

Book Review

Theories of Local Economic Development: Linking Theory to Practice

James Rowe (ed)

Ashgate, 2008

Let me say at the outset that James Rowe's book is great addition to my library and will be valuable for the theorist and practitioner alike. Like many an edited collection, however, it has both strengths and weaknesses. Thus, some contributions have a light and even amusing touch, while others appear somewhat ponderous. Some provide important new insights to the field, while others tend to till existing ground, albeit in a readable way. Sometimes, too, the standard literature appears in several contributions and linking threads between the contributions are not always made. Perhaps wisely, the editor has let the eminent contributors have untrammelled say before drawing threads together in the concluding chapters.

If the function of a good book is to set one's critical faculties racing, then this collection of essays falls into that category. Most of the thirteen independent contributions are wide-ranging, authoritative, and perceptive within their terms of reference, but the crucial benefit for me was to disagree with quite a lot of the content and, more important, to understand why that is so. In fact, my reservations about the state of regional development theory and its capacity to inform a lot of practice is so severe, I have to agree with many, though not all, Rowe's conclusions. In fact, I enjoyed his Deleuzian introduction immensely, and agreed with much of thrust of his concluding remarks.

The book contains three substantive parts apart from Rowe's introductions. The first scopes the practice of local economic development as seen by Miller, Blakely and Beer who are well known for their interest in daily practice., They collectively

document the field's rapidly changing goals and objectives, the ideas driving events, and the commensurate shifts in theoretical understanding necessitated by such change. Blakely, in particular, assesses such events over a vast historical canvas. The second part focuses on the main theoretical strands developed over more than a century: globalisation, competitiveness, location theory, business clusters, entrepreneurship, technology, and the role of social capital. Each is written by a well-known name in the field and the section is garnished with an important contribution by Stimson and Hough pondering on the links between theory and practice and how the latter might be systematised to good effect. A final section has the task of bringing together a truly vast field of ideas and to consider its implications for practice. It deals, in short, with the numerous and almost chaotic processes shaping regional development and how they might be handled best to inform policy formulation and implementation.

All this sits within some of today's meta-themes. One is the on-going redefinition of the respective roles of government and markets. Another focuses on institutional refinement among government and business alike. Finally, I think we are coming to grips with geographical diversity in the qualities of place and space, the stage on which development occurs. The book does not ignore these themes, but neither does it give them the billing they deserve given their considerable contribution to regional policy's chaotic presence. Consider this. Our theoretical literature still overwhelmingly focuses on manufacturing and some high level services as propulsive industries, and

focuses on large cities as the centre of the development universe. Little of it focuses on rural industries and economies for which Michael Porter's blandishments are scarcely relevant and where clusters, if they exist at all, take virtual rather than spatial form. Much of the literature still does not seem recognise that the crucial game in town is national (NOT regional) macro-economic management. Fiscal settings; budget management; international trade negotiations (often bilateral); exchange rate management; and prudential regulation of the financial system all have variable regional implications! Ireland's recent spectacular economic growth, for example, owes much to the nation's macro-economic management relative to the EU as a whole.

Nor does the literature focus as much as it should on the psychology of regional development – which intersects heavily with the notion of adaptive cultures. That is why I found Pittaway's chapter on entrepreneurship important, but longed for more. Fortunately, I found some of the material I was expecting on behaviour and motivation lurking in Rowe's concluding chapter, but I'm hoping for a whole book on the subject drawing from modern management theory. And, as I read on I began to have a queasy feeling that a lot of the processes being discussed relied on inference about a, b, or c on regional well-being, not hard evidence capable of withstanding critical cause-effect assessment. When one thinks about the scores of processes, each variable in intensity and operating on different time frames to shape regional conditions, it looks to me that no-one has a chance of saying that a leads to b OR the policy / program c will lead to effect d. In fact, the observation that similar practices occur alongside certain observed development trends are may be entirely coincidental! This situation is not helped because the time lapse between policy action and regional development outcome – if there is indeed a link – may be 10 to 20 years in the future. So, how do we know that we're doing the right thing?

Reading this book prompted another set of crucial musings on my part. We appear to know very little about the cost benefit consequences of various individual actions / strategies; or the optimal calibration of outlays between policy strands to yield maximum effect. Nor have we measured convincingly the appropriateness of this that or the other approach under different geographical conditions and macro-economic settings. What, finally, do we know about the mutual compatability of different policy / program strands and the extent to which they mutually reinforce or annihilate each other?

I fear, then, that many decades of theoretical development have only lit the path to effective practice a small amount. What I see at the local level is a high degree of hands-on do-it-yourself development by business-people *cum* community leaders employing a catholic smorgasbord of approaches accumulated by trial and error in their working lives. To paraphrase Keynes, such practitioners are slaves to some defunct regional scientist, business guru, and – in the case Friedrich Nietzsche or Deleuze – philosopher. If this is so, the path to effective action at the local level may be substantially at variance with the Stimson and Stough grand strategy outlined on page 189, and more in line with Rowe's Deleuzian thinking. In fact, is regional development really about rational action at all? Is it more about disjointed incrementalism / opportunism / seat of the pants flying?

So perhaps Rowe's analysis of regional development as a system of metaphors or even metafiction is about right. I'd like to stress the notion of metafiction because it conveys to me the need to be much more critical of our theories than we are, and not just conversant with them. There is no extant overarching meta-theory, nor do I suspect it is possible to construct one that is spatially ubiquitous.

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