

Firms' Decision-Making under Risk and Regional Adaptive Resilience in Indonesia

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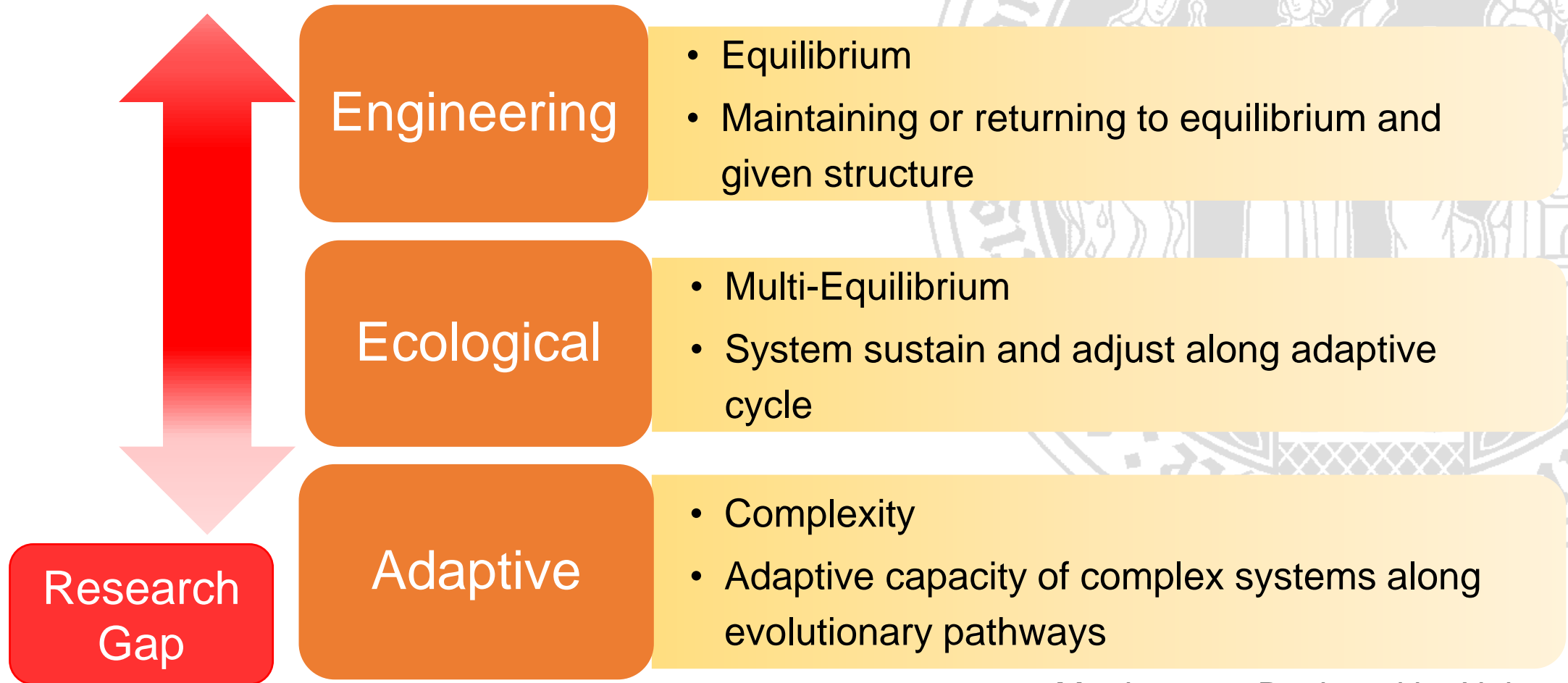
Economic Geography and Global South



Flooding Jakarta 2013



Strands of Regional Economic Resilience



Martin 2012, Designed by Neise

Research Gaps

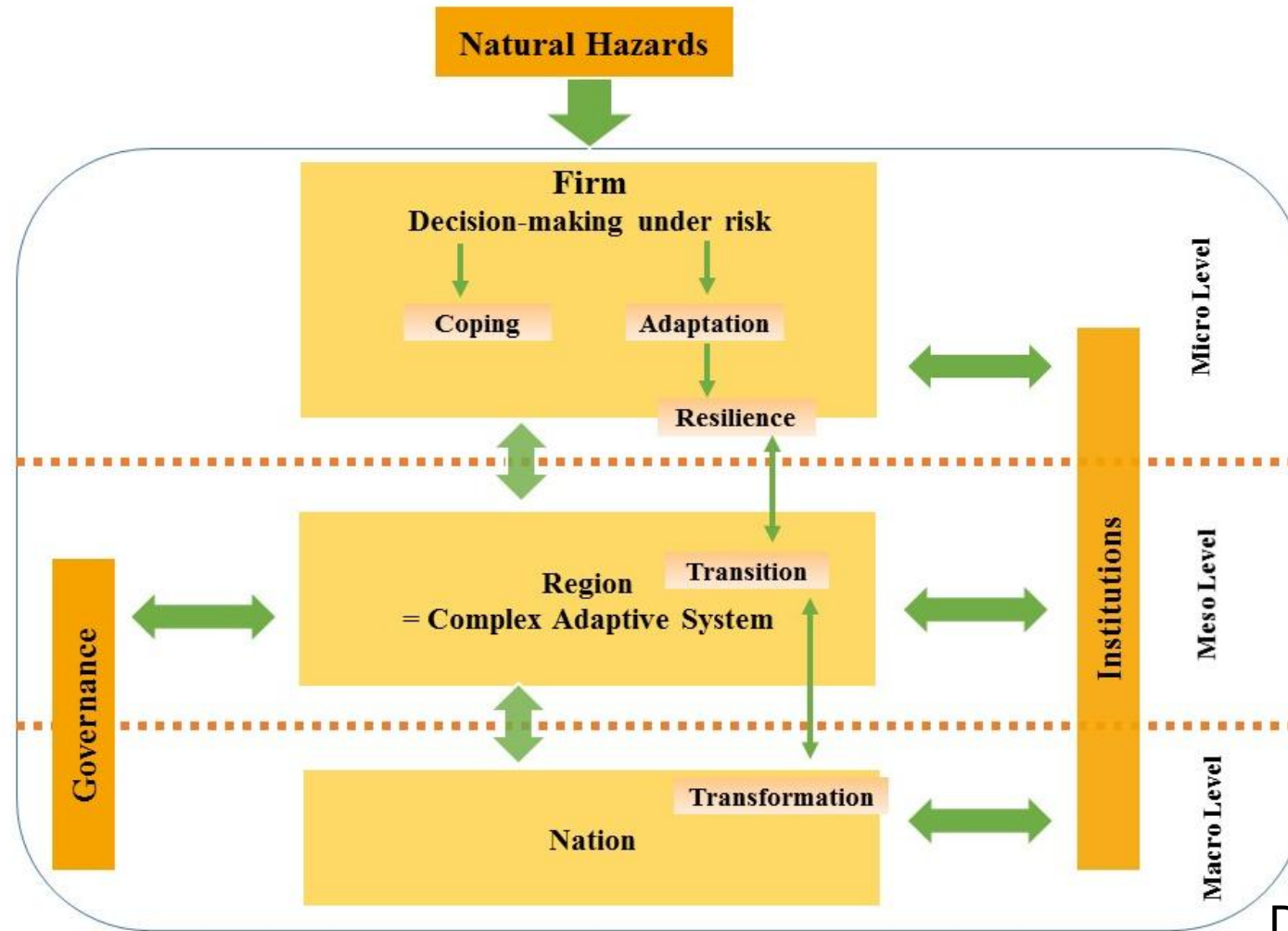
Gaps:

- Firm perspective neglected
- Not explaining why and how actors decide due to risks
- Not exploring why and how regions change
- Loss of focus on natural hazards

Goal:

- Effect of natural hazards on firms' decision-making and adaptation strategies
- Impact on regional development and institutional change

Conceptual Framework



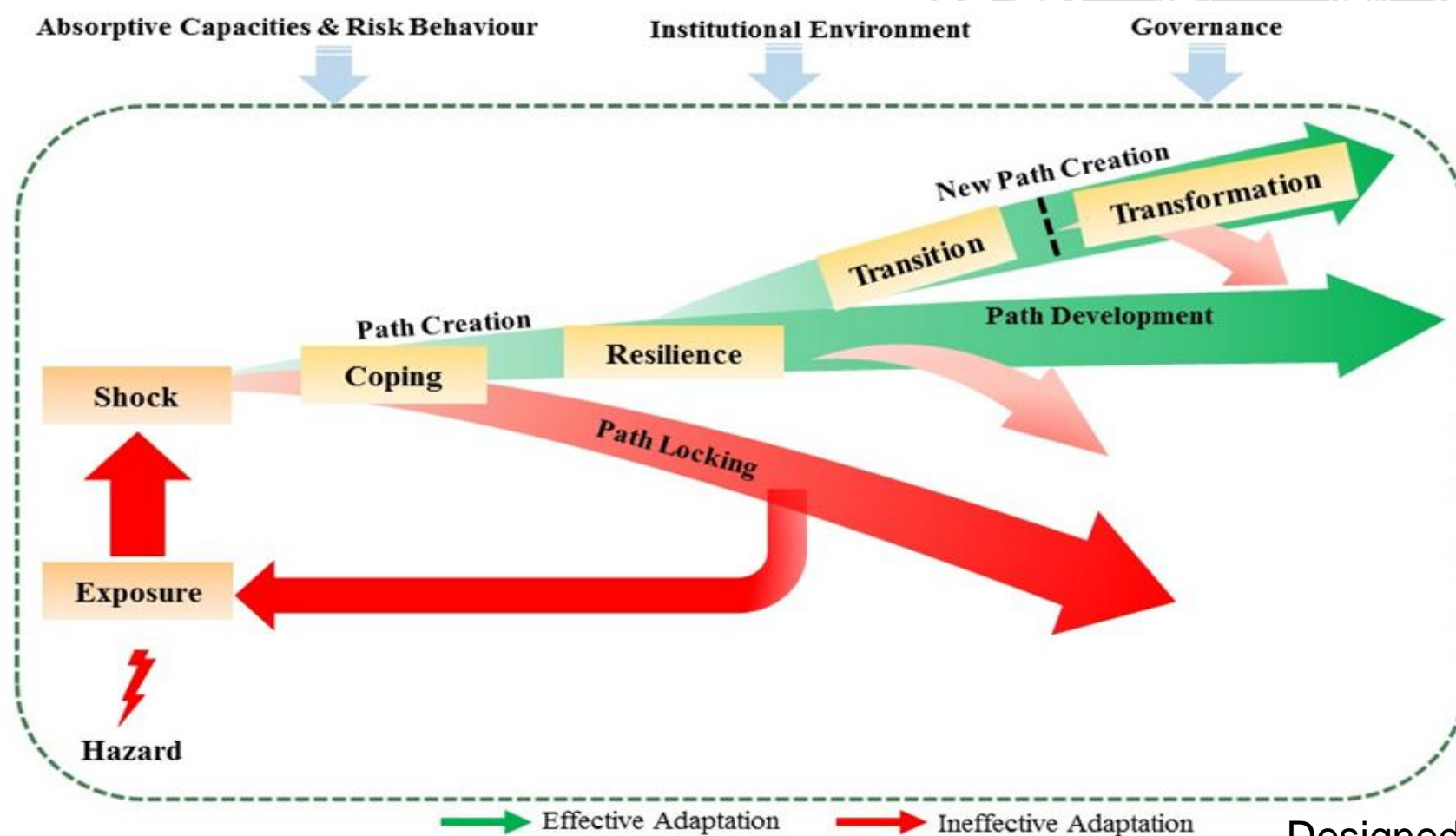
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Path Creation

- Stickiness of institutions => failed adaptation
- Understanding how actors avoid lock-ins => knowledgeable actors
- Path creation = basis of successful, effective development process => evolutionary process
- Path Creation = mindful deviation
- Mostly firm-led perspective

Dawley 2014, Garud & Karnøe 2001,
March & Olsen 1989, Martin & Sunley 2006

Path Creating Adaptation Processes



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Empirical Approach

Step 1

Case Study Regions
Regional Statistical Analysis

Step 2

Interviews Firms
Risk Perception • Coping & Adaptation • Investment Strategies

Interviews Stakeholder
Support • Coordination

Step 3

Development of Scenarios

Step 4

Experiments
Risk Behaviour • Decision Strategies

Designed by Neise

Research Outcome

- Extension of regional adaptive resilience with notion of decision-making under risk
- Understanding firms' behaviour in face of natural hazards in Southeast Asia
- Maintain / enhance firms' competitiveness => social welfare despite vulnerability to natural hazards and climate change

Thank you very much for your attention!

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