

Abstract for Hirschman Legacy Conference 2019

TITLE: “Akteurszentrierter Strukturwandel” in Lusatia - a Hirschmanian approach to socio-economic transformations? Observations and questions from development practice and embedded research.

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Approximately 30 years after the radical deindustrialization of Eastern Germany in the wake of reunification in 1990 the German federal government’s plan to exit from coal-fired power generation poses a major challenge for the development of the economic system of the Eastern German region of Lusatia, where there are 24.000 coal-dependent workers with an annual value creation of about 1.4 billion € in terms of salaries and local contracts from this sector (1).

In this context we report about a bottom-up development strategy and practice which we call “Akteurszentrierter Strukturwandel” (“Regional Entrepreneurial Transformation Process”). End of 2015, business associations and the local university formed Innovationsregion Lausitz GmbH where we set up the *LausitzLab*. Its activities include open innovation inspired from practices from the start-up world, community building measures and the fostering of local strategic initiatives. These activities have led to a portfolio of over 100 innovation projects of local firms as well as cooperative formats like “Master Class of Innovation and Entrepreneurship” and “Unternehmergespräche im LausitzLab” (2). The “Unternehmergespräche” (“Entrepreneurs’ Talks”) are at the same time a crystalization point for unexpected perspectives, a build up of social energy and a forum for collective regional and academic self-subversion (3) of past transformation experiences in the 1990s.

Our contribution will be an in-depth report of the experiences and the practice of the *LausitzLab*. Part of the concept of the *Regional Entrepreneurial Transformation Process* is the blending of practical transformatory work with multiple real time research perspectives. One of these perspectives is a theoretical model of regional transformation in which we combine the concept of entrepreneurial ecosystems (4) with the multi-level perspective (5) and show how bottom-up “strategic niche management” in this model (6) may be interpreted from the Hirschmanian perspective of possibilism in the context of regional structural development. Another perspective looks at the roles of networks (7) and entrepreneurial individuals (8) for regional development under conditions of disruption and high uncertainty.

(1) Bundesministerium für Wirtschaft und Energie (BMWi) (Hrsg.) (2019): Kommission “Wachstum, Strukturwandel und Beschäftigung”. Abschlussbericht, Januar 2019, https://www.kommission-wsb.de/WSB/Redaktion/DE/Downloads/abschlussbericht-kommission-wachstum-strukturwandel-und-beschaeftigung.pdf?__blob=publicationFile&v=4 (downloaded: February 13, 2019), p. 74

(2) Lange, H.R./Tomenendal, M. (2017): The Regional Entrepreneurial Transformation Process – a Mid-Level Framework for Describing and Fostering Socio-Economic Change, in: Management and Economics Research Journal, Vol. 3, pp. 67–77

- (3) Hirschman, A. O. (1995): *A Propensity for Self-subversion*, Cambridge, Mass. and London
- (4) Isenberg, D. J. (2011): *The Entrepreneurship Ecosystem Strategy as a New Paradigm for Economic Policy: Principles for Cultivating Entrepreneurship*, The Babson Entrepreneurship Ecosystem Project. Babson College: Massachusetts
- (5) Geels, F. W. (2011): The multi-level perspective on sustainability transitions: Responses to seven criticisms, in: *Environmental Innovation and Societal Transitions* 1, pp. 24–40
- (6) Tomenendal, M./Lange, H.R./Kirch, J./Rosin, A.F. (2018): *The Entrepreneurial Development of Regions – Exploring the Socio-Technical Transition of Lusatia from a Multi-Level Perspective*, Working Paper 94, IMB Institute of Management Berlin
- (7) Lange, H.R. (2017): *Netzwerkbildung zur sozio-ökonomischen Transformation*, in Schmidt, M./Tomenendal, M. (Hrsg.): *Netzwerkperspektiven – Made in Berlin! Auf der Suche nach wirksamer Koordination*, Rainer Hampp Verlag, München, S. 125 -144
- (8) Lehmann, D.M./Lange, H.R./Mauer, R. (2018): *The Role of Entrepreneurial Individuals for Regional Development – The Case of the Innovation Region of Lusatia*, G-Forum, 11-12th of October 2018, Stuttgart

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