THE ROLE OF REGIONAL INDUSTRY CLUSTERS IN URBAN ECONOMIC DEVELOPMENT: AN ANALYSIS OF PROCESS AND PERFORMANCE

by

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DEDICATION

This dissertation is dedicated to my dear parents Champ and Shirley Morgan whose loving support throughout my entire life has meant so much to me in all my academic, professional, and personal endeavors. I thank you so much for always being there for me and raising me in such a way that I could even dream of one day earning a Ph.D. Now that I have fulfilled that dream, I share it with you and hope that I have made you proud.

I also dedicate this achievement to the memory of other family members who have passed away, but whose lives touched and inspired me in some way. My older brother Champ Morgan, III showed me how to hang tough in the midst of adversity. My uncle William Morgan was there for me as a youngster in a way that made me feel special and increased my self-esteem early in life. My uncle John Richard Morgan set the example by being the first in my family to earn a doctorate. My cousin Richard Reaves, Sr. offered advice and encouraged me to continue in my studies. Last but certainly not least, my grandmother Mildred Gray Watkins who showed that she cared in a number of ways but especially by cooking all those delicious southern feasts.
ABSTRACT

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This dissertation examines the potential of industry clusters as an economic development strategy for metropolitan regions and their central cities. The ultimate research question is whether or not industry clusters matter for economic development and, if so, how and why they do.

The research focuses on two aspects of industry clusters: 1) the extent to which clusters affect economic development outcomes, and 2) how the socio-institutional and policy process of promoting clusters influences their potential use in economic development. The first conceives of clusters as critical mass within certain industries and seeks to determine whether they are associated with better economic development performance. This question was examined using quantitative methods including bivariate correlation and multiple regression analysis. The second overarching research question is concerned with the social, institutional and governance dimensions of clustering and how they might shape the strategic use of industry clusters to accomplish economic development goals. This process question is an inherently qualitative one and was explored using a comparative case study analysis of how three metropolitan regions support their respective transportation, distribution, and logistics clusters. Both the quantitative and qualitative phases of the research analyze the extent to which clusters can be utilized to achieve a broader set of economic development goals including regional equity and inner city prosperity.

Both the quantitative and qualitative findings imply that the contribution of industry clusters to urban economic development is by no means automatic. The statistical analysis
found only a modest relationship between certain clusters and increased regional economic performance and equality. Conversely, some clusters had a negative effect on these development indicators. Similar to the quantitative findings, the interview responses from the case studies confirm the proposition that all clusters are not created equal in terms of their ability to bring about economic development. Moreover, the case study regions varied in the extent to which they provided support to target clusters suggesting that not all regions are created equal in terms of facilitating the clustering process. The qualitative findings revealed that the promise of cluster-based development for increasing economic opportunity in the inner city is hampered by a number of intractable challenges. In the case of the transportation, distribution, and logistics cluster some of these barriers are cluster-specific while others are more generally related to the problems of the inner city. Taken together, the quantitative and qualitative findings underscore the role of intentional effort in strengthening linkages and overcoming barriers in order to fully capitalize on regional clusters.
BIOGRAPHY

Jonathan Quentin Morgan is an Assistant Professor of Public Administration and Government in the School of Government at the University of North Carolina at Chapel Hill. Prior to joining the UNC School of Government in 2003, Jonathan was Director of Economic Development Programs at the consulting firm Regional Technology Strategies, Inc. He has also served as Director of Economic Policy & Research at the North Carolina Department of Commerce and Research & Policy Director for the North Carolina Institute of Minority Economic Development. He is a member of Pi Alpha Alpha, the National Honor Society for Public Affairs and Administration.

Prior to completing the Ph.D. in Public Administration at North Carolina State University, Jonathan earned the Master of Public Administration (MPA) degree from Clark Atlanta University and a Bachelor's degree in Economics from the University of Virginia. He is a native of Hampton, Virginia and graduated from Bethel High School. Jonathan is married to Shona Davidson Morgan and currently resides in Guilford County, NC. He is a member of Genesis Baptist Church in Greensboro.
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