Yumiko Okamoto

A Comparative Study on the Biotech Industries in Sweden and

Denmark: Why do they Perform Differently?

Abstract:

The biotechnology industry has grown substantially during the last decade or so in Europe. The report of the European Commission

(2007) identified both Sweden and Denmark as among the four best-performing countries in Europe. Despite so many similarities that exist between Sweden and Denmark in terms of their policy focus and scientific performance in the area of life science, however, Sweden lags behind Denmark in creating fast-growing and dynamic biotech SMEs. The present study investigates the cause of their divergence between two countries using the multi-level theory of the growth of the firm.

The author found that the institutional set-ups surrounding the labor and capital markets tend to turn against the rapid growth of Swedish biotech companies and in favor of their Danish counterparts, especially, in the field of therapeutic technology. It implies that in contrast to the implication of neo-classical economic theory, to develop a model of an optimal innovation system applicable to any country may not be possible.

Some growth factors internal to the firm such as business strategy, however, could be an important lesson for Swedish biotechnology firms. This study found that a firm strategy could make a significant difference in the subsequent growth performance of SMEs. In this respect, Sweden could learn from Denmark in generating a more vibrant biotechnology sector.

Biography:

Yumiko Okamoto, a professor of economics at the Department of Policy Studies, Doshihsa University in Japan, is currently visiting SPRU as a visiting fellow. Prior to SPRU, She visited University of Gothenburg as a guest researcher between 29 March 2009 and 29 August 2009. There, she was involved in two research projects. One is a comparative study on the biotech industries in the Nordic countries. The other is analysis of effects taking BMV's heart stem cell project as a case study. This seminar is based on the results of the former research project. Her current main focus of research is to analyze knowledge and business networks both in Denmark and in Scotland. She published journal and book articles on Asian economies and international economic issues. More recently, she has published a journal article on the biocluster of Singapore.