

Europe's Competitiveness must build on R&I excellence

The Competitiveness Compass will point in the wrong direction if it fails to build on R&I excellence and recognise a broader understanding of the skills needed to underpin Europe's competitiveness.

This week, the College of Commissioners discusses the adoption of a Competitiveness Compass in line with its overarching objective of boosting Europe's competitiveness. The initiative is a prime example of directionality, providing guidance to "ensure that all policies work in step for competitiveness". The Competitiveness Compass also defines a new competitiveness model where innovation is the core engine of Europe's productivity growth. We warmly welcome that the European Commission confirms its ambition to "put research and innovation at the heart of our economy" and makes this objective the cornerstone of its competitiveness policy.

However, the Competitiveness Compass as described in a draft version brought to the attention of The Guild misses a critical component: support for research excellence. The [report](#) of Mario Draghi on the future of Europe's competitiveness clearly states the importance of strengthening Europe's scientific leadership to help close the innovation gap. Similarly, [the expert group chaired by Manuel Heitor](#) made the alarming observation that "Europe's global importance in research, innovation and technology development has declined". Europe must remain a global scientific powerhouse to be able to discover, develop and disseminate innovative solutions that will underpin its long-term competitiveness and help address present and future societal challenges.

We urge the Competitiveness Compass to integrate the critical need to ensure Europe's scientific leadership. Research and innovation should not be regarded only as mere instruments to achieve industrial policies. The Compass, in its current version, undermines Europe's capacity to breakthrough discovery if it proposes merely a focus of R&I investment on applied research and the scale-up phase. Indeed, pointing to the need for the European Research Council (ERC) to align with specific strategic interests would not only undermine the ERC's capacity to fund projects based on scientific merit: it would also undermine the independence of its Scientific Council.

The European Commission must reverse course on this apparent focus on high-TRL research which will only bring incremental advancements to knowledge. This is crucial not just because of our need to increase Europe's capacity to innovate in current strategic technologies. It is equally essential to also invest in areas that could drive future waves of innovation. Because these areas are on the frontier of knowledge, they are rarely on the radar of policymakers. Hence the importance of investing in curiosity-driven research to make our competitiveness policy future-proof and agile to nimbly react to new technological and societal challenges.

For these reasons, the Commission must underline that fundamental research and curiosity-driven research make a substantial and essential contribution to our long-term competitiveness. Instruments

like the ERC and the Marie Skłodowska-Curie Actions are currently the most agile in its arsenal of R&I instruments precisely because they are bottom-up and finance the most excellent and promising research proposals. They also finance the most groundbreaking ideas that will lead to game-changing innovations.

We welcome that the Competitiveness Compass recognises the central role of people and “skills for competitiveness and quality jobs”. Europe’s education systems have an important role to play in upskilling and reskilling needs, along with creating, attracting, retaining as well as exchanging talent from abroad. In doing so, research-intensive universities have a distinctive contribution to make by providing the latest research-based knowledge and empowering students to push for new knowledge themselves.

It might be obvious for the Competitiveness Compass to focus on a few academic disciplines deemed key for Europe’s competitiveness and strategic autonomy, but we should remember that innovation does not follow academic boundaries. Instead, universities provide opportunities to develop transferable skills that can spur innovative approaches in all study fields. Prioritising programmes that focus on immediate industry needs can incapacitate our ability to train for the skills needed in an uncertain future.

To make the Union of Skills a reality, it will be crucial to work with national ministries in creating an environment where universities can be more agile in responding to today's challenges – for example, through national regulation that supports the development and updates of courses and study programmes; by facilitating micro-credentials and joint study programmes; or by supporting pedagogical innovation that attracts new cohorts of students.

The Competitiveness Compass should point towards an ambitious framework programme with a higher and ringfenced budget and a renewed ambition to enable excellence in research and innovation for Europe’s scientific leadership. It must also give a strong impetus to higher education policies that enable universities to provide students and other learners with the skills and competencies crucial for Europe’s competitiveness and resilience. Otherwise, the European Competitiveness Compass will be a misleading tool that fails to gear the EU’s policies towards a strong European economy, society and culture in a rapidly changing geopolitical climate.