



European Association for REsearch on SERvices

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Resilience of the Service Sector in the Current Economic Crisis

BRUSSELS, Belgium (15th October, 2010) – The European Commission is marking the 20th Anniversary of the European Association for REsearch on SERvices (RESER) with a joint workshop to explore whether service industries are equipped to better survive the current global economic crisis than other sectors of the economy. By invitation of the Ministry of Economic Affairs the workshop takes place in the Premises of Representation of Baden-Württemberg to the European Union. The challenges posed by the need to maintain the resilience of the global service economy were recently discussed by more than 120 participants of the 20th Annual RESER Conference in Gothenburg, Sweden (30 September-2 October 2010).

“This is a great opportunity to showcase how an association of scholars from a variety of disciplines and from across Europe has helped us to better understand the vital contribution service industries and service activities to growth and welfare, even at times of economic recession” said *Metka Stare*, from the University of Ljubljana and President of RESER. “The dialogue with senior officials from the EU Commission will highlight the most pressing issues that service researchers and policy makers need to address to support the creation of service inclusive policies that will enhance the competitiveness of the European economy and help it to cope with societal challenges in an innovative way.”

Services now account for 71 per cent of EU GDP, some 29 per cent of world trade, more than 80 per cent of inward foreign direct investment, and provide more than 150million jobs. Norman Rose, Chair of the European Business Services Roundtable, said “It is now true to say that the European economy is heavily dependent on the services sector. This has become particularly noticeable in the manufacturing and engineering sectors over the recent economic downturn, as outsourced services have played a key part in lessening its impact. The challenge is now to find innovative ways of supporting clients in their recovery.”

According to *John Bryson*, Vice-President of RESER, “While it is true that some sectors such as financial services have been buffeted by the current economic crisis, others such as retailing or telecommunications services have been held up quite well. But as public services begin to be squeezed as many of the member states of the EU try to reform their economies and public spending, the resilience of services cannot be taken for granted.

Leading service researchers who are part of RESER have demonstrated that maintaining the competitiveness of services in times of economic stress requires the fostering of innovation in their production and distribution – both in the private and the public sectors. As pointed out by *Luis Rubalcaba*, from University of Alcalá, service innovation and public-private partnerships and networks are going to play an essential role for increasing competitiveness and cope with the challenges derived from globalisation; policy makers may have powerful instruments to promote pro-innovation networking. *Lisbeth Bahl Poulsen*, DG Enterprise and Industry emphasised that more research is needed on the different impacts of service innovation in order to better understand and valorise its potential as a catalyst for EU 2020 strategy and its contribution to smart, sustainable and inclusive growth in Europe.

To this end the Commission needs to pay greater attention to service related issues in shaping policies (*Werner Wobbe, DG Research*).

The Workshop provided a scientific background for the shaping of services inclusive policies at the national and EU level. Discussion also identified future trends in the development services and their implications for EU economies.

Established in 1988, RESER is a network of research groups and individuals active in services research and policy formulation. Most are based in universities and independent research institutes across Europe, but some are employed in private firms, as researchers or consultants. RESER is committed to deepening the understanding of the role that services perform in contemporary economic change and fostering a dialogue with policy makers and other stakeholders that will further that objective. The Association also provides small grants and bursaries for young researchers as a way of fostering knowledge sharing and enhancing the profile of research on service industries across Europe.

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Editors: For further information about the European Association for Research on Services, please see <http://www.reser.net/>.