GREAT PLANNING DISASTERS REVISITED

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Definitions

- *"Great":* having to do with major planning decisions, ones that involved gains or losses of millions of dollars, pounds or francs
- *"Planning":* the decisions had to do with the sequence of operations commonly found in textbooks of planning or management practice
- *"Disasters":* two kinds: "positive" (decision got implemented but many people said shouldn't); and "negative" (decision not to go ahead that then produced a messy unwillingness to take any decision at all)

Some Examples

- “Positive” disasters: Concorde airplane, the Sydney Opera House, the San Francisco BART system and many motorway systems in many cities.
- “Negative” disasters (at the time of writing!): Third London Airport; planned London motorway system; British Library.
- “Near disaster”: a good decision gets made in the nick of time: the plan for new University of California campuses in the 1960s; the plan for the new British Library.

Poor Estimates

- *Users:* worst cases, actual only 10%; CTRL, less than 50%
- *Costs:* Concorde, £150-175 > £2000 million in the little over a decade; Sydney Opera House, $7 million (Australian) to £102 million. Leonard Merewitz study: average cost escalation of about 55 per cent, much more for state-of-the-art projects involving unfamiliar technologies. (Now: Bent Flyvbjerg!)

3 kinds of uncertainty (Friend and Jessop 1969)

- *Uncertainty in the relevant planning environment (UE):* e.g. demography, economic growth
- *Uncertainty about related decision areas (UR):* e.g. transport policies
- *Uncertainty about the Value Systems* of relevant actors *(UV)*: attitudes to transport planning, urban renewal. London's Covent Garden, Paris' Les Halles, Stockholm's Lower Norrmalm; motorways in London, San Francisco, Toronto; the whole urban renewal programme in the United States
- *NB: Many UE problems really UR, UV!*

Applying the theory: 3 groups

- *The community:* any group of individuals that has a stake in the decision and that wants to influence it. In fact, many communities – people may belong to several! Main concern: to avoid welfare loss
- *The bureaucrats:* many bureaucracies (even within the same government); ferocious internecine warfare. Each has an agenda to preserve. Often, common interest with community lobbies!
- *The politicians:* in the middle; mediate between demands of conflicting community interest groups, and vested interests of the bureaucracies.

James Buchanan (1919-2013): Public Choice Theory

- Politicians “buy votes” by marketing packages of goods, with certain price tags, to the public. Their problem, and the public's, is that the ballot box is a very rough approximation to a market!
- So *intensities of preference* matter: coalitions of “passionate minorities” get agendas adopted
- Tendency to maintain status quo – but new issues will emerge, with new bureaucracies forming to campaign for them, and with new interest groups in favour. Politicians may support until hidden costs emerge…

“Pathology” of decision-making processes

- Weakness of politicians for big, new superficially-attractive programs, often ill-thought-out
- The enthusiastic way in which new bureaucracies can support such programs
- Resulting tendency to cost escalation in many projects
- The ability of established bureaucracies to resist pressure for policy change
- The puzzling tendency of some decisions to keep recycling without resolution.

A 1980s footnote: Marxist explanations

- Converging with pluralist explanations?
- Increasingly concerned with the close analysis of actual political processes – so increasingly enmeshed with the rich complexity of these processes:
- Not one capital, but many…
- Not one undifferentiated proletariat, but many different levels and kinds of labour.
- Maybe the pluralists are moving in the opposite direction!

An example: growth coalitions

- (The term of John Mollenkopf)
- Groups of people in favour of booster projects (Crossrail, HS2, a third runway, Thames Hub airport)
- Often, business interests lead
- But they have to persuade the other partners that there is a rational argument
- E.g. “London airports losing out to mainland Europe”; “HS2 needed to rebalance the UK economy…”

A key 1980s issue that has reappeared: The limits of state action

- Why should the state (e.g.) finance and build urban transport/airport/highway/rail projects?
- Why not leave to this to private sector, and redistribute income directly?
- Or a mixture of regulation and pricing (congestion charging in Singapore and London)?

Finally:
How to improve the planning system?

- Improve the quality of forecasts (amazing how bad they still are!)
- Focus on UE, UR, UV – especially UV
- Try to second-guess “inter-generational dialectic”
- Sophisticate and rehabilitate cost-benefit analysis
- Try to disaggregate costs and benefits
- Adopt an incremental planning style: do what needs to be done now; leave rest for later
- Remaining question: when to make the big break?
- *Go back to Friend and Jessop!*

Further Reading!

- Buchanan, J.M., Tullock, G. (1962) *The Calculus of Consent: Logical Foundations of Constitutional Democracy*. Ann Arbor: University of Michigan Press.

- Friend, J.K., Jessop, W.N. (1969; reprinted 2012) *Local Government and Strategic Choice: An Operational Research Approach to the Processes of Public Planning*. London: Tavistock Publications.