Introduction to RDAs Special Issue

Danson, Mike; Bellini, Nicola; Halkier, Henrik

Published in:
Regions - QUarterly Magazine of the Regional Studies Association

Publication date:
2011

Document Version
Publisher's PDF, also known as Version of record

Link to publication from Aalborg University

Citation for published version (APA):
Regions
THE VOICE OF THE MEMBERSHIP
NO. 284, WINTER 2011

TERRITORY, POLITICS AND GOVERNANCE

- Regional Development Agencies: The Next Generation?
- Territorial Politics
- Sense of Place
INTRODUCTION TO RDAs SPECIAL ISSUE

Mike Danson, University of the West of Scotland, Paisley, UK; Nicola Bellini, Scuola Superiore Sant’Anna, Pisa, Italy and Henrik Halkier, Aalborg University, Denmark

Over the last year we have been busy participating in conferences and undertaking research and offering advice on regional economic development across most of the world. We started by co-organising the symposium in Tuscany, ably hosted by Nicola at the International School of Advanced Education (SIAF) in Volterra. Running from 17-19th November 2010, this event was on ‘Regional Development Agencies: The Next Generation Networking, Knowledge and Regional Change’ and attracted a strong field of papers. Indeed, not all offers could be accepted; we were so overwhelmed with abstracts so that even with parallel sessions we were still not able to accommodate all. Papers from across Europe and beyond were delivered, though most were focused on western parts of the EU, and over two days we explored many aspects of RDAs and mapped out both a future research agenda and possible ways that we anticipate regional economic development will evolve in the coming period.

Details are provided here [see box] of the edited volume ‘Regional Development Agencies: The Next Generation?’ in the RSA’s Regions & Cities Series with Routledge, publication scheduled for June 2012. That workshop contributed to the specific chapter on RDAs to the OECD Territorial Review of the State of Chihuahua, where Mike was a member of the team which visited in May 2011. If you followed his facebook account, you will know that that was a rather too exciting time for any regional studies academic (armed escorts at all times, meetings in the world’s most violent city, etc.) but the experience of the difficulties of applying ‘our’ RDA model in that environment was very revealing. With most of the state semi-desert or even more arid (the internal flight from Ciudad Juárez to the city of Chihuahua took off in and then flew over a major sandstorm), settlements hundreds of kilometres apart, but with a major concentration of 300 maquiladoras (assembly plants) in Ciudad Juárez alone, this is a region with significant challenges for economic development. Yet what was very apparent in all the meetings and visits was the high degree of knowledge and intelligence across the practitioners and policy makers of what regional economic development strategies and policies should be about. There are high levels of development skills and intellectual capital at the level of the city, region and state, with graduates from the state well-versed in the literature, practicalities and instruments used across the developed and developing world.

Asked to deliver a paper to the XXIst Economic Forum in Krynica, Poland (2,500 delegates drawn from across central and eastern Europe, Russia, and many other countries and including prime ministers, presidents, senior politicians, corporate heads, etc.), Mike was also impressed by these same qualities amongst the policy makers and practitioners. Indeed, in the specific regional debates in Volterra and Krynica, the old saying that ‘all are out of step apart from our Johnnie’ seems highly appropriate. The rest of the world has an excellent grasp of the role of RDAs and related agencies in promoting and supporting regional economic development, it has adopted and adapted the model agency approach of the 1990’s [Halkier and Danson, 1997] promulgated by the Scots and Irish development agencies and moved on. The Celts have perhaps lost some of their confidence and, because of changes elsewhere as well as some stagnation at home, are no longer the leaders [Danson et al., 2005; Danson and Lloyd, 2012]; but what is happening in England now sits in opposition to everywhere else across the globe. Here, Paul Benneworth and David Bailey discuss the roots and evolution of these developments in England in recent months, examining how the late adoption of the RDA approach to regional economic development has been forsaken for a collage of local enterprise partnerships (LEPs) constructed from confusing and inconsistent economic geographies. Their contributions reflect the RSA submission to the UK Westminster committee considering these changes, available online [Bailey et al., 2010].

The continuing domination or perceived bias towards attracting and supporting inward investment across all regions in almost all environments has suggested we should include an article from Ben Fisher where he looks at the experience of the difficulties of applying RDAs in the world’s most violent city, etc.) but the impacts on the competitiveness of England in the market for FDI.

A key area of study and interest in many RSA events and publications over the last quarter century has concerned institutions, institutional thickness and capacity, with networking and partnerships a complementary theme. Peter Wilgaard Larsen addresses these issues in his survey and analysis of the regional growth fora in Denmark, demonstrating that many of the issues and insights delivered at RSA events continue to be relevant in generating our understanding of real policies and practices.

Evidence of this learning and learned approach elsewhere across Europe is presented in the article by Marcin Dąbrowski on RDAs in central and eastern Europe, with a specific focus on Hungary. A realistic appraisal of the constraints and contexts that they operate under allows us to begin to understand the issues in practice. These are similar to the challenges faced in many other economies in transition, including in Central and South America with Mexico as an example.
The OECD mission to the State of Chihuahua – demonstrating that research is not always unproblematic (an armed escort had to go with us everywhere over the week; 6 members of the army with sub-machine guns, etc.)

Our experiences in 2011 have not only spanned several continents and contexts, but have also included participation in the International Growth Centre’s Growth Week at the LSE in September, so that we have spoken to representatives of over half of the world’s population and economies. This particular event was addressing economic development issues and challenges in sub-Saharan Africa and the Sub-Continent where, again, the same high degrees of intellectual capital were collected together in one forum. As in these other fora and events, it is clear that knowledge, understanding and the adoption of regional economic development approaches are widespread if not global – with the possible exception of England! Our work on benchmarking [Danson et al., 2005] suggested there were no longer any uncontested leaders in the world of RDAs but that learning from others had taken on new forms and processes.

In summary: there are few obstacles to introducing the strategies, policies and instruments used by RDAs elsewhere;

Delegates to the XXIst Economic Forum, Krynica, Poland

and that raises a new set of questions:

- Who disseminates good or best practice? There are important matters to be raised regarding whether the lead is assumed by international organisations, consultants, direct RDA-RDA contacts, staff members, or other means;
- Who promotes a particular RDA model and from a myriad of potential

Regional Development Agencies: The Next Generation?
Networking, Knowledge and Regional Policies

Edited by Nicola Bellini, Mike Danson and Henrik Halkier

Aims of the book

Across Europe, regional development agencies (RDAs) have become a central feature of regional policy, both as innovative policy-makers and as the implementers of programmes and initiatives originating from the national or European level. In short, without well-functioning RDAs it would be difficult to imagine public policies that could make a difference for regional development in most European regions. Since the first generation of RDAs were established in the 1970’s and 80’s, major changes have swept through the policy arena:

- globalisation has increased the competitive pressure and moved the position of regions in the international division of labour to the forefront of regional strategy making;
- the digital revolution and the EU Lisbon agenda have highlighted the importance of production and access to knowledge as key factors in regional competitiveness;
- regional policy has become part of a wider system of multi-level governance so that, although the focus of RDA initiatives are still their own region, their geographical horizon has expanded in terms of sponsors and collaborators;
- issues of governance and accountability of RDAs has been one of the drivers to devolution of powers to governments and bodies below the level of the nation state, raising questions over their status and distance from political control.

The context of RDAs in other words has changed significantly, and many case-studies of individual organisations and their policies suggest that across regions in Europe RDAs are not what they used to be. In practice this means that the notion of ‘model RDAs’ introduced by Halkier and Danson more than a decade ago (Halkier/Danson 1997; Halkier/Danson/Damborg (eds.) 1998) has been overtaken by new organisational patterns and policy priorities.

By drawing on a combination of conceptual reflection, surveys, comparative research, and systematic use of critical case studies, the book is different from contributions to books and journals that are essentially stand-alone case studies of one particular region/ organisation/ development initiative. The book therefore is able to provide a new point of reference with regard to RDAs and bottom-up regional policy that will replace the off-quoted, but now rather dated, notion of ‘model RDAs’ by identifying key features of the current, and, indeed next, generation of regionally-based economic development organisations.


policies and instruments what do they stress as being appropriate? Non-Departmental Public Bodies, the European Association of Development Agencies, inter-governmental organisations, NGOs, and others will all have a role and an angle to pursue;

- What is adopted with regard to institutional forms and specific policies and instruments? Should FDI, SMEs, new firm formation, training and skill development, supply chains, be prioritised?

In some cases we have looked at, there are attempts by a complex web of authorities, NDPBs, agencies and organisations within a region or nation to apply many or all of the broad range of regional economic development programmes in the tool box. This confirms the need for governance, institutions, networking and approaches working to be included in any consideration of what should be delivered, by whom, with what resources and priorities in any particular context.

The theory of the second best is helpful here as is the need for political leadership locally and regionally.

As John Sutton argued in his own plenary lecture during the IGC Growth Week: “Diagnosis is easy, implementation is the challenge”. He was talking there about the advantages that Ethiopia had gained from following the Irish ‘one-stop shop’ approach introduced in the 1980’s, a simple fix he suggested. Local and deep understanding of the basics of a regional economy, he stressed, were pre-requisites for advising at any level, and should be the initial steps to offering guidance rather than the outputs from econometric modelling with marginal adjustments to cater for deviations from the norm.

All the above activities, therefore, demand that local and regional solutions and approaches are required in developing and implementing policy choices: learning from elsewhere is important and essential, but there are no models [Danson et al., 2005] that can be adopted uncritically. There is an underpinning need for wider and multi-disciplinary social science approaches to regional economic development; we cannot just offer prescriptions drawn from economics or economic geography, but rather must involve expertise and experience from politics, sociology, physical geography, law and other areas. The introduction of ‘Territorial Politics, Governance’ as a new journal in the RSA stable and the choice of Contested Regions: Territorial Politics and Policy as this year’s winter conference theme are testament to this recognition.

In summary, RDAs have been a focal point for the RSA for many years. They are a key topic in almost all annual events and in many research networks and publications. As they evolve and diversify across the globe, so there will be an ongoing demand for this attention to be maintained and to grow in tandem. We hope that this special issue of Regions reflects these interests and current knowledge and issues.

References


Danson, M., Helinska-Hughes, E. and Hughes, M. (2005), “RDAs and Benchmarking: Learning from Good Practice when the Model has Broken,” Public Policy and Administration, 20, pp.4-22.


Mike Danson is Professor of Scottish and Regional Economics at the University of the West of Scotland, Co-director of the Scottish Centre for Island Studies and Fellow of the Institution of Economic Development. With over 100 journal articles and book chapters and eight books since 1995, he is frequently commissioned by governments and agencies to advise on economic policy development and evaluation. michael.danson@uws.ac.uk

Nicola Bellini is Professor of Management at the Scuola Superiore Sant’Anna in Pisa and a former Director of Irpet (Regional Institute of Economic Planning of Tuscany), Florence. He has also served in regional agencies and government. His research interests include business support, place marketing and local-global relations. nbellini@sssup.it

Henrik Halkier is Professor of Regional and Tourism Studies at Aalborg University in Denmark. His research interests include Regional Development Agencies, regional knowledge dynamics and tourist destination governance. halkier@cgs.aau.dk

FIVE LESSONS TO LEARN FROM THE ENGLISH REGIONAL DEVELOPMENT AGENCIES

Paul Benneworth, University of Twente, The Netherlands

One of the new UK Coalition’s first acts in 2010 was to announce the abolition of the eight English Regional Development Agencies (RDAs) outside London. Although drastic, this came as little surprise to seasoned English regional policy-watchers. Even their supporters would concede that the RDAs had clearly lost their way. The no-vote in the North East of England’s devolution referendum in November 2004 clouded the whole English regional development agenda in uncertainty. Although city-regions and macro-regions had been briefly mooted as solutions, by early 2010, it was hard to clearly identify RDAs’ added value. They remained profoundly undemocratic organisations, spending substantial sums of public money in sometimes rather risky or ill-defined ways.
Ten years after *Regional Development Agencies in Europe* (eds. Halkier, Danson and Damborg, 1998), and *Governance, Institutional Change and Regional Development* (eds. Danson, Halkier and Cameron, 2000), this is a good time to review RDAs. This issue’s Regional Survey provides an overview by looking at developments across Europe (the article by Danson, Bellini and Halkier). Although there is continuity for most regions and nations, England has gone its own way by abolishing its RDAs (see articles by Bailey and Benneworth). RDAs generally take responsibility for transformative agendas within regions, complementing agendas based on disparities between regions. They play a positive role and there are particularly successful variations in regional innovation agencies and investment promotion agencies (as discussed by Fisher). In dealing with the economic crisis, the well-established need for regional intermediation in policy delivery, and particularly as realized through RDAs, is stressed. RDAs have survived but with new aims, delivery modes, organizational patterns, and governance (see articles by Dabrowski and Larsen). Therefore there is increased complexity in researching RDAs. Contextual issues, including mega-trends like globalization, the emergence of the knowledge economy, digitalization, and the world financial crisis, make it impossible to limit discussion to RDA models and variations alone. RDA futures can only be understood as part of a larger picture, where RDAs have to be viewed mostly as tools that are good or bad depending on their ability to be instrumental to development strategies and political grand designs. This Regional Survey reaffirms the need for RDAs and describes where they are today and how they will develop tomorrow.