

The Changing Geography of Clinical Research: A Critical Analysis of its Drivers

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Abstract

Research and development activities have become more and more internationalized with emerging economies playing an increasingly important role. This phenomenon is particularly debated in the pharmaceutical industry where (western-) pharmaceutical companies have started to offshore clinical research to –so called– *non-traditional* clinical research countries. This study empirically investigates the changing geography of clinical research between the years 2002 and 2012. Building on the concept of national innovative capacity (Furman *et al.*, 2002), we shed light on different drivers of countries' attractiveness as a location for clinical research including arguments related to the supply (cost)-side, the demand-side and the knowledge base. Our results challenge existing views on the extent of the phenomenon as well as the involvement of particular countries. Across *non-traditional countries*, the level of clinical research activities is driven by knowledge rather than cost arguments. Moreover, the rising strength of the knowledge base of *non-traditional countries* enables them to increasingly direct research in favor of local needs.

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