

## **SOCIAL INNOVATION IN THE BASQUE COUNTRY**

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- **What is the history of social innovation in your country - what has been happening in the last 10 years?**

To understand better the relevance and development of social innovation in Basque Country, it is necessary to highlight some basic economic performance regional facts and show the journey we have made during the last decades. The [Basque Country](#), with just over 2 million inhabitants and an area of 7.235m<sup>2</sup>, is a European region which enjoys a GDP per capita, 20% higher than the EU27 average. It is also one of the regions within Spain with a higher level of self-government, being its contribution to Spain's GDP 6.2% in 2011.

The Basque Country has experienced crisis before. Between 1970 to 1980, massive restructuring of the economy in sectors such as steel, shipbuilding, and machine tools led to high unemployment rates and outmigration. Nevertheless, the region became a model for its successful so-called “The first great transformation” to restructure industry and make the region competitive through tailored industrial policies, including the system of Technology Centers. However, the success of the prior model might not entirely guaranteed conditions for future success.

New challenges needed new responses, and social innovation in the Basque Country is seen as an opportunity to build a socio-economic strategy to address the social challenges in a sustainable way (economically, socially and environmentally) creating local transformations but working in a global network (“glocal” view). Therefore, Social Innovation in Basque Country is understood as an asset, rooted in our values, identity and community sense, from which we can start to design “the second transformation”.

Social innovation has been a continuum in the Basque Country, and has been developed from different perspectives and agents. [Mondragon Corporation](#), for example, is a federation of worker cooperatives founded in 1956, which operates in accordance with a business model based on people and the sovereignty of labour. The [transformation of Bilbao City](#) is another good example of how public-private partnerships can transform a declining industrial city into a modern post-industrial one. In addition to these, historically civic society has launched social innovation initiatives linked to employment, ageing or education. The creation of the [Ikastolas – education cooperatives](#) promoted by parents and teachers to preserve Basque language and culture – illustrates on how civic society has had also an outstanding role in generating public value through social innovation.

- **Who is promoting social innovation? Who are the key actors? What kind of businesses, what parts/levels of government, which sectors support social innovation if anything? What other organisations are involved in doing social innovation? What about citizens or local communities?**

Social innovation has entered in the public agenda tightly related to public innovation policies and new initiatives to foster a *social open innovation* model. [Basque Government](#), for instance,

has included the promotion of social innovation in several of its plans - [The Science, Technology and Innovation Plan](#), the [Public innovation Plan](#)-. Furthermore, the three Provincial Governments of [Bizkaia](#), [Gipuzkoa](#) and [Araba](#), have developed different policy instruments for the generation and selection of social innovation initiatives, including a set of very useful financial instruments. [Municipalities](#) are also focusing their work on social innovation, by developing the idea of social smart cities and promoting citizen participation.

Besides, during the last years there has been a considerable increase of Social Innovation private agents in the Basque Country working in different stages of the social innovation value chain: analyzing social reality, knowledge generation, social transformation, dissemination and training. However, this multiplicity of actors makes social innovation difficult to tackle if we are not able to work within a common framework of reference to address our regional objectives.

In these circumstances, promoting social innovation requires clear strategies and public and private cooperation. The OECD described Innobasque as leading partner to boost the work on social innovation and foster collaborative actions and joint research within the region, and this is the main reason why [Innobasque – the Basque Innovation Agency](#)- promoted the creation of the [Basque Social Innovation \(BSI\) platform](#) in 2013.

The BSI is a node or experimental platform working on Social Innovation in the Basque Country, consisting of more than 20 social innovation agents. The Basque Social Innovation is the first consortium for social innovation created at regional level in Europe. Its scope is to generate transformation and empowerment processes from an approach based on 3 levels - people, organizations and society- to make social innovation a competitiveness and cohesion factor in Basque Country. Therefore, within the BSI are represented:

- The 3 universities of the Basque Region: [UPV – EHU](#) and [Agirre Lehendakari Center](#), [University of Deusto](#) and [Deusto Innovación Social](#), and [Mondragon University](#)
- Technology Centres such as [Tecnalia](#) and financial institutions such as [KutxaBank](#)
- SMEs: [Social Innovation Park](#), [Business Innovation Brokers](#), [ColaboraBora](#), [Servicios Sociales Integrados](#),
- Policy makers: [Basque Government](#), the Provincial Governments of [Bizkaia](#), [Gipuzkoa](#) and [Araba](#), and the municipalities represented by [EUDEL](#).
- Social agents: trade unions – [CC.OO.](#) and [UGT](#) - and the Basque business confederation [Confebask](#).
- Nonprofit sector (third sector): [EHLABE](#), [REAS](#), [Fundación Novia Salcedo](#)

#### • **What challenges are being addressed by social innovation?**

There are no social innovation challenges, but just challenges to be tackled through social innovation. This means that social innovation is devoted to generate new innovation capabilities in the territory. As the challenges are distinctively contextual, opportunities usually appear in the intersections between fields that are traditionally addressed in one-dimensional way. One of the main tasks of the Basque Social Innovation node has been identifying the main challenges our society is facing:

1. The challenge of **ageing**: The demographic evolution of Basque Society and its economic and social consequences, demonstrates one of the oldest

demographic profiles; the Basque population in working age (between 15 and 64) will drop down and the economic dependency rate, currently above EU-27 average, is expected to rise up to 44.93%.

2. **Employment:** The evolution of unemployment over the last few years shows that, whilst the collective of unemployed people over 45 years old has remained stable, the volume of unemployed people between 25 and 44 has dropped considerably despite rallying over the last few years.
3. **Education:** According to the International Program for International Student Assessment (Pisa), Basque Country is a long way off the results obtained by benchmark countries in education such as Finland. In addition to this, the education challenge goes beyond the formal education system: a lifelong learning approach that empowers people and communities is needed.
4. **Governance:** As far as levels of social and political participation among the Basque population are very low, and the interest in politics has dropped sharply in the last few years, the system requires a new model of governance.

We believe that Social Innovation, linked to regional development policies, can be a useful path to promote initiatives to build an intergenerational society with no ageism, to improve personal and professional skills through a lifelong learning approach or to encourage public innovation through civic engagement. And in order to face these challenges, Basque Country has resources and capabilities based on:

- People: Our human development ratio ranks highly within the European Union
- Connectivity: Cooperation networks that can access and combine dispersed knowledge to detect opportunities and become more competitive.
- Innovation: Basque Country is considered to be a hotspot for innovation and competitiveness in the South of Europe.
- Productivity: It has a well-developed production structure featuring industrial activities and high added value services.
- New forms of governance: There is a joint work commitment in Basque Country among all people and institutions to tackle the creation of an innovative society (public-private alliance, inter-institutional cooperation, citizen participation).

- **Please show a few of the key projects that illustrate social innovation in your country**

Finally, we do present 4 social innovation initiatives – among multiple - that illustrate how Social Innovation processes become real in our region:

1. Herrigune Leioa: An ongoing community education (launched by a local body)

Herrigune, is an environmental educational plan developed in the municipality of Leioa. It was created to strengthen community links in different aspects such as participation, learning or sustainability, promoting new ways of approaching educational action through the experience of different agents of the municipality that share this common goal. The aim of this project is to encourage innovative social processes that allow to be an active agent in the construction of the environment where they live and in the improvement of the daily

life in their borough. There is a special focus on training and preparing the children and youth to become full citizens. At the end, it is a matter of making education a common space, of all and for all.

2. Empowering the patient: from traditional to committed patient (launched by the health public system)

More and more, healthcare systems are involving patients in their processes offering them an active role and a joint responsibility in the monitoring and controlling of their own health. Furthermore, patients are involved directly in the system by means of the development of new communication channels between medical professionals and users. All these bring as a result a higher satisfaction of users and professionals as well as time and cost reductions for the system.

3. Barrier-free: BBK Bilbao Good Hostel (launched by the private sector- social firm)

Bilbao BBK Good Hostel contributes to the social and labour market integration of people with disabilities in one of the strategic sectors of the Basque Country: the tourism sector. Located in Bilbao, this hostel-without-barriers is the first European city hostel run entirely by people with disabilities. Thus, this project makes possible to visualize the professional skills of the people involved.

4. GoiEner: a cooperative project of renewable energy production and consumption towards the recovery of energy sovereignty (launched by a private cooperative)

Energy, and specifically electric energy, has now become a basic good in our society, almost as basic as food or water. GoiEner wants citizens to regain control over this commodity and become aware of its importance, promoting a responsible and sustainable consumption of energy. Being a non-profit cooperative, all the profits obtained through the commercialization of green electricity among the partners are reinvested in the cooperative. Furthermore, the partners themselves decide on Assembly what is the best way to allocate those benefits is. In turn, the partners can invest in renewable generation projects and the energy production of these projects will be consumed by the cooperative. The ultimate goal for the cooperative is to produce enough electricity to meet all of its members' consumption needs, promoting the efficient and rational consumption of renewable energy.