



USA vs. EUR

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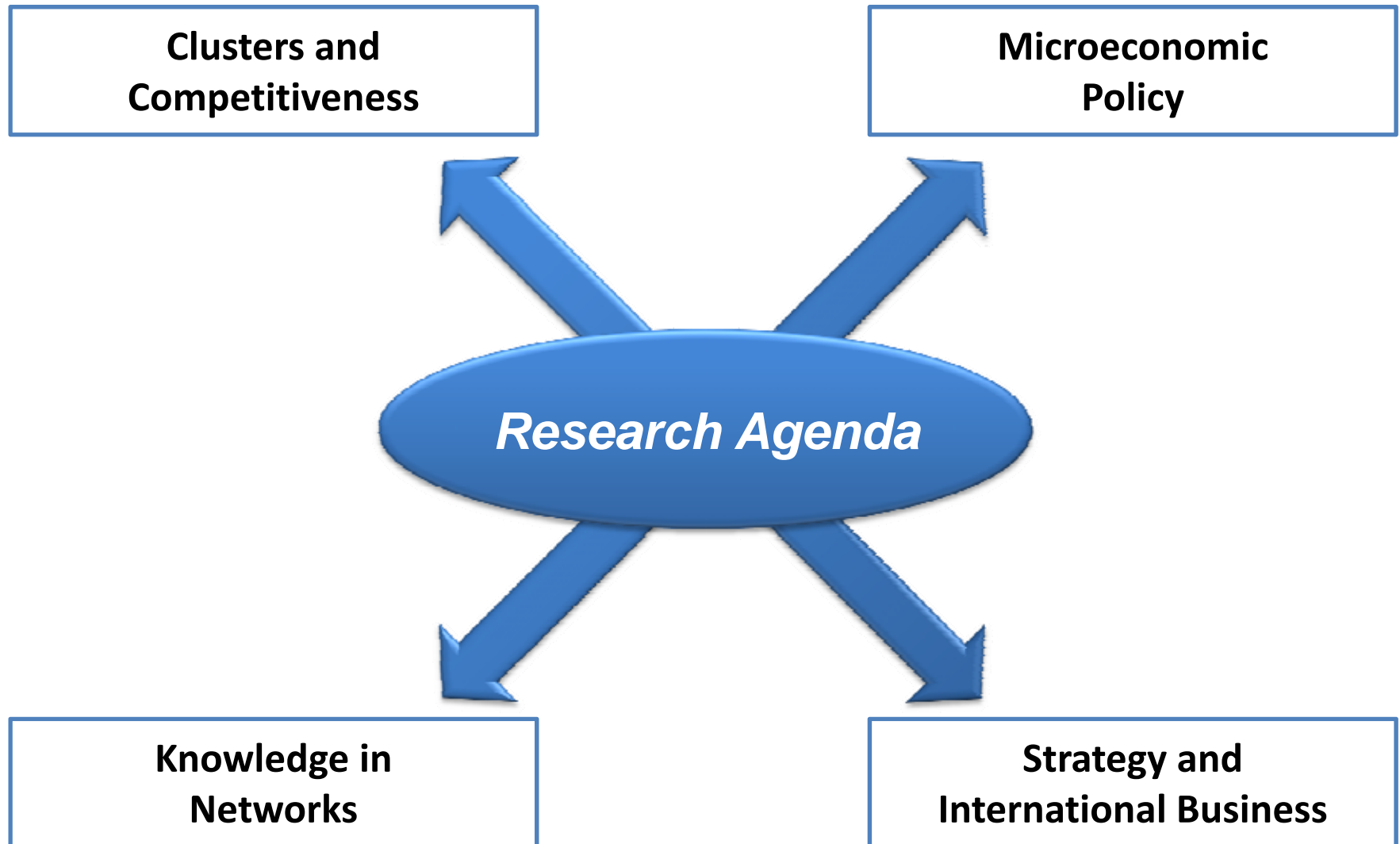
**Robin
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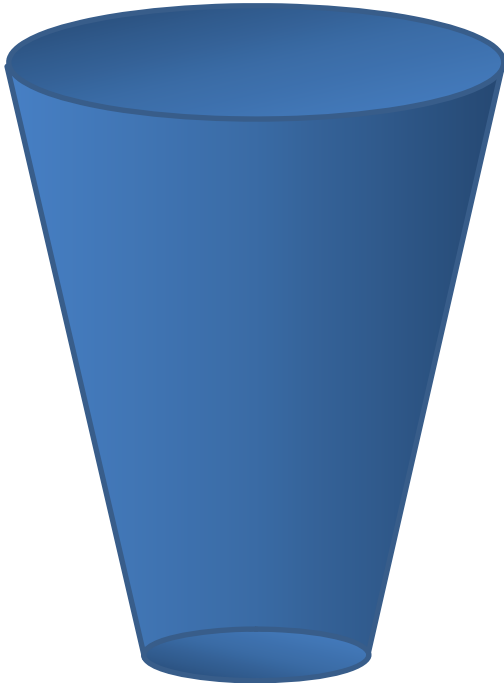


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Unit of analysis	Theory fields	Normative issues
Nation/Region	Economic development	Competitiveness
Cluster	Ec geography Ec sociology MNC home base	Competitiveness
Cluster organization	Organizations Institutions	Governance Org design
Firm	Strategy Entrepreneurship IB	Strategy

Some research questions

Clusters:

- How do clusters work?
- Where do clusters originate?
- Which clusters grow?
- Which clusters die and when?
- What is a "typical" cluster life cycle?
- What is the importance of labor mobility within and across clusters (migration of knowledge)?
- How important are clusters for innovation performance?

- Is the US economy more clustered than EU?
- Are US clusters larger than EU clusters?
- More specialized?

Cluster Policy and Cluster Initiatives (hybrid organizations)

- What explains the similarities and differences between cluster organizations in different countries (global, international, national, sectoral drivers)

Akron, OH

Once the Rubber Capital of the World



B.F. Goodrich Tire
Goodyear Tire & Rubber Co.
Firestone Tire
General Tire
Diamond



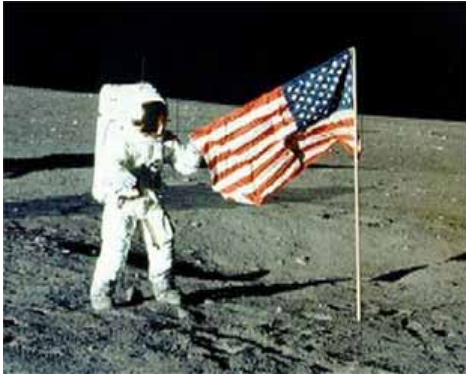
Arsenale, Venice

13th century to WW1



← **Museum**

USA vs. EUR



vs.



vs.



USA vs. EUR



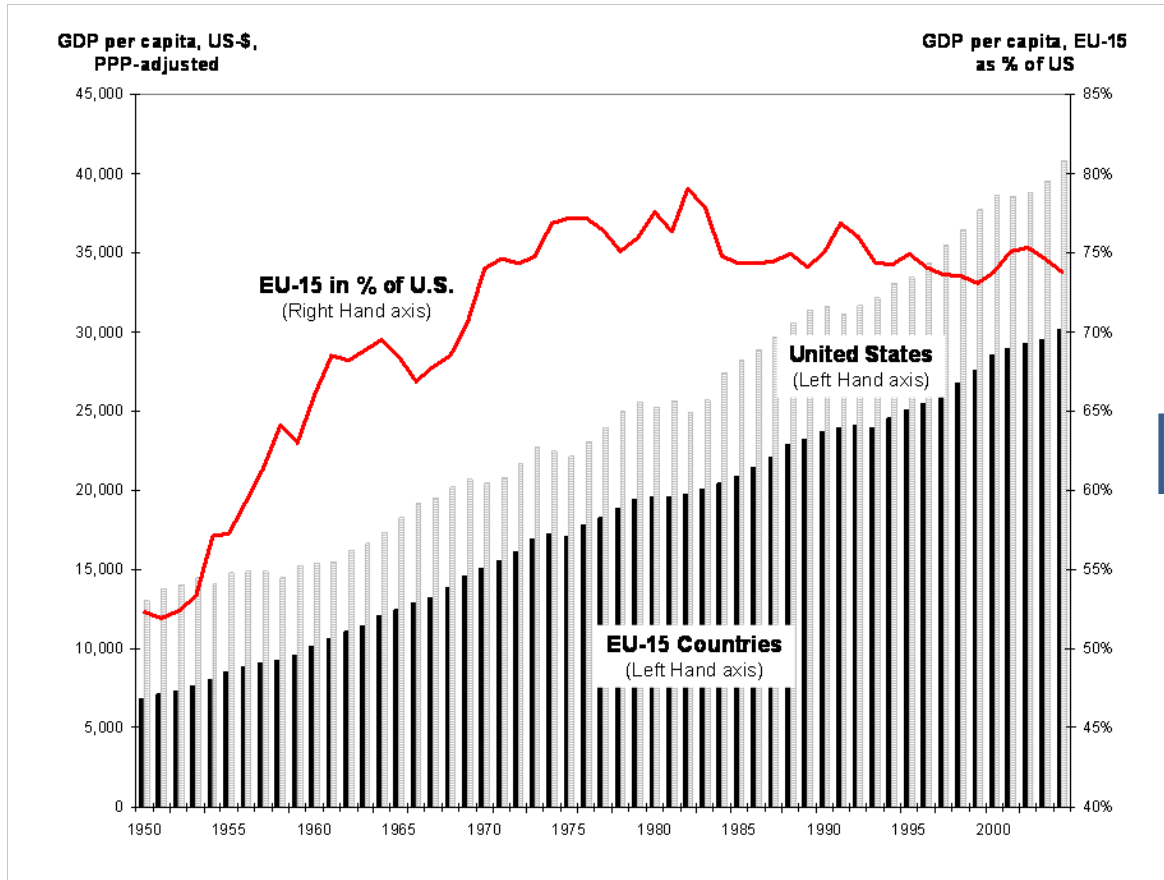
vs.



vs.



EU lagging the US



- R&D spending
- Labor market rigidities and participation
- Innovation systems and entrepreneurship
- Market integration and concentration



Clusters

Innovation processes in clusters



Public bodies:

- Regional authorities
- Agencies



University:

- Colleges
- Tech transfer offices
- Laboratories



Organisations for Collaboration:

- Formal and informal networks
- Trade associations
- Cluster organisations



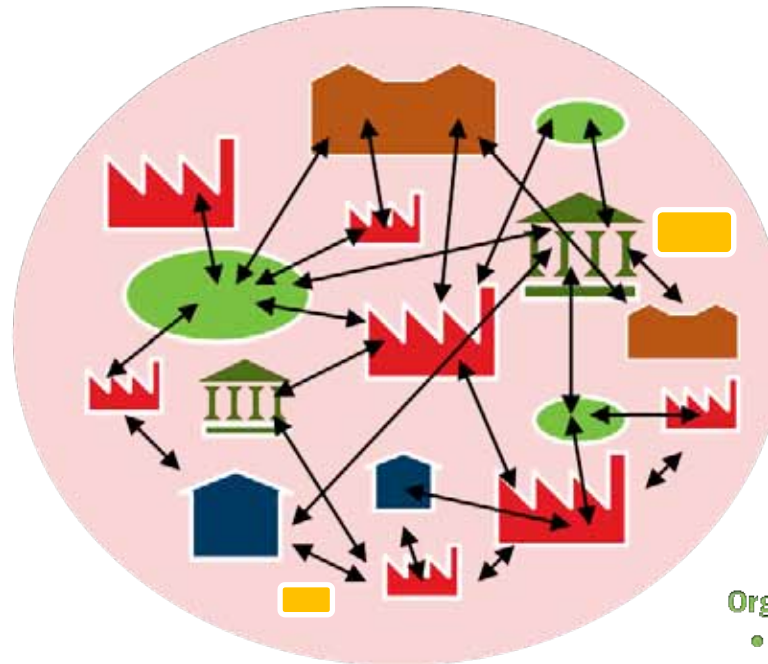
Industry:

- Buyers
- Suppliers
- Related industries
- SMEs
- Services



Finance:

- Banks
- Venture Capital
- Business angels



Media

- Incremental reduction of uncertainty, a complex process
- Continuous interaction, learning by using, trial-and-error
- Frequent face-to-face contacts

A statistical view of a cluster



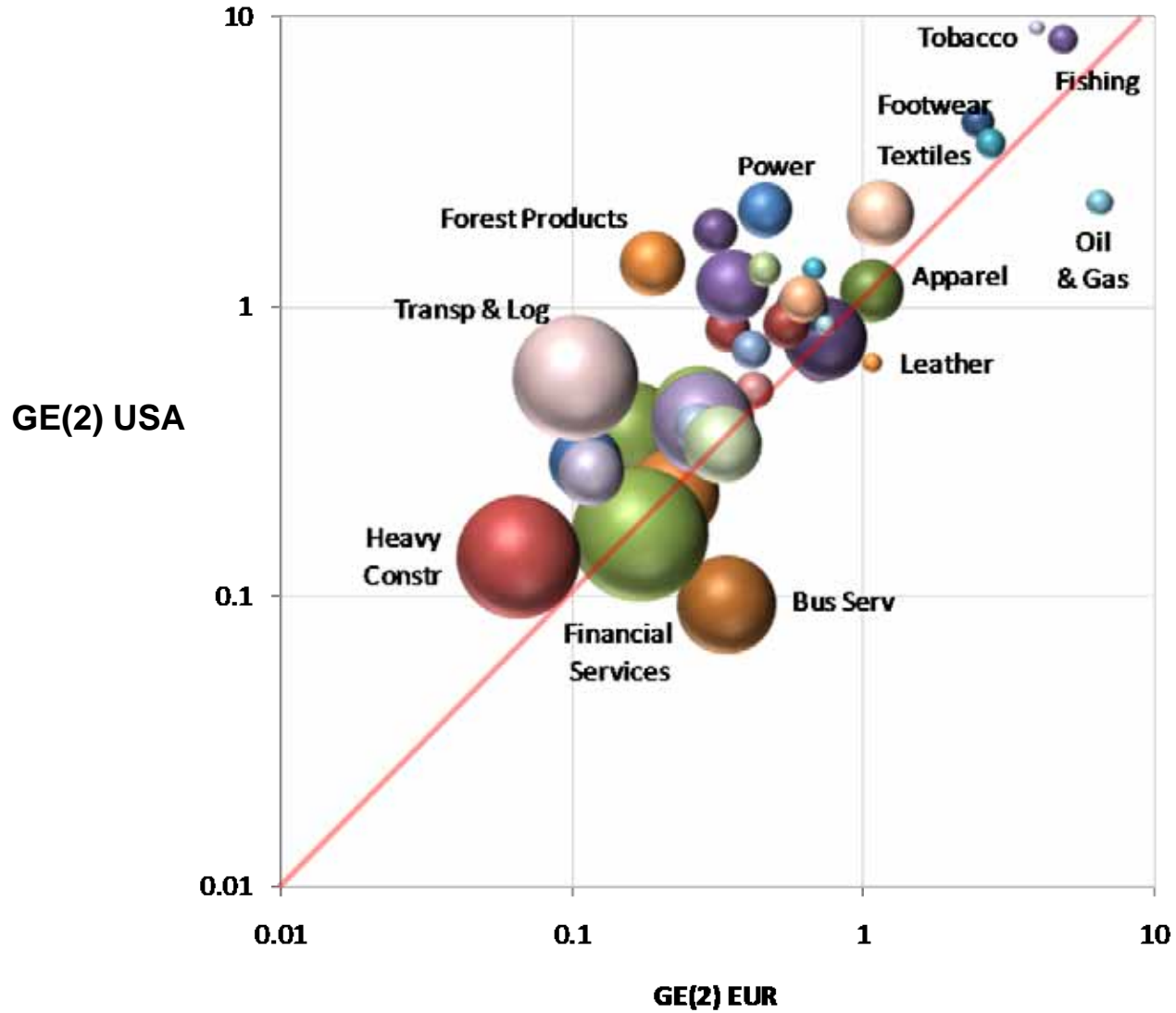
Employment
Value added
Export
etc.

	Cluster category 1			Cluster category 2		
	Ind 1	Ind 4	Ind 5	Ind 2	Ind 3	Ind 6
Region A (NUTS-2)	000	000	000	000	000	000
Region B	000	000	000	000	000	000
Region C	000	000	000	000	000	000
Region D	000	000	000	000	000	000
Region E	000	000	000	000	000	000

← *Co-located industries (NACE-4)*

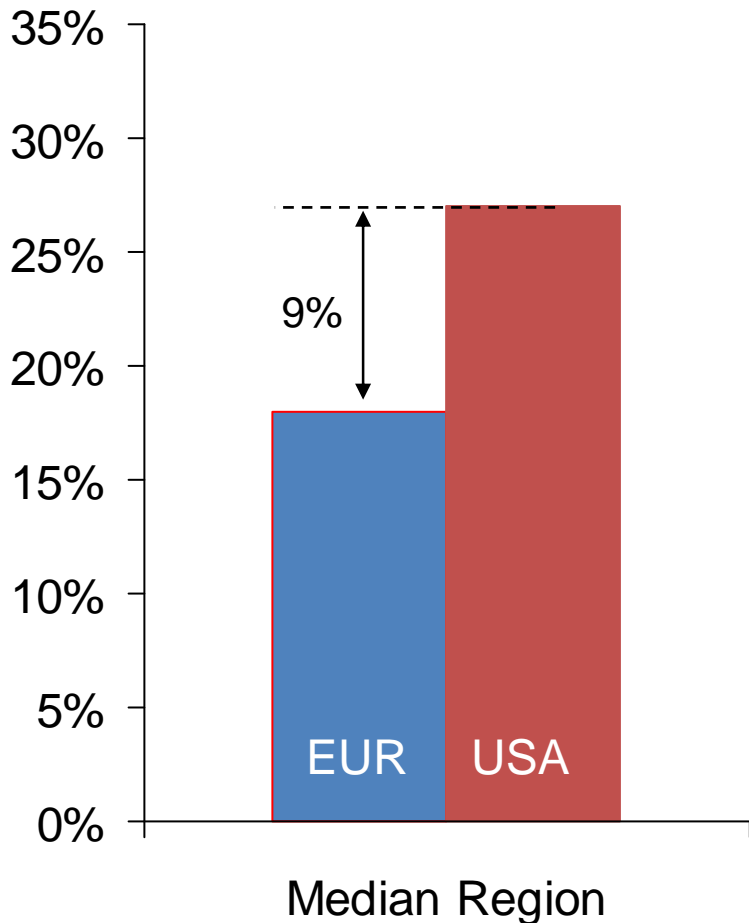
= 10 000 cells in Europe

Concentration EUR vs. USA



The prosperity gap

Share of Employment in Strong Clusters



9% more cluster strength
=
8% higher GDP per capita



1/3 of the prosperity gap

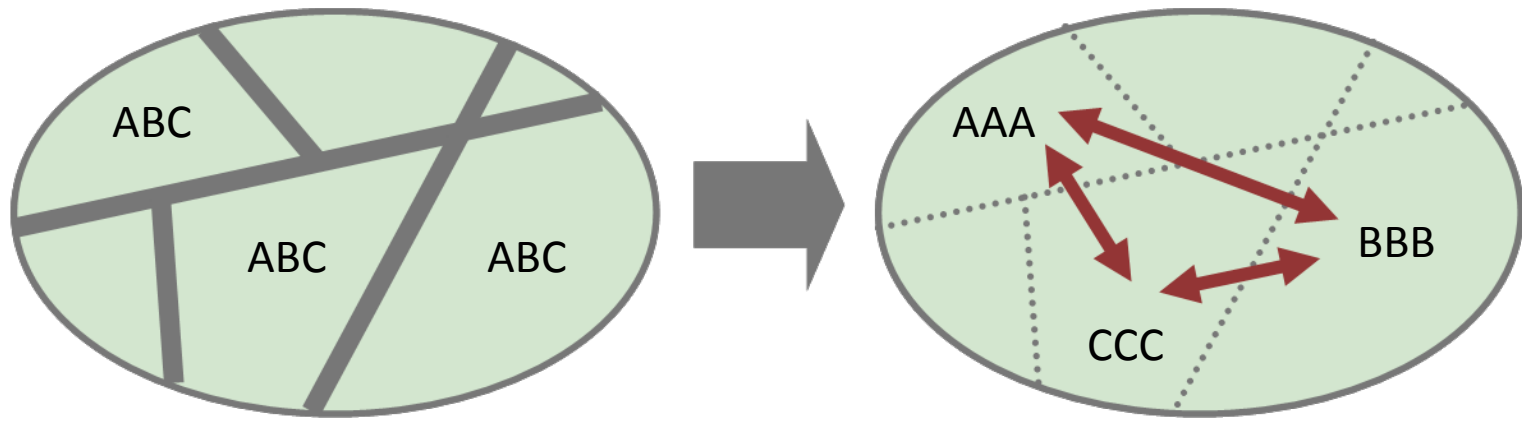
Empirical contributions

- Economic competitiveness debate
 - Lisbon agenda – Europe is lagging
 - Failing economic performance partly driven by geographical dispersion of industry
- Agglomeration research
 - Sub-national regional data
 - First European mapping of Porter's groups of co-located industries

Previous research

Study	Regions	Industries
Krugman (1991)	USA: 4 regions Europe: 4 countries	
Kim (1995)	USA: 9 census divisions	20 sectors
Amiti (1998)	EUR: 5 countries	65 manufacturing industries
Amiti (1998)	EUR: 10 countries	27 manufacturing industries
Midelfart-Knarvik et al. (2000)	EUR: 14 countries	36 industries
Aiginger and Pfaffermayr (2004)	EUR: 14 countries	99 industries
Current study	EUR: 217 NUTS2 regions USA: 179 EA regions	38 cluster categories (co-located industries)

Towards a more integrated Europe

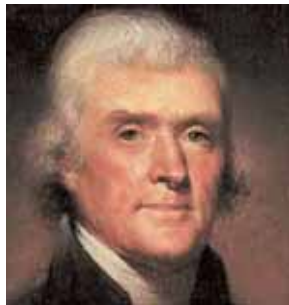


National markets and
institutions

European market and
institutions

Patents: Europe 200 years behind

USA		EUR
1790	<i>First patent law</i>	1973
1836	<i>Patent office</i>	1977
A single all-state patent	<i>Patent coverage</i>	NO single European patent



Thomas Jefferson
Partly crafted the US
patent act



Kurt Haertel
"Father of the
European Patent Law"