

Preface

The book is based on invited papers from scholars with the common research interest in economic growth and cluster development in East and Southeast Asia. These issues have attracted considerable attention in recent years, although compared with some other parts of the world there is a limited choice of literature dealing with Asia. A clear ambition was to invite authors who were able to contribute with new and interesting dimensions about clusters and economic growth. Hopefully this book will not only add to the existing literature, but also create new questions and thoughts about this increasingly important part of the world.

The first chapter by Alexander Ebner deals with the increasing relevance of cluster policies and the need to understand them in the context of an ongoing institutional and structural transition of East Asian newly industrializing economies towards an innovation-driven pattern of development. In this context, the national institutional frameworks are subject to changes that involve the transformation of the model of the 'developmental state' towards specific kinds of 'entrepreneurial states'.

Chapter 2 by Yanfei Li and Wai-Mun Chia investigates the role of information and communication technology (ICT) in economic growth since the late 1990s. It follows the growth accounting model to analyse the role of ICT in economic growth in four Asian economies: Japan, Hong Kong, South Korea and Singapore. The study also implies the possibility that ICT development could be a source of potential convergence between Asian newly industrializing economies and economies such as the USA and Japan.

In Chapter 3 Felix Haifeng Liao, Karen Zhihua Xu and Bin Liang explore the industrial agglomeration of Taiwanese electronics firms in 32 towns and districts in Dongguan, China. Over the past two decades, the industrial agglomeration of Taiwanese electronics investment in Mainland China has resulted in some electronics clusters. Based on firm-level interviews and statistics this chapter also has important policy implications for the upgrading of clusters in developing countries.

The rise of the biomedical cluster in Wonju, South Korea, provides the subject for Jun Koo and Jongmin Choi in Chapter 4. This study aims at achieving two things. First, the authors try to unpack the cluster

development process to better understand factors that play a role in the take-off stage of an industry cluster. Second, the focus on the biomedical cluster was chosen as there has been a dearth of literature on such clusters in Asian countries. The most important finding is that the presence of successful venture firms in the early cluster development stage can play a pivotal role in the growth of clusters.

The contribution by Henning Kroll and Daniel Schiller, in Chapter 5, presents a critical discussion and analysis regarding Chinese growth models. Quite evidently there have been a number of different sectoral and regional growth models in China before the slowdown in the world economy. The authors argue that we are in need of a differentiated understanding of the impact that the crisis had on different drivers of growth in China.

At the end of the 1980s, Vietnam embarked on an ambitious economic reform programme with the aim of promoting economic development. The foreign-invested sector has made contributions to average GDP growth rates, exceeding 7 per cent over the period. In Chapter 6, Curt Nestor examines the technology intensity of FDI in Vietnam and the implications for economic growth and emerging clusters. Finally, proposals for future industrial cluster policies and economic development are discussed.

For a number of reasons, an increasing number of developing countries have tried to build up an internationally competitive aircraft industry. During Suharto's rule the establishment of a domestic aircraft manufacturing industry was the largest and most ambitious investment to promote technology development in Indonesia. Chapter 7 by Sören Eriksson investigates the main factors behind the long-term failure and discusses critical arguments against creating this kind of industry for the purpose of economic and industrial growth.

Already in the 1980s statements were made that aircraft production would be an important industry in China's new stages of economic and industrial growth. The government also expressed the interest in and ambition to develop aircraft-related clusters. In Chapter 8, Sören Eriksson investigates the origin and characteristics of foreign technology transfer into Chengdu, one of the country's most important locations for the aircraft manufacturing industry.

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