# Article information:

Full article: Cluster presence and economic performance: a new look based on European data  
<https://www.tandfonline.com/doi/full/10.1080/00343404.2020.1792435>

# Article summary:

1. The study explores the impact of cluster presence and specialization on economic performance using a European data set.

2. The study finds that the presence of strong clusters of related industries is significantly related to economic outcomes, playing a meaningful role in the context of other locational factors.

3. The study distinguishes the effects of agglomeration at the industry and cluster level on industry-level wages and finds that both narrow industries and broader clusters have positive effects on wages.

# Article rating:

May be slightly imbalanced: The article presents the information in a generally reliable way, but there are minor points of consideration that could be explored further or claims that are not fully backed by appropriate evidence. Some perspectives may also be omitted, and you are encouraged to use the research topics section to explore the topic further.

# Article analysis:

The article "Cluster presence and economic performance: a new look based on European data" explores the relationship between clusters of related industries and economic outcomes. The authors use a new European dataset to examine how cluster presence and specialization affect economic performance at both the industry and locational level. They also assess the role of clusters relative to other location-specific drivers of economic performance, such as agglomeration in narrow industries, the quality of the business environment, and specific industries present in a location.

The authors use a new set of benchmark cluster definitions that deal with previous issues surrounding idiosyncratic operationalizations of clusters. They define clusters based on co-location patterns, similarities in skill needs and input-output relationships, identifying groupings of industries into cluster categories that are most coherent in terms of relatedness measures.

Overall, the authors find that strong clusters of related industries are significantly related to economic outcomes, playing a meaningful role alongside other locational factors. However, they also find that the composition of clusters and industries seems to be endogenously driven by the underlying quality of a location's business environment rather than having an independent effect on regional prosperity.

In terms of biases or missing points of consideration, it is worth noting that the study only looks at European data and may not be generalizable to other regions or countries. Additionally, while the authors acknowledge previous literature on cluster effects on innovative performance, they do not explore this topic further in their analysis.

Furthermore, while the study finds significant relationships between cluster presence and economic outcomes, it is unclear whether these relationships are causal or simply correlational. The authors do attempt to control for other locational factors but cannot rule out potential confounding variables.

Overall, this article provides valuable insights into the relationship between clusters and economic performance but should be considered alongside other research on this topic.

# Topics for further research:

* Cluster effects on innovative performance
* Endogenous factors driving cluster composition
* Cluster definitions and operationalizations
* Comparison of cluster effects across different regions/countries
* Causal relationships between clusters and economic outcomes
* Role of clusters in promoting regional development

# Report location:

<https://www.fullpicture.app/item/d1bb107d329f9702fc28bb12042cb0e5>