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Leadership and Sustainable Regional Development

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WHY TO STUDY LEADERSHIP IN SUSTAINABLE REGIONAL DEVELOPMENT

This book proposes that to truly construct sustainable regional development models we need more in depth investigation into what influential actors, in co-operation with the main stakeholders, actually do to transform and reinvent their regions.

First, this book shows that leadership plays a crucial role in reinventing regions, and in enabling regions to branch out onto a new path in order to create more balanced and sustainable regional development. Second, the book argues that leadership is not a solo activity but is multi-agency and multi-level, and that it needs to be discussed and studied as such. Third, the book argues that leadership is present on different scales and is shaped differently according to various institutional and cultural contexts. In this book, we explore the ways in which leadership can be examined in a regional development context, contributing economically, socially and ecologically to a balanced and sustainable future.

Regions face the issue of leadership more urgently than ever, as they are increasingly, and simultaneously, confronted with ecological, social and economic difficulties. Important drivers of change are climate change, economic and demographic challenges,
unrestrained urbanization, and over-exploitation of natural resources. It is now widely recognized that regions should in future anticipate a more balanced and sustainable development in order to address these problems (Millennium Ecosystem Assessment, 2005; OECD, 2006). Yet, sustainable regional development is difficult to achieve in practice because of constraining rules and procedures, a short-term perspective, and conflicts of interests. State interventions are often insufficient because regional development is a collective process involving networks of public and private actors in which no organization has a primacy in governance (Padt, 2007). To overcome these, and many other potential bottlenecks, the 'human factor’ needs to be taken into account better than has been the case so far. In the end it is people who make the difference to sustainable development.

The central idea underpinning this book is that there is now an urgent need to better understand how regions can adapt to current challenges and deal with the wicked issues of sustainability by developing new multi-actor leadership capabilities. This book also provides an insight into the optimal conditions for creating the capacity to take action in the context of regional development processes which often face dead-locked situations caused by procedures, regulations, and problems in multi-actor cooperation. In addition, questions about how short-time leadership cycles relate to sustainable development in the long run, and how actions at the regional level are connected to sustainable solutions at the global scale, emerge as crucial issues. By understanding leadership better, and the roles individuals and coalitions play in sustainable regional development, we might better understand the dynamics of endogenous development processes. We also believe that all those people engaged in the betterment of their regions, whoever they might be
and on whatever spatial scale they operate, need access to studies related to their own work, action, and endeavours; in other words, they need advice on how it is possible to change the course of events.

The champions of regional development often understand the importance of clusters (Porter, 1990), they can see the rationale behind enhancing industry-university interaction (Etzkowitz and Leyesdorf, 2000), they have been taught to respect innovation systems (Freeman, 1987; Lundvall, 1992), and how to analytically construct them (Edquist, 2005). For his part, Morgan (1997) shows the roles animateurs play in knowledge transfer and learning within regional innovation clusters. What champions of regional development have not been given much advice on is how to do it all; that is, how to create networks for these purposes, how to direct and maintain them, and how to lead complex multi-actor processes. Leadership in regional sustainable development is not just a black box for practitioners, but also for academics as well. In local and regional development studies, it is always easier to identify the elements of success or failure retrospectively than it is to find new development paths for the future, and new modes of action in the middle of uncertain and open-ended situations. It is always easier to say that sustainability, social capital, networks, innovation systems, and clusters are important for regional development than it is to actually build trust, lead networks, develop systems, and mobilize actors for sustainable development. Of course, as well as stressing the how questions, leadership is very much about the why. In a fast changing and uncertain world (Bauman, 2005), the urgent need to make the world a better and more sustainable place can be a guiding principle and a driving force for the people involved.
The distinction between formal leaders and people who lead is that the latter inspire us because of what they believe and do by themselves. Inspiring leaders are those who express their dreams instead of their plans. Sustainable development is not only about the well-known dimensions of planet, people, and profit/prosperity, but it is also about passion. Passionate leadership is driven by an inner compass based on values and meaning. We know a great deal about what leaders do. However, how leadership is rooted in the inner motives of people and how it creates change is not yet well understood. Therefore, we ought also to explore the roots of leadership, its motivation, and inspiration, as well as the way it operates through networks and leads (or does not lead) to change. As Otto Scharmer (2005) puts it, ‘We are blind to the source dimension from which effective leadership and social action come into being. Successful leadership depends on the quality of attention and intention that the leader brings to any situation. Two leaders in the same circumstances doing the same thing can bring about completely different outcomes, depending on the inner place from which each operates.’

The rich, flourishing, well-thought out, and constant stream of research, which highlights theories that are important for local and regional development, has greatly informed policy-making and created conceptual frameworks from which to choose. Indeed, as Lagendijk (2006) shows, the stream of this conceptual flow is fast and overwhelming. This raises the following inevitable question: Why write about leadership when the shelves of the world’s libraries and bookshops are filled with regional development, management and leadership literature? The threefold answer is obvious: (1) there is a lack of studies focusing on leadership in the context of local and
regional development; while at the same time, (2) the new forms of governance call for leaders to produce results in an evermore more complex institutional context and, consequently, the question of policy formulation and implementation is as relevant as ever (in other words, what happens between policy expectation and perceived policy results); and, (3) there is a mismatch between policy recommendations for sustainability and knowledge of how to deliver change. Next, we take a closer look at these three issues, stressing throughout the need to enhance leadership in the context of regional development.

Local and regional development studies call for leadership studies

There are a very large number of books and articles on business and political leadership, but the literature on leadership in the context of local and regional development is very sparse indeed, although there are some exceptions (including Sotarauta, 2005; Gibney, Copeland and Murie, 2009; Sotarauta, 2009; Stimson et al. 2009; Collinge and Gibney, 2010; Horlings, 2010a; Liddle 2010; Horlings and Padt, 2011). However, in many empirical studies, the significance of key individuals and leadership has already been raised and also elaborated (Judd and Parkinson, 1990; Flyvbjerg, 1998; Linnamaa, 2002; Kostiainen and Sotarauta, 2003; Lehtimäki, 2005; Benneworth, 2007). Earlier studies show that both formal and informal leadership contributions matter and cannot be ignored (Collinge and Gibney, 2010). The leadership provided by those people who function as key figures in regional development processes, and who build bridges between informal initiatives and formal planning regimes, is shown to be especially important (Horlings, 2010a). These people aim to influence other actors and the course
of events in the name of regional development; in other words, they feel responsibility for their own environment, develop sustainable goals, and utilize their leadership position to put them into place. Leaders are actors who have a greater range of assets than others in the community, and this enables them to overcome the constraints.

Leadership is often seen in terms of formally constituted hierarchical power, but in a world characterized by inter-institutional overlaps and distributed power, and many conflicting or mutually supporting aims and policies (i.e. local and regional development), leadership needs to be reconceptualized. In this kind of setting, leaders are not only required to lead within the boundaries of the organizations and communities that authorize them, they also need to consciously work across boundaries in order to reach organizations and communities where their actions and words may have influence, although they have no formal authorization (Sotarauta, 2005). As Liddle (2003) points out, leaders work beyond traditional boundaries in unchartered territories with state, non-state, business, and auxiliary organizations (such as universities, trade unions, charities, and the third sector) that are often ill-defined and poorly networked, and with imprecise boundaries and role ambiguities. Hence, it is essential to align discretionary problem-solving skills with the capacities of multi-agency partners for successful outcomes. Indeed, recent research highlights strategic leadership as a fluid, relational, associational, interactive, and collaborative process (Gibney, Copeland and Murie, 2009).

Leach and Wilson (2002) remind us not to create any deterministic relationships between strategically responsive ‘community leaders’ and changes in space and time.
Indeed, leadership is a nuanced process; it is about making sense of new situations, processes, personnel and policy shifts. Leaders are thus turned into knowledge brokers (Gibney, 2011) who stimulate stakeholder engagement (Gomes and Liddle, 2010), mix economic, social, environmental and ethical considerations, and innovatively turn external stimuli into internal responses (Bennett and Krebs, 1994). They aim to influence the ways collective interpretations emerge and are shaped. Leadership is thus a multi-tier activity which has the aim of creating ‘capacity to act’ (Horlings, 2010a).

As MacNeill and Steiner maintain, leadership in itself is a ‘path-dependent’ process. Therefore, when investigating good leadership practice we have to recognize that managers and leaders are embedded in both the sector and the territory in which their objectives are centred (MacNeill and Steiner, 2010: 445). To be able to take an effective leadership position, regional development champions need to be able to influence the actions of other leaders, and predict how multitudes of stakeholders will be affected by, or can affect decision-making. They ought to be able to develop imaginative and innovative scenarios, and adapt and harmonize a myriad of processes, structures, institutions, partnerships and agencies within dynamic global, national and local regulatory frameworks (Liddle, 2010: 4–5). Leaders therefore need to be systems thinkers, boundary spanners, conceptualizers and connectors, since ‘tool kits’ and ‘institutional fixes’ do not suffice in a rapidly changing world. Sustainable development needs leaders who are capable of synthesizing a myriad of contradictory forces, and responding to the politics of situations with a long-term perspective. Adding sustainable value will be achieved through acknowledging diversity and dealing with dilemmas, competing voices and agendas.
It is should be acknowledged at the outset that there are always conflicting reactions to leadership. It is quite easy to underrate its significance and argue that change processes, not to mention sustainable development, are not led, but that they are results of many forces, or that it is impossible to identify the actors who really make a difference. This is, of course, the nature of these processes, but it does not imply that leadership does not play any role. It is also quite easy to overemphasize the role of individuals by giving some visible leader(s) all the credit, thus mystifying leadership and reconstructing the old-fashioned notion of a leader as a ‘talented and visionary person’ who controls and provides his followers with a visionary direction. Moreover, leadership cannot be reduced to an individual feat alone – it takes more than a visionary individual to ‘get things done collectively’. It is a collaborative process, which can be referred to as ‘shared leadership’ (Sotarauta, 2005; Karlsen and Larrea, this book), which has to be understood in the context of the dynamic interplay of relations and linkages at the regional level. At its best, leadership is ‘nested’ in social capital (Horlings, 2010b).

To conclude at this point, leaders are people who have the potential to organize and reorganize social action with an ambition to change the institutions in which the factors that affect sustainable regional development are embedded. Like Elcock (2001), we do not subscribe to those commentators who argue that individual leaders and their followers are in reality merely pawns in the hands of the economic or social forces, which really determine the development of peoples and nations. Neither do we subscribe to those elite theorists who argue that ‘the source of the domination of the mass of the people by small groups of leaders is essentially political and not economic’,
or who maintain that ‘all political structures will inevitably be dominated by small groups of office holders’ (Elcock 2001: 3–4). Our position is somewhere in between.

New forms of governance calls for leadership

The shift from government to governance has profound implications for the exercise of local and regional leadership. As Hambleton (2003) argues, ‘out goes the old hierarchical model of the city “boss” determining policy for city council services and imposing it on the bureaucracy, and in comes the facilitative leader reaching out to other stakeholders in efforts to influence decisions in other agencies that affect the local quality of life’. In our understanding, both leadership and the promotion of regional sustainable development need to respond to the shift from government to governance, and from hierarchies to networks (Powell, 1990). In an era of governance involving a wider range of actors (Peters and Pierre, 1998), simple bureaucratic and hierarchical models of policy making and implementation are of little explanatory use. It has been increasingly realized that the problem of the policy programmes of a centralized and compartmentalized government lies in the fact that various networks and contemporary wicked issues refuse to be bound by administrative or regional limits. Decisions concerning issues are often made in several organisations, both public and private. Different programmes and decisions may be contradictory because they split various networks without perceiving the whole.

Each policy arena is one of high-bounded rationality. It is difficult to know what to do, and gaining understanding is usually very demanding, and takes lot of time to achieve.
Defining the problem, let alone designing appropriate solutions, is a difficult and daunting task. Governance stresses that a number of agencies ought to be able to exchange resources and align their competencies, if they are to deliver services effectively and promote sustainable development (Stone, 1993; Stoker, 2000: 91–92). Governance also recognizes and acknowledges that many activities have shifted from formal organizing to more informal networking; therefore, network negotiation and coordination can be confounded by the political context in which they are embedded. Networks do not fit easily with being steered by government; instead they develop their own policies and mould their environment. Therefore, governance can also be defined as self-organizing, inter-organisational networks that are characterized by interdependence between organizations. Interactions in these networks are playful, rooted in trust, and regulated by rules of the game negotiated and agreed by network participants. (Rhodes, 2000: 61) At the simplest level governance is concerned with cooperation that transcends various borders, takes many goals into consideration, and is based on constantly evolving combinations of teams which develop according to circumstances. Combinations are not determined simply on institutional or regional grounds, but rather on the basis of shared interests and issues, regardless of administrative borders. In this kind of complex and fragmented local/regional world the paradigmatic form of power is that which enables certain interests to blend their capacities to achieve common purposes (Stone, 1993; Stoker 2000: 91–92).

The new modes of governance also challenge long-standing notions concerning policy formulation and implementation which, like scholarly activity, take different shapes and forms in different cultures and institutional settings. Scholars from varied disciplines
and with different perspectives have attempted to address the question of ‘what happens between policy expectation and perceived policy results’ (De Leon, 1999), and thus understand the process involved in the formulation and execution of policy (Liddle, 2003). It is difficult to provide a logical evaluation of a policy cycle, due to the complexities of governance, and the fact that we cannot always know who formulated the policies, how they are implemented, and by whom. Moreover, it is difficult to tease out how policies arise on the agenda, how they reach the statute books, and how, in turn, they are implemented 'lower down the chain'. We may never know who has the power or legitimacy to instigate a particular policy, and who was involved at certain stages of the process. Numerous individuals including ministers, civil servants, and those charged with implementing a reform programme will be intimately involved at the formulation and implementation stages, and in some countries the academic and business communities are also actively involved.

Classical rational and statist writers on implementation, such as Hogwood and Gunn (1984) and Dror (2002) have elucidated some of the difficulties in trying to separate policy from implementation, but no single theory captures the complexities and webs of decision-makers involved. Policy is being administered as it is being made, and made as it is being administered. Furthermore the content of policy and its impacts are always subject to modification, elaboration, and negotiation during the different phases of implementation; the major policy shifts are often negotiated in multi-actor arenas and related networks (Kuhlmann, 2001). Consequently, multi-actor forms of sustainable regional development policy challenge the straightforward definitions of policy-making as the boundaries between policy-makers and other actors become more blurred. This is
a true challenge as any policy includes problems to be addressed, objectives to be pursued, and the structure by which implementation is to be carried out. In addition, policy outputs need to be legitimized and compliance arrangements agreed by the target groups potentially affected by a specific policy, and policies are usually subject to bargaining and revision as they are put into practice. So as well as a 'top-down' classical view of how policy is formulated, we need also to be aware of the 'bottom-up' processes of negotiation and bargaining, as well as the interactions between policy actors at all stages of the policy process. Therefore, governance stresses the need to look beyond formal policy processes to truly understand how change is pursued and what roles policies actually play.

Governance suggests that side by side with such policy implementation issues, one of the core issues is the way network membership and relationships adapt to changing circumstances. The challenge then, is not only to learn new facts, issues or methods, but also to learn different thinking patterns, behavioural patterns, and values. It is not enough if to learn new policy content and ways of implementation, we also need to learn about each other. Consequently, we need approaches to governance and leadership where the point of departure is not necessarily the search for the right answers; instead, it is about how people contending with wicked issues from different standpoints and perspectives can join forces in the search for new questions and new answers. Governance presupposes striving towards a common understanding in situations that are characterized by differences of opinion, different objectives, and different views of the future, as well as ignorance and lack of information.
Leadership ability, in the context of governance, implies that the tensions between conflict and order and between self-organization and institutionalization are put to good use. However, the adoption of new, more communicative and interactive ways of problem solving and designing policy is not just a technical issue. It is also very much a matter of mental models and the culture of policy-making and leadership. There is a shift towards more responsive and integrated governance systems, and this is turning into a ‘new conventional wisdom’ associated with the balancing of regional economic competitiveness with ecological and social cohesion issues. Yet, whilst much of the attention on governance remains normative, our approach recognizes that the dimensions of leadership will be highly contingent, variable and differentiated, both in terms of process and outcome in different governance settings.

It can be expected that emerging governance settings will be more territorially based in the near future. The EU agenda for 2020 favours resilient places, which use the potential of their social, ecological, and economic local assets as the basis for development. OECD’s reviews show that human capital and innovation positively influence regional growth and are in fact the most robust factors influencing growth. ‘Place-based leadership can in this sense play an important role in strengthening human capital, capacity-building and social cohesion. However, we also need to acknowledge that in spite of the great efforts to construct new forms of governance in many countries, recent policies continue to create fragmentation and uncertainty instead of coherence and integration. Lack of central direction has created vacuums for leaders to ‘join up the dots’. (Liddle, 2010: 3)
The new forms of governance direct our attention towards self-reflexive individuals, or as Amin (2001: 1240) puts it, towards individuals who act on the basis of ‘the process of organizing/instituting as it unfolds, and on the influences and implications of such organizing/instituting’. For their part, Philo and Parr (2000: 514) suggest that it might be worthwhile investigating particular institutional geographies as ‘a spidery network of dispersed intentions, knowledge’s, resources and powers’. Indeed, as Cumbers, Macinnon and McMaster note (2003), such issues as power and politics have remained in the shadows in this flourishing field of inquiry. By taking these suggestions seriously, as they should be, and by raising unfolding policy processes, power and leadership among the debated issues, a fresh view on regional sustainable development can be gained. This kind of approach might provide us with a more realistic and sensitive view of the complexities of regional development. Therefore, we seek a more profound understanding of ways in which various incidents, people, institutions, and policies influence, not only the course of development, but also the ways various actors learn together or do not. Our approach explores the role of leadership in the creation of different modes of governance, whilst at the same time being alive to the complex ways in which the differing forms of governance impact upon leadership itself.

The particular nature of the ensemble of relations to be found in a place ‘makes a difference’ to the possibilities for sustainable regional development, but, as is argued here, the complexity of modern governance calls for new forms of leadership. Local and regional leadership occurs in particular places and in the context of local power structures that have been built up over a long period. There is a need for actors who can manoeuvre and navigate in the midst of increasingly complex governance networks, and
at multi-spatial levels of governance that are stretched from local/regional to national and global webs of influence.

**The challenge of sustainable development calls for leadership**

Regions across the globe are facing simultaneously severe ecological, social and economic challenges and difficulties. For many regions an obvious choice would be to set forth on the economic growth path and to compete with other regions for global, mobile capital and labour (Harvey, 1996). Such competitive regional development has historically been dominated by economic concerns such as growth, income and employment (Armstrong and Taylor, 2000). In Europe such an economic view is the key reference point for economic development strategies at all levels (Armstrong and Taylor, 2000: 886). Also mainstream scholarly concepts of regional development (e.g. regional growth disparities and growth poles) are dominated by neoclassical economics (Pike, Tomaney and Rodriguez-Pose, 2006). However, economic development and competition are increasingly considered too narrow an approach to regional development as they not only create ‘winners’ but also ‘losers’. Winners are often found in wealthy regions and valorize natural resources and local assets. Losers tend to be concentrated in vulnerable regions suffering from the depletion of their natural resources and a lack of local assets. In addition, negative social consequences (which include environmental injustice, social polarization, and social exclusion) can occur both in winning and losing regions (Meynen and Doornbos, 2004).
Localities and regions are not narrow economic entities whose performance can be reducible to their firms and the microeconomic environment within which they operate. To do so is to create a narrow discourse about routes to local and regional well-being where, to survive in a globalizing world, places become locked into ever more intense round of competitive behaviour in narrowly defined fields of activity (Wells and Bristow, 2007: 207). Consequently, regions face the challenge of anticipating a more sustainable approach to development in order to prevent a too short-sighted approach to competition. Since the World Commission on Environment and Development’s presentation of ‘Our Common Future’ (WCED, 1987), sustainable development has become a leading concept in policies related to the environment. An ever increasing body of literature is devoted to sustainable development but, as Vallance, Perkins and Dixon (2011) show, with a blurred focus. According to them, ‘we now have urban sustainability, sustainable management, environmental sustainability, weak and strong sustainability, or just “sustainability”, with debates occurring within and between each.’ Indeed, sustainability has emerged as one of the most demanding issues facing the world and is the lead concept in many policies with the key question being: How would it be possible to bring about such a profound change in the way things are organized that we would be able to meet fundamental human needs and ecological requirements at the same time? Sustainability is above all about an obligation to future generations. It shifts our attention away from conservation of specific resources and the need to leave the world a better place as it was. In a way, the broadness of the Brundtland Commission's notion of sustainable development allows us to even examine sustainability independently of environmental concerns (Clark and Dickson, 2003). Of
course, as Norgaard (1988) provocatively maintains, promotion of sustainable development is not a joyride:

‘Environmentalists want environmental systems sustained. Consumers want consumption sustained. Workers want jobs sustained. Capitalists and socialists have their ‘isms’ while aristocrats, autocrats, bureaucrats and technocrats have their ‘cracies’. All are threatened. Thus sustainability calls to and is being called by many, from tribal peoples to the most erudite academics, from Levi-clad eco-activists to pinstripesuited bankers. With the term meaning something different to everyone, the quest for sustainable development is off to a cacophonous start.’ (Norgaard 1998: 607)

Sustainable development no longer only applies to pollution control, the availability of natural resources, and to the protection of species and their ecosystems, but also to human and social development, which includes human rights, good governance and solidarity (Quental et al., 2011). As Horlings says in her chapter in this book, the core of the European Lisbon and Gothenburg agenda is the call for integrated solutions in regions which lead towards economic prosperity, social cohesion and environmental sustainability. Indeed, sustainable development is commonly perceived as a ‘balancing act’ between planet, people and profit. Examples are local, sustainable food production (a balance between profit and planet), cooperatives which maintain landscape quality (a balance between people and planet), and ‘green businesses’ (a balance between profit and people).

In practice, the balancing act is difficult to perform. Sustainable development – being a normative concept – refers to the responsibility to make short-term decisions from a long-term perspective on sustainability. It aims to make us all more aware of the need to take into account the effects of today’s decisions on future generations. The difficulty is
that social and environmental goals are often seen as obstacles to economic development, and vice versa. The social element in this approach reflects attempts to harness human potential so as to generate improved environmental outcomes or, as Chiu (2003: 26) has described it, to identify ‘the social conditions necessary to support ecological sustainability’ (Vallance, Perkins and Dixon, 2011). It has been noted that social sustainability has largely been neglected in policy and research (Cuthill, 2010) and economic sustainability is often uncritically linked to ‘global capitalist’ economies, thereby underestimating the importance of local and regional community-based economies (Gibson-Graham, 2008).

To cope with the conceptual challenge raised here, a shift from a mechanical to a co-evolutionary understanding of systems is required. This might help us to understand why development has been unsustainable, and what ought to be done to achieve sustainability (Norgaard 1988: 606). Overall, we maintain that nations and regions across the world do not disagree with the need to find new solutions for the sustainable integration of economic, ecological and social development but they are not always putting sufficient emphasis on this issue. In addition, it is becoming much clearer that any effective adaptations to environmental and resource vulnerabilities need not only to be localized but also locally generated, and that the diversity of localities and regions should be taken into account in the search for sustainable solutions. Indeed, this book stems from a conviction that this requires profound changes at the local and regional levels, and that regional leadership is needed to boost sustainable development in all its complexity. Today's post-industrial society challenges regions to invest in sustainability and to develop ‘eco-economic innovations’ based on regional qualities and local and
regional assets. By strengthening the uniqueness of each region, regions will become less vulnerable to over-exploitation and the effects of competition between regions. The recent global ‘credit crunch’ and the accompanying increase in livelihood insecurity has highlighted the advantages of regions that are less dependent upon global competition. These economies show economic diversity and are determined to bring about significant structural change to become more resilient (Larkin and Cooper, 2009; Ashby, Cox and McInroy, 2009).

Sustainable development requires appropriate institutions, governance and planning. In European regions, an increasingly complex assembly of actors are involved in today’s development agendas, ranging from private firms and labour organisations to government and non-governmental institutions. For current policy institutions, the complexity of issues and actors is difficult to manage (Horlings, 2010a). A complicating factor is that what constitutes an adequate area for regional development is quite variable, and depends on the geographical environment, natural resources, amenities, skills and infrastructure (OECD 2006: 114). Furthermore, European programmes for regional development often express the vested interests of elite groups, and people seeking sustainable alternatives are often excluded from powerful networks and decision-making processes (Padt, 2007; Padt, Boonstra and Reudink, 2008).

Partnerships in various European countries face a number of potential obstacles, such as the complex, rigid and fragmented national and supranational policies that affect development (OECD 2006: 114, 127).
This book argues, to repeat the main message, that leadership is becoming more important. In the end it is the ‘human factor’, which plays an important role. Leadership capacity is a quality that can alleviate the negative consequences of economic regional development and reinforce the positive ones (Bridger and Alter, 2008). Sustainability requires a move beyond current scientific barriers. This includes applying a multitude of theoretical perspectives and cross-scale dynamics and approaches, which incorporate a range of non-linear interactions and irreducible uncertainty systems. Marsden (in press, 2011) argues that there is a disjuncture in the current literature of regional and governance studies and sociology, between sustainability transitions (Geels, 2004) and ecological modernization (Spaargaren and Mol, 1992) on the one hand, and the resurgence of place and space on the other. Marsden pleads for sustainability research rooted in the concrete contexts of space and place:

‘Dealing with sustainable spaces and places becomes more of a priority as part of a broader movement towards sustainability science, not least because it is becoming much clearer that any effective adaptations to environmental and resource vulnerabilities will need to be inherently “place based”. That is they will have to accommodate the particular heterogeneity and diversity of place. This is so even if those places are both relational and bounded entities and contain a range of diverse communities of place and of interest. Hence, it would seem that we need to recognise both the fluidity and relationality of place and space on the one hand, at the same time as also recognising that sustainable “transitions” in themselves will indeed need to be rooted in real spaces and real time frames if they are to indeed become transitions.’

Sustainable development requires the transition of society which implies not ‘doing things better’ or more environmentally soundly but ‘doing better things’. It starts with a much needed change in awareness which can then lead to social and cultural changes. It is here where leadership again comes in. Leadership is about making individual
sustainable and value-based choices, which can function as a guide and inspiration for others to follow the road of sustainable development. And in making steps we create the path. As Hay (2010) puts it:

‘Without attention to how we view ourselves and the world (philosophy), what forms of improvement appear to be most appropriate (development) and how to motivate and help direct us to get there (leadership) any program to address sustainability is only superficial.’ (Hay 2010: 163)

THE CHAPTERS

The sustainable development debate originally included a clear social mandate, but for some time now the human dimension has been neglected and the focus has mainly been on bio-physical environmental issues. Alternatively, the human dimension has been subsumed within a discourse that conflates ‘development’ and ‘economic growth’ (Vallance, Perkins and Dixon, 2011). In line with Vallance, Perkins and Dixon (2011) we stress here the need to include human agency, as well as a clear social mandate, in the efforts to promote sustainable development. A better understanding of the leadership required for sustainable regional development calls for reconciliation of the often competing demands in the tripartite relationship of society, environment, and economy (Vallance, Perkins and Dixon, 2011). Bearing these three terms in mind, the chapters, which put flesh on the bones of leadership, are grouped into three main categories:

• new modes of governance call for new leadership approaches
• social capital calls for leadership
• where collective and individual leadership meets, new understanding on leadership dynamics is needed

The first part is comprises chapters that highlight the need to study new and emerging forms of leadership. The discussion is initiated in Chapter 2 by John Gibney who argues
that ‘there is a renewed and growing interest in the role that leadership plays in the continuing shaping and re-shaping of competitive and yet fair and sustainable places’ (Gibney, 2011). From this premise, he sets out to discuss the leadership of place from a dynamics of knowledge point of view. Gibney explores the key features and dynamics of knowledge in the context of the shaping and re-shaping of cities and regions. The chapter highlights the significance of incorporating the broad knowledge discourse into the argument for a more progressive leadership of cities and regions. Gibney concludes by setting out some thoughts on a new research agenda around the relationship between knowledge, sustainable places and leadership.

Gibney’s chapter is followed by Joyce Liddle (Chapter 3) who, by examining the recent changes in the British governance structures for city regions, shows how multi-agency elites seek strategies for turning external stimuli into internal responses. As she maintains, the capacity to harmonize social, economic, environmental objectives lies at the heart of any transformation process. Liddle’s in-depth analysis of 34 established British Local Enterprise Partnerships reveals that the idea of having heroic leaders who act on behalf of citizens is no longer appropriate in the fast changing world of new public governance, where the need to break out from the old government silos is palpable. All this requires a deeper understanding of the linkages between formal, hierarchical and statutory frameworks, and informal interactions and inter-connections. To these ends, we need to enhance our understanding of the models and theory of collective leadership.

In Chapter 4, Frans Padt starts by maintaining that a Machiavellian type of regional leadership creates tension with sustainable development objectives. He seeks for a
leadership that calls for sustainability on different scales, even though leadership is being deployed at a regional scale. Padt puts forward a strong argument that the Managerial State tends to consider regional policy as a tool for national policy delivery, and that this kind of reductionist view of regional development may result in regional leaders ‘becoming governmentalized, thereby encouraging “exit” of the citizenry and frustrating sustainable development’. Consequently, Padt proposes a normative approach to leadership so that these bottlenecks might be prevented. He concludes that, by favouring short-term efficiency and consensus on achievable solutions, managerial leaders do no good to sustainable development.

Chapter 5, by John Diamond, begins with the notion that there has been a significant increase in the direct funding of ‘leadership’ initiatives for the voluntary and community sector across the UK. He shows that there is an important shift taking place in the activities and actions of a new layer of professional managers and administrators. Diamond argues that the growth in the voluntary and community sector has created a new layer of managerialists in the field of governance in the UK. Through reflections on practice, Diamond seeks to sketch out the potential to support innovative ways of working and thinking amongst a key group of activists and managers.

In Chapter 6, Andrew Beer and Emma Baker expand the discussion beyond social sustainability, and they explicitly incorporate ecological sustainability into the analysis. This chapter considers the role of leadership in responding to the formidable environmental challenges in non-metropolitan Australia. Beer and Baker draw on their empirical study of two South Australian regions: the area in and around Orroroo in the
Mid North; and the Riverland, focussed on the town of Waikerie. They scrutinize the role of ‘slack resources’ in enabling leadership to find an effective voice, and the implicit and explicit articulation of power relations in leadership groups. Beer and Baker conclude their chapter by maintaining that ‘policies that seek to advance the leadership capacities of regions, through education, training, better provision of information to existing leaders, the provision of additional resources to support initiatives and the devolution of some responsibilities, provide a dividend to both society and the environment.’

The second part of this book presents studies that focus on the relationship between leadership and social capital. Chapter 7, by Ina Horlings, considers such questions as ‘What is the role of social capital and leadership in the transition of rural European regions?’ and ‘How is this influenced by policy arrangements?’ Her chapter is based on a large European study on environmentally sound rural development, a research project in which 12 case studies were carried out across Europe. By drawing especially on the Dutch, British, Finnish, Latvian and Italian case studies, Horlings shows how social capital functions as a lubricant in sustainable rural development. This chapter concludes that leadership, institutional arrangements, and endogeneity underlie the emergence of social capital.

In Chapter 8, Kristine Peters takes the discussion back to Australia by placing socially embedded leadership under scrutiny. She sets out by making an observation that reliance on arbitrary leadership is unpredictable and may deliver unexpected and unwanted results. As she further maintains, charismatic leadership, without the
underpinning social and institutional structures, produces variable and largely uncontrollable outcomes. Consequently she asks, ‘How can governments work together with regional leaders to achieve policy outcomes?’ Peters’ chapter compares three separate South Australian groups: (a) socially connected businesses; (b) businesses with connections based mainly on brokerage of information; and, (c) disengaged businesses. The results show that intentional leaders, who purposely use their social capital networks to develop and maintain strong group norms, are more likely to produce sustained behavioural change in their member businesses than leaders who use an arbitrary approach to networks and information exchange.

In Chapter 9, Garri Raagamaa, Grete Kindel and Matti Lüsi, analyse retrospectively whether the factors that produced a positive economic performance in the 1990s are still functional in a situation that is characterized by severe financial crises. They discuss the mechanism of institutional change, in other words how leaders accomplish changes in a society, and the qualities that leaders need to possess. Raagamaa, Kindel and Lusi show how leadership can build social capital that enhances sustainable regional development and also, how leadership requires individual level social capital to truly influence the course of events. They also maintain that leadership plays a crucial role in building and maintaining the human capacity to act. Their study is based on a case study which focuses on Emmaste, a rural municipality in Estonia.

The third group of articles moves the discussion onto encounters of collective and individual leadership, and especially onto a scrutiny of leadership dynamics. Markku Sotarauta and Nina Mustikkamäki initiate the discussion in the Chapter 10 by arguing
that, (a) regional development is embedded in the interplay of intention and emergence in time; (b) the regional innovation journey is a way to conceptualize regional development efforts from a temporal perspective; and, (c) leadership can be conceptualized as a relay in time. They use the emergence of regenerative medicine in Tampere, Finland as an illustrative empirical case study; hence, this chapter links mainly with the discussion of economic and social sustainability. Sotarauta and Mustikkamäki show how a leadership relay takes place in the middle of open-ended and fuzzy situations which constantly crosses various policy spheres. Their case study reveals that, to produce results, the leadership relay crossed innovation, science, local and regional economic development and healthcare policy boundaries.

In Chapter 11, Miren Larrea and James Karlsen continue the discussion initiated by the previous chapter by analysing shared leadership as a bottom-up process. They ask how shared leadership emerges and evolves in the context of policy networks. Larrea and Karlsen emphasize that it is a daunting endeavour to keep networks alive and functional, and thus they maintain that leadership ought to be approached as a cyclical process evolving from consensus to conflict and back again. Their main emphasis is on the question of how conflict and consensus can be made explicit by shared leadership. They draw upon an empirical analysis of the local development network in Ezagutza Gunea in the Basque Country, and focus on the ways shared leadership makes tacit conflict visible and thus possible to deal with.

In Chapter 12, Catrien Termeer and Sibout Nooteboom argue that sustainable regional development requires innovations that exceed the jurisdictions of organizations and
command and control bureaucracies. According to them, these innovations raise specific leadership challenges as they are not controlled by anyone, but need to be enabled by many. In tackling this issue, Termeer and Nooteboom discuss how Complexity Leadership Theory (CLT) and, most notably, the concepts of administrative, enabling and adaptive leadership may enhance our understanding of the role of leadership in generating sustainable innovations in regional systems. This chapter demonstrates the utility of these concepts by analysing how people are achieving sustainable innovations in Greenport Venlo, the Netherlands.

Chapter 13, by Ina Horlings, discusses value-oriented leadership in the Netherlands. Horlings analyses the roles of private leaders in sustainable regional development. She used a ‘value-based leadership model’, which means taking the subjective motives, values and opinions of leaders into account. She integrates into this model the individual versus the collective dimension, and the inner subjective versus the outer objective dimension of leadership. Horlings concludes that sustainable regional development benefits from shared leadership where collective values, feelings, trust, commitment and energy form the basis for mobilizing private and public actors around a joint agenda. The empirical analysis shows that leaders help to raise awareness in the region and play a sense-making role. They tell stories and aim to align people around sustainability issues. Leaders contribute to the formation of new vital coalitions that create the capacity to act within the institutional context.

Chapter 14, by Markku Sotarauta, Ina Horlings and Joyce Liddle, brings together the main observations of the previous chapters and suggests themes to be explored in future
studies on leadership in local and regional development. They suggest that knowledge leadership for resilient regions might offer an integrative framework for proceeding. Drawing upon all the chapters and reflecting their core message, Sotarauta, Horlings and Liddle, aim to pose questions for future endeavours, rather than searching for answers.

Bibliography


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