

INSTITUTIONS AND PLANNING: TOWARDS A MULTI-PERSPECTIVE THEORETICAL FRAMEWORK?

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Abstract

The paper aims to explore the relationship between institutions and planning. Using different ‘new institutionalist’ perspectives, it describes the several factors that contribute for change and continuity in institutional processes. This framework is then used in a brief analysis of recent developments in Portuguese planning governance, particularly concerning inter-municipal coordination. The paper concludes that as each perspective is endowed with specific strengths and weaknesses, an integrative, multi-perspective approach is not only defensible but also desirable. Rather than a ‘chaotic’ approach in a striking need of deconstruction, ‘new institutionalism’ may add value to planning research by criss-crossing conflicting and intersecting views.

1. Introduction

The relationship between institutions and planning has been ‘revived’ in the last decade. This may hardly be considered surprising as institutions - both formal and informal - provide the setting for planning (Verma, Ed., 2007). Yet institutional contexts may be looked from different angles and with diverse lens, as testified in the profuse literature on ‘new institutionalism’, a theoretical framework that has been gradually extended across different fields of social science (Della Porta and Keating, Ed., 2008). Planning, in particular, often values diverse, and apparently contradictory, institutionalist perspectives. Some writings focus the central role of institutions in lowering transaction costs, hence turning planning procedures more stable (Alexander, 2007). Other perspectives emphasize the significance of values, norms and practices in shaping the identity of actors, or at least in their strategies (Healey, 2006). Other studies focus the role of discourse and ideas in promoting change in urban policies (González, 2006). Nonetheless, there is a need for a more transversal approach of the relationship between institutions and planning governance, in order to overcome the main drawbacks of each specific perspective.

The paper centres this subject in the recent evolution Portuguese territorial policies, focusing the intermediate scales between the municipality and the nation-state. As

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complex socio-spatial contexts, inter-municipal territories, notably those located in metropolitan regions, provide a strong support for an institutionalist analysis of planning methods and practices. Portugal tries to renew its often crystallized institutional landscape, in order to respond to escalating social and economic challenges in a particularly delicate moment of the country history. By exploring transition and change from different institutionalist perspectives, we aim to conclude that a multi-perspective theoretical framework may strongly contribute to enlarge our knowledge of the relationship between institutions and planning.

2. Change and continuity in the ‘new institutionalism’

At least since Thomas Hobbes, social theory has been dedicating strong attention to the role of social contexts in the behaviour of institutions. This influence has been theorized in different ways, however. Grannovetter (1985) argues that it often ranges from what he calls an *undersocialized* perspective of rational, independent institutions, only marginally affected by social relations, to an *oversocialized* perception of institutions as deeply embedded in their contexts. This debate achieved increased predominance during the 90s, with the diffusion of the so-called ‘new institutionalist’ literature (Hall and Taylor, 1996).

Nevertheless, the ‘new institutionalism’ is not a single, coherent theoretical approach, as three main perspectives may be distinguished; notably rational choice; sociological and historical institutionalism (Hall and Taylor, 1996). The so-called rational choice institutionalism may be compared with the *undersocialized* perspective identified by Grannovetter. Having its roots in several streams of the economic theory, this perspective describes political action as a succession of ‘collective action’ dilemmas (Scharpf, 1997). Rather than being compelled by social relations, each actor is predominantly driven by its own strategic calculations. Institutions are predominantly a product of their functions, and of the benefit these functions may represent to the involved actors (Hall and Taylor, 1996).

Rational choice institutionalism provides a systematized and often very precise theoretical model, supported on easily generalizable concepts. Game theory is among the most widely used tools of this kind (Scharpf, 1997). By reproducing actor preferences and expectations, game theory matrices and calculations aim to identify more or less predictable patterns of behaviour. Yet this variant of ‘new institutionalism’ is often criticized for oversimplification. Its conditions of use are often too restrictive and relevant aspects, such as subjective preferences, are disregarded. Rational choice institutionalism has difficulties in explaining why so many institutions persist, even though the functional reasons that lay behind their creation are not in existence anymore. Nevertheless, these drawbacks do not erase the obvious contributions of rational choice institutionalism. It brings one of the main problems of political phenomena – the management of uncertainty – to the core of social theory; it gives more space to the study of individual action at the expense of more structural variables such as ‘culture’; and it avoids giving an excessive emphasis on contingent aspects (Scharpf, 1997).

Sociological institutionalism contrasts sharply with the rationalist variant, as it relates to what Grannovetter (1985) would classify as an *oversocialized* view of institutions. This branch of new institutionalism conceives institutions in a much broader way (Thelen, 1999). Actors are not just independent, individualist beings looking for the maximization of their benefits but also ‘social beings’ trying to adjust their patterns of behavior with the norms, values and practices prevailing in their social context. In this perspective, institutions are not just formal entities but also norms and procedures, symbolic systems, cognitive mechanisms and moral patterns in such a way that the devising line between the concepts of ‘institutions’ and ‘culture’ is often ambiguous (March and Olsen, 2005). Culture, rather than institutional functions, explains either the creation of new institutions and their persistence through time (Steinmo, 2008). They not only influence actor decisions but also their basic preferences and even their identity (Hall and Taylor, 1996). This, of course, does not mean that actors are not rational, simply that their rationality is socially constructed.

The strengths and drawbacks of sociological institutionalism often contrast with those of the rational choice branch. Unlike this last approach, it provides consistent explanations for the persistence of many institutions through time, and for the more subjective motivations of actors’ behaviour. Nonetheless, using an inductive methodology that aims to clarify institutional phenomena by selecting one among several possible explanations, sociological institutionalism fails to provide a systematic, general theory (Jenson and Mérand, 2010).

Historical institutionalism introduces a temporal dimension in the study of institutions. These are conceived as the product of often long-standing trajectories of development, whose evolution may be explained either by functionalist or by cultural factors. Historical institutionalism is ‘agnostic’ concerning human nature (Thelen, 1999). Actors may be both ‘individualistic’ and ‘social’, in the sense described by the two other streams of thought. As a consequence, depending on the specificity of each situation, their action may be conditioned by their own self-interest or by social purposes (Steinmo, 2008). This perspective poses many epistemological problems. How to assess if, in each specific moment, their behaviour was driven by individual or collective factors? The answer to this question, according with historical institutionalism, resides in studying all the facts that lay behind each specific institutional trajectory. As Steinmo (2008:127) put it, in ‘taking History seriously’.

The eclectic approach of Historic institutionalism provides an opportunity to combine two equally pertinent approaches of the relationship between institutions and individual action. Nonetheless, as the other branches of institutionalist thought, it is not exempted from drawbacks. The most prominent of them resides in the difficulty to provide an accurate explanatory model of institutional phenomena. If we conceive the mission of science as the development of theoretical models able to deliver adequate explanations to the majority, if not all, natural and social phenomena, then historical institutionalism methods are questionable, at the least (Steinmo, 2008).

Yet Historical institutionalists counter this concept of science as flawed, or at least limited to specific branches of scientific knowledge, such as Newtonian physics. In the social and even life sciences, absolute and invariant laws are simply ineffective, as their objects of study not only vary through time, as they are subjected to a wide range of complex and interdependent factors. The best way to deal with these difficulties, according with historical institutionalists, is by using comparative studies that embrace diverse institutional contexts. In the long range, especially if experienced by a multi-generational community of researches along decades, the combined results of a large sample of specific cases will produce more general models (Steinmo, 2008).

The three institutionalist branches present different explanations for change and continuity in institutions, which are described in the next two sections.

Institutional change factors

Change in rational choice institutionalism is strongly related with actors' strategic calculus. Certain actors are particularly motivated to promote change. This is especially true in the case of the *losers*, or actors marginalized by the political system. Having little to lose, they are in good position to challenge the establishment (Pierson, 2004).

Rather than concentrating on the strategic calculus of specific actors, sociological institutionalism approach of institutional change focuses wider, powerful forces that lead to change at the deeper level of the prevalent norms and values of each context. DiMaggio and Powell (1983) and other researchers sustain that institutions are endowed with a motivated behaviour that structures their action through systems of shared and more-or-less harmonized rules, norms, attitudes and taken-for-granted beliefs. Institutions may be coerced to converge, either by pressures from other institutions that hold the power to impose their standards, or by cultural expectations. They may try to reproduce successful models as a way to cope with uncertainty. Or they may integrate agents with different beliefs and values that will internally contribute for change. These three kinds of isomorphism, called *coercive*, *mimetic* and *normative* respectively, may work as triggers of institutional change. Usually, these processes are neither easy nor abrupt, as they involve change at the deeper level of cultural norms and beliefs, rather than shifts in actor's interests (Healey, 2007).

Historic institutionalism provides a wider range of explanations for institutional change. Pierson (2004) distinguishes between short and long term time horizons, either for causes or for outcomes. A process may occur rapidly but produce long-standing outcomes. Such is the case of what is often called 'critical junctures' (Mahoney, 2000), according to which one or more successions of causal factors converge in a specific moment in History, generating a 'legacy' of institutional transformations (Collier and Collier, 1991). Major shifts, such as the Industrial Revolution, may be analysed using this model. Goldstone (1998), for instance,

describes the invention of the steam engine as the result of the convergence of two chains of interrelated events, one of them related with environmental transformations and the other with social-cultural shifts. This ‘critical junction’ was at the origin of such deep economic and institutional changes that radically transformed Britain.

Change, according with historical institutionalists, may be the product of other kinds of processes, however. These may be long-standing, both in their causes and effects. Robert Putnam’s work on social capital (2000) describes remarkably how an enduring phenomenon (the decline of social capital in the US, during several decades) is in itself the result of also persistent causes, such as urban sprawl and the massive consumption of television. Change may be instantaneous in both its causes and effects, although there may be a temporal lag between them. Some political studies, for instance, establish a link between economic development and democratization processes that, although both brief in time, are not immediately subsequent (Przeworski and Limongi, 1997). In other situations, as the ‘threshold effects’ model illustrates (Grannovetter, 1978), the causal factor (economic growth) may be long lasting, but not the democratic process.

Institutional continuity factors

As much institutionalist literature is predominantly focused on institutional change, the continuity of existing pathways is often neglected. This fact is regrettable as much institutional design destined to promote change is often harmed by not anticipated change-resistant factors. Institutional continuity variables are, nevertheless, presented in all the main streams of institutionalist research. Part of rational choice literature, for instance, is dedicated to the so-called ‘veto points’, or the aspects of formal institutions that provide opportunities to block, or at least retard, decisions. A high degree of compromise required to promote the change of rules, such as two-third majority in Parliament, may be considered an example of a veto opportunity (Tsebelis, 2002). Some federal systems are ‘trapped’ in a ‘Joint decision’ system involving different levels of government, may also contribute to institutional inertia (Scharpf, 1988). The same will happen with presidential or bi-cameral parliamentary systems.

Sociological institutionalism, on the other hand, is often concentrated on ‘embeddedness’ (Grannovetter, 1985), or the persistence in time of deep-rooted norms, values and beliefs. Putnam (1993) analysis of civic cultures across Italy emphasis this aspect, as he goes back to the history of the country’s different regions since the middle ages, in order to explain diverse patterns of *civicness* in present days.

Perhaps the better-known Historic institutionalist continuity effect relates short-lived causes and enduring effects. Path-dependent processes are long-standing, self-reinforcing dynamics generated by an event produced in a specific moment in History. Once triggered, either by chance or as a consequence of a conscious decision, this event will generate a positive feedback process, meaning that each

stage along a particular trajectory will increase the attractiveness of that trajectory over time (North, 1990; Pierson, 2004). Path-dependence is a source of inertia in the long run, as the further we move in time, the harsher it becomes to change the course.

Table 1 synthesises the above-mentioned institutionalist factors for both change and continuity.

Table 1 - Institutional factors for change and continuity

Theoretical approach	Change factor	Continuity factor
Rational choice institutionalism	Actors' collective action: Change is promoted by local actors, either leaders or those marginalized from institutional arrangements who try to revert the situation in their benefit.	Veto points: Change is blocked when multiple actors are involved in decision processes.
Sociological institutionalism	Coercive isomorfism: Chang is driven by powerful external actors. Mimetic Isomorfism: Change is driven internally, by the will to replicate other institutional contexts perceived as more successful. Normative isomorfism: Change is driven by individual ('institutional entrepreneurs') or collective ('epistemic communities'), who bring with them diferente values from other contexts.	Embeddedness: Powerful beliefs, norms and rules are crystallized in the institutional context, blocking any attempt to shift existing traditions.
Historic institutionalism	Critical junctions: Change is the result of converging chains of events. Cumulative causes: Gradual changes are directly related with equally enduring causes. Cumulative effects: Short-term events produce long-lasting change. Strutural processes: Both causes and effects are brief, although temporally lagged. Threshold effects: A long-standing causes generates change a brief effect change.	Path-dependence: Events occurred in a more-or-less distant past triggered self-reinforcing dynamics.

Sources: DiMaggio and Powel (1983), Grannovetter (1985) Pierson (2004), Tsebelis (2002)

3. Tangled institutionalisms: the case of inter-municipal coordination in Portuguese planning

Literature on 'planning traditions' usually portrays Portugal as a member of the Southern European 'family' of countries (Nadin and Stead, 2008), meaning that it emphasises regulation more than negotiation; That its local government is relatively weak, especially concerning its human, technical and financial resources. And that trust among public and non-public actors, as among actors belonging to different levels of government, is generally low, leading to cumbersome procedures and high levels of red tape (Breda-Vázquez and Oliveira, 2008).

Nonetheless, attempts to change this general setting have been recurrent in the last few decades. Yet the intensity and direction of change may vary strikingly between different aspects of territorial policies concerning the objectives, instruments and scales of public policy intervention. The evolution of territorial policies in Portugal in the last few decades may help to understand that this diversity of outcomes often derives from the mix of institutionalist factors existent in each context.

Among the most recurrent attempts to introduce institutional change were the rescaling of territorial policies through devolution of planning competencies to sub-national levels and the involvement of non-public actors in decision processes, notably territorial strategy-defining. Different degrees of change were observable at three levels: the administrative system, the formal planning system and other territorial-focused initiatives such as territorial development programmes. Inter-municipal coordination is a particularly intriguing field of work, as Portugal was subjected to several transformations in the last few years, with varying results in terms of institutional change and continuity (Oliveira and Breda-Vázquez, 2011; Silva and Syrett, 2006; Syrett and Silva, 2001).

In a country where intermediate scales between the municipal and the national levels were remarkably weak (there are no metropolitan or regional governments in mainland Portugal), attempts to promote inter-municipal coordination represents a major challenge. Successive legislative packages devolved increased competencies to the local government but the lack of human, technical and financial resources often hampered further development (Syrett, 1995). On the other hand, although many different kinds of inter-municipal institutions were created in the last thirty years, they are generally emptied of significant competencies. Further integration on territorial policies faced resistance from local authorities in giving up their own competencies at the expense of supra-municipal entities (Oliveira and Breda-Vázquez, 2012).

This is especially evident in the case of formal planning. In spite of the existence of law provisions for Inter-municipal plans (PIOT) since the end of the 1990s these plans, which are not compulsory, remain nearly absent in Portuguese planning practices. As a consequence, old traditional top-down procedures remain, as the intermunicipal scale of planning is mainly provided by regional plans, which are promoted by agencies controlled by the national government (Oliveira and Breda-Vázquez, 2012). This situation reproduces the main characteristics of the planning system as a cumbersome, over-centralized and technocratic apparatus (Amaral and Monteiro, 2004), where attempts to change are regularly hampered by deep-rooted administrative practices.

Other instruments were more effective in introducing governance-led practices. The raise of so-called territorialized programmes was apparent in the last two decades, frequently in close association with European Union funding. Some of the most innovative experiences involving inter-municipal coordination were either incentivised by the EU or inspired in other European experiences. Nevertheless, in

the case of Portugal, they hardly assumed a prominent role in the country territorial policies, which remained deeply committed with more traditional, regulative approaches. 'Institutional isomorphism', fostered coercively by EU rules, promoted through good-practice exchanges or the activity of key actors, contributed to transform institutional landscapes, yet this process was strongly conditioned by the strategic calculus of local actors, as many of them were far more interested in funding access rather than on long-lasting local strategies (Oliveira and Breda-Vázquez, 2012).

In all these examples, a web of 'tangled' institutionalist factors is apparent, either in promoting or in hampering change. Change may be fostered by sociologic institutionalist factors such as isomorphism, or hampered by the strategic calculus of local or national actors, especially in contexts where 'veto points' proliferate. Change may be the product of historical institutionalist factors, either abrupt such as 'critical junctures' or smooth such as cumulative decentralization measures. But it can be halted, or at least mitigated, by the continuous presence of deep-rooted non-written norms.

5. Conclusions

By using different streams of institutionalist thought, the paper aimed to expose the main factors laying behind change and continuity in institutions, and their relationship with recent evolution in spatial planning and territorial policy issues. We conclude that the mix of institutionalist factors present in each context is a central factor in determining the outcome of processes such as the rescaling of administrative and planning systems or the transition from government to governance.

The wide range of 'new institutionalist' perspectives would lead us to evaluate institutionalism in planning as a 'chaotic' approach, in a striking need of deconstruction. Nonetheless, the case described in this paper illustrates how co-existence among different perspectives is not only defensible but also desirable. Multiple threads of thought do not necessarily lead to incoherence, as long as each of them remains parsimonious in its claims, and the boundaries between them are rigorously defined (Benneworth and Henry, 2004). As each theoretical perspective is endowed with a specific set of strengths and weaknesses, an integrative approach may even lead to a more enlightened description of the role of institutions in planning.

There is a need to deepen this multi-perspective approach of planning in further research, as the joint exploration of conflicting and intersecting threads of thought offers new opportunities for adding value to planning and territorial policy studies.

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