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Editorial: Economic Geography IMPULSES

by

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1. The context

As a field, and over the last twenty years in particular, economic geography seems to exhibit ongoing periods of introspection and self evaluation. In 2000, for instance, a debate was sparked about the conceptual basis and future development of economic geography at a time when the field was seemingly broadening and opening towards the social sciences. In a short provocative commentary, Amin and Thrift (2000) expressed concern that economic geography was no longer able to “fire the imagination” of scholars and students. This commentary led to an intense and at times heated discussion about potential conceptual pathways in the field. While some scholars felt that it was necessary to broaden economic geography research toward social science perspectives – such as Sayer (2001) when calling for a “cultural political economy” or Perrons (2001) when arguing for the development of a more inclusive “holistic framework” – others were concerned that the core of the field needed to remain focused on the analysis of economic processes in space and closely tied to the discipline of economics (Martin and Sunley 2001). Rodríguez-Pose (2001), for instance, warned that the field may lose its relevance through a “cultural overdose”. Martin and Sunley (2001), meanwhile, viewed this debate as somewhat artificial as it was based on false opposites. According to them, economic and social processes should be seen as fundamentally interrelated and therefore inseparable. As a consequence, both the ‘economic’ and the ‘social’ needed to be integrated into economic geography analyses, which would require a combination of quantitative and qualitative methodologies.

Tellingly perhaps, many of these debates were still alive and well when this journal published a theme issue in 2011 to celebrate its tenth anniversary, containing thirteen papers by a wide range of leading economic geographers and geographical economists. Although broadly affirming that the Journal of Economic Geography had by that point successfully created a
productive space for dialogue between geographers and economists, in their introduction to the issue, Garretsen and Martin (2011) identified three clear different clusters of papers within the overall set. The six papers by economists sought to refine and nuance the modelling procedures of the New Economic Geography (NEG) (e.g. Fingleton, 2011). The papers by geographers were split between those that sought to develop avowedly geographical theorizations in contrast to the models of NEG, and another group that sought to promote engagement with work in economics (e.g. Rodríguez-Pose, 2011). Martin and Sunley (2011), in turn, stressed that neither the abstract analytical rigour of geographical economics, nor the intensive case study approaches of economic geography were well suited to the demands of policy audiences.

Reflecting on these themes in relation to contemporary economic geography, our impression is – despite obvious progress in many parts of the field – that processes of segmentation have, if anything, become stronger over time, to the degree that theoretical and empirical debates have become quite exclusive. They are often either economic or social, micro or macro, quantitative or qualitative, or local or global in approach. Different groups of scholars have emerged as relatively homogenous schools that proclaim certain conceptual territory and corresponding methodological tools. These groups seem to display expansionary tendencies, to large degree talking to themselves, while tending to ignore other deviating approaches in the field. We are concerned that such segmentation may support tendencies of mutual ignorance, exclusion and lock-in, instead of processes of cross-fertilization. As the Editors of the Journal of Economic Geography, we feel committed to advancing the understanding of the drivers and influences, as well as heterogeneous outcomes, of economic processes and structures in space. And we are convinced that in order to do so we need to engage with a diverse set of approaches and methodologies that allow us to look at the world from different angles. It is this diversity,
indeed, that becomes an important driver of knowledge generation. The current trends in the field, we fear, may not sufficiently support such progress and young scholars may lose interest and turn away from economic geography. In this respect, our concerns are just as urgent as those raised by Amin and Thrift (2000) over 15 years ago, and are in tune with the more recent call of Barnes and Sheppard (2010: 193) to develop a progressive model of “engaged pluralism” in order to avoid the continued fragmentation of economic geography into “a series of intellectual solitudes that [have] created isolation, producing monologues rather than conversation”.

2. Divides in and challenges to the field

In our editorial roles we are privileged to see a broad cross-section of work in the contemporary field of economic geography. On the one hand, we gain the impression of an enviably broad and fertile inter-disciplinary field rich in ideas, theoretical framings and methodological approaches. On the other hand, we become aware of certain entrenched divides between relatively self-contained camps of researchers pulling in different directions and sometimes more committed to making connections outside, as opposed to within, the economic geography fraternity – especially in the development of new conceptualizations. In the context of what we sometimes perceive as a dwindling core, we feel that we need a new round of debate and broad engagement, moving forward, about the future role of economic geography within the broader social sciences. To spark such debate, we wish to point out a number of divides and challenges that have developed and that are in need of deliberation beyond narrow sub-disciplinary confines. While those emphasized below can only be exemplary, we feel that these various aspects are at the heart of current segmentation processes.
First, a conceptual divide clearly still exists between the fields of geography and economics, and between economic geography and other social sciences. While some linkages have been forged between economic geography and innovation and entrepreneurship studies, international business, and to some degree with management/organization studies, industrial marketing and economic sociology – as illustrated by special issues organized in recent years in the *Journal of Economic Geography*, *Journal of International Business Studies* and *Industrial Marketing Management* – interdisciplinary linkages are generally still in their infancy. And it appears that few journals are open to submissions from outside the context of their own disciplinary debates. As has always been the case, economic geographers appear to engage more with other disciplinary debates than vice versa (Brakman et al. 2011) – and, in fact, sometimes embrace them overly so. The number of economic geography concepts and methodologies that are being acknowledged and discussed across the social sciences, associated with the work of scholars such as Krugman (1991), Storper (1997), Clark (1998), Porter (2000), Florida (2002), Glaeser (2005), Saxenian (2006), Peck and Theodore (2007) or Martin (2010), is actually rather limited. Broad cross-disciplinary fertilization of ideas and concepts has yet to occur. A meaningful debate across disciplinary boundaries also requires precise terminology and conceptual scrutiny. Much too often, we observe the use of fuzzy theorizations, competing notions or the shift from well-established to more fashionable concepts that are hard to distinguish in conceptual terms. In other words, when terminology is switched over it sometimes appears – as Harrison (1992) once put it – like “old wine in new bottles”. This even extends to some recent discussions surrounding clustering versus related variety or regional innovation systems versus entrepreneurial ecosystems (Sorenson 2017).
Second, another strong divide that has seemingly strengthened over time lies between quantitative and qualitative methodologies, and is often aligned with opposing views regarding the need for macro or micro analyses. Both types of approaches have exhibited little interest in recent years in interacting with each other. And both are faced with internal problems. On the one hand, there appears to be a tendency to apply increasingly complex statistical methods, to the degree that real-world data barely matches the requirements for their use. The growing complexity of methods also leads to situations in which parameter choices that appear somewhat arbitrary impact study results in ways that are hard to predict. The development of general spatial equilibrium models (as surveyed by Redding and Turner, 2015) is a recent trend that may disturb the nascent links between economic geography and geographical economics. While these models are parsimonious enough to be estimated and calibrated and generate quantifiable counterfactual predictions with limited data requirements, they are mathematically demanding and quite amenable to (macro) political thought experiments. Additionally, aggregate analyses are undoubtedly capable of identifying broader structures of influences on the respective dependent variables, but may provide limited insights into the causal mechanisms underlying these structures. We also see as problematic a tendency in such studies to overly focus on the distinction between significant and insignificant variables, while neglecting the overall degree of explanation of the related models. How useful is it to confirm a conceptual argument or proposition, if the unexplained variation in the model is over-powering? On the other hand, qualitative studies which trace economic processes and have the potential to investigate underlying rationales for economic action and interaction, often fall short of providing analytical clues. For instance, when single-case explorations predominate, results may be hard to generalize across different sectors and geographies. Another set of problems arises from studies that follow
normative approaches. By simply applying such approaches, investigations seem to be pre-occupied with certain outcomes or at least a limited set of variables that are considered valid. For instance, this appears to be the case both in studies that assume the optimizing behavior of individual actors or proclaim a neoliberal turn in capitalist development (Storper 2016; Clark 2017).

Third, while dynamic analyses were arguably neglected in mainstream economic geography in the past, recent developments have almost led to an overdose of evolutionary rationalization in the sense that time sometimes becomes the dominant explanatory factor, at the neglect of underlying spatial, economic and social influences. While important findings have been revealed through evolutionary analyses (Boschma and Martin 2010), not always has real progress been made. Much work has pointed out the advantages of related variety in sectoral composition (Frenken et al. 2007), for instance, but few such studies investigate in which regions related structures can be found, and where not, and why. It is this specific role of local, regional or other territorial and non-territorial context that is often not adequately considered (Storper 2009; Bathelt and Glückler 2011; Rallet and Torre 2017). It also seems that an evolutionary perspective does not easily translate into a development strategy for less developed countries and regions that require active policies to trigger path-breaking processes or new path generation instead of path-dependent development (He et al. 2017). It is against this backdrop that the role of policy in economic geography work continues to remain woefully under-examined.

Fourth, we see problems with how geographical context and institutions are incorporated into research more generally (Acemoglu et al. 2005), illustrated, for instance, by studies which focus on broad analyses of technology transfer, patent, migration, employment or other databases that have become available in recent years. While large data-driven studies have gained
momentum and result in new insights into the structures and influences that impact regional and national development processes, several problems have also become visible. Many such analyses focus on identifying those variables that stimulate, for example, economic growth and innovation, but are less interested in investigating the specific institutional conditions under which these relationships function or fail (Glückler and Bathelt 2017). This becomes a problem, specifically, when a study finds that the explanatory power of a statistical model (the degree of explained variation of the dependent variable) is low and emphasizes in its conclusion the importance of the institutional context (i.e. the sectoral, regional or national environment) in shaping related economic outcomes – suggesting that context produces this unexplained variation. Such approaches are meaningless from a methodological perspective because they can never fail when the explanation is either assigned to the explanatory model or the unexplained context – or to a combination of both. Studies must prioritize identifying meaningful relationships in economic geography, in addition to statistical significance. Moreover, to penetrate and influence the economics profession broadly, the burden of proof requires carefully discerning causal relationships, which often must dispense with the most technical of statistical machinery in favor of transparent and direct quantitative evidence.

Fifth, therefore, we discern fundamental challenges within economic geography in distilling the causal mechanisms underpinning spatial economic processes. Within the qualitative body of work in economic geography proper, there is often a curious reluctance to try and identify specific causal mechanisms amongst a wider sea of articulating actors and processes. In more quantitative work, we often see a mismatch between the data analysis and the causal mechanisms purportedly being explored. We recall many papers submitted to the Journal of Economic Geography in which the theoretical section and the data analysis barely connect, for
the simple reason that the selected data cannot properly shed light on the theorized causal connections. And, more profoundly, there may be challenges in pinning down the direction of causality. There has, for instance, been an ongoing debate about the sources of creativity in urban agglomerations (Florida 2002) and strong arguments have been put forward regarding the generation of external economies and knowledge spillovers in large diversified cities that become drivers of wider knowledge creation and innovation processes. However, as emphasized by Schoenberger and Walker (2017), the origins of creativity may be related to the massive resource flows to these places and the intrinsic problems that are created through the immense concentration of people and economic activities. Urban creativity may, therefore, be a fundamental requirement for these large centers to be able to thrive and survive, rather than the outcome of creative forces that almost magically unfold in such agglomerations (Duranton and Kerr 2017).

Sixth, and finally, we also want to flag concerns about the ability of economic geography to keep pace with significant changes in the real-world space economy. ‘Business as usual’ approaches may not be sufficient in the coming years. The global financial crisis that unfolded in 2007-08 provided one powerful example of how received wisdom can be challenged, at least initially, as certain state-managed economic development strategies proved more resilient in weathering the storm than neoliberal variants. The rise of state-owned and government-linked transnational corporations also gives pause for thought. To our mind, two particular developments will require urgent attention from economic geographers in the coming years. First, and despite attempts to forge a nascent environmental economic geography (Knox-Hayes 2016), the challenges of global climate change appear to be attracting far less attention than they merit, both in terms of stress-testing prevailing modes of economic growth and exchange in
geographically uneven ways, but also in offering the potential of low growth, low carbon futures. Second, the geopolitical foundations of the global economy appear to be shifting profoundly. The ‘global shift’ towards Asia has been well charted, although the rapid rise of the region as the key consumption node within the global economic system seems under-appreciated in many accounts that still predominantly focus on ‘factory Asia’.

Recent events in the US and Europe, spearheaded by the election of the Trump administration and the Brexit vote in 2016, may indicate the rise of a new ‘populist turn in politics’ that openly questions globalization and demands new interventionist and even isolationist politics. One political consequence of these sentiments relates to inequality, and the need to give equality issues priority over economic growth, or at least find a new balance, to replace the current growth primacy.

3. The need for new IMPULSES

Perhaps we exaggerate a bit and view these aspects too negatively. Yet, it is our belief that these and other empirical and conceptual frictions require platforms for exchange, debate and ongoing deliberation. The Journal of Economic Geography has decided to offer such a platform, referred to as ‘IMPULSES’, from now on. The new IMPULSES section will appear at irregular intervals to present papers tackling conceptual debates and future developments across the field. Contributions to this section can include new conceptualizations, discussions or re-developments of existing concepts, or informed reviews and reflections about the field. Pieces that engage with cross-field methodological integration and challenges will also be considered, as will those that address economic geography’s policy interface. We request that these contributions relate to ongoing debates in economic geography and speak broadly to geography, economics and/or related fields in novel ways. The IMPULSES section is not designed as an
outlet for quick opinion pieces or short commentaries – rather we wish to publish fully-developed article-length contributions and conceptualizations that have undergone a normal review process and can potentially have a broad impact on the field. Beyond these general parameters, however, we do not wish to be prescriptive. Economic geography, as ever, is what we collectively make of it, and we look forward to receiving thought-provoking and innovative work that can trigger a new round of relevant and engaged work in our vitally important field.

References


