

What should be the main components in a Territorial Monitoring System at European level related to the aim of territorial cohesion?

The workshop held by ESPON on 12 November 2008 prompted an exchange of ideas within the UK ESPON Network, as Cliff Hague explains:

The theme of the ESPON workshop promoted some lively discussion amongst members of the ESPON UK Network Advisory Group. Simin Davoudi noted the efforts already made in ESPON 2006 to develop a European Territorial Cohesion Index. She described the pursuit of such a synthetic indicator as “not just a technical challenge but a highly political one”. She drew an analogy with the Human Development Index, which while open to criticism as being too crude and limited, had nevertheless proved to be a way of challenging the dominance of GDP as a measure. Might a Territorial Cohesion Index help to move territorial cohesion to the core of the EU policy agenda?

Contributors to the discussions dared to suggest that maybe the emperor has no clothes on – or more bluntly “What on earth are territorial dynamics?” The language of “Eurospeak” is creating barriers between those championing the territorial cohesion idea in Brussels and practitioners across the UK struggling with day to day pressures to come up with an evidence base on which to build policies for regional development.

Andreas Schulz Baing from the University of Manchester pointed out that some of the problems stem from the different languages and planning cultures of Europe. “A term such as territorial cohesion will be interpreted in the context of what people know from their respective national systems – the German Raumplanung/Länderfinanzausgleich, the Dutch Ruimtelijke ordening, the French Aménagement du territoire”, said Andreas.

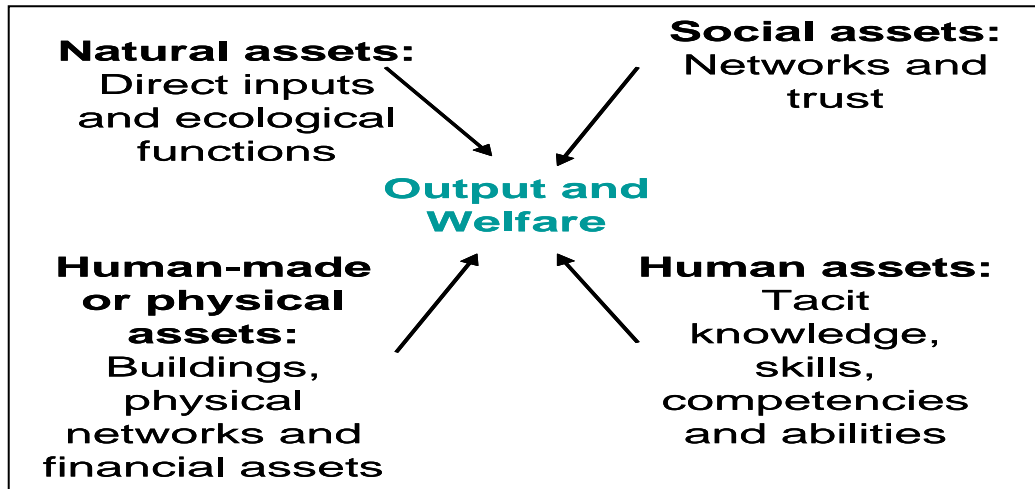
Even terms like “urban” and “rural” have different meanings in different countries. Adrian Healey pointed out that typologies constructed at the European level do not always reflect local perspectives. Furthermore, Adrian and other contributors to the discussion, recognized that the units for which data is collected can determine the findings: a large unit such as NUTS 2 or NUTS 3 can suggest that the area is urban, but at the finer grain of NUTS 4 or 5 the picture can change. Adrian noted that “In the UK, our particular mix of NUTS classifications may lead to an 'averaging' effect in many areas”.

So if we could overcome the problems of defining a territory, what are the dynamos that drive it? What difference does place make to outcomes? Grant Duncan drew attention to a recent presentation by Dr. Henry Overman of the LSE’s Centre for Spatial Economics, which looked at spatial disparities in the UK. Dr. Overman drew a distinction between “people effects” and “place effects”. While there has not been much research on this at city-region level, the evidence is that between 40 and 70% of disparities can be explained by a sorting effect. In other words, the differences are mainly due to different types of people, with different skills and productivity, living in different types of place. So it is not so much the characteristics of the places themselves that make a difference, rather the people who live there. While the UK has some of the highest and most persistent regional disparities in the EU, it also has high levels of personal inequality, and differences within regions are wider than between regions.

Dr. Overman argued that, notwithstanding the importance of people effects and sorting, there are also place effects. The same person can be more productive in some places than

in other places. This in part reflects the agglomeration effects that are now widely acknowledged, but also some more traditional geographical factors such as infrastructure, which today includes access to broadband internet, for example.

Prof. Gordon Dabinett drew attention to a presentation by David Wood from CLG to the European Regional Studies Association. While economists have too often focused only on national economies and the micro-economics of a firm, the reality is that any national economy is “the sum of what happens in different places”, while places are “the summary of the activities of people and businesses operating within them.” Place based policies such as regional strategies therefore need to reflect the holistic nature of places.



A holistic understanding of the drivers of productivity in a region (from Wood 2008).

As Graeme Purves pointed out, Geddes basically got it right a century ago – it’s about “Folk, Work, Place”!