



## 'The Changing Role of Inward Investment and Regional Development: The Branch Plant Economy Re-Visited'

### ***Regional Studies Association:***

#### ***Call for Papers***

***Deadline: 31<sup>st</sup> July 2012***

#### **Introduction**

From 1945 until the mid-1990s peripheral regions in the British Isles, especially Scotland, Wales and parts of Ireland, were extremely successful at attracting branch plant operations –predominantly manufacturing- of international businesses. Enticed by a combination of regional policy incentives, low cost labour and European market access these plants were viewed as a key mechanism for revitalising peripheral regional economies. However, the limitations of this approach soon became apparent – truncated employment structures, few management jobs, lack of R&D, low autonomy, limited local purchasing etc. In addition, many of these plants proved to have limited longevity, a feature that was linked to the maturity of their products and labour intensive nature of their production processes. One of the first people to articulate the downside of this policy approach was John Firn in his seminal paper in *Environment and Planning A* during the mid-1970s (Firn, 1975).

Nevertheless, peripheral regions across the world continue to exhibit high levels of external ownership but a number of new dimensions are occurring in relation to inward investment. First, many of these legacy branch plants remain. Why have they survived and attracted new investment from their parent companies and what is their role in their wider corporate groups? Second, FDI continues to locate in peripheral parts of the UK and elsewhere. How does it differ from traditional branch plant type operations? Third, policy makers in peripheral regions still seek to attract FDI but now focus more on 'higher quality' R&D type operations. Have policy makers been able to attract and embed higher quality inward investment? Third, locally owned businesses in peripheral regions continue to be acquired by non-local and typically foreign companies. What is the nature of these investment patterns and what impact are they having on regional development? Indeed, does the early criticism by Firn remain valid?

Theoretical advancements within the field of economic geography on 'global production networks' and in international business literature around the 'entrepreneurial subsidiary' have taken place to help inform this changing empirical reality. But how have these concepts helped inform our understanding of the changing nature of inward investment and its impact on regional development?

## **Thematic Areas for the Scottish RSA Conference**

The Scottish branch of the RSA wishes to invite papers for a one-day workshop on the theme of the 'Changing Role of Inward Investment and Regional Development' to be held in Scotland in November/December 2012. Conceptual, empirical and policy-oriented papers are all welcome. Papers can be on any topic related to the overall theme of the 'Branch Plant Economy Re-visited'. Suggestions for possible thematic areas include, *inter alia*:

- Assessments of the current aggregate stocks/flows of FDI within regional economies;
- The legacy effects of the branch plant economy on the entrepreneurial and innovation eco-system in peripheral economies;
- The process of branch plant upgrading to higher value activities;
- The move from production to service activities within branch plants;
- Evidence of the 'entrepreneurial subsidiary' phenomenon and its impact on subsidiary-parent relationships and host economies;
- The role of mergers and acquisition within current inward investment flows;
- External acquisition of indigenous companies in peripheral regions and subsequent economic impacts;
- The nature of FDI in new high-tech sectors and associated impacts on regional economies;
- The changing nature of localised spillovers (suppliers linkages, corporate spin-offs, supplier internationalisation etc) from inward investment and levels of overall corporate embeddedness;
- Intra-corporate competition within branch plants for repeat investment and the role of public policy to leverage *in-situ* investments;
- The changing nature of regional incentives and other policy instruments to attract and embed inward investment;
- The changing nature of public policy towards inward investment;
- Institutional change, political decentralisation and inward investment.

## **Expressions of Interest and Submission of Abstracts**

We would be delighted to hear from people working in this area who would welcome the opportunity of getting involved in the conference either as a presenter, a discussant or an attendee. Initial expressions of interest should be directed towards either of the conference organisers: Ross Brown [ross.brown@scotent.co.uk](mailto:ross.brown@scotent.co.uk) or Colin Mason [colin.mason@strath.ac.uk](mailto:colin.mason@strath.ac.uk).

Once potential papers have been discussed and agreed in principle with the organisers, abstracts will be submitted. Abstracts should be no more than 500 words and should contain a list of five keywords. Abstracts should be sent to Ross Brown no later than 31st<sup>th</sup> July 2012.

## **Publication**

It is the intention of the workshop organisers that some of the best papers from the conference could potentially form the Special Issue of a leading academic journal.

Details will be finalised once the abstracts have been received and assessed in terms of suitability, originality and quality.

**For further details contact**

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