

Les milieux socio-économiques dans les espaces transfrontaliers

Les entreprises et la coopération transfrontalière (perspectives économiques)

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Content

1. General remarks on economics and borders
2. The Theory of Strategic Behavior in Border Regions
3. A case study
4. Conclusion

1. General remarks

Microeconomics

- Behavior of individuals and firms
- Market failure
- Role of the State in organizing markets

Macroeconomics

- Behavior and performance of an economy as a whole
- Focus on the aggregate changes in the economy (employment, growth rate, GDP, level of prices)



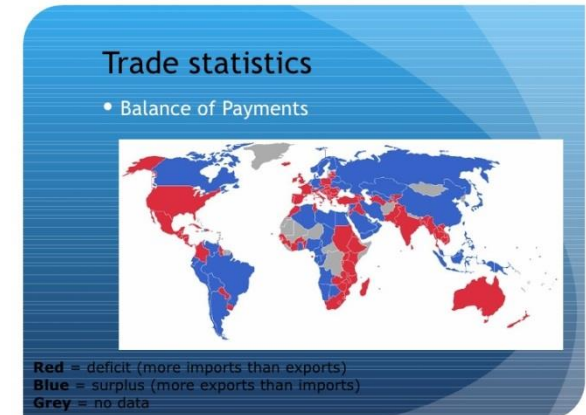
Economics do not focus on economic phenomena caused by national borders

1. General remarks

International Economics

Main Topic:

To facilitate trade across borders as a means to increase wealth in the participating countries.



The border

- ...is a delimitation of nations.
- ...is a barrier to trade.
- ...reduces wealth in the concerned countries
- ...the starting point of all international economics



Nothing is said about the situation in border territories

1. General remarks

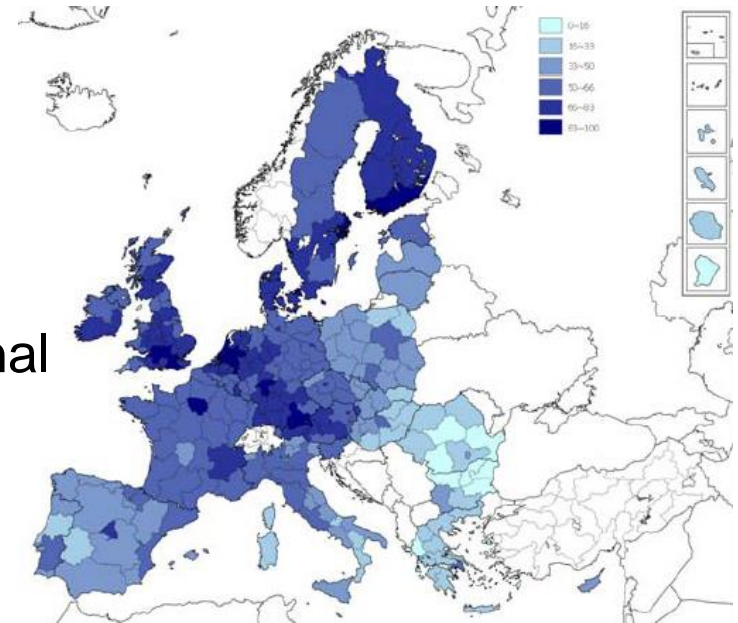
Geographic economics

Main Topic:

addresses the economic aspect of regional problems that can be analyzed *spatially*.

The border

- ...is a delimitation of regions (subdivisions of nations).
- ...is usually defined along the lines of administrative units since regional statistics are readily available
- ...is the perimeter of a relatively homogenous community of actors

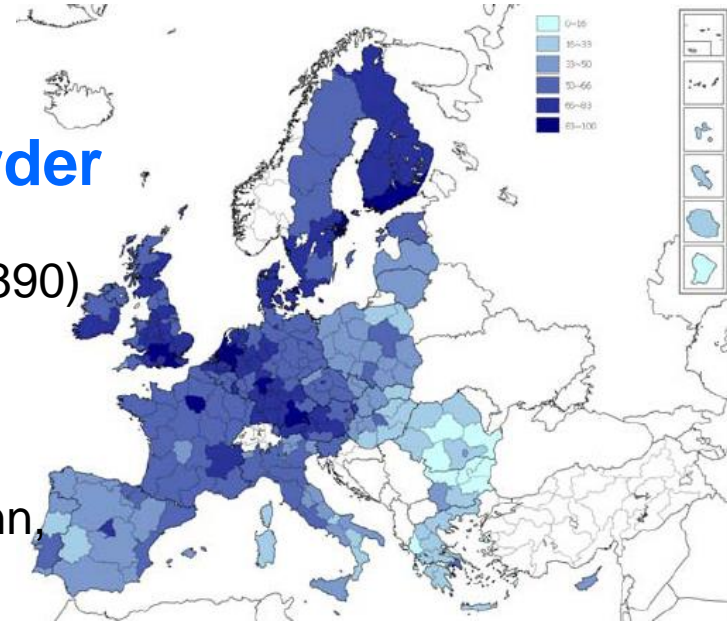


1. General remarks

Geographic economics

Some theories addressing the border

- **Theory of Industrial Districts** (Marshall; 1890)
- **Economics of Location** (Lösch, 1940, Giersch 1950)
- **Economic Theory of Federalism** (Neumann, 1971, Oates 1999, Koppel, Lichtblau 2007)
- **Millieu innovateur** (Aydalot, 1976, Becattini 1975)
- **Microeconomics of competitiveness** (Porter, 1990)
- **Strategic behavior of companies in border regions** (Ratti, 1993)

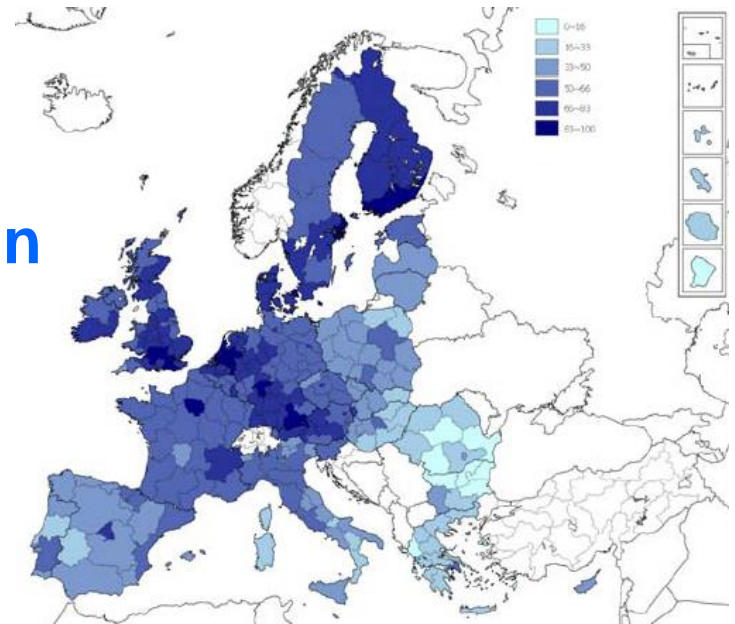


2. The Theory of Strategic Behavior in Border Regions

The border as a location factor in Ratti's theory

Three types of border

1. The impenetrable border
2. The filter-border
3. The open border



„Companies can overcome uncertainty in an open border region **by cross-border cooperation** with other companies.”

3. The Case study

Assumptions: Positive economic effects of the “open border”

- better market access to neighboring countries;
- easier employment of foreign workers
- better access to cross-border and international networks;
- geographical proximity to potential customers and partners in the neighboring country;
- evolutionary advantage by crossing national knowledge and competencies into new cognitive combinations (innovation);
- establishing an international image;
- profit from European programs.

3. The Case study

The companies



Established in Lahr in 2015	Established in Willstätt in 2010 (SICAT-ACM)
Branch: Logistics	Branch: material sciences
Type of business: Limited company (GmbH) German-Swiss Joint-venture between Fenaco and ZG Raiffeisen (cooperatives)	Type of business: Limited company (GmbH) French high-tech company specialized in material science, spin-off Uds
Investment volume: 75 mill. €	Investment volume: not specified
Currently 20 employees End of development: 400	Currently 5 permanent employees
Object: purchasing of agricultural commodities	Object: Design and production of taylored- made porous materials for catalysts

3. The Case study

Location factors in the Upper Rhine area

	LahrLogistics	SICAT-ACM
Better market access	- yes	- yes
Employment of frontier workers	- yes	- yes
Access to networks	- main reason for choice of location	- recognition of access to German networks only after location in Willstätt
Proximity to partners in neighboring countries	- cooperation with other logistic partners in the industrial area - the company expects an expansion of its sales in France	- SICAT in Strasbourg remains close to the University-CNRS lab
Innovation by crossing national knowledge and competencies	- transfer of experience and best practice concerning recruiting and facility management	- --
establishing an international image	- --	- benefits from the image as a German industrial company
Access to European programs	- --	- --

4. Conclusion

Further research questions

... analysing cross-border cooperation in the private sector

- Are there differences between „open borders“ in the EU, influencing the economic situation of border regions?
- Is there a way to measure „openness“?
- Best practise of cross-border cooperation between companies?
- Can we find empirical evidence for „the open border as a location factor to companies“?