

Peripheries – the agenda

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The innovative northⁱ

According to analysis for the European Commission, three of the four leaders in innovation in the European Union are the Nordic countries of Denmark, Finland and Sweden – Germany being the other (Innovation Union Scoreboard, http://ec.europa.eu/enterprise/policies/innovation/facts-figures-analysis/innovation-scoreboard/index_en.htm).

Confirming this tendency to modernity and adaptation to the demands of a globalised marketplace, in a similar pan-European study, it has been observed that there are:

“economically successful regions with below average accessibility. Often ... sparsely populated and remote ... in the Nordic Countries, north-east of Spain, Scotland, Ireland and in and around northern Italy. ... Regions in the Nordic Countries, for example, have overcome their peripheral location by capitalising on current strengths in relation to ICT, research, educational and environmental opportunities and less on improving their accessibility”. ESPON (2010), New Evidence on Smart, Sustainable and Inclusive Territories. Polycentric Europe: smart, connected places, First ESPON 2013 Synthesis Report.

<http://www.espon.eu/export/sites/default/Documents/Publications/SynthesisReport/FirstOctober10/fullversion.pdf>.

Contributions to the book on *Regional Development in Northern Europe : Peripherality, Marginality and Border Issues*, (edited by Mike Danson and Peter de Souza, published February 2012, Routledge) include chapters which extend this particular research theme by focusing on specific regions, especially in Scotland and Norway. Around the former, Davies et al. (2012) provide positive answers to the question of “Can peripheral regions innovate?” while in the Norwegian context Bergum (2012) discusses “Proximity and distributed innovations. Innovations ‘in the shadow of the clusters’” revealing that, indeed, the ESPON and CEC findings are transparent on the ground.

These reports suggest that there are lessons to be learned from the northern peripheral regions of Europe in delivering innovation and economic development, complementing the recognised leadership of the Nordic countries of global measures of living standards, equalities, gender balance and other indicators of successful economies and societies (Danson, 2012). Nevertheless, we have felt compelled, due to the consistent appearance of alternative arguments and, although fragmentary, empirical information, to argue that the dominant academic paradigm and policy frameworks in regional development have been working against the needs of these peripheral and marginal regions of the north, with negative repercussions for these communities and European competitiveness overall (Danson and de Souza, 2012b).

Contradictions and the need for a network

In particular, we have demonstrated that there is a need for a better balance in the focus of research and analysis across the continent by showing that, while there has been much research and attention paid to the regions in the core of Europe - and especially to cities, city-regions, old industrial areas, border regions and to some of their underlying characteristics - such as clusters, agglomerations generally, regional innovation systems, the specific features of peripheral and marginal regions have been relatively neglected.

The periphery and margins have not been well served by mainstream regional research, policy and development. Even the concepts and strategies applied to explain, to advantage and to regenerate ‘the problem regions’ have tended to neglect the shadow, weak and tail-end areas within these areas. For example, there has been much written on the Northern Way – the major cities in the regions of the north of England - and the major cities of Scotland, but there has been little academic or policy interest focused on their hinterlands and the small towns of their respective territories.

To begin to address this, a scientific network of academics, practitioners and policymakers dedicated to the peripheral and marginal within Europe's northern periphery has been established with several workshops, publications and a website used to explore and disseminate the knowledge and understanding generated. Amongst the issues we put on the agenda were:

- Whether we can be satisfied with the way that traditional theory is used in relation to the periphery?
- Are the methods of analysis adequate? What is being measured? How is it measured? What is concluded?

What is described in the literature and in policy documents as universal tends to be neither examined nor explored with regard to the periphery with the same emphasis as urban, high-tech structures and processes. Following from this, we cannot discuss the situation in the periphery with the same kind of assertiveness as the dominant tradition when approaching the theory of development, particularly in its growth and urban orientation. When discussing the periphery, the urban is presented as an absolute role model in a dichotomy carrying flavour from absolute good and bad. The 'urban' is also being generalized in such discourses to such a degree that it hides the reality that urban is many things and not all of them beneficial for growth and development (Syrett, 2012; Bosworth, 2012).

So, the field is not only under-researched but it is also, in many aspects, misdirected. The dominant paradigm and its methods, ways to measure, choice of problems/cases are not capturing the complexity of the new (and old) structures and processes that characterize the periphery in its further development. This dominance is so decisive that it seems to reduce most regions to passive by-standers in an urban-driven, centre-dominated, interest-based merry-go-round, exploiting the periphery, margins and rurality to a degree that enhances/exploits and transforms the actual position and role of regions. In parallel to this, the core, capital cities are often – and especially in large countries such as the UK, Spain and France – promoted as the drivers, leaders and funders of the nation, with the 'regions' dependent on hand-outs and subsidies from this rich benefactor.

Theories and dominance: core-periphery poles and oppositions

We concluded fairly early in our discussions that the treatment of the periphery in scientific and popular contexts gives a reading of trends, structures and processes that continue to focus on a clear negative profile. Just think of how the media and public sphere in the UK highlight the problems of the southern periphery of the EU during the current recession and financial crisis; meanwhile, the resilience of the Nordic countries is ignored as it fails to fit the essential discourse of the core. So from theory through policy to analysis, the unchallenged view from the centre is an ill-informed depiction of the northern periphery as 'a basket case': uniformly lagging and failing.

Growth mechanisms are traditionally connected or explained by a focus on the accumulation of factors of production, the relation between these supported by descriptions of efficient redistribution functions, such as financial and labour markets. The competing theories and policy prescriptions of the last quarter century have stressed agglomeration and geographical clustering as a necessary complement of concentration and proximity. Underpinning the European Commission's competitiveness agenda (CEC, 2010) are concepts associated with the New Economy Geography of Krugman (2011) with its arguments for trade based on agglomeration economies, Porter's cluster analysis and strategy - which have been significant in regional, national and EU approaches to development - have favoured the core and metropolitan centres, and the ideas of a creative class proposed by Florida where cosmopolitan cities and centres. The oft-unstated understanding is that, by definition, the regions of the periphery are lagging, uncompetitive and less attractive to mobile and creative labour, losing talent and failing to benefit from brain circulation. Density, as a positive, is taken for granted; and sparsely populated regions at a natural disadvantage.

The theories of localisation and their policy derivatives applied at national and international level therefore not only serve the northern regions poorly by generating barriers to full inclusion in industrial clusters and collaborations but also introduce and consolidate the forces of peripheralisation. Interestingly in our introductory work (Danson and de Souza, 2102b), we trawled dictionaries and thesauri in several languages to explore the origins of 'periphery' and 'marginal' and their contrasting verb, noun, adjective and adverb forms. This revealed how nuances across languages could reveal useful insights into the embedding into apparently neutral terms themselves negative and derogatory attitudes; the alternative meanings attached to the word for 'left' in almost all languages seems similar to us.

Already disadvantaged in a globalising economic world by distances from the core – in miles, time and cost, the positions of the peripheral regions are exacerbated rather than diminished by the cumulative causation processes encouraged by the centralisation and drivers of EU expansion on the continent. But the research of our colleagues across the peripheral north have shown how the Nordic countries, especially, make the greatest efforts to moderate such differentials. The workshop meetings in Rena in the Hedmark region of Norway in 2010 and in the University Centre of the Westfjords, Ísafjörður, Iceland last September – surely the ultra-periphery of Europe – demonstrated how connected and resilient such

communities, and especially where there is support from the capital for both academics and people (Hermansson, 2012).

Examining the dominance of agglomeration theories has led some to arrive at similar conclusions: "In both academic and policy circles the mechanisms underlying the learning and innovation benefits of agglomeration remain poorly understood" (Crowley, 2011, 18). By extension, we can also consider that, to a much lesser extent, such ugly terms as 'disglomeration' and 'deglomeration' should be considered for relevance and application. Papers on counter-urbanisation, entrepreneurship and virtual regions in and of the periphery offered new areas for analysis and discourse, and critically in ways that would be different from their exploration from core or capital city perspectives. The chapters in the volume dedicated to the discussions by the network are testament to the benefits of such an approach oriented on the periphery rather than on the centre.

And that returns us to asking whether the starting point for discussion of theory in terms of clusters, innovation systems, triple helix, learning regions, etc., is whether these are actually theory constructions in themselves, parts of a larger theoretical construct or primarily policy development/offensive, presenting an aura of academic polish to their efforts to becoming established theory? In other words, is the acceptance and promotion of the latest paradigm, theory or policy outwards from the established core always to be taken as a natural expansion out or should we consider that the fundamentals are so different outwith the centre that relationships, linkages, values and norms should be recognised and their significance evaluated appropriately?

In the shadow of the cluster

There is still much to say or ask for when it comes to empirically defining the structures and processes that constitute the basis for the claimed benefits of these theory and policy packages. And so, we aimed to determine where are the studies that focus on what happens in the shadow or in the tail end of the cluster, and the actual dynamic nature of incomplete networks. Following from these questions we wanted to determine what is happening outside of the cluster; for the rest in the periphery, the small, traditional, and craft sectors and the way this has an impact on the cluster.

For academics, policymakers and practitioners this prompts investigation of the strategic implications of these aspects of enterprises and their business for the cluster and for the periphery. In particular, with the focus on the perceived need for prioritisation of selected key sectors at all levels and geographies, we are led to ask what happens outside of these favoured environments as a consequence. This is not unrelated to parallel debates over general support for new start enterprises and picking winners, only here the bias seems to favour the core under all regimes where neo-liberalism reigns.

In such discussions and collaborative research, participants outwith the capitals and metropolitan areas are more likely to question whether the unchallenged and constant claims for success of economic growth where centralization/urbanization takes place is consistent with reality. Related to this is whether the urban/centre is a consequence of or a prerequisite to economic growth as there are opportunity costs to the attendant decisions over public expenditure and investment financing.

As proposed in the introduction, one of the fundamental issues is arguing that the core, centre, capital, urban dimension sets the agenda in analytical as well as policy terms as a general system-defining collection of characteristics. This bias, of being a model for development and growth, will have its direct bearings on choice of theory, methods and analytical variables, and, through this have weighted implications for the analytical outcome, and evidently on policies and implementation.

One of the obstacles agreed at meetings of the network across different national and geographical boundaries has been over the relationship between the statistical/empirical base and its role in defining the bounded entity or place, and further on in specific spatial categories. Different definitions of the boundary, minimum scale, geography, community etc. from core and peripheral perspectives therefore tend to disadvantage attempts to undertake research in and of more remote, sparsely populated or isolated territories. The clusters research and strategy in Scotland was a case in point where the failure to recognise space or distance doomed that approach to failure in such a diverse country (Danson and Whittam, 2001).

In scientific analysis, monitoring and evaluation, there has been an increasing tendency to give priority to what is easily quantifiable. The focus on performance indicators, targets, outputs and outcomes in the UK Treasury's Green Book (HM Treasury, 2003), in EU structural fund programme operating plans and deliverables (Scottish Government, 2009) and in other forms of assessment dependent on scoring and quantification (e.g. the approaches of the World Bank, IMF, OECD, Scottish Enterprise) is problematic for peripheral northern regions in two respects. Sparsely populated areas have greater diversity of experiences and higher costs of identifying and collecting data than communities and economies in the core; these undermine the efficiency and effectiveness of standard applied analyses. Second, the aims and objectives captured by the measures and data forms expected and used are based on the norms, processes, relationships and input-output linkages of the mainstream economy – the periphery is evaluated as if it was like the core, implicitly competing with the core, in an aspatial formless environment.

In specific cases, such as the Highlands and Islands of Scotland, 'national' surveys may not even cover their area and population, biasing the aggregate in hidden ways not immediately apparent to the analyst.

Analogously, the choice of variables in the analyses and the methods applied may not be geography-neutral and so disadvantage the hinterland and marginal, oblivious to connections and relationships that are not relevant to all areas or which fail to accommodate differences (Mønness and Arnesen, 2012). So, rather than an apparent uniform dependency of the rural, lagging periphery on the dynamic capital and core, our participants frequently revealed and described where the composition of economic activities, of historical dimensions, confirmed that urban development needed the periphery in absolute terms. Beyond the basics of food, water and energy, research by Andersen et al. (2012) demonstrated the critical environmental, social and spiritual roles delivered by the rural, small town and traditional communities outwith the congested metropolitan areas.

Relating back to the elements of innovation and regeneration, there were numerous instances of new economic activities being developed, increasing value added in old branches in the periphery – in traditional primary and process sectors (Lindegård, 2012), and offering new opportunities and industries in renewable energies (Callaghan et al., 2012), creative activities and experiential economies (Lorentzen, 2012). With new economic activities complementing and replacing existing economic structures in the periphery, there is an inherent significance to be addressed that can be lost in the shadows of existing agglomeration-focused strategies and research (Crone, 2012).

Several papers at the workshops argued that the rural/peripheral is not necessarily an exclusive economic, or more correctly market, issue and so that externalities need to be recognised and accounted for in general analyses. Compounding the measurement and data considerations described above, therefore, challenging the definitions peculiar to the mainstream of central processes like innovation and entrepreneurship can lead to changes in the perception of peripheral activities (Herschel, 2012). Research on community levels of activity in remote and difficult environments revealed higher degrees of dynamism and achievement than would be suggested by standard analyses of what appears to be enterprising and innovative (Fuduric, 2012; Granqvist, 2012).

In the discussions over HS2 in the south of the UK, there have been a few voices reminding those promoting the regional economic development potentials of the well-established two-way road problem. This exemplifies that changes in different dimensions of transport and information infrastructures change the preconditions of local economies everywhere; greater connectivity and the eastward expansion of the European Union have made the peripheries of the north relatively more disadvantaged yet most analyses of trans-European networks and ITC neglect such negative impacts. Papers on the obverse effects and on strategies to ameliorate these unintended consequences were to the fore in Ísafjörður especially, but also raised in all workshops. Jan Stanley (2013) in this Special Issue describes some of the practical examples observed in the field in Iceland while contributors to the edited volume as well as this Issue analyse the forces, funds and facilitators behind such initiatives.

Alongside globalisation and associated crises and recessions, climate change and environmental concerns have put the non-urban potential in the limelight, again. Leading and accommodating efforts to address issues around the pursuit of renewable energies and sustainable development are described in all our meetings, with chapters on the practicalities and processes by several authors.

Outputs and summary

From the outset, the network some of whose work is disseminated here, has been concerned with the position and attention given to peripheral and marginal regions across the globe, but particularly within a Europe where cities and city-regions are dominating the research and policy agenda. The website pemabo.net has been established to support the dissemination of research from across northern Europe, foster knowledge exchange and contribute to more significant cooperation across borders. All academics, practitioners and policymakers with an interest in these issues is welcome to join. In providing this platform we are maintaining the pursuit of our initial primary objectives:

- define the state-of-the-art re concepts of periphery, marginality and border issues in theoretical, methodological and practical dimensions
- promote scientific discussions and contributions progressing theoretical and methodological issues in relation to peripheral, marginal and border region issues
- create a platform for the combination of intellectual discussion and practical endeavours in this special and specialised field of regional development, issues and practice
- develop this discussion directly and through the presentation of empirical studies creating a foundation for comparative research on a wide geographical scale
- further contribution to the organisation of scientists and regional actors and policymakers in this field and complementary to the organisation of a scientific and practical network.

With the acknowledgement that 'periphery' and 'marginality' are special dimensions, versions or variants of this framework, the rationale remains:

- there are not many studies which consider them generally
- even as state-of-the-art research, they are quite fuzzy concepts in spite of their noted presence
- the opportunity is offered to improve understanding of what promotes and hinders growth and development, in the non-core regions but also more generally
- better analysis and knowledge of the areas in the periphery themselves is generated, although much of the interesting material describes the uniqueness of each and every region

Observations that have become apparent over these five years of the network include:

- All presenters live in and work in the northern periphery of Europe.
- The counterfactual is a legitimate area for research.
- The core exclusively sets the agendas leading to misguided analyses, actions and policies; the imposition or encouragement of solutions to non-problems; the coercion into adopting inappropriate approaches; and attacks on property rights.
- The differences in gross and net impacts can be particularly important in small, isolated and remote regions with the need to examine the particulars of leakages and spillovers to understand local economies better; this is often not the case in the core or in the heart of the agglomeration.
- Dynamic effects and cumulative causation often work to the detriment of the periphery and benefit of core.
- Experiences and research outputs suggested that rural and remote areas often demonstrate a better work-life balance for the population, suggesting that there are societal benefits to be pursued in redefining respective roles and influence of the periphery and core in this and other spheres.
- Social capital within (bonding) and between (bridging) communities is often critical to these regions but underplayed, as if the conditions were the same everywhere. Promoting active links within the community of peripheral and marginal regions may be the policy prescription locally, in contrast to a market solution in the core.

Developing from this and the foregoing, it follows that networking and partnerships between these regions, rather than with their respective cores and capitals along vertical supply chains and channels of power, holds much promise for mutually beneficial learning and dissemination of good practices. And it follows that there is merit in the dissemination of successful role models from regions, their actors and analysts to promote the voice of the periphery and the marginal to each other, to themselves and to Europe.

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ⁱ We continue to evolve our discussions as to how transferable the research and experiences in the 'Northern Periphery' are to the 'north' and to the 'periphery' each more broadly defined. Feedback is continuing to be gathered from academics and practitioners across Europe and beyond and comments are welcome.