Preface

This volume brings together a collection of original pieces from leading European industrial economists on the theme of how SMEs, located in what were once considered as being some of the weakest peripheral economies of the ‘old’ EU, have responded to the dual challenges of globalisation and industrial restructuring.

The work is based on papers presented at the 9th European Network on Industrial Policy (EUNIP) International Conference which was hosted by the University of Limerick, Ireland in June 2006. Following the conference, we approached a number of participants with an outline of our thinking about this topic and asked them to contribute to this book.

The contributions in this volume draw on empirical evidence of some of the traditionally weak peripheral economies of the ‘old’ EU, namely Ireland, Italy, Portugal and Spain, and provide evidence of the processes at work whereby these economies, and particularly the SME sector therein, have been transformed. We develop two interrelated themes in this work; the first examines the main drivers of a globally competitive SME sector in the EU through selected national studies; the second, investigates the relationship between MNEs, SMEs and industrial development (that is, an investigation of the dependent nature of SME growth). The changing nature of the EU economies from a Fordist to a post-Fordist mode of production organisation, characterised by small firms, monopolistic competition (and network firms), as well as flexible specialisation, has created a very different market for SMEs to operate within. All of this implies major challenges and opportunities for SMEs and thus the current volume provides a very timely contribution to a much under-researched area.

An important dimension of this volume is that it provides empirical and theoretical contributions on SMEs in both manufacturing and service sectors. We see this work not only as an output but as a mechanism which we hope will encourage further debate by its readers and research endeavours by scholars in this exciting field of research.

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