(How) Can Institutional Design of Urban Governance Promote Learning Cities?

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Institutional Design of Urban Governance for Learning Cities

- “Models of cooperation and partnerships” → Institutional Design

• Institutional Design
  - **Definition**: What is it? Who does it/where?
  - **How? Knowledge**: theory/research/experience

• Toward ID criteria
  - **Problems/crises – examples**: EU crisis, climate change
  - **Issues**: distn. of functs. – interscalar/intersectoral
  - **Criteria**: effectiveness, authority, accountability

• Cases: learning from experience
  - Amsterdam metro-regn., NY Regional Plan // SEQ2001, Shanghai // Chicago

• Answers – can ID promote learning cities?
  - **General lessons**: add criterion – openness to environment
  - **Governance for learning cities – Knowledge**: exemplars (transfer?)
  - **Case/context specific ID**: add criterion - goodness-of-fit
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INSTITUTIONAL DESIGN

What is institutional design:

Institutions are:
"the rules of the game in society… that shape human interaction…(to) serv(e) collectively valued purposes (North, 1990: 3).

Institutional Design means designing institutions:
“devising and realizing rules, procedures and organizational structures to enable and constrain behavior and action (to) conform to held values, achieve desired objectives or execute given tasks” (Alexander, 2006: 4).
INSTITUTIONAL DESIGN

Three “Levels”

I. Macro:

macro-societal processes/national reorganizations political-administrative programs - “constitution writing”

II. Meso:

policy/implementation structures and processes: interorganizational networks, organizations, laws, regulations, resource deployment

III. Micro:

intra-organizational - organizational sub-units, social units and processes: committees, teams, task forces, work groups etc.
INSTITUTIONAL DESIGN

Knowledge:

- Theory-research – games theory
  - transaction cost theory
  - agency theory

- Experience
  - case studies
  - exemplars
TOWARD ID CRITERIA

Crises/problems/challenges:

Cases: EU – financial institutions & ECB

global warming – institutionalization of climate change planning
Crises/problems/challenges - cases:

EU – financial institutions & ECB

Alternative institutional designs:

• **Austerity** limited ECB role/strong fiscal control
  no or very ltd. mutualization of obligations & debt

• **Growth with EU support** ECB credit linked to
  fiscal control/ mutualization of obligations & debt
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Crises/problems/challenges - cases:

Global Warming

New/transformed institutions to cope with climate change & impacts:

• International cooperative networks
  Climate research/prediction: ISCC
  Global warming prevention – international compacts Kyoto to Paris

• National
  Environmental legislation/controls – climate adaptation programs

• Regional/local
  Climate adaptation planning/action : policies, plans, programs, projects
INSTITUT’L DESIGN of URBAN GOVERNANCE

• *Issues in urban & regional governance*
  - distn. of functions: between scales/sectors

• *Knowledge re urban & regional governance*
  - models of city/metro-regional governance
  - best practices/exemplars (e.g. partic. budgeting)

• *Institutional design experience – cases:*
  - Amsterdam metro-region: from ROA to City-Region
    comparing:
  - NY USA – Regional Plan of NY & Its Environs (1929)
  - Queensland AU – SEQ2001 (1990s)
    comparing:
  - Shanghai *with* Chicago
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Institutional design experience – cases:

AMSTERDAM METRO-REGION

• **ROA** – *Regionaal Overleg Amsterdam*
  consultative assoctn of local governments
  
  ↓
  [Province-Am’dam compact: powers to city; National govt. City- Province project]

• **ROA** – *Regionaal Orgaan Amsterdam*
  regional organization of local governments
  
  [Amsterdam/Rotterdam defeat City-Province project]
  
  ↓
  [10 years later: National enabling Framework Act]

• **Stadsregio Amsterdam** – City-Region
  metro-regional government
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Institutional design experience – cases:

**NY REG PLAN** 1929

*Committee*

on the Regional Plan

of New York

*business/finance reps. w. staff*

↓

**SEQ 2001** 1990s

**RPAG** Regl Plang Adv. Group

*planning organization*

↕

**SEQROC** assocn of local govts

*interorgztl group*

↕

social-institutional

environment

social-institutional

environment
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Contextual factors

Shanghai

Urban governance/plng system:
simple-hierarchical except when top down flow reversed in state capitalism

Contextual factors:
China
- government: unified, modified hierarchy
- socio-economic system: transitional command economy emerging private/State capitalism

Chicago

Urban governance/plng system:
complex non-hierarchical networking

Contextual factors:
USA
- government: federal, fragmented
- socio-economic system: market economy with State support/regulation
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Institutional design criteria:

- **EFFECTIVENESS**
  Multi-dimensional/-scalar collaborative networks for policy, planning, management, implementation

- **AUTHORITY**
  legitimating institutions thru democratic participation

- **ACCOUNTABILITY**
  transparency, publicness thru monitoring/control info systs (IT) for feedback/learning, responsible practices: rule-of-law

- **OPENNESS**
  organizational structures/processes to max. openness to/input from social-institutional environment

- **GOODNESS-of-FIT**
  appropriate in its cultural-socio-political-economic/institutional environment