

## **The subversion of democratic policy under a regime agenda: The urban governance of residential development in Melbourne**

**Matthew Ford**  
**Faculty of Architecture, Building and Planning**  
**The University of Melbourne**

### **Abstract**

Over the last twenty years in Melbourne, metropolitan spatial planning has increasingly sought to achieve urban sustainability and avoid continued low-density sprawl through policies encouraging consolidation. The important example of housing shows that development outcomes fall well short of policy objectives and that the city's spatial planning is widely perceived as ineffective. This failure is most easily seen in the large tracts of greenfield development far from the city centre, with no public transport, very limited employment opportunities, and only basic services. Yet development in these areas is expensive, with the city undergoing a crisis in housing affordability.

This paper reports on a case study of urban governance in Melbourne. The study is examining the hypothesis that residential development follows an agenda set by an informal urban regime comprised of state and market actors, rather than the metropolitan spatial planning policy generated by the formal planning system in Australia's representative democracy.

There is clear tension between the antagonistic objectives of communicative planning via network governance and urban regimes (working with reactive and discretionary regulatory planning systems), which enjoys widespread support in Australian urban planning practice, and the exercise of metropolitan spatial planning, which has a significant history under hierarchical government as a vehicle for urban vision and metropolitan spatial planning. Examining democratic concepts and the exercise of urban power, this paper argues that state policy (as expressed in metropolitan spatial plans) is superior to modes of network governance (such as urban regimes or communicative planning practice) for collective decision-making at the urban scale.

The superior democratic credentials of strategic spatial planning are also suggested by a consideration of democratic concepts. Whether in the guise of abstract philosophical concepts or as concrete systems of sociopolitical organisation, power and democracy have proven to be inexhaustible themes in the study of human society and are central concerns in any sophisticated understanding of the political economy of urban governance.

Similar challenges are common to many cities across our rapidly urbanizing globe. The political economy of planning is a crucial determinant of the mode of urban governance employed in any city, yet it is not frequently examined at a metropolitan scale. Rapid growth is expected to continue in Melbourne, which is consistently rated one of the world's most liveable cities, but the longer that spatial planning policy is left as political rhetoric rather than implemented across the urban area, the less likely that the city's future will offer the amenity enjoyed by today's residents as social, economic and environmental sustainability continues to decline.

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# **1 The challenges of democratic urban governance in Melbourne**

## **1.1 Growth, democratic policy and sustainable residential development**

This paper is a progress report on a case study of Melbourne's urban governance. The study examines the challenges of democratic residential development in contemporary Melbourne and investigates the proposition that the city's spatial pattern of residential development reflects the operation of a metropolitan regime. Metropolitan strategy in the city has long promoted urban consolidation to improve sustainability while accommodating the city's rapid population growth, but a clear tension between modes of network governance and democratic spatial policy is evident in the contrast between the strategic vision for residential development and actual development outcomes in Melbourne.

The vision of a sustainable urban form is slipping beneath a banal reality of wasteful and unnecessary sprawl. The majority of residential development over the last two decades follows a pattern established in the 19<sup>th</sup> century of large, detached houses at the city's edge, seemingly oblivious to the needs of a 21<sup>st</sup> century city. These dwellings are far from high-capacity public transport, lacking in civic services, and remote from the urban environment that contributes to Melbourne's acknowledged amenity. The scarcity of inner urban dwellings relative to demand, limited development in many middle suburbs and the expense of new infrastructure and land banking strategies for fringe development have reduced housing affordability (Gurran et al., 2008, Federal Government, 2008). The average new dwelling has increased in size to be the largest in the world (Victorian Government, 2008, Moodie et al., 2008, James, 2009). This misalignment between supply and demand is a critical issue that threatens Melbourne's social cohesion, economic prosperity and environmental sustainability.

The case study posits that development outcomes have not met spatial planning objectives because in Melbourne's neoliberal political economy, an urban regime with a market-driven agenda effectively manages residential development. Melbourne's urban management has moved away from the mobilisation of a public sector led by representative government and towards governance networks that engage a plurality of actors with conflicting interests, goals and strategies (Albrechts, 2003a). The intersecting political and economic interests of an informal coalition of State Government and major developers appear to be most expediently satisfied by greenfield construction on the urban fringe.

The remainder of this introduction outlines the city's planning system and policy framework and defines urban regimes. With this context, the body of the paper examines the democratic credentials of two incongruent influences on urban governance – the approaches of network governance such as communicative planning and urban regimes, and the policy framework embedded in spatial planning.

## 1.2 Tensions in urban governance: Substantive or procedural guidance?

In Melbourne, the state is a gatekeeper to land development in an economy based on private property rights and operates a strategic planning system that focuses on determining broad categories of land use acceptable for a given place, controlling the form of development within certain parameters, and the timing of land release. Structural elements of urban governance include the legislative and regulatory environment, institutionalised organisational forms, and formally established relationships and decision-making practices.

Combined with residential development policy, this system ostensibly aims to resolve the inherent tensions between a market supply of dwellings unregulated by form, size, cost or tenure and only loosely regulated by location, and a reactive state-led planning context ostensibly focused on the social, economic and environmental dimensions of urban sustainability. Delivery of policy goals is left to a risk-averse market that matches and moulds its idea of consumer demand to a business model favouring supply of a limited range of products in locations relatively unconstrained by existing development, infrastructure or residents (Adams, 2011). The resulting spaces for informal decision-making ensure a major role for discretionary governance deliberations.

The case study suggests that a different influence on residential development is that exerted by an urban regime. As initially formulated by Elkin (1987) and Stone (1989a), urban regime theory is a well-established analytical approach to investigating the governance of urban change in neoliberal democracies (Imbroscio, 1998b, Davies, 2002, Lauria, 1997). Regimes are a mode of governance in which an informal coalition of state and market actors assembles the capacity to govern and deliver outcomes by cooperating across formal boundaries and institutions (Mossberger and Stoker, 2001, Irazabal, 2011, Stone, 1993). Regime analysis is steeped in the close and specific observation of networked urban governance and the structural dynamics of collective decision-making in a political economy (Mossberger and Stoker, 2001, Stone, 1993, Ward, 2001, Peck, 1995), where regimes may surround and complement the formal workings of government authority (Davies, 2003). Regime theory focuses specifically on urban development to ask 'how, and under what conditions, do different types of governing coalitions emerge, consolidate, and become hegemonic or devolve and transform' (Lauria, 1997). (Stoker, 1995, Stone, 1989b, Irazábal, 2009).

A lively academic debate emphasizes the conceptual value of urban regime theory in exploring complex urban issues while constructively criticizing its contextual and analytical limitations (Stoker, 1995, Mossberger, 2009, Davies, 2002, Imbroscio, 1998a). The regime approach seeks to understand *what is*, by revealing power relations and the consequences of power asymmetries, but its explanation of *why* a particular mode of urban governance eventuated and is maintained is left implicit, and the approach falls short of a normative vision of *what might be*, against which the quality of governance might be assessed (Gordon, 2005, Imbroscio, 1999, Davies, 2002, Stoker, 1995, Feldman, 1997). The critiques suggest that urban regime theory offers a realistic description of urban political economies but could improve its critical edge, normative perspective and explanatory ability (Stoker, 1994, Imbroscio, 1998a).

## **2 The democratic credentials of network governance and hierarchical government**

### **2.1 Problematizing network governance in a neoliberal political economy 368**

There is clear tension between the antagonistic objectives of communicative planning via network governance (and its counterpart of reactive and discretionary regulatory systems), which enjoys widespread support in Australian urban planning practice, and the exercise of metropolitan spatial planning, which has a significant history under hierarchical government as a vehicle for urban vision and metropolitan spatial planning. Examining democratic concepts and the exercise of urban power, this paper argues that state policy (as expressed in metropolitan spatial plans) is superior to modes of network governance (such as urban regimes or communicative planning practice) for collective decision-making at the urban scale. Developed through representative democratic systems, state policy has a clear concern for the collective good and urban sustainability. It enjoys greater legitimacy, more logically delivers the collective will and better approximates the common good than collective decisions generated through the intrinsically compromised systems of network governance.

The significant discursive shift in recent decades that has favoured the adoption of postmodern network governance over modernist technocratic planning has been used in an attempt to invalidate spatial plans because they are perceived to pay insufficient attention to community input. Engaging with a deeper understanding of the concepts of power and democracy, rather than effectively dismissing these concepts through a superficial treatment bent to the demands of a particular discourse, develops a coherent logical framework for assessing the quality these competing modes of urban governance in Melbourne.

### **2.2 Networks in theory: The shift from hierarchical government to network governance**

The argument begins by discussing an overarching contemporary influence on urban planning practice in neoliberal Western societies: the shift in emphasis in collective decision-making from formal hierarchical government to informal network governance. Neoliberalism has gradually encroached on pluralist Western democracies in recent decades to become hegemonic across social, political and economic life (Harvey, 2005). While a relatively authoritarian state once appeared to provide a clear framework for managing cities, the contemporary role of the state has been refigured from leader to facilitator (DeLeon, 1998) and a wider range of actors are seen to have legitimate roles in collective decision-making. Erstwhile distinctions within and between the state, market and civil society have ceded to governance networks that, under varying degrees of state oversight, accept an open architecture of agent relationships and promote flexible political institutions.

Many urban planning academics tell us that planning practice has ‘moved on’ from modernist notions of technical expertise, state political control and substantive objectives (Hoch, 2007, Innes and Booher, 2003, Forester, 2009, Healey, 2006) in

favour of network consensus and process determinism. Proponents of network decision-making in urban planning such as Healy (1996, 2006) and Forester (1999) privilege interactive process over substantive problem solving as the rightful focus of the discipline. Descriptive paeans feature a rhetoric of privileging diversity and individual rights within notionally equitable frameworks, while discounting expert authority and ignoring the adversarial nature of interest group pluralism.

Led by an Anglocentric set of principles known as New Public Management (NPM), much contemporary theory in public administration positions governance networks as a benign corrective to the shortcomings of government by the state (Ansell and Gash, 2007, Gleeson et al., 2004, Leitner, 2002). Forming a shadow government, networks are claimed to deal more effectively with complex issues and appear to offer a new way of dealing with resource deficiency, bureaucratic rigidity and political obstacles (Agranoff, 2001). Networks are also suggested as crucial to knowledge development and the effective arrangement of human capital, making them vital to support innovation in social and economic production (Agranoff, 2001). The blithe support for networks prevailing in the Anglophone literature is often more concerned with the categorisation of an evolving neoliberal political economy rather than an attempt to understand, explain or assess it.

This merits of this shift, which has been concurrent with the spread of a neoliberal political economy, is challenged by academics in critical social theory who take a less sanguine view of the deployment of power and the concern for democratic process in the highly profitable realm of urban development (Harvey, 1989a, Harvey, 2006, Sandercock, 1998a). The call for network governance repackages the premise of neoclassical economic theory, that the state is operationally ineffective and public services should be outsourced, with an attendant disinterest in spatial, social or cultural insight (Dunn, 2007). In a constitutional representative democracy, where elected representatives remain accountable for outcomes and might be expected to have the upper hand in determining urban development, the legitimacy and transparency of governance networks are validly subject to critical assessment (Aarsæther et al., 2011). A limited consideration of structural drivers of network governance is sometimes ascribed to the notion that the knowledge base is still developing (Agranoff, 2001); but both the conceptual and pragmatic issues of governance are the subject of much attention in other disciplines. Academics such as Harvey (2005, 1985, 2008), Flyvberg (1998b) and Swyngedouw (2005, 2000) seek to make the internalised neoliberalism of network governance explicit by highlighting the logical and empirical links between networks and neoliberalism.

Assessed against its discursive claims, the pragmatic problems of network governance are myriad. The relatively fluid practices of network decision-making may not provide the clear objectives or coordinate the extensive resourcing required to manage the breadth and pace of change experienced in many cities (Klijn and Koppenjan, 2000). While the ideal network empowers a balanced representation of relevant stakeholders, including participants from the wider demos of indirectly affected citizens, and anchors processes in democratic norms, the entrepreneurial narratives common in many governance scenarios conspicuously threaten democratic process while diminishing

transparency, participation and inclusion (Aarsæther et al., 2011). The conceptual concerns are more subtle and, perhaps, invidious. With their bias toward idealistic description and lack of analytical structure, theorists supporting network governance unproblematically flout representative democracy and seek to supplant state power with market and civil society interests. The reasonable concern that the state is an imperfect repository of democratic intent is often taken to unreasonably justify greater empowerment of individuals in the market and civil society (Hajer and Wagenaar, 2003).

The concept of democracy is frequently intoned as a justification for the shift from representative systems toward network governance, but the democratic anchorage of networks is an empirical question (Aarsæther et al., 2011, Edelenbos et al., 2010, Klijn and Koppenjan, 2000). The forms of democracy that are claimed to deliver equitable collective decisions in networks hark back to the Greek polis of communal debate (Dahl, 1989), but contemporary cities are radically different in scale and complexity to the Greek city-states and the concept of democracy that was founded by the Aegean has similarly, and necessarily, evolved. Because greater participation does not mean better democratic process (Dahl, 2000), systems that favour deliberative and discretionary decision-making over the application of clear rules and enforceable rights are problematic, and strong controls are required to prevent network delegation from alienating democratic objectives (Dahl, 1994).

### **2.3 Networks in practice: The idealism of communicative planning and the realpolitik of urban regimes**

Communicative (or collaborative) planning is a normative style network governance ascendant within urban planning. Based on Habermas' abstract concept of rational discourse, where some "better argument" prevails to engender an inclusive consensus between actors, communicative planning has been a major theme in planning theory for the last two decades and is seen by some as a paradigm for contemporary practice (Forester, 1999, Healey, 1996, Innes, 1996, Innes and Booher, 2003, Forester, 1993). Habermas' ideal of a communicative rationality sets a moral standard for 'good' communication, which fetishizes ideal speech situations where comprehensive and comprehensible statements are made with legitimacy, integrity and truth.

With its lynchpin of inclusive consensus, the ideal of communicative planning has certainly brought benefits to practice. The approach celebrates the interaction of diverse actors in a pluralist society, engaged in complex collective decision-making, seemingly liberated from the constraints of institutional structure, historical context and expert guidance. Heeding Habermas' call for a "transformation of the public sphere" (Habermas, 1989), freed from state and economic power relations, communicative planners identify distorted communication in planning practice as a precursor to transforming the culture and processes of urban governance (Healey, 1999).

However, at the metropolitan scale of urban governance relevant to this research, a communicative rationality raises considerable concerns for democratic decision-making (Albrechts, 2003a, Huxley, 2000, Hillier, 2003, Flyvbjerg, 1998a, Tewdwr-Jones and

Allmendinger, 1998, Flyvbjerg, 1998b). Following the concerns raised for network governance, there is a series of disjoints between the rhetorical promise of a communicative rationality and its use in practice that reflect the central paradox of the inconsistency between the modernist foundations of communicative planning and its postmodern expression (Sandercock, 1998b, Albrechts, 2003a).

Conceptually, the perspectives of a range of major philosophers suggest that the notion of inclusive consensus and appeal to objectivity that is central to Habermas' diktat is problematic, questioning the value of communicative planning as a normative ideal. In the intensely political practice of collective decision-making for urban development, two issues stand out:

- The first issue is Habermas' extreme level of abstraction. Nietzsche warns that highly abstract constructs of language and reason create a distorted view of reality (Nietzsche, 1888) while a Foucauldian understanding of all modalities of interaction as historically contingent reveals communicative rationality as an improbable idealization that assumes benign human nature and remains ignorant of relations of power (Foucault, 1991, Flyvbjerg, 1998a).
- Second, Lacan's distinction between reality and the Real demonstrates that no discourse can be fully inclusive, as it requires an "other" of excluded parties (Hillier, 2003) that falsifies any claim to consensus. Attempts to realize consensus may mask the imposition of an ideal as a totalising instrument of discipline (Baudrillard, 1988, Huxley, 2000). Even interchanges based on shared meaning and a commitment to understanding need not have any potential for consensus (Alexander, 2001, Fischler, 2000), while the conditions of inequality endemic to collective urban concerns may warrant conflict via strategic action as a productive force for change (Huxley, 2000). Theories of agonism develop this concept convincingly (Pløger, 2004, Mouffe, 2005).

There is little empirical evidence that the discursive claims can be realised. Research grounded in the specific analysis of urban conditions rarely observes the desirable performance characteristics ascribed to networks (Leitner, 2002). Actually existing networks depart substantially from their discursive representation to exhibit tendencies toward hierarchy, inequality and exclusion. Descriptions of the context and form of collaboration that are put forward as communicative planning in practice are often narrowly inferential interpretations of specific projects that admit of few other contributing factors and are conscribed by time, captured at a favourable point that may not be stable or representative (Fagotto and Fung, 2006, Dean, 2009). The circumstances under which powerful actors might relinquish the dominant positions that secure their aims in favour of ceding to consensus remain deeply opaque, and the notion that actors will be persuaded by an undefined and relativistic "better argument" seems untenable in a society where the use of strategic and instrumental rationalities are central forms of action (Pusey, Huxley, 2000, Alexander, 2001, Phelps and Tewdwr-Jones, 2000).

The allure of network governance and communicative planning is compromised. Although modes of network governance have sought to appropriate the concept of deliberative democracy, contrary to the central positioning of democratic practice in the rhetoric of a neoliberal political economy, governance appears relatively undemocratic (Cohen, 2002, Melo and Baiocchi, 2006). Networks provide a forum for resourceful market and civil society actors to question the validity of state input into collective decisions, offering conditions of reduced transparency and accountability where they can direct their skills and knowledge to advance private interests (Fagotto and Fung, 2006). This subverts representative democracy (Fischler, 2000) and can entrench socioeconomic inequality as political inequality because it makes public involvement more dependent on knowledge, skills and resources (Albrechts, 2003b).

Neoliberalism uses governance networks to direct social action toward the realisation of a market-driven agenda (Scott, 2000, Gleeson and Low, 2000). Whether co-opted as naive idealists unversed in realpolitik or active handmaidens of neoliberalism, proponents of network governance paradoxically expand the potential for non-communicative rationalities to flourish. A less sanguine analysis of collective urban decision-making would seek to identify structural forces driving development outcomes, perhaps the internal strength of powerful actors in the political economy, or the external influence of globalisation on any given city (Peck and Tickell, 2002). The expression of a hegemonic political economy in communicative planning suggests a normative planning practice that welcomes and enables community engagement, yet the accommodating milieu of networked governance support a laissez-faire process that rejects representative authority in favour of a false inclusiveness, bolstered by a shallow appeal to democratic values. This perversely conceals support for a neoliberal ideology amidst a rhetoric of civil society inclusion, allowing networks to function as a Trojan horse from which market and civil society elites can better assert their interests.

At the metropolitan scale which is the focus of this research, urban regimes more closely resemble actually existing networks than the idealistic networks promoted by proponents of communicative planning. The realpolitik of urban regimes is far more evident than the chimera of communicative planning in the closed, opaque structure of many observed networks: dominated by unelected officials, professionals and market interests, with limited input from civil society or even the local state. While the democratic credentials observed within actually existing forums of collective decision-making such as regimes may be little different from communicative planning, the form of manipulation is merely hidden rather than brazenly flaunted.

#### **2.4 Democracy, power and the pursuit of the ‘good city’**

The superior democratic credentials of strategic spatial planning are also suggested by a consideration of democratic concepts. Whether in the guise of abstract philosophical concepts or as concrete systems of sociopolitical organisation, power and democracy have proven to be inexhaustible themes in the study of human society and are central concerns in any sophisticated understanding of the political economy of urban governance.

Dahl (2000) suggests that the desirability of legitimate, accountable and transparent collective decision-making is unquestioned in pluralist democracies in the postmodern era. These democratic states recognize that citizens have the right to influence matters affecting their interests and use various systems of democracy in an attempt to rearrange the distribution and exercise of power. An ideal democratic system is too demanding for full realization, but all democratic systems include enforceable rights and the choice (but not the obligation) to participate in political life (Dahl, 2000).

The gap between rhetorical (communicative planning) and observed (urban regimes) forms of democracy under network governance shows a struggle to achieve inclusiveness and effective representation in their procedures, transparency in government interactions, argued deliberation of issues and options in collective decision-making and accountability of the state and its agents (Albrechts, 2003a, Dahl, 1982). The popular concept of democracy is at best amorphous (Dahl, 2000), so powerful actors can appropriate the concept of democracy and strip it of concrete meaning to create a cipher that they can load with rhetorical appeal: the promise of personal empowerment within a redemptive wrapping of collective concern.

The democratic flaws of urban-scale network governance are reinforced through an examination of power relationships in collective decision-making. The form of democracy is influenced by the distribution and exercise of power in the political economy. Power variously structures actor participation, drives a public agenda and determines processes of deliberation within the apparatus of governance, potentially leading to a significant divergence from democratic ideals. Power is a complex and concrete set of relations both set within and reinforcing the unequal social, cultural, economic and political reality of collective action (Albrechts, 2003a). Planning theory and practice demonstrate that the social distribution of power drives collective decision-making in an institutional context (Forester, 1989, Flyvbjerg, 1998b).

The study of power is often grounded in intense observation of specific spatiotemporal contexts, where its varied mechanisms are manifested through institutional and agency relationships. Appreciating the form of power is essential to investigating its use, but the face of power in networks is not always visible (Foucault, 1991, Stone, 1980, Alexander, 2001). Network governance advertises a social production model of power, or “power to”, but many forms of indirect power forgo the coercive power of hierarchical government. The partnerships formed in regimes and other forms of network governance typically recreate existing relations of power by constituting and legitimating participants as powerful, perpetuating the position of the disempowered. A subtle, pre-emptive form of power allows networks to occupy a strategic position that can alter the terms of interaction to achieve ‘non-decisions’ (Agranoff, 2001, Stone, 2006, Flyvbjerg, 1998b, Stone, 1988). This indirect power can provide sustained support for preferred issues on the public agenda (Stone, 1988). Similarly, situational power reinforces and perpetuates existing advantaged positions (Stone, 1980) by controlling who has access to decision-making, which options are considered and how they are promoted (Stone, 1980).

The power arrangements in representative democracy may be more transparent and direct. The original form of democracy engaged all adult male citizens directly in the affairs of state, but since direct democracy palpably cannot be scaled to large populations and territories for the everyday workings of government, forms of indirect democracy developed and one such form, representative democracy, has become the norm in pluralist liberal societies. States operating as representative democracies are typically divided into spatially nested territories, within each of which individuals elect representatives who they believe best reflect their values and interests and have the appropriate skills to responsibly make collective decisions.

## **2.5 The improved democratic credentials of metropolitan spatial policy**

Having identified the democratic shortcomings of both communicative planning and urban regime forms of urban governance, discussion returns to re-examine the credentials of contemporary metropolitan spatial planning. The pre-eminent guide to the pursuit of the 'good city' in pluralist societies remains metropolitan-scale spatial planning (CEMAT, 1983), although a common contemporary view of spatial metropolitan planning sees it as an undemocratic relic of modernist technocratic government. This section reviews the democratic legitimacy of spatial planning policy to show that the substantive visions of spatial plans do actually express democratically sourced collective decisions to guide urban development.

The evolution of metropolitan plans from their modernist origins shows the positive influence of communicative planning. Plans have progressed beyond a narrow technical determinism to become documents of broad social vision that understand urban areas as integrated systems and promote urban sustainability via consolidation (Gleeson, 2011). Cities are now commonly understood as part of the socio-economic fabric, and metropolitan spatial plans that recognise the causes of the urban problem are a necessary intervention and an active force in enabling change to resolve significant urban problems (Hastings, 2000, Albrechts, 1992, Healey, 1997).

The formulation of metropolitan plans now typically incorporates substantial consultation that recognizes and attempts to accommodate the interests and values of diverse individuals and communities (Owens, 1997). These improved processes and holistic strategies seem poorly recognized by many of the diverse market and civil society voices prominent in network governance. No matter the provenance or quality of a plan, some academics appear to hold an ideological antipathy toward them, variously dismissing them as malign, authoritarian, or relics of a command and control state (Healey, 1999). Healey claims society "should be trying to escape" modernist conceptions of planning, but assessment of the utility and legitimacy of a planning strategy should not hinge on whether it displays fashionable sensibilities in its formulation. Other voices raise concerns about the lack of clarity, level of input and poor implementation support (Moodie et al., 2008). Even when these improvements are recognised, the wider field of concern, increased sophistication and breadth of input in contemporary metropolitan plans brings a focus on the collective good and raises two critical problems: it challenges the entrenched interests of many private actors and results in far greater political complexity (Adams, 2011).

While metropolitan plans have become a core vehicle for reflecting on what cities are and shaping what they could be (Healey, 1999), neoliberalism has sought to sideline their substantive vision from influencing urban decision-making and implementation, via its favoured approaches of communicative planning rhetoric and urban regime reality. For example, the uncritical valorization of multiple individual perspectives in network governance fosters a situation where the urban visions presented in metropolitan plans have become vague and generic. This may limit dissent at a conceptual level, but ambiguous visions suffer a variety of problems in attempts at operationalisation, not least of which is that the lack of certainty advantages powerful actors with the ability to influence decisions. Because the implementation of substantive urban objectives requires an apparatus of governance that embraces a legitimate process of public participation, enjoys political commitment from all levels of government and benefits from strong regulatory support (Moloney, 2004), even isolated dissent from vocal vested interests can be crippling.

A focus on the perceived failings of metropolitan blueprints rather than their strengths as legitimate policy documents undermines the concept of spatial planning. Instead of generating greater commitment to effective implementation processes, dissatisfaction with substantive visions becomes a *casus belli* for jettisoning state policy in favour of undirected, unrepresentative and unaccountable governance practices. Decision-making that sidelines spatial policy effectively cedes power to private interests and disenfranchises the majority represented by the state. These concerns are more a demonstration of the inadequacies of postmodern network governance than an issue with modernist comprehensive planning, for after all, in their new focus on vision, recognition of diverse interests, and lack of substantive stipulation, contemporary metropolitan plans simply reflect the communicative zeitgeist.

### **3 Conclusions**

In pluralist societies, the search for the conundrum of the ‘good city’ is typically conducted through some form of democratic process that attempts to ameliorate unbalanced power relationships, leading to a continual struggle to achieve collective goals while respecting individual values. The shifting nature of the political economy has influenced the mode and quality of urban governance, slowly diminishing the relative power of the state *vis a vis* the market.

Following Harvey (2005, 1989b), this situation animates the idea of a hegemonic neoliberal political economy that exerts direct and indirect power over the apparatus and practice of urban governance to validate networked approaches. The distribution and deployment of power in the political economy promotes collective decision-making that is based on networking between coalitions to mobilise, build alliances and reach political consensus, rather than a deep understanding of the content, scope and impact of urban strategies from a planning perspective (Albrechts, 2003b).

Network modes of urban governance have two distinct strands: the discursive ideal of communicative planning, and the more easily observable urban regime. The turn to communicative planning in Melbourne has been detrimental to the delivery of democratic state policy at the urban scale. The disjoint between the discursive claims and practical observation of communicative planning is disconcerting, raising the possibility that it may simply be a Trojan horse for elite interests. While communicative planning is based on an idealistic perspective of collective decision-making, urban regime theory provides a *realpolitik* view of actually existing networks that recognises the turn to network governance but engages with rather than glosses over power imbalances in the lucrative business of urban development.

Network governance has inferior democratic credentials when compared to established approaches of metropolitan spatial planning. The neoliberal values that are institutionalised in the apparatus of urban governance in Melbourne are in clear tension with the values underpinning support for sustainability that feature in the city's metropolitan spatial planning. This assessment reveals a lack of coherence between the mode of urban governance and the democratic policies it ostensibly aims to deliver. Descriptive interpretations of perceived urban planning 'failure' often deterministically isolate the cause to particular imperfections, say, of rigid institutional structure or limited community engagement. Critical analysis of the structural drivers in the political economy that have promoted the validation of network governance during the era of neoliberal ascendancy invites the interpretation that such 'failure' is a desirable feature of urban planning carefully managed by architects of the system.

Rapid growth is expected to continue in Melbourne, which is consistently rated one of the world's most liveable cities, but the longer that spatial planning policy is left as political rhetoric rather than implemented across the urban area, the less likely that the city's future will offer the amenity enjoyed by today's residents as social, economic and environmental sustainability continues to decline.

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