



MCRI Theme 3: Reflections and a London Report

Neil Bradford
Huron University College, UWO
ONRIS Fall Meeting November 6, 2008



Wolfe-Gertler on Theme 3...

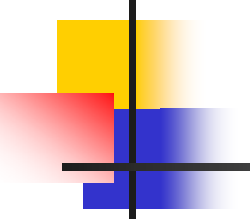
- *“The primary hypothesis for this theme is that the **economic performance of city-regions** depends on their ability to generate effective new forms of associative governance – including but not limited to government – and collaborative leadership. Moreover in those cases where such new forms of governance have been designed in socially inclusive ways, we are particularly interesting in documenting the impact this has on the **nature of development strategies** pursued by city-regions, as well as the ultimate success of their regional economies. Development strategies were defined to include economic, social and cultural development strategies.”*



Social Inclusion, Civic Engagement, and the City-Region Economy

Conceptual Issues: creative tensions expressed in Montreal Breakout group sessions ...

- Theme 3: thinking about the *social dynamics* of the city-region economy? (Talent Strategy Breakout)
- Theme 3: thinking about the dependent variable – city-region economic performance *and* development strategy? (Dependent Variable Breakout)



Social Dynamics (1): Associational Economy

- **Economic discourse** of innovation as social, non-linear, and interactive learning process
- **Firm learning** through networking in institutional sites for knowledge exchange and development strategy
- **Bonding Social Capital** and Innovative Capability (trust, information, coordination among fairly homogeneous economic actors; ie social/cultural 'quality of life crowd' not at the table)
- **Associative Governance**: Public-private 'innovation supports' through local economic development corporations, economic partnership bodies, and research alliances



Associative Governance: Scholarly and Practitioner Perspectives

- “We seek to tease out the specific role of intermediary organizations involved in the process of enterprise support for regional industry ... the trend in all cases is towards a more associational mode of economic organization in which the regional governance and enterprise support system plays an increasingly active role in the pursuit of economic development”. (Cooke and Morgan, 1998, 7).
- “The distinguishing features of economic communities is not just that they have clusters but that they have mechanisms to engage their clusters and understand what they need from the community. Economic communities foster communication between the private sector “demand” and the government and community “supply”. (Henton et al., 1997).



Social Dynamics (2): Integrated Development

- **Economic discourse** that uses a “broad, socially inclusive conception of innovation” (Pike, et al. 2006).
- **Civic learning** through networking in institutional sites for knowledge exchange that might create a “new, more sustainable metric for [local] regional development” (Morgan, 2004:883).
- **Bridging Social Capital or Civic Capital** and Innovative Capability (diversity, creativity, transformation as different groups/sectors come together for community strategic vision/plan)
- **Holistic governance:** Public-private-community collaborations for socially inclusive economic development – “give parity of esteem to social, economic, and environmental indicators” (Morgan, 2004: 2004:886).



Holistic Governance: Scholarly and Practitioner Perspectives

- “The traditional priority of “fixing the economy” as a prelude to, and as a platform for securing social well being is challenged. Instead, the holistic approach seeks to promote better awareness and balanced integration between the economic, social, political, ecological and cultural facets while acknowledging that trade-offs and conflicts may be involved” (Pike et al. 2006: 256).
- “Metro-wide economic growth depends not only on economic interdependencies but also on social cohesion ... economic and social development policies need to be elements of a single coherent strategy” (OECD, 2006).
- “Local governance bodies – or decision-making tables – are being created to help set a guiding vision for the community effort and its associated strategic plan. These tables are usually composed of diverse sectors, including business, government, voluntary organizations and people living in poverty” (Torjman, 2008).



Research Implications?

- *“Critical geographers have called for a new research agenda in which the **politics** of regional development are given much more prominence than they were in the 1990s” (Morgan, 2004: 887 emphasis in original)*

Why such a call now?

1. There are different conceptions of social dynamics and therefore the relevant ‘economic community’ and desirable ‘collaborative leadership’.
 2. These are likely to be politically contested in city-regions.
 3. Governance forms and development strategies will reflect/express these differences.
- *(MCRI May Meeting: compare presentations on city-region innovation in Montreal and London)*



Three Key Questions...

1. Which discourse about the social dynamics of the economy is operative in the city-region and why?
2. How do economic governance structures/processes express the operative discourse?
3. What can be said about the relationship between the particular social dynamics of the city-region and
1. development strategy 2. economic performance?



London Findings

25 interviews from government, business, community sectors; secondary literature and primary documents; newspaper commentary

Question 1 (Development Discourse)

Social dynamics of the economy in London about *associative governance for firm attraction, growth, and innovation*

- Business community leadership – Chamber of Commerce and other business leaders “Advance London” collaborative initiative
- Strategic Planning results in London Economic Development Corporation in 1998; ‘associational focal point’
- Evolving City Council support – Industrial Lands Strategy and London’s Next Economy Report and Creative City Task Force
- Community/Social sector – organizationally fragmented, no focal point and relegated to oppositional voice (eg. no Social Planning Council)



From the interviews ...

“Social equity or inclusion are not on the economic development agenda” (Civic Leader).

“There are too many silos in London” (Business School Official).

“ There are issue-based relationships, but few formalized, structured networks, interactions” (Union Leader).

“We don’t have a Council of Councils where different groups can network and craft a common agenda” (Community Sector representative).

“Diversity talk is just getting started in London” (Community Sector Representative)



London Findings cont.

Question 2 (Governance processes)

- Last 15 years, intensive process of business networking and institution building led by arm's length London Economic Development Corporation
- Broader community sector not engaged in the “official” economic development process or debates (interviews with community/ labour confirm sense of LEDC ‘gate keeping’ on development file)
- Interesting debates *within* the business sector about development priorities (external attraction/branch plants v. organic growth/technology firms)
- Debates reflected in shifts in LEDC governance and strategic priorities



Strategic Repositioning ...

Creative City Task Force (2005)

Some would say London has been a complacent community. Some might even it's been a bit smug. However one defines it, it is increasingly obvious that without a significant change in direction, the city's economic future will decline. London must carve out a new niche for itself and its region to develop a new Greater London area.

London's Next Economy (2005)

As impressive as the attraction program has been, London's effort in developing homegrown knowledge-based businesses has been below expectation. This plan advocates building upon the themes outlined in the Creative City Task Force by: developing a downtown Tech Alley; creating an advanced manufacturing and technology park; re-engaging UWO's Research Park as a commercialization port.



London Findings cont.

- Post 2005: Creative City Task Force; London's Next Economy; Governance Task Force; Emerging Leaders; City Welcoming Cultural Diversity Plan; Immigrant Employment Task Force
- **Theme 2 Issues:** London's looming "talent/skills crisis" driving multi-sectoral collaborations; issues of immigrant recruitment/settlement/integration broadening the debate and legitimate voices
 - *Creative City Task Force "recommending creation of a new Prosperity Congress to focus on encouraging and supporting the economic benefits of a creative city".*
 - *Next London? More holistic governance and bridging social capital as civic entrepreneurs mobilize around diversity and inclusion (expressions of civic capital that stretch the economic discourse?)*



London Findings cont.

Question 3. (Social Dynamics and Strategy/Performance)

London's associative governance arrangements have enabled timely, purposeful adjustments in economic development strategy (1998, 2005) (avoiding lock-in to auto parts branch plantism)

- **LEDC/City (1) – External Recruitment** with a focus on Auto parts plants supported by City Industrial Lands Strategy for business parks and physical infrastructure (“London’s 401/I-75 Advantage”)
- **LEDC/City (2) – New priority on Organic Growth** through knowledge clusters/talent recruitment supported by City/Province investments in innovation networks leveraging university and community college research; RIN, MaRS, SWEA (“London’s Regional Talent Strategy”)
- **Mayor’s 2007 Roundtable Series:** Priority Sectors: Alternative Energy; Life Sciences, Advanced Manufacturing; Agri-food and Agri-business



London Findings cont.

Situating the London case in the scholarly literature: concepts for analysing urban governance and policy (Clarke and Gaile, 1998) and institutional evolution (Thelen, 2004):

- Development coalition (business-government axis)
- Institutional logics (market competitiveness)
- Framework links (economic-social-cultural-environmental separated)
- Institutional evolution (LEDC "**layering** new priorities (immigrant recruitment/workforce development/ organic growth) but not yet **conversion** to new purposes (holistic development)

Impact of London's associative governance arrangements on city-region economic performance?

- *Timely, purposeful strategic development adjustment in 1998 and 2005*
- *LEDC data on firms, jobs attracted and expanded*



References

- Clarke, S. and G. Gaile. 1998. *The Work of Cities*. Minnesota.
- Cooke, P. and K. Morgan. 1998. *The Associational Economy*. Oxford.
- Henton, D. et al. 1997. *Grassroots Leaders for a New Economy*. Jossey Bass.
- Morgan, K. 2004. "Sustainable Regions: Governance, Innovation and Scale" *European Planning Studies*, 12,6.
- Pike, A., A. Rodriguez-Pose, J. Tomaney. 2006. *Local and Regional Development*. (Routledge).
- Torjman, S. 2008. "Poverty Policy". Caledon Institute.
- Thelen, K. 2004. *How Institutions Evolve*. Cambridge.