## 'Titanic' Inspiration for thinking about Industrial Transformation and Clusters

Posted on March 23, 2018by James Wilson

Partners of the <u>Interreg Clusters3 project</u> met last week in Belfast for a learning workshop that forms part of a journey that began in Bilbao in May 2016. The Clusters3 project aims to improve the policies that governments employ to support clusters and collaborative networks. In particular it seeks to help partners leverage those policies to enhance the implementation of their regional <u>smart specialisation strategies</u>.

In terms of reflecting on the role that clusters and policy can play in the continual transformation of economies, the trip to Belfast was inspiring on many levels. The main venue was the stunningly-restored rooms where the plans for the Titanic were drawn, right opposite from where the Titanic and so many other ships were constructed in Belfast's heyday at the centre of the ship-building industry.



The theme of transformation can be seen all around, with a museum, hotel and college campus now established in Belfast's 'Titanic Quarter'. These sit alongside film studios and tech companies in an emerging film and digital cluster, whose strength in numbers can be seen in Nesta's recent report on the creative geography of the UK. It is particularly fascinating to see how the infrastructures of Belfast's old industries (docklands and enormous ship-painting sheds) are being used as a key resource supporting the development of its new industries (film, software, digital, tourism ...). In this small area of Belfast you really can see industrial transformation – often a fairly abstract concept talked about by academics and policymakers – in action.

New innovation/entrepreneurship infrastructures

In this great venue our hosts from <u>InvestNI</u> and the <u>Department of the Economy</u> put together an equally inspiring programme. It featured cluster and policy experiences from Canada, the Netherlands, Norway, Spain and the UK, an engaging discussion on the roles that universities can play in clusters (more on this coming soon at <u>Orkestra's Beyond Competitiveness Blog</u>), and interactive workshops to articulate key policy challenges and work on potential solutions.

Two key messages stood out for me. The first was inspired by a superb presentation from Kristianne Paasche and Line Magnussen from Innovation Norway. Reflecting on what is widely recognised as a leading experience in cluster policy, they emphasised that even the most successful policies need to be constantly questioned, evaluated and evolved. A recent evaluation of the Norwegian policy has demonstrated its strong impact, but their conviction that intelligence from such evaluation excercises can be used to improve things further was impressive. Indeed, they expect Norway's mature clusters to work with them as partners in regional economic development. In this sense they set out a vision that goes beyond a narrow cluster policy, and provides a blueprint for how clusters can support regional transformation strategies more broadly.



A second key message emerged during one of the panel discussions and was taken forward in the afternoon's interactive workshop. It concerns the need for clusters to better engage users in their activities. For some clusters this is an obvious point – many clusters are explicitly built around the relationships between suppliers and users in specific value chains. However the voice of end users are often more distant. This is particularly relevant if we move beyond a narrow conception of users as customers and see users as citizens. This brings us back to debates on the territorial-embeddedness and social-rootedness of clusters and some recent research on the <u>potential that clusters have to simultaneously respond to economic and social challenges</u>.