PRESS RELEASE OF THE WORKING PAPER 5.7

CULTURAL DIVERSITY, SOCIAL CAPITAL AND INNOVATIVE CAPACITY OF REGION-INDUSTRIES

January 2013

OBJECTIVE

The aim of this research is to study the impact of cultural diversity on innovation, in order to evaluate whether multicultural research settings should be promoted, but also to what extent and under which contextual factors they can be profitable. These research questions are particularly relevant in the case of the SEARCH program, for evaluating the opportunity and the relevance of EU-NC research partnerships.

The added value of our work holds in the specific way by which we address the research questions. More precisely, our theoretical and empirical framework feature 3 original elements: (1) we use the concept of social capital as a channel between cultural diversity and innovation (after having presented a bi-dimensional view of social capital); (2) we address our research questions at region-industry level, i.e. we study the impact of cultural diversity on innovation, in a sample of regions (32 NUTS 2 EU regions) and for a specific industry (the electric device industry); (3) Our theoretical framework suggests that cultural diversity in a region-industry can be beneficial for innovation only if it goes along with generalized cohesiveness.

MAIN RESULTS AND POLICY IMPLICATIONS

The results of our work do not fully confirm our hypothesis. They show no significant impact of cultural diversity on region industries’ innovative capacity. However, they broadly confirm the positive impact of generalized cohesiveness. Region-industries that display networks of co-inventorship (between local inventors) that are denser than expected, given the number of local inventors, appear more innovative than the others, controlling for other influencing factors.

This suggests that collaboration between local inventors (inventors of a specific industry that live in a same region) should be encouraged, regardless of their cultural attributes, in order to foster the innovation of the related region-industry.
However, these results should be used with a lot of care, given the exploratory aspect of this research which still needs to be ameliorated, and given the relative instability of the results so far.