

Cluster Analysis in European Policy

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How does the concept of cluster analysis impact economic development and policy in Austria?

Definitions

- Cluster analysis- Formal research into the economic base of a defined region based on employment or industry classification codes, wide interpretational differences
- Economic development policy- Policy that references the general economy, specific industrial sectors within an economy, or innovation policy
- Governing bodies- This research is interested in identifying cluster policy used at all levels of governance: nationally, regionally, and locally



Background

- Cluster analysis is an increasingly vogue concept in US and world economic development (Bergman & Feser)
- Relatively new theory that is interpreted, measured, and implemented in diverse ways across countries (Perroux, 1950, Darwent, 1969, Porter, 1990)
- US cluster analysis is sporadically used (Feser, 2003)
- From initial investigation it appears that the strategy the US would like to follow is more closely being implemented in the EU





Motivation

- Understanding clusters and how they are used in policy has important significance for international economic development
- Expected future work with clusters either in research or practice
- This research seeks to contribute to the understanding about the use of clusters in formalized policy.



How does the concept of cluster analysis impact economic development and policy in Austria?

What types of governing bodies are pursuing cluster analysis?

Is it evident what theory is driving this pursuit?

How are clusters being measured and by whom?

How are clusters being used in policy documents?

Are there generalities among policy types that are incorporating clusters?



Methods

- Review secondary sources for policy documents that explicitly refer to cluster analysis:
 - Government documents at the state, regional, and local levels
 - Announced policy goals of using clusters in future policy
- Phone interviews with European cluster analysis experts and academics to supplement findings and guide research
- Attend and document proceedings of Vienna conference to understand to have a preview to the latest thought on using clusters in Europe



Possible Pitfalls

- Language barriers: mitigate with local partners
- Snapshot in Time
- Sampling is not representative
- Unable to discern what is occurring in economic development
 - Stated policy plans might differ in varying degrees to how policy is actually used in a country.



Questions, Comments, & Suggestions