Hybridization of Regional and Urban Development – Reflections on Changing Patterns of Contemporary Development

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Aims:
I. Defining development hybridization concept
II. Presenting the case studies and analysis proving the hybridization in sectoral and territorial dimensions in Central Europe

Hypothesis:
Implementation of a new concept/model/solution (C-M-S) in a particular context may take a form of imitation or hybridization. Hybridization may lead to better effectiveness and/or efficiency in implementation of a new C-M-S and thus it is a quite common pattern of contemporary development

Structure:
I. General notion of hybrid/hybridization
II. Sectoral and territorial approach to hybridization
III. Towards general concept of hybridization
IV. Hybrid pattern of development in Central Europe
   – case studies of sectoral and territorial hybridization
V. Conclusions
I. General notion of hybrid / hybridization

**Hybrid / hybridization** = linking elements *(Rowe, Schelling, 1991; Wang, Yueh-yu Yeh, 2005; Golubchikov, 2014; Drobniak, 2017)*

- (1) belonging to **different beings, cultures, technologies**
- (2) with **high levels of dissimilarity/difference**
- (3) to **go beyond the stereotype**, leading to breakthrough solutions with high adaptability to changing conditions

- examples: hybrid materials, hybrid application on mobiles, hybrid engines, hybrid systems in energy sector, hybrid buildings

II. Sectoral and territorial approach to hybridization

**Sectoral approach**

<table>
<thead>
<tr>
<th>Research</th>
<th>Factors of hybridization</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Boyer</strong> (1997) GERPISA Programme; Boyer, Charron, Jürgens, Tolliday (2004)</td>
<td>- new production model - local / regional context</td>
<td>- <strong>hybridization of productive models</strong> in a given local / regional context</td>
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<tr>
<td><strong>Kawamura</strong> (2011)</td>
<td></td>
<td>- <strong>mix of Japanese production models</strong> with local suppliers in U.S.</td>
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<tr>
<td><strong>STRATEGOR</strong> (1995, 2001)</td>
<td>- global access to inputs - strategy of maximizing added value of value chains in global perspective</td>
<td>- <strong>non-linearity</strong> of production chains in space - <strong>from a regional to a global value chains integration</strong> - <strong>combining elements of value chains</strong> from different locations</td>
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<tr>
<td><strong>Porter</strong> (2006)</td>
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## Territorial approach

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<tr>
<th>Research</th>
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<th>Findings</th>
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<tbody>
<tr>
<td>Golubchikov (et. al.) (2014)</td>
<td>- post-socialism legacy</td>
<td>- <strong>hybrid development</strong> =</td>
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<tr>
<td></td>
<td>- neoliberal capitalism</td>
<td>- allocation of capital only in places providing high return on invest.</td>
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<td>- post-socialism <em>legacy</em> determines existing capital accumulation</td>
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<td>(a given infrastructure, human capital, economic activity) = <em>path-dependence, lock-in</em></td>
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<tr>
<td>Sykora, Bouzarovsky (2012)</td>
<td>- universal political,</td>
<td>- <strong>multipath of transition dynamics</strong></td>
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<tr>
<td></td>
<td>economic changes</td>
<td>- complex environment of inputs</td>
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<td></td>
<td>- different social context</td>
<td></td>
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<tr>
<td>Leetmaa (et al.) (2009)</td>
<td>- institutional changes</td>
<td>- <strong>hybrid dynamics of transition:</strong></td>
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<td></td>
<td>- social changes</td>
<td>- - internal – within a city space there are parallel areas of growth and stagnation</td>
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<td></td>
<td>- territorial context</td>
<td>- - external – there are groups of cities/regions quickly/slowly adapting to changes</td>
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<tr>
<td>Smith, Timar (2010)</td>
<td>- neoliberal capitalism</td>
<td>- <strong>hybrid development = highly uneven development:</strong></td>
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<td></td>
<td>- globally-oriented business models</td>
<td>- adaptation to disruptions by re-location of elements of value chains</td>
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<td>- pressures accelerating changes (econ-techno-socio-political)</td>
<td>- poverty areas in places perceived previously as high growth centres - development of peripheral regions</td>
</tr>
</tbody>
</table>
III. Towards general concept of hybridization – hypothesis of hybridization

New Concept/ Model / Solution (a new C-M-S)

Hypothesis of unification

Absolute domination of new C-M-S in terms of efficiency or/and effectiveness

Elements of a new C-M-S are coherent, inseparable (additivity)

Implementation a new C-M-S without changes

A new S-M-S convergent in terms of sectors / territories = universal trajectory of development

Hypothsis of hybridization

Context determine efficiency or/and effectiveness of a new C-M-S

Elements of a new C-M-S can be modified under the influence of the context (complementarity)

Implementation a new C-M-S requires adaptation

Diverse new C-M-S in terms of sectors / territories = diverse trajectories of development

Homogenous – convergent system

Heterogeneous – divergent system

Source: self elaboration on the basis of Boyer (1997) and Boyer et al. (2004)
## III. Towards general concept of hybridization – when hybridization occurs

<table>
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<tr>
<th>Efficiency / effectiveness of a new C-M-S results from:</th>
<th>Selective relations with context (of a country / region / sector)</th>
<th>Full / high compatibility with a context (of a country / region / sector)</th>
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<tr>
<td>Level of adjustment of context (country / region / sector) to a new C-M-S</td>
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<tr>
<td><strong>High adjustments:</strong> high compatibility of a context of receiving country / region / sector with the conditions of origin of a new C-M-S</td>
<td><strong>Full or partial IMITATION</strong> receiving country / region / sector implements a new C-M-S (or its parts) without changes <em>(manufacturing of some products by local companies for IKEA, according the IKEA standards)</em></td>
<td><strong>Full IMITATION</strong> receiving country / region / sector implements a new C-M-S without changes <em>(McDonald, booking.com in developed countries)</em></td>
</tr>
<tr>
<td><strong>Partial adjustments:</strong> partial compatibility of a context of receiving country / region / sector with the conditions of origin of a new C-M-S</td>
<td><strong>Spots IMITATION / Partial HYBRIDIZATION</strong> implementation of a new C-M-S without changes /or minor changes in space enclaves <em>(automotive sector FDI in selected regions of CEC)</em></td>
<td><strong>Full or partial HYBRIDIZATION</strong> adjustment of a new C-M-S (or its parts) to a context of receiving country / region / sector <em>(InPost company - development of new model of parcels delivery – boxes for parcels on petrol stations)</em></td>
</tr>
<tr>
<td><strong>Mismatching:</strong> lack of compatibility of a context of receiving country / region / sector with the conditions of origin of a new C-M-S</td>
<td><strong>Limited IMITATION/HYBRIDIZATION</strong> possible demonstrative use of a new C-M-S in few firms / places <em>(green economy pilot solution in Poland)</em></td>
<td><strong>IMITATION/HYBRIDIZATION Failure</strong> Incompatibility of a new C-M-S with a context of receiving country / regions / sector <em>(McDonald in Mongolia)</em></td>
</tr>
</tbody>
</table>

Source: self elaboration on the basis of Boyer (1997) and Boyer et al. (2004)
### Spheres of hybridization (business - public):

<table>
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<tr>
<th>Level of hybridization:</th>
<th>Business sector / sectoral</th>
<th>Public sector / territorial</th>
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<tbody>
<tr>
<td>Micro:</td>
<td>(1) FIRM HYBRIDIZATION</td>
<td>(4) CITY/local HYBRIDIZATION</td>
</tr>
<tr>
<td>Meso:</td>
<td>(2) FIRMS CLUSTER/GROUP HYBRIDIZATION</td>
<td>(5) SUB-REGION / agglomeration / functional area – HYBRIDIZATION</td>
</tr>
<tr>
<td>Macro:</td>
<td>(3) SECTOR HYBRIDIZATION</td>
<td>(6) REGIONS / countries HYBRIDIZATION</td>
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### Why Central European regions?

- specific context: post-socialism, post-industrial legacy
- territory under the significant influence of new development concepts / models / solutions (C-M-S) - both in business and public sector:
  - neoliberal capitalism, globalization, FDI inflow
  - the EU political standards (policy planning and evaluation)
  - the EU intervention policies (cohesion, agricultural)
  - new development concepts (creative industries, green economy, smart cities, etc.)
(1) FIRM HYBRIDIZATION: TECHNOLOGY PARK EURO-CENTRUM, KATOWICE, POLAND

**NEW C-M-S = technology park with green technology solutions**

Value added generated by rent of office space

Lack of revenues generated by GE solutions

Source: interview with Park representatives (2017)

(2) FIRMS GROUP / CLUSTER HYBRIDIZATION: BPO and ABSL

**NEW C-M-S = modern business sector services**

**ABSL**

**BPO (business process outsourcing) in Poland (2018):**
- 1236 business service centres (BPO / SSC, IT, R&D)
- 600 foreign investors nearly 280,000 workplaces
- 40% located in Warsaw, Krakow and Wroclaw
- 40% located in Tricity, Silesia Agglomeration, Lodz and Poznan
- 30% - growth of workplaces (2016-2018)

Source: interview with BPO representatives; ABSL (2018)

Creation of associations ABSL
(Association of Business Service Leaders in Poland / Romania)

Creation of positive relations with:
- cities authorities (location incentives)
- universities (recruitment policy)

Creation of own data sources:
- number of workplaces created
- development of office space

Source: interview with Park representatives (2017)
NEW C-M-S = gaming industry + context = Global value chain orientation

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<tr>
<th>MANAGEMENT: Poland/Silesia</th>
<th>FINANCING: Poland/Mazowieckie, Izrael, US</th>
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<tbody>
<tr>
<td>ACCOUNTING: Poland/Silesia</td>
<td>MARKETING: Silesia, UK/London</td>
</tr>
<tr>
<td>MARKET ANALYSIS: France / Paris</td>
<td>RECRUITMENT: Poland/Silesia</td>
</tr>
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**PLANNING**
- game jam, prototype, initial tests, game’s BETA version

**PRODUCTION**
- programming, graphics, sounds, tutorial, placing on server

**DISTRIBUTION**
- contracts with AppStore, GoogleStore

**SALE**
- sales by AppStore, GoogleStore

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<tr>
<th>Poland/Silesia, Germany Australia, France</th>
<th>Poland/Silesia, Lower Silesia, US/San Francisco</th>
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Source: interviews and questionnaire research among gaming firms (2017, n=20)
NEW C-M-S = creative industry concept

+ context = New economic structure of the city
Boost of event industry
Growth of tourists from 40,000 to 280,000 in 10 years

NEW C-M-S = heavy industry reforms

context = heterogeneity of restructuring
leaders / losers of restructuring
coexistence of modern and traditional industries

(1995) employment = 745,000
(2012) employment = 572,000

Source: own calculations on the basis data of Central Statistical Office
REGIONAL/COUNTRY HYBRIDIZATION - CENTRAL EUROPEAN REGIONS

NEW C-M-S = regulation in waste recycling

+ context =

different level of waste generated

different level of advancement in environmentally less harmful technology


Source: own calculation on the basis of EUROSTAT data
V. Conclusions

- **large number of a new c-m-s** in globalised world

- implementation of a new c-m-s in **diverse context requires rather hybridization than imitation**

- in order to ensure efficient and/or effective implementation of a new c-m-s to the context, **hybridization seems to be rather common practice** than rare exemption

- **questions** for further studies on hybridization:
  
  - what kind of changes / hybrids should occur within a new c-m-s to implement it in a given context with a success? (**a c-m-s side of hybridization**)
  
  - what kind of changes / hybrids should occur within a particular context to implement a new c-m-s with a success? (**a context side of hybridization**)
  
  - what context can increase the efficiency / effectiveness of implementation of a new c-m-s? (**a context side of hybridization**)
Thank you for your attention!

Basic references


