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Infrastructure for Sustainable Regional Growth:
The Political Economy of Infrastructure Development

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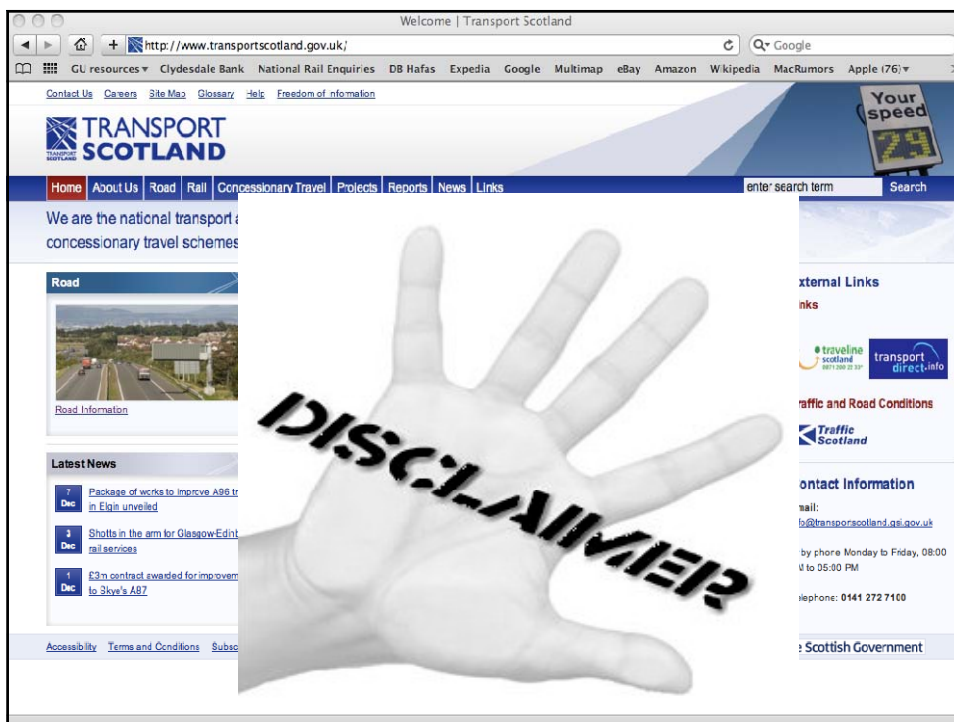
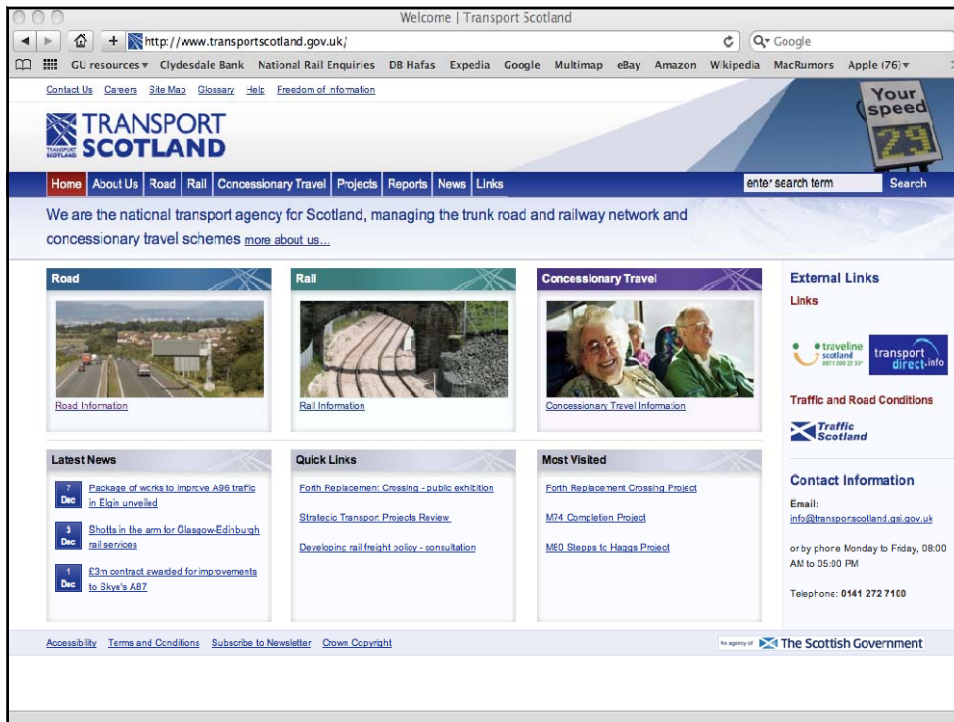
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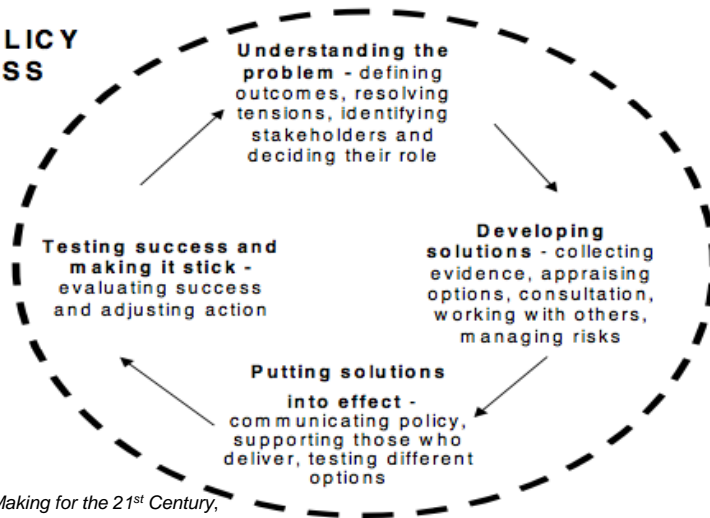
Structure of presentation

- The Political Economy of Infrastructure Development
- ... or, “why some projects get built and others don’t”
- Some reflections on how the region can advance its agenda (and what the agenda might be)



How policy is supposed to work

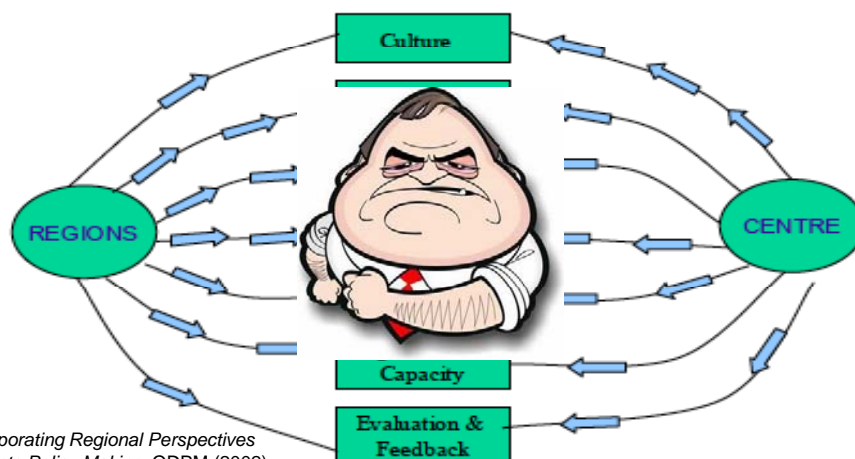
CORE POLICY PROCESS



Professional Policy Making for the 21st Century, Cabinet Office (1999).

How policy is supposed to work

Model 1: The architecture of policy success



Incorporating Regional Perspectives Into Policy Making, ODPM (2002)

A government and policy reality check



A government and policy reality check

- England is the most centralised major country in the world
- The civil service is unremittingly metropolitan in mindset
- London and the South East is conceptualised by policy makers as England's only "world class region"
- Therefore, it is no surprise that UK central government shows little policy interest in the English Regions
- To overcome this, regions have to understand the political economic game better

The real world

“There are two definitions of policy. Policy can be defined as either what you put in your policy documents, or what you actually spend your money on.”



Why some projects get built and others don't

$$P = \left(\frac{(V_c + V_p)}{A} \right) \times L$$

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V is for value, 'real' and perceived

- Britain is obsessed with appraisal, yet 'value' is elusive
 - Precision versus accuracy problem
- Relying on the rational value case will not always work given the infrastructure inheritance
 - Eddington said this and was then quickly forgotten because it didn't suit
- Most (strategic) transport projects don't have very good economic cases when viewed across public policy as a whole
 - Health and education BCRs usually significantly higher than transport

V is for value, 'real' and perceived

- Perceived value is at least as important as 'real' or calculated value
- Why do we have...
 - Concessionary fares?
 - Sleeper trains?
 - High Speed 1? (and 2?)
 - Crossrail
 - (indeed the railways at all?)

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 - Concessionary fares?
 - Sleeper trains?
 - High Speed 1? (and 2?)
 - Crossrail
 - (indeed the railways at all?)
- ... because the users are politically powerful

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'Death trap' A303 campaign

Wednesday, January 07, 2009, 14:05

 1 reader has commented on this story.
[Click here to read their views.](#)

A leading councillor yesterday called for urgent action to improve conditions on one of the West's busiest trunk roads which he has branded a traffic clogged death-trap.

Salisbury council member [David Parker](#) said it was time the Government dualed the A303 "holiday route" through the West which is used by nearly 30,000 vehicles a day.

Despite an almost constant stream of "motorway volume" traffic including hundreds of heavy goods vehicles some stretches of road remain single-carriageway.

This helps create horrendous jams, dangerous conditions and leads to frustrated drivers seeking alternative routes on minor roads through scores of villages in Wiltshire, Somerset and Dorset.

Last month there was an outcry when the [Highways Agency](#) announced it was going to close 6km of the A303 near the Wiltshire-Dorset border for 14 weeks for repairs.

Fearing a deluge of traffic seeking to escape the resultant jams, villagers, MPs and council leaders from dozens of rural communities kicked-up a storm.

'Death trap' A303 campaign

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Councillor Parker, who lives in [Teffont](#), one-and-a-half miles off the A303, said: "The time is ripe to press the Government to improve those lengths of the A303 that are proving to be death traps and traffic blighted.

"We need to build a campaign to lobby government from all directions and seek vocal support from MPs, MEPs, regional development agency, regional assembly, county councils and others, and the [Road Haulage Association](#).

"We need to gather support from all over to stop the waste in the West of this modern-day fiasco of an important highway.

"Weekends throughout the year are a nightmare on this road. On Friday evenings and Sunday evenings traffic is nose-to-tail for hours on end.

"Junctions onto the A303 are blocked, drivers are trapped and people are killed following frequent accidents.

"People stuck in these jams are stressed. The environment also suffers and costs of delays and the fuel wastage by cars in jams is totally unacceptable in this ear of climate change awareness."

A is for Advocacy

- Most advocacy does more harm than good
- No government likes being to be told what to do
 - Think about the emotional capital invested in the 'toolkits' that demonstrate how good their policy making is
 - This is the rational underpinning of 'not invented here'
- Remember that the UK civil service's mantra is 'thou shalt not create a precedent'

A is for Advocacy

- One of the most (surprisingly) positive aspects of devolution is the budget process
- MSPs or parties proposing amendments to the Scottish Government's budget must identify which project(s) they are prepared to cut to fund their own proposals
- Advocacy that just shouts for more money because "something must be done" is counterproductive



$$P = \left(\frac{(V_c + V_p)}{A} \right) \times L$$

Why some projects get built and others don't

$$P = \left(\frac{(V_c + V_p)}{A} \right) \times L$$

L is for Luck

- Some (many? most?) projects get approved because they are in the right place at the right time (not because of their intrinsic value)
- By-elections can be very useful for securing transport investment



L is for Luck

- But remember Gary Player:

“The more I practice,
the luckier I get”.

So how can regions get lucky?



Play government at its own game

- Securing government funding for transport is an example of 'partisan mutual adjustment' (and luck)
 - You will be expected to compromise aspirations, and align them with others'
- Government is a vain and egotistical creature, so to stand any chance you have to tell it that its policies are correct
 - Don't ask for something that is blatantly at odds with strategic policy (rhetoric), i.e. new road *capacity*
- "Ask not what your country can do for you...etc"
- Explain how your regional schemes can advance the government's own policy agenda
 - This used to be about regional economic development
 - Resilience is a good bet for the foreseeable future

Some big strategic questions to consider

- How good is the region at playing the right game?
 - How well do stakeholders understand political economy?
- Are you asking the right questions?
 - Is transport (infrastructure) really that important to the south west?
- Are connections to London really that important?
 - Two way street effects, lessons from 'isolated' places elsewhere
- Would the region be better off changing the rules of the game?
 - What could an alternative focus be?
 - ICT? Journey quality? Local placemaking?



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The image is a presentation slide with a dark blue background. It features a faint, large-scale image of a Gothic-style building, likely a university hall, with a prominent spire. The text is overlaid on this background. The University of Glasgow logo is in the top left. The title is centered in a white box. The author's name and affiliation are in the bottom left. The email address is at the bottom. A faint crest and motto are visible in the bottom right.