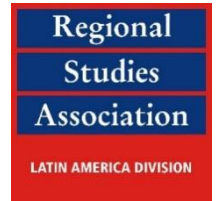


Regional Studies Association – Latin America Division Conference 2019  
(#RSALatinAmerica)



## Institutions, Governance and Regional Development: Rethinking Local Economic Development from the Peripheries

30<sup>th</sup> September – 1<sup>st</sup> October 2019, Universidad de los Andes, Bogotá, Colombia

Special Session Proposal submission deadline: 6<sup>th</sup> May 2019

### CALL FOR SPECIAL SESSION PROPOSALS

**Session Title:**

Taking the systems approaches out of their comfort zones: perspectives from the Global South

**Session Organiser:**

Jana Schmutzler (Universidad del Norte, Colombia)

Alexandra Tsvetkova (The Organisation for Economic Co-operation and Development - OECD)

Rhiannon Pugh (Örebro University Sweden)

**Open/Closed Session:**

Open

**Description (with speakers listed if a closed session):**

Schumpeter (1911) in his early work envisioned the “entrepreneur as innovator” as a key figure in driving economic development. As a result, entrepreneurial and innovation processes have been of interest not only for academics, but also for public policy makers. In this context, systemic approaches to economic development – such as National (Lundvall, 2007) and Regional Innovation Systems (Cook, 1998), Entrepreneurial (Spigel, 2017; Stam, 2015) and Innovation Ecosystems (Adner and Kapoor, 2010) as well as Business (Moore, 1993) and Knowledge Ecosystems (Clarysse et al., 2014) – have gained popularity. Containing elements of previous concepts such as industrial districts (Marshall, 1920) or clusters (Porter, 1998), learning regions as well as the industrial milieu (Camagni, 1995), the (eco)system perspective is mainly based on the analogy to natural ecosystems (Colombo et al., 2017; Audretsch et al., 2018). As such, it reflects the assumption that economic agents interact among each other and with their environment explaining differential economic output and outcome (Acs et al., 2017).

While recent contributions have addressed the common critique of being undertheorized concepts, not only were these concepts originated in highly developed contexts. Most importantly, the majority of empirical work is situated in developed country contexts. As such, it remains largely unclear to what extent these approaches can be transplanted into other, less favored settings.

Symbolizing the idea of Latin America’s “Golden Decade”, the Economist proclaimed in November 2009 “Brazil takes off”, with Rio’s famous *Christ the Redeemer* statue rocketing into the sky. Roughly, between 2003 and 2012, backed up by seemingly stabilizing and deepening democracies, economic growth had taken up in Latin America and innovative new social policies (Kingstone, 2018) lifted millions of people out of poverty in the region. However, the “golden decade” came to an end about 2012-13. With Chinese economic growth slowing down, demand for commodities and thus prices dropped drastically. The over-dependence of Latin America’s “Golden Decade” on these commodities

became visible (Powell, 2013). Today, the region is plagued by anemic growth rates (Cepal, 2018). Against this background, innovation and specifically entrepreneurship have become buzzwords among policy makers. In this context, the lacking empirical evidence of systemic approaches studying the phenomenon of innovation and entrepreneurial processes becomes important.

The approach of the eco(system) literature focusing on high-growth, highly innovative high-tech industries, unicorns (Acs, 2017) or blockbusters (Mason and Brown, 2014) is inherently dangerous for various reasons when applying it as a policy framework, especially in the context of Latin America. On the one hand side, with regional culture, history and institutions shaping the development of a region (e.g. Saxenian, 1994), the focus on highly developed settings in the Global North is too narrow as it limits insights into the complex causal and systemic relations of what fosters entrepreneurship and innovation in such strikingly distinct context. Additionally, focusing on highly successful regions with a long history of industrial development limits insights into what triggers the emergence of entrepreneurship and or innovation in less favorable settings, calling for more work in regions with lagging preconditions (Mack and Mayer, 2016). Only through such work will policy makers be able to answer question in which way underperforming, non-innovative industries or even destructive entrepreneurship can be led towards a road of progress.

On the other hand, despite the emergence of unicorns in Latin America such as Rappi or Nubank, the focus on such high-growth high-tech industries and ventures limits our understanding of what enables the emergence and the sustainable growth of eco(systems). Even unicorns or blockbusters are intrinsically connected to other types of ventures as they depend on their participation in order to achieve the scale necessary for their high growth (Neumayer et al., 2018). Thus, focusing narrowly on those unicorns overlooks the role played by those “second-tier” businesses in the emergence and the sustainability of (eco)systems. At the same time, those high-growth ventures are mostly founded and managed by white males (Neymeyer et al., 2018), excluding the participation of certain demographic groups from the participation in support networks (Fairlie, 2007; Gatewood et al., 2009). This, however, merits special consideration when not only economic development but also local welfare as well as a balanced and sustainable growth are the aim of public policy.

This special session thus aims to move the discourse on innovation and entrepreneurial (eco)systems past its current limits. We are interested in gaining and sharing more knowledge about local policy and other initiatives aimed at fostering sustainable and balanced growth, promoting local welfare and other desirable outcomes. We, in particular, hope to add context to the existing plentiful quantitative studies within the systems approach to local and regional development through contributions that are focused on Latin America or which concentrate on industrial or economic contexts outside of the usual suspects of high tech industries such as ICT or biotech. We believe there is a strong need within economic geography and entrepreneurship fields to think more about the contextual significance when examining the current trendy concepts and buzzwords, because these are often developed from a narrow range of case studies in the Global North.

The organizers welcome abstract submissions in Spanish and English.

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