

Storytelling into a new era of clusters ...

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The roots of cluster policies



Industrial Atmosphere

“the mysteries of the trade become no mysteries; but are as it were in the air, and children learn many of them unconsciously” (Marshall, 1920)

Competition + Cooperation

“Competition can coexist with cooperation because they occur on different dimensions and among different players” (Porter, 1998)



The cluster concept has economic AND social roots

Cluster policies build on both, but have been oriented to economic goals



Economic + Social

“A socio-economic entity which is characterised by the active presence of both a community of people and a population of firms in one naturally and historically bounded area” (Beccattini, 1990)

Contemporary cluster policy



Cluster: Firms and other organisations working in related economic activities in a territory



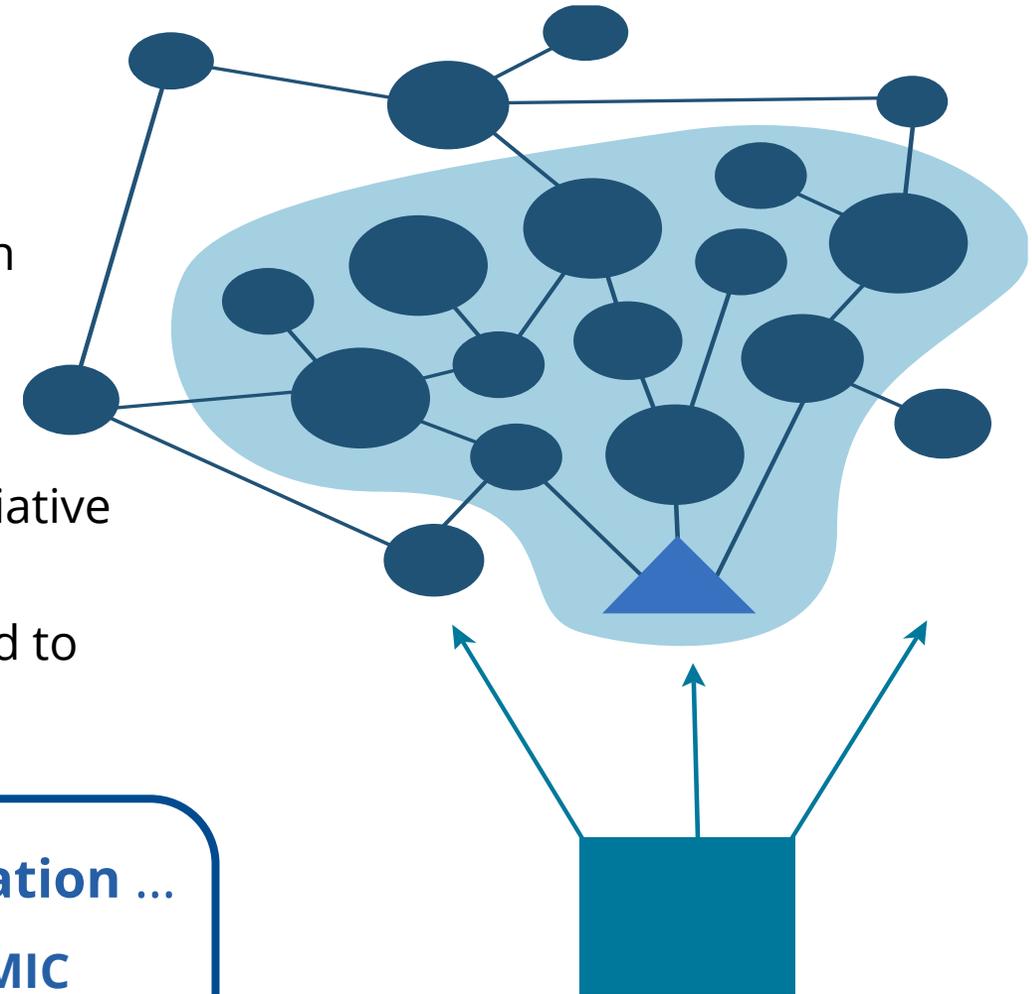
Cluster initiative: Purposeful attempt to strengthen cooperation for competitiveness



Cluster management organisation (CMO): Organisation established to coordinate a cluster initiative



Cluster policy: Government programme established to support cluster initiatives



'Umbrella' tool based on building **cooperation** ...

- ✓ **PREDOMINANTLY ORIENTED TO ECONOMIC CHALLENGES**
- ✓ **OPERATE IN AN INCREASINGLY CROWDED SPACE**

Source: Adapted from TCI Network (2022), *Evaluating clusters for learning: A Guide for cluster policymakers and practitioners*

Cluster initiatives sit within a bigger picture

Importance of 'place' in understanding economic development

(e.g. Barca *et al*, 2012; Gertler, 2018)

Industrial Policy

From 'old' industrial policy to
'new' industrial policy

(e.g. Rodrik, 2004; Bailey *et al*. 2015, 2018)

**MORE
STRATEGIC
APPROACH**

Innovation Policy

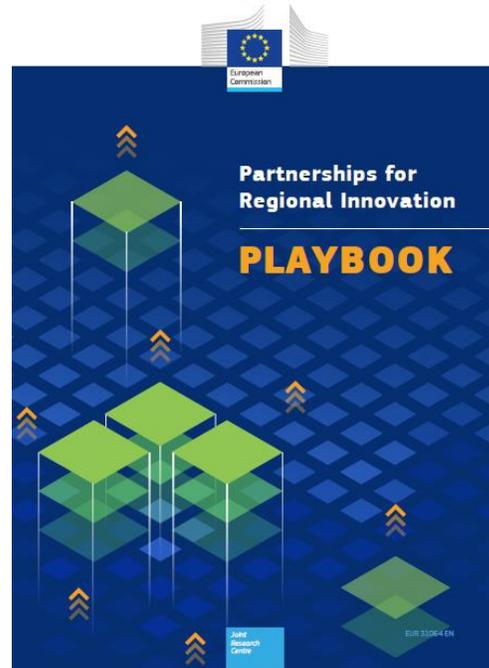
From 'linear' to 'systemic' to
'transformative' (and S3)

(e.g. Cooke & Morgan, 1998; Foray, 2018;
Schot & Steinmueller, 2018)

Need to respond to societal challenges (missions and SDGs)

(e.g. Breznitz *et al*, 2018; Kuhlman and Rip, 2018; Mazzucato, 2019)

Key roles to play in the 'strategic turn' in EU policy



#EUinmyregion

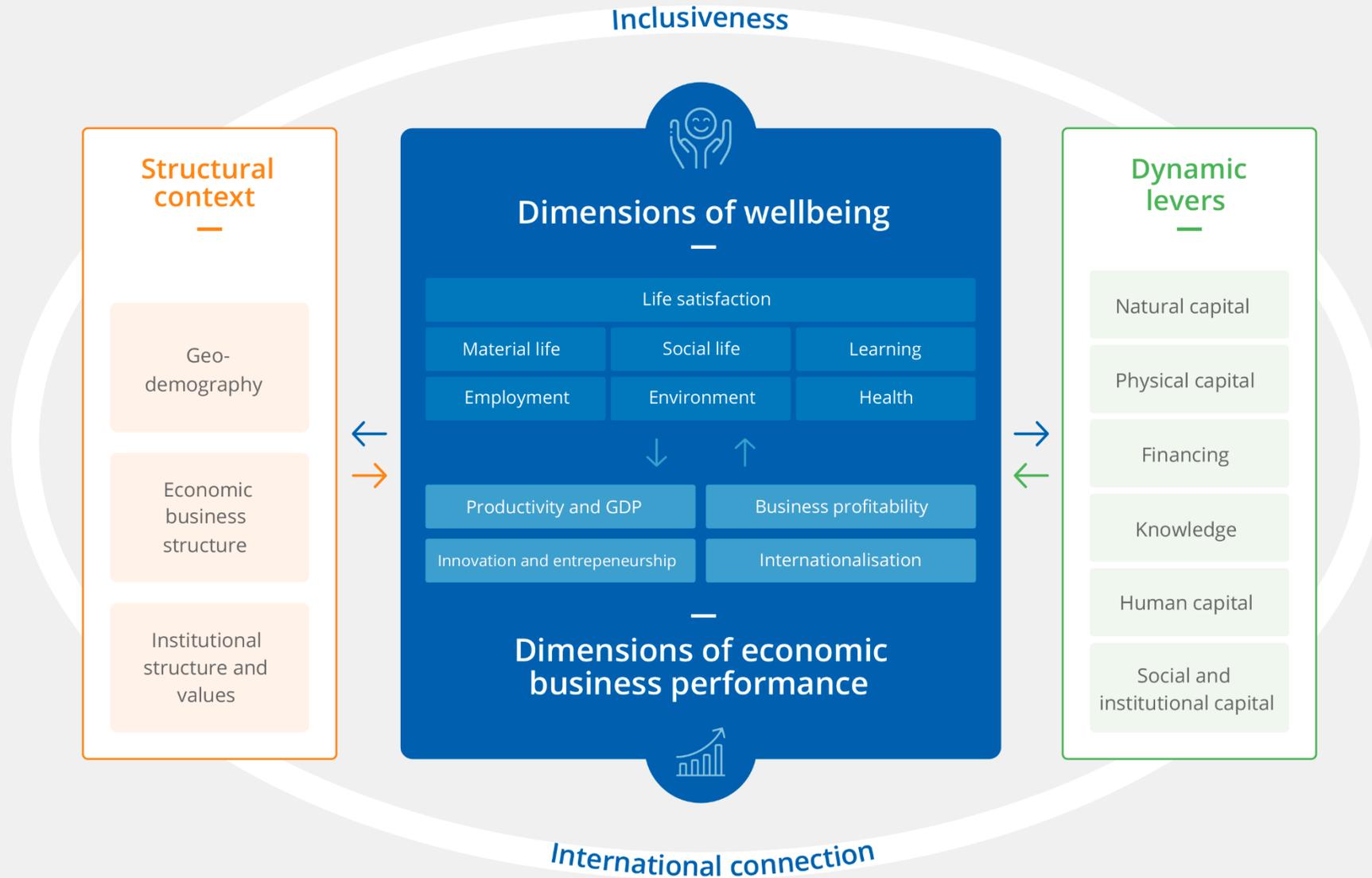


Cluster initiatives provide solid foundations for supporting transformative policy initiatives

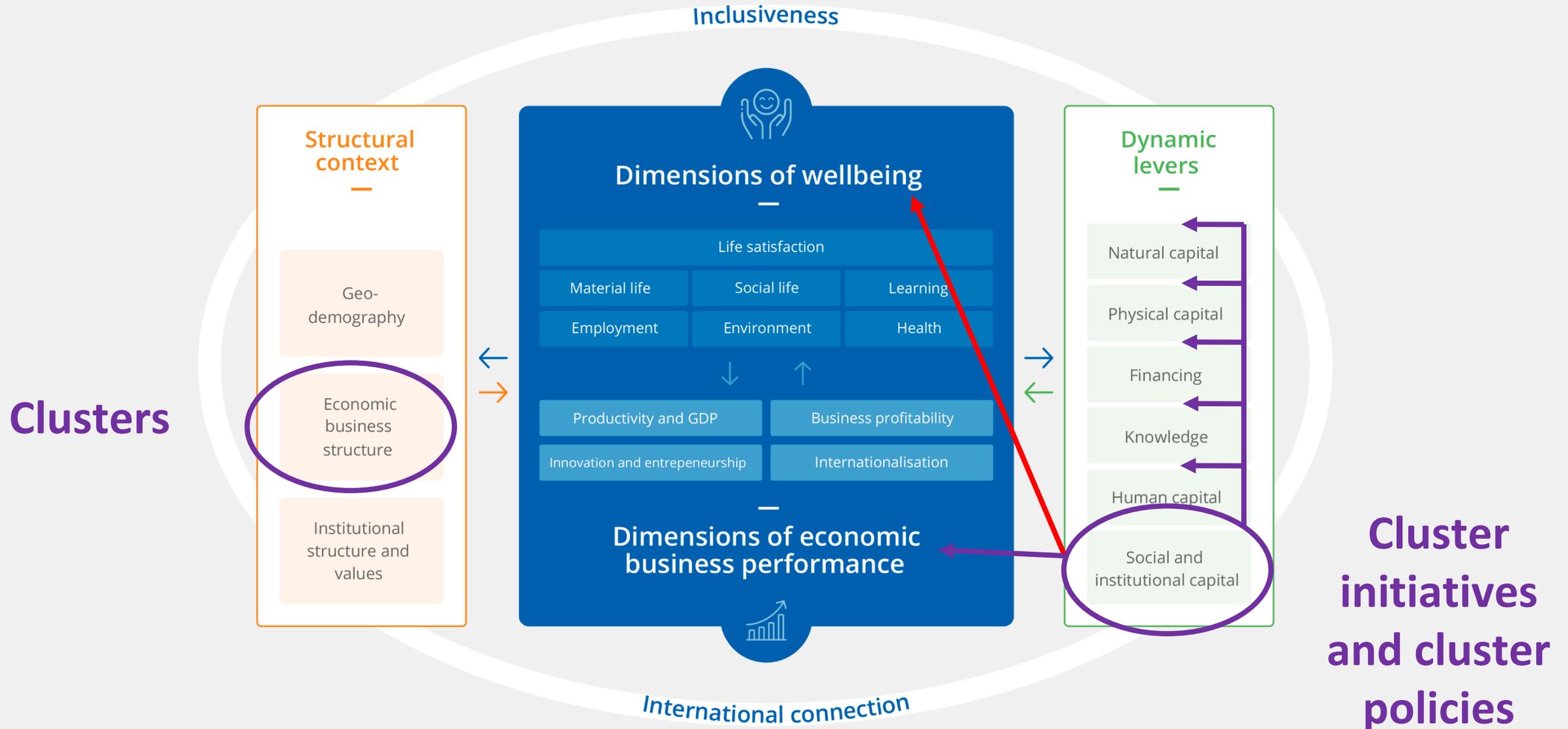
- Built on cooperative dynamics
- Triple helix engagement
- Locally / regionally embedded
- Social as well as economic roots

Partners for policy-makers in building the capacity of regions to adapt, transform and generate sustainable wellbeing (RESILIENCE)

Competitiveness for Wellbeing



Where do clusters fit?



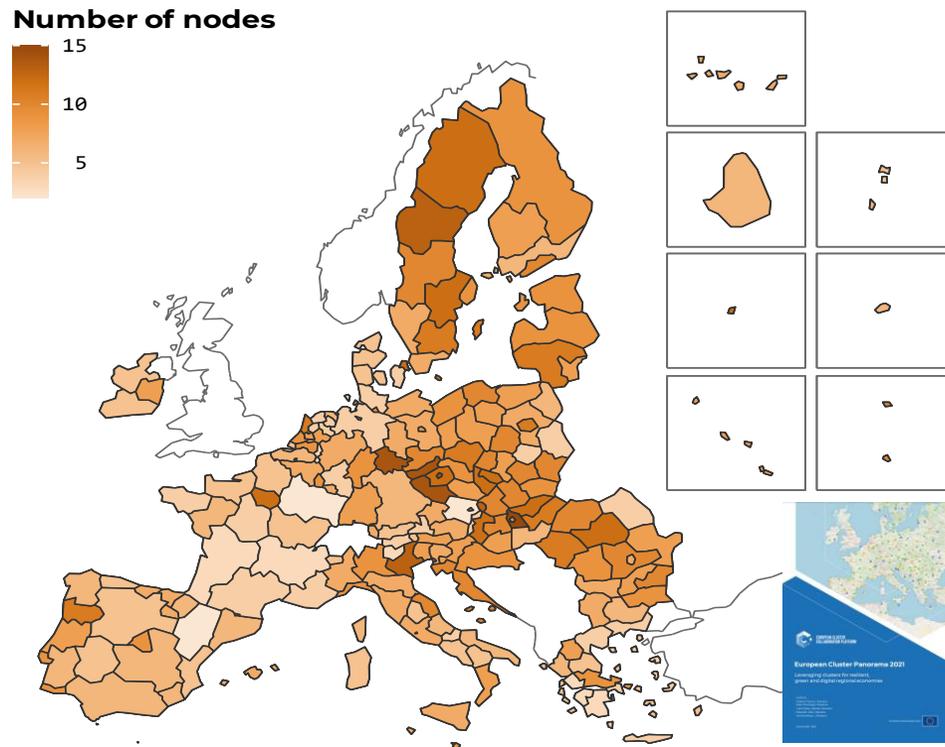
European clusters: An asset for forging collaboration

Economic
business
structure

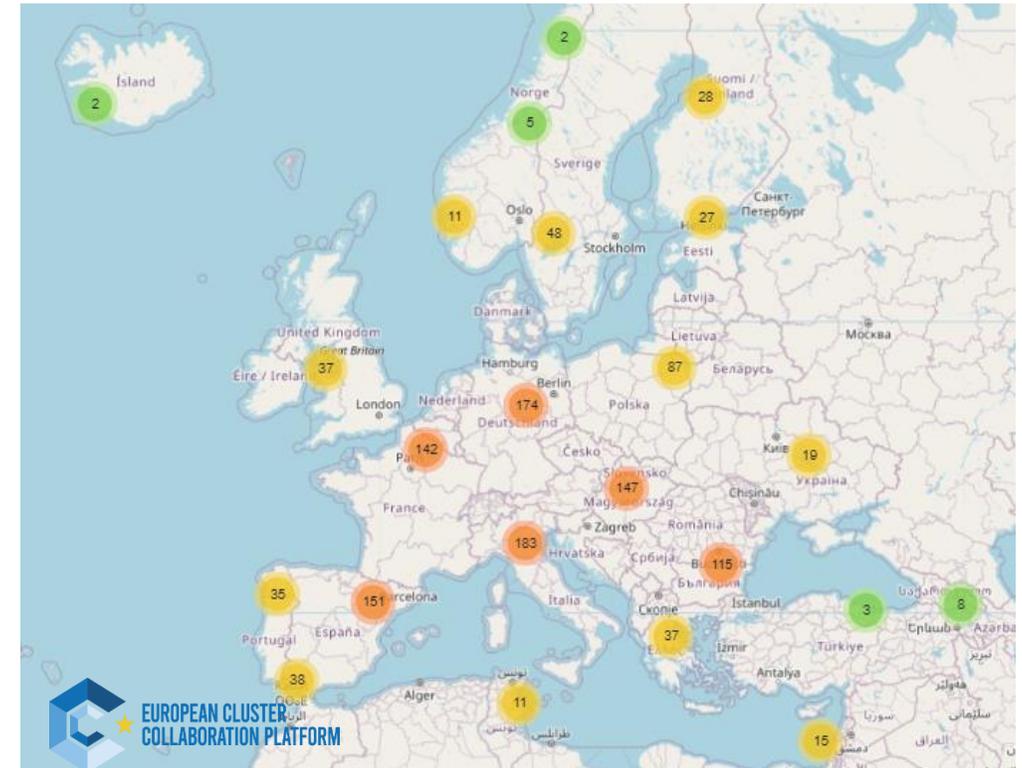
1501 sector specialisation
nodes accounting for almost
25% of EU-27 employment

Social and
institutional
capital

The 1453 cluster organisations
registered on the ECCP today give
an idea of the prevalence of
cluster initiatives & policies



Source: 2021 European Cluster Panorama



Source: ECCP

What could the new era of cluster policy look like?

Cluster initiatives are a highly flexible policy tool ... and there will not be a “one size fits all” cluster initiative or policy for the future

But we can identify 3 key features needed for success ...

Flexible and responsive

**Connected,
connecting and
scaling**

Challenge focused

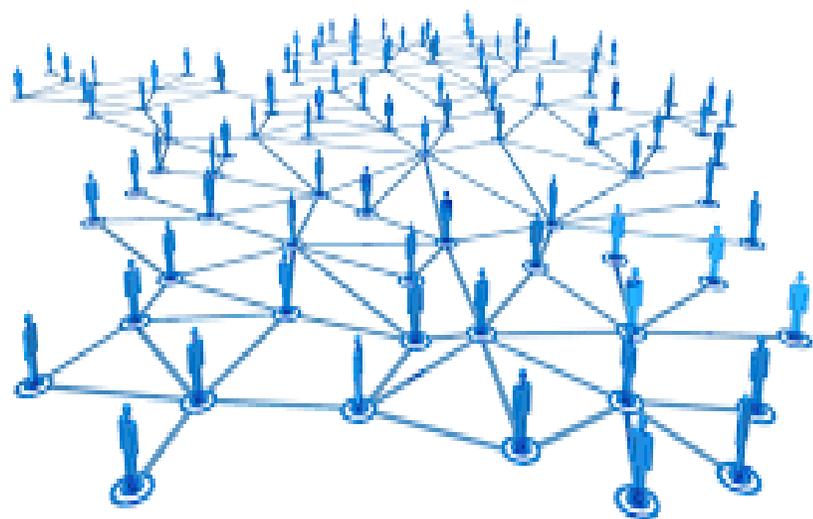
Boundaries between economic activities shift as technologies change and societal challenges emerge / evolve (e.g. electric mobility)



- **Cluster initiatives** need *institutional dynamism*
- **Cluster policy** frameworks require in-built reflexivity and responsiveness
- **Research** can help by mapping the changing cluster scenario and evaluating policies

Cluster initiatives must be aware of the big picture and how they fit with:

- Regional innovation ecosystem
- Regional policy mix
- European policy initiatives
- Other European cluster initiatives ...



- **Connect actors and initiatives** within region and beyond region
- Support **scaling-up** of regional initiatives to meet challenges at EU level
- Overcome **implementation gaps** by bridging strategic direction with 'on the ground' practice among SMEs

The strategic turn in regional and EU policy is associated with a **new directionality** that goes beyond purely economic rationales

- Strategic dependencies
- Competitiveness for wellbeing
- Agenda 2030 ...



Cluster initiatives can support these agendas by **targeting transversal challenges (or missions) that require collaboration**

- Green competitiveness, skills gaps, demographic transition ...

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Thank You



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