

3.3 STRATEGIC THOUGHT AND REGIONAL PLANNING: THE IMPORTANCE OF CONTEXT¹

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Introduction

As Mintzberg *et al* (1995: xi) point out, theories and conceptual guidelines are useful since “it is easier to remember a simple framework about a phenomenon than it is to consider every detail you have ever observed.” These authors claim that theoreticians and practitioners differ in their outlook on strategy formulation and planning because the latter typically believe they understand the world the way ‘it is’ rather than the way it ‘should be’, and because in some cases prescriptive theories can become the problem rather than the solution. Even when a strategic prescription ‘seems’ effective in a given context, they argue, it requires a full appraisal of the new context to which it is to be applied and how it may function before it can be deemed effective.

This need to focus on ‘context’ in strategic planning is very much the theme of this contribution and follows on from observations made in Section 1.3 of Working Paper #1). It seeks to further highlight the importance of contextual ‘sense-making’ as advocated by Kurtz and Snowden (2003) and examines ‘the power of context’ on decision-making and strategic planning practices. The paper also investigates the dynamics of the substantive issues raised by regional change as the ‘object’ of their planning efforts, and the relationship and interplay between these considerations. This is done with a view to exposing the considerable intricacies involved in effectively matching appropriate strategic planning practices with the contexts they are designed to serve.

The chapter concludes by relating these ideas to the practice in the UK of spatial planning in general, and regional planning in particular, explored through examples from regional planning practice, especially from London and the South East of England region.

Components of managing change

Origins of change

Strategies are often developed as a means to manage change within *and* between contexts. An extremely useful book which emphasizes this conceptually and which in hindsight has proven highly prophetic was written by Basil and Cook in 1974 entitled *The Management of Change*. Their message read today reinforces the conviction that time does not age the truth. The authors of this relatively unknown publication argue that “while change is readily apparent, its magnitude and consequences are relatively unknown” and that the ‘dysfunctions’ of change in planning mainly lie in: inadequate

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environmental (read contextual) scanning, the lack of change responsiveness capabilities in organizations, and/or the excessive reliance on crisis-management. The authors' diagnosis suggests it is *imperative* for strategic planning to have regard to three facets of change management: the origins of change, the transitional responses to change and the development of new strategies for change responsiveness (1974, ix-x).

Concerning the 'origins of change', Basil and Cook identify these primarily as: structural-institutional, technological, and social-behavioural. They cite the expansion and growth of the influence of the European Union (EU) as having been particularly pervasive here, to which we would add the collapse of the Communist Bloc and the dramatic improved economic fortunes of Asia, especially China and India (see Dimitriou, 2006). Even more consequential have been the impacts of globalization on the nation state and local industries (especially manufacturing) and the move to market-driven economies (Buarque, 1993; Lechner and Boli, 2004; Kay, 2003), as well as the reduced reliance on government intervention, and the threat to (and partial dismantling of) the welfare state (Ohmae, 1990; 1995; Hutton 2002; Palast, 2002).

Most significant of all in the last two decades has been the phenomenal change in 'technological developments' especially those associated with communications, including transport and information technology. These have fuelled globalization, brought tremendous new opportunities, and spawned many new sociological and behavioural impacts (Castells, 1996; 1998; Dicken, 1999; Graham and Marvin 2001; Dimitriou, 2005). According to Basil and Cook, the feeding of such forces one upon the other, produce complex reactive forces of "an additive or multiplicative manner to create even greater change" (1974: 28). These forces are discussed later in this contribution in the context of the new regionalism agenda and strategic and regional planning in the UK.

With their emphasis upon physical characteristics and tenuous linkages to economic planning, regional plans in the UK have tended in the past to have a rather weak understanding of the origins of change: an example is the failure to anticipate the growth in car ownership in early post war planning. It is notable that the London Plan (GLA, 2004) explicitly starts from an analysis of "drivers of change". These drivers are broadly based, including economic, social, environmental and technological change. The Plan's objectives are shaped to manage the spatial impacts of these drivers in an effective and sustainable way. In this approach the planner does not seek to impose a strategy upon the region (as Abercrombie tried to do), but rather tries to identify and influence underlying forces that are seen too powerful for the instruments of strategic and regional planning to shape in any significant way.

Strategic gaps

Another imperative of contextual analysis for strategic planning is the capacity for agencies (and regions) to accommodate 'transitional responses' to change. Basil and Cook explain that this concerns how (well) institutions (including national, regional and local governments), other organizations *and* individuals have developed a capacity for 'change responsiveness', including measures to introduce decentralization and developments that engender greater co-ordination and transparency. Here the authors identify 'strategic gaps' that can develop in both industry and government "as a result of organizational inflexibility, ignorance of complexity and open systems effects", where such gaps represent "the shortfall

between the actions of organizations and institutions and the objective of an orderly adaptation to change” (1974: 133). Basil and Cook see these gaps significantly contributing to the misallocation and waste of resources, and produce an urgent need for proactive strategic action on many critical fronts.

This may be currently witnessed in the transport sector in the UK which has become over the years increasingly automobile dependent with annual motor vehicle purchases and use having now reached record levels and increased consecutively for the last five years (DfT, 2005a). It may also be observed in the long term failure of central government to re-invest in rail transport infrastructure (up until the second term of the New Labour Government) which has jeopardised the sustained economic growth of the country (Glaister, 2001). These developments have been further aggravated by a return to road-building on a scale not seen since the Thatcher era (*The Guardian*, 2005). In the environmental field, another ‘strategic gap’ has developed from the painfully slow (and very belated) measures taken to effectively tackle the country’s growing emission problems. The resultant pollution, made worse by the government’s national and regional airport development policies, with no immediate prospect of a reversal in sight, is predicted to especially negatively impact on climate change given the traffic forecasts predicted (Hillman and Fawcett, 2004). These policies have largely pursued a ‘predict and provide’ trajectory and contradict government proclaimed aims at promoting sustainable development (Friends of the Earth, 1999; CPRE, 2004).

Change agents and change responsiveness

The third imperative of contextual analysis highlighted by Basil and Cook is the development of new strategies for ‘change responsiveness’. These rely heavily on ‘environmental scanning’ (i.e., contextual analyses) and the need to create ‘change agents’ that are more independent rather than dependent on the forces of change. The authors emphasize that the costs of traditional crisis management as a result of the failure to introduce is unaffordable and that “the case for ‘change responsiveness’ is one that society, organizations and individuals cannot ignore” (1974: 158).

The creation of the Greater London Authority (GLA) in 2000 partly reflects the recognition that the capital lacked a strategic authority with the mandate to manage spatial change since the dissolution of the Greater London Council (GLC). Although London’s economy performed quite strongly under the Thatcher Government, the reliance upon market mechanisms also produced growing personal and spatial inequalities and an inability to deal adequately with major change such as fast rising traffic congestion, the spread of out of centre retailing and the overall decline in the quality of urban design. Against this backcloth, the new Mayor has in effect acted as a critical ‘change agent’ for London, bringing a fresh perspective to a city subject to immense change (illustrated by the fact that today one in four of London’s residents is born outside the UK). As an entirely new institution, the GLA has been able to exercise a fresh mandate. Its senior management like to be seen not to be weighed down by conventional wisdoms and institutional inertia that can attach to older institutions. Whether this capacity to act as a ‘change agent’ can be retained as the Mayor and the GLA become longer established remains to be seen, but the organisation was deliberately designed to be far smaller, more strategic and more flexible than its predecessor, the GLC.

The challenge of how to make such ‘change agents’ become more responsive is as important today as it was when first discussed by Basil and Cook as the GLA example

demonstrates. It remains one of the most formidable challenges currently facing society in the UK.

These authors insightfully concluded their work by expressing a desire to see ‘twenty-first-century man’ “educated to accept and manage ambiguity, uncertainty and complexity” (1974: 158). They argue that the only way to do this effectively is to introduce a series of new ‘proactive strategies’ that cope better with ambiguity, risk, uncertainty and complexity of the kind advocated by post-modernist sociologists and geographers such as Adams (1995), Beck (1992; 1999; 2000), and Lash et al (1996) *some thirty years later*. Given that the preceding chapter discussed the first of these four concerns at some length, the following section focuses on the importance of understanding complexity as part of context analysis and ‘sense-making’ in support of more effective strategic planning for regional development.

Complexity, ‘wicked’ problems and strategic planning

Complex contexts of decision-making

A question that needs to be posed by anyone engaged in strategic planning early on in the exercise is whether the solution to one problem is in any way related to the solution of other problems? Confirming that this is often indeed the case, Mason and Mitroff (1981: 3-4) argue that a major problem with connected systems of complexity is that deviations in one element can be transmitted to others. They claim that these deviations “can be magnified, modified, and reverberated so that the system takes on an unpredictable life of its own” (1981: 6). The outcome can be that policies developed to resolve one problem spawn others and generate many unintended impacts as the dynamics of the problem(s) unfold; a phenomena only too common in regional planning.

Accepting this premise, this requires of the strategist two things:

- Firstly, the appreciation of the concept of complexity as the *context* of his/her strategy making - where ‘complexity’ may be defined as “the condition of being tightly woven or twined together” (Mason and Mitroff, 1981: 5).
- Secondly, the development of a ‘sense-making’ capability of complexity in the strategic plan-making process (Snowden, 2004).

Mason and Mitroff see a fundamental characteristic of the complexity of major problems to be that they are typically ‘organized’ in so far as they tend to possess “an illustrative structure to underlying problems that give pattern and organization to the whole” (1981: 5). They suggest that organized complexity can in fact become a major obstacle to problem resolution, on account that while there is a range of techniques available for taming simple problems, there is only a few methodologies for tackling complex ones. This is a view shared by Kurtz and Snowden (2003) who in their research undertaken for IBM advocate simplicity to decision-making in complex environments.

Complexity and wicked problems

Problems of organized complexity are referred to by Rittel and Webber (1973) as “wicked problems” in the sense that the more one attempts to tackle them the more complicated they become. Paraphrasing Mason and Mitroff (1981) they claim that

such problems have no definitive formulation and that every formulation of a wicked problem corresponds to a statement of solution and vice versa. They see no single criteria system or rule that determines whether the solution to a wicked problem is correct or not and liken the task of tackling such problems to a ‘Faustian bargain, requiring eternal vigilance’. There is, furthermore, no exhaustive, enumerable list of permissible operations for solving a wicked problem. Instead, they have many possible explanations for the same discrepancy; depending on which explanation one chooses, the solution takes on a different form. Each wicked problem can be considered as a symptom of another problem that has no identifiable root cause and that once a solution is attempted, one can *never* undo what has been done. They finally see every wicked problem as essentially unique with no way of knowing when a wicked problem is solved (1981: 10-11).

Drawing from the same source, such problems exhibit six characteristics:

- **Interconnectedness** – whereby strong connections link each problem to other problems so that ‘solutions’ aimed at one problem has the potential to generate important opportunity costs and side effects.
- **Complicatedness** – characterized by ‘feedback loops’ through which change can multiply itself or even cancel itself out.
- **Uncertainty** – in that wicked problems typically emerge in dynamic and highly uncertain environments that require of change agents a flexibility to respond to unexpected outcomes with the assistance of contingency plans.
- **Ambiguity** – as a result of the fact that problems can be seen in quite different ways by different parties, depending on their interests, loyalties and perspectives.
- **Conflict** – resulting from competing claims and interests, colliding visions and values of development warranting compromises, creating ‘winners’ and ‘losers’ of planned (and unplanned) outcomes.
- **Social constraints** – exerted by prevailing social, political, technological and political forces and capabilities (1981: 12-13).

These characteristics have two major implications for policy-makers and strategic planners working in environments of complexity. Firstly, they require a broader participation of parties affected either directly or indirectly by planned outcomes. Secondly, they need to rely on a wider spectrum of data from a larger and more diverse set of sources (1981: 13-14). The former conclusion concurs very much with the findings of Gladwell (2003) and Surowiecki (2004) outlined later in this chapter, and the latter with the conclusions of Courtney et al (1999) discussed in the previous chapter.

The first major implication confirms the now widely acknowledged fact that policy-making is essentially political, in the sense that it involves forming individuals into groups to discuss, formulate and pursue common interest². The second major implication presumes that much of the information necessary for dealing with complex problems rest in the minds of a large number of individuals, and that special efforts are needed to extract this information from them to disseminate it to others, reinforcing the need to utilize (and thus identify) as many different ‘objectified’ sources of information as possible for collective decision-making so as to facilitate the exchange and comparison of views.

² Here both Gladwell and Surowiecki’s have something to say about the optimum size of such groups citing 150 persons as the upper limit of effective group decision-making and dialogue.

Complexity and strategic planning

Yet another important observation that emerges from the work of Mason and Mitroff (1981) is the need for the strategic analysis of contexts to both incorporate a healthy respect for ‘doubt’, and a method of identifying *and* assessing it. They see the systematizing of the analysis of doubt as a critical part of the strategic planning process, best provided through dialectics and argumentation that entail:

- making information and its underlying assumptions explicit;
- raising questions and issues toward which different positions can be taken;
- gathering evidence and building arguments for and against each position; and
- arriving at some final conclusion (1981:15).

Over and above their requirement for broader participation in the planning process, the use of diverse sets of data, and the incorporation of doubt in strategy analysis and formulations, the same source emphasize the importance of employing a holistic *and* systematic approach to analysis and synthesis. This is particularly necessary, they claim, in light of the need to break-down the complex problem into understandable elements, and on this basis “determine the linkages that give organization to its complexity and to understand the problem as a whole” (1981: 15). Mason and Mitroff suggest that these requirements call for a new set of criteria with which to design, appraise and evaluate strategies that are:

- ***participative*** – given that the required knowledge to solve such problems is drawn from a variety of sources;
- ***adversarial*** – on the assumption that doubt in the context of opposition is seen to be the guarantor of the best judgements;
- ***integrative*** – so as to ensure the bringing together of diverse knowledge as a basis of coherent action; and
- ***supportive*** - of a managerial predisposition in a way that efforts to expand insights into the nature of complexity and developing holistic views at problem-solving are undertaken as continuous process (1981:16).

Regional planning faces particularly complex and often wicked problems. These reflect the breadth of the decision-making field and the size and diversity of the regions for which decisions are being made. The regional institutional context is also complex, so that decision-making itself is a very complicated and often unpredictable process. Yet from this complexity, relatively straightforward decisions are *ultimately* required. Should a new airport be built? Should a town be expanded? The strategic challenge is to achieve the most ‘effective’ decisions by managing the way in which complex problems are identified, analysed and addressed in the most systematic and inclusive way.

The demand for additional (and affordable) housing is a prime example of a wicked issue faced by many regional planning authorities in the UK. It exhibits all of Rittel and Webber’s six characteristics. It is *highly inter-connected* with other major and complex issues such as the labour market and the quality of transport. It is *complicated*: demand in one part of a region may result in (perhaps unintended) pressures to compensate by increasing demand in another part of the region. Housing demand is subject to great *uncertainties*, depending, for example, on economic cycles. There is *ambiguity*, for instance in the different perspectives of the existing resident

wishing to protect the immediate environment and the first time buyer wishing to see choice and availability in the housing market. Demand for housing has long been an area for *conflict*, notably between cities that have tended to “export” population and their hinterlands that have tended to receive incomers from the city. The whole issue encounters high levels of *social constraint*: for example, some political constituencies are highly mobilised to minimise additional housing and employ a great deal of expertise to justify their position: this has certainly been the case in the wider south east of England, where the resistance of many political establishments to new growth has been seen as one of the reasons for the creation of the new regional assemblies.

One of the weaknesses of regional planning in the UK has been that its instruments have often seemed too simplistic and insufficiently strategic to address the complexity of the matters they have to deal with. Until the recent infusion of spatial planning into the theory, practice and legislative base of planning, the main instruments related to the regulation of land use. Moreover, the discretionary nature of the UK planning process, whilst offering the opportunity to relate proposals to their individual context, nevertheless has encouraged a mind set and procedure that lacks rigour. Decision making is often reflective of a set of implicit values rather than of a disciplined process of examination of evidence and systematic appraisal of alternatives. The system of Regional Spatial Strategies (RSSs) does offer much greater potential for a broader spatial perspective and for a systematic appraisal of options, including the requirement to engage with the community in considering these, although there remains much development work to be done.

New regionalism as a context for strategic planning

New regionalism and globalization

Spatial planners, whether working at the city or regional scale, are continually reminded that they are today operating in a new context. A context where the world is currently made up of a new global political economy, divided into new (often trans-national) ‘regions’ such as the European internal market, the North American Free Trade Area (NAFTA), the Asia Pacific Economic Cooperation (APEC) area etc. These are seen by many to present “the re-emergence of the region as a unit of (global) economic analysis and the territorial sphere most suited to the interaction of political, social and economic processes in the era of ‘globalization’” (Tomaney and Ward, 2000: 471), where, globalization is characterized by the unimpeded flow across national borders of investment, industry, information technology and individual consumers (Ohmae, 1995).

This re-configuration of the region very much highlights the role and impact of international trade on regional development and its spatial outcomes, and reflects an increasingly ‘innovation-led economy’ with entrepreneurship and competition as its main sources of economic growth (Porter, 1990). The likes of Ohmae (1995) and Webb and Collis (2000) argue that globalization has made the nation-state an inappropriate level at which to formulate and co-ordinate economic policy because regional development becomes increasingly organized at the international in a manner whereby sub-national regions give way to regions of the global economy (Smith, 1988). While there is no doubt that the recent interest in ‘the region’ in the UK has been greatly stimulated by the development of devolved political institutions in Scotland, Wales and (to a lesser extent) in Northern Ireland, this new regionalization is taking place very much as part of a ‘Europe-wide’ process in a larger global context.

In this respect, local developments of the new regionalism agenda in the UK represent only one dimension of a “broad set of (critical) economic, social, cultural and political changes that are transforming territorial relationships” (Tomaney and Ward, 2000: 471).

New and old regionalism

The growing literature on new regionalism both as a concept and a reality, presents to the strategic and regional planner new highly complex and dynamic presumed contexts within which, and for which to plan territories and space (Jones and MacLeod, 2004). Structurally, many of these new contexts incorporate and pose the epitome of ‘wicked problems’ as they have strong associations (through globalization) with features of interconnectedness, complicatedness, uncertainty, ambiguity, conflict and social constraints. Employing Burfisher et al’s (2003) notion of a continuum of levels of integration among countries – from ‘shallow’ to ‘deep’ – new regionalism is correlated with “deep integration”, while ‘old regionalism’ is associated with “shallow integration.” Whereas ‘old regionalism’ is “based on the logic of the welfare state that prescribed an interventionist, protectionist role of the state, thus constraining market forces” (Spindler, 2002: 5), ‘new regionalism’ involves “additional elements of harmonizing national policies, and allowing or encouraging internal factor mobility” (Burfisher et al, 2003:2) and the reduction or elimination of barriers to trade in commodities.

“New regionalism is not only *new* in terms of a renaissance of regional tendencies and in terms of the fashionable creation of regional institutions” but also because of its new *purpose* and *content* and the new underlying *logic* of regionalism that is changing (Spindler, 2002: 3). What is most important about these developments is that they demonstrate how increasingly (global) business creates (and promotes) new concepts of development which envision a regionalized world “that sharply contrasts to the role so far played by regions” and that this concept of new regionalism has ‘tipped’ into the political acceptance with so little resistance (2002: 5). This is notwithstanding the blistering and very persuasive critique of the concept provided by Lovering (1999) and the rejoinder offered by MacLeod (2001).

Lovering claims that however attractive and persuasive a story that new regionalism might tell, it is seriously compromised by numerous practical and theoretical limitations and “is largely a fiction” (1999:380). MacLeod in his rejoinder, while sympathetic to Lovering’s stance, claims that a more in-depth “understanding of the social and political construction of regions, the uneven geography of growth, and the moments of re-scaled regionalized state power that now enframe the process of economic governance” would provide a clearer idea of what could be salvaged from the range of new regionalist ideas on offer (2001:804).

New regionalism in the UK

It is certainly true that regional planning in the UK has sought to accommodate a new regionalism agenda, as in the case of the inclusion of private enterprise in the planning decision making processes. Regional Assemblies have a separate constituency for business representatives and many of the government’s favourite policy-oriented partnerships have a business (and voluntary) sector presence: for example the Local Strategic Partnerships responsible for Community Strategies. To an important extent this does facilitate the ownership of regional and strategic policy

by the bodies that will have the powers to implement them. Regional Planning authorities in the UK are, however, particularly deficient in powers and resources. They are now required to formulate policy for a wide set of sectors and the only serious prospect for delivery is not compulsion, but the generation of a sense of shared ownership of the issues. This can only be achieved if the 'delivery agents' and local communities have themselves formed some part of the policy process.

The Mayor of London, for example, surprised many by his apparent embrace of the forces of global business and finance in his London Plan. This rested in considerable part upon the support of these forces as the keystone of London's continuing growth. The role of the Plan was to introduce a relatively strong and clear set of policies for the spatial management of growth - and for the mediation of economic growth with environmental, social and transport consequences. However unpalatable this approach may have been to some, it did create the potential to enlist the resources of business whilst mitigating the less desirable effects of this empowerment.

One impact of the new regionalism agenda has been the elevation of economic development and enhanced competitiveness as the prime objectives of policy. Driven by the Regional Development Agencies (RDAs), regions across the country have sought to maximise growth and competitiveness. One consequence is that the accumulative economic aspirations of individual regional plans far outstrip any reasonable projection of future economic performance at a national level. The government's refusal to contemplate a national spatial strategy means that there is, furthermore, no agency with a remit to reconcile the economic (and other) strategies of each region or to encourage a more effective form of regional collaboration and specialisation as an alternative to inter-regional competition. In this situation, the hope of mitigating differences in wealth and economic potential between the regions through regional policies of redistribution is a slim one indeed.

Regional identity

Notwithstanding the preceding discussion, whether we talk of old or new regionalism, the term 'region' in reality remains an inconclusively defined geographical unit (Jones and MacLeod, 2004). Geographers, referring to the regions of old regionalism most commonly inferred from them that they had some physical basis of similarity; a fact that is increasingly untrue today as boundaries are frequently defined as a matter of political and/or administrative convenience, as in the case of the regions of East and South East England in the UK (John and Whitehead, 1997; Murdoch and Tewdwr-Jones, 1999).

For others, the regional hypothesis was derived from a degree of cultural affinity or the sharing of common economic problems or possibilities (Robertson, 1965). Again, this premise is less valid today, although it is truer in certain places than others (as for Wales and Scotland). Cooke and Morgan (1994: 91) argue that 'regional identity' is an especially important facet in today's fast globalizing world because "contemporary regional economic success is inseparable from cultural, social and institutional accomplishment"; a point also discussed at some length by Castells in his seminal book *The Power of Identity* (2004).

Ohmae (1995: 5), on the other hand, asserts that what defines a region in the era of new regionalism is not its location or its political borders "but the fact that (it is) they are the right size and scale to be the true, natural business units in today's global economy". In support of this vision of 'region states' (of which perhaps Hong

Kong and Singapore are theoretically archetypal), he claims these regions make “effective ports of entry to the global economy because the very characteristics that define them are shaped by the demands of that economy” (1995: 89). He goes on to argue that they need to be large enough to provide an attractive market for the brand development of leading consumer products and possess a population range of between 5-20 million so as to enable their citizens to share interests as consumers, and be large enough to justify the economies of scale of key services that are essential to participation in the global economy.

Private enterprise as the driver of new regional growth

Private enterprises and public intervention

Current challenges to strategic planning within the realities of the new regionalism agenda clearly bring with them two significant developments. The first, as already indicated, is “the growing importance of global business as a (major) non-state actor in governing the political economy (with the knowledge that) business actors increasingly interact ‘outside the market’” (Spindler, 2002: 5) and thereby reduce the transparency of decision-making. The second is the influence and limitations of ‘corporate social responsibility’ (CSR) as a potential antidote to unrestrained market forces and profit-making, with skepticism growing as to the sincerity with which this is practiced.

The Economist (2005: 3-4) concludes that while “It would be a challenge to find a recent annual report of any big international company that justifies the firm’s existence merely in terms of profit rather than ‘service to the community’” and although the prevalence of CSR among so many companies in the UK sometimes represents a success in the ‘battle of ideas’, “the winners (of CSR), oddly enough, are disappointed (and) .. are starting to suspect that they have been conned”. According to this source, an important aspect in understanding *why* some firms promote CSR, as opposed to why many parts of civil society are skeptical of its sincerity, lies in the fundamental fact that private enterprises are *ultimately* dependent upon a supporting infrastructure of laws and permissions to succeed; infrastructure that can only be provided by the state with the consent of the electorate. *The Economist* quite rightly argues that the effective formulation of these ‘sticks and carrots’ rely on an understanding by the public sector of “how capitalism best works to serve the public good” but concludes that this understanding not only appears to be in short supply but also sometimes suffers from a presentation of this understanding that is “downright false” (2005: 4).

The same source suggests that the private sector serves the public good *only* if certain of its conditions are met and that, therefore, in order to extract the *most* benefit from capitalism, (strategic) public intervention of different types (and a great deal of it) is necessary in different areas of business activity. Remembering that this advice comes from a newspaper cum journal not known for its liberal leanings, its conclusion that in order to improve capitalism and for the state to intervene more effectively in market failures “you first need to understand it” (2005: 4) may come as a rude surprise to many. It is a message that is at the heart of the kind of strategic planning advocated for regional development in the conclusions to this chapter.

The three horizons of growth

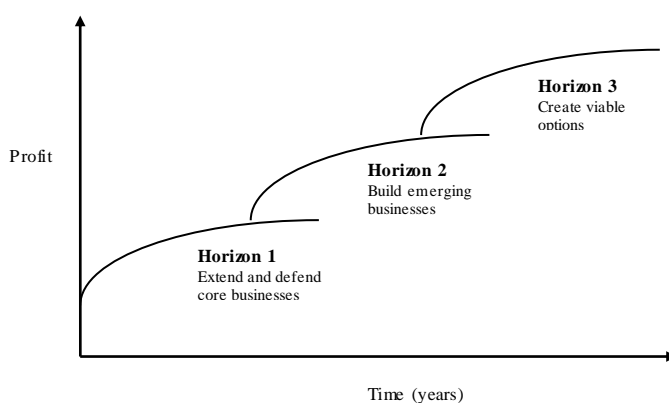
A relevant piece of research regarding what it takes for private business ventures, as important drivers of regional growth and change, to achieve sustained profitable growth and turn-around failing businesses in today's climates of increased deregulation, competition and globalization was published in a book entitled *The Alchemy of Growth* by Baghai, Coley and White in 1999. In this publication, the authors who are consultants to one of the world's leading consultancy firms (McKinsey and Company), report on a number of critical conclusions from a two-and-a-half year study conducted in the 1990s. The main conclusions include: executives must discuss as much about future aspired horizons as where they have been; very few companies sustain above-average growth for their industry year after year; and sustained economic growth can only be achieved by the pursuit of 'three horizons' of growth simultaneously and a 'staircase to growth strategy'.

Baghai et al (1999) make it clear that understanding growth is a pre-requisite to achieving sustained development and that the principles underpinning the three horizons analysis of economic growth they present are crucial to effective strategic decision-making and planning. These three horizons (see Figure 1) represent a different stage in the creation and development of business, each of which the authors argue call for radically different initiatives and pose very different management challenges. Together they allow one to "distinguish between the embryonic, emergent, and mature phases of a business life cycle" (1999: 4) whereby:

- **Horizon 1** is pre-occupied with the extension and defence of the core businesses;
- **Horizon 2** is focused on the building of emerging businesses; and
- **Horizon 3** is concerned with the creation of viable alternative options to current businesses.

Without dwelling too long here on the detailed analysis of each of these horizons, what Baghai et al argue are three important things: Firstly, it is very significant to understand that each horizon pay-offs over *different* time frames. Secondly, successful industries are much better at tackling the challenges of Horizon 1, are less skilled at addressing the challenges of Horizon 2, and are distinctly poor at confronting the challenges of Horizon 3 (which accounts for why the culture of short-term thinking prevails so much in the private sector). Finally, the art of achieving sustained growth is to engage in the challenging of the three horizons concurrently and *not* sequentially.

Figure 1: The Three Horizons and Growth Staircase



Source: Baghai, Coley and White, 1999:130.

The implications of this ‘staircase to growth strategy’ for strategic planning for regional development are profound. This is because the traditional expertise of most public sector change agencies has been in Horizon 3 rather than Horizon 1. This has contributed to the creation of ‘strategic gaps’ developing between the different planning horizons emphases of the two sectors. With many public bodies entering into partnership relationships with the private sector, the public sector has felt obliged to increasingly ‘fall-in line’ with Horizon 1 priorities and synchronise its activities more with those of the short-term focus of private enterprise. Paradoxically, this has taken place at a time when business gurus such as Baghai et al are discovering the importance of more forward thinking strategies. The public sector, on the other hand, has recently gone through a period (since 1980s especially) of shedding its institutional capacity for forward thinking at the very time it is needed most, and is in short supply in industry. This mismatch does not bode well for either the public or private sector as the problems of recent planning, finance and delivery efforts of public transport in the UK (railways in particular) suggest. These experiences demonstrate that the private sector *needs* a strong public sector to succeed and deliver what is expected of it; a conclusion supported by *The Economist* and one that is contrary to much of the conventional thinking about globalization and new regionalism.

An atypical but remarkable example of private and public sector collaboration in the UK can be found at Kent Thames-side, one important sub-region within the Thames Gateway. There the major landowners and developers (now Land Securities) have worked with planning authorities in a formal partnership for over a decade. In this instance, the private sector partner has acted as an agent of long term strategic planning on the lines advocated by Baghai et al. On occasions, it has seemed more strategic than the planning authorities for the philosophy of Land Securities is that long term (Horizon 3) collaborative strategic planning can raise the value of the asset. If the area’s economy prospers then the developer’s businesses benefit. They also understand, however, that a much better physical and social environment will raise the perception of the area and eventually translate into higher land values and thus higher profits.

This approach tallies with a growing and much more common private sector belief that longer term planning is beneficial as it can generate a degree of certainty within the development market and so enables more effective management of assets and a secure environment against which to generate proposals. It was on this basis that the business lobby in London largely supported the London Plan’s relatively specific targets for jobs and housing. A firm decision about Cross-Rail would yield similar advantages.

Tipping points and the battle for ideas

But where, in the first place, did the notion come from that the private sector does *not* need a strong public sector to assist it attain sustained growth; and where is the evidence for this position? Furthermore, how were politicians (and the public) convinced (if indeed they were) that minimum public sector intervention in territorial and regional development is to be preferred? And how in today’s climate of *real politik* do these notions sit with stated government aims to achieve sustainable environmental development and more equitable growth? The fact of the matter is that these and other ideas, notions and visions, all of which impact on policy making and

planning (see Albrechts, 2004), each have their own ideological and theoretical roots, and their own heyday of rhetoric and influence that wax or wane over time (and even space).

Gladwell's book, *The Tipping Point* (2000), does much to help understand how one can address the above questions for it alerts the world of the process by which certain products, ideas and ways of behaving cross the threshold or "tip" and 'take off'. It also reveals the inconsistencies, incompatibilities and constituencies of some ideas which are otherwise intended to be complementary. This is most important for the strategic planner and policy-maker to understand for while many of the examples Gladwell cites have to do with marketing products, several of the principles he identifies are transferable to the practice of spatial planning and regional policy-making. For example, an analysis and understanding historically of how corporate industry persuaded governments of the Western world, Latin America and now Asia to adopt a vision of automobile-dependent cities and regions (and the associated lifestyles this implies), over and above other options, can shed a great deal of light on how to successfully promote/market new ideas and policies in the future that can effectively introduce alternative visions.

The unexpected 'take-off' of the concept of sustainable environmental development and its growing acceptance by national and local governments, and the international development community alike, is a more positive example (perhaps against the odds) of how an idea/vision has "tipped" and is now beginning to be seen as a possible antidote to the motorized vision for the future. The widespread acceptance of the notion that increased global pollution related to automobile dependency is contributing very significantly to climate change with potential devastating implications is a good illustration of how ideas 'tip' into global acceptance and stimulate the introduction of new thinking, policies and action. The adoption and pursuit, however, of policies by the UK government that simultaneously promote automobile dependency *and* sustainable development confirms the presence of on-going battles for visions of the future and of a race between visions that ultimately manifest themselves as policy conflicts and planning contradictions, creating new sets of 'wicked problems'.

Gladwell's invaluable insights into the pivotal role certain parties and individuals can have in changing or perpetuating trends, ideas and policies – so important to policy-makers and planners anywhere – sheds light on the rules of what he calls "the epidemics of ideas" that make certain ideas and visions (such as new regionalism) ignite and stick, and others fade. In all these insights, what is critical to appreciate is 'the power of context' and 'the influence of the few' in defining context. The argument forwarded by Gladwell is that the word-of-mouth epidemic that contributes to the 'sticking factor' of an idea – such as the case for privatisation of public transport in the railway industry and the separation of ownership of the track from the operation and ownership of the franchised train services – requires not only what he calls "*Connectors, Mavens and Salesman*"³ but also an effective

³ Gladwell describes *Connectors* as individuals whose social circle is four or five times the size of other people sprinkled in every walk of life and "have an extraordinary knack of making friends and acquaintances" (Gladwell, 2000:43). Their importance however goes beyond the number of people they know and has much to do with the kinds of persons they know. *Connectors* learn new information in an entirely random manner and access it wherever it emerges. The term *Maven* refers to a person who accumulates knowledge that has been tested, proven and accurately ascertained, often collected as part of a quality control monitoring process (ibid: 60). Such parties are typically passive collectors of information since they collect it in order to inform. They are "information brokers" sharing and trading what they know (ibid: 69). Gladwell sees *Salesmen* as persons who possess persuasive skills and who

dissemination network capable of ‘spinning’ (on a sustained basis) the benefits of the idea among those who matter. Failure to do this leads to the fading away of the perceived legitimacy of an idea, sometimes temporarily, to return in a modified form at a later date (even several decades later) in a changed more welcoming context.

It can be argued that the office of Mayor has been introduced in London to create community leadership and that it is designed to enable connections. Certainly the current Mayor is a highly skilled salesman, supported by some mavens and connectors. His campaign to introduce the Congestion Charge demonstrated the arts of tipping public opinion in favour of a scheme that was initially characterised as both impracticable and unpopular. This was done by the promotion of alternatives to the private car, and especially, a major expansion of bus passenger mileage, and the generation of longer term hope that schemes such as Cross-rail in London would be successful. It demonstrated, furthermore, skilful implementation by introducing the scheme in the school holiday when traffic flows are lower.

However, the ‘soft’ processes by which concepts such as sustainable development reach a tipping point and become accepted wisdoms carries some major difficulties. It has been argued that this and other strategic concepts in city planning (such as sustainable communities), is an idea which has emerged without sufficient rigorous analysis and testing. Sustainable development, so the argument goes among such sceptics, manifestly means different things to different people. For most people within the community, they argue, the concept carries little or no meaning. It has been introduced into conventional wisdom through the domain of policy-makers and professionals. However, even those within these groups are likely to have different understandings: many approach the concept through their own fields of social or economic or environmental action, whereas sustainable development seeks to achieve a balance between all of these dimensions. For example the London Plan was attacked by various groupings as being, respectively, insufficiently sustainable in social, economic and environmental terms. The expectations of the protagonists were clearly different, whereas sustainability seeks to promote all three characteristics of development.

The wisdom of crowds

Another recent influential publication that acknowledges the importance of the ‘power of context’ in strategic decision-making and policy-making is Surowiecki’s book entitled *The Wisdom of Crowds* (2004). The controversial premise of this publication is that if you want to make a ‘correct’ decision or solve a strategic problem, *under the right circumstances*, large groups of people are often smarter than a few experts. If true, this premise has profound implications for how we plan and run our cities and regions, and how we structure our political systems and think about the future. It also, incidentally, “has the potential to make a profound difference in the way companies do business” (2004, xiv). Interestingly, some of the ideas presented by Surowiecki lend support to Gladwell’ critique of the current ways by which new products, ideas, visions and policies are promoted and allegedly rely on ‘a few that matter’.

Whereas conventional wisdom has it that when we want something done ‘right’ we turn to a leader or expert, Surowiecki demonstrates quite convincingly (by citing a variety of examples) that this need not be true, and indeed, is often not the

apply these skills to parties who are unconvinced of what they are hearing, thereby making them as critical to the tipping of word-of-mouth epidemics as the *Connector* and *Maven* (ibid: 70).

case. He argues that “chasing the expert is a mistake and a costly one at that” (2004: xv). He also claims that although non-specialists have less information at hand than the specialist, and possess limited foresight into the future, “when their imperfect judgements are aggregated in the right way, their collective intelligence is often excellent” (2004: xiv). While there are many who clearly would have poured scorn on the idea that a crowd has *any* collective intelligence (see Macay, 1841; Menschel, 2002 on Baruch, Thoreau and Carlyle; Nietzsche, 1966; Le Bon; 1982), a recent event that could be argued dramatically reinforces Surowiecki’s premise (especially if one holds Euro-sceptic or Euro-reformist views) is the outcome of the French and Dutch referenda on the proposed EU constitution which rejected the newly proposed constitution.

The conclusion, that *under certain circumstances*, large groups of people are often smarter than a few experts has amazing implications for city and transportation planning, environmental management and for those involved in efforts to make regional policy-making more effective, democratic and decentralized. The recent introduction by central government of Regional Assemblies in the UK (and National Assemblies in Wales and Scotland), in an effort to further devolve regional government and decision-making, is more in harmony with Surowiecki’s belief in collective intelligence. However, one of the striking considerations about the ‘wisdom of crowd’ thesis is that “even though its effects are all around us, it’s easy to miss, and, even when it’s seen, it can be hard to accept” (Surowiecki, 2004: xiv). The rejection by the populace of a North East Regional Assembly in the UK is a case in point.

While most planning experts will unsurprisingly be sceptical of Surowiecki’s views, it is difficult to deny that his provocative stance rings true in a number of instances. If we return to the challenges in the UK of public transport planning and delivery, and the railways in particular, we cannot but conclude that Surowiecki’s position makes a great deal of sense. Here, followers of neo-liberal economic thinking, who appear at present to dominate much of the expertise of the UK’s transportation sector and advice given to New Labour, have recommended an increase in the price of peak hour travel as a means of reducing railway patronage to more ‘manageable levels’. Following earlier (relatively successful) efforts by government to encourage the public to transfer their preferred mode of commuter travel from the car to the train in the name of achieving enhanced sustainable development, it is hard *not* to foresee that Surowiecki’s premise will be vindicated. For if the recommended price hike is indeed introduced, it is likely to be only a matter of time when the “wisdom of the crowds” is strongly expressed in the political arena and will either lead to a policy reversal or a return by many commuters to the wider use of the motor car.

The desire to subject regional and other forms of planning to public participation and focus group analysis has been a significant feature of government policy-making in recent years. Under the new Planning and Compulsory Purchase Act 2004, planning authorities in England are now required to produce a Statement of Community Involvement to show that the community has indeed been engaged in the process. However, the process has always been one in which the wisdom of *some* of the crowd is articulated. Surowiecki emphasizes that wisdom comes from the aggregate of individual opinions. It can be distorted, however, by groupings within the population that tend to influence and steer individual views. This is often the case in planning consultation where interest groups either orchestrate or strongly influence individual opinion.

In the case of housing growth discussed earlier, government's advocacy of higher numbers of houses has relied on an assumption (for better or worse) that the heavily organized NIMBY groupings *do not* represent the true wisdom of all people in the wider south east. There are many groups such as lower paid workers and first time buyers whose opinions are rarely articulated in consultation exercises because the relevance of plans and policies is not obvious to them. It may well be the case that their desire for more housing outweighs the focused lobbying of NIMBYs. However, there is very little evidence to demonstrate whether or not this is the case.

Regional planning deals with very large crowds indeed. Some of them are very disparate with little sense of collective interest or identity. It is unsurprising therefore that strategic planning for regional development is a highly politicized process in which elected representatives aspire to identify the *balance* of public interest in a situation in which direct expression of all individual opinions is impracticable. The 'wisdom of the crowd' is most likely to be effectively assessed by long term efforts at community engagement across a whole range of issues as, for example, the city of Vancouver has made and as cities with strong leadership like Manchester has done, especially at times of collective crisis.

Challenges and lessons for strategic planning for regional development

The challenges ahead

Accepting for the moment the underlying premise of the new regionalism agenda, notwithstanding Lovering's reservations, three fundamental questions need to be posed to those engaged in strategic spatial planning in the UK, especially regional planning. The first, in light of the preceding extensive discussion, is whether strategic planning practices today adequately address the current issues and challenges of new regionalism or whether in reality (putting aside rhetoric) they are more reflective of old regionalism or indeed some fusion of the two? Secondly, on the assumption that there is indeed a new regionalized order in the making, what changes should be made to past regional planning practices for them to better fit today's needs, given both the logic of market expansion *and* the need for some political control (protectionism) against its excesses. Thirdly, how do strategic planners go about simultaneously planning for, managing and addressing these two important (sometimes conflicting) major sets of forces?

If we look back, regional planning in the context of old regionalism is described by Friedman (1963) as a process of formulating and clarifying social objectives in supra-urban space and in areas that are larger than a single city. Describing regional planning more broadly, Martins (1986: 3) argues it is "a type of public planning (state activity) which is specifically concerned with social space; with the 'ordering' of activities and facilities in space at a scale greater than a single local authority and smaller than the state". Wood (1989), again in the context of old regionalism, suggests there are two reasons for undertaking regional planning. The first is to tackle regional disparities and the second to address economic effectiveness. A third important purpose, especially in recent years in the UK, has been the task of producing regional guidance (see Cullingworth and Nadin, 1997).

Benefiting from the preceding discussion, a good starting point to enhancing strategic planning for regional development in the UK would be the abandonment of the separation between regional economic planning and regional spatial planning. A second consideration has to be the injection of greater diversity and flexibility in

strategic planning practice in order to enable planning practice to better adapt to different regions and their different exposures to globalization forces. Greater flexibility is also needed so as to better cope with changing national, regional and local priorities and visions of sustainable development as they emerge. A fourth important consideration is the need to build an institutional capacity that has both the political mandate to address regional issues and sufficient expertise to effectively handle trans-national, national, regional *and* local issues, simultaneously. This same organization (or group of agencies) must also possess a capability of effectively dialoguing and collaborating with the private sector on all Horizon growth levels. It should also be in a position (with the support of government infrastructure) to provide protectionism against failures of the market system.

Spatial planning and regional planning redefined

The extent to which the above qualities are already incorporated in the concept of spatial planning that has relatively recently been introduced into the UK and elsewhere in Europe, may be examined if we accept ESPON's definition of spatial planning cited in chapter 1 (ESPON, 2005:5) and refer to Albrechts excellent re-examination of strategic (spatial) planning cited (Albrechts, 2004). In the former case, spatial planning is perceived and carried out with the intention of arriving at a better 'balance' of environmental, economic and social demands on development, relying on (strategic) measures to "co-ordinate the spatial impacts of other sector policies to achieve a more even distribution of economic development between regions than would otherwise be created by market forces, and to regulate the conversion of land and property uses" (EC, 1997:24).

Spatial planning in this context is very much a phenomenon with European roots. It has been much influenced by the work of Kunzmann and Wegner (1991), who to counter a trans-national regional system dominated by a few large cities, advocated the planning of a polycentric system of cities across Europe. Spatial planning has also been promoted by the Dutch National Physical Planning Agency which (again in 1991) published *Perspectives in Europe* and developed the concept of supra-national spatial planning that ultimately led to the adoption of the European Spatial Development Perspective (ESDP) by the planning ministers of EU Member States at Potsdam in May 1999 (see EC, 1999).

The resultant two-part report, which developed a series of sixty policy options accompanied by appropriate rationales, was the product of a long dialogue among representatives from the European Commission (EC) Member States over the best part of ten years (see Faludi, 2001; Tewdwr-Jones and Williams, 2001). The fundamentals of the ESDP are reinforced by an earlier EC idea of developing a pan-European network of transport infrastructure (TENs), agreed at the Maastricht Treaty of 1992 which the EC estimates requires an investment of €400 billion by 2010 (DfT, 2005b).

As recently promoted and practiced in the UK, spatial planning draws considerably from the European Commission (EC)'s Compendium of European Spatial Planning Systems (EC, 1997). It has also been greatly influenced by the Community's movement towards the Single Market, subsequent regional development concerns arising from this and the co-ordination of its Structural Funds to address these concerns. The EC's Directorate-General for Regional Policy and Cohesion has taken a dominant role in promoting and disseminating an understanding of spatial planning as reflected in its *Europe 2000* (EC, 1991) and *Europe 2000+* (EC,

1994) reports. Together, these documents analyze pressures on Europe's territory arising from both socio-economic developments and national and regional Community interventions, overall making the case for inter-regional co-operation in spatial planning across the Community⁴.

This overall vision, is reflected in the British Government new planning legislation which promotes more spatially aware and sustainable planning strategies as is evident from the content of the new Planning and Policy Statements (PPSs) for all regions in England, apart from London, where the Mayor is responsible for preparing a spatial development strategy. These efforts constitute part of the 2004 Planning and Compulsory Purchase Act's intention to strengthen the role and importance of regional planning as a replacement of past Regional Planning Guidance (RPGs) by statutory Regional Spatial Strategies (RSSs) (see ODPM, 2004).

These new government initiatives are claimed to provide the pillars of a new planning practice in the UK in which strategic spatial planning is expected to have a critical impact on future regional development and how strategic decisions are to be taken regarding transport, housing, health and the environment, and how they will work together (Forum for the Future, 2004). In some respects, the new measures offer an 'acid test' of whether the advocated sustainable approaches to regional development are to be truly placed at the *milieu* of strategic planning for the regions, and whether strategic thinking will finally replace the 'predict and provide' mantra of much past planning practice; a concern expressed earlier in the book by several of the contributors and especially highlighted by Haughton and Counsell in their publication entitled *Regions, Spatial Strategies and Sustainable Development* (2004).

For the new RSSs to be successful, it is imperative that they are clearly understood by regional organizations; especially in light of the findings of a recently completed survey conducted by *Regional Futures* in 2003 which revealed confusion among various regional organizations as to what a RSS is supposed to be and do (Forum for the Future, 2004). This survey concluded that "For most people the RSS is a new concept, with a consensus around what it is not ... but little consensus about what it should look like and the role it should have. Coupled with this, a lack of shared vision of what 'sustainable development' means for a particular region threatens to undermine the spatial strategy's potential to deliver sustainable development" (2004:2).

Concurring with this fear, Haughton and Councell (2004) raise a number of more specific challenges that the new planning system must address if central government is to improve upon its past 'mixed' success in attaining sustainable development through earlier regional planning guidance. These include the challenges of whether regional planning (2004:213-214):

- ***Meet the needs of intra-generational equity*** - present and past experiences suggest that the main losers in regional development in the UK have been the lower-income groups.

⁴ It should be noted that this directorate's thinking has been greatly influenced by French ideas of *aménagement du territoire* through French civil servants and senior officials seconded to the Commission or working there, whose expertise dates back to domestic planning in France and the golden age of national planning in the 1960s as well as, more recently, the early 1980s which saw the establishment in France of a shared competence in spatial planning between central government and other levels of government (Colomb, 2005).

- *Are geared to address global issues* – in the past (with certain exceptions such as plans for London and the South East) regional planning practices in the UK have been largely an introspective affair.
- *Promote and advance the principle of procedural equity* – this advocates that regulatory and participatory processes treat all people openly and fairly – while changes to the planning system since 1997 have to varying degrees led to greater involvement by stakeholders in the planning process, it remains some way from full engagement.
- *Contribute to environmental or inter-species equity* - whereby the survival of species of plants and animals are placed on a more equal footing to that of humans - while there is evidence of a weakening of this aspect, recent developments have resulted in stronger policies of biodiversity within, however, an overall more anthropocentric approach.

Conclusions

Regional planning emerges from this discussion as a particularly complex form of strategic spatial planning in which ‘context’ and (competing) visions are all important. A Plan such as the London Plan or the Regional Spatial Strategy (RSS) for any of the regions in England has to address the spatial dimensions of a very wide range of activities over a relatively long time span, in a context of considerable uncertainty and of doubt about the powers and resources available to implement strategy. In these circumstances, substantial resources are needed in order to enable strategic choice to be informed about the relative consequences of alternative actions, the likely responses of different interest groups and the potential impacts of change in related fields. Unfortunately, the resources available to regional planning in the country are currently very limited in terms of expertise, funding, data and powers of influence and implementation. It was this gap between the aspirations of (city) planning and the actual capacity to realise them that led Wildavsky to ask: ‘If planning is everything, maybe it is nothing at all’ (1973).

Sustainable development is now a statutory purpose of the UK planning system. Excellent though its objectives undoubtedly are, as indicated above, the lack of clear definition or common understanding of the concept in too many instances appears likely to reinforce the difficulties of achieving rigour in the regional planning process. Worries about capacity for strategic plan-making are exacerbated by the lack of a strong current tradition of and skills in long-term policy making and planning in the public sector as a result of the Thatcherite purge of this expertise in the 1980s. Many of today’s senior officers in local and strategic planning authorities are the products of the Thatcher era when Nicholas Ridley heaped scorn upon the very word “strategy” and when the instruments of long-term policy were systematically eroded or weakened. The effect of this fed through into planning education so that strategic planning lost its place within the syllabus. As a result, there has been a time-lag during which the planning profession has struggled to adapt to the government’s desire for a more strategic approach, and although this skills gap is now beginning (slowly) to be filled, it remains in critical short supply.

There are, nevertheless, some grounds for optimism, not least in the present government’s will to promote strategic and regional planning. The introduction of spatial planning provides a more effective instrument for the management of change. The focus upon spatial planning encourages an approach that is wider than the earlier land use model, but which concentrates upon the spatial dimension in which the

regional planning agencies do have some significant delivery tools such as development control and transport planning. The new planning system, which provides a hierarchy of plan-making with a clear relationship between strategy at the regional level and specificity at the local level, should be better suited to tackling the complexity of problems it confronts. The real challenge is how this process can be further enhanced by incorporating the major lessons highlighted in the preceding discussion both in the context of the new long term RSSs and the Local Development Frameworks (LDFs) spawned by them.

Planning is, for the first time in England, given a statutory purpose in the Planning and Compulsory Purchase Act 2004 and this is fundamentally for the purpose of managing strategic change. Regional planning has new agencies that should be highly responsive to introducing such change. The Office of the Deputy Prime Minister (ODPM) talks about ‘mainstreaming planning’ through a process that introduces it into the main channels of decision-making and resource allocation. Certainly examples such as the collaboration between the ODPM and the Treasury on the stimulation of more housing developments suggest that there is some degree of success in this endeavour. At the regional level, planning is able to align itself both with the Regional Development Agencies (RDAs), which possess substantial resources and powers, and with government offices in the regions, offer access to national government.

There is also room for hope that some fusion of the strengths of old and new regionalism is possible. New regionalism offers planning a much greater probability of harnessing the delivery power of the private sector towards the goals of regional policy, whilst the public sector authorities retain overall management of the regulatory instruments of planning and can use these to balance economic against social and environmental objectives. The Kent Thames-side model described earlier could emerge as a common response to the need for a clear long term spatial planning context against which business and the development sector can plan their own decisions and investments. The challenge to strategic and regional planning in this scenario will be to exploit the financial and other powers of the private sector, whilst simultaneously managing development in ways that are sustainable and equitable. The status of RSSs as statutory documents gives them greater weight as the place at which the balance of the public and private interest is struck

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