Territorial competitiveness and local and regional economic development

A classic tale of ‘theory led by policy’

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Introduction

Quite simply, competitiveness is everywhere. Regions and cities the world over are preoccupied with the notion that they are rivals facing intense global competition for economic prowess. Local and regional economic development strategies are littered with the language of winning, of gaining competitive advantage over other places, of moving up the competitiveness league table, and of competing for key resources in the form of global capital investment, government funding, events, visitors, or skilled, ‘creative’ residents. They are not unique in this. The competitiveness imperative facing cities and regions mirrors the dominant thinking around national and supranational economic performance. Competitiveness is, for example, deeply embedded in the European Union (EU)’s Lisbon Agenda which explicitly states that its aim is ‘to make the EU the most competitive and dynamic knowledge-based economy in the world’ (Commission of the European Communities, 2000: 2). Competitiveness-thinking is also pervasive in the global South which has witnessed the rapid absorption of the North’s mantras on competitiveness and the policy approaches deemed to enhance it (Wignaraja, 2003; UNCTAD, 2004). Indeed, the ‘new conventional wisdom’ is that nations, regions and cities have to be more competitive to survive in the new marketplace being forged by globalisation and the rise of new information technologies (Buck et al., 2005). Yet the notion that competitiveness is a concept that can be applied to places has been denounced as at best ‘misleading’ (Kitson et al., 2004) and at worst a ‘dangerous obsession’ (Krugman, 1994), the use of which not only betrays a serious failure to understand how local and regional economies actually work, but results in, among other things, invidious and damaging place-based competition.

The purpose of this chapter is to provide a detailed review of the current thinking around the notion of territorial or place competitiveness. While competitiveness is increasingly applied to all places, the chapter focuses specifically on the use and relevance of the term in the context of local and regional economic development. It begins by trying to establish what place competitiveness actually means. This reveals it is an inherently confused concept with weak theoretical underpinnings. As such, it is argued that the rise to prominence of place competitiveness is a classic example of ‘theory led by policy’ (Lovering, 1999) whereby commentators are now seeking to justify use of...
the term long after it has become firmly embedded in policy discourse. This, in turn, is prompting increasing criticism of the sorts of policy agendas being prioritised under the rubric of competitiveness. The chapter then moves on to examine the growing interest in political economy approaches to understanding the dominance of competitiveness thinking. These approaches are valuable as a means of generating insights into why competitiveness has such appeal in local and regional development policy, and who is shaping and spreading its dominant ideas. It concludes by establishing what and where capacities might exist for the dominance of place competitiveness to be contradicted or challenged.

**Place competitiveness: a chaotic concept**

In spite of the growing volume of literature on the subject which typically cuts across a range of disciplines, there is precious little agreement about what place competitiveness actually means. Broadly speaking, there are two ways in which it can be understood – first, in the relatively narrow, economistic sense of competing over market share and resources, and second, in much broader developmental terms relating to the determinants and dynamics of a place’s long-run prosperity. One of the major difficulties in understanding place competitiveness is that these different conceptions typically tend to get muddled together and confused.

For some authors, places are competitive in the same way as businesses compete for market share. This notion derives from the business economics literature with key authors such as Michael Porter, Robert Reich and Lester Thurow being hugely influential in spreading the notion that places vie with one another for economic advantage in a manner directly commensurable with that of firms. This idea of place competitiveness is thus a direct antecedent of the globalisation discourse in that it asserts that in the wake of the post-war settlement and the rise of the neoliberal political economy, the structural properties of the global economy have drastically changed (Krugman, 1996).

Yet this assumes that places are actors with discrete control over their jurisdictions and that they are actively in competition with other, similarly constituted places in clearly defined and spatially connected factor markets – assumptions which are highly questionable. Whereas firms face a distinct bottom line and may go out of business if they are uncompetitive, places do not. While firms enter and exit markets, places do not. Furthermore, unlike firms, places may have more than one objective and are not driven simply by the pursuit of economic success or profit (Turok, 2004). As such, the competitive success of one place is not necessarily at the expense of another. Indeed, regions and cities are often locked in complex interdependencies and networks of relations, some of which are co-operative rather than necessarily conflictual or competitive. They create markets for one another, people commute between cities and places, and supply chains typically cross city boundaries. As Unwin (2006: 5) observes, ‘nobody would claim that if Manchester’s economy performs poorly, this is good news for Liverpool. The demand for Liverpool’s goods and services will shrink and Manchester will no longer be able to supply it with goods and services as cheaply or of the same quality.’ Thus the analogy of regions and cities acting as business entities and clearly cast as either winners or losers in a dog-eat-dog competitiveness game is fraught with difficulties (Bristow, 2005).

This is not to deny the existence of territorial competition. Rivalry manifestly does exist between places and indeed, the local economic development literature is littered with examples of spatial contests over the attraction and retention of mobile capital resources, skilled labour, tourists and events (Buck et al., 2005). This has spawned growing interest in the nature and type of assets
required to make local and regional economies attractive or 'sticky places' (Markusen, 1996). However, the critical point is that this competitive behaviour does not necessarily lead to clearly defined performance outcomes for places as it does for firms. It may in fact have negative consequences not least in the opportunity costs that typically accompany incentive competition and bidding wars (Markusen, 2007).

In short, it is important to distinguish between competition and competitiveness (Kitson et al., 2004). While places may compete with one another in certain ways, this is not to say they are competitive in the same way as firms are. Places are not competitive. Rather they develop and perform. However, inasmuch as the competition between places occurs for factors which help shape the development and sustenance of a business environment conducive to competitive firms, there are clear connections with the second, much broader conceptualisation of place competitiveness which sees it as pertaining to relative economic prosperity.

One of the principal proponents of this broader approach is Michael Storper who has played an important role in propagating the concept of regional competitiveness which he defines as:

> the capability of a region to attract and keep firms with stable or increasing market shares in an activity, while maintaining stable or increasing standards of living for those who participate in it.

(Storper, 1997: 264)

This definition, which has since been widely applied to cities too, presents competitiveness as a wide-ranging, overall measure of economic performance. It is in fact derived from a widely used definition of national competitiveness. The implicit assumption made is thus that regions and localities are in effect scaled-down versions of a national, macro-economy. Thus, a place is ‘competitive’ according to this view when it has the ability to raise its standard of living and sustain ‘winning’ outcomes. Competitiveness thus resides principally in the competitiveness of the firms operating within a place, with a competitive place being one that has the conditions to enable it to generate high profits and wages through having a stock of high value-added growth firms.

The difficulty lies in understanding precisely what these ‘conditions’ are for competitive success and when a situation of ‘competitiveness’ has thus been achieved. Theoretical efforts to comprehend place competitiveness are strong in their assertion that the key ingredients shaping it are predominantly endogenous and reside within the environment within which businesses operate. A wide variety of ‘soft’ locational factors have been suggested as helping to create a favourable environment for the development of productive firms, including social capital or the norms and trust developed between businesses in a place, the local entrepreneurial culture, the quality of the local living or social environment, cultural resources, and place identity and international image (see Cambridge Econometrics et al. (2002) for a more detailed review). Since these ‘soft’ location factors are also those which might help attract in new investment and labour, the blurring of boundaries between place competitiveness and place competition is plain to see.

Other authors dispute the notion that competitiveness can be directly equated to local and regional prosperity and instead argue that competitiveness is ‘revealed’ through the performance of a place’s firms. Michael Porter’s work is again of seminal importance here. Porter has asserted that competitiveness is simply a proxy for productivity such that the productivity of a place is ultimately reducible to the productivity of its firms, whether domestic or foreign-owned subsidiaries (Porter, 1990, 1998, 2003). Furthermore, the local and regional environment plays a critical role in shaping firm productivity since, he argues, ‘comparative
advantage is created and sustained through a highly localised process’ (Porter, 1990: 19).

There may be some justification for defining competitiveness in terms of productivity and for expecting a link between productivity and place prosperity. Camagni (2002) asserts that places compete in terms of absolute advantage or efficiency, not comparative advantage. A place may be thought of as having an absolute competitive advantage when it possesses superior technological, social, infrastructural or institutional assets that are external to, but which benefit individual firms and give them higher productivity. Similarly, and in a recent apparent change in his thinking, Krugman (2003) has argued that a region that is more productive will be able to attract (and retain) labour and capital from other regions. Furthermore, he suggests that these factor inflows will subsequently reinforce the region’s absolute productivity advantage even further in a virtuous circle.

However, the conceptualisation of subnational (particularly regional) productivity remains somewhat vague. Labour productivity coupled with the employment rate represent what might be termed measures of ‘revealed competitiveness’ in that they are both central components of a place’s economic performance and its prosperity, but of themselves say little about the underlying attributes and complex processes upon which they depend. Indeed, there is considerable confusion as to what actually causes some places to have higher productivity than others, whether it is differential factor endowments, differences in the available knowledge base, or the increasing returns that give local firms higher productivity (Gardiner et al., 2004).

For regions, there is growing interest in the evolutionary perspective which appears to offer some promise in respect of its ability to explain why some regions may develop firms with a competitive advantage (Boschma, 2004). The evolutionary approach emphasises dynamic competitive advantage or how economic transformation proceeds differently in different places, and highlights the ability of a regional economy to adapt to changing market conditions and the emergence of new technologies and competitors. It asserts that a region’s competitive advantage is a product of its historical, path-dependent development and its capacity to create new development trajectories, such that place matters. This perspective is still, however, in its infancy and requires further interrogation and critical, empirical analysis.

The concept of place competitiveness is thus an inherently chaotic one which lacks a clear, unequivocal and agreed meaning within the academic literature. Fundamentally, this chaos reflects the absence of a clear theoretical or conceptual framework for understanding the competitive performance of places, particularly at the local and regional level. As Kitson et al. (2004: 997) observe in relation to regions, ‘we are far from any agreed framework for defining, theorising and empirically analysing regional competitive advantage’, although they themselves along with other authors such as Budd and Hirmis (2004), make some progress towards synthesising the different factors that need to be included. Instead, there are a range of disparate bodies of work, each of which tends to adopt a different perspective and to emphasise a different set of variables. What place competitiveness actually means and how it is to be achieved thus remains clouded in a considerable degree of mystery.

**Theory led by policy**

It is perhaps not surprising then that the policy discourse on place competitiveness is equally, if not more, muddled and confused. The concept of place competitiveness is typically defined in very broad terms in the policy discourse. In general, policy-makers have tended to favour the macroeconomic definition of place competitiveness which directly equates it with prosperity and performance.
Thus, for example, the UK government states that regional competitiveness ‘describes the ability of regions to generate high income and employment levels while remaining exposed to domestic and international competition’ (DTI, 2003: 3), a definition also utilised by the European Commission. However, to confuse matters the UK government also publishes a range of separate regional competitiveness indices where it deliberately shies away from making explicit claims about the causal relationships between firm innovation, productivity and overall regional economic performance.

Similar confusion is evident in relation to the competitiveness of cities and city-regions. For example, in a research report for the UK government’s State of the Cities Report (ODPM, 2006), urban competitiveness is defined as

the ability of cities to continually upgrade their business environment, skills base, and physical and cultural infrastructure, so as to attract and retain high-growth, innovative and profitable firms, and an advanced creative and entrepreneurial workforce, to thereby enable it to achieve a high rate of productivity, high employment, high wages, high GDP per capita, and low levels of income inequality and social inclusion.

This captures various, potentially contradictory elements of urban economic performance and refers to both absolute economic performance outcomes, as well as broader social and distributional goals. It is however insightful in that it reveals much about what place competitiveness has come to mean in practice. The policy discourse around competitiveness clearly tends to conflate the strategic pursuit of ‘competitiveness’ as meaning the search for improved economic performance, with engagement in competition for resources and the development of boosterist strategies for attracting high-quality, ‘knowledge-based’ firms and skilled labour. Competitiveness is a catch-all for the pursuit of business-led growth and entrepreneurial place-selling.

In this regard, the discourse of place competitiveness constitutes a classic tale of ‘theory led by policy’ (Lovering, 1999), whereby commentators have found themselves engaged in ex-post rationalisation of a term that has already become embedded in common policy parlance. Thus, for example, in the ODPM (2006) report, efforts are made to develop a model of urban competitiveness which identifies GDP per capita as the principal measure of competitive advantage, with this being underpinned by various measures of revealed competitiveness including productivity, the employment rate, wage levels and profit rates. These are, in turn, deemed to be the outcomes of the key drivers of urban competitive performance, namely innovation, investment, human capital, economic structure, connectivity, the quality of life and the structure of decision-making – thereby capturing all the facets of competitiveness raised in the discourse around it, with no real or clear sense of how they are supposed to interact.

The implications of the theory led by policy approach are also becoming clear. The result is striking similarity in the competitiveness strategies being followed across different cities and regions around the world which are routinely characterised by a familiar ‘hotch-potch’ of property, retail and events-led interventions targeted at improving the quality of the business, cultural and social environment. In this regard, they ostensibly promote and encourage competition between places around their attractiveness and image, and carry the clear risk of exacerbating spatial inequalities (see Cheshire and Gordon, 1995). As well as being criticised for their ubiquitous ‘one-size-fits-all’ approach which ignores place specificities (Bristow, 2005), such strategies are also under increasing attack for the narrowness of the policy approach they propagate – an overt focus on the promotion of a place’s assets rather than
their development (Unwin, 2006), the reduction of a wide diversity of urban and regional problems to a simple, imported policy agenda (Bristow and Lovering, 2006) when in fact there may be multiple routes to growth (Turok, 2008), and the overwhelming emphasis upon a narrow, private sector-based route to place prosperity which rarely takes account of the non-economic variables essential to the social reproduction of everyday life (Jarvis, 2007). In particular, competitiveness strategies do not demonstrate any concern with who benefits from these productive firms and supposedly competitive places, nor indeed of the sustainability of these outcomes or their fit with the broader social needs, development objectives and environmental limits of a place. Competitiveness, it seems, is at one and the same time commonsensical, common place and ‘care-less’.

**Understanding the enduring policy appeal of competitiveness**

The limitations of place competitiveness inevitably lead to a range of questions around how and why such a poorly understood concept has assumed such significance in local and regional economic development policy circles. This focuses attention on the policy process and the relative importance of ideas and interests in the formulation of strategic policy agendas and approaches. It also focuses attention on the ways and means by which these ideas are then spread through relevant networks of policy actors and across spatial scales. These are ostensibly questions concerning the political economy of competitiveness which until relatively recently have received only limited attention (Bristow, 2005). These questions are, however, rising to the fore in line with the emergence of discursive approaches to understanding the policy process.

Indeed, a number of authors have applied political economy approaches to demonstrate the hegemonic or dominant status of the competitiveness discourse across nations. For example, Fougner (2006) has argued that the spread of the global competitiveness discourse is a deliberate tactic on the part of developed countries and the OECD to maintain the neoliberal capitalist hegemony and rationality of governance within advanced capitalist countries and spread it to the global South. This in turn privileges the particular ‘attractiveness’-oriented conception of competitiveness which has become dominant – in short, it makes sense to constitute states and their populations as competitive and entrepreneurial ‘place-sellers’ in a global marketplace for investment. Similarly, Rosamund (2002) demonstrates that the rise to prominence of competitiveness as a strategic imperative in the EU reflects its utility as a strategic device for asserting the sense of a functional European space economy. This, in turn, helps legitimise its broader agendas as regards both the Europeanisation of governance capacity and the deepening of integration processes.

More recently, the development of the Cultural Political Economy (CPE) approach has provided a potentially useful framework for understanding how and why particular ideas, such as competitiveness, arise, spread and become materially implicated in everyday life (see Jessop, 2005). The CPE approach first emerged from research into the ‘entrepreneurial city’ which was instrumental in the development of two key notions. The first of these was the assertion that cities or regions are actors or ‘spaces for themselves’ endowed with ‘capacities to realise particular discursive-material accumulation strategies and hegemonic projects’ (Jessop and Sum, 2000: 2310). This was significant in its direct implication that cities and regions are capable of pursuing innovative strategies to maintain or enhance their economic competitiveness *vis-à-vis* other economic spaces. As such, they are increasingly like nations. The second notion developed was that of ‘economic imaginaries’. These are subsets of economic activity (such as competitiveness,
innovation and welfare) which are discursive constructs transformed into sites and objects of observation, calculation and governance and thus used by the state to secure hegemony (Sum and Jessop, 2001).

The CPE approach asserts that the construction of an economic imaginary involves a number of distinct evolutionary stages. First, there is a process of ‘selection’ whereby particular discourses are prioritised in terms of their ability to interpret and explain particular events. Second is the process of ‘retention’ whereby these discourses are repeatedly incorporated into a wide range of institutional sites, roles, routines and strategies. Third is the process of ‘reinforcement’ whereby these discourses are restated and embedded in procedural mechanisms, governance structures, rules and regulations such that they become a naturalised discourse (Jessop, 2005). According to Jessop (2005) there are a range of institutions and actors such as government departments, business organisations, the OECD, the EU and the World Bank that are likely to seek to establish and institutionalise such imaginaries. They use a range of discursive vehicles or ‘genre chains’ (Sum, 2004) such as policy documents and strategy reports to reinforce these imaginaries to suit their particular purposes.

The value of the CPE approach lies in its ability to help avoid naïve acceptance of competitiveness, and instead to provoke interrogation of the political dynamics of its evolution and utility for advancing particular policy goals and discouraging others. It remains developmental and in need of refinement and testing, not least to consider how the spread of key economic imaginaries is linked with processes of state rescaling, as well as with material developments and change (Jones, 2008). Nonetheless, it provides a useful framework for understanding the policy appeal of place competitiveness and its durability (see Bristow, forthcoming).

What becomes clear when examining the political economy of competitiveness is its resonance with key interest groups and policy-makers. The intuitive appeal of competitiveness to business is relatively easy to understand. Businesses are familiar with Darwinian notions of cut-throat competition and survival of the fittest. So it is not surprising that business interests within places are keen to promote and support policies which prioritise and assist competitive firms and oil the wheels of the wider business environment. It is also easy to see how key proponents of the idea of competitiveness have effectively worked to spread its logic from nations, to regions and to cities. Powerful organisations such as the OECD and EU have developed prominent tools and techniques for benchmarking the competitive performance of places including competitiveness indices and league tables and a plethora of best-practice reports and policy transfer studies. In turn, a highly profitable, influential and networked regional and urban development industry has emerged, which is characterised by a range of high-profile consultants, development agencies and think-tanks. These work collectively to spread the key ideas around competitiveness between places and across the world, to share what is supposed to be best practice, and promote the imitation of successful, if ultimately rather stylised, forms of policy intervention.

The appeal of place competitiveness to policy-makers at all spatial scales is also easily understood when considering competitiveness ostensibly as an idea, promoted by particular and powerful interests. The vague and nebulous nature of the competitiveness concept acts perhaps as one of its principal strengths for policy-makers. It becomes a veritable garbage-can into which all relevant strategic actions for the support of particular goals can be thrown. For cities and regions, the most striking characteristic of competitiveness strategies is indeed their extreme vagueness and flexibility over time. In the event, the commitment to competitiveness can thus be interpreted as authorising key players in urban and regional governance to
adapt to circumstances and opportunities as and when they arise, and especially as they have been proposed by potential investors, notably in the property development sector (Bristow and Lovering, 2006; see also Chien and Gordon, 2008). At times, competitiveness can also be used strategically to justify the support of particular ailing local businesses perhaps for political purposes or electoral gain. At other times, the cloak of competitiveness usefully absolves local policy-makers from responsibility inasmuch as the winds of global competition and change can be conveniently presented as variables which are essentially outwith local responsibility and control. Perhaps more disturbingly, competitiveness-speak may create a trap for local and regional policy-makers from which, once ensnared, they struggle to break free. To fail to pursue competitiveness or to opt out of the competitiveness game completely might be regarded as either a sign of weakness or a submission of defeat to erstwhile rivals.

**Moving beyond competitiveness**

It would thus appear as if there is no alternative for places but to adopt competitiveness-orientated policies. The story of inescapable globalisation, competitiveness and economic neoliberalism is indeed a very pervasive one such that even policies which appear not to be about competitiveness become subsumed to its clutches. As Massey (2000: 282) observes, ‘every attempt at radical otherness [becomes] quickly commercialised and sold or used to sell….With all of this, one might as well ask what are, and where are, the possibilities for doing things differently?’ To put it another way, the growing awareness of the limitations of competitiveness-oriented policies raises a number of critical questions around, first, the scope for a fundamental transformative shift in the extralocal rules of the game set by neoliberalism and its privileging of economic rationality; second, whether and how an enhanced sense of place and context can be reinserted into the local and regional development policy lexicon; and finally, whether and how local strategic interventions can prioritise broader, more socially just and ecologically attuned development goals over narrow, entrepreneurial place-selling mantras.

In emphasising that competitiveness and indeed neoliberalism are social and political constructs, the CPE approach usefully highlights that they are not immune from challenge. While economic imaginaries such as competitiveness can be discursively constructed and materially reproduced at different sites and scales, they are only ever likely to be partially constituted and will remain contingent. As Jessop (2005: 146) observes, the process of material reproduction ‘always occurs in and through struggles conducted by specific agents, typically involves the asymmetrical manipulation of power and knowledge, and is liable to contestation and resistance’. This means that there will always remain space for competing imaginaries to challenge the dominant ones.

While the probability that neoliberalism itself will be toppled may be unlikely, the potential for certain catalytic forces such as climate change, the onset of peak oil and the current economic crisis to destabilise it and provoke change should not be entirely ruled out and may indeed be gathering momentum. Certainly, these forces may be of such magnitude in the years ahead to impel a new, global concern with frugality, egalitarianism and localism in response to changing public and political opinion. As Leitner et al. (2007: 325) observe: ‘what was made can be unmade’, and indeed the first step in visualising a politics beyond neoliberalism may be to acknowledge that Hegemonic does not necessarily mean everlasting.

A second step is to acknowledge that the dominant indicators of competitiveness and place prosperity provide an inordinately narrow, economic metric of development which focuses attention on instrumental inputs or means to development, rather than intrinsically significant longer term policy ends or
outcomes (such as health, well-being and a sustainable natural environment) (Morgan, 2004). The search for a metric which treats progress and well-being as one of its premier indicators of development is gathering momentum at the international scale. For example, the Stiglitz-Sen Commission of high-profile international economists is currently reviewing a range of alternative metrics of development with a view to establishing how to improve the calculation of GDP; how to incorporate new measures of economic, social and environmental sustainability into national accounting; and how to devise fresh indicators for assessing quality of life. Given the prominent role played by such indicators in spreading key imaginaries, dismantling and reforming them will, in turn, go a long way towards changing political priorities and creating new ideas around the collective social improvement of the opportunities or ‘capabilities’ of all individuals, the pursuit of happiness, sustainability and overall well-being – the moral norms that unite us and provide constraints on the utility-enhancing choices nations may make (see Nussbaum, 2000).

Clearly, local and regional action to assist the development of a more progressive policy is also important. The growing critique of place competitiveness clearly shines a light on the capacities within localities to effect change. Regions and cities are not univocal subjects of the policy decisions and mantras developed elsewhere. They are instead characterised by agonistic politics between diverse and multiple interests and groups with varying aspirations and goals. They also have increasing capacities to make their own political choices in response to these demands, albeit within certain parameters (Hudson, 2007), not least in the proactive support for new metrics of development.

Indeed, there is evidently scope for new, alternative economic imaginaries to emerge out of the local contests and battles around competitiveness, which ultimately may themselves then be selected, retained and reinforced – a sort of transformation from below (Leitner et al., 2007). There is growing evidence that substantive matters of struggle around redistribution and the material conditions of economic growth and uneven development provide for substantive resistance to the global hegemony of competitiveness (Krueger and Savage, 2007; Leitner et al., 2007). Within a fragile and susceptible capitalism there are thus a wide variety of ‘alternative’ economic spaces and practices which are centred much less around capital accumulation and much more around the creation of ‘smart growth’ to shape more socially just, ecologically sustainable and ethical urban and regional environments, such as transition towns, local exchange and trading systems, not to mention a wide range of social and ethical business enterprises. The enduring question appears to remain what capacity exists for scaling up these often diverse localised struggles into some sort of broader political project capable of challenging the dominant thinking (Leys, 2003; Leitner et al., 2007).

While these practical experiments are inherently diverse, there are some commonalities in the discourses and visions for a more progressive local and regional development agenda which appear to be emerging in practice. They are linked by a desire to effect a more socially and environmentally oriented, smaller scale, place-based approach to local and regional development – ostensibly one which creates resilience in the face of the destabilising winds of economic and environmental change. Focusing on what unites rather than what divides these discourses is potentially very important inasmuch as it may open up new opportunities to examine the specific ordering and spatiality of projects required effectively to challenge conventional approaches (Holloway et al., 2007) – perhaps, for instance, through the development of new networks to achieve social change and address the challenges which increasingly straddle global and local boundaries.
Fortunately, these commonalities also fully resonate with recent theoretical developments in the study of city and regions which emphasise the broader and more qualitative character of ‘development’ as opposed to simply economic performance or growth. As well as being inherently diverse, local and regional development trajectories and processes are also increasingly understood to be evolutionary, context-specific and path-dependent. As Pike et al. (2007: 1258) observe, ‘from Hackney to Honolulu to Hong Kong, each place has evolving histories, legacies, institutions and other distinctive characteristics that impart place dependencies and shape—inter alia—its economic assets and trajectories, social outlooks, environmental concerns, politics and culture’. These developments have spawned some important questions for critical research including the extent to which these alternative practices are locally or regionally constructed and embedded, or to put it another way, whether in this case scale and also place matters (North, 2005). The formative links between these alternatives, their emergent economic geographies and the practices and values of mainstream capitalist activities also remain underresearched, with a clear imperative emerging to rethink the links between social and economic relations in regions. The management of collective consumption and social reproduction and the centrality of ecological resources to the evolutionary process that is local and regional development are also clearly missing links in dominant spatial development literatures. In short, there is a need for a wider utilitarian debate and analysis in local and regional studies—one that is characterised by a broader concern with progress or well-being, and the potentially diverse approaches to achieving it.

Conclusions

In conclusion, place competitiveness has become a ubiquitous and dominant mantra in local and regional development policy precisely because it lacks precision and is inherently chaotic. The emergent political economy approaches explored here provide valuable insights into understanding the subsequent malleability of the discourse and thus its utility to both policy-makers and the key groups keen to promote the interests it serves. However, it is also demonstrably a limiting, growth-first discourse with the potential to effect and enhance uneven development between places, while simultaneously failing to address more fundamental social and ecological matters concerning a place’s development.

In this light, there is a developing literature which asserts that local and regional development and well-being should be conceived and implemented on the basis of a broader ontology in which the economic imperative—the global competitiveness of firms—is only one rationale. As has been demonstrated, however, the scope for the selection and retention of an alternative, more context-specific discourse around city and regional resilience will critically depend upon the relative importance of both the catalytic forces for extra-local change, as well as the more permissive factors within places. These surround the role of political choice within the constraints of capitalist social relations, and the opportunities for scaling up localised struggles around the competitiveness imperative. As such, there are likely to be multiple, complex and contingent pathways to alternative development strategies. What is also likely is that action at the local level will only go so far in fostering relevant changes. Nation states remain dominant actors in pertinent global discussions around the development of new metrics and regulatory regimes, as well as playing a critical role through devolution processes in shaping the powers, resources and capacities available at sub-national scales to enable and empower strong local action. Practical action and policy change must also be informed by improved understanding of precisely how regions and...
cities actually work. The story of place competitiveness is illustrative of the very real and significant dangers of theory led by policy. It is a challenge to which theorists now need to respond.

References


Further reading


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