

City-Led Regional Development and Peripheral Regions

Conference report by Chris van Egeraat (Regional Studies Association Irish Branch and Maynooth University) and Pauline White (Western Development Commission)

The Annual Conference of the Regional Studies Association Irish Branch was held in the Institute of Technology Sligo on Friday 7 September. Appropriate for the location, it had the theme “City-led Regional Development and Peripheral Regions”. The conference covered a range of themes relating to regional development and how urban areas interact with their rural regions. It was opened by Dr Chris O’Malley from IT Sligo who discussed the role of IT Sligo in the development of industry and manufacturing in the region and the IT’s role as an integrator of national policy at regional level. Dr Deirdre Garvey, Chairperson of the Western Development Commission welcomed the fact that the conference was taking place in the North West, given the recognition in the National Planning Framework of the specific challenges for the region and rural areas.

Lessons from Scotland

The Scottish perspective on “City-led Development and Peripheral Regions” was presented by Dr Andrew Copus, an economic geographer in the Social, Economic and Geographical Sciences (SEGS) Group at the James Hutton Institute. Scotland is often presented as a useful comparator for Ireland when discussing regional policy. Indeed the Scottish National Planning Framework (NPF) was often cited as a model during

the development of Ireland’s NPF. Andrew focussed his presentation on the rural development perspective of ‘City Region Deals’ and the Scottish experience.

From the mid-2000s, the UK Government adopted a City Regions approach. It was argued that in a globalised world, the only way for UK regions to compete was to specialise in knowledge-based growth industries. These, it was also argued, could best thrive in large cities. By 2014, 26 City Deals had been agreed across England and Wales. Each was characterised by:

- devolution of power to public/private partnerships;
- coherent investments in infrastructure, training and support for enterprise; and
- some form of “smart specialisation” strategy.

The proposal in Ireland’s NPF to develop Metropolitan Area Strategic Plans (MASPs) for the cities adopts a somewhat similar approach. While it was strongly argued in the UK that the benefits of these City Deals would spread out to benefit all parts of the surrounding city region, Andrew pointed out that there was (and continues to be) very meagre evidence that this is in fact the case. In response, by 2014 the UK began to introduce ‘Local Enterprise Partnerships’ to try to ‘fill the gaps’ between these City Deal areas.

UK City Deal policy spread to Scotland in 2014 and has since developed in

a slightly modified form – with more emphasis on inclusive growth rather than regional or national competitiveness. The Scottish Government’s inclusive growth ambition seeks to:

- support strong and productive inclusive economic growth across Scotland;
- maximise the opportunities of places that have been disadvantaged by adverse impacts of economic change;
- spread the benefits of growth more evenly within and across different parts of Scotland; and
- ensure economic and socially sustainable communities.

Four City Deals have so far been agreed in Scotland with a number of others under discussion. Unlike the rest of the UK however, the Scottish City Region Deals have lacked emphasis on boosting the powers of city administrations. The already complex power/funding relationship between the UK and Scottish Governments makes further devolution of power to city-level less likely.

Andrew noted that, as happened in England, it was soon realised that parallel interventions were required for more peripheral areas outside the influence of the cities. Since 2017 Scotland has begun developing ‘Regional Economic Partnerships’ even for the remotest rural areas. The rationale for these is very different from the original City Regions, primarily focusing on endogenous smart specialisation for the region rather than ‘spread effects’ of city growth.

The evidence from the UK is clear – an exclusively city-led approach will not lead to effective regional development without parallel initiatives for areas beyond the influence of the cities. There is little evidence of the spread effects of the City Region Deals and a focus on smart specialisation is required for more remote regions. A key lesson for Ireland is that the development of the three Regional Spatial and Economic Strategies (RSES) must complement the NPF’s focus on compact growth of cities, with tailored approaches for areas beyond the cities. This is particularly critical for the Northern & Western region with only one city, located at its southern edge.

The US Perspective

Professor Mark Partridge, Chair of Rural-Urban Policy at The Ohio State University, provided a US perspective. Mark presented a paper entitled “Is there a future for rural in an urbanising world and should we care?” He pointed out that in the context of the USA, urban areas do not necessarily dominate rural areas in terms of population growth. Not all rural areas are in decline and since the 1980s urban spread effects are actually dominating. Distinguishing between rural areas adjacent to metropolitan areas and rural areas non-adjacent to metropolitan areas, Mark showed how the first category outperforms nearly all categories of urban areas. It is the remote rural areas that are facing the biggest challenges.

Mark was partially supportive of an urban-led regional growth strategy, a core element of the Irish NPF. Urban areas with a population of over 100,000 possess significant agglomeration advantages and we should use these. Rural areas adjacent to urban areas have a great deal of potential because

they can rely on urban-led growth and access to agglomeration economies. Commuters are a key component to rural community sustainability through providing critical mass for public services and local businesses. But an urban-led regional growth strategy is unlikely to benefit the more remote rural areas. Mark asked the provocative question whether we should continue to try and influence the economic and urban structure of such remote areas. He did not see a way to help these regions, and argues that maybe people-based policies should be used here.

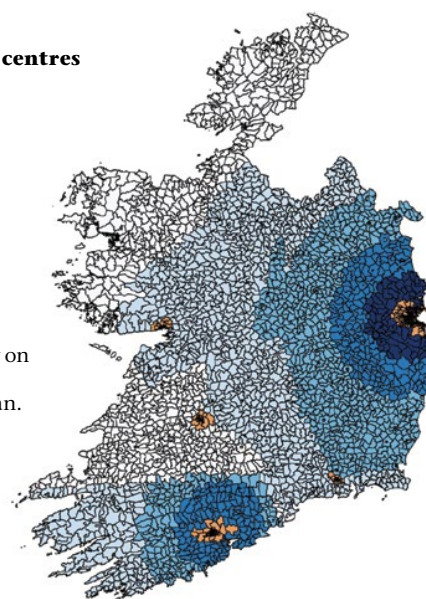
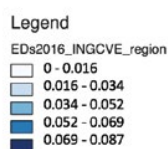
Even in rural areas adjacent to urban centres growth is not automatic and good policy is needed to ensure this will happen. Mark had some clear suggestions in this regard. Notably, remote rural areas should collaborate with partners, including the nearby cities. Rural areas lack the critical mass and resources to actually have an impact on their own. This requires governance reform – a shift from separate farm/rural/urban policies to a regional policy. Such a regional policy should include

tax sharing, planning and management of the rural-urban fringe, environmental protection, infrastructure and economic development. It is important to leverage local social capital and networks to promote good governance.

Policy should move away from supporting rent-seeking by specific sectors. In this regard, Mark specifically opposes farm support programmes as a tool for rural development. Rural people are increasingly moving out of agriculture so such programmes are not going to have a substantial impact. Enterprise policy should also avoid “picking winners” and not employ tax incentives to attract businesses. Building local entrepreneurship and small and medium scale enterprises provides a greater economic multiplier. Policy should move away from trying to attract young adults and focus instead on attracting return migrants in their 30s. A high quality of life, a pleasant environment and good public services such as schools are important in this regard.

Trickle down effects of Irish urban centres

Note: the different shades denote the intensity of the impact of the nearest city on population growth in rural areas.
Source: Chris VanEgeraat and Justin Doran.



The Irish experience

Dr Chris Van Egeraat (Maynooth University) and Dr Justin Doran (University College Cork) provided a very complementary paper, estimating the spread effect of Irish urban centres. The aim of the paper was to analyse the population growth of rural regions based on their proximity to Ireland's five cities. The analysis shows that positive spread effects of urban centres on rural areas appear to outweigh the negative backwash effects. However, areas around Dublin and Cork experience by far the greatest spillover benefits from their location. This may support the idea expressed by Professor Partridge that cities with a population of less than 100,000 may be too small to benefit from agglomeration economies that can cause spread effects. Regions in the periphery such as areas in Mayo and Donegal observe no positive spillovers from growth in Ireland's cities, a stark conclusion in the context of the city-led regional development strategy incorporated in the NPF.

The conference also included a very interesting session on Irish planning over the last 50 years. Dr Proinnsias Breathnach (Maynooth University) presented on regional development policy following the 1968 Buchanan report and its impact on industry locations and spatial development. Professor Jim Walsh (Maynooth University) examined the influence of both the Buchanan report and the 2002 National Spatial Strategy. He considered the learnings from these for the NPF process. Finally, in this session, Professor Des McCafferty (University of Limerick) presented on the structural and spatial evolution of the Irish urban hierarchy in the 50 years since Buchanan. He examined urban population data over time and the distribution of population across the settlement hierarchy. He noted that it was important to understand

the growth targets for urban centres projected by the NPF in the context of historic trends. His conclusion was that the NPF targets for the second tier cities and the Northern & Western region in particular were extremely ambitious in light of their performance over the past 50 years.

Another session on 'Regional Strategy and Planning' covered a broad range of topics. Mr Louis Nwachi (DIT) presented on the importance of social and cultural objectives in town planning using a case study of planning in Abuja, the capital of Nigeria. Mr David Minton, Director of the Northern & Western Regional Assembly (NWRA), discussed issues for the development of the Northern & Western RSES, some of the historic development of the region and a number of the challenges in developing a region-wide approach. Finally, in that session, Mr John Nugent (IDA) discussed the role of IDA Ireland in attracting Foreign Direct Investment to the region. He outlined some of the important factors that influence the location of FDI, including the presence of an existing strong indigenous sector. He

also explained how the indigenous and foreign sectors are mutually beneficial. In the final session 'Understanding Regional and Urban Dynamics', Dr Helen McHenry (WDC) gave a presentation on what regional accounts can tell us about our regional economies and discussed some of the issues associated with the regional data and the widening of disparities among regions. Finally, Professor Edgar Morgenroth (DCU) presented on the impacts of improvements in transport accessibility across Ireland, highlighting some of the changes in accessibility over time. He noted that, despite these changes, human capital remains the most important factor influencing an area's development.

All conference papers are available on the WDC website (www.wdc.ie). A selection of papers will be included in a special issue of Administration, the journal of the Institute of Public Administration.

Right: Dr Chris Van Egeraat (Maynooth University)

Below: Dr Proinnsias Breathnach (Maynooth University), Prof. Des McCafferty (University of Limerick) and Deirdre Frost (WDC)

