

> Olav Wicken Centre for technology, innovation and culture University of Oslo

# Regions, natural resources and development



#### UiO: TIK – Centre for Technology, Innovation and Culture

University of Oslo

#### **Bioeconomy – a good economv?**







## NATURAL RESOURCES IN ECONOMIC GROWTH & DEVELOPMENT

PART 1

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#### UiO: TIK - Centre for Technology, Innovation and Culture University of Oslo The Resource Curse & «Dutch Disease»



Why is this a problem? the knowledge economy argument

| Rank                    |   |                       | ŀ               | Natural Resource Based –   |             |      |      |                     |            |           |      |
|-------------------------|---|-----------------------|-----------------|--|-------------|------|------|---------------------|------------|-----------|------|
| 2018<br>rankings<br>[6] | Change in<br>rank from<br>previous<br>year <sup>[6]</sup> | Country/Territory     | 2018 HDI<br>[6] | Knowledge Economy  |             |      |      |                     |            |           |      |
|                         |   |                       |                 | Rank   | Country     | KEI  | KI   | Economic            | Innovation | Education | ICT  |
| 1                       | _   | Norway                | 0.953           |  |             |      |      | incentive<br>regime |            |           |      |
| 2                       | _   | Switzerland           | 0.944           |  |             |      |      |                     |            |           |      |
| 3                       | _   | 🏝 Australia           | 0.939           |  |             |      |      |                     |            |           |      |
| 4                       | _   | Ireland               | 0.938           | 1  | Sweden      | 9.43 | 9.38 | 9.58                | 9.74       | 8.92      | 9.49 |
| 5                       | ▼ (1)   | Germany               | 0.936           | 2  | Finland     | 9.33 | 9.22 | 9.65                | 9.66       | 8.77      | 9.22 |
| 6                       | _   | Heland                | 0.935           | 3  | Denmark     | 9.16 | 9.00 | 9.63                | 9.49       | 8.63      | 8-88 |
| 7                       | 🔺 (1)   | 🖌 Hong Kong           | 0.933           | -  |             |      |      |                     |            |           |      |
| 7                       | -   | Sweden                | 0.933           | 4  | Netherlands | 9.11 | 9.22 | 8.79                | 9.46       | 8.75      | 9.45 |
| 9                       | ▼ (1)   | Singapore             | 0.932           | 4  | Norway      | 9.11 | 8.99 | 9.47                | 9.01       | 9.43      | 8.53 |
| 10                      | -   | Netherlands           | 0.931           | 6  | New Zealand | 8.97 | 8.93 | 9.09                | 8.66       | 9.81      | 8.30 |
| 11                      | <b>V</b> (1)  | Denmark               | 0.929           | 7  | Canada      | 0.00 | 0 70 | 0.50                | 9.32       | 0.61      | 0.12 |
| 12                      | —   | Canada                | 0.926           | /  | Canada      | 8.92 |      | 9.52                |            | 8.61      | 8.23 |
| 13                      | ▼ (1)   | United States         | 0.924           | 8  | Germany     | 8.90 | 8.83 | 9.10                | 9.11       | 8.20      | 9.17 |
| 14                      | _   | State Content Kingdom | 0.922           | 9  | Australia   | 8.88 | 8.98 | 8.56                | 8.92       | 9.71      | 8.33 |
| 15                      | —   | Finland               | 0.920           | Source: World Bank Knowledge Economy and Knowledge Indexes (KAM 2012), |             |      |      |                     |            |           |      |
| 16                      | -   | New Zealand           | 0.917           |  |             |      |      |                     |            |           |      |

#### NRBI contribute to wellbeing in a modern knowledge economy

#### UiO: TIK - Centre for Technology, Innovation and Culture University of Oslo Industrial dynamics in NRBI: interaction between two parts

#### Receipient

sector NRBI producer companies/ firms. Specialized in synthetic knowledge RS creates demand & direction for ES



ES as problem solver for RS

Enabling sector Specialiced heterogenous knowledge intensive organisations: capital goods, KIBS, universities, labs

## Heterogenous types of knowledge - equality

#### Synthetic knowledge

Learning in production, practical, experience based

Localised knowledge bases in producers/ firms (sticky) Analytical knowledge
Enabling sector with
formal education and
R&D (use if science and
technology based
methodologies)

PART 2

## NATURAL RESOURCES AND LOCAL DEVELOPMENT

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#### **Point of departure: value chains**

VALUE CHAIN: MASS PRODUCTION AND DEVELOPMENT OF BIOMASS



#### UiO: TIK - Centre for Technology, Innovation and Culture University of Oslo Centralised & decentralised industrial dynamics

## **Decentralised path**

- Small scale companies
- Low capital intensity in production
- Local knowledge and networks for learning
- Open search for information out of local/regional
- Institutional set-uo defined by informal norms/ local regulations
- No or limited internal R&D

## **Centralised path**

- Large-scale organisations
- Capital-intensive production
- Global knowlegde and networks for learning/ search

- Firms shape 'rules of game'
- Internal R&D (lab)

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#### **Case 1: fisheries**













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#### **Case 2: Forestry**









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## SUSTAINABILITY ROLE OF LOCAL NATURAL ENVIRONMENT

Del 3

#### UiO: TIK – Centre for Technology, Innovation and Culture University of Oslo Natural diversity & ideosyncrasy

"The natural environment participates in a very direct way in the productive process. As a result, agriculture is always *immersed, as manufacturing is* not, in a unique ecological context [where] the success of an individual crop will depend on a delicate combination of qualities supplied by the environment – topography, rainfall, sunlight, temperature variations, chemical composition of soil, etc." (iRosenberg 1976)



The Salmon Disease Crisis in Chile

FRANK ASCHE, HÅVARD HANSEN, RAGNAR TVETERAS University of Stavanger SIGBJØRN TVETERÅS CENTRUM Católica, Pontifica Universidad Católica dél Peru

Abstract The Chilean salmon farming industry is currently facing unprecedented economic losses related to the infectious salmon anemia (ISA) disease. Production of Atlantic salmon is being reduced from almost 400,000 tonnes in 2005 to an estimated 100,000 tonnes in 2010. The spread of and response to the disease raises a number of important issues with respect to the actions of the companies involved as well as the regulatory body. It is particularly interesting that adequate measures have not been implemented in Chile, as the species is farmed in relatively few countries and, as such, is fairly transparent. Moreover, all other major salmon- producing countries have experienced the disease, and several of the largest companies in Chile are multinationals with first-hand experience with ISA from other countries.

### Ideosyncrasy: creating niches for local innovation

- Niche: protection from global firms, limited market
- Local knowledge practical skills to develop ideas for solution to specific conditions
- Demand for (basic) science and research to improve solutions

Can an Eco-Friendly Cod Trap Revive a 500-Year-Old Fishing Community?



Norwegian Study on Newfoundland Cod Potting



#### Importance of local experimentation

- Experimentation small scale, must be driven bottom up (followed by public sector support to scale up/ diffuse innovations)
- Support experiments: low capital cost tech & practical skills
- Include R&D/science



Reviews in Aquaculture (2012) 4, 209-220

doi: 10.1111/j.1753-5131.2012.01074

#### Open-water integrated multi-trophic aquaculture: environmental biomitigation and economic diversification of fed aquaculture by extractive aquaculture

Thierry Chopin<sup>1</sup>, John Andrew Cooper<sup>1,2</sup>, Gregor Reid<sup>1,2</sup>, Stephen Cross<sup>3,4</sup> and Christine Moore<sup>1,2</sup>

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## **Climate change adaptation**

- Environment not any longer stable
- Demands continuous adaptation to changing (local) environment
- Need for continuous development of appropriate technologies



Gurnah Mar Sagared, Naemus Aanna, Minis Aline, Gali Anto essen, Four Burgarag, Inger Sandhaim Fairtail, Nood Kirolina, Karol Nett Hanton, An Honda, Harald Honden, Isan Sathag, Univer Sathain, Anna Guthanan, Agar Unistant a gitaer distant

beigen fer meg og storert.

## Bottom-up strategy for local development Local experiments, researchers and platforms

- Start from initiatives in local communities
- Build networks and platforms to support and analyse initiatives over time
  - Network between people with both synthetic/practical knowledge and analytical/ theoretical to solve problems together
  - Adapt/ stop experiment if long term negative implications
- Developing policy instruments adapted to support promising local experiments

Thank you!