

Chapter 2. Regional Industrial Development in the Low Countries (1820 - 2010)

Robin Philips, International Institute of Social History (Robin.Philips@iisg.nl)
Erik Buyst, Leuven University (Erik.Buyst@kuleuven.be)

By comparing the occupational records in the population censuses and the censuses of industry, we aim to construct a comprehensive standardized database about the number of companies and employees on the regional (provincial) and local (municipal) level in the Netherlands and Belgium since 1820 to present. After closely attributing each of the sectors in the census data to its most-fitting ISIC revision 4 sectoral counterparts, we will be able to present a more detailed dataset on the sectoral level which is consistent over time. Not only does this geographical and sectoral detailed scope gives us a more precise account of the dynamics of the manufacturing sector, but it also provides us of the opportunity to see how manufacturing sectors geographically clustered or dispersed throughout the 19th and 20th century.

This spread of industries will not only be studied in a cross-sectional, but also in a dynamical perspective. It could be that at first most firms of the energy-intensive manufacturing sectors concentrated around a limited set of towns, possibly clustering near centers of peat digging, coal mining or other producers of cheap energy. This, while more commercial oriented industries, such as clothing or food industries initially chose their establishment near centers of consumers or export and transport facilities such as ports, roads or railroads. The end of the 19th and the early 20th century gave rise to another evolution: due to the fall of transport costs and relative lower energy prices, firms and sectors were again driven by a shock of relocation. As Marshall (1890) pointed out, benefits of agglomeration linked to the transport of goods, labor and human capital were crucial to the location of industries as firms tended to locate near their centers of suppliers and clients. In Belgium for instance, in recent times the chemical and machinery manufacturing sectors have been described as highly clustering (Bertinelli and Decrop 2005), while there exists a high co-location among certain industrial couples such as the apparel and leather manufacturing sectors (De Ruytter and Lecocq 2013).

Bibliography

- Bertinelli, L. and Decrop, J. (2005). Geographical agglomeration: Ellison and Glaeser's index applied to the case of Belgian manufacturing industry. *Regional Studies*, 39, 5, 567 - 583.
- De Ruytter, S. and Lecocq, C. (2013). De geografische clustering van industriële sectoren in Europa en Vlaanderen. *VIVES Briefing*, KU Leuven, Faculteit Economie, 1 - 18.
- Marshall, A. (1890). *Principles of Economics*. London, Macmillan.