The chapter by Nadvi and Schmitz broadens the debate to industrializing nations like Brazil and about more recent experiences in the developing world. The paper studies how industrial clusters in LDCs are structured. It then examines inter firm relations, factors influencing them, conclusions there from. It also identifies the growth path of some prominent clusters and lessons to be drawn by the Government. The paper ends with an agenda for Research, for mapping of clusters and to identify areas of both static as well as dynamic concerns and to explore the trajectories of clusters, finally it discusses combination of research methods to further our understanding of how clustering advances industrialization in LDCs.

The author, who has worked in Rajasthan and Tamil Nadu, brings the debate to Indian soil. While studying the marble cluster and the transport cluster of Tamil Nadu he demonstrates the role of network specialists and the process of spatial integration that has taken place. Spatial integration which in turn leads to a rise in the standard of living, accentuation of social inequalities and hence social disequilibrium.