Call for Papers – Abstracts

Cluster support across Europe: a smart tool for mitigating perceived local problems?

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Abstract

Clusters as a measure to stimulate local economic activity seem to be universal across Europe. However, economic conditions in European regions substantially differ with regard to the perception of local problems and the way they have to be solved. By contrasting clusters of transition and non-transition countries we aim to classify the perceived local problems as well as to describe which cluster support mechanisms are suitable under which conditions. We contribute to the literature by adding new insights into the perceptions of the underlying problems and their consequences for cluster support mechanisms.

Classifying the perceived local problems means to analyse the causalities for cluster building activities related to certain local economic conditions. Therefore, we differentiate between mitigating blind spot disadvantages and gapping institutional voids. We empirically investigate if cluster support mechanisms are effective with regard to the perceived local problems and to what extent the perceived local problems differ between transition and non-transition countries.

Our data comprises IT clusters in transition (Albania, Bosnia, Bulgaria, Croatia, and Macedonia) and structurally weaker regions of non-transition countries (Lower Bavaria and Mecklenburg-Western Pomerania) and consists of 26 semi-structured interviews with cluster members.

While the starting point of our considerations was that the weak Balkan institutional environment is not ripe for cluster policy, we find that clusters as a tool for mitigating perceived local problems seem to be quite adaptable. Clusters seem to emancipate themselves and develop services that match the perceived local problems. “Smaller” perceived local problems entail lower degree of suffering and hence smaller commitment. The institutional voids problems seem to entail a larger degree of suffering and hence seem to be more fundamental than blind spot disadvantages. In summary, we find that the investigated cluster support mechanisms are effective with regard to the perceived local problems.