English regions, global competition and the challenges of centralizing liberalism
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Introduction

Are ‘high road’ variants of experimentalist governance (Kristensen & Morgan, 2012) possible in the English context marked by...

- Strong underlying neo-liberalism
- Weak meso-level governance (both regional and sectoral)
- Very centralized approach to institutional creation and reform – dependence of meso-institutions on central government, lack of ‘meso-level consensus’

Is “institutional entrepreneurship” compatible with these broader patterns of institutionalization?
Obstacle Number 1: consequences of fragmented institutions

- Fragmented institutions of both capital and labour, issues of interest aggregation and meso-level coordination (e.g. on skills) either fall into the hands of state-sponsored agencies or are neglected
  - See RDA’s role in ‘tailoring’, interest aggregation and skills coordination, roles not really replaced following RDAs’ abolition (Almond, Ferner and Tregaskis, 2015)
  - With some exceptions, relatively weak record of trade unions in expressing economic development needs (although some evidence of relatively strong micro-corporatism where unions are stronger)
The ‘employer-led’ institution

• From 1980s, pattern of creation of ‘employer-led’ (but state-funded) institutions lacking democratic legitimacy (either industrial or electoral) > RDAs, LEPs, Sector Skills Councils...

• Largely or wholly labour exclusionary, but also weakly representative of employers

“the appointments are public appointments, so they get advertised and people apply and they have interviews. They are recruited as individuals so that’s, you can’t say we have to have a TUC person or someone who is at a senior level in the union.” (Senior trade unionist)
Targets, metrics, and bidding processes

• Targets/metrics were obstacle to cohesion in new Labour era
  – ‘Inward investment is a very tangible activity, you can see a new company coming in, you can see the 100 jobs associated with all of that...Investor development work was much more intangible, you have worked with a company that’s already here, what have you actually done to help them?’ (Regional Development Agency Executive)

• From 2010, local/regional developmental activity over-dependent on bids for central government funding pots, following national government scripts: “tailoring” to Westminster priorities rather than local economies.
Institutions without coordinating capacity?

• Not a lack of institutions, but a multiplicity of public, para-public and private institutions, each lacking strategic coordinating capacity (especially, very confusing skills landscape)

• “A fragmented approach to attracting inward investment is also limiting the development of supply chains in the UK. CBI members have highlighted a perceived lack of coordination between local and national-level government in efforts to attract or retain activities in the UK...our international competitors...are better able to coordinate national-level commercial diplomacy with the actions and incentives offered by local government when seeking to attract businesses to specific areas.” (CBI, 2013)

• “LEPs look small and seriously under-powered for the task in an international context.” (TUC, 2014: 8).
Reasons to be cheerful?

• Some evidence of attempts to create more coordinated inward investment bodies, e.g. in NE England (pushed by regional CBI/Chambers of Commerce)

• Some evidence of putative attempts at business system building ‘from below’ in the positioning of English regions following the Scottish referendum – there is a degree of “civic embeddedness” out there, requires “critical friends”
References


CBI (2013) *Pulling Together: Strengthening the UK’s Supply Chains*


TUC (2014) *LEPs and Economic Revival*