Research paper

Uncovering the link between governance as an innovation process and socio-economic regime transition in cities

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ABSTRACT

A major proportion of the world's population will be located in cities by 2030. With cities globally facing challenges due to the social exclusion of significant proportions of their populace, new thinking is needed on ways to correlate the competing socio-economic goals of various actors. This study sought to uncover the link between governance in cities as an innovation process and socio-economic regime transition towards a more equitable urban society. To do so, we draw on transition management thinking to consider urban regime transitions evolving in a temporal and incremental manner and in a multi-level context. We sought expansion from a delimited focus on socio-technical regimes in transition management literature to incorporate the notion of urban socio-economic regimes. This involved integrating aspects of reflexive governance and politics in a city context with a basic ontology of complex social systems and their evolutionary dynamics that underlies transition management approaches. Our focus is on learning by doing and experimentation as well as participation of citizens with other key city actors in a radically new process of mutual learning that creates social inclusion. The juxtaposition of national, city and community level interactions and their impact on socio-economic regime transition brings into sharp relief the issue of spatial scale and a lack of consideration in transition approaches generally. The study findings reveal a spatial orientation for creating new urban forms of reflexive governance as an innovation process taking place in transition arenas that can trigger new pathways to socio-economic change.

1. Introduction

During 5–11 April 2014, the Seventh session of the UN Habitat's World Urban Forum took place in the city of Medellín located in the department of Antioquia in Colombia. Ten thousand participants, representing one hundred and sixty countries convened at the city's exposition centre, Plaza Mayor, for six days of discussions examining the conference's theme "Urban Equity in Development − Cities for Life". The location of World Urban Forum 7 in Medellín was international recognition of system-level transition from most violent city in the world during the 1980's and 90's to a more equitable urban society. This transformation of the systems of an urban society was recognized with the award of 'Innovative City of the Year' for 2013 by Citi and the Wall Street Journal Magazine, in conjunction with the Urban Land Institute (ULI), beating fellow finalists New York City and Tel Aviv.

Social exclusion in Medellín fed by conflict and displacement in Colombia during the 1980's and 1990's was pronounced. Social exclusion is defined as occurring when individuals or areas suffer from a combination of linked socio-economic problems such as poor

education, unemployment and low incomes, poor infrastructure, high crime environments and the loss of an individual or communities' link to mainstream society (Levitas, 2000, 2005; Pantazis et al., 2006). Social exclusion not only affects individuals' quality of life but also the equity and cohesion of city societies as a whole. What is notable in the city from the mid 1990's onward is the emergence of radically new governance arrangements involving communities, city authorities, private firms and other stakeholders in collective experimentation and learning around addressing social exclusion. In this paper we sought to uncover the link between governance as an innovation process in cities and socio-economic regime transition towards a more equitable urban society. To do so, we draw on transition management thinking to consider urban regime transitions evolving in a temporal and incremental manner and in a multi-level context. We address in parallel to the recent call of Ramos-Mejía et al. (2017) by bringing the poverty alleviation agenda into transitions studies from an urban perspective.

Transition management literature views the regime as forming the 'deep structure' that accounts for the stability of an existing socio-technical system (Geels, 2004). It refers to the semi-coherent set of rules

that orient and coordinate the activities of the social groups that reproduce the various elements of socio-technical systems. We sought in this study to expand from a delimited focus on socio-technical regimes to incorporate the notion of urban socio-economic regimes. This implies a need to distinguish social and economic components of a regime. First, we define the network of actors that carry the regime formed of citizens, city authorities, private firms and other stakeholders. Second, drawing on Rip and Kemp (1998) who view regimes as rules and routines, we frame these actors as being involved in governance arrangements that attempt to coordinate political interactions and policy processes critical to the fulfilment of urban societal needs. Elzen et al. (2012) using the concept of institutions, which fits with sociological and economic institutional theories, consider them as formal and informal arrangements that orient human behaviors and interactions. Specifically, we consider the development of reflexive governance arrangements that are radically new in acknowledging the distributed nature of decision-making and intelligence when developing policies to address social exclusion. This reflexive stance to governance integrates a diversity of perspectives, expectations and strategies in a complex understanding of urban societal change (Voß and Bornemann, 2011). Of interest spatially are reflexive designs for governance at the community micro level as an innovation process (Voß et al., 2007, 2009) interacting with socio-economic regimes at the city meso level and reflecting national developments at the macro level.

Citizen engagement through the development of radially new arrangements for reflexive governance represents the transition arena, the institutional core of the city's emerging transition project. Voß and Bornemann (2011) state that transition management typically assumes transition arenas to be 'depoliticized' in governance terms. Rather than devising sophisticated learning models that correspond to some abstract theory of socio-economic change in cities, the innovation perspective on reflexive governance (see for e.g. (Voß, 2007), leads us to seek to uncover actual political practices and allowances and constraints of patterns of governing and their dynamics. In doing so we attempt to bend innovation studies literature as a foundation for transition management thinking towards the field of policy analysis for urban socio-economic development by refining the conceptual approach. Essentially, we seek to integrate aspects of reflexive governance and politics in a city context with a basic ontology of complex social systems and their evolutionary dynamics that underlies transition management approaches. Our focus is on learning by doing and experimentation as well as participation of citizens with other key city actors in a new process of mutual learning that seeks to create social inclusion. Reflexive designs for governance that smooth resistance and competing priorities in tacking social exclusion (Voß et al., 2007, 2009) spatially are positioned at the micro level as an innovation process. Taking place in transition arenas, these radically new governance arrangements are shown to trigger pathways to socio-economic change at the meso regime level in a city.

Inevitably conflict will be present as diverse views and affiliations come to bear constraining mutual learning in new governance arrangements for a more equitable urban society. Rather than being disconnected this political aspect infuses radically new forms of reflexive governance and the capacity to accommodate the plurality of perspectives and related interests concerning socio-economic development needs in a city. Evidence is sought of when and how this starts to change the prevailing regimes through bending them towards the more equitable fulfilment of societal needs in areas such as education, transport infrastructure and employment. The transition project relies on the political dimension to trigger the evolutionary selection of transition pathways and goals that ultimately are realized in urban socio-economic transition. Voß and Bornemann (2011) criticize transition management literature for not taking account of potential implications of incumbent policy regimes and the overall policy landscape for policy making within the transition arena. In this sense the landscape macro level and political as well as economic developments are shown to influence the dynamic interplay between socio-economic regime and transition arenas in a city. The transition arena represents the spatial urban location for new reflexive governance arrangements with linkage across the city's communities of interest (micro), socio-economic regime (meso) and national policy (macro) levels. This brings into relief the issue of spatial scale which has received little attention in transition approaches generally (Hodson and Marvin, 2010).

The paper proceeds by developing the literature base for the study. We then introduce the methodology used to conduct the study before presenting the findings. The findings present theoretical implications that are discussed before conclusions are offered.

2. Literature review

Transition studies are focused on linking the dynamics of regime change at the meso level to micro-processes of niche formation whether as a stabilizing or destabilizing factor (Weber and Rohracher, 2012). In transition management literature focused on socio-technical systems, structural transitions are assumed to evolve in a temporal manner and in a multi-level context (Geels, 2002, 2005, 2011). Emerging as innovations in socio-technical niches, they shift socio-technical regimes and ultimately affect the broader socio-technical landscape. These systemic changes are often called 'socio-technical transitions', because they involve alterations in the overall configuration of transport, energy, and agri-food systems, which entail technology, policy, markets, consumer practices, infrastructure, cultural meaning and scientific knowledge (Elzen et al., 2004 and Geels, 2004). These elements are reproduced, maintained and transformed by actors such as firms and industries, policy makers and politicians, consumers, civil society, engineers and researchers.

Transitions are therefore complex and long-term processes comprising multiple actors (Smith et al., 2010). Meadowcroft (2009) asserts that transition management inherently has a messy nature with power struggles and lack of consensus. The management aspect considers approaches to 'managing' the direction and speed of transitions and coordinating and enabling the processes that occur at different micro, meso and macro levels in a more systemic and evolutionary way. Key is the aim to facilitate a more fundamental and long-term reflection on socio-technical system dynamics in order to overcome the myopic orientation of established policy-making processes. Transition management from this perspective focuses on reflexive governance designs attempting goal-oriented modulation that rejects an attempt to achieve predefined outcomes through planning and control (Kemp and Loorbach, 2006).

In this paper we sought expansion of transition management thinking on governance arrangements from a delimited focus on socio-technical regimes to incorporate the notion of urban socio-economic regimes. Our focus is on its orientation toward system innovation and experimentation as well as participation that serves as a platform to consider radically new forms of reflexive governance design in cities that combines an institutional arrangement (transition arena) with various systemic transition instruments in the transition management process (Kemp and Loorbach, 2006). Hölscher et al. (2017) view the transition arena in a city context as a prominent instrument of transition management. It offers space for what they term pioneers, so-called 'frontrunners', to develop a shared direction and initiatives for transition and to the forming of new coalitions, partnerships and movements. We draw on the thinking of Voß et al. (2007) and Voß (2007), defining transition management in cities as an innovation process in incorporating radically new reflexive governance design in shaping structural transitions within complex urban socio-economic systems. New forms of governance to tackle social exclusion involving city authorities, private firms and citizens represent spatially speaking transition arenas that can trigger new pathways to urban socio-economic change. They promote urban partnerships in cities and importantly citizen participation, which are viewed as empowering, democracy