

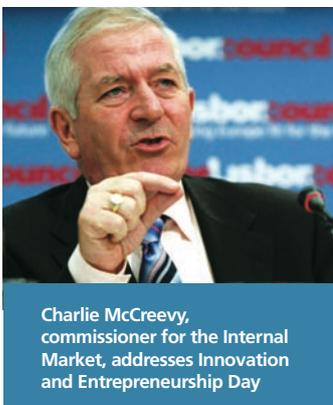
'There has not only never been a more interesting or more important time to be an entrepreneur, but there has never been a better time.'

Don Tapscott, author of *Wikinomics: How Mass Collaboration Changes Everything*, in The 2007 Guglielmo Marconi Lecture



Don Tapscott at The 2007 Innovation and Entrepreneurship Day

### Entrepreneurs in Europe Initiative



Charlie McCreedy, commissioner for the Internal Market, addresses Innovation and Entrepreneurship Day



Gordon Brown launches Global Entrepreneurship Week

The Lisbon Council kicked off its **Entrepreneurs in Europe Initiative** in the fall of 2007. The Initiative, which will continue in 2008, includes a series of activities aimed at highlighting the way entrepreneurs and innovators contribute to a dynamic and creative society. Putting the emphasis on the individual – the entrepreneur and the innovator – the Initiative seeks to bring a human face to the popular but abstract concepts of entrepreneurship and innovation, as well as to pay tribute to the people who take the risks, who make things happen and who are so often overlooked in high-level policy debates. You can now meet some of the inspiring entrepreneurs in our newest network on our dedicated webpage at [www.entrepreneursineurope.eu](http://www.entrepreneursineurope.eu).

Together with our collaborators KBC Group, Oracle and the German Marshall Fund, the Lisbon Council initiated several events. One event focused on entrepreneurship education, and included a special presentation by Stefan Theil, European economics correspondent at *Newsweek* and fellow at the German Marshall Fund, who presented his ground-breaking findings on the way school books portray entrepreneurs and employment. Later, the first-of-its-kind **Innovation and Entrepreneurship Day** brought more than 80 entrepreneurs from 14 European countries to Brussels for a day of information, networking and brainstorming. In 2008, the Lisbon Council will also be a partner of **Global Entrepreneurship Week**, a worldwide effort to encourage entrepreneurship. Executive Director Ann Mettler was present at the launch event in London, which was kicked off by Gordon Brown, prime minister of the United Kingdom.



Ann Mettler and Carl Schramm, president of the Kauffman Foundation, at the launch of Global Entrepreneurship Week

# 'Average skill levels explain over 55% of growth differences in GDP per capita during 1960 to 1995 in the OECD. A 1% rise in average literacy will precipitate a 1.5% permanent increase in GDP per capita and a 2.5% increase in labour productivity.'

Andreas Schleicher, project director of PISA, OECD, in The 2007 Jean Jacques Rousseau Lecture

## The 2007 Skills and Human Capital Summit

Convening in October, **The 2007 Skills and Human Capital Summit** brought together recognised thought leaders and distinguished experts, above all Andreas Schleicher, project director of the OECD's Programme for International Student Assessment (PISA), who laid out the imperative of raising skill levels across Europe in **The 2007 Jean Jacques Rousseau Lecture**, the Lisbon Council's flagship event on the future of the European social model. The annual summit also served as the launch event for a new Lisbon Council project, **A Curriculum for the 21st Century**.

Together with Siemens, we will examine which particular skills modern companies are looking for, and explain how those skills can be better linked with educational curricula. Given that skills and human capital are the key to prosperity and economic well-being in the 21st century, a special effort was made to reach out to finance and economics ministries. Against this backdrop, we were particularly delighted to welcome Joe Grice, president of the Economic Policy Committee, the body preparing the Council of Finance Ministers (ecofin). Responding to the intense interest in the Lisbon Council's work on education, The Skills and Human Capital Summit will now become an annual event in the Lisbon Council's calendar. The next Skills and Human Capital Summit is tentatively set for September, 2008.



Andreas Schleicher



Alexandre Lamfalussy,  
former president of European  
Monetary Institute

## Bali and the Economics of Environmental Protection



Stavros Dimas

On 26 November, in the days leading up to the landmark United Nations Framework Convention on Climate Change in Bali, the Lisbon Council welcomed Stavros Dimas, EU commissioner for the environment. In an address on "The Economics of Environmental Protection," Commissioner Dimas used the occasion to explain how companies can reap competitive benefits by being at the forefront of the shift towards a low-carbon economy. Meeting in the sidelines with the Lisbon Council's **Climate Change Action Group**, Commissioner Dimas called on companies to support the European Commission's ambitious policy agenda, aimed at combating climate change and providing much needed global leadership. Commissioner Dimas' remarks can be downloaded on the Lisbon Council website at [www.lisboncouncil.net](http://www.lisboncouncil.net).



Charlotte Grezo, head of  
global sustainability at Lehman  
Brothers, and Jean Claude  
Banon of Veolia Environnement

## Innovation in Services: Drivers of Growth in the Knowledge Economy



Jorgo Chatzimarkakis, MEP and  
rapporteur of Competitiveness  
and Innovation Programme



Vali Laloti, principal technologist  
at BBC new media, and Veit Stutz,  
group innovation manager  
at Allianz

Building on its track record of shedding light on the intricate – and often under-explored – dynamics of innovation, the Lisbon Council convened a high-level seminar on **Innovation in Services**. Focusing on the sector of the economy that now accounts for more than 70% of gross domestic product, participants explored its continuous and fast-moving innovation that routinely benefits small companies, which can emerge at a low cost over the web to offer specialised niche services. The debate focused on how companies can successfully grapple with the multidisciplinary nature of services innovation, which encompasses fields as diverse as engineering and information technology to business consulting and social sciences. A special policy discussion in our **Zukunftssalon: Forum for the Future** series explored how national governments and EU institutions can help foster innovation in the service sector.

'A new study by the Lisbon Council, an incisive Brussels-based think-tank, highlights some ominous trends. [It] should be mandatory reading for the stubborn, complacent and squabbling politicians of eastern Europe.'

*The Economist*, in an article on The European Human Capital Index: The Challenge of Central and Eastern Europe

## The European Human Capital Index: The Challenge of Central and Eastern Europe

Drawing on the ground-breaking analysis laid out in **The European Human Capital Index** published in 2006 – and responding to the strong demand for a focused study on the new EU member states – the Lisbon Council launched a second edition of its landmark work devoted exclusively to the human capital requirements of Central and Eastern Europe. Written by Dr. Peer Ederer (scientific director of **The Human Capital Center**) and Lisbon Council fellows Philipp Schuller and Stephan Willms, the study called on Central European leaders to redouble their efforts to develop, retain and employ high-skilled workers in their economy – labelling the effort to compete in the global knowledge and innovation economy as the central challenge of the region. The analysis was met with intense interest and received widespread recognition from media and policy makers, including *The Economist*, *FT Deutschland*, *Financial Times*, *Gazeta Wyborcza* (Poland), *Finance* (Slovenia), *Hospodarske Noviny* (Czech Republic), the World Bank and the Economic and Policy Committee of the Council of Finance Ministers (ecofin). The study is available for downloading at [www.lisboncouncil.net](http://www.lisboncouncil.net).



## Europe's Ageing Workforce and the Social Dimension of the Lisbon Agenda

Responding to one of the key priorities of the Portuguese Presidency of the EU, the Lisbon Council contributed to the debate on the social dimension of the Lisbon Agenda with a high-level seminar on Europe's ageing workforce. At the centre of the event was a publication, which the Lisbon Council co-published together with IBM, on "**Living Longer, Living Better: Addressing the Challenge of an Ageing Workforce.**"



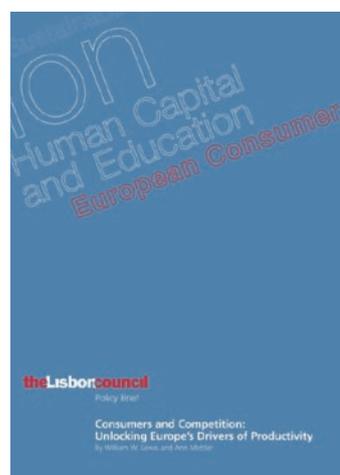
Vladimir Špidla and Hans-Ullrich Maerki, chairman of IBM EMEA



Mark Pearson

Vladimir Špidla, EU commissioner for employment and social affairs, was on hand to present the European Commission's views and policy prescriptions. In addition, Mark Pearson, director of the social policy division at the Organisation for Economic Co-Operation and Development (OECD), delivered a fascinating presentation on pension reforms across Europe, while Hans Rosling, professor of public health at the Karolinska Institutet in Sweden, weighed in with a special Gapcast, an audiovisual presentation on demographic trends. The study can be downloaded and the Gapcast viewed on the Lisbon Council website at [www.lisboncouncil.net](http://www.lisboncouncil.net).

## New Policy Brief: Consumers and Competition



Part of the Lisbon Council's ongoing **European Consumer Initiative**, this landmark policy brief analyses recent European Commission policy initiatives in light of the increasingly important role that consumers play in modern economies. The co-authors, William W. Lewis, director emeritus of the McKinsey Global Institute, and Ann Mettler, executive director of the Lisbon Council, encourage policy makers to shift their attention from the protection of economic incumbents, to empowering consumers, new market entrants, entrepreneurs and innovators. Using current EU initiatives as examples, they explain how consumer-oriented economic policies lead to a more dynamic business environment and greater productivity gains. The policy brief can be downloaded on the Lisbon Council website at [www.lisboncouncil.net](http://www.lisboncouncil.net).



Neelie Kroes, commissioner for competition, and William W. Lewis

'Women today have opportunities that most of their mothers could not have dreamt of. It is in the enlightened self-interest of Europe's male-dominated centres of power to shed their nostalgia, and to take note of new realities.'

Ann Mettler, executive director of the Lisbon Council, in *The Wall Street Journal Europe* editorial

## Outreach and Media



Peer Ederer

Lisbon Council principals were much in demand in the second half of 2007. Among the highlights of our outreach activities was a special presentation of **The European Human Capital Index** to the Economic Policy Committee (the body preparing the meetings of the Ecofin councils of finance ministers), as well as to the World Bank. Dr. Peer Ederer, scientific director of the Lisbon Council's **Human Capital Center**, laid out the methodology and explained the relevance to contemporary policy making. Other key presentations included an address by Paul Hofheinz, president of the Lisbon Council, to a well-attended session at the European Commission's Directorate General Internal Market on future challenges of the EU. He also took a leading role in the OECD's conference on "Beyond GDP," a consultation on European challenges 2020 organised by Paris-based think-tank Notre Europe, and the annual meeting of the Foundation for European Leadership in Amsterdam. In addition – and as in previous years – he lectured about the Lisbon Agenda at the College of Europe in Bruges and sat on the advisory board of *L'Esprit de Sel*, a group lending policy

expertise to top Members of the European Parliament. Meanwhile, Executive Director Ann Mettler spoke at a major conference on entrepreneurship in Lille, France, and took part as a young leader at the BMW Quandt Foundation's Transatlantic Forum in Cape Cod, Massachusetts. She also published an editorial in *The Wall Street Journal Europe*. Entitled "Independent Women," the article explains why women thrive in the modern service- and knowledge-based economy.

## Forthcoming

### The 2008 Growth and Jobs Summit

Taking place in the week leading up to the spring European Council, the summit will focus on Europe's economic outlook, and include a special session on the OECD's global initiative on "Measuring the Progress of Societies." The event will include interventions by José Manuel Barroso, president of the European Commission; Žiga Turk, minister of growth, government of Slovenia; Karel de Gucht, minister of foreign affairs of Belgium; Enrico Giovannini, chief statistician, OECD and Bart van Ark, executive director, economic research, Conference Board. The summit will serve as the launch event for **The 2008 European Growth and Jobs Monitor**, the authoritative competitiveness index the Lisbon Council publishes jointly with Allianz SE.



José Manuel Barroso



Žiga Turk

### Human Capital Center – A global dimension

Responding to the global interest in – and demand for – our ground-breaking work on human capital, the Lisbon Council will formally launch **The Human Capital Center** inside the Lisbon Council in 2008. Alongside its ongoing research focusing on human capital developments in Europe, The Human Capital Center will have a global reach, with targeted events, analyses and surveys tracking world-wide developments in skills and human capital. In addition, The Human Capital Center will develop additional expertise on the human-capital needs of developing countries, as well as high-growth economies, such as China and India – and track the interaction and relative standing of the world's leading economic regions in human-capital terms.

[www.lisboncouncil.net](http://www.lisboncouncil.net)

The Lisbon Council for Economic Competitiveness and Social Renewal asbl  
IPC-Residence Palace, 155 rue de la Loi, 1040 Brussels, Belgium  
T. +32 2 647 9575 F. +32 2 640 9828  
[info@lisboncouncil.net](mailto:info@lisboncouncil.net)



Education and Culture

Active European Citizenship

With the support of the European Union:  
Support for bodies that are active at the European level  
in the field of active European citizenship



Printed on FSC recycled paper