

Strategic planning for growth – actions and interventions for local entrepreneurial governance

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Introduction

- This paper explores local policy/strategic planning for economic development and growth.
 - Reflects on the impacts of the present ideal of decentralised/bottom up regime for development policy.
- 3 RQs
 - What is the content of local growth policy – actions and interventions?
 - Which are the external relations appreciated by local actors to contribute with resources for local policy?
 - What are the variations of local strategic planning for growth?

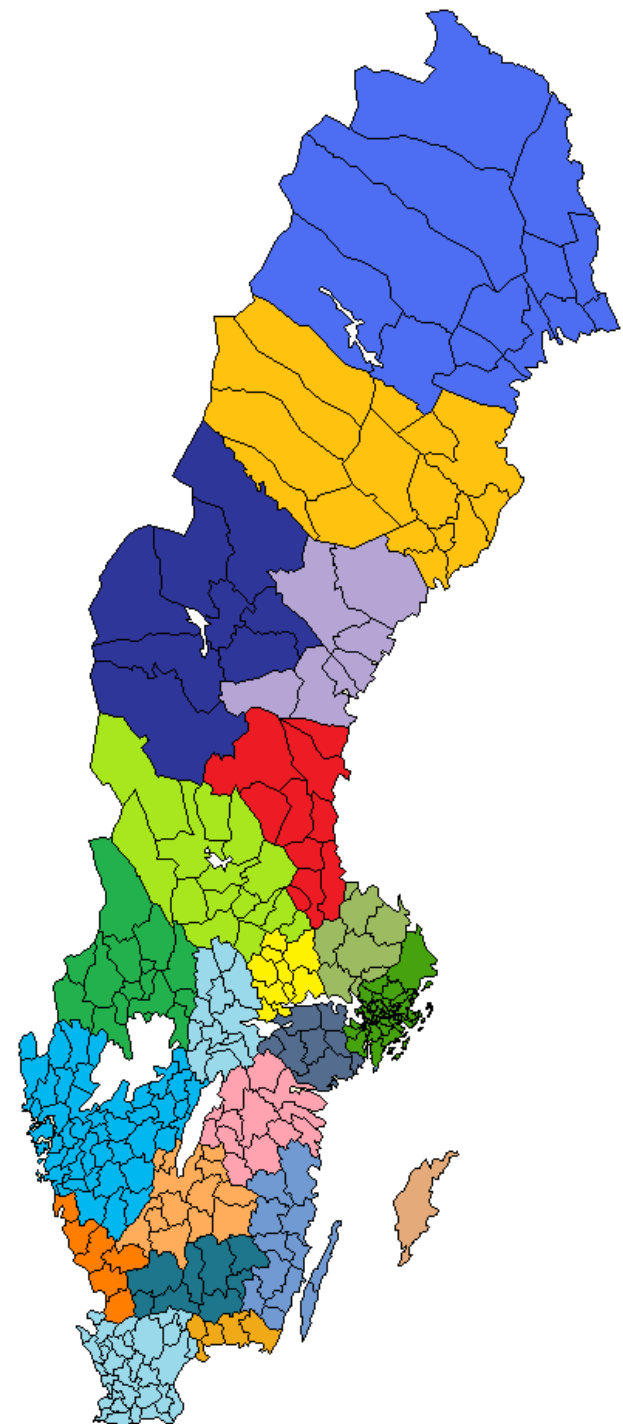
Structure of presentation

- The empirical context from Sweden and the empirical material
- The analytical framework
 - policy regimes and ideals
- Results and preliminary conclusions

Empirical context and empirical material

Sweden

- Multi-level political system with strong central state and strong local authorities (LA) / municipalities
 - 21 counties
 - 290 municipalities/LA.
- Small population (10 mil.), open international economy
- Tradition from social democratic welfare state
 - although in transition towards more liberal regime
- Uneven regional development
 - Capital city – Stockholm – strong growth and strong international city
 - Many municipalities – slow growth or in decline



The 290 Swedish LAs

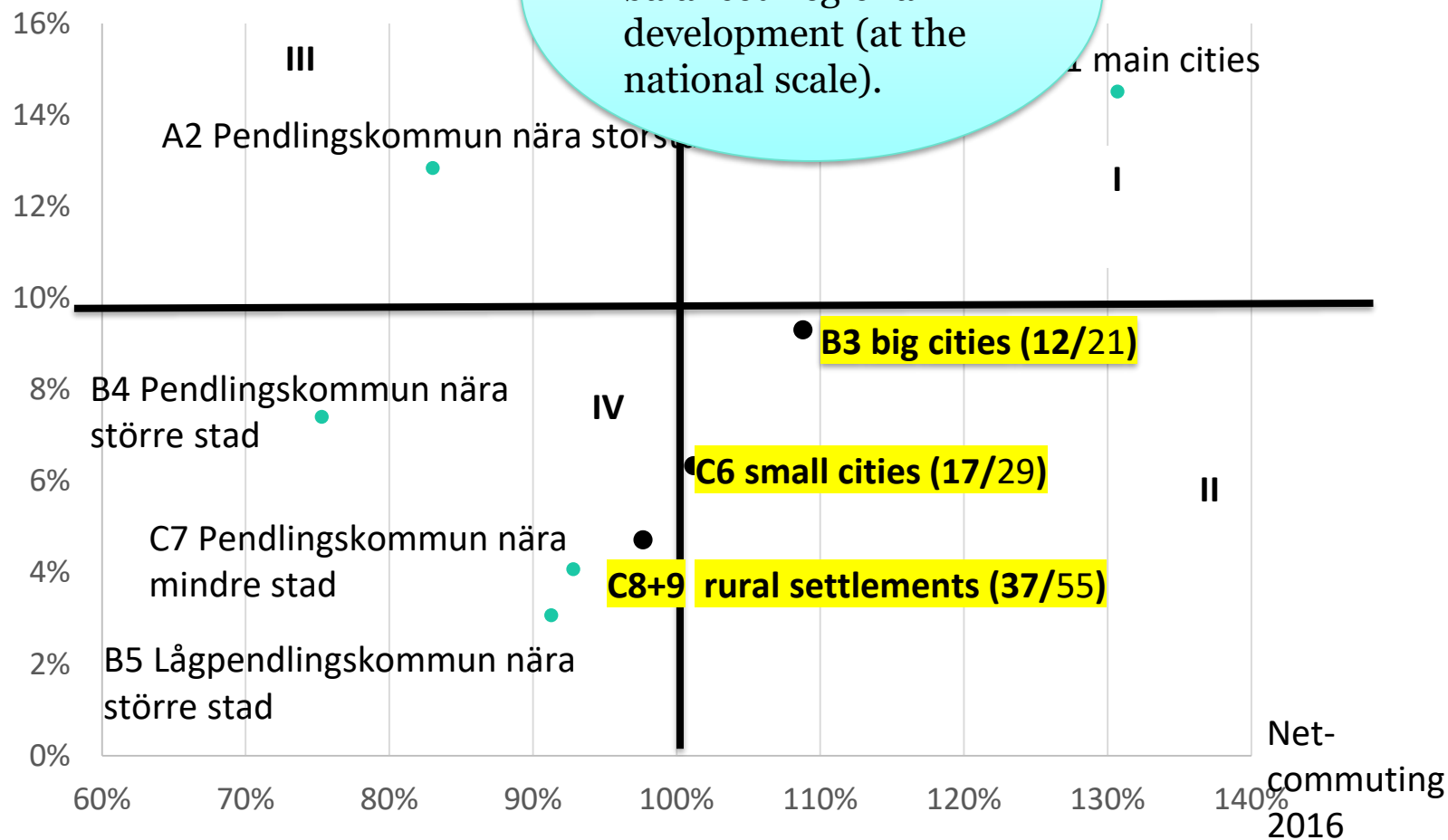
- Strong mandates for the local level/ municipalities/local authorities (LA)
- LAs is the political body on the local level. LAs leverage income tax (approx. 20%).
 - Approx. 20 percent of all employment in Sweden is in the municipal sector (including education, social care, local physical infrastructure and planning and administration)
- The political bodies of LAs and their companies are big organisations and have big budgets; in total around 25% of national GNP
- Local growth policy is non-statutory
 - LAs engagements for local growth policy since around the the 1980s

Empirical material

- Questionnaire survey distributed to directors for strategic growth planning at 290 municipalities.
 - In most cases employed officials of the political body, for some cases CEO for development company owned by the LA
- 181 responding municipalities, response rate 62%
- Descriptive-explorative approach for the analysis of questionnaire survey

Focus on municipalities depending on their “own”/local labour market.

Employment 2010-2016



The analytical framework - policy regimes

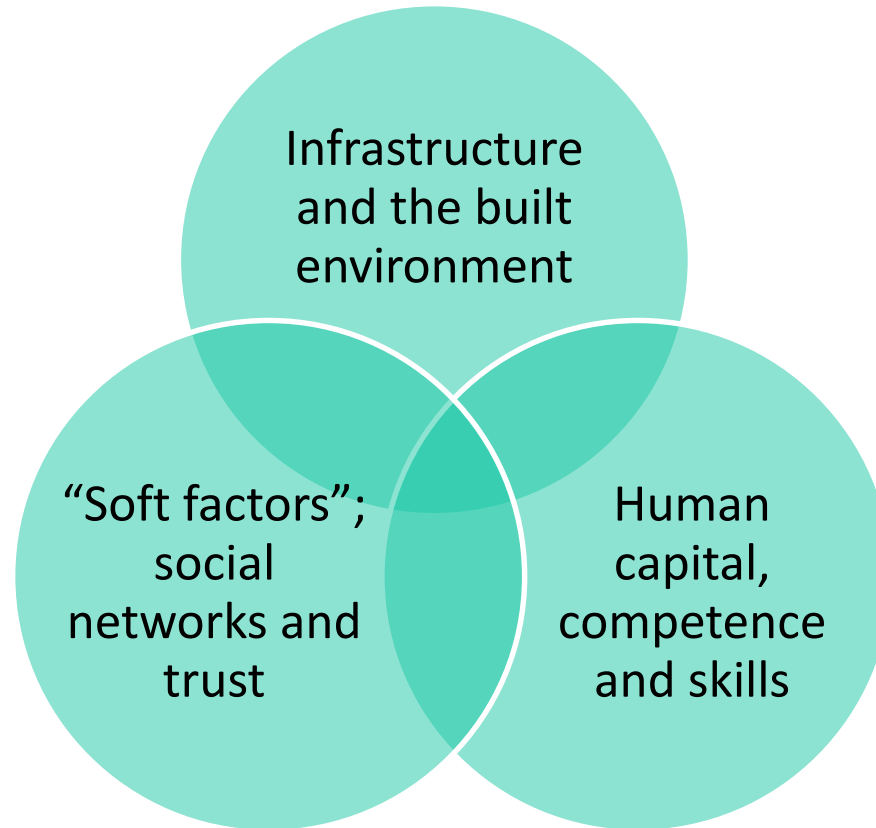
Moving regimes transforme growth policy

- National economic policy through redistributing national growth across regions
- Since around the 1980s decentralisation from state to LAs
- Regions became more important with EU
 - Member state 1995
 - Efforts – challenged by strong municipalities - to re-scale growth policy from local to regional bodies
- Wider scope – across policy fields
- Promotion of governance, collaboration and partnership
- Sustainable development
 - Agenda 2030



Policy regime/ideals	Dilemmas and critical reflections
<p>(1) Decentralisation of growth policy to sub-national levels</p> <ul style="list-style-type: none"> • In EU and elsewhere • Place-based approach in contrast to the space-neutral • All places have the potential to grow 	<p>(1) Uneven capacities and the role of place and position</p>
<p>(2) Co-operation, and governance are important means/tools</p> <ul style="list-style-type: none"> • Growth aspects are “mainstreamed”, and integrated across planning/policy areas (e.g. physical planning, infrastructure, education, etc.) 	<p>(2) Collaborative governance is demanding; it involves negotiations, power relations, conflicting aims. It demands shared motivations, capacities and resources</p>
<p>(3) Entrepreneurial ideals</p> <ul style="list-style-type: none"> • The state is recast from its ‘welfare’ era role of ‘taming the market’ to one of promoting the market... (Allmendinger et al. 2015, s. 7) 	<p>(3) Ambivalent combinations of entrepreneurial ideals with ideals for social sustainability, democratic rules and aims.</p>

Focused areas for regional development (policy)



Results and preliminary conclusions

RQs

1. What is the content of local growth policy – actions and interventions?
2. Which are the external relations appreciated to contribute with resources for local policy?
3. What are the regional variations of local strategic planning for growth?

Activities/content and external relations

- Activities (three areas):
 - physical planning; "relation work" with local business society and for place marketing; competence and skilled workforce
- External collaborations with
 - other LAs, the region, EU and national bodies.

Response options:

To very large extent = 5

To large extent = 4

To some extent = 3

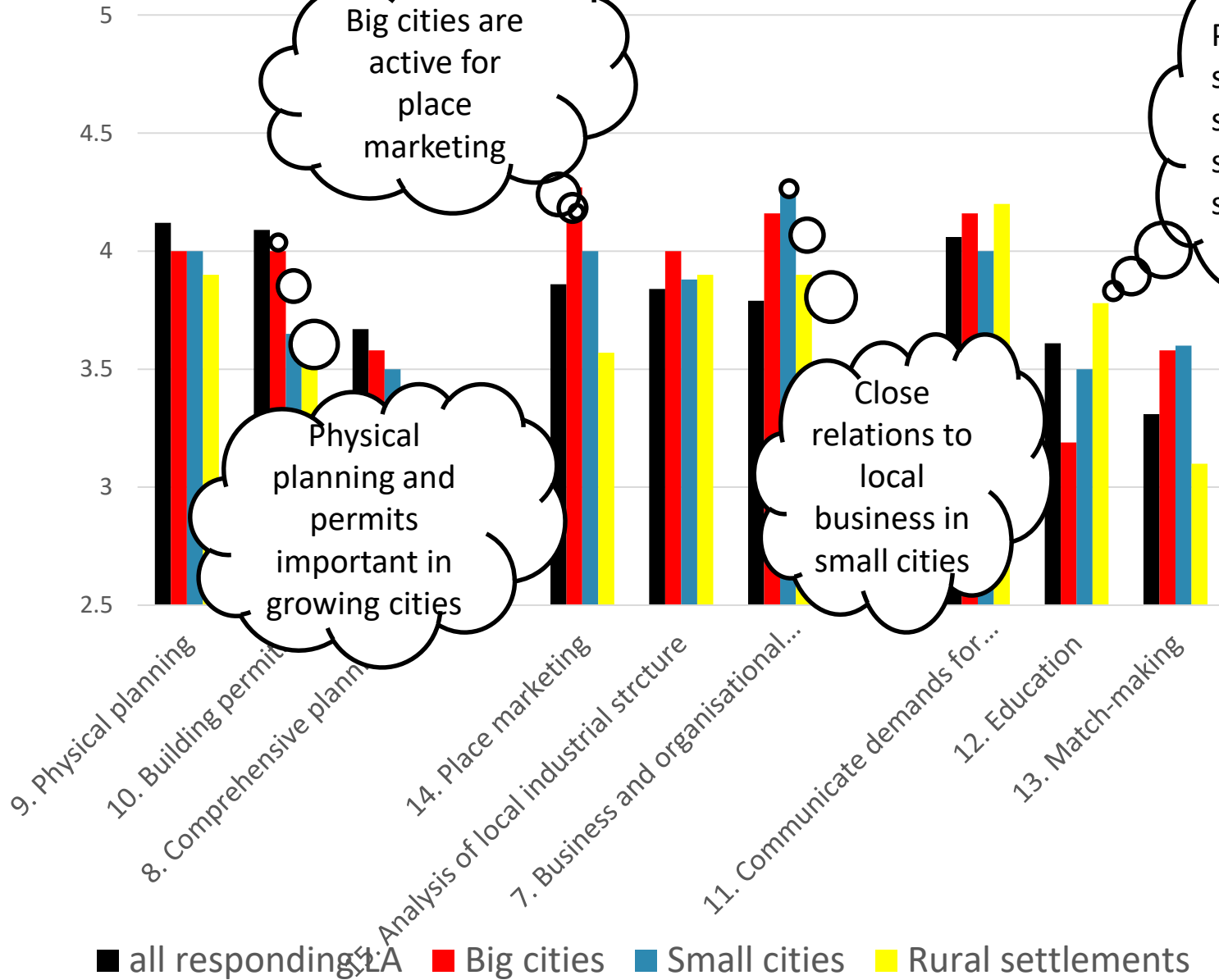
Almost not at all = 2

Not at all = 1

(I don't know = 0)

Respondents are
directors for
strategic growth
planning at LAs

Activities



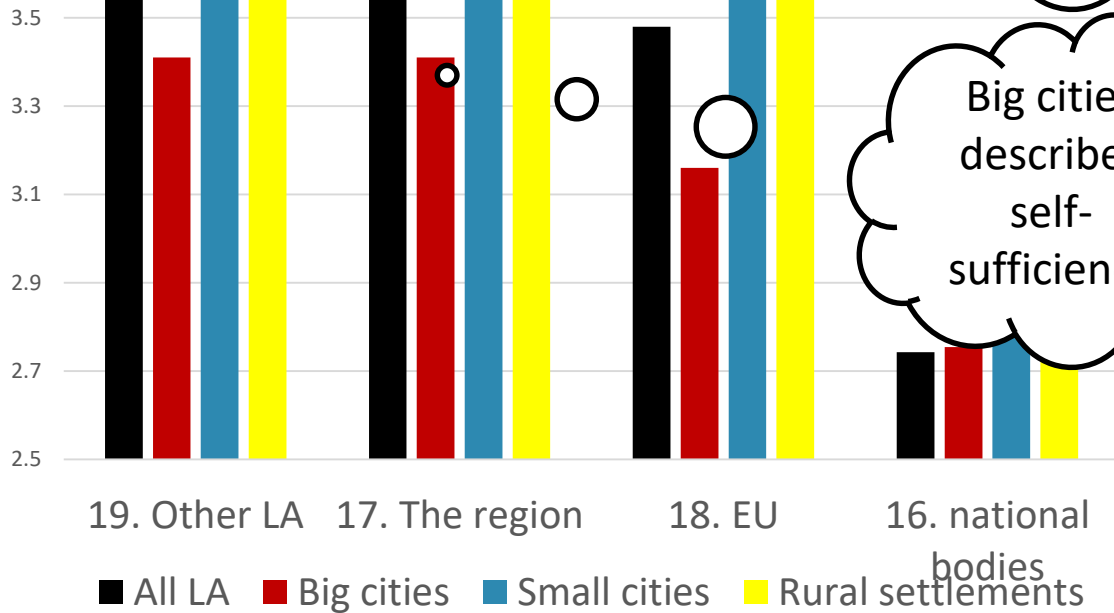
all responding LA
 Big cities
 Small cities
 Rural settlements

External relations brings resources for local growth planning

Rural settlements value external relations

Small cities value external relations – particularly with the region

Big cities describes self-sufficiency



Preliminary conclusion, reflections and new questions

- Municipalities depending on their “own” local labour market most active across different fields of activities. Access to a local structure of actors.
 - Municipalities lacking “critical mass” of local organisations, businesses, employers lack partners to interact with.
- Traditional activities for “relation work” with local business and place marketing remain important tasks
- Uneven integration of growth ideals across different policy areas.
 - Large organisations for administration for big cities, challenges policy integration.
 - Schools and education have social aims uneasy to match with market ideals of growth policy.
- The “location” of local growth policy inside the local political bodies means possibilities for policy integration and also dilemmas and negotiations between ideals and stakeholders aims.

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Preliminary conclusion, reflections and new questions (cont.)

- What is the impact on present ideals of decentralised growth policy on regional development? How is this impacting regional trajectories?
- Some preliminary suggestions
 - Municipalities lacking local “critical mass” of collaboration partners; i.e. employers, organisations, business, etc. – (can) do little.
 - (To) close relations for small cities to local business, may involve that business goals compete with political goals.
 - Present re-scaling of regional development policy from LAs to regions triggers competition between political scales. Low appreciations of external relations with regions for big cities – may this challenge capacity building and the potential roles of big cities to contribute to a balanced national development.?

Geographical structures (vs. place-based conditions) are important

- Cities are more active in the area for innovations and competence and education, compared to towns.
 - Is this indicating that decentralised growth reinforces the uneven spatial development of economic dynamic development across the hierarchy or urban areas?
 - Do all places have the potential to grow?

Difficulties and dilemmas	Result
<p>(1) Uneven capacities and the role of place and position</p>	<p>Municipalities most dependent on their “own” local labour market most active across different fields of activities. A “critical mass” locally with organisations, businesses, employers</p>
<p>(2) Collaborative governance is demanding; it encompasses negotiations, power relations, conflicting aims. It demands shared motivations, capacities and resources</p>	
<p>(3) Ambivalent combinations of entrepreneurial ideals with ideals for social sustainability, democratic rules and aims.</p>	<p>Tensions within local authorities to balance interest of business with interests of local population (voters). Critical for schools, critical for local business networks.</p>