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Paper**



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MNCs, Global Innovation Networks and Developing Countries: Insights from Motorola in China

Yun Chung Chen^a and *Jan Vang^b

^a*Hong Kong University of Science and Technology, Hong Kong*

^b*Aalborg University, Denmark*

Abstract: This paper aims at complementing the existing literature on globalization of innovations. More specifically, the paper contributes to the literature on the role of developing countries in MNCs global innovation networks (GINs). The bulk of the existing literature has proven useful in explaining process of concentration of MNCs GINs in OECD countries and thus implicitly explaining why developing countries play a marginal role only. A new and smaller stream of literature has started to identify why developing countries nevertheless have started to emerge as marginal yet important players in MNCs GINs. This paper extends our understanding of the evolutionary processes in MNCs GINs in developing countries and introduces intra-country spatial dynamics. The insights are based on an in-depth case study on Motorola's GIN where special attention is paid to China's changing role and how and why Motorola includes 'new' Chinese city-regions in its GIN.

Keywords: Global innovation network, TNC, OECD, intra-country spatial dynamics

INTRODUCTION

This paper is concerned with the temporal and spatial dynamics of foreign MNCs innovative activities in developing countries. Not many years ago research on multinational corporations' (MNCs) strategies for developing countries was the domain of development scholars only. MNCs were seen mainly – if not solely – as agents that exploited the existence of an abundant and cheap labor force. Focus was primarily on the derived effects on the national economies. The emergence of

