WHAT ARE THE IMPACTS OF CLUSTER POLICIES?

THE GERMAN EXPERIENCE

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Starting point

Cluster policies in Germany

Cluster policies have changed structural policies in Germany in a substantial and systematic manner in the past decades:

1. All State Governments use cluster promotion to promote regional growth and innovation, while the Federal Government implemented several own cluster programmes.1

2. Cluster policies are rather popular due to (a) a sound theoretical basis in cluster literature, (b) flexibility of the instrument with cluster organizations as intermediaries that take up firm needs.

3. There are substantial differences between programs in respect to funding and targets.

To improve cluster policies it is important to understand the mechanisms of their policy success and failure.

Theory-based expectations

Cluster policies should

• promote existing clusters and function as midwife of emerging clusters,

• encourage cooperation between firms, academia and state authorities,

• increase the developmental potential of regional economies and promote technology evolution.

However...

• Evidence on the actual effects of cluster policy is limited.1

• The experiences with practical cluster policy in Germany have not been assessed in a systematic manner yet.

Research Questions

1. How does the diversity of practical cluster policies relate to their intended effects?2

2. To what extent and on what methodological basis were the Federal and State cluster programs evaluated?2

3. What effects were identified and which questions remain open in respect to (a) the impact of cluster policies and (b) the evaluation methods applied?3

Empirical Approach

Qualitative analysis of the evidence on characteristics of German cluster policies, their intended effects, and the available evaluation studies; three components are combined:

• Cluster initiatives: Internet-based survey of 60 cluster initiatives from which 370 focus on innovation and knowledge transfer, deeper analysis of 30 randomly chosen technology-oriented cluster initiatives,

• Cluster policies: Survey of about 25 cluster programmes of the Federal Government and the 16 State Governments,

• Evaluation studies: Analysis of the available cluster literature (formal evaluations, empirical studies) on German cluster policy.

Findings

1. Cluster policies (and the related concept of network promotion) embrace a large range of different instruments from financial support of common activities to R&D funding of projects related to a common cluster mission.

2. Cluster initiatives are the intermediate organizations needed to promote cluster development; based on different characteristics, four types of cluster initiatives could be identified which relate to different intended policy effects.

Types of Cluster Initiatives, Characteristics, and Effects

Selected References


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