The Brookings Institution on successful Cluster Initiatives

Ryan Donahue, Joseph Parilla and Brad McDearman
July 2018

Extract: Page 7

FIVE TRAITS OF SUCCESSFUL CLUSTER INITIATIVES

“Ultimately, the most successful cluster initiatives have five traits:

1. *Focused on establishing a robust ecosystem, not quick job gains.* Cluster initiatives must be focused on establishing a robust and regenerating ecosystem that produces the innovation, talent, and economic opportunities that firms need to thrive. These initiatives must be first and foremost about the growth and competitiveness of existing firms in the cluster (as well as the needs of related entities, like academic institutions), and not just on job growth.
2. *Industry-driven, university-fueled, government-funded.* The strongest cluster initiatives are private sector-driven, with interventions catalyzed by groups of firms that believe they will benefit by working collectively to fill gaps in the cluster ecosystem and staff with industry expertise and a collaborative mentality. Research universities provide needed innovation and talent, and public investment is critical. Federal, state, and local governments have made major investments to support each cluster initiative and give it early credibility.

3. *Placing a collective big bet on a unique opportunity.* The most successful cluster initiatives are in regions willing to place strategic bets on distinct cluster opportunities. These places have a long-term mindset and are unafraid to “pick winners” from the broad array of potential alternatives. They recognize that resources are scarce and competition is high, and that the only way to distinguish themselves is by funneling their energy and investment into a limited number of truly unique specializations.

4. *Championed by passionate, dedicated leaders.* Individual leaders have proven invaluable in championing each successful cluster initiative. These leaders typically emerge from businesses operating within the sector, driven by a new vision and clear purpose, and/or as CEOs of the lead cluster organizations. They are thought leaders who recognize a unique opportunity, have crafted a compelling narrative, and are willing to dedicate the time needed to launch and sustain a bold cluster initiative.

5. *Anchored by a physical center.* Most of the cluster initiatives profiled have created a physical center to serve as visible proof that the region is a major hub for the cluster and to provide a space that facilitates knowledge spillovers between firms, academic researchers, and related enterprises. While companies and assets involved in the cluster are often scattered throughout each region, these centers tie them together. These centers may take the form of a single building, an urban district, or a suburban campus. One note of caution: Though real estate development can play an important role in cementing a cluster that is already robust, it cannot create a cluster."

Read the full report here.

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**Commentary**

**From Regional Australia Institute**

**Steps to Settlement Success: Migration Toolkit**

This toolkit has been developed to respond to the information needs of rural and regional communities looking to settle migrants locally, be they migrants coming in from big Australian cities or overseas, entrants to Australia on skilled working visas or on humanitarian grounds.

At its core, this toolkit is based on interviews with community champions of regional settlement, many of whom have initiated programs for their communities with little to no formal guidance on how to make settlement ‘happen’.
By synthesising the rich interview findings with key learnings from past regional migration approaches (both in Australia and overseas), this toolkit identifies best practice for regional settlement and outlines the key players and areas for action underpinning regional settlement success.


From University of South Australia

Research reveals droughts becoming the norm in more of SA

Dan Lander reports that “Despite Adelaide experiencing its wettest day in more than two years this month, a new study by UniSA shows droughts are becoming longer and more severe in South Australia.”


The Murray-Darling Basin: A story of lax monitoring, cronyism and rorting

5 ways the government can clean up the Murray-Darling Basin Plan

June 11, 2019 1.41pm AEST

Authors: Barry Hart, Emeritus Professor Water Science, Monash University and Martin Thoms, Professor - Faculty of Humanities, Arts, Social Sciences and Education; School of Humanities, Arts, and Social Sciences, University of New England
“Here are five ways the government can clean up the Murray-Darling Basin Plan so the river system has a chance of surviving in the long term.”

https://theconversation.com/5-ways-the-government-can-clean-up-the-murray-darling-basin-plan-116265

*The Murray-Darling Basin scandal: economists have seen it coming for decades*

July 9, 2019 6.13am AEST

Author: John Quiggin, Professor, School of Economics, The University of Queensland

“The failure of these initiatives rests on one simple fact: the refusal of irrigation lobby groups to countenance the government buying water rights on the open market to increase environmental flows. Their opposition has been immovable, despite many individual irrigators being keen to sell their water rights and use the money to invest in alternative cropping activities or retire.”

https://theconversation.com/the-murray-darling-basin-scandal-economists-have-seen-it-coming-for-decades-119989?utm_medium=email&utm_campaign=Latest%20from%20The%20Conversation%20for%20July%202019%20&utm_content=Latest%20from%20The%20Conversation%20for%20July%202019%20&utm_source=campaign_monitor&utm_term=economist%20John%20Quiggin%20explains

*Budj Bim’s world heritage listing is an Australian first – what other Indigenous cultural sites could be next?*

July 18, 2019 5.49am AEST

Authors: Claire Smith. Professor of Archaeology, College of Humanities, Arts and Social Sciences, Flinders University;

Gary Jackson: Research Associate in Archaeology, Flinders University; and

Jordan Ralph: PhD Candidate, Archaeology, Flinders University

From the Cockatoo Network

By courtesy of Rod Brown, Cockatoo Network, Canberra ACT Australia
WE CONNECT THE DOTS, 02 – 62317261 or 0412 922559, apdcockatoo@iprimus.com.au

Creativity comes from spontaneous meetings

During my visit to San Francisco, an IT whiz employed by Uber introduced me to the late Steve Job’s biography.

Jobs jointly founded Apple in his parents’ garage in Los Altos, which later became part of Silicon Valley, a 40 minute drive south of San Francisco. By all accounts, he was a force of nature. The 600 page account of Jobs’ life by Walter Isaacson is a stunning work. Do yourself a favour and read it. Below is a memorable extract.

“Despite being a denizen of the digital world, or maybe because he knew too well its isolating potential, Jobs was a strong believer in face-to-face meetings. ‘There’s a temptation in our networked age to think that ideas can be developed email’ he said. ‘That’s crazy. Creativity comes from spontaneous meetings, from random discussions. You run into someone, you ask what they’re doing, you say “wow” and soon you’re cooking up all sorts of ideas.’

From the Newcastle Herald (via the Cockatoo)


Now that the federal election dust has settled, it’s time for the Hunter to talk, said Port of Newcastle chair Roy Green

The man at the helm of the world's biggest coal port says the Hunter should respond to a polarising election by acknowledging the Hunter's strong connection to coal mining while planning for global headwinds coming our way.

"Ours may be the highest quality coal in the market, but this will not protect us from the day it is no longer needed," said Port of Newcastle chair and University of Newcastle Conjoint Professor Roy Green in an opinion piece today.

"Even those unconvinced by the climate science cannot ignore that a global transition is underway. The debate is only about the speed at which this transition is proceeding, and what we should do in response. Ignoring the challenge is to ignore the opportunities, of which there are many," he said.

The region "a kind of crucible for the entire country", Professor Green said after a federal poll billed as the 'climate change election' saw Labor support evaporate in regional Australia, and One Nation record its highest national result in the once Labor stronghold seat of Hunter.

The region "didn't need the federal election to remind us of the Hunter's strong connection to coal mining", he said.
"Thousands of workers are employed in the industry. Generations of families have made a living from this in-demand resource over more than two centuries."

But increased recognition of climate change and the shift to cleaner energy sources presented the region with a challenge to further diversify the regional economy, he said.

"This does not happen overnight. It takes years to create the necessary momentum and decades to fully take effect. We know the road ahead will be bumpy. The longer we take to begin the process, the rougher the ride."

Professor Green said the Hunter was well placed to lead the country on transitioning away from a coal economy after the "hugely challenging transition of its industrial base with the closure of the BHP steelworks".

The change led to strong growth in health, education, professional services, specialised manufacturing, agribusiness, construction and retail.

"Newcastle is justifiably proud of its extraordinary transformation. But it didn't happen automatically through the 'invisible hand' of the market," he said.

An orderly transition from a city dominated by the steelworks required business leaders, unions and the community to work together on a transition plan with a shared commitment to identify new job pathways for steelworkers.

"Changing circumstances require us once again to prepare for another transition, this one possibly even more fundamental and far-reaching than the last. Even from a narrow risk management point of view, the best path forward is to prepare for the worst-case scenario," he said.

Transition required a coordinated approach that would include the resources sector and related industries, and was already happening, Professor Green said.

"Already AGL is preparing its community for the replacement of an ageing coal-fired power station with renewable energy, offering new jobs and opportunities. The University of Newcastle has switched to solar power. Liberty OneSteel has a 'green steel' model, and the CSIRO Energy Hub is working on industrial scale hydrogen for export.

"These examples barely scratch the surface of the possibilities."

The Port of Newcastle had an important role as long-term custodians of the region's global gateway, he said.

"We have a duty to facilitate current trade while pursuing new opportunities to grow and diversify. The Port is well placed to do so. Its rail and road connections are the envy of increasingly congested capital cities, and it has the former steelworks site at Mayfield ready to go for a container terminal."
The Port's deepwater channel, which is operating at 50 per cent of capacity, "could make Newcastle the first and possibly only port able to accommodate the Ultra Large Container Vessels that will soon become the world standard for container shipping", Professor Green said.

Part of the future planning was to recognise how threatening the changes might feel in an industry that continues to provide employment for many people and has been a major driver of regional investment, he said.

Transition planning included the responsibility to protect communities, the environment and the economy, he said.

From CEDA

New report on Effects of temporary migration (15 July 2019)


CEDA’s report examines the facts around temporary migration, its importance to business and the economic benefits it delivers to Australians.

Population growth, underpinned by migration, has been a key factor in Australia’s economic development and economic success and is one of five key issues in CEDA’s research policy stack which is guiding our long-term research agenda.

While less often discussed than permanent migration, temporary migration has been critical in enabling Australian businesses to access the skills they need.

CEDA’s own economic modelling and analysis shows that contrary to often raised concerns, recent waves of migrants have not had an adverse impact on the wages or jobs of local workers and is critical for delivering benefits to business, the economy more broadly and to the existing workforce.

As a mid-sized economy far away from global markets, the importance to our economic success of free movement of goods, services, investment and skills, can’t be understated.

We need to make it easier for business to import the best global talent and expertise, and Australia’s temporary skilled migration system is our gateway for global talent.

Australia’s temporary skilled migration scheme has faced significant scrutiny and has been subject to constant change and review – more than 40 changes or reviews in the last 23 years.

Keeping this in mind, CEDA’s recommendations focus on transparency and efficiency.

There are actions that can be taken immediately to improve the system and make it easier for businesses to get the skills they need and CEDA is recommending:
• Increasing transparency about the data and methods used in assessing professions for the skilled occupation list;
• Ensuring the ANZSCO occupation codes align with current and emerging labour trends to make it responsive to the skill needs of the future; and
• Introducing a dedicated path for intra-company transfer of employees to Australia to ensure that employees of global companies in Australia can benefit from the experience of their counterparts overseas.

Additional recommendations in CEDA’s report include:

• Establishing an independent committee to undertake analysis and consultation on the formulation of skilled occupation lists.
• The Federal Government should task the Productivity Commission with a review of the temporary skilled visa program on a set cycle every three or five years.
• Better aligning the Skilling Australia Fund Levy to alleviate the skill shortages driving skilled migration.
• Moving the levy collection to the visa approval stage rather than visa nomination.

Australia will continue to need temporary skilled migration to fill periodic and emerging skill shortages.

Improving predictability of the scheme and increasing understanding among the wider community of the benefits to all Australians, will help deliver a fair and efficient system.

This report aims to help move us closer to those goals.

The launch of this report will be followed by events across Australia: Sydney – 23 July; Melbourne – 24 July; Adelaide – 26 July; Brisbane – 31 July; Perth – 31 July

I hope to see you at one of these events. Melinda Cilento, Chief Executive, CEDA

From the Productivity Commission


Background

What has the Commission been asked to do?

The Commission has been asked to develop a whole-of-government evaluation strategy, to be utilised by all Australian Government agencies, for policies and programs affecting Aboriginal and Torres Strait Islander people. As part of this strategy, the Commission has been asked to:

- establish a principles-based framework for the evaluation of policies and programs affecting Indigenous Australians
- identify priorities for evaluation
The Letter of Direction indicates that the Commission will have an ongoing role — in terms of monitoring agency performance against the Strategy, refining the Strategy and potentially conducting evaluations itself.

The motivation for this project

There are increasing calls from the Aboriginal and Torres Strait Islander community for a greater focus on monitoring and evaluation to improve program design, delivery and accountability. ‘Too often, evaluations of key Indigenous reforms have been of limited usefulness for Indigenous people and policymakers. The evidence about what works, including for whom, under what circumstances, at what cost, and why, remains scant’ (Empowered Communities 2015, p. 90).

Since the introduction of the Closing the Gap framework in 2008, there has been extensive reporting on outcomes for Aboriginal and Torres Strait Islander people. However, it has been estimated that less than 10 per cent of Indigenous-specific programs are evaluated (Hudson 2016, p. 1). Where evaluations have been conducted, many ‘have lacked a suitable measure of rigour and independence’ (Department of Finance and Deregulation 2010, p. 12).

The Indigenous Evaluation Strategy presents an opportunity to lead the way in evaluation of government policies and programs affecting Aboriginal and Torres Strait Islander people.

The Productivity Commission has long identified the potential for increased use of evaluation to improve policy-making and outcomes, both generally (for example, in its five yearly productivity review, Shifting the Dial (PC 2017, p. 204) and for policies and programs affecting Aboriginal and Torres Strait Islander people. Participants in a roundtable conference convened by the Commission in 2012 agreed that significant gaps existed in the evidence base for policies and programs affecting Aboriginal and Torres Strait Islander people (PC 2013). The 2015 National Indigenous Reform Agreement (NIRA) assessment report argued that ‘evaluation is the key to designing policies that achieve positive outcomes for Indigenous Australians’ (PC 2015, p. 168).

Objectives of the Indigenous Evaluation Strategy

Delivering better outcomes for Aboriginal and Torres Strait Islander people

The Letter of Direction suggests that the overriding objective of the project is to improve outcomes for Aboriginal and Torres Strait Islander people. Beyond this it is likely that views may differ on other objectives of the Evaluation Strategy. For example, many people will see the need to increase Aboriginal and Torres Strait Islander input into policy processes as a core objective, while another objective might be building the evidence base about ‘what works’, or ensuring value for money in providing services. Clarifying and detailing the objective(s) of the Strategy is an important part of the Commission’s task, both for informing the development of the Strategy and, ultimately, for identifying what a successful Strategy would look like.
The United Nations Declaration on the Rights of Indigenous Peoples provides relevant context

The United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) … was endorsed by the Australian Government in 2009. The Commission considers that the UNDRIP situates the strategy within a broader international context of promoting greater self-determination for indigenous peoples. Of particular relevance to this project is a commitment by signatories to the UN Declaration to facilitate and enable greater involvement by indigenous peoples in setting priorities and making decisions about policies and programs that affect them. The Uluru Statement from the Heart (NCC 2017) expresses Aboriginal and Torres Strait Islander people’s understanding of their sovereignty and proposes a First Nations Voice enshrined in the Australian Constitution. Though the Australian Government has not taken up the proposals in the Statement, it remains an expression of Aboriginal and Torres Strait Islander self-determination.

CONFERENCES and STUDY OPPORTUNITIES

ANZRSAl 2019 Conference

The 2019 ANZRSAl Conference will be held in Cairns, December 4th-6th. Further details will be available in early 2019. There will be two Best Paper Awards at the conference, sponsored by the Bureau of Infrastructure, Transport and Regional Economics. The first award is for the Best Paper presented at the conference. The second award is for the Best Paper presented by a Student. There is a small cash grant given to the winners. Further details can be downloaded from the ANZRSAl homepage, or by following the following links: Best Conference Paper and Best Conference Paper by a Student.

Regional Studies Blog

Professor Paul Dalziel, Executive Officer, ANZRSAl has recommended the Regional Studies Association Blog, which has been running since 2010. Each post is an easy-to-read piece between 500 and 750 words on a topical issue in regional studies.

The link is http://blog.regionalstudies.org/

Here are some current topics:


https://blog.regionalstudies.org/research-for-social-impact/
26th Pacific Regional Science Conference (PRSCO)

The Western Regional Science Association (WRSA), Pacific Regional Science Conference Organization (PRSCO), and the Regional Science Association International (RSAI) are pleased to invite you to 59th Annual Meeting of the WRSA, held jointly with the 26th Pacific Conference of the RSAI.

The joint conference will be held March 18–21, 2020, at the Hilton Hawaiian Village in Waikiki, Hawaii.

Full paper submissions benefit from the traditional WRSA 45-minute per paper time slot, while submitted abstracts will be allocated shorter presentation times.

All submissions will be reviewed and will be assigned a discussant on the program. All presenters are expected to discuss a paper and/or chair a session.

Panel sessions are welcomed; please contact Rachel Franklin or Jaewon Lim for details.

Key Deadlines:

- November 15, 2019 – Deadline for submission of abstracts and papers
- January 20, 2020 – Preliminary Program announced
- January 31, 2020 – Final Paper Due for Full Paper submission
- February 21, 2020 – Deadline for hotel reservations and early-bird meeting registration

Submissions are invited from the full realm of regional science research, including from geography, economics, planning, and environmental and regional studies. Potential topics include:

- Regional development & smart specialization
- Migration and demographic change
- Urban and regional analysis and analytics
- Spatial statistics and analysis
- Transportation
- Tourism and recreation
- Regional modeling
- Local and regional public finance
- Housing and real estate
- Energy and environment
- Innovation and entrepreneurship

Full meeting details will be forthcoming.

Australian Regional Development Conference

From developments through to community initiatives, the work done within our regional areas deserve to be highlighted, celebrated and shared.

The Australian Regional Development Conference will be held on the Sunshine Coast from the 16-17 September 2019. The Program Advisory Committee are currently accepting abstract and presentation submissions for our 2019 event.
Topics open for discussion include:

- Trends, Funding, Policy
- Community Initiatives, Technology, Local Leadership
- Business Attraction and Economic Growth
- Environment and Resources
- Regional Liveability
- Regional Disruption

Call for abstracts have closed 24th May 2019.

16 - 17 September 2019, Twin Waters Resort, Sunshine Coast
Mob: 0432 897 023 Ph: 07 5502 2068

Notice from PRSCO: 59th ERSA Congress | 27-30 August 2019, Lyon, France

Cities, regions and digital transformations: opportunities, risks and challenges

More information: http://ersa.org/events/59th-ersa-congress/

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**CURRENT RESEARCH ABSTRACTS**

**Regional Science Policy and Practice**

*Volume 11, Issue 2 (June 2019)*

**Innovation processes in rural areas**

Livia Madureira, André Torre

Pages: 213-218 | First Published: 25 June 2019

https://doi.org/10.1111/rsp3.12215

[Extract from original introduction] The seven papers offered by this special issue, although might look at first sight a disperse collection of papers, when read carefully present a coherent set of contributions, and propose clear answers to the question of the characteristics of innovation in rural areas. Together they provide an outstanding contribution to help social scientists and politicians in the fundamental task of integrating the loose ends that have insofar kept innovation in rural areas and in the agricultural sector, as well as its interconnections, an overlooked issue both by regional and innovation studies, and by innovation policies.

https://doi.org/10.1111/rsp3.12194

**LEADER 2007-2013: An innovation dependent on local and national institutional arrangements? Some European illustrations**

Pascal Chevalier, Dominique Vollet

Pages: 219-234 | First Published: 29 November 2018

Abstract: The paper shows that the expected positive effects in terms of innovation under the LEADER programme are closely dependent on the structure of networks of actors and arrangements between them at the local level. A theoretical grid of local governance is used and applied in five Local Action Groups (LAGs) in France, Lithuania and Spain. To foster innovation with the LEADER programme, three conditions are important: the emergence of more shared decision-making bodies, integration of civil society actors into strategic political thinking, and the need for strong local territorial engineering to serve innovation.

https://doi.org/10.1111/rsp3.12156
Governance, institutions and innovation in rural territories: The case of Coruche innovation network

Maria de Fátima Ferreiro; Cristina Sousa

Pages: 235-250 | First Published 25 Oct 2018

Abstract: The paper presents the results of a research on governance and innovation dynamics involved in a Portuguese rural territory—Coruche, the so-called capital of cork. By presenting research on innovation dynamics using a particular raw material and a particular rural territory (Coruche), the research fulfils two objectives: (i) contribute to the extant literature, by addressing an empirical context that has been neglected by most innovation scholars, that is, rural territories and traditional sectors, namely agro-forest industry; and (ii) highlight different novelties and territorial dynamics related with cork production and transformation and governance aspects of this particular system of innovation. The use of a network analysis allows the characterization of this system, the different types of actors (multi-actor), their interactions framed by institutions, and operating at different territorial scales (multi-scale). The governance of cork-based activities in this territory includes important transformation companies, forest producers, professional and development associations, and public administration entities with competences in regulation and the development of the territory, including the management of European Funds. The local presence of a multinational enterprise introduces interesting issues related with its attachment to the territory including the creation of employment and the collaboration with local entities in activities and events related with cork production and transformation. 

https://doi.org/10.1111/rsp3.12189

Shedding light on rural innovation: Introducing and applying a comprehensive indicator system

Teresa Maria Gamito, Lívia Madureira

Pages: 251-277 First Published: 04 January 2019

Abstract: Innovation is acknowledged as an engine to boost competitiveness and sustainability of rural economies. However, there is scarce evidence on the patterns and dynamics of rural innovation: OECD and European Union indicators currently used to identify and measure innovation do not cover small-scale, low technological and low intensity-R&D innovations. Recent research has shed some light on “hidden” innovation patterns and on their importance to the competitiveness of traditional low-tech sectors and the vitality of regions whose economies depend mostly on low-tech activities. This paper introduces a comprehensive innovation indicator system addressing innovation processes in rural-based organizations. Its application in the Portuguese case made it possible to identify and understand the specificities of innovation patterns in rural areas. 

https://doi.org/10.1111/rsp3.12167

Proximities and the role of relational networks in innovation: The case of the dairy industry in two villages of the “green municipality” of Paragominas in the Eastern Amazon

André Torre, Etienne Polge, Frederic Wallet

Pages: 279-294. First published: 19 December 2018

Abstract: In this paper, we seek to identify the dynamics of change and innovation at work in the agricultural sector of the Brazilian Amazon region, which operate in a context of environmental and technical pressure. We search for understanding how different innovative practices are implemented and how hybrid practices can develop through relationships between local actors who belong
to different worlds. Our study focuses more specifically on dairy production in the Paragominas municipality, whose “green municipality” programme has led to an intensification of agricultural production and a significant reduction in deforestation, and where different forms of agriculture coexist. The dynamics of interaction are explored through an analysis of social networks, in which we examine, from empirical data, the structure of networks that facilitate interactions. Through an analysis of proximity relationships, we perform a detailed study of the spatial and non-spatial determinants of these interactions. The paper first presents the study sites and analysis methods, then we provide a description of our results concerning innovation models, stakeholder networks and proximity relations.

https://doi.org/10.1111/rsp3.12151

Innovative capabilities of users of agricultural R&D services

Rosmery Ramos-Sandoval, José María García Álvarez-Coque, Francisco Mas-Verdú

Pages: 295-305 First Published: 12 October 2018

Innovation at farms is crucial to face technological, environmental and social challenges of the agricultural sector. Our hypothesis is that access from farmers to research & development services (RDS) is enhanced by certain entrepreneurial attributes (market orientation and learning orientation) as well as by their innovative attitude and human capital, as innovation capabilities. We explore the role of these factors in a sample of farmers in a region of Spain (Valencian Community), which is a context dominated by small and medium-sized farms. Through a logistic equation modelling approach, we tested the conditions that increase the likelihood to be users of RDS. Our findings suggest that both strategic and innovation capabilities, as well as a high level of formal education, are positively correlated with farmer's willingness to make use of RDS, while the largest group of farms shows a lower probability of adoption of RDS. Policies promoting knowledge intensive support services can pay attention to the fact that more innovative and educated farmers are also those who interact more with RDS, even in a context where small and medium-sized farms prevail.

https://doi.org/10.1111/rsp3.12152

Rural areas receptivity to innovative and sustainable agrifood processes. A case study in a viticultural territory of Central Spain

Rocío Losada, Almudena Gómez-Ramos, Margarita Rico

Pages: 307-327 First Published: 16 April 2019

Abstract: The objective of this work is to determine the perception, in terms of sustainability, of stakeholders involved in an innovative process developed in a rural area. The innovative process focuses on the introduction of green technologies and low carbon emissions linked to the product and the process in the context of a circular economy model. The methodology is based on a variation of the MESMIS evaluation framework through which ex ante sustainability is analysed following the participatory process using focus group techniques. The results show that acceptance is conditional on obtaining positive economic results from farmers and wineries. The local scale of implementation of the project and the identification with technology based on the use of endogenous resources such as microalgae by the label of origin of the wine are factors that favoured the interest of the participatory process to address the sustainability of innovative technology.

https://doi.org/10.1111/rsp3.12187
Measuring the impact of legal and administrative international barriers on regional growth
Roberto Camagni, Roberta Capello, Andrea Caragliu

Pages: 345-366 First Published: 15 March 2019

Abstract: Country borders are traditionally interpreted as barriers to trade, since they limit the access to large markets of goods and intermediate assets, with negative effects on production, employment levels, and growth. The European Union is not an exception in this respect and, despite the establishment of the European Single Market, legal and administrative international barriers still exist, affecting economic growth. This paper focuses on the areas where costs and benefits of missed integration and the integration potential are highest, namely, border regions, with the aim to provide the costs of non-Europe at regional level. Results show that the costs of non-Europe are still relevant and justify the need of the European Cross-Border Cooperation Program in the next programming period. Useful guidelines for addressing the next programming period are provided.
https://doi.org/10.1111/rsp3.12195

Papers in Regional Science

98(3) June 2019

Quality of government and regional resilience in the European Union. Evidence from the Great Recession
Roberto Ezcurra, Vicente Rios

Pages: 1267-1290 First Published: 21 November 2018

Abstract: This paper examines the relationship between quality of government and regional resilience in the European Union during the Great Recession. The results show that the quality of government is an important factor when shaping the regional reaction to the crisis. Our estimates reveal that higher quality of government is associated with greater regional resilience over the Great Recession. This is partly due to the role played in this context by spatial spillovers induced by the quality of government in neighbouring regions. The observed link between governance and regional resilience is robust to the inclusion in the analysis of different explanatory variables that may affect both government quality and regional resilience. Likewise, our findings do not depend on the specific dimension of governance considered, the estimation method or the econometric specification employed to capture the nature of spatial spillovers.
https://doi.org/10.1111/pirs.12417

Real wages, amenities and the adjustment of working hours across local labour markets
Teresa Schlüter

Pages: 1291-1316 First Published: 21 November 2018

Abstract: High prices that are not offset by equally high incomes are often seen as an affordability problem. To get by, poorer workers in these areas might have to work longer hours. Alternatively, lower real wages might indicate a more desirable place to live and induce high-income people to trade off cash for leisure time. Both interpretations suggest a link between real wages and an individual’s labour supply choice. Using panel data, I observe how working hours change, when workers move place. I find that working hours increase by 0.42% for a 10% decrease of local real wage. The effect is stronger for low-skilled workers at the bottom of the wage distribution, indicating an affordability mechanism that might further exacerbate inequality.
https://doi.org/10.1111/pirs.12413
How does wage polarization affect productivity? The case of Spanish regions
Karina Alfaro-Moreno, José Javier Núñez-Velázquez, Luisa Fernanda Bernat-Diaz
Pages: 1317-1333 First Published:27 November 2018
Abstract: The effect of wage polarization on total factor productivity (TFP) in the Spanish regions between 2004 and 2012 is analysed using dynamic panel estimates. The main finding of this research is that there seems to be some evidence that polarization can affect productivity negatively. Although the specification of the models seems to be correct, the time period studied is brief, so these results should be interpreted with caution. https://doi.org/10.1111/pirs.12409

A framework for economies classification and its application to China's regions
Fei Ge
Pages: 1335-1358 First Published:22 November 2018
Abstract: International organizations approach economies classification differently. This investigation aims to explore a classification framework, named as thresholds of economy groupings, to obtain the thresholds for easily classifying economies. The framework is applied to classify provinces in mainland China, and the resulting thresholds provide instructional values reflecting macroeconomic situation. One result is that the average value of the relative gross domestic product per capita is roughly equal to the threshold between groupings 3 and 4 of five ones during 2009–2014, which implies regional disparities and balanced policy requirement in China. Furthermore, dynamic development tracks are described as different kinds of shapes. https://doi.org/10.1111/pirs.12410

The spatial structure of the labour market across public job centres. Does their accessibility matter?
Patricia Suárez, Matías Mayor, Begoña Cueto, María-Henar Salas-Olmedo
Pages: 1359-1372 First Published:16 December 2018
Abstract: The objective is to analyse how one’s place of residence affects the probability of finding a job and to measure the definition of the public job centre catchment area, which contributes to improving labour outcomes in the most deprived areas. We propose a multilevel model to estimate the probability of finding a job controlling for individual characteristics and discerning the effect of the place of residence and the contribution of public employment centres. We use an administrative register of jobseekers (70,379) grouped by 384 postal codes and 24 job centres. The econometric results confirm the hypothesis that there is a strong residence effect that is not sufficiently mitigated by public employment services. https://doi.org/10.1111/pirs.12414

Location-specific knowledge in spatial job search and its outcomes: An empirical investigation
Gintarė Morkutė
Pages: 1373-1395 First Published:23 January 2019
Abstract: This paper investigates how working location influences jobseekers’ subsequent spatial job search. Further, it is assessed to what extent mobility between working regions is associated with wage growth. The results show that the working region functions as a prominent geographical anchor around which the new job search is focused. The jobseekers that do find a job far away from their old working region receive a small wage premium, but this premium disappears if selectivity is taken into account. It is concluded that
employees demonstrate substantial stickiness to their working locations, and that this is motivated by asymmetry in search costs. No evidence was found that mobility between working regions in itself affects wages. 

https://doi.org/10.1111/pirs.12418

The monetary subjective health evaluation for commuting long distances in Chile: A latent class analysis

Juan Palomino Mauricio Sarrias

Pages: 1397-1417 First Published:16 January 2019

Abstract: This paper addresses the issue of environmental awareness in the regions of the Russian Federation. For this purpose, an index of environmental awareness at regional level is derived as a latent variable from various categories of search entries in Yandex, the prominent Russian search engine, during two periods in the years 2014 and 2015. The frequency of these search requests presumably depends on certain economic and socio-economic causes, which are integrated into the model for further investigation. The relation between regional wealth and environmental awareness is thereby of particular interest. The multiple indicators-multiple (MIMIC) causes model allows us to estimate an index of environmental awareness and to rank the Russian regions according to this index.

https://doi.org/10.1111/pirs.12420

The impact of EU Eastern enlargement on urban growth and decline: New insights from Germany's Eastern border

Bastian Heider

Pages: 1443-1468 First Published:11 Oct 2018

Abstract: This paper uses the quasi-experimental setting of the 2004 EU enlargement, as well as town-level data along the affected German border, to estimate the effect of economic integration on border town population development. Using a difference-in-differences approach, we find that the accession has had a significant positive effect on the rate of population change after 2004. However, this does not offset the, generally, poorer population development of border towns compared to interior towns. Moreover, the integration effect appears to strongly depend on initial local conditions. No effects were found for Polish towns on the opposite side of the border.

https://doi.org/10.1111/pirs.12407
Neighbourhood inequality spillover effects of gentrification

David Christafore, Susane Leguizamon

Pages: 1469-1484 First Published: 27 September 2018

Abstract: Previous research has considered how gentrification may alter the racial composition, income composition and income segregation within a neighbourhood. An increase in income segregation at the neighbourhood level may be evidenced by a reduction in income inequality, which may harm low-income households. We examine how the influence of gentrification, with respect to changes in income inequality at the neighbourhood level over time, may spill over into surrounding neighbourhoods as lower-income households’ location choices change. We use data from the 30 largest Core Based Statistical Areas in the US from 2000–2010 and find that areas bordering newly gentrified neighbourhoods experience an increase in income inequality (potentially benefiting low-income households). This effect appears to be concentrated in relatively smaller CBSAs, where lower-income households may have less mobility, and in surrounding neighbourhoods that are themselves relatively lower-income. https://doi.org/10.1111/pirs.12405

Spatio-temporal evolution of regional inequality and contribution decomposition of economic growth: A case study of Jiangsu Province, China

Baiqiong Liu Min Xu Jing Wang Lin Zhao Sumei Xie

Pages: 1485-1498 First Published: 03 Dec 2018

Abstract: Regional inequality in the process of economic growth has recently been a popular topic. This paper creatively proposes contribution decomposition methods to divide various regions’ contributions into economic contribution and population contribution. The methods consider not only economic growth but also population change, which may be more effective than the traditional method that uses the per capita GDP (gross domestic product) as its single measurement indicator. Moreover, the objective is to take a step forward and reveal the spatio-temporal evolution characteristics of regional disparities by integrating barycentre model and economic development equilibrium model. Lastly, the applicability of the research method proposed in this paper is verified by a case study of Jiangsu province, China; the results show a new regional economic pattern in Jiangsu province. https://doi.org/10.1111/pirs.12412

Regional labour markets in Spain: Can flexibility and local democracy reduce inefficiencies?

Ambra Poggi

Pages: 1499-1516 First Published: 27 January 2019

Abstract: By applying a stochastic production frontier approach, this paper investigates regional inefficiencies of job creation in Spain over the period 2006–2012. This paper represents a first attempt to test whether a more flexible labour market as designed by the 2010 reform reduces regional inefficiencies. Results suggest that the 2010 reform appears to have improved on average the efficiency of the Spanish labour market even if regional differences persisted over time. The paper also investigates the importance of local democracy for the labour market finding that local democracy positively influences regional efficiency. https://doi.org/10.1111/pirs.12422

Walled cities and urban density in China

Rui Du Junfu Zhang

Pages: 1517-1539 First Published: 06 December 2018

Abstract: We analyse a sample of nearly 300 prefectural-level cities in China, among which
about half historically had city walls. We document that cities that had walls in late imperial China have higher population and employment density today, despite that their walls have long gone. Using data from various sources, we test whether a historically walled city's higher density can be explained by a historical urban core, a different industry composition, a different local geography, a compact urban shape, or more valuable rural land in surrounding areas. We find that historically walled cities still have higher density after taking into account all of these factors, which we interpret as evidence of economic persistence.

https://doi.org/10.1111/pirs.12415

BOOK REVIEW

Regional trajectories of entrepreneurship, knowledge, and growth: The role of history and culture


Robert Huggins

Pages: 1541-1542 First Published: 30 April 2019

Forthcoming in Regional Studies

Rethinking the regions: Indigenous peoples and regional development

tebrikunna country and Emma Lee, and Robyn Eversole

Abstract: This paper contributes to a more in-depth theorization of the role of community and culture in regional development with a specific reference to the diverse communities who identify as Indigenous peoples. The concept of Indigenous regional development is used to describe how Indigenous cultural perspectives on regions, knowledge and relationships that can generate innovation are distinctive from mainstream scholarly and policy conceptualizations. Indigenous regional development opens up new conceptual terrain for both regional development theory and policy, creating new opportunities for cross-cultural collaboration and regional innovation. https://doi.org/10.1080/00343404.2019.1587159

ABOUT ANZRSAI

ANZRSAI Council Notes

Council has been busy planning for the 2019 conference in Cairns, discussing ways to further improve the access to and ranking of our journal (AJRS), and improving the presentation of the website.

Megan Woods has stepped down from Council in order to prepare for the arrival of an addition to her family. Council wished Megan well and look forward to welcoming Megan back to ANZRSAI and Council in future.

ANZRSAI Conferences

The annual conference and AJRS are the foundations of ANZRSAI.

The small conference attracts and enables new members to access our senior members who generously offer support, encouragement, relevant experience and information. AJRS offers an opportunity for early publication.

Council noted that the conference is our principal source of funds and that the organization returned a small profit in 2018.
Proposed Roles of Council Members

Membership Secretary: Delwar Akbar
Council Secretary: Rolf Gerritsen
Correspondence Secretary: Yogi Vidyattama
Publications Secretary: Vince Mangioni or Lee Pugalis. (Within the UTS/editors group.)
Conference Secretary: Paul Dalziel
Webmaster: Paul Dalziel
Convenor: Conference Awards Committee. Volunteer required.
Convenor: Contributed Papers sessions: Paul Dalziel

Editors:
- Conference Proceedings: tba assisted by Rolf Gerritsen.
- Australasian Journal of Regional Studies: Bligh Grant (Executive Editor), Rolf Gerritsen, Khorsheed Alam and Vincent Mangioni
- Sustaining Regions - Tony O’Malley

Accounts – Greg Jones
Abstract circulation - a new function which Joseph Drew has initiated.

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Contact details
PO Box 236,
Darling Heights QLD 4350

Email: anzrsai@anzrsai.org
Website: www.anzrsai.org
Facebook: https://www.facebook.com/anzrsai