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Regional Innovation Systems of Capital Cities

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- > Context
 - Interdisciplinary research group

 - > Purpose
 - How is public procurement shaping the regional innovation systems of capital cities over time?

 - > Structure
 - Capital cities' economy
 - Structure of capital city information systems
 - Public procurement as a driver for internal dynamics
 - KIBS
 - Diversification
 - Conclusions

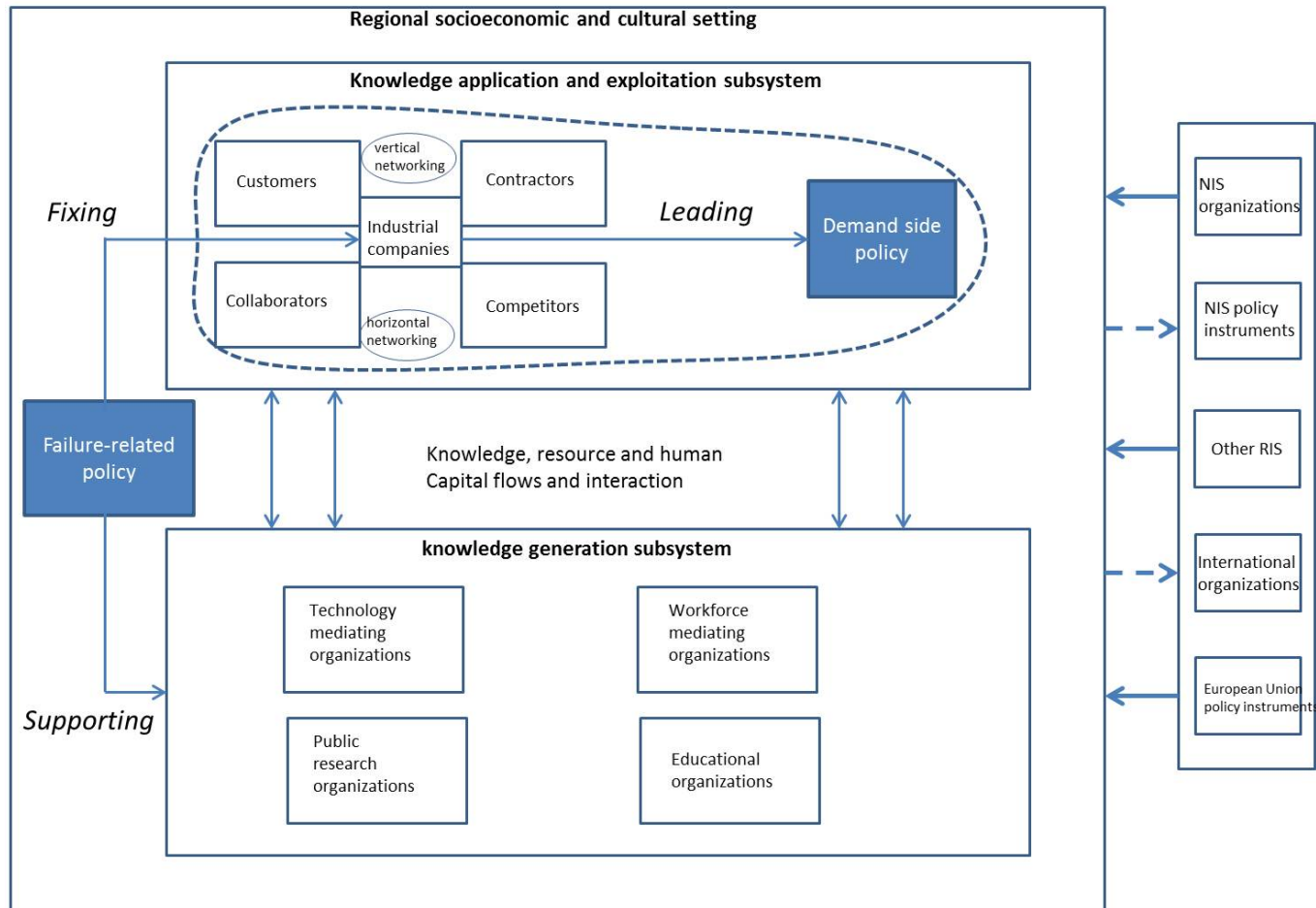
Capital cities' economy

- > income and employment effects

- > but what about the knowledge-based economy?
 - state-anchored districts (Markusen, 1999)
 - shortcomings: static, neglect of diversification

 - regional innovation systems (Doloreux, 2002; Trippl & Tödting, 2005)
 - shortcomings: neglect of capital cities' characteristics, policy based on system failures

Structure of capital city information systems



Tötting & Trippl, 2005, own modification

Public procurement as a driver for internal dynamics in CC-RIS

- > public procurement vs. public procurement for innovation
 - «Public organizations place orders for a product, service, good or system- that does not yet exist, but which could (probably) be developed within a reasonable period of time»
(Edquist & Hommen, 2000, p. 5)

- > provides opportunities for entrepreneurship (Edquist, 2012)

- > reduces risk in the innovation processes (Rolfstam, 2008; Uyarra & Flanagan, 2009)

Knowledge-intensive business services

> Definition

— «...service that involve economic activities, which are intended to result in the creation, accumulation or dissemination of knowledge.» (Miles, 2005, p. 18)

> tend to concentrate in capital cities or in a country's most important economic center

«Although most of the theories tend to be limited to the incorporation of factors arising from the private market, there is evidence that public institutions and, in particular, administration and public bodies are high-profile clients of KIBS» (Vence-Deza & González López, 2010)

Development of CC-RIS



Early stage

- Interaction between private and public sector is a key element
- Satisfaction of administrative demands

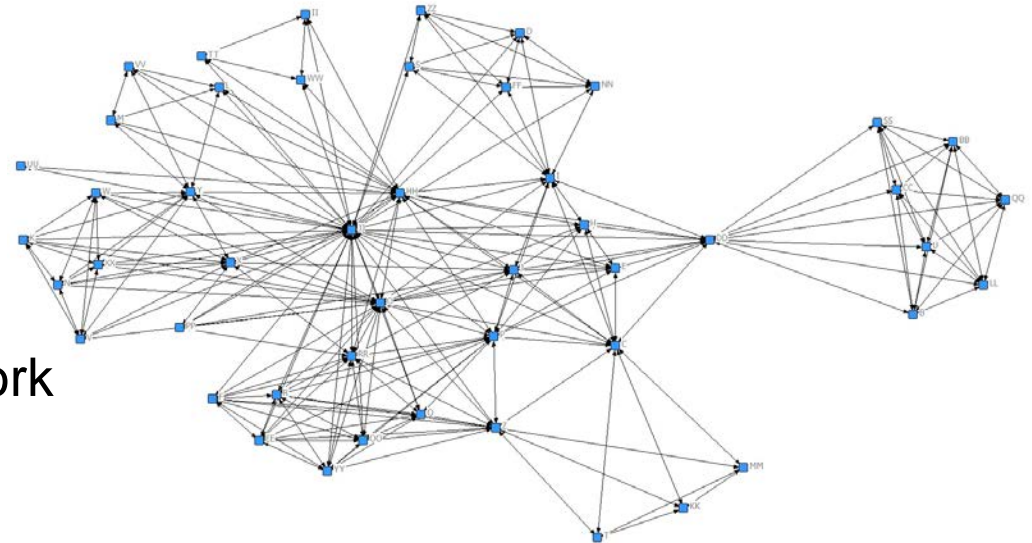
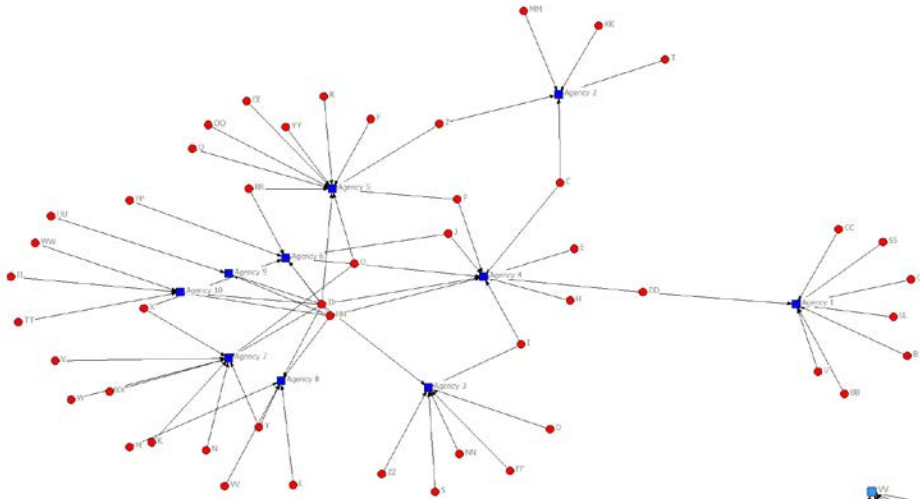
Advanced stage

- heavily dependent on the public sector
- Companies manage to expand their knowledge pool by way of purchasing

Mature System

- activities based on public procurement increasingly take place elsewhere
- Relative importance of the state declines

Research Design



1. KIBS participating in PP
2. Identifying positions in the procurement-network
3. Interviews

Conclusions

- > RIS approach is instructive for conceptualizing capital cities as innovation systems
 - > It lacks the concept of the state on the demand side
 - > Yet, it does not consider capital cities as a distinctive type of region

- > Public procurement contributes to shaping capital city innovation systems

Thank you.

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