


Chapter 3

Competitiveness and Polycentrism for SMEs in Bogotá Region, Colombia

Luis Armando Blanco

Universidad Externado de Colombia, Colombia

Fabio Moscoso Duran

 <https://orcid.org/0000-0003-1664-0283>

EAN University, Colombia

Julián Marcel Libreros

 <https://orcid.org/0000-0003-2661-7490>

Universidad Jorge Tadeo Lozano, Colombia

ABSTRACT

This chapter studies the dynamics of Bogotá Region based on the New Economic Geography and the recent works on economic development in two big dimensions: the economic and the spatial structure; that is, productivity and polycentrism. The central thesis, supported on an econometric exercise for SMEs in 20 cities in Bogotá-Sabana region, is that with greater strength in the interior of Bogotá and less in the city region, a transition from monocentrism to functional polycentrism is consolidating. Krugman's Edge Cities model concludes that polycentrism comes from a process of spontaneous self-organization and produces a territorial order according to the mysterious ZIP law and consistent with efficiency, equity, and sustainability.

DOI: 10.4018/978-1-5225-9425-3.ch003

INTRODUCTION

The schism produced in the social sciences by the New Economic Geography (NEG) (Fujita et al., 1999; Krugman, 1992) was the revolutionary idea of integrating the economy with the urban and regional space. In recent years, specialized literature in the field of economic geography has highlighted the trend towards morphological and functional polycentrism and the importance of human capital, technological change, networks, and clusters for the sustainable development of territories.

The article examines the economic dynamics and competitiveness of the Bogotá - Cundinamarca region city in light of the theoretical developments of the New Economic Geography and propose an alternative table to measure regional competitiveness that exceeds the traditional indicators of ECLAC and Doing Business of the World Bank (WB).

The central hypothesis of the work highlights that the city region is far from forming a polycentric region, presents a territorial economic structure with low intensity in the formation of clusters and dynamic agglomeration economies; It is facing a serious problem of de-industrialization and presents incipient levels of competitiveness in the quality of the export basket and in the generation of quality employment. This article focuses on analyzing for Bogotá and Cundinamarca its dynamics in relation to morphological and functional polycentrism, productivity, innovation and regional competitiveness and determining the gaps between the real economic and territorial structure and the postulates of these theories.

In Bogotá and Cundinamarca, the most important fact of the urban and regional development was the conformation of a city-region between the capital and its neighboring municipalities. At the beginning, both the Mayor's Office in Bogotá and the Governorate of Cundinamarca (Colombia) agreed to build a "City Region" that would cover all the municipalities of the department with the idea of promoting a decentralized model. Subsequently, the bet was expanded with the strategy of forming the Special Planning and Administrative Region (RAPE by its abbreviation in Spanish), called the Central Region, which integrates Bogotá with the departments of Cundinamarca, Meta, Boyacá, and Tolima, fact that implied a very large regional space and that may result unviable in terms of development plans and converging public policies.

The polycentrism conceptual framework is based on the work developed by Krugman (1992) on increasing returns to scale, and the Edge Cities model of Veneri and Burgalassi (2012), which studies the relationship between morphological and functional polycentrism, and Pachura (2010) who examined the impact on networks in the regional and social cohesion. These authors have the merit of answering key questions about the characteristics of a polycentric structure, and the probability that said structure, by itself, has a positive impact on the objectives of efficiency, equity, and sustainability. The idea at the heart of the econometric exercise for 20 cities in Bogotá- Sabana is that there is a transition from monocentrism to functional polycentrism that is consolidating with greater strength in Bogotá and lesser in the city region.

NEW ECONOMIC AND POLYCENTRIC GEOGRAPHY

The geographical concentration arises from the interaction of increasing returns to scale, transport costs, and the demand based on the mobility of the productive factors. Generally, economies of scale, and consequently increasing returns, make agglomeration possible and after a certain point of support, concentration becomes self-reinforcing and it is increasingly difficult for a reversal or a rupture in the

24 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/competitiveness-and-polycentrism-for-smes-in-bogot-region-colombia/246456

Related Content

Blockchain Potentials to Enhance Identified Data Usability Challenges Generated by Wearables

Steffen Baumann, Richard Thomas Stone and Esraa Saleh Abdellal (2021). *International Journal of Responsible Leadership and Ethical Decision-Making* (pp. 38-51).

www.irma-international.org/article/blockchain-potentials-to-enhance-identified-data-usability-challenges-generated-by-wearables/308455

The Power of Many: A Structured Framework for Collective Innovation

Rick L. Edgeman, Kunal Y. Sevak, Nik Grewy Jensen and Toke Engell Mortensen (2021). *International Journal of R&D Innovation Strategy* (pp. 1-17).

www.irma-international.org/article/the-power-of-many/287875

The Effects of Perceived Role, Career, Goal, and Performance Uncertainty on Employee Performance

Kurtulu Kaymaz (2019). *Workforce Coaching, Mentoring, and Counseling: Emerging Research and Opportunities* (pp. 170-205).

www.irma-international.org/chapter/the-effects-of-perceived-role-career-goal-and-performance-uncertainty-on-employee-performance/230505

Job Crafting for Tourism Employees: Conceptual Overview, Dimensions, Antecedents, and Consequences

Derya Toksoz, Ali Dalgic and Kemal Birdir (2020). *Organizational Behavior Challenges in the Tourism Industry* (pp. 147-167).

www.irma-international.org/chapter/job-crafting-for-tourism-employees/243972

Ethics and Social Responsibility in Justice Decision Making

José Poças Rascão and Nuno Gonçalo Poças (2019). *International Journal of Responsible Leadership and Ethical Decision-Making* (pp. 64-76).

www.irma-international.org/article/ethics-and-social-responsibility-in-justice-decision-making/264440