int.#2, Int.#5). Specifically, AIZ's goal was to act as a 'connecting platform' among the academic, research and business web, which will give business added value to innovation (Int.#15). Some even argue that the AIZ should also have antennas and branches in all major cities of Northern Greece (Int.#14).

The latest administration of the AIZ has attempted to respond to these challenges through three pillars. (a) Emphasizing the extroversion and integration of Thessaloniki into the international map of innovation based mainly on the 'Thessaloniki Friendly Destination' strategy. In this context, the Greek diaspora has been briefed and an attempt has been made to attract large corporations to transfer their R&D departments to the universities of Thessaloniki or to invest in existing companies. (b) Maturing of new business ideas and the support of scale up of more mature companies, through the pre-incubating ecosystem of OK!Thess in cooperation with the Municipality of Thessaloniki and the Niarchos Foundation. (c) The creation of a digital innovation hub in agri-food in an area of 60 acres as a pilot for the future (Int.#15).

However, two basic prerequisites for the success of the project have been the existence of a specific public land plot area and the provision of a relocation incentives framework for companies, which have not yet been definitively resolved, contrary to what is happening in other parts of Europe (Int.#6). On this basis, a clear spatial intervention should provide a clear answer to the question 'where the AIZ is located?' (Int.#11). In practice however, there have been so many delays, which have largely canceled the endeavor and vision. Someone paralleled the AIZ endeavor 'with a child suffering from distraction' (Int.#13).

In conclusion, AIZ aims at realizing within Thessaloniki Innovation Zone boundaries, the establishment of a permanent cooperation between associations and companies of public and private sector including, among others, educational, research, technological, financial, venture capital, hi-tech and innovative companies and institutions, in order to promote and empower the interaction between research and entrepreneurship.

4. Empirical Evidence

The empirical research of this paper, tests the hypothesis that the processes of localisation and place-based public policy related to innovation ecosystems, can make a positive contribution to spatial justice and regional autonomy. The empirical evidence was mainly based on 21 in-depth interviews as well as on informal talks, and consultations with relative key stakeholders in the Metropolitan Area of Thessaloniki. The key selected stakeholder concerned representatives from academia, research institutions, business support organizations, regional and local governments, cohesion policy think tanks, innovation experts and media. The research has been undertaken within the framework of the RELOCAL project (H2020, www.relocal.eu). The RELOCAL project aims to identify factors and policies that condition local accessibility of European policies, local abilities to articulate needs and equality claims and local capacities for exploiting European opportunity structures. RELOCAL departs from the basic premise that the notion of 'place' may precondition the chances of local policies and action to successfully promote fairness and well-being.

Locality and spatial justice

The issue of spatial injustice has an economic, social, cultural and philosophical dimension. In any case, this issue has to do with inequality in opportunities for doing business, work, education, social services and quality of life in the broad sense (Int.#6). From one point onwards, various accumulation mechanisms are triggered, such as urban economies, large labour pools, research and technology specialization, reflecting the particular characteristics of Thessaloniki. These factors diverge in practice the opportunities that some places offer in relation to others (Int.#1, Int.#3, Int.#6).

Based on the fieldwork evidence, we can conclude that spatial justice can be perceived, traced and assessed in geographical, social, environmental and financial terms. The most distinctive dimension of spatial injustice however, is 'geography' by creating different starting points and 'initial conditions' for people and businesses. Moreover, spatial justice concerns the quality of public services, administrative arrangements, and infrastructure, the level of poverty and social exclusion or criminality. From the economic point of view, the weak productive base, low level of R&D and the lack of innovation culture, create conditions of low competitiveness that exacerbate inequalities. All these factors shape the framework of (in)justice opportunities for wealth and personal development. It should be noted however, that the geographic position of Thessaloniki is considered to be its strong asset. In addition, the geopolitical metropolitan role of Thessaloniki as a gate and services hub for Eastern European and Balkan countries should further be exploited.

It was pointed out that one of the interpretive factors of producing and reproducing spatial injustice was the so called 'center-periphery' administrative, political and economic development model. This model, involved mechanisms, procedures and institutional arrangements, which dominated the country and are defined by the lack of autonomous regional planning, problematic administrative structures, overlapping in competences, forms of political dependency and huge bureaucracy (Davoudi, 2005). As a result, the region has a small degree of flexibility and low sufficiency in terms of financial and human resources as well as efficient mechanisms to plan and

apply effective policies. In addition, there is no permanence, consistency and clear focus in planning neither at national nor at regional level

The above-mentioned setting designates to a great extent the scope and limitations as well as the potentials and opportunities for local stakeholders to shape and implement a place-based agenda. In this context, it is interesting to look at how the local stakeholders understand spatial justice and how they engage with it in relation to their access to decision-making centers. Based on the analysis of the recorded views, one could hardly trace a single and clear picture. There is the opinion that under no circumstance the access to the decision-making centers poses a problem. At individual base however, it is pointed out by formal stakeholders, that the access to the decision-making centers is still essential, reproducing dependency relationships.

The fact that the AIZ endeavor, as a classic top down public intervention, put the initiative under the narrow and rigorous umbrella of public accounting, has caused very serious difficulties in the staffing of AIZ and delays in setting up the appropriate structures and mechanisms that would allow the AIZ to play the role of facilitator in the local innovation ecosystem (Int.#15, Int.#5). In addition, the legislative framework has not only delayed long before shaping its final form but it is also extremely complicated and complex. In the same track, some argue that the top down approach is at the core of the AIZ problem, along with staffing shortages and the missing relocation incentives framework to attract businesses within the innovation zone (Int.#6, Int.#1).

Assessing the results after so many years, one noticed that no serious preparations have been made before the formal launch of the AIZ by the state. In addition, the irrationally slow implementation, cancels the endeavor in practice, since developments in technology are rapidly change, while innovation products have a limited margin to absorb long delays as they have a short life span (Int.#8, Int.#14). Furthermore, AIZ has never been integrated into a serious National Innovation Framework Strategy (RIS) at a time when innovation used to be a conditionality in the European Cohesion Programs (Int.#12).

Some respondents have argued that AIZ should create channels of communication across fragmented worlds by playing the role of 'facilitator'. However, this role requires a well-targeted marketing and solid management that will benchmark all this knowledge. The critical question addressed in this setting is how the necessary synergy could be achieved and through which mechanism and procedures? The responses to these questions do not seem to be sufficient (Int.#18). In practice, what we have is scattered islands of innovation initiatives with no critical size and coordination with each other. What is needed is a development organization that will effectively coordinate all the city's initiatives 'without tightening them to keep them from choking' and operating outside the narrow rules of public accounting (Int.#2).

It is interesting however, that once the question revolves around of what could be the most appropriate governance structure, the responses then diverge. Most claim that the top down logic of creating an innovative ecosystem to be applied at the local level is wrong by definition (Int.#21). Practices are very often copied without considering the specificities of the place and without ensuring the acceptance of key stakeholders. Within such a framework, the central level will never succeed in acquiring the 'ownership' of the initiative either to place it high on the agenda of its priorities, nor to understand it adequately (Int.#21, Int.#18, Int.#9, Int.#1).

Awareness activities and consultation processes with local stakeholders and potential beneficiaries are another interesting part, in the decision-making chain, concerning spatial justice. It is pointed out that the beneficiaries' participation in the consultation adds no specific added value whereas most of the times these procedures take place within the legal compulsion of the regulatory framework. Also, it is highlighted reluctance of the beneficiaries to participate as they believe that the consultation is a pretext. Usually, the participants are a small group of people, representing a small circle of local institutions. As a result, consultation, public debate and

planning engagement, is practically being recycled and discussed among the same people. These findings indicate that a lack of interest in public affairs and strong individualization tendencies are dominant within the local society over the last years.

Redistributive logic and endogenous potential

Examining policy making at EU level in particular, the European Cohesion Policies implemented in Greece and the Thessaloniki region, is not considered to be as effective as in other EU countries. Projects are often carried out simply because the respective programs and funding are available and not because these projects meet the real local needs and priorities (Int.#3). In addition, many of these projects are 'carried' from other areas with completely different features and peculiarities (Int.#3). The EC still maintained a high degree of supervision, ignoring the many particularities of the regions. Furthermore, the national policies didn't take into consideration the particularities of the localities to which they are addressed, resulting in the logic of using 'brought over projects' that were designed and implemented somewhere else. In other words, the way of implementation was a 'patented' one (Int.#9).

An interesting point of view was that 'bureaucracy does not create regional disparities per se'. What feeds inequalities in practice is the central philosophy and content of bureaucratic processes, which is a deep political choice (Int.#15). In this frame, someone interviewee argued that 'the further away a citizen or a stakeholder from the center is, the more they need the simplification or digitization of procedures (Int.#8). There is no doubt that the complexity of bureaucracy in modern times can be largely addressed by the use of technology and advanced communication tools. In other words, the tools are available if there is strong political will of the staff involved in policy making to use them in order to tackle bureaucracy and support transparency (Int.#13). In this context, the bribery and corruption, for instance, is the most typical case of social injustice.

On the other hand, a redistributive strategy in which resources from the richest regions will be transferred to weaker areas is not treated by many positively as it does not give incentives for improvement to the lagging behind areas (Int.#15, Int.#14). In this setting, redistributive policy may sound as attractive for the weaker regions, in practice however, does not bring about balancing because it cannot alone to trigger endogenous local mechanisms (Int.#3). On the other hand, experience has shown that a completely neo-liberal approach that does not involve redistributive mechanisms can lead to an exacerbation of regional inequalities (Int.#1, Int.#8). Besides, this redistributive logic has been one of the main pillars of the European Cohesion Policy strategy.

Injustice in opportunities offered is at the core of spatial and social injustice. These unequal opportunities, which almost always have a geographical dimension, may concern education, research, health, entertainment, public services, financial and business opportunities, and even access to decision-making centers. A serious issue raised here is whether these inequities in opportunities are the cause or the outcome of spatial injustice. From the territorial justice point of view, the crucial political challenge is whether the central state provides the same opportunities to citizens, businesses and institutions regardless to their location (Int.#14). Within this framework, the centralization and concentration of the state mechanism in Athens, does not allow much of a place-based approach in Thessaloniki's development.

The issue of relocation incentives framework for companies to attract business establishment within the AIZ is perhaps the most prominent example of a redistributive strategy by the central state. The fact that this process has not yet been completed, despite the fact that this debate has begun many years ago, is the most important obstacle to the development of the AIZ (Int.#15,

Int.#16, Int.#14). It has been found that the European Union has put in place a series of legislative barriers to avoid distorting the single regime of competition. But this issue required intensive and systematic negotiations with the European Union to be resolved. However, the Ministry of Development, despite having caused a dialogue with the EU, eventually withdrawn the negotiations after a period of time (Int.#14). This withdrawal has shown that the central state hasn't supported the issue of relocation incentives framework for R&D companies' departments with the necessary intensity and systematicity and has never seriously influenced its agenda and policy priorities (Int.#13, Int.#9, Int.#12). On the contrary, what was predominant was the need for communication and less the essence (Int.#13).

Redistributive policies should be limited to a narrow view of financial resources in the form of financing and investment projects. Redistributive policy can also concern human resources in the form of education, capacity building or recruitment of key personnel. Experience shows that often the region manages to mobilize less dynamics compared to the center, not because of a lack of resources or competencies, but because of a lack of personnel with sufficient capacities (Int.#7). In this sense, the EU has adopted an interesting approach through the regional aid map. This practically means that 'the further you are away from the developed regions, the more support you will receive' (Int.#3).

In any case, the mix of 'distributive justice', 'procedural justice' and 'autonomy', depends on the peculiarity of the local issue, which should be tackled at the local level. (Int.#11). In any case, the answer to this question cannot be either simplistic or horizontal 'one size fits all'. In conclusion, redistributive policy may initially stands as an attractive recipe, but it is often simplistic and inadequate to achieve spatial justice. Experience shows that, distributive policy, to the extent it is treated as a 'resource conveyor belt' from the developed to less developed regions, will not accomplish spatial justice if it fails to mobilize endogenous dynamics.

It was also considered that the crucial issue is not whether policies are designed top-down or bottom-up but the extent to which there is clarity in vision and roles, consequence in policy choices and acceleration in decision-making (Int.#13, Int.#18). In addition, top-down and bottom-up approaches, may well co-exist and not being mutually exclusive. For example, if the AIZ should had been ensured its responsibilities, territory, relocation incentives framework and resources from its very first steps, then the top down approach would have been worked effectively (Int.#14). In this context, the recovery of confidence within the innovation ecosystem, through the effective activation of local actors, is a very crucial issue (Int.#14). Instead, practices that have been implemented elsewhere are often easily copied, without looking at the specificities of the place (Int.#8).

Regional Autonomy and spatial justice

Mostly the ecosystem of innovation should be born only by the market itself. In practice, however, a combination of centralized distributive and procedural interventions based on a triple helix approach is necessary at least in the early stages of an operation (Int.#21). This means integrated spatial planning, attractive relocation incentives framework for companies in order to bring together a critical mass of businesses and research organizations (Int.#21).

International experience shows that such ecosystems should not be spatially enclaved but functionally linked to the urban space, ensuring an environment of dynamic interaction and synergies between enterprises and innovative research outcomes (Int.#20, Int.#21). The fact that in the area where the AIZ has spatially been delimited, the responsibility for public infrastructure and networks belongs only to one Municipality – out of 14 Municipalities in the Metropolitan area - that does not even belong to the urban planning complex of Thessaloniki, makes the project even

more complicated. In the view of institutional level of decentralization, the lack of an institution responsible for metropolitan governance proved to be an important inhibitor (Int.#6).

The strengthening of autonomy at the local level was characterized by some as an important prerequisite for addressing spatial injustice, as the locally elected leader is accountable to the local scale in which he/she is elected (Int.#15). In addition, the concentration of power and resources in the center works to the detriment of efficiency. For example, the centralized management and control of European funds has led to stagnation and long delays in many thematic areas such as IT and innovation, impacting negatively to the development of the AIZ (Int.#13).

Autonomy is important. However, it suffers from the immaturity of the political system (Int.#9). It has been noted that autonomy works positively when there is a mature institutional framework for democracy. Otherwise, autonomy looks like an empty box. In other words, such kind of ecosystems, usually claim to have an important role in the development process. In practice however, often they are not able to prove this role. Sometimes this happens because of the negative motto of 'the city under the capital city' that exists in the perception of many in Thessaloniki against Athens. But this is ultimately a fairy tale that seeks a fake autonomy. This stereotype has a historical background, which rather serves needs of personal political agendas and less real needs. In fact, 'Athens does not care for all of this and does not see Thessaloniki competitively' (Int.#8).

It was also noted that the stereotype (which sometimes takes the form of inferiority complex), that Athens always sees Thessaloniki through a competitive look is dominant. For this reason, there is often a widespread suspicion of anything planned and implemented by the central state based in Athens (Int.#8). In practice however, what is important for local actors is to demonstrate the will and capacity to cooperate by putting 'mine' in the service of 'ours' (Int.#20).

In addition, there were serious concerns about whether the local government level is mature to adopt a strengthening of autonomy like a major tax decentralization for instance (Int.#9). This indicates that the local political system has not managed to be 'weaned out of the center', thus failing to deal effectively with the issues of regional inequalities (Int.#8). It has been noted that 'safeguarding autonomy in practice is something that wants years to integrate in everyday life. Besides, things do not change from one day to the next' (Int.#1).

On the other hand, however, it was argued that the technocratic capacity of local actors to design and implement such important initiatives is inadequate (Int.#7). It has been noted that it is only the State that could negotiate with the European Union the introduction of specific relocation incentives framework for AIZ under the aid scheme (Int.#16). It was further argued that the whole project would be useful to go under the responsibility of the Prime Minister (Int.#18). In addition, the concession, siting and planning of the enclave, as well as its funding, could only be implemented effectively at the central level (Int.#16, Int.#7). Besides, there were no initiatives taken by the AIZ in which the Ministry put obstacles (Int.#7).

Attempting to evaluate the general understanding of territorial development and related tools and policies in the particular area, it seems that local and regional level formal and informal stakeholders have not managed to be collectively mobilized on the basis of a common development vision. The formation of any common vision, manifestations or declarations though is temporary and doesn't go beyond the needs of the election cycles. Within this frame, localism has dominated over time resulting in no major actions, lacking of critical size. In many cases the way of approaching and assessing the development/regional problem is epidermal. Usually the policy makers run behind the problems after they have grown by operating as firefighters rather

than preventively. Additionally, there is resistance to change whereas the problems are addressed fragmentarily rather than holistically.

5. Conclusions

AIZ stands as a classical ‘top down’ case, which in practice has been detrimental to efficiency, and has led to serious bureaucratic obstacles. The final outputs showed that the central level failed to acquire the ‘ownership’ of the initiative or put it high on the agenda of its priorities. The strengthening of autonomy at local level, on the other hand, was considered an important prerequisite for dealing with spatial injustice. This strengthening, however, requires a mature framework of democracy within local institutions, which does not seem to exist.

More autonomy associated with tackling bureaucracy and substantial competences and resources at local level, could ensure equal opportunities for all, regardless the place they live. In addition, it is considered that the required tools, competences and responsibilities are provided at the local level to develop its own strategy. This means that each area will be able to focus on its own comparative advantages through a ‘positive sum game’ approach that will not work at the expense of others.

Findings show that the institutional and political context as well as the administrative arrangements negatively influences the AIZ’s spatial justice outcomes. More specifically, the major reforms in public administration involving local and regional governments have not accompanied by a metropolitan governance framework or by greater autonomy. A centre-periphery pattern seems to be dominant in all particular aspects of political, administrative and economic arrangements, associated by large bureaucracy and ineffective central administration. Thessaloniki’s eco-innovation system could be linked to the city’s brand name if a solid strategy for all key players in research, innovation and entrepreneurship in the metropolitan area would have been launched. This practically means conducting innovation scouting and mapping as well as encouraging, supporting and funding business innovative projects through the logic of the triple helix. Besides, due to the economic crisis that has taken place in the whole country, what the market needs is new ideas, new businesses and new investments, which will prevent the region’s scientific staff from migrating abroad.

Based on the aforementioned analysis, it is strongly agreed that through visionary leadership and clear vision of ‘where we want to go’, a greater spatial justice could be achieved. In practice however, epidermal approaches, simplistic solutions, lack of realism, absence of impact indicators and ‘collaborative culture’ as well as temporary political benefits in view of the next election cycle, have been the dominant constraints towards spatial justice. As a result, the AIZ has not been treated by the political staff, as a golden opportunity for the city of Thessaloniki to catch up the international trends and challenges in the pitch of innovation.

Through a ‘think-big’ vision, AIZ could have been functioned as a ‘service bureau’ offering one-stop shop research and production services or even as a ‘vip consulting company’ (Int.#15). In addition, AIZ could have potentially been played, in cooperation with the Regional Research and Innovation Council, the role of state and regional authorities’ advisor, in the implementation of major projects that stimulate innovation and entrepreneurship, promoting the trade mark in the region (Int.#14). In practice, however, the Regional Research and Innovation Councils set up in each region remained inactive, without being able to play a substantial role in the development of research and innovation.

Finally, it should be noted that planning aiming to spatial justice is foremost a political process and choice. This requires a visionary political leadership that adequately comprehends the international, national and local challenges and efficiently responds with certain strategy, priorities and interventions. Should these priorities be politically legitimized then, the planning and implementation, on an operational and technocratic level, become easier and substantial.

The above conclusion, however, brings to the limelight new questions for further investigation. There is no doubt that the centralized public policy making concerning the AIZ, is responsible for bureaucracy, delays, and insufficiency, are well-founded arguments. However, the crucial questions that arise now concerns not the state but the local stakeholders. Why did they fail to coordinate effectively with each other? Who prevented them from developing cooperation networks in the direction of innovation? What are the lessons learned by local actors from the recent economic crisis? The representatives of the most important institutions of Thessaloniki, who are members in the Board of AIZ-, such as the University, the export-oriented business, the research centres, what did they do for all the above? The easy answer to these questions is to everybody else fault except us. The difficult response, however, requires the diagnosis, interpretation and treatment of the problem of spatial injustice not only at the central but also at the local level.

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List of Interviewed Key Stakeholders

1. **Int# 1.** Academic, expert in Regional Development, 02/11/2018, 10:00 p.m.
2. **Int# 2.** Elected in local government, Portfolio of Entrepreneurship & Innovation, 02/11/2018, 12:30 p.m.
3. **Int# 3.** Staff Member of organization related to Innovation, 02/11/2018, 14:00 a.m.
4. **Int# 4.** Staff Member of University, expert in diffusion research outputs, 03/11/2018, 12:00 p.m.
5. **Int# 5.** Staff Member of University, expert in diffusion research outputs, 03/11/2018, 13:30 p.m.
6. **Int# 6.** Expert in Communication, 03/11/2018, 15:00 p.m.
7. **Int# 7.** Consultant, Expert in Regional Planning, 04/11/2018, 11:00 p.m.
8. **Int# 8.** Consultant, Expert in Governance Issues, 04/11/2018, 12:30 p.m.
9. **Int# 9.** Consultant, Expert in Regional Development, 04/11/2018, 16:00 p.m.
10. **Int# 10.** Consultant, Expert in Entrepreneurship & Marketing, 08/11/2018, 11:00 a.m.
11. **Int# 11.** Academic, Expert in Urban Planning, 08/11/2018, 13:00 a.m.
12. **Int# 12.** Innovation Expert, Business Support Organization, 09/11/2018, 11:00 a.m.
13. **Int# 13.** IT Expert, 09/11/2018, 16:00 a.m.
14. **Int# 14.** Academic, Expert in Innovation aspects, 14/11/2018, 10:00, a.m.
15. **Int# 15.** Academic, Expert in Innovation aspects, 16/11/2018, 18:00, p.m.
16. **Int# 16.** Journalist, 18/11/2018, 11:00 a.m.
17. **Int# 17.** Expert, Business Support Organization, 18/11/2018, 14:00 p.m.
18. **Int# 18.** Expert, Business Support Organization, 18/11/2018, 16:00 p.m.
19. **Int# 19.** Journalist, 22/11/2018, 11:00 a.m.
20. **Int# 20.** IT Company, 27/11/2018, 12:30 p.m.
21. **Int# 21.** Consultancy Company, 27/11/2018, 14:00 p.m.