

Time for a critique of planning theory?

The worldwide pursuit of trade liberalisation and the promotion of investment opportunities has been the prevailing tendency for at least the last quarter of a century. However, a liberalised economy cannot in the long run be pursued successfully without undertaking a structurally oriented overhauling of governmental structures: “government” implying the rigid ‘top-down’ conduct of public agencies is allegedly now being increasingly replaced by “governance” indicating ‘bottom-up’ co-operation between the stakeholders of development. The neo-liberal economy seeks its counterpart then in the neo-liberal society.

The idea of planning is in these emerging new conditions reviewed and reconstructed by those involved in producing new ideologies for the planning profession. The central vehicles for ideology production are the professional organisations of planners aiming at securing business opportunities for their members, and in particular those academics who get their daily bread from teaching planning. Consequently, fabricating planning “theory” is not just an innocent pastime for career academics, but it is a *political* act in the classical sense of the word. The political implications of planning were long ago noted by Aristotle, who in his comments on Hippodamos (“the first town planner”, sic!) stated that, “this man was the first to speak about government without having any personal experience of it.”

In current planning theory, the entire arsenal of rhetoric is employed in framing a view of the world where planners and planning “must” recognise the new situation and switch their interest from the conduct of long-term strategies based on the idea of a public interest to more *ad hoc* type professional activities where planners basically become moderators between the divergent interests of stakeholders and the facilitators of development. Planning is therefore essentially reduced to communication where the economic interests of investors and developers are seen as *the* point of departure, not as a particular issue among others to be modified and weighted in the balance with a more general notion of the public interest. Consequently, the public is conceived of as having the legitimate right to comment on planning proposals, that is, to contribute to the outcome as consumers on the real estate market, but not for instance to produce their own environment according to their own means and interests. The celebrated writer and theatre man *Dario Fo* concluded in an interview that he, as a young man, left his studies in architecture and planning after a couple of years, because it seemed to him to be all about sitting in the pocket of real estate speculators.

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The legal framework of spatial planning, land use and development has been significantly amended in most European countries since the early 1980s. This process has coincided with the de-regulation of property markets and with the de-centralisation of decision making with regard to spatial matters, followed by attempts on the part of the EU to review the spatial implications of European and national policies across Europe.

Here we obviously have a concrete expression of economic liberalisation and the unlocking of new investment possibilities, accompanied however by rising property prices and the relative shrinking of affordable housing provision. The indigenous population in attractive locations finds it

increasingly difficult to cope with rising costs for housing, and, as a consequence, rocketing prices. It seems then that social segregation is turning increasingly territorial.

Generally speaking, the liberalisation of the economy is applauded while the exclusion of significant groups from the property market has received much less attention. The blessings bequeathed by a de-regulated property market of course primarily benefit investors, while also, (if one applies a neo-liberal bias), generating positive external effects across the economy. The price-driving effects of increased rental housing have not, however, attracted much attention. As the rising share of rental housing coincides positively with increasing housing costs in any national economy, the growing inequality between different tenure forms of housing has become increasingly obvious, though rarely commented on particularly in countries with a traditionally high share of social housing. On the contrary, in countries like Sweden, price-regulated rental housing is perceived as a bulwark against the allegedly price-driving speculation of the un-regulated property market. The gigantic property owners of the rental sector in Sweden have obviously been very successful in their lobbying for market control. The situation is somewhat peculiar in the externalities it produces: the de-regulation of property markets may indicate an increased shares of rental housing, and in some countries the effect of this is the reduction of market incentives! A major effect of de-regulated property markets is most probably the monopolisation of control and ownership, and subsequently reduced market incentives. Land use planning could be used as an instrument against monopolistic tendencies, but this is seldom the case.

The de-regulation of real estate markets and the de-centralisation of decision-making coincide, though this connection is rarely made by either the proponents of de-centralised decision-making or by planning theoreticians. The issues of cause and effect however seem clear enough, though the justification for de-centralised decision-making ultimately needs more fancy tales than the crudely perceived economic arguments themselves provide. Often de-centralisation is pictured as enhanced democracy. The proposition that the geographical level where decisions are taken would coincide with the degree of democracy is of course impossible to state as an undisputable general fact. According to the principle of subsidiarity, as elaborated within the EU, the “correct” level of any decision would coincide with the territorial level or party of those concerned. What that indicates in terms of operational practices is quite another matter. If democracy is conceived as a quantitative matter, that is, if the amount of a given population becoming involved corresponds to the degree of democracy in decision-making, then the territorial level of decision-making as such is of dubious significance. Democracy namely also implies transparency and the control of those in power, and this matter is not necessarily an exponent of de-centralised decision-making in the sense that de-centralisation would, as such, increase transparency or facilitate better control although it may contribute to this.

From a global perspective, the question of democracy seems to resemble that of “the tragedy of the common”: every single stakeholder has an interest in maximising her/his part of the yield, but in so doing, everybody loses out in the end. Globally operating economic agents seek the most profitable investment opportunities they can find, and in so doing, national welfare regimes may turn out to cause additional costs, which provide incentives for national governments to reduce taxes and dismantle various modes of public control in order to attract investments. The democratic control of national economies it appears then hampers investment opportunities. Traditionally, the advancement of capitalism has been connected to the emergence of democratic institutions. Now, due to the territorial imbalance between a global economy and national governments, democracy seems to be conceived as a potential restriction to capitalistic development.

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Planning theory is exiting reading compared to other branches of social science, but not because of its wit. Rather the contrary may hold true: much of what is labelled 'planning theory' actually displays little knowledge of the disciplines' intellectual traditions but rather a shambles of concepts and theories and/or a simple apology for neo-liberal ideologies. In neo-liberal rhetoric, the economy is taken for a given like the forces of nature, and "we" have to adopt "our" actions to it – in order to be at least successful if not happy. But history indicates something else: the economy is a (fundamental) part of social life and implemented regimes are human endeavours and not given by extra-societal forces - except for cases where human endeavours have altogether destroyed the ecological requirements for human life.

With reference to prevailing planning theory, it seems as if the planning profession in general and planning academics in particular have chosen to accept the role that *Dario Fo* refuted. Planning reduced to communication is a political statement in line with the building of a neo-liberal society, but fairly unfit for the pursuit of say sustainable development. Planning reduced to communication refutes the idea of the existence of something called a public interest. In a series of European policy documents, however, the idea of sustainable development is explicitly stated as a public interest, a fundamental point of departure. If current planning theorists refuse to recognise the existence of a public interest, other more up-to-date professions may soon replace planners. Perhaps the replacement process is already under way? Who needs communicative planning theory?

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