The world is becoming increasingly more globalised. That is a big and subtle force often demanding national and local harmonisation. Traditional industrial sectors moves from the western hemisphere to other parts of the world. The need for future oriented, explorative and innovative ideas and studies is immanent. In Sweden and other modern societies there is often a strong belief in reform, that it is possible to change societal structures, processes and ideologies from above by introducing new ideas and financing R & D.

This book presents a wide range of approaches to the study of local development and creative industries. Seven authors’ presents a volume organised in three parts. Part I offers empirical studies on a growing experience economy, and also heritage, design and Factor 10 as a resource for development. Part II offers a methodological study on narrative as a force for company development. This part also offers reflections on interactive knowledge and however development is a prerequisite for innovation. Part III covers current conceptual and theoretical reflections on localisation, regionalisation and globalisation, neo-institutionalism and symbolic aspects of policy.

Innovation, Triple Helix and the creative industries are often presented as a panacea for local development from above. Rarely has it been shown to be a wave of success. Simple answers to complex problems often houses logical error, which means that everyday development projects often results in errors. This volume aims to illustrate an empirical, methodological and theoretical agenda for local development from the bottom and partially implement a new and interactive role of researchers.
The National Institute for Working Life built up a research filial at Gotland, following the political decision in 2005 to re-locate parts of various governmental bodies outside Stockholm as a compensation for the reductions in military units in Sweden. The department for work organisation and development processes at the institute were responsible for the development, and during 2005 the preparatory work was carried out. It was decided that the research accomplished in Gotland should be academic research of value for Gotland, as well as for the rest of the country. Accordingly it should also be of practical value for the trade and industry at Gotland. In this spirit the research theme was decided after communication and interaction with the University College at Gotland, politicians, municipality employees and entrepreneurs at Gotland.

The theme has a pronounced ambition to understand the dynamics in the societal transformation, in the development of new jobs and businesses in relation to local and regional conditions. Design, experiences and cultural heritage are by many actors seen as very important for developing new jobs and businesses, both for existing businesses to become more vital, and thereby being able to employ more people, and as a possibility to start up new businesses. Even though it is important factors within the context, only a small number of scientific studies have been performed of the possible consequences of incorporation of such factors in businesses. To fill the knowledge gap, a number of case studies will be performed. The case studies are based on empirical findings from different businesses/NGO: s and pose possible answers to
the following questions:

- How do the cases handle their daily transformation work?
- Is it conscious or unconscious?
- What are the hindrances and supporting structures?
- How can a NGO activity develop to a business?
- What characterises the interplay between public and private actors?
- Is local or regional development a question about destination?
- Cultural heritage as a resource in economic growth: Does that imply public support to result in private businesses?

In January 2006 the researchers started their work, and in October the same year the Swedish Government decided to close down the entire institute. The research group had by then planned the research that was supposed to take place the next three years and everyone in the team we were very devoted to find a continuing opportunity to fulfil the plans. A period of hectic activity started and did not end until a solution was found. It was decided that some of the researchers from the original research group, who had decided to stay in Gotland, could continue with the planned research as employees at the University College at Gotland. This anthology was planned to be the starting-point for the research at the National Institute for Working Life at Gotland. Instead it becomes a finalisation of the work, and a starting-point for the research that will take place at University College at Gotland.

I would like to express my gratitude towards Fredrik Sjöstrand, PhD in Business Economics and Management at Gotland University, who performed the peer review and gave innovative comments about the papers. I would also like to thank Stephen
Fruitman, PhD of Science and Ideas at Umeå University, who carefully and stringent translated and scrutinized the text in the different papers.

Carina Hellgren

Associated professor
Vice head of the department for work organisation and development processes
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In an increasingly globalised world, local and regional actors everywhere have a stake in shaping their own, common futures. Global competition issues an invitation to participate while actualising issues about preserving the uniqueness of the local community. Private and voluntary actors interplay with municipal and regional authorities whose agendas are constantly redefined and changed through political reform. Globalisation means that transcontinental flows and interactive processes become more comprehensive, move more rapidly and have more profound consequences. It implies a shift or transformation across the gamut of human social organization, binding widely-separate communities to one another and extending the reach of various power relationships over regions, countries, and entire continents (Held & McGrew 2002).

The most crucial factor in successfully promoting community welfare is learning how to deal with these changes, most commonly by seeking new partners with whom to collaborate and creating new networks (see Chapter 11). In the case of municipalities, this often implies collaborating with other municipalities, either neighbouring ones or with those spread over one or more counties, within the framework of municipal federations. Today, municipal federations are common, with
prime emphasis on emergency services but also collaborating in the fields of education, health care, technology, culture and acquisitions. The same tendency is evident in both major cities and small towns. County councils have also begun forming associations, primarily in the health care sector. Municipalities and county councils are also configuring financial coordination agencies together with regional job centres and social insurance offices. Town twinning, either bi- or multilaterally on matters of common concern, is another form of response. In the latter instance, collaboration is not the result of contiguous territory but a network of municipalities brought together by interests of an industrial or cultural nature (Rylander 2004; Sveriges Kommuner och Landsting. 2008).

Thus municipal economic policy is now often consciously fashioned to clear a path for dynamic, creative industries. Increased intermunicipal collaboration, regional partnership and regional growth agreements are expressions of the greater significance which is apportioned the local and regional level for initiating activities which can not only generate more jobs and businesses but also improve life quality and the residential environment.

Local development can be seen as a process in which a plethora of actors weave a tapestry that portrays the wished-for development of the community, an act that in turn is profoundly influenced by the history of the place. Since the 1980s, new coalitions consisting of local and regional actors have been created, including representatives of government, business and civil society. Networks evolve with the intent of reducing the risks inherent in global competition, i.e., deindustrialization, mass unemployment and environmental pollution. In the initial stage, intraregional networks are constructed (e.g. so-called "regional agencies" or support centres for small businesses), where after networks of interregional cooperation emerge. In some countries, government agencies have been relocated far from
the capital, which contributes to decreasing the concentration of competence. Of more direct significance for the regions however is delegation of responsibility for an increasing number of tasks and the allocation of decision-making powers to local and regional levels. In this manner, municipalities and regions are given the opportunity to make decisions of greater weight than ever before, primarily in issues of health care and education. Greater freedom to initiate and master development processes locally and regionally has been realized via the creation of new seats of post-secondary education, regional growth programs and the creation of regional joint organs (see Chapter 10).

In our information-driven, net-based economy, creativity is a very valuable commodity. The ability to use knowledge creatively to solve problems and provide amenable conditions for growth and sustainable development is decisive to local welfare (Andersson & Sahlin 1997; Florida 2002; see Chapter 7). Global competition features forces of distribution and concentration that transform the organization of activities in space. Business, entrepreneurship and risk capital seek out dense, dynamic local environments offering specialized competence and a high level of activity in related and complementary businesses. This presents better conditions for businesses to organize efficiently and increase their creative potential. At the same rate as competitive advantages are replicated and production methods developed by competitors in other regions or countries, the competitive edge of companies previously harbouring unique competence in the field is dulled (Rylander 2000; see Chapter 12). Thus competitiveness must be constantly refreshed by pressing production costs or through innovation and design. A global strategy for production and marketing and transnational collaboration is essential to maintaining viability. Transnational networks assure a swift updating of codifiable knowledge and transfer of information, while local environments provide access to uncodifiable, tacit local knowledge and the transference of
complex information (Rylander 2004). Financial and cultural activities are imbedded in local environments where people actually live and work. Without contact with transnational information and capital flow, stagnation looms (see Chapter 9).

**Swedish Economic Policy in Transformation**

Economic policy is formulated after passing through the hands of a long list of actors stretching from the municipal to the national level. During the 1960s, when Swedish industrial export was at its peak, dependence on foreign markets encouraged a sanguine vision of the future. The dominance of a community by a single business was viewed benevolently. But then the 1970s arrived. The industrial boom began to bust and dependence on foreign markets and single-business dominance became a handicap. As government finance policy in Sweden became increasingly fumbling, the problem was foisted onto the municipalities. National economic growth policy became the focus of more general measures. In the 1980s, the prototypical ideal for municipal economic structuring was small-scale, multiple, local/regional collaboration. The key word was mobilization patterned after success stories of the small towns of like Gnosjö, Mora, Skellefteå and Landskrona. Success myths were formulated and passed on. Many attempted to replicate the necessary ingredients for success, but few succeeded (see Chapter 13).

Simultaneously, many municipalities began acting with more tactical sophistication in regard to economic policy. They began to work on their image and attempt to find their structural niche, in order to attract new residents, businesses and tourists. Government subsidies and loans were replaced by investment in infrastructure. Consequently, in the 1990s the transportation system was the focus of attention; distance to local airports in particular was considered significant, but also ready access to express rail connecting with Stockholm, motorways and
Many municipalities developed their own IT strategies. Local academic education and research were also prioritized like never before. Setting up so-called "technology centers" , "trade and industry development centers" and "one-stop shops" soon followed. Advertising agencies sprang up, European Union offices opened their doors and market planning was developed to "sell" the municipality in a variety of contexts. Furthermore, the creation of a "we-spirit" was considered essential to local mobilization – investing seriously in culture and recreation was prioritized. Rock festivals were mixed with symphony concerts and theme parks with golf courses; the anniversary of the town founding or opening of the local mine also provided opportunities for conspicuous celebration. "Experience" in the broadest sense was highly prioritized. As an increasing interest in history took hold over society in general, the significance of local history, culture and heritage for future enterprise was discussed. The question of regionalization, with its roots in the 1980s, came to the fore, particularly after Sweden became a member of the European Union. Most Swedish municipalities began to "think regionally" and see themselves as belonging to particular regions. An attempt to create ten new regional constellations began in 1998 and included the administrative counties of Gotland, Halland, Scania and Västra Götaland. The attempt included redelegating responsibility between state and county council. A bill presented to parliament proposed that the continued pursuit of these goals be made permanent. If passed, it will take effect in 2011 (SOU 2007:10; Ds 2009:51; prop. 2009/10:156).

Since 2000, these words have become deed with the construction of conference enters. Municipal "brands" are emerging as a viable form of competition (Pettersson & Molin 2010). Business climate has quickly been established as the yardstick by which to measure structural collaboration between private enterprise and municipalities (Pettersson 2010). Local
development agencies have been founded to recruit and pool valuable business expertise, contact networks and local investment capital. Ambition often stretches far beyond the actual progress made by the local economy. Just as important is to counteract the rural exodus and breathe new life into the countryside, environmentally and socially as well as financially (Molin & Pettersson 2010). At the same time, civil society – sports clubs, voluntary associations and continuing education – undergoes a professionalisation, with conversion into private subsidiary companies and the construction of new, multi-attraction theme parks as obvious manifestations. In sum, strong interest in design, experiences and cultural heritage for overall structural development can be clearly discerned. The matter of intercultural communication, the manner in which public actors engage with trade and industry, has also been moved up the agenda. The arts of building bridges and inspiring confidence seem to be a skill that will prove all the more valuable as we proceed. Similarly, strategic marketing is proving to be a potent instrument of commercial policy in the hands of municipal authorities. The trend is plain – enough stopgap measures and crisis funding, let loose local forces for development and mobilised belief in the future (Pettersson 2007; see Chapter 3).

The Necessity of a Revitalised Work Principle

The fundament of Swedish economic policy has hitherto consisted of the so-called “work principle”, which in brief means that healthy citizens should earn their living on income generated by active participation in the labour force. This policy is by no means uncontroversial and today’s political parties can hardly agree on a mere definition of the term, let alone how to implement it. Perceptions of motivating forces and incentives to development also vary widely, but the work principle remains the unquestioned norm across traditional blocs and party lines, which has in turn caused Swedish labour market policy to
traditionally focus on individuals in the role as employees who perform work for which they are paid a salary. This implies a clear boundary line between employer and employee. Industry and the public sector make sure there are jobs available, while the citizenry is charged with the task of training itself and applying for these jobs. Thus Swedish economic and labour market policy is intended to create new jobs and make its citizens employable.

The rival principle of "basic income”, whereby the state tries to guarantee the earnings of its citizens through a variety of forms of benefits, has not been nor shows any signs of soon becoming terribly popular among Swedish politicians. Today, however, we can see the problems inherent in the work principle (Olofsson 2005). These is partly due to the fact that traditionally, the work principle has expected big, thriving companies – especially within the industrial sector – to continually create new occupations to which the workforce would adapt. These big, thriving companies are however decreasing in relative significance. They no longer create as many new jobs as they used to. Many of them have become globalised. At the same time, this is influenced by whoever has power over the business strategy of the respective companies, as when foreign corporations buy up Swedish firms. Instead, the citizens of Sweden are encouraged to occupy themselves with new enterprises, since there are not enough jobs for everyone. This implies a break in the previously unbreakable boundary between employer and employee. It is this circumstance that causes changes in and development of the view of work-creation policy. Perhaps we ought to speak instead of the fact that the modern-day citizen must find different ways of supporting himself, both as employee and proprietor. At the same time, the idea that one’s youthful choice of career is a lifelong project must be revised so that flexibility and adaptability are the preferred attributes (see Chapter 4).
Creative Industries and New Impulses in Economic Policy?

It may transpire that an increasing number of employment opportunities and business propositions will be converted from big, national manufacturing to smaller, local service operations primarily based on design, experience and cultural heritage. These industries are based on aesthetics, attractiveness and historical heritage and identity, which in the last decade have been brought together under the umbrella term "experience industry". The term covers a wide range of entrepreneurship stemming from a variety of sectors and trades of varying size and influence, both commercial and non-commercial. It is a term characterizing people and companies with a creative bent whose main task is to create and/or deliver experiences of one kind or another (Upplevelseindustrin 2004 – Statistik 2005; see Chapter 2). Internationally, the concept "creative industry" is more commonly used (Larsson, Molin & Pettersson 2010), while "culture and creative industry" has become the common term of discourse in both Sweden and the European Union (KEA 2006; Proposition 2009/10:3).¹ Though definitions and motivations differ, they all approximate the aim of capturing the essence of a real phenomenon and its future potential displaying impressive growth in many countries across the world (see Chapter 15).

It may prove over time that these jobs are more sustainable than those in the manufacturing sector, which are sensitive to market fluctuations, especially considering that tourism based on specific, stationary attractions cannot be outsourced or relocated. In fact, the concepts can be replicated and applied to tourist attractions just about anywhere else. The competitive vitality of a tourist destination chiefly depends on how unique it is and how attractive the concept. In tough times, individuals and business alike tend to spend much less on conferences,

¹ See the Swedish government action plan for culture and creative industries, http://www.regeringen.se/sb/d/108/a/136205
pleasure trips and vacations. Moreover, changes in currency rates can have a major impact on the number of foreign visitors. Thus tourism ought to be sensitive to economic fluctuations, too. The pressure to constantly improve and modernize local place-marketing concepts increases as the number of communities profiling themselves to attract more visitors, business and new residents multiplies (Kotler et. al. 1999; Florida 2002).

Many Swedish municipalities have long struggled to reduce susceptibility to structural and financial upheaval in their trade structure. Dependence on a sole, major employer engaged in manufacturing a single product has as stated above often characterized many towns and communities in the past. Similar structural unilaterality exists also in regions whose economies are dominated by forestry and agriculture (Pettersson 2007).

If we are not yet quite prepared to abandon the welfare state, a transformation of the way we think about trade and industry and working life is essential. A new work principle must be formulated, a principle for all, fashioned in accordance with the demands of contemporary society. This requires research, research-based development and investment in relevant education. The latter effort is, in our opinion, significant for how smaller colleges can profile themselves and assure their long-term survival against the background of ongoing centralization processes within the educational system. Each and every region must clarify a strategy based on local circumstances and intellectual traditions.

Instead of slavishly following the successful examples of others, we contend that an important key to sustainable development lies in attempting to find one’s own path to success (see Chapter 7) by identifying one’s strengths and interests and finding the means with which to achieve it. Inspiration can certainly be taken from a vast variety of sources, not just the obvious success stories. Sometimes the true innovators can be found among those who are willing and able to swim against the current with
the aim of revitalizing local tradition. Perhaps it is more effective to be associated with fashionable trends than become engulfed by them, casting a wider net in the quest for local and regional development (see Chapter 12). At its best, such support can contribute to increasing the interest and motivation of individuals to create new products and services. It is these individuals, alone or in concerts, which initiates something new and nurture a desire to create, regardless of whether they own their own businesses or are employed by someone else. At the same time, cultivating one’s own, inherent creative energy can provide the individual with a sense of meaning at work (Christensen 2002), whatever the field (Chapter 5). Such creativity also may open the way for the individual to become more deeply involved in further potentially creative projects. This concerns both obstacles and opportunities for possible future creativity. Thus it is worth learning more about this kind of creativity both in local and global contexts (Christensen 2007). For the researcher, it can be problematic to ”capture” the essence of what someone else considers ”meaningful”, let alone convey that knowledge to others. One needs to use both conventional and unconventional methods in order to ”reach” the stories and personal experiences of the individuals in question (see Chapter 6). This may also mean that the process of knowledge acquisition needs to become more actively involved with the people and enterprises that might generate meaningful work in the future. The question is how can the researcher contribute to the process of developing meaningful work for others?

The Research Methodology of Developmental Processes

Interactive research is certainly fashionable these days, especially when applied to developmental processes. Interest has grown significantly in Scandinavia just a few years. This signals a new ambition in knowledge accumulation and the
relationship between theory and practice. For the present authors, this is absolutely fundamental. Still however, the boundary between that which is considered research (i.e., the development of thought and theory) and that, which is considered, practice (the act of implementation in everyday activities) remains genuinely blurry. And yet most of what can be called human activity bears features of both – there is idea and then execution. Still, these activities have long been perceived as distinct, especially by academics, which encourage distance from the mundane. Researchers have often assumed the role of external expert assessing execution and development, both in thought and practice. In everyday activities in practically oriented fields, the development of ideas has rather revolved around previously-defined tasks or leaving the daily routine for a bit to attend a refresher course. In this way, learning is separated from work experience and its practical development. In its train, this separation creates a translation problem between the learning done at a weekend course and the ongoing learning done on the job. The challenge at hand is to provide the opportunity to reflect continuously on both comprehensive and concrete issues of work. Practically employed people are after all experts at what they do, based on genuine insight and experience. On the other hand, researchers should possess the ability to see the individual in a wider perspective. Methodological and theoretical knowledge in particular can pose new questions, insights and solutions which otherwise risk being overlooked. Researchers and practitioners have much to gain from mutual learning processes for relevance, benefit and utility in their respective professions (Larsson, Molin & Pettersson 2010). This interactive validity check of knowledge or encounter between knowledge horizons, for both researchers and practitioners, is the very raison d’être of interactive research (Greenwood & Levin 2007; see Chapter 7).
The premise of our method is that researchers not only view and analyse the development work of others but also actively contribute to this process. Methods and verification channels for mutual development must characterize knowledge accumulation. The word "interactivity" suggests that there ought to exist a mutuality in the relationship between the participating actors. It also implies that they perceive one another as equal partners, who both bring experience and competence to the table. In this regard, the necessity of interactive research to distinguish itself from other research traditions is blatantly obvious. In light of this, we choose not to investigate possible differences between action-oriented and interactive research, since the rhetoric currently remains unclear (Aagaard Nielsen & Svensson 2006). On the other hand, we welcome the opportunity to investigate any effort that contains aspects of bringing actors possessing different premises, methods and goals closer together.

Outline

This anthology consists of three, semi-overlapping parts. Part I consists of case studies and empirical reflections on experience-based firms and on local and regional development. The first chapter, "Women in the Experience Economy in Degerfors and Gotland", investigates the running of experience-oriented businesses from the perspective of female entrepreneurs and other local representatives. The second, "Heritage as a Local and Regional Resource", focuses on the relationship between cultural heritage and local and regional entrepreneurship in an attempt to discuss the unstable nature of heritage and suggest ways of using it with greater efficiency. The third chapter, "Business, Design and Factor 10 in Hällefors", investigates one of the municipalities in Sweden attempting to break free from the traditional corporate structure and at the same time chart progress toward sustainable development. While it has
a long history of technology-based industry, it is now being supplemented by investment in cultural, culinary and design projects. Chapter Four, ”Creating Passion for Work”, describes the attempt of experience-based company Boda Borg to create meaningful work. The concept of ”meaningful work” is all about the creation of work worth living for, beyond the size of the pay packet, job security and social contacts.

The ”Methodological Reflections” of Part II consist mainly of case studies and methodological reflections on development. The first chapter, ”Made Visible Through Narrative”, briefly describes the acquisition of a Swedish company by a Danish one. Using the narrative form allows many different voices to be heard and enrich our understanding of what it takes to create meaningful work for everyone in the new, international corporation. ”Interactive Knowledge”, the second chapter, discusses the extent to which researchers ought to become involved in local efforts at achieving sustainable development. Development gives rise to normative reflections on the past, present and future. The question is whether scientists and scholars can or even ought to participate in these deliberations. That continuous reform and innovation constitute the rallying cry of the public sector in the past few decades is a truism. In the chapter ”Is 'Development' Necessary to Innovation?”; we wonder whether not changing and not surrendering eagerly to full-scale reform might not be the most innovative stance of them all.

Part III contains conceptual and theoretical reflections on local and regional forces of development. Though based on case studies, the reflections become deeper and more general in proposition. The first chapter, ”Regional Development in a Changing World” reflects on how business sector policies have been undergoing a process of regionalization since the 1980s. In the changing world of the global market, successful entrepreneurship and the long-term creation of employment opportunities largely depend on the companies’ ability to
learn and compete through innovation, new design, creative marketing strategies and lowered production costs. The second chapter, ”Regionalisation in Local-Global Interplay”, posits the notion that strictly local responses to the challenges posed by increased global competition often fall short. Thus many municipalities find it more advantageous to cooperate with each other. Identity, awareness of local specialities and collaboration between business, government and the non-profit sector are prerequisite to developing the experience industry. The third chapter, ”Local-Global Dynamics in Light of the Structuration Theory”, discusses how local and global levels interact, how actors both influence their surroundings and are influenced by them. The discussion turns to reflections on structural duality and local-global dynamics, applicable to how actors – principally in Swedish municipalities – react to proposals claiming that the key to financial structural renewal lies in the experience economy. Chapter four, ”From Idea to Institution”, presents a synthesis of three models for understanding how ideas are disseminated and institutionalized. The first implies that ideas are realized in a uniform manner. In the second, new proposals are all received in the same way but realized differently. And according to the third model, reception and realization occur via a process of dual translation. The fifth chapter focuses on how ”Metaphors and Myths in Political Life” both facilitate and preclude the development of policy and practice. Mutually-reinforcing relative ignorance of the significance of symbols among both the mighty and the weak alike leave us all more or less in thrall to the existing structure, regardless of the good intentions of the majority. The issue is illustrated by various ”wicked problems”, including unemployment and environmental pollution. The final chapter of the anthology summarizes all of the above. Suggestions for further research on the experience economy and creative industries are presented.

Turning this page, we proceed to a second introductory chapter. ”The Experience Economy and its Potential for Creating New Jobs and Business” presents a survey of current literature on
the experience economy. The chapter attempts to determine the sector’s capacity for creating and maintaining new jobs, stimulating growth and the significance of geography.

References


Proposition (2009/10:3) Tid för kultur.


2 The Experience Economy and Creative Industries

Saeid Abbasian & Carina Hellgren

The present chapter is a survey of literature dealing with the experience economy in Sweden and a variety of other countries in Europe, North and South America, the South Pacific and Asia. The authors deal with this sector’s importance in terms of its potential for creating new jobs and businesses. First, the authors provide various definitions of the experience economy and discuss its current significance in the countries studied. They then illustrate, through facts and figures, the sector’s share of these countries’ respective GNPs, and identify those businesses in which each country is regarded as specializing. They attempt to determine the sector’s capacity for creating and maintaining new jobs, growth, and the significance of geography as they discuss entrepreneurship. Despite this wide-ranging approach, the main focus of the present chapter remains on Sweden.

Introduction

Globalisation and the structural transformation process evident in Western economies during recent years have led to the diminished importance of the industrial sector, the loss of many jobs, and ruthless competition between countries. It is no longer large companies that continuously create new jobs, but rather the small enterprises that make up the experience economy (also known as the "creative industries"). Not only countries and companies, but also local and regional politicians have chosen to challenge the status quo in different ways and on different spatial levels. One example is cross-border mergers between companies. Another is networking and cooperation between locales within a region or between several regions.
within a country, as well as between locales and regions in different countries. These measures can resuscitate lost jobs through cooperation between authorities, companies and the unemployed. Many meaningful, innovative jobs can also be created while maintaining a sustainable level of development and a sound environmental policy in accordance with the United Nations’ the environmental agenda.

To clarify why the experience economy is of interest in the context of this anthology, we conducted a survey of what has been written about it in recent years, focusing primarily on Sweden, but including some international perspectives. Our aim is to answer some crucial questions. The first is very basic: What is the experience economy? Other questions concern what we know about the Swedish economy and those of other countries, their importance, and entrepreneurship within national boundaries and whether it is influenced by geography. We conclude the chapter with a discussion of how the experience economy in Sweden might be developed in the future.

As in other Western countries, structural changes in the Swedish economy in recent decades have caused a transformation in a great portion of the service sector, which has negatively affected many communities in Sweden. The effects have been especially palpable on those areas whose local economies have been dependent on only a few established industries. One consequence of the resulting increase in the level of unemployment is that people move from the region to look for jobs elsewhere. When a dominant business in a region ceases operation, a number of individuals may feel compelled to start their own businesses as the alternative to moving. This has a particular impact on women, who have less mobility on the labour market than men. Discussions on the stimulation of entrepreneurial efforts have therefore become increasingly common in recent years in Sweden and given rise to phenomena like Gnosjöandan (“the spirit of Gnosjö”), named
after the town of Gnosjö where numerous small businesses have proliferated, not only increasing the rate of employment among women, but also maintaining a consistently low unemployment rate and unhindered economic growth, even in the middle of recessions (Pettersson 2002). An area still largely unexplored in this context is the expanding experience economy, which has evolved through the structural changes brought about by rapid internationalisation and globalisation, according to Kolmodin and Pelli (2005; see also Fridlund & Furingsten 2006). Media and communication technologies have played a major role in the process of globalisation (Flew & McElhinney 2001) and now there is a compulsion to find new ways for countries, regions and cities to become more competitive within the global economy (Nielsen et al. 2006). This economy, in other words, is thought to contribute to international competition between countries (Power & Gustafsson 2005).

In Sweden, numerous individuals have chosen to start businesses in this new economy, and several municipalities and regions in Sweden have attempted to stimulate new businesses in this sector. The immigrant-dominated municipality of Botkyrka, for example, is eager to profile itself as an actor in the experience economy (Hosseini-Kaladjahi 2005). A very new attempt is the attempt to promoting experience economy in the industry dominated “Gnosjö region” (e.g. municipalities Gnosjö, Gisslaved, Vaggeryd and Värnamo) in southern Sweden. Researchers and practitioners have tried among other thing through interactive R&D plus regional cooperation to change people’s pending attitudes to this new economy and help to start-ups of new businesses within that (See Rylander & Abbasian 2008:1, Abbasian et al. 2008:2, Abbasian & Rylander 2009:1).

In Sweden the public Knowledge & Competence foundation (KK-Stiftelsen) since the end of 1990’s has been coordinating and financing research and development within this new
industry in Sweden (www.kks.se). This foundation among other things has started eight so-called meeting places for experience industries in whole Sweden, from north to south (Algotson & Daal 2007). Discussions about the opportunities offered by the experience economy should eventually, apart from including native-born men and women, include immigrant men and women as well as young people, both as consumers and creators. Sweden is often considered to be an example of the economy of the future, one that focuses on young people, because young people are expected to be more receptive to new trends. Another reason is that Swedish youngsters spend a lot of their time consuming experience-related activities like music, computer and TV games, as well as also producing a significant amount of music by international comparison (Ungdomsstyrelsens utredningar 2001). Since very few studies have been performed in this area in Sweden, we have chosen to base our review on a variety of publications, including books, reports, and doctoral theses, articles in journals and magazines, and essays on the Internet.

**Defining the Experience Economy**

Pine & Gilmore (1999) define this economy as one that transforms functional services into experience-oriented services. As an example, they say that people can make coffee at home very cheaply. Yet they are willing to pay rather a lot of money to spend time enjoying the range of experiences offered by coffee shops. In other words, the experience is worth paying several dollars for a cup of coffee, despite the fact that the import price of raw coffee is normally only a few cents. In this exchange between the firm and the customer, the firm makes its profit, while the customer enjoys the experience she or he expects. This is quite different from paying for a functional service, for example dry cleaning (see Mossberg 2003). Nevertheless, before a company can charge admission, it must design an
experience that the client deems worth the price. Eye-catching design, marketing and delivery are thus every bit as crucial to the experience as the actual goods and services, claim Pine & Gilmore (1998). More concretely, it means the flourishing of entrepreneurship and creativity within a series of vocations, including fashion, design, writing, tourism, movies and media, art and music (see Brulin & Emriksson 2005). As Löfgren (2005a) says, this is a "romantic capitalism", an "emotional economy" in which culture becomes economised and the economy becomes "culturised". Gustafsson (2008) means that the experience is the seed in this economy based on co production and costumer offer in which the producer and consumer act together and create value.

The experience economy, or industry, is a relatively new feature in the Western world (with the exception of the US and parts of the UK) and the reference material uses different terms and definitions when describing it. The terms "experience economy", "experience marketing", "creative industry" and "cultural economy", "cultural sector" are used synonymously (Cf. Löfgren 2000 and 2005a; Gustafsson 2004 Part One; Hosseini-Kaladjahi 2005; KK-stiftelsen 2003; Almquist et. al. 2000). In the US, the term "entertainment economy" (Gustafsson I: 2004) is often preferred because of the country's dominance of the film industry and show business. In the UK, New Zeeland, Australia, Singapore, Japan and Hong Kong, experts choose the producer's perspective as the departure point and call the sector the "creative industry" (Kolmodin & Pelli 2005:003; Power & Gustafsson 2005). Another less commonly used synonym is "event industry"; it is mainly used in reference to tourism (see Angel et. al. 2006).

A smoothly functioning experience economy demands that several essential criteria be fulfilled, which can be measured with the aid of a creativity index. Sweden is one of the foremost countries in the world in this respect (Magnusson
In contrast to the US and UK, experts and researchers in Sweden have settled on the term "experience industry" (upplevelseindustri), since the prime focus of the Swedish discussion is on the consumers, not the producers, of experiences (See Gustafsson II: 2004; as well as IVA 2006). In neighbouring lands Denmark and Finland, and throughout the European Union, the term "cultural industry" is preferred, while the UN’s cultural body employs the term "cultural goods" (Fridlund & Furingsten 2006). In Danish, it is thus called Kulturelle erhverv (cultural business) but also Oplevelseokonomie (experience economy) (see for example Östergaard 2005). Gullander et. al. (2005) describes the "refining value chain", stating that within a creative industry, the starting point is an idea that originates either in the market or with the consumer. Creators, who are suppliers through activities, recognise this demand and deliver a service to their clients via middlemen such as agents and distributors; however, the middlemen and clients also perform a series of activities. The Danish researcher Östergaard (2005) states that the task is to deliver an experience, and that service is the clear precondition of that experience. Inspired by the French sociologist Bourdieu, he states that the experience is created within an interrelationship between cultural capital, economic capital and social capital (Östergaard 2005).

It has been suggested that the experience economy has arisen to meet the postmodern lifestyle. The demands people want satisfied and their need for confirmation, identity and experience are much different than ever before in history (Löfgren 2000). It might also be more crassly stated that they feel the need for micro-dramas in their daily lives (Löfgren 2005b). For example, people may have certain experiences at a bowling alley, which is an experience centre consisting of different components (experiences) including bowling lanes, a discotheque, a restaurant, an arcade or a pub (O'Dell 2001). Therefore, in
the terms of business economics, it offers clients a series of experience modules to combine according to their own whims, instead of one standardised product (O'Dell 2001). Dutch researchers at the European Centre of the Experience Economy view experiences as personal and list the ten characteristics of meaningful experiences – the individual is touched emotionally, time is altered, there is a sense of playfulness, the individual is in control of the situation, there is a defined goal, etc. In order to be considered a meaningful experience, all ten characteristics must be present, according to the researchers (see Boswijk et. al. 2006).

In a Swedish thesis, Hällkvist & Hedung (2001) describe experience as being based on a dual, complementary model – psychology (i.e. the individual’s needs and demands) and an attractive product (i.e. the firm’s range). Among other things, they found that the level of satisfaction among clients is the most important factor in order for the firm to establish its brand and attract and maintain loyal clients. This also determines whether the experience actually exists and whether the client’s demand for greater value has been fulfilled. Another Swedish thesis (Johansson & Komonen 2006) emphasises the fact that many experiences are implemented in the course of projects to promote a particular region. To reach more clients, a well-functioning regional organisational structure is necessary, alongside viable networks between local businesses and open lines of communication between the project leader and the surrounding community. In a third thesis (Jönsson & Palo 2006), the authors claim that experiences must become a brand in order to be successful and that companies must get people to associate the experience package they offer with positive emotions. To achieve this goal, companies must maintain quality in the experiences they offer and care about the needs of their clients.
The Experience Economy in Sweden and Abroad

That there is an enormous amount of general interest in the experience economy immediately became evident when we began browsing for publications on the subject with the help of the online search engine Google. The term "experience industry" received 323 million hits. "Experience economy" received 102 million and "creative industry" over 59 million. It was obvious that the experience economy was well known and well established in many Western countries, as well as in countries and regions such as China, Singapore, Korea, Taiwan, Hong Kong, Malaysia, southeastern Europe and Israel. Governments and regional authorities in these countries and regions have been eager to help develop this industry in recent years (see e.g. Cunningham 2003, UNESCO 2006). Our Google search showed that authorities and universities in many countries have built national and international centres and institutions (in the form of cooperative bodies) to promote and develop the industry. One of these centres is the European Centre for the Experience Economy in the Netherlands. However, the search also revealed that while the industry is growing rapidly in many countries, the rates of growth vary greatly, not only from country to country, but also from continent to continent.

Our Scandinavian neighbours have been investing in and developing this economy for several years now. Sweden has entered into partnerships and belongs to networks focused on experience economy research and development. One excellent example is a project called "Norden: The Nordic Innovation Centre" (see e.g. Power & Jansson 2006). The rise of this economy and the scale of its development vary from country to country; Sweden and Denmark have been relatively more successful than Norway and Finland with regards to developing plans for further expansion (see e.g. Norway Cultural Profile 2006, Finnfacts 2004). Ten percent of the Swedish GNP and
seven percent of the Danish GNP are derived from this economy (Lorenzen 2006) and a few years ago, Danish researchers ranked Sweden as an industry frontrunner along with the UK (Government 2003).

The world leader of the creative economy is, unsurprisingly, the United States. Statistics show that nearly three million people were working for 578,487 businesses active in this economy in 2005. The experience economy represents 4.4 percent of all businesses in the US and 2.2 percent of all jobs (Americans the Arts 2005). Five years later (2010) numbers of people working within these industries are almost the same while numbers of businesses have increased to 668,000 and the annually export of these industries were estimated to 30 billion US dollars (see Americans for the Arts 2010).

The UK is another top country in this industry in terms of growth, production, consumption, export and import, as well as in attracting foreign investment to the experience industry. A report published by UK Trade and Investment shows an 8.2 percent growth in the GDP. The UK is also one of the top producers and consumers in the music, video game, broadcasting, movie and design industries. The country attracted 1,066 new investors from abroad (including Sweden) in 2004–05 alone, out of which approximately 40,000 new jobs were created. Nearly half these projects and jobs resulted from American investment (UK Trade and Investment 2006). The Creative Industries, excluding Crafts and Design, accounted for 6.2% of Gross Value Added (GVA) in 2007. The Creative Industries grew by an average of 5% per annum between 1997 and 2007. Computer Games & Electronic Publishing has had the highest average growth (9% p.a.).

Exports of services by the Creative Industries totalled £16.6 billion in 2007. Total creative employment increased from 1.6m in 1997 to nearly 2m in 2008, an average growth rate of 2% per annum, compared to 1% for the whole of the economy over this period. In 2008, there were an estimated 157,400 businesses
in the Creative Industries on the Inter-Departmental Business Register (IDBR). The true proportion of enterprises that are in the Creative Industries is likely to be higher as certain sectors such as Crafts contain predominantly small businesses. Around two-thirds of the businesses in the Creative Industries are contained within two sectors: Software, Computer Games and Electronic Publishing (75,000 companies) and Music and the Visual & Performing Arts (31,200 companies) (see The National Archives 2010).

From Austria, it is reported that the country’s creative industries are of considerable importance to its economy. Between 2002 and 2004, the number of companies increased by 5.5 percent to about 28,700 employing nearly 102,000 people. The revenue from this industry increased by three percent to 18 billion €, while the gross value increased by four percent to 7.2 billion € during the same period (WKO 2006). On the Latin American continent, the experience economy remains underdeveloped in Argentina, Brazil, Chile, Peru, Uruguay and Venezuela. It is also of relatively little importance in terms of GDP in Bolivia, Colombia, Ecuador and Mexico. As far as the experience economy goes, music and movies clearly dominate in Latin America (see Cunningham et. al. 2005). Argentina is currently promoting itself as an experience industry country, especially in the field of design – Buenos Aires has been designated a "design city" and has joined a "creative cities network" which includes Berlin, Santa Fe, New Mexico, and Aswan, Egypt. Creative industries constitute three percent of the Argentinean GDP and two percent of the workforce (7 and 4 percent, respectively, for Buenos Aires). The reasons for designating Buenos Aires the design centre of Latin America include its large population; its status as a cosmopolitan city with a sizeable immigrant minority drawn from throughout the world; its three generations of internationally-recognized excellence in design; and the quality of its university training and major design exhibitions. Other necessary preconditions in areas like tourism,
fashion and multimedia in Buenos Aires are also good (British Embassy, Buenos Aires 2006). The creative industries sector in Argentina is growing at a faster rate than the economy as a whole - at a 14.5% accumulated growth rate between 2002 and 2007- and contributes with over 2% of total employment (over 100,000 employees. The estimated export year 2007 was over 500 million US$ (ProsperAr Invest in Argentina 2009).

The government of New Zealand has developed a framework to stimulate the growth of an innovative knowledge economy in the country. Three areas will be given priority in coming long-term development plans: biotechnology, information and communication technology, and the creative industries. Design, fashion, cultural tourism and screen productions are of major importance to the country. As in Argentina, the capital city is the seat of most businesses in New Zealand’s "creative industry". More than 50 percent of all employees in this economy are located in the Auckland region, including most broadcast networks and the architectural, film and music sectors. Though this sector has enjoyed rapid growth in recent years, the country itself has received a smaller share of the profits in international comparison. Creative sector employment accounts for only 2.4 percent of the total national employment (5.1 percent of Auckland City’s total employment, see Auckland City 2005; Cunningham 2003). A similar trend is reported from neighbouring Australia (see Cunningham 2003; Keane & Hartley 2001).

The world’s most populous country, China, which has had the highest GNP growth rate in the world over the last decade, has also begun to invest seriously in the experience economy, especially the film and television industries. Some probable explanations for this include the high growth rate; a rapidly expanding middle class (potential consumers of culture, especially in large urban areas); numerous potential consumers in neighbouring countries; and low production costs in China compared with other countries (see Cunningham et. al. 2005).
In 2006, cultural industries achieved 512 billion Yuan (£34 billion) of value added and grew 17% from 2005. Internationally, China’s export of core cultural products amounted to 9.6 billion USD (£4.8 billion) in 2006. In the same year, China’s BOP from cultural services export increased 20% and amounted to $2.7 billion (£1.4 billion). Although the share of cultural industries to China’s GDP remains small (2.5%) in comparison to developed countries such as Britain (10%), the growth of cultural industries has been substantial in the past few years (Ye 2008).

**The Significance of the Experience Economy**

The significance of the experience economy can be studied from a variety of perspectives. The most important aspects of the industry are of course money and employment; this industry has a significant refining value and a huge capacity for providing new jobs. In their article, Almquist et. al. (2001), suggested that what unites artists, musicians, designers, etc., is the fact that they are a force to be reckoned with and constitute an industry, which already employs many people. This economy is anticipated to have the potential to offer many new jobs to the unemployed and create growth in vulnerable regions. From 1995 to 2001, industry growth rate was 6.4 percent and its share of the GNP increased from SEK 75 billion to SEK 110 billion. The number of employers increased from 241,000 till 284,000 in the same period, an increase of 43,000 or 18 percent. From 1997 to 2001, the Swedish economy as a whole grew by 5.5 percent, while the experience economy grew by 6 percent (KK-stiftelsen 2003). In 2002, nearly 400,000 people were employed by this sector in Sweden, equivalent to 10 percent of the country’s manpower (press release, KK-Stiftelsen 2002). In 2001, the economist Fölster estimated that the sector represented approximately 10 percent of the Swedish GNP (KK-stiftelsen 2003).
Sweden is a world leader in niches such as popular music (ranked third, Ungdomsstyrelsens utredningar 2001), but easily has the capacity to develop other niche markets as well and conquer international markets (Löfgren 2005a; Almquist et. al. 2000). That is why strategies have been developed to exploit as yet unexploited fields. Two examples are equine tourism (Touristdelegation 2004) and the northern wilderness (ETOUR 2004), where Sweden has clear advantages (dense old-growth forest, a large population of horses, wide plains suitable for riding) compared to most other European countries. It has been suggested that the biggest profit potential can be achieved if entrepreneurs in the experience economy collaborate with entrepreneurs from other businesses in order to achieve maximum knowledge and competence (Lagerholm & Sjögren 2005). This is an industry that has been growing by leaps and bounds in recent years and the years ahead are expected to display similar tendencies; researchers say that we are in the process of passing from the information society to the knowledge and experience society (Almquist et. al. 2000).

In addition to the characteristics discussed above, investments in the experience economy are expected to transform the economic downturn seen in many regions of Sweden into an upswing of successful development (Löfgren 2005b). Another possible explanation is that competing products are becoming more and more alike since they are all created by the same technique and to the same standards. Companies that deliver their products in the most enjoyable forms and concepts have a better chance of laying claim to larger shares of the market (Ungdomsstyrelsens utredningar 2001).

Eight meeting places have been created in different parts of Sweden, in both metropolitan areas and small towns, each being assigned different specialities in the experience economy. The system thus takes the shape of a triple helix, involving cooperation between the industry, the public sector and the
university. While Stockholm and Gothenburg represent fashion/design and design/market communication respectively, small regions such as Hultsfred and Hällefors represent music/media tourism and food/design respectively.

**Self-Employment in the Experience Economy**

In their research on the creative industries in Scandinavia, Power and Jansson (2006) discuss the risks involved in starting a new business in the experience economy, since the economy and its market conditions are quite different from other types of economies and markets. They suggest the construction of broader networks between the countries and the firms involved and that larger groups of companies work together in order to safely manage entrepreneurial risk.

Thus being an entrepreneur in this economy is no easy task, as Abbasian and Bildt show in their forthcoming report (see next chapter), which focuses on entrepreneurs and the conditions under which they work in the experience economy, female entrepreneurs in particular. For many of them, it took several years before they were able to draw more substantial salaries from their businesses. The industry also demands knowledge and patience, because in some niches it is necessary to combine various components in order to make ends meet financially. The entrepreneur must be prepared to put in up to seventy hours a week for many years and learn to handle stress well. Some of the entrepreneurs stated that it was the price they paid for the high quality of their working lives. In some of the studied businesses, experience components constituted only a minor share of the activity in form of turnover, profit, jobs and refining value.
Geography and the Experience Economy

Geography exercises a major influence on the experience economy, particularly cultural geography, which basically concerns the location of people and activities in physical space. Since the experience industry relies heavily on the marketing of a given activity in a given place or region, brands are usually employed. In his 1994 and 1997 reports, Wahlström discusses how people create the image of a place, and how they interpret or create associations with different places, the term "image" being central. Different places are of different significance to different individuals. For example, in his first report, Wahlström (1994) claims that one way to create an identity for a place is to use the location of a certain product or specific manufacturing activity as a tool in marketing the place. In the same way, people can recreate earlier images of a place by renovating and restoring buildings and neighbourhoods, but also by recreating events connected with that particular place. People can also create a new image of a place – the town of Skara was previously famous for its cathedral, but now it is famous for its Summerland family amusement park. Images of a place can be reproduced in different ways – via a particular native industry (like the glassworks region in Småland); through comparison with famous cities (e.g. calling Gothenburg "little London"); through sport, culture, movies, cuisine, religion, etc. Wahlström (1997) also discusses the term "image creator" to show that negative or positive images of places can be created through the mass media. One example is the so-called "million programme” urban residential areas in Sweden (low-income apartment block housing) constructed in the late 1960s and early 1970s, which are described with negative characteristics and clichéd images in the media. As soon as people hear the name of any of these neighbourhoods, they immediately form associations and an
image is illustrated on their mental map, adds Wahlström. From the discussions, it is clear that the image of a place may also include different spatial levels – from local, regional, national, at times even continental.

With globalisation, regions are pressed to profile themselves as "specialised" or as "regional clusters" (Nielsén 2005), a trend can also be discerned in the experience economy. In this context, the expression "destination design" is used, wherein a particular form of marketing is conducted on different spatial levels of the tourism experience, thereby reproducing the place in new forms (O’Dell 2005; Ek 2005; Jensen 2005). Countries, cities, regions and nations compete with each other to control larger shares of the market. Experiences may be created and packaged according to a recurring pattern in time and space. The harvest festivals on the island of Öland and the "shellfish safari" in the Bohuslän district are two well-known experience events that connect time and space, and with which Swedes readily associate (Löfgren 2005b).

Löfgren (2005a) refers to the experience economy as "emotional geography" having to do with the senses and the intellect. He says that it concerns the transformation from products and services to the offering of attractive experiences as the objects of consumption. It means creating businesses out of purely intellectual activities on different spatial levels, thus producing cauterised activities, while exporting the product and securing prosperity. The examples are many, and can be found in both small towns and big cities in Sweden and abroad. Among them are the Ice Hotel in Jukkasjärvi in northern Sweden, medieval week in Visby, the small village Hay-on-Wye in the UK, dedicated to bookstores, or the car city "Autostad" in Wolfsburg, Germany. In other words, culture is packaged and marketed with a new aura, a rite of passage, a narration, a performance, and different places compete to make themselves attractive to investors, visitors and entrepreneurs (Löfgren 2000).
An experience activity can be localised on the basis of its own preconditions of place, region or country, and the conditions can vary from place to place. Each becomes a brand through its uniqueness. In Sweden, there have been discussions as to how each region might successfully exploit its particular preconditions for profit through the launching of an experience industry. In recent years, local and regional authorities have been attempting to convince politicians to support this proposition. Norrland’s wilderness, for instance, has used by many municipalities to offer visitors various experiences of nature and culture, including hunting, the Lapland experience, and bear safaris (ETOUR 2004). Others have suggested utilising abandoned military posts as cultural heritage sites (ETOUR 2004). Its unique cultural landscape and historical architecture, in addition to the recreation of historical events, attracts many tourists to the island of Gotland (Brulin & Emriksson 2005). Being the birthplace of a celebrity can also be turned into profit by the experience industry; the tiny community of Vimmerby markets itself using the name of its most famous daughter, Astrid Lindgren; Astrid Lindgren’s World in Vimmerby has been an experience success (Karlén 2004). Other places profile traditional local activities like equine tourism, for example (Touristdelegationen 2004). The examples are many, but the most important thing is that these conditions eventually evolve into trademarks for the place or the region.

In the international context, developers, politicians and researchers discuss how to create new clusters within the experience economy, or develop clusters and creative cities and regions. Others discuss how to turn urban metropolitan areas into nodes for different types of experience economy activities. This discussion is understandable; not only are these nodes and clusters good examples of successful entrepreneurship, but localisation are an important aspect of building clusters. Two of the most well known clusters are Silicon Valley in
San Francisco (computer technology) and Hollywood (film industry). Another motivation for building clusters is the different competitive advantages they offer – clusters increase internal productivity, promote innovation and generate new business in related sectors through access to the necessary labour, skills, knowledge, technology and capital (Flew 2002). For example, cultural heritage, especially in the fine arts, has made it possible for Florence to develop creative industries within its local system (Lazzeretti & Nencioni 2005), while prime preconditions such as telecommunication, road, water, rail and air links enable Amsterdam to profile itself as a creative knowledge city (see Musterd & Deurloo 2005).

Conclusion

The literature surveyed in this chapter proves that the preconditions for Sweden to make further strides in the experience economy certainly do exist. These preconditions include a large geographic surface, a high level of technical knowledge and a high creativity index, especially among young people. Further comparative regional studies would strengthen our knowledge of how various regions handle this issue, and help us to learn about their experiences, whether they are good or bad. Hopefully, it would also help us to achieve growth and stimulate entrepreneurship within the sector. It would be particularly fruitful to conduct comparative interview studies with men and women in different regions of the country, contrasting for instance metropolitan areas and rural and sparsely populated districts. Another suggestion for future research is the execution of comparative regional studies between Sweden and other countries. Finally, it is necessary to conduct a broad consumer study dealing with various branches of the experience economy in Sweden in order to learn what consumers think about the sector when they are asked to pay for what they are offered.
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Part I

Empirical Reflections
3 Women in Creative Industries

Saeid Abbasian & Carina Hellgren

This chapter profiles nine women who run experience-oriented businesses in two Swedish municipalities, Degerfors and Gotland. It is based on interviews conducted with them, in which they describe their motivation, working conditions and current economic status, opportunities and obstacles encountered, the significance of networks, the resources upon which they draw and the business climate in general. The results of interviews with representatives of local business and industry are also presented in this chapter. In other words, this chapter investigates the running of experience-oriented businesses from the perspective of female entrepreneurs and other local representatives. In addition, the authors discuss the significance of context and the fact that the municipalities of Degerfors and Gotland each offer different preconditions to the prospective businessperson, which may influence entrepreneurship among women in a variety of ways.

Introduction

In chapters to follow, authors discuss structural transformation and the globalisation process exercising such a profound effect on Western economies in recent years. They also show how these changes have led to the diminished importance and the subsequent loss of jobs in the industrial sector, while
boosting the significance of the service sector in general and the experience economy in particular. Small communities have been more affected by these changes because of their dependency on a single dominant industry or company in the municipality. Yet surveys show that a local economy can avoid total collapse by relying on local competence and cooperating on local and regional levels. By considering local and regional preconditions and options and investing in new activities within the experience economy, small communities and regions can turn ominous changes into positive opportunities. The present survey proves that Sweden possesses the capacity to reverse the fortunes of stagnant local and regional economies. One way to do this is by investing in the experience industry, a sector that is not as sensitive to business cycles as traditional industrial sectors and may therefore be able to create more permanent employment opportunities.

The present chapter is based on a qualitative interview study and deals with female entrepreneurs in the experience economy in two Swedish municipalities, Gotland and Degerfors. We have conducted nine interviews in Degerfors and Gotland (four in Degerfors, five in Gotland) and eight interviews with civil servants (four interviews per municipality). The main aim of this investigation has been to compare and understand the conditions of female entrepreneurship within the experience economy in these locales. To date, Swedish research on the experience economy has lacked an entrepreneurial perspective, and a female perspective in particular. We will look at issues such as why women choose to start businesses in the experience economy, how they run them, the opportunities and obstacles they face when attempting to establish and expand their businesses, and the importance of the local context for their businesses.

Several factors influenced our choice of the two municipalities in question. First, they are two of the many Swedish municipalities
whose economies have stagnated in the last few decades. Both have scarcely been affected by structural changes in recent years and have a high rate of unemployment, but also have made serious plans to promote the experience economy in their municipalities in order to create new jobs. In addition, there are certain geographic differences between the municipalities that help lend the present study more depth and greater validity. Gotland is an island in the Baltic Sea, while Degerfors is situated on the mainland. Comparison of local labour markets for women is a common method used by geographers both in Sweden and elsewhere (see Massey 1994; Johansson 2000).

We posed ten general, semi-structured questions and a few follow-up queries to civil servants involved in local and regional development, and twenty general questions with follow-ups to ten female entrepreneurs. Each interview with the civil servants in Gotland took approximately one hour and was conducted at their respective workplaces. Interviews with the representatives in Degerfors were carried out collectively, i.e. all of them were interviewed at the same time. The process took about ninety minutes. In both places interviews were also booked with a number of local female entrepreneurs who had started businesses in the experience economy. These subjects were selected not only in accordance with our own criteria, but also those of the civil servants actively involved in promoting the sector in their municipalities. Our criteria required that the women in question worked in a variety of different trades and had different educational backgrounds. Furthermore, we required that they vary in terms of the size of their respective businesses, in age, and in geographical origins, with the intent of including as many immigrant women as possible.

The interviews with the entrepreneurs conducted in Gotland took sixty to ninety minutes per person and were all conducted at the National Institute for Working Life in Visby. Those conducted in Degerfors took between 45 minutes and one-and-three-
quarter hours and took place at the local city hall, with one exception, which was conducted at the individual’s place of business. Notes from both interviews were written down directly on the questionnaire. After transcription, we sent the texts to the interviewees by e-mail. They were able to change or correct any faulty formulations and then indicate their approval of the texts. All of them wanted to be presented by their real identities, along with the names of their businesses. Since only a limited number of interviews were conducted, it is both unreasonable and impossible to generalise or draw far-reaching conclusions from their results. On the other hand, they can serve to promote discussion, aid in decision-making and inspire further research.

**Female Entrepreneurship in Swedish Research**

Female entrepreneurship within experience economy still is an under researched area in Sweden. That is obvious among other things through our searching at Google and by a recent research survey on female entrepreneurship in Sweden (NUTEK 2008:005). Yet Rylander & Abbasian (2008:1) have tried in their very tiny investigation, study family businesses within experience industries (especially tourism) in Gnosjö region in which women play a major role. They share in particular some problems with other small business owners, especially those in countryside. Their businesses are very small and partly season-based or part time during the year, with low incomes. They claim that they have problem with the authorities in using signs (skyltar), they have lack of time to take care of own families and homes. Among possibilities they mention collaboration with other businesses in the region as supplier and print commercial advertisement together. They say they need help in marketing, access to better network and brochures, to prolong tourism season, support from the municipality decision on construction and sewage and access to better riding ways.
Structural changes in the Swedish economy have brought about the transformation of a major portion of the service sector. This transformation has negatively affected numerous communities in Sweden, especially those places that have hitherto been dependent on a handful of local industries. These changes have led to the disappearance of many employment opportunities. One consequence of such change is that the level of unemployment increases, forcing people to leave the region in search of employment. On the other hand, when the dominant activity in a region shuts down, some individuals are encouraged to start their own business as an alternative to moving. This is a particularly significant motivating factor for women, although in general they do display less mobility in the labour market than men. The difficulties women experience in finding new jobs has been investigated in previous studies (Gonäs 1998; Forsberg 2000). Obstacles include the limited labour market for the women, with a majority of their job opportunities restricted to the public sector. Another possible explanation is that women still bear the bulk of the household responsibilities, requiring them to be constantly accessible to other family members.

Historically, society tends to identify the entrepreneur as male in species. Female entrepreneurship does not necessarily mean that the goods and services target one specific gender, or that the business ventures in themselves are somehow "feminine" in nature. Neither does it means that women typically manage such businesses, or that there is a feminine element to the business. Previous research in Sweden has shown that it is largely well-educated women who abandon their professions to start their own businesses (Domingo & Moltó 1999; Elmlund 1998; Företagarna 1997). These women adjust their business lives to their family needs to a greater extent than their male counterparts, and launch them relatively late in life, after having gained sufficient work experience and raised their children (Karlsson & Sundin 2001; Berglund 2000; Gustafsson & Rosel 1996).
Such trends have also been obvious in the IT business in England (Perrons 2001). This strategy has worked well for women, but in different ways. For those who run their businesses from home, it is a huge burden and a source of constant stress. For others, it is just the opposite – a solution that provides satisfaction both at home and at work.

Broadly speaking, Swedish women open their own businesses for reasons which can be classified under two or three main rubrics – structural motives, cultural/personal motives, and possibly, a combination of the two (Abbasian 2003). The structural motives relate to the gender-segregated labour market, which treats female employees unfairly, thus motivating them to become their own bosses. Women have always occupied the lowest paid and least qualified positions at the lower segment of the labour market, where the work is demanding and career possibilities limited. Men tend to both occupy higher positions and receive larger wages (Gonäs et. al. 2001). At the same time, structural changes in the labour market have made the situation worse for many women in the public sector; a number of “traditional” female professions have simply disappeared (Mason 2002). Researchers claim that women who do not fulfil the increasing demanding requirements for higher education, cultural competency and multilingualism choose instead to open their own businesses.

The cultural motive is always based on cultural/personal values such as the quest for freedom and independence, the realisation of an idea, becoming one’s own boss, and having control of one’s own work schedule. Being better able to manage the home and take care of the children is another factor. For example, many women work part-time because they care much more about combining job and family than men do (Holmquist 1995; Holmquist & Sundin 2002). The flexible hours afforded by self-employment make it possible for them to do that. Dissatisfaction with an ordinary job is another
reason women start their own businesses, according to Fölster (2000). Entrepreneurship is not only a lifestyle for some women (Kovalainen 1995), but also a source of identity for many others who want practice they’re chosen profession by running a business themselves (Lindgren 2002).

**The Experience Economy and its Significance**

One aspect of Swedish entrepreneurship as yet ignored by research is the expanding experience economy sector, which is said to have the potential to offer many unemployed individuals new jobs and create growth in vulnerable regions. In particular, it is said to be an ideal way for both unemployed women and those who already have jobs to start their own new businesses.

Pine & Gilmore (1999) define this economy as one that transforms functional services into experience-oriented ones. They use drinking coffee as an example. Anyone can make coffee at home relatively cheaply, but many are willing to pay a rather large sum in order to spend time enjoying coffee served in expensive, fashionable cups in a luxurious restaurant or coffee shop. In this interaction between the company and customer, the company earns its surplus value and profit while the customer gets to experience the events she or he expects. This is something altogether different from buying a functional service like dry cleaning (see Mossberg 2003). The experience economy implies entrepreneurship and creativity in fields as diverse as fashion, design, writing, tourism, film and media, art and music (see Brulin & Emriksson 2005). In other words, it is culture packaged and marketed with an aura, a ritual of transition, a narrative, a symbolic package, and a performance. Even cities and places compete to make themselves more attractive to investors, visitors and entrepreneurs in this manner (Löfgren 2000).
A variety of terms are used to identify this economy in published articles. In English, "experience economy", "experience marketing", "creative industries", "cultural economy" and "cultural sectors" are used interchangeably. In the USA, the term "entertainment economy" is predominantly used (Gustafsson 2004) because of American dominance of the entertainment industry.

The experience economy raises thoughts about postmodern lifestyles and the creation of identity. Commercial demands have changed and people require confirmation, identification and experiences in a way that differs from previous times (Löfgren 2000; Löfgren 2005b). Thanks to improved standards of living and the mass production of cheaper and cheaper material goods, the growing global middle class has gained increased purchasing power, particularly in the West. Fundamental needs such as food, shelter, security and status have now been achieved (Fernström 2005). In other words, the upper and middle classes, as well as portions of the working class, no longer need to satisfy their hunger for material goods; the level of saturation has been reached and the surplus must be expended in other places. Now experience is what they demand. Individuals have dreams to fulfil, they are keen to experiment, and (as always) wish to experience pleasure. They are constantly seeking new purpose and enrichment. Disposable income can be spent on different types of experiences geared toward enhancing the quality of life. Thus this market has grown rapidly in many Western countries in recent years and more and more of them want to invest in it and increase their market share. Various countries compete with each other to attract the powerful middle class and the manner in which it spends its money.

For the time being, there is no consensus in Sweden as to what comprises the concept or definition of the experience economy or experience industry. In The Knowledge Foundation’s definition, the following areas are included: architecture, design,
film/photography, art, literature, market communication, media, fashion, music, food, stage art, tourism, and finally, experience-based learning. The National Labour Market Board, on the other hand, includes elements such as sports and personal care in their definition, but not media or advertising (KK-stiftelsen 2003).

There are many reasons why this economy and the related discussions are of such importance in Sweden, two of the most significant being the sector’s growth rate and its capacity for creating many new jobs. In 2001, Fölster estimated that it accounted for approximately 10 percent of the Swedish GNP, and 43,000 new jobs were created within this sector from 1995–2001 (KK-stiftelsen 2003). In addition, the sector gives rise to a significant refining value, as previously mentioned by Pine & Gilmore (1999). Another possible reason is that the manufacturing industry is no longer able to create new jobs, unlike the service sector, which has grown rapidly over the past two to three decades. It has also been stated that investment in this economy may lead to an economic downturn in many places in Sweden (Löfgren 2005ab). One more reason is that competing products are becoming more and more alike, since they are all created using the same technology and according to the same standards. Those companies that deliver their products in more enjoyable forms and concepts have better chance of occupying larger shares of the market (Ungdomsstyrelsen 2001). Finally, Sweden has a large enough capacity to enable it to dominate several niches within this economy and conquer international markets (Löfgren 2005a; Almquist et. al. 2000). This optimism is expressed in the proud designation ”Swedish Creator”; lending the country a unique quality profile, with an eye to future export markets for products and expertise in a variety of industries including design, advertising and art (Löfgren 2005a).
Women’s Employment in Regional Context

Several Swedish studies have emphasised the significance of local context to the working careers of women. Forsberg (1998) claims that society is structured according to gender-related criteria, the labour market and politics, and that social life is structured and valued according to gender alone. In addition, she states that this general structure varies depending on where people live. Women have greater opportunities in metropolitan areas than in the countryside. Forsberg (2000) also attempts to analyse gender relationships by seeing them in the light of gender contract regions. She discusses the concept of gender contracts at the local level, which implies that what a woman can achieve in the future is determined by her own willingness and capability, in addition to what is considered possible based on local traditions pertaining to young people of both sexes. For a young woman, the impressions made on her, the local culture she absorbs, and the attitude she develops during her upbringing is all-important.

Forsberg (2000) mentions two main types of gender contract regions in Sweden: modern and postmodern regions (e.g. university towns), or traditional regions (e.g. foresting or industrial communities). In the former, contracts are more or less identical; statistics on employment and working hours show the same numbers for both men and women. They earn nearly the same wages, they are politically active to almost exactly the same degree, and their job status is more or less equivalent to their respective levels of education and access to good childcare facilities. However, the situation is nearly reversed in the latter regions, with industrial communities in particular considered to be male-dominated (Forsberg 1997). Johansson (2000) too claims that a welfare system that includes social services (care, hospitals and education) manifests itself differently in different municipalities, resulting in different local gender contracts. For
example, it is clear from her study that the position of women in the labour market in Gnosjö, with its high rate of employment and dynamic and creative expressions of entrepreneurship, is not comparable with that of women in the relatively poor municipality of Botkyrka, which suffers from a high rate of unemployment, especially among young immigrants. The phenomenon of the gender contract continues to exist, even in a postmodern global industrial community like Finspång (Vänje 2005).

Regional Settings

The island of Gotland lies in the middle of Baltic Sea, ninety kilometres from the Swedish coast to the west and one hundred and thirty from the Estonian coast to the east. It is also a county with 57,000 inhabitants (December 2005) and its capital and administrative centre Visby, with its 22,000 residents, is the biggest town on the island. The journey from Nynäshamn (a harbour in southern Stockholm) to the terminal in Visby takes just over three hours, while a commercial flight from Stockholm to the airport in Visby takes about 40 minutes. With some 7,300 staff, the municipality is the largest single employer. It offers programmes that support both existing and new businesses with the aim of achieving economic growth and creating new jobs on the island. Gotland University in Visby with its enrolment of 4,000 students (50 percent of whom are signed up for long-distance courses) also supports and encourages entrepreneurship among them in a variety of ways.

Gotland is the most densely business-populated county per capita in all of Sweden. Of 6,800 effective businesses in the county, more than 1,500 have at least one employee.

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2 This section is mainly based on information obtained from the official municipal websites in January 2006 (www.degerfors.se, www.gotland.se).
The dominating industries are agriculture and tourism, the former of which flourishes due to the rich quality of the soil, that in turn is due to the fact that Gotland is a coral island. Organic cultivation is of huge significance to the county. Another explanation is the relatively mild climate, which distinguishes Gotland from similar locations and gives visitors an almost southern European feel. Apart from the climate and the landscape, which attract many foreign and domestic tourists during the summer season (May-September), the entire island is home to a vast cultural heritage. It is home to many well-preserved historical buildings from the Middle Ages. This perhaps explains why the island’s tourist industry employed 1,579 people in 2003.

These two industries are followed in rank by the food industry and cement and limestone mining, carpentry and boat building. The educational sector is rapidly expanding, largely in concert with the university, including training in home and health care. Studies conducted by the Swedish Trade and Industry Board show that entrepreneurship has increased over the last three years (www.kfakta.se). Information on gainful employment in the municipality shows that private and public sector jobs together account for 80 percent of all employment in the municipality, while the manufacturing and agricultural industries account for 10.5 percent and slightly less than 6 percent of all employees, respectively (www.scb.se).

Degerfors is an industrial centre with 10,100 inhabitants (December 2005). It is just two hours from both Oslo and Stockholm by train, but is also close to two university towns, Örebro and Karlstad. Highways E18 and E20 pass by the municipality and thus the airports in Karlstad and Örebro can be reached by car in less than an hour. The closest town to Degerfors is Karlskoga (the home of Nobel Industries), just nine kilometres away. Ironworks is the dominant industry in Degerfors. Investors include international steel corporation The
Outokumpu Group, which produces sheets of stainless and steel rods. Since 2003, Degerfors has invested heavily in the promotion of entrepreneurial skills among its inhabitants via its "New Start" project.

However, in general terms entrepreneurship is low in Degerfors compared to the average rate for Sweden and, for our purposes, Gotland as well (see Berglund et. al. 2003). It does not boast a business climate as accommodating as Gotland’s, considering the scale of municipalities. Despite this, the number of new businesses has increased substantially over the past three years (www.kfakta.se). In 2003, there were 3,529 active businesses in Gotland, employing approximately 25,000 people (i.e. nearly 43 percent of the island’s inhabitants). In contrast, there were 346 active businesses in Degerfors, employing more than 3,400 individuals or over one-third of its total population (www.scb.se). In 2005, there were 750 workplaces in Degerfors compared to 7,567 in Gotland (SCB 2005). The structure of the industrial sector is still quite different than that of Gotland; the manufacturing industry, which employs 35 percent of the available manpower, is the largest, followed by the public and private sectors with 31 percent and 29, respectively. Agriculture accounts for only 2 percent, much lower than in Gotland (www.scb.se).

**Interviews with Businesswomen**

As the table below shows, the youngest woman interviewed in our study was twenty-five-years-old, the oldest fifty-seven. Closer scrutiny of the interview material reveals that six of them were either married or cohabiting and had children, while three were divorced or single mothers. A review of the women’s previous experiences in the labour market and level of education shows that although they had all had many years of work experience, their education varied from vocational or secondary school to university studies, with one participant possessing a degree in economics from Stockholm University. The survey also
shows that the women have had some degree of involvement in entrepreneurship, whether it was through close connections to a business environment or having come from families of businesspeople. That may have had an indirect, yet positive effect on the women’s choices, since their experiences and previous knowledge might have given them the confidence to start and run a business.

<table>
<thead>
<tr>
<th>Businesswomen in Gotland</th>
<th>Name of Business and Type of Activity</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lena, 50</td>
<td>Krusmyntagården is an herbal farm with a restaurant and shop all in one complex. She also sells her products via the Internet.</td>
<td>22 during the summer season. One + one trainee off-season.</td>
</tr>
<tr>
<td>Maria, 47</td>
<td>Bräntingsgård is a combined truffle farm + nature resort featuring bed and breakfast and woodcrafts.</td>
<td>One fulltime (herself) + one part-time employee</td>
</tr>
<tr>
<td>Marie, 46</td>
<td>Pensionat Warfsholm is a guesthouse equipped with conference hall and restaurant in addition to camping grounds, a hostel and cottages</td>
<td>2 fulltime, year-round employees + 25 seasonal employees.</td>
</tr>
<tr>
<td>Kicki, 56</td>
<td>Ateljé Huskroken is an art studio. The artist sells hand-coloured organic yarn from Gotland, in addition to offering courses and experiences.</td>
<td>Husband and wife operation</td>
</tr>
<tr>
<td>Eva, 42</td>
<td>Pensionat Kneippbyn is a guesthouse and tourist residence</td>
<td>40 during off-season, 200 during the summer season (both full- and part-time).</td>
</tr>
</tbody>
</table>

Table 1: Women in Gotland and Their Businesses.
Table 1: Women in Degerfors and their Businesses.

As discussed earlier in this chapter, Swedish businesswomen may decide to start their own businesses for any of a number of cultural and personal factors, in addition to a series of structural factors. In the case of experience businesses, the situation is somewhat different, because new factors which differ quite radically from those previously known need to be considered. Women are motivated not only due to unemployment or simply an interest in running a business and earning money. Experience is a concept, an idea or notion that grows within an individual and is developed over the years until it becomes a reality in the form of a business, whose owner never necessarily dreaming
of being a businesswoman. Her basic premise need not be terribly complicated; for example, a childhood hobby or leisure-time interest may develop into a business. A woman may be searching for new meaning or a better quality of life instead of measuring standards of living in quantitative, material terms. She launches an experience-oriented business and wishes to experience it herself in a new form. And very significantly, she desires to share this experience with other people. To realise these interests and hobbies, she is prepared to make sacrifices. Kicki, who has held several top-level positions, left her last job in Stockholm to fulfil her childhood dream in Gotland.

I wanted to fulfil my old dream and earn a living from it. I did not want it as just a hobby. The idea of starting my own business grew within me. I left my well-paying job to start a new life here in Gotland. (Kicki, Ateljé Huskroken)

The motive may also be the desire to achieve a certain lifestyle.

I don’t have a job. I have a lifestyle. I don’t know where the boundary between my private life and my work lies. I enjoy my job. I meet so many nice people. My job is my biggest interest. (Birgitta, Zari Ateljé)

There may also be conventional motives in play, e.g. the business may have been inherited from deceased parents, or the businesswoman may have started the business as a solution to her unemployed status.

I wanted to remain in Degerfors and preferably work in the hospitality industry. There were no restaurants as such here, so I started my own. It was the only solution. (My, My’s restaurant)
Easy and Difficult At the Same Time

A businesswoman does not necessarily need to know how to run a tobacconist’s, but she does need to know quite a lot to run an experience business. It can be an easy task if she has nurtured the idea for several years and worked within the industry before, or has acquired sound, hands-on knowledge about the activity in question. This can also prove difficult, since providing customers with the particular experience may require being proficient at many things at once. This is a far cry from paid employment or the classic form of entrepreneurship.

A review of the interview material reveals that experience enterprises involve several different components running parallel to each other, which is what makes them unique.

A woman entering this field of endeavour must therefore be clever as well skilled in the art multitasking. In addition, she must be prepared to live on slender funds for a quite a while, capable of coping with financial anxiety and hard work (up to 70 hours a week) for many years until the business is established and begins to turn a profit. If profits are marginal and make it impossible to hire more staff, then she must do the work herself. Business cycles cause constant fluctuations in the level of activity in any business. This is the price she pays to obtain a measure of quality in her career. Running a business requires patience, especially when it is characterised by intense activity during the short summer season. This is illustrated by the women’s stories.

*It took 15 years before I was able to draw a decent salary. I took as little money as possible in order to be able to continue.* (Lena, Krusmyntagården)

One apparent conclusion of this discussion is that personal satisfaction is of the utmost importance in order to maintain the will to continue pursuing the business idea. And all women in this study have expressed that sense of satisfaction.
Both Parallel Activity and Complement

As has been shown (e.g. in Pine & Gilmore 1999), the primary aim of an experience-oriented business is to achieve the highest rate of refining value from the experience aspect of the business. This contrasts starkly with the views expressed by some of the women interviewed in this study. On the contrary, while an experience enterprise is a multi-facetted endeavour, the experience in itself constitutes just a small part of the business’ ordinary activity in terms of turnover, profit, jobs and refining value.

"My business is a tourist attraction, an herbal farm. We have a restaurant and a shop. Revenues from the experience business amount to nothing. The admission fee only covers the wages for our gardener plus a few other costs. The restaurant more or less breaks even. It is the shop and the products we sell there that bring a profit. 15,000 of our 60,000 visitors head for the garden. The rest enter the building (eat at the restaurant and buy items in our shop)." (Lena, Krusmyntagården)

Maria defines it in another way. She states that the experience aspect of her business is a mere complement to its main activity, helping keep the company afloat. So based on economic cycles, does the former supplement the latter or vice-versa?

"I have several feet to stand on; so either one can supplement the other and vice-versa." (Maria, Bräntingsgården)

Family Assistance

As in the entire small business sector, family assistance is also of tremendous significance to the experience industry. This was made clear from the interviews with the women we met. They were joint business partners with their husbands/companions, brothers and sisters, or received active assistance from them,
their adult children and their parents. Some of the women who took over already existing businesses from their parents have related how their parents inspired them, but developed the businesses according to their own tastes. Family assistance may be active (a role most often assumed by partners) or indirect, such as providing childcare or repairing faulty equipment instead of paying huge sums to handymen. Another type of assistance comes in the form of financial aid, not only in the start-up phase, but as the business grows and new investments need to be made. All the women here mentioned several different kinds of assistance offered by husbands and companions, brothers, sisters and children. Sometimes, an experience enterprise may be the entire family’s shared concept, in which case each member belongs to the support network. And indeed, that scenario was the case for several of the women interviewed. Each family member assumes responsibility for some part of the experience:

*My youngest daughter does the hair and makes up the brides. My husband drives the limousine and assists in other areas of our business.* (Birgitta, Zari Ateljé)

**Resources**

The women in this study did not launch their businesses on a whim. With the exception of those whose concepts had been in existence for a long time, they sought advice and information from reliable sources and acquired the necessary resources in advance. These resources need not be strictly material (i.e. funding), but may also include non-material assets like human capital (qualified training, secondary knowledge). In this field it is necessary to combine one’s interests and determination with practical and theoretical knowledge (work experience, courses, or both) in order to successfully fulfil the dream. Marie, who runs a guesthouse, says
I took the social science programme at secondary school in Visby. After that, I worked at the bank, then as an intern at a newspaper, after which I opened my own CD store, all right here in Visby. I have worked in the hotel and restaurant industry for several years, for example as a receptionist and a waitress. I have also worked with payroll and administration at different hotels and restaurants in Stockholm and Gotland. In addition I worked on a luxury cruise ship for three years. It was an owned by a Norwegian shipping company that operated cruises to the whole world. (Marie, Pensionat Warfsholm)

**Experience Consumption Not Affordable for Everyone**

In his study of the experience industry in the densely immigrant-populated municipality of Botkyrka, Hosseini-Kaladjahi (2005) reaches the general conclusion that immigrants there and perhaps throughout Sweden still subsist on such low incomes that it would be impossible for them to have money left over to consume experience-based products. If we ignore this very general conclusion, we may state that there are many individuals and families (including many immigrants) living in such dire financial straits that they have much more important things to think about than the experience economy. What we mean is that the consumption of experiences is directly dependent on purchasing power. Experience products and services always relatively expensive, but some of them are so expensive that only people in the middle and upper income brackets have access to them. People with lower monthly incomes must therefore be content with simpler, cheaper experiences.

Despite a well-developed Swedish welfare policy (by international standards), gaping class divisions still exist between citizens. In the case of tourism, both domestic and foreign, a number of social groups in the lower socio-economic brackets have no money left over with which to consume tourism products in their own country, let alone abroad. The high cost of accommodation
makes a visit to Gotland for instance prohibitive for single-income families and other financially challenged groups, even before transportation costs are added. This is made clear in a number of statements recorded during the interviews.

*It is expensive to travel here. Low-income people, unemployed individuals, single mothers and many municipal employees do not have enough money to take a trip here. Those who come here are more often people with a connection to the island (a relative) or who have enough money. It costs SEK 2,900 for two adults, two children and their car to take the ferry. Then you must add other expenses like food, hotel and different activities. So it becomes too expensive for a low-income family to come to Gotland as tourists. Gotland is simply not accessible to everyone. (Eva, Pensionat Kneippbyn)*

**Opportunities and Obstacles**

One interesting question we sought to answer was how the women we met viewed the opportunities available to potential businesswomen in the respective regions of Gotland and Degerfors. Their opinions are of course based on their own personal local knowledge and experiences. Some interviewees, above all the women from Gotland, mentioned more obstacles than opportunities. From the women’s responses it is thus apparent that opportunities vary between the two regions, depending on pre-existing conditions in each. While the women in Degerfors mentioned the surrounding nature and industrial community, business networks and various conceivable niche activities, the women on Gotland emphasised municipal organisations and associations as opportunities worth pursuing.

Despite some similarities between the two groups, differences emerge concerning early obstacles and possible expansion opportunities. In Gotland, most of the obstacles were associated
with the geographic location of the island, while in Degerfors, discussions tended to concentrate on customer base. The Gotland businesswomen were predominantly concerned with the cost of transporting both goods and passengers, the small customer base, the low level of support for local businesses, and low levels of education among many potential businesswomen as deterrents to starting new businesses, as well as financial pinches, the high cost of staff and the latter’s insufficient skill sets (especially in the case of Internet web design). As a telling example, they point to the fact that the ferry fares are subsidised for local residents but not for tourists, which this makes the trip too expensive for a large pool of potential visitors and has an obvious negative effect on customer traffic. Inaccessibility makes it difficult for many businesses to stay open after the short tourist season because they would have to rely on the income generated by a limited local market that is already very competitive. For their part, the women in Degerfors list as obstacles the small customer base and poor purchasing power of the locals, high start-up costs, complicated codes and regulations, high taxes, service fees for credit card transactions and, once again, insufficient Internet proficiency.

*I think Gotland’s people are actually rather enterprising; however transportation can be a negative factor. In addition, the market is limited due to the island’s location, plus the fact that the people on the island do not directly support their local businesses. Considering my own business, I think that the cost of air and boat travel to Gotland should stop being increased. It affects my business negatively. It can even affect those who want start new businesses. There is a great deal of willingness to start businesses among the women here, but the island’s location and transport costs are significant hindrances. (Marie, Pensionat Warfsholm)*
If we reduce transport costs for individuals, companies and products, more and more people will open new businesses, more and more will become optimistic, more and more will get work, and more and more will come from the mainland and settle here. Then consumption will increase during the whole year. (Eva, Pensionat Kneippbyn)

Social Networks and Advanced Technology

Social networks are important to the marketing and expansion of any business endeavour in the long run. These networks assume many different forms: banks and credit institutions which assist with loans, various influential contacts and employees with pull in municipality and local authorities, members of the mass media, a variety of associations, etc. None of the women have been successful in being approved for large-scale loans from the municipality, banks or credit institutions, except for a couple of instances involving new investment. They have largely raised start-up capital on their own or received loans from close relatives. In some cases, these relatives acted as guarantors by co-signing a bank loan. On the plus side, they have largely succeeded own their in the market by utilising the methods available to them, by e.g. participating actively in various associations and joining various boards.

When a woman starts a small shop or neighbourhood convenience store, she may need to have leaflets distributed to homes in the area, but she does not necessarily need to advertise on the Internet. That, on the other hand, is necessary if she intends to run a successful experience business. In the first case, her target clientele live in close physical proximity to the store and feel comfortable casually drops by to do a little shopping. In the latter, the opposite is true; experience businesses, like their products, are not readily accessible. Therefore more flexible means of bringing the business and its customers together are required.
Tried and true marketing methods can be combined with fresh ideas. The businesswoman can make oral presentations at any number of association meetings, send faxes, conduct phone campaigns and stick flyers in mailboxes and posters throughout the town and on the ferry boats, place advertisements in newspapers and magazines, and contact travel agencies. Currently, a presence on the World Wide Web, exchanging of links with similar sites and compiling an e-mail list of potential customers, is considered absolutely necessary. All the women interviewed have their own websites, which are linked to or from others. The new means of communications at everyone’s disposal are invaluable for staying in touch with customers in a flexible manner, whether booking experience services or selling packets of traditional Gotland herbs by post order.

Interviews with Practitioners

The following analysis is based on interviews with practitioners in Degerfors and Gotland. They include the manager (Carl Johan) and secretary (Eva) of the Trade and Industry Office in Gotland; business advisors at ALMI Business Partner in Gotland (Monica and Katarina); the manager (Sören) and secretary (Suzanne) at the Trade and Industry Office in Degerfors; the project leader for New Start in Degerfors (Britt-Marie); and the Managing Director of Degerfors’ municipal real estate company (Ove).

General Business Climate

While the municipality of Gotland and the Trade and Industry Office in particular both support existing businesses, ALMI Business Partner provides assistance through various collaborative projects with the Board of Employment (e.g. courses on starting a new business) offered both to established businessmen and -women and potential newcomers. It is said that more women tend to seek assistance from ALMI than men. Gender roles and expectations still seem to steer women toward
traditionally female-dominated businesses and men to male-dominated ones. The fact that the business climate in Gotland is healthy is borne out by the sheer number of businesses thriving on the island, 7,575 according to statistics quoted by Carl Johan, the Trade and Industry manager. Most of them are single-person operations, even though there are women starting business with one or more partners or with their husbands. This good business climate seems to favour both men and women, if we are to judge by the following comment.

12 percent of our managing directors are women, in comparison to 11 percent in the rest of the country. Of company board members, 30 percent are women, as opposed to 29 percent in the rest of the country. More women start businesses here. My impression is that women tend to launch their businesses together with other women, like a cooperative. Men tend to launch businesses alone. Several women started companies and cooperatives within the health care sector. (Carl Johan)

Degerfors is neither as densely business-populated as Gotland, nor as business-friendly. Female entrepreneurs are underrepresented in local statistics, both by national comparison and in comparison with Gotland. There are about 600 businesses in Degerfors (the largest of which is Outokumpu, which employs over 500), ninety of which are owned by women. A majority of these businesses are one-man operations; many are offshoots from the workshop industry. Most of the women who start businesses in Degerfors are over thirty, have working experience, and have the support of their family. Their motives for going into business vary. Many simply want to realise an idea or fulfil a dream. Unemployment may be a deciding factor, or the fact that they are dissatisfied with their current employment.

The Trade and Industry Office – in particular, the New Start project – provides various forms of assistance to businessmen and businesswomen in Degerfors. First, prospective
entrepreneurs present their business ideas for discussion. They are taught the legal requirements for starting a business. If they decide to make a go of it, they then meet with representative of The Centre for New Businesses, which possesses expertise in the relevant field. In addition, they establish contacts with other networks, receive financial advice and assistance in contacting locals, and help in drawing up a business plan before applying for a bank loan. The female-owned businesses include experience industries, cleaning services, massage therapy, restaurants, and so forth. Degerfors is far behind Gotland in terms of entrepreneurship, particularly among women and especially with respect to the experience industry. Nevertheless, the municipality, the Trade and Industry Office and the managers of the New Start project are eager to promote this new economy. It is therefore not surprising that they have chosen to invest in two existing areas with which the municipality has identified itself for several decades: soccer and the steel industry.

We are working toward developing a strategy around three points: soccer, entertainment and steel. These are three profile areas we want develop, with entertainment being a new industry for us since Monica Forsberg and Hasse Andersson opened their cabaret pub Valsverket AB in Degerfors (Sören).

A contributing factor to the positive changes in Gotland may be that the women on the island have been deeply involved in the agricultural sector and have always been self-sufficient, to which recent research and the following comments attest.

Women in the agricultural sector in Gotland support themselves. (Carl Johan)

The agricultural tradition and the fact that people in Gotland are used to creating their own means of support may also have been a contributing factor. (Monica)
In contrast with Gotland, Degerfors has the advantage of being located on the mainland, which is why it has been able to create larger regions through agreements with neighbouring municipalities.

*Over the years in the New Start project, we have had different experiences in getting started. We try to build our foundation on the experiences available here in Degerfors. We also work to establish cooperation with several neighbouring municipalities on different projects, for example the railway line which connects Nora, Karlskoga and Degerfors. Valsverket in Degerfors attracts many visitors to the town. The project "Lönsamt upplevelseföretagande" (profitable experience-based entrepreneurship) has been working on how to create more activities in Degerfors. (Britt-Marie)*

**Motives and Procedures**

The women who start new businesses in Degerfors and Gotland do not comprise a homogeneous group in terms of age, marital status, children, education, or work experience, as the interviews prove. Their businesses are mostly private (one-man) operations. Their motives for going into business range from earning a living, unemployment, and the desire to realise an idea to gaining greater independence, job dissatisfaction and the desire to be self-sufficient. There is a widespread myth in society that women are more careful than men in business. And while Carl Johan Löwenberg, head of the Trade and Industry Office, states that women and men alike exercise caution at the outset, ALMI advisor Monica Johansson states that her own experiences in Gotland indicate that women are extra careful in the beginning. In contrast, Katarina Ekelund feels that women are more inclined to take risks than men, both at the start and in subsequent operations. The common thread uniting all female entrepreneurs is that they have an idea they want develop. The
first step they take when they have thought carefully about their business plan is to seek information and advice from institutions like the employment office, ALMI, the New Start project and the Trade and Industry Office. Then they attend the relevant courses in order to gain a solid footing on how to start up and run a successful business. When they take the final step and decide to definitely make a go of it, they then seek the funding they require.

**Opportunities and Obstacles**

So far, we have seen that opportunities in Gotland and Degerfors vary, depending on the existing pre-conditions in the two municipalities. In Gotland, there is an established business culture and a good business climate, as is illustrated by the high rate of new business registrations and number of well-functioning institutions offering female entrepreneurs support. Among others, ALMI Business Partner and the Trade and Industry Office give women advice and help them enroll in courses on business initiative, business development and finance. Prospective businesswomen in Degerfors can join the New Start project and have their business concepts evaluated. Many apply for a start-up grant, while others start their business parallel to some other activity, according to the head of the New Start project, Britt-Marie Room-Östberg.

In Gotland, there are plenty of established and prospective businesswomen within traditional local industries like tourism and agriculture. This is not surprising. The island, thanks to its unique coastal climate, has long held a position of significance in Sweden as an important agricultural region and, due to its history, a tourist attraction. Tourism constitutes Gotland’s greatest prospect for development according to our informants, even though the summer season is short. Less intangibly, the island offers a peace and quiet that fosters creative reflection, something sorely lacking in metropolitan areas.
There are prime opportunities for experiences and female entrepreneurship in Gotland. We have a high rate of new business registration among women. Half of the new entrepreneurs are women. Because of the environment, there are excellent opportunities for experience businesses in the experience economy; all that remains is for people to take advantage of the opportunities, which are available here. (Carl Johan)

Meanwhile, the opportunities available to potential businesswomen in Degerfors can mainly be found within the already existing fields. This was highlighted in the discussions with the participants in our study, who felt that becoming businesswomen could serve to develop supplementary activities in conjunction with previously existing experience activities in the municipality or in the expanded region including Karlskoga.

What I mean is that we have a number of people attending different events in the Karlskoga-Degerfors region, e.g. the Adventure House in Boda Borg, which receives 60,000 visitors a year, motorcycle events at Gelleråsen with 60,000 visitors a year, the Nobel museum with 20,000, the cultural centre Berget with 60,000, soccer tournaments at Stora Valla attended by 50,000 a year, the cabaret pub Valsverket AB with 20,000 guests a year, and so on. (Sören)

Britt-Marie Room-Östberg ads that the annual Yamaha motorcycle meets attract visitors from the entire Nordic region. She also mentions the weeklong comedy revue staged at Knutsbol Hembygdsgård each summer, which attracts visitors
from all over Sweden. In addition, both Room-Östberg and Hällström believe that nature walks, especially around Svea Falls, could become a thriving industry.

*We have remarkably beautiful nature that can be reached by people via railcar during the spring, summer and autumn. There are also thirty hiking trails around Degerfors. Some of them are classified as nature preserves. The purpose of these trails is to create various experiences. Some of them have been made handicap-accessible.* (Britt-Marie)

*Svea Falls is a unique area. We have had design students here two years in a row, as well as geology students visiting for research purposes.* (Suzanne)

Along with opportunities come obstacles. In Gotland these include the brevity of the tourist season, a poor local customer base, insufficient social insurance system for women, and the kind of financial problems mentioned by the following interviewee.

*The obstacles have much to do with the short season. It is difficult to obtain loans in the experience branch. The bank wants security. If you own a building, they take it as security. This is a risk many women do not wish to take. They never know how the business will turn out, and they have every reason to be worried about the family home. Then we have the social insurance system, which is not tailored to entrepreneurship.* (Katarina)

Even existing businesses may be rejected if they apply to the Trade and Industry Office for investment subsidies, based on criteria including tough competition and over-establishment.
Since we must consider the competitive aspect in our assessment of applications for financial assistance, we cannot provide funds for an auto repair shop in Visby, where others already exist. (Carl Johan)

In Degerfors the main obstacles seem to be the small population, complicated political decisions regarding start-up business subsidies, an absence of suitable land to build on, and expensive rent for existing premises. It appears that although some of the experience activities attract customers from neighbouring municipalities, they have not succeeded in attracting a significant amount of customers from the rest of the country.

There is greater potential in larger regions. It is difficult to attract additional customers. (Owe)

It is possible that high-level political decisions have prevented many from starting a business. For example, start-up subsidies will not help 25-year-olds to start businesses. Such political decisions affect entrepreneurship negatively. For several years, people have been working actively to promote issues concerning entrepreneurship, in both the New Start project and the Centre for New Businesses. The lack of suitable business premises has been a hindrance for both men and women. There are not enough suitable locations here and the existing ones are very expensive. (Suzanne)

Summary

The aim of the present study has been to investigate and understand entrepreneurship among women in the experience economy in the Swedish municipalities of Degerfors and Gotland, hoping as well to integrate the parallel perspectives of women, entrepreneurs and trade and industry representatives.
Our interviews with the women show that their motives for getting into business may largely be due to unconventional factors. They do not necessarily go into business as a solution to unemployment or a desire to earn their own money, but rather as a result of their eagerness to experience the process of running a business by themselves. They come armed with concepts and ideas they wish to develop in the form of an experience-oriented business, or through which they search for new meaning or pursue a new lifestyle. To achieve this they are prepared to make huge sacrifices, including abandoning flourishing careers. To run an experience-oriented business, people – and women in particular – need a number of skills in addition to the normal business competence, since they will be forced to juggle many balls at once and do so in a flexible manner, to boot. It may therefore be said that the experience sector can be both difficult and easy at the same time. Some businesses take a long time to generate real profit, even if the experience itself returns marginal benefits. Therefore these women must be prepared to make sacrifices, while being clever enough to handle the business’ finances efficiently, in addition to working much longer hours than a normal working week. At this stage, they must count on their families to provide free assistance, an experience they share with other small businessmen.

The obstacles and opportunities that the women encounter in the two investigated regions have much to do with the different business climates and also, to a certain degree, their natural preconditions. This in turn affects local labour markets and the chances women have of obtaining gainful employment.

The general business climate in Gotland is much better than in Degerfors. The situation in Gotland can be compared with that in the Gnosjö region, with its established business tradition for both men and women. Gotland University is an active participant in encouraging the development this culture. Women in Gotland have access to numerous organisations, associations and
societies. Social networks are of similar concern to the women of Degerfors, since they are essential to marketing women’s activities flexibly and cheaply. Further contributing to a region’s business climate is its natural environment, business network and niche activities, and last but not least the local community itself.

Some of the obstacles encountered by women in both regions are structural, i.e. related to fixtures in society like difficulty in obtaining loans from banks and credit institutions. Others are strictly local, related to geographical and existing preconditions, such as Gotland’s location or poor local customer base and weak purchasing power. Further obstacles include the high cost of personnel, the lack of technical competence among staff, transportation costs (the Gotland ferries), complicated codes and regulations and high taxes.

The present study shows that local context plays a decisive role in women’s entrepreneurial success in the experience industry. In the words of Forsberg (1997, 1998 and 2000), there are two different types of “labour market regions” for women. In Gotland, which is more or less a postmodern region featuring of a university and several out-sourced state-owned companies, a more open attitude to entrepreneurship, especially among women, prevails, while Degerfors remains a rather traditional, conservative industrial community.

Historically, Gotland has been agricultural, a place where alongside their men, women have cultivated the land, taken care of the animals and performed all the regular tasks of running a farm, while also taking care of the kids and doing the household chores. Today, the island is a popular tourist destination, providing many women with jobs for several generations now. This constant contact with the outside world may also have fostered a measure of receptiveness to new and innovative thinking. Despite the high rate of business on the island, the average annual income is still low. However, this does not seem to deter new business ventures from being established. Thus
perhaps this proves that entrepreneurship itself, regardless of the degree of financial investment, does not necessarily lead to a spectacular increase in income. On the other hand, Degerfors, together with Karlskoga, constitutes a larger industrial region, in which tradition still carries great weight. In contrast to Gotland, Degerfors is still a long way from the national average for new business start-ups, and from Gotland’s level in particular. Degerfors is still a labour-intensive municipality and a modern industrial community featuring a low level of entrepreneurship, especially among women. Concluding Remarks

There are similarities in the status of the two regions investigated in this chapter (especially Degerfors), and that of Hällefors discussed in previous chapter. Both chapters show how important local initiatives are in developing new businesses and creating new job opportunities. The survey and comparison show that individual initiatives in the form of experience-oriented businesses can have a positive effect on the local economy without being dependent on government aid and policy change. Nevertheless, additional research that places greater focus on entrepreneurs rather than on enterprises, regions and municipalities is required. Such research, especially from a gender perspective, can strengthen our knowledge of the virtual conditions within this sector. Another important aspect for future research will be the creation of networks on a local and regional level, as well as its importance to the development of local businesses. It would also be very interesting to assess the importance of networks in the marketing of experience-based businesses. It may be worthwhile to introduce a gender perspective and compare the situation between men and women in order to increase our understanding of their respective positions.
Appendix

"Interview questions to trade and industry representatives in Gotland and Degerfors, in the Winter 2006"

1. What are your previous experiences in this field?
2. What is the scale of entrepreneurship in the municipality? How many businesses? In what industries? Number of employees? Size of company?
3. What percentage of entrepreneurs in the municipality are women? How many female-owned businesses are there?
4. What plans do you have to facilitate the introduction of the new economy to the community?
5. What kind of support do you generally give women who want to start a business, particularly in the experience economy?
6. What do you know about the women’s motivation for starting businesses?
7. Who are the women who open businesses? Age, marital status, education, work experience, etc.? Are they single-person businesses or are there more people involved?
8. How do they go about starting a business?
9. What opportunities are there for potential female entrepreneurs in the experience economy in the municipality?
10. What kind of problems/obstacles do they typically encounter?

"Questionnaire to businesswomen in the experience industry in Gotland and Degerfors, Winter 2006"

1. Name, age, marital status, number of children and their ages.
2. Educational background and work experience.
3. Have you run a business before?
4. Explain your business and industry. For example, is your business seasonal?
5. Have you previously worked in business?
6. How many employees do you have? How many of these are full-time and how many are part-time? Do you receive any help from your family?

7. When did you start up your business? Are you the sole owner?

8. Why did you start?

9. How did you get the idea to start this particular kind of business?

10. How did you proceed?

11. Did you receive any support from the authorities and/or the banks? How did you manage to raise the start-up capital?

12. What is the state of the business' finances and activity? Are you able to support yourself on its income? In other words, do you have enough customers?

13. Who are your customers, in terms of age, sex, etc.?

14. How do you/did you market your business?

15. Do you have access to a social network? Does it help your business, for example, insofar as marketing is concerned?

16. How many hours a day/week do you work?

17. Is there any chance you may expand your business? If you do, what kind of help will you require?

18. Do you experience any problems in your profession?

19. What obstacles and opportunities exist in Gotland/Degerfors for women who want to start businesses in experience economy?

20. Are you satisfied being an entrepreneur, and why?
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4 Heritage as a Local and Regional Resource

Torkel Molin

This chapter focuses on the relationship between cultural heritage and local and regional entrepreneurship in an attempt to discuss the unstable nature of heritage and suggest some ways of using it effectively. As case studies and examples, the tourist destinations "Gold of Lapland" and "Cultural Heritage Marieholm" are used. The present research is based on qualitative interviews conducted with key actors involved in the two projects, particularly those who actively participated in their day-to-day operations. Further interviews were later conducted with nearby residents in order to determine their view of what is happening on a local level.

Introduction

As shown in previous chapters, one way of dealing with the decline of the industrial sector is to boost other sectors of the economy. This chapter, too, deals with part of the cultural and creative sector. The cases described below provide examples of the use of cultural heritage as a viable, driving force for economic change. But first it will be necessary to discuss the concept of cultural heritage itself, after which we must proceed to examine the broader framework as embodied by changes in Swedish governmental cultural policy.
The Nature of Cultural Heritage

In theories of modern economics, "cultural heritage" it is considered as an expression of public good. Pure public good provides benefits that are available to everyone regardless of who is footing the bill. The norm is that a cultural heritage site is funded and managed by government subsidy, and the price of admission is therefore either free or voluntary, as long as visitors respect restrictions regarding its use.

Authors on the subject have failed to be clear on what is to be labelled as "cultural heritage". Many argue that certain material and immaterial objects ought to be considered heritage, while others object and promote different things. A good example of this is how the Swedish National Heritage Board uses the concept (see Pettersson 2007). I am more comfortable with an approach that discusses the nature and use of this entity, because I hold that objects and traditions do not constitute cultural heritage. Georg Drakos makes this abundantly clear in his essay on cultural heritage and leprosy (Drakos 2005). It is in fact the other way around.

As this chapter will attest, cultural heritage is not the past – the past is the sum of all that has happened, and we cannot change the past. It is what it is. What has happened has happened. In attempting to gather knowledge about the past we employ a variety of diverse sources, based on which we historians create history. As our understanding of the past changes (as it inevitably does), so does history. History is therefore constantly changing as new sources are discovered, old sources are reinterpreted, and fresh narratives are written (Molin 2003; Pettersson 2003).

Cultural heritage is actually neither the past nor history, although it alludes to both. It is often associated with the identity of a group, usually a nation, and thus the notion of "national heritage". The purpose of heritage is to create a sense of self,
a collective memory; in a sense, the story of a particular group. Thus cultural heritage contains a lot of current history, some pure speculation, and a bit of fiction or old history discarded by today’s historians. To substantiate the story cultural heritage tells it is illustrated with historical remains, a handful of hallowed sites where some momentous turn of history occurred, and plenty of monuments and artefacts. The same remains, sites and monuments could be used to substantiate other, totally different stories as well, but what makes them special is that they are used to substantiate the story. So some places and some artefacts occupy a special place in a group or nation’s sense of self and are thus lavished with extra attention, care and protection by the government. Cultural heritage is in other words the story of a particular group and that group’s living collective memory (Halbwachs 1992; Fleck 1997). And it is the defining story of that group, which its members recognise and are recognised by (Molin 2003, 2005 and 2006).

When first introduced into the Swedish language by journalist and poet Professor Victor Rydberg in 1887, cultural heritage (in Swedish, kulturarv) alluded to language, customs, habits, laws and such that was passed down from one generation to another (Rydberg 1905). As we all know, what is passed on in this fashion is heavily edited and changes at each retelling, because what get passed on is what the older generation remembers and chooses to pass on. However, though Rydberg coined the term, the concept had already been formulated.

Erik Gustav Geijer, later professor of history and a national poet laureate, formulated the concept like this in 1811.

*Each and every People live not just in the present, but also in its memory; and its memory live through it. Every generation reproduces itself not just physically but also morally in the next; it passes on to it its customs, its concepts. It is this ongoing tradition that throughout the ages makes the People one. It comprises its continuous*
One obvious conclusion is that without a sense of self, there is no nation. Without cultural heritage the group is nothing but a bunch of individuals. Furthermore, cultural heritage is in no way stable. As time goes by, the story inevitably changes. Cultural heritage is therefore not old, either; it is continuously recreated in order to be of daily use to the group. This means that components that are of central significance today may be marginal details tomorrow, and perhaps no longer even mentioned in the future, no longer part of the group’s cultural heritage. This flexibility creates an opening for the market. If some business enterprise succeeds in creating a popular historical site, the local populace will embrace it and incorporate it into its story about itself. If the reputation of the site grows, it may be incorporated into the entire nation’s sense of self, a new development now used to help tell the national story. This used to be considered a danger.

The rulers of nations in the early modern period had quickly recognised that they needed to take control of the nation’s memory, first to secure their own legacy and subsequently to shape the nation itself. In Sweden, King Gustavus III took a firmer stance than most and issued strict legislation regarding national monuments and public inscriptions, none of which could be mounted or erected without the approval of the king or his representatives at the Swedish Royal Academy of Letters, History and Antiquities (Molin 2003 and 2005). Much later, this stance also came to include financial responsibility. The management of national heritage has thus largely been recognised as a governmental practice used to create, homogenise and stabilise the nation (Østergård 1992; Molin
Thus there are rules and regulations regarding the management of that which is deemed to be of historical significance. Some of these rules were created so that sources for later historians would not be destroyed; matters of an aesthetic or nationalist nature motivated others.

But policies change. With Sweden entering the European Union in 1995, it was deemed politically prudent to de-emphasise "homogeneous" Swedish culture in favour of pluralism. Other groups' heritages should be allotted equal importance. While new policies were being drawn up, established practises became temporarily confused. But as research shows, ultimately established practices were not changed, just added to (Pettersson 2003).

Furthermore, when the cost of preserving e.g. the country’s industrial heritage was presented to the Swedish legislature, it decided that other means of financing needed to be found. At the same time, policy makers declared that society should use national heritage as one resource among many, a stance lately adopted by the European Council and incorporated in the Lisbon objectives.³

In Sweden, the idea that cultural value should be transformed into financial value had previously been at odds with the government’s nationwide cultural policies, originally presented in 1974 and summarised in eight specific goals. The stated purpose of cultural policy then was to enrich society in other ways than the sheer financial. Declaring that this "cultural policy will serve to counter the negative effects of commercialism in the field of culture" (prop. 1996/97:3: 15) clearly indicated that market-driven or -managed culture was seen as a force to oppose and control.

³ Official Journal of the European Union, C 287/1 29.11.2007
During the 1990s it became clear that society at large had changed as more market-oriented ideas surfaced. Reflecting this, the government started to shape policy for the new millennium more in touch with times. After going through numerous panels of inquiry and referrals, a seven-point policy document was presented by the Swedish Arts Council (prop. 1996/97: 3).

\[\text{The goal of freedom of expression: To safeguard freedom of expression and to create genuine conditions for everyone to use it}\]

\[\text{The goal of equality: To lobby to ensure that everyone has the opportunity to take part in cultural life, to come into contact with culture and to indulge in creative cultural activities of their own}\]

\[\text{The goal of diversity: To promote cultural diversity, artistic renewal and quality, thereby countering the negative effects of commercialism}\]

\[\text{The goal of independence: To provide suitable conditions for culture to act as a dynamic, challenging and independent force in society}\]

\[\text{The cultural heritage objective: To preserve and make use of our cultural heritage}\]

\[\text{The goal of learning: To promote the drive towards learning}\]

\[\text{The goal of internationalisation: To promote international cultural exchange and the coming together of various cultures within Sweden.}\]

http://www.kulturradet.se (10 February 2008)

It follows from these goals that Swedish cultural policy was neither intended to be a part of labour policy nor help create new businesses in emerging sectors. Nevertheless, cultural institutions in Sweden do employ a lot of people and there are many private firms operating in this sector. As mentioned above,
changes in the cultural heritage objective directly opened up for private initiative. This in turn has created a new arena for private interests.

So how to use cultural heritage as a resource or engine of economic change? To answer this we need an actual, not theoretical, example, and I choose the "Gold of Lapland". It proves a good case study because it has developed largely due to this change in governmental cultural policy.

**The Gold of Lapland**

The "Gold of Lapland" began life as a museum project in the late 1980s. The Swedish municipalities of Lycksele, Malå, Norsjö and Skellefteå decided that they wanted to preserve some of the region’s mining facilities. They argued that in doing so they would strengthen local identity and give the local tourist industry a new focus. To cut costs and stimulate local enterprise, local politicians suggested that private business manage these historical sites. After initial municipal investment, they should be able to attract enough tourist traffic after a few years to turn a profit.

In essence, the local politicians were drafting strategic economic policy on a regional level. They wanted change and started to develop and diversify the tourist industry. They dared not utter the term "cultural heritage" at this early date, since it was no longer considered viable in the Swedish context. However, they did speak of the history of the region and its potential benefits and explicitly wished to strengthen local identity in order to counteract the ongoing depopulation of the area.

Of course, the idea of the Gold of Lapland did not originate with the politicians. A small, select group had convinced them to invest in a few prime sites, with the goal of eventually establishing a large-scale, open-air museum with individual sites

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4 Information on Gold of Lapland can be found at http://www.goldoflapland.com/
run and preferably owned by locals. This thinking was clearly in line with the cultural policies and practices formulated in the 1970s. The politicians and entrepreneurs, however, were more interested in tourism than museums. So when it was launched in 1993, it was not marketed as an open-air museum dedicated to mining history, but rather as a tourist attraction.

This new concept signified a change in both mentality and focus. It no longer sufficed to merely promote the history of the region; local decision-makers wanted to promote the entire region and its presumably rich cultural heritage. "Gold" conjures up thoughts of riches, success and luxury, while mining connotes exploitation, dirt and darkness. In taking this approach, they were actually at the forefront of new thinking that would eventually become official government cultural policy.

The original concept involved displaying remains from the mining industry, which in Skellefteå did not have a very long history, beginning in earnest in the late nineteenth century and escalating during the Second World War. This meant that knowledge and information about it was still in living memory. Perhaps former miners could be hired to act as guides or even head up the private businesses running the museums. Thus the first phase in the development of what came to be the Gold of Lapland was characterised by enthusiasm, its motives expressed in idealistic terms of cultural heritage and historical preservation – strike while the iron was still hot, before the living sources of knowledge passed away and the physical remains crumbled.

An open-air museum, it was hoped, would involve a large sector of the local populace and increase local pride and self-respect, in the spirit of the policies drafted in the 1970s. Twenty-four sites suitable for development into self-contained visiting points were identified. Seven were finally chosen. A few of them were already being maintained as local historical sites. But more funding was
needed than the local municipalities could provide (Johansson 1991). The European Union stepped in and sponsored the project. A head office was opened to market the various sites.

With that the Gold of Lapland entered into what can be called the "entrepreneurial phase". Each visiting point needed to absorb its own costs, make its own investments, and contribute to financing the central office. In order to do so and in recognition of the fact that businesses not included in the original plans were also turning a profit, the organisation opened its doors to hotels, camping grounds and traditional tourist industries including a variety of outdoor activities.

At this point we may even envision a future phase in which nearly all organised tourism in the region is managed by the Gold of Lapland. What began with plans for a new museum has now become an all-encompassing tourist strategy embracing the entire region. Evolving with time, the aims of the Gold of Lapland have changed at the same pace of policies of culture and regional development. Building museums to preserve local history and shore up local pride has given way to a large-scale tourism project.

The seven original visiting points were:

- Saga Cinema in Adak. Opened by a miner named Östen Dahlberg in 1945, it closed for business in 1965. The cinema was reopened as a museum and cinema in 1993. This visiting point also includes another small museum and a café.

- St. Anne’s Underground Church. Jesus is believed to have revealed Himself to the miners of Kristineberg in 1946. Now there is a church 100 meters beneath the ground in what is today Sweden’s deepest mineshaft. The visiting point consists of the church, an exhibition of old mining equipment, and the former director’s town villa.
The world’s longest cableway. Built during the Second World War to carry ore from the inland mines to the smelt works on the coast, it was put out of service by a more flexible truck haulage system in 1987. Today it carries passengers between the villages of Örtäsk and Mensträsk. This visiting point includes a café, a miniature railway, a Sami nomadic tent, and a restaurant offering fine dining situated in a disused shaft tower. There is also a small exhibit on the history of the cableway and a larger one displaying local folklore.

Bergrum Boliden is a traditional museum dedicated to the geology and mining history of the region. Like most museums, it too features a café and gift shop. It is situated in the residence of the former director of the mining company Boliden, in the village of the same name.

Varuträsk Mineral Park is an abandoned mine in one of the world’s most mineral-rich places. This visiting point is especially attractive to those interested in exotic minerals. In addition to the mine there is a small museum, hiking trails, a café, gift shop and conference centre. It is also the site for special events like automobile and snowmobile racing.

Forum Museum Rönnskär is a kind of corporate museum. It concentrates on the history of Boliden Ltd. and the area around Skelleftehamn. It is situated inside one of Sweden’s more modern industrial complexes, which also features one of the world’s largest electronic scrap recycling plants. Visitors must report to gate security before being issued passes to enter the facility.

Malå Geomuseum is an old shaft tower moved from its original mining site to Malå town. In its basement a small permanent exhibit is located.
Will the Gold of Lapland be able to stand on its own in the long run? No answer is readily apparent. If it had stuck to its original plan of seven visiting points (some simply traditional museums) linked by a central coordinating office, I would say no, since the revenue from ticket sales alone could never cover costs. Keeping the world’s longest cableway running in a manner befitting its historical significance is a pretty straightforward affair, until money is needed for major repairs and public funding has been necessary. In other words, in its original form the project would never have been able to support itself – which however was completely in accordance with the cultural policy of 1974, which accepted the fact that museums added other values to society than strictly monetary ones.

But if we see the project as a resource for local and regional development, as we should if we follow more recent government guidelines, the other aspects must be taken into consideration when evaluating the Gold of Lapland’s chances of success. It depends on how you measure and what you are measuring, and with the broad membership base it has today, this remains unsure. It has introduced change and definitely affected regional development in the cultural and creative sectors. But the Gold of Lapland is faced with the same problem confronting nearly every effort using a common trust as its base resource – how to redistribute surplus funds from those businesses that do well to those which while not expected to do as well are essential to the others. This is an especially hard nut to crack since nearly all of them are owned and run by businesspeople that joined the Gold of Lapland voluntarily.

Lifting our gaze to take in the broader perspective of the region as a whole, we find a few businesses providing jobs at some of the visiting points and tourists who arrive at a destination spread over a large area, compelling them to spend their money on other local services, including food, gas and lodging, as well as patronising businesses not connected with the Gold of Lapland.
Thus, the region as a whole may very well show a profit on tourism even if it has to channel some tax money back into the local visiting points to keep the destination solvent.

Some Observations

We must continue to bear in mind that the development of the Gold of Lapland is directly connected with the cultural heritage it promotes. When the original visiting points were opened, there was little or no industrial heritage work being done in the region. Gold of Lapland needed to start from square one, prioritising and shaping the potential industrial heritage. Naturally, the area had its history and people with memories to share, but without the efforts of these local businessmen there would be no heritage sites to visit today. In selecting the best sites and sinking cash into them they established cultural heritage as a viable concern in the region. Additional public funding not only helped them start up but also provided a political framework guaranteeing responsible development. Moreover, some of the sites would probably never even have made it beyond the planning stages without government support, due to the fact that they are located in rural back lands capable of attracting very little if any venture capital.

Unpaid individuals motivated by an interest in preserving their local heritage powered the "enthusiast" phase. Public monies helped them get started and an influx of European Union funds allowed the process to develop into the next stage. But traditional venture capitalists waited for the concept to prove its worth before investing in the Gold of Lapland. Now, an "outsider" has purchased one of the seven visiting points and plans for more private financing are well advanced. One local entrepreneur wants to build the world’s largest moose, a forty-seven meter high wooden effigy featuring over a thousand square meters of commercial space inside (http://www.stoorn.se/).
It would be highly unlikely for a tourist destination located in a sparsely populated region to succeed without at least some public funding. The fact that the Gold of Lapland is still up and running and in fact attracting more and more private capital shows that this is a viable, albeit risky, concept. While I do not believe that all of these visiting points will be money-makers, as long as they attract tourists, other local businesses will profit and the stronger projects can help finance the weaker ones, benefiting the entire region in the long run.

The bottom line is sustainability. Can the transition from a base industry to the cultural and creative sector be maintained? We can only speculate. Today, the conditions of trade are once again in transition. Mining is making a comeback and proving highly profitable and tourism has not replaced the industry so much as complemented it. Still, as mentioned, government subsidies and volunteer work will be necessary to keep some of the visiting points afloat. It all boils down to a matter of political priorities: Are the benefits of preserving the history of mining worth the price?

**Cultural Heritage as Resource Revisited**

Returning to the question of cultural heritage as a resource for local and regional development, we find that approach of the Gold of Lapland is two-fold. First we have the traditional one in the form of the museum project, essentially identical to the older conception of culture formulated by the government. Hometown firebrands wished to strengthen local pride and identity and slow down the depopulation trend by mobilising the populace to direct its ideas and energy inward. Secondly, we have the focus on tourism. Promoting specific cultural heritage sites would attract outside visitors who would stimulate the local economy and have a positive impact on local and regional planning, business and infrastructure.
When a region is thought to be in decline and the people living there have resigned themselves to the "fact" that this is no longer a place with a bright future, that fact will be incorporated into local culture. In such instances, it is desirable to try and change attitudes and instill hope.

Should an entrepreneur choose to go into the heritage business, he would be wise to prepare a marketing strategy in advance, clearly outlining the benefits it would have for the local community (Müller 2007; Olsson 2007; Heldt 2007). His plans will inevitably affect the local sense of home and self (Connerton 1989; Molin 2003; Svensson 2005), and it is naturally much easier to run a successful business in a friendly atmosphere. Such was the case during the planning phase of the Gold of Lapland. On another level, the businessman’s commercial intent dovetails with the political use of cultural heritage as a central driving force in general local and regional development. I believe this can by illustrated by my second case study, Cultural Heritage Marieholm (http://www.kulturarvmarieholm.se/).

**Cultural Heritage Marieholm**

Cultural Heritage Marieholm focuses on two hundred years of industrialisation in the small milling community of Marieholm. In the middle of the village stand the remains of an iron mill and two dams. There is also a canal dug to connect the mill to the railroad. Cultural Heritage Marieholm is about change. It is about encouraging local enterprise by means of local industrial history.

By investing in preservation, Cultural Heritage Marieholm is an attempt to mobilise locals; preservation in itself is not the ultimate goal, mobilisation is. The reasoning is quite simple. By investing public funds in the preservation and restoration of the old dams, the iron mill and the canal, and by getting the local populace deeply involved in the project, two results are anticipated. First, the establishment of a newly restored historical
milieu, second the establishment of new small businesses. The historical milieu needs to be managed and maintained. This of course costs money, some of which will have to come from income generated by the new attraction. If the local populace finds its village invaded by thousands of tourists the odds are good that some of them will open businesses catering to their needs. And if tourists begin to flock to Marieholm, it will be seen as an attractive locale attracting further investment in other sectors by the simple fact that people will choose to live and work there. Thus rather than a museum project, Cultural Heritage Marieholm is a local development project which just happens to focus on a culture and history. The project employs all the usual rhetoric associated with cultural heritage, producing heritage and even history the same way that the Gold of Lapland does, though with the aim of more thorough-going local change. In essence, heritage is a resource, a means to another end.

The focus is on the process itself, not on the idea of preserving a specific heritage site (though the present author in no way disputes the fact that Cultural Heritage Marieholm is earnest in its desire to contribute to local and national heritage).

As we see, the success of the project hinges on the locals getting so involved that they see it as "their" project. If the perception of personal investment is not instilled in them, then the people of Marieholm will not internalise the notion of change and no amount of public spending will alter their sense of self or place. Instead, only those with an historical interest in Sweden’s industrial development will see the restored site as an asset. In an ideal scenario, a sense of local pride will be instilled in the villagers, who will gladly show visiting tourists around, while simultaneously steering them toward shopping outlets or boat trips on the canal. This is in essence what the example of the Gold of Lapland teaches us is possible, though Marieholm is less shy of saying it out loud. Cultural Heritage Marieholm is one great big experiment; but as an experiment, the project
leaders do not know what the outcome will be. However, the preliminary results are promising. Some new businesses have already opened. Buildings are being renovated and rented, and one entrepreneur has built a theatre with connecting dining hall where he hosts events. More is on the way.

Different Perspectives on Cultural Heritage

These observations and conclusions come from an outside perspective. If instead we look at the challenge of cultural heritage from a practical point of view, other interesting conclusions, or rather opportunities, present themselves. Thus far we have discussed how to use cultural heritage as a resource. Let us now discuss when this utilitarian view meets one based on principals.

If we use heritage as a means of change or a resource to be exploited by business, then we need to understand the two different general perspectives at play, i.e. the traditional, antiquarian perspective, and the entrepreneurial perspective. The antiquarian perspective is said to see cultural heritage as unique and valuable and therefore necessary to treat with kid gloves lest it be lost forever. It needs to be protected from people. And it is important insofar as present and future generations need it. The entrepreneurial reality is said to be altogether different; to the entrepreneur, cultural heritage is a limitless resource. Anything can be turned into cultural heritage. Thus logically, as much economic gain as possible should be wrung out of local heritage. If the resource should eventually have nothing left to give, then with a little hard work and investment, another can be found to take its place and business can continue as usual (Molin 2006).

These two views will have to converge and reconcile if the goals of the government are to be met. As the driving forces behind the Gold of Lapland discovered, preserving the integrity
of their assets, i.e. the heritage sites and the historical remains contained therein, was essential to their business success. The entrepreneurs sought the help of professional antiquarians. They wanted to know what was historically significant and how to preserve it. For their part, the professional antiquarians wanted to preserve as much of the historical remains as possible, and if private interests were willing to do the job, they were perfectly happy to help. The same dynamic can be observed in Cultural Heritage Marieholm. The more help provided professional antiquarians preserve the more remains preserved in a sustainable manner, resulting in a richer heritage site.

The well from which the businessmen running the Gold of Lapland draw their antiquarian expertise is Skellefteå Museum, which also manages the Bergrum Boliden Museum. Cultural Heritage Marieholm’s advisors are on staff at the regional historical museum in Jönköping. The final shape World’s Longest Cableway took is a prime example of how important these collaborative efforts are. An antiquarian from the museum suggested that a short stretch of the original cableway should be preserved as is, iron ore bins and all. The entrepreneur did not think this was a good idea since it was rusty and in disrepair. He thought that it would convey an image of decline. Eventually the antiquarian won over the entrepreneur who has subsequently conceded in interviews that he is happy the antiquarian refused to back down – without part of the original cableway on display, he would have had a much harder time telling his stories. Seeing, as often is the case, believes.

Of course sometimes the historical experts are wrong. When an antiquarian was dispatched to inspect the cinema in Adak, she recommended demolition. It was in such poor condition that the cost of repair would be prohibitive. The local population however turned her a deaf ear, formed a co-operative society and began making the necessary repairs themselves. The same agency that recommended demolition now acted as consultants. Returned
to its former glory, it now stands as a heritage site that never would have been if the priorities of the antiquarians had prevailed over the determination of the villagers to preserve their past.

The Consequences of Creating Cultural Heritage

The collective memories of the Swedish nation and its cultural heritage have long been in the care of the Swedish government, though the new cultural policy invites private interests to share the burden. What will be the consequences of this partnership?

When an entrepreneur (used in the broadest sense possible in order to include rural enthusiasts and voluntary development groups) identifies a possible heritage site and starts to develop it, certain things happen. Something previously ignored and possibly not even considered valuable – i.e. not established as cultural heritage – is found to have the potential to become part of the region’s heritage. Industrial sites in particular are often deemed dangerous blights on the landscape by government and locals alike. However, the mere act of choosing the site immediately increases its value. As more and more investments are made, its value increases accordingly. Interestingly, not only its commercial value rises; its cultural value does, too. People become emotionally invested; its history is studied and written about. Links with official national history are forged and government heritage agencies might become involved, further enhancing its repute. And at some point, if all goes well, it will receive that special care and status that transforms it into national heritage. If not, it still has a chance to become a commercial success, but as some kind of theme park instead. More likely however is that it will fail, investments will be lost, and it will be a drain on public finances.

As the example of the Gold of Lapland proves, without entrepreneurial involvement nothing would have been saved and none of it would have come to be recognised as part of our
common heritage. The world’s longest cableway would have been dismantled. The old cinema in Adak would have eventually caved in and disintegrated. There would not have been a church in Kristineberg and Varuträsk Mineral Park would have turned into a forest riddled with pools of dormant water considered a safety hazard. Perspective and investment creates cultural heritage. The places would naturally have the same pasts they have today, they would have their place in local memory, but they would not have been recognised as established cultural heritage. Thus we may conclude that on his own or in a group, an entrepreneur can create cultural heritage.

If it is found desirable to allow local entrepreneurs to create heritage, then the government agencies that have traditionally sanctified national heritage must logically relinquish some of their previously exclusive rights. First there is the choice of what ought to be considered established national heritage. This is now, at least partially, in the hands of private enterprise, with the consequence that politicians and government agencies have less influence on the future national sense of self. What local entrepreneurs choose is what will be preserved. Professional antiquarians in governmental service may well have chosen different sites and certainly employed different criteria. From their point of view, local entrepreneurial choices often seem random.

Having chosen the site, the question of what to preserve and how to do so looms. The traditional antiquarian approach is to preserve as is or as was so that the visitor will be able to actually see and thus understand history. The goal is pedagogic in nature. Entrepreneurs have different goals. They need to make a profit. In order to do so, they have no compunction about making changes until they have a product that sells. The world’s longest cableway it had to be changed. Out with the old bins and in with new passenger cars. A restaurant was built, a small museum added. A former employee would hardly recognise his old workplace today.
When rebuilding or reconfiguration old facilities entrepreneurs and antiquarians must meet half way. Compromises must be made as to what to preserve and why, what can be rearranged for the convenience of visitors to maximise turnover and income. Hopefully, the businessman in question is good at what he does, good at making money, and the antiquarian sensitive about preservation and how to do it right. The latter can help refine the formers stock, namely the on-site remains and local history. Working under the benevolent gaze of the antiquarian, chances are slim that the entrepreneur would attempt to falsify history or construct false remains, and without the entrepreneur there would be no remains for the antiquarian to help preserve for posterity. On top of everything else, a few new jobs are created and tourists are drawn to the region.

Another consequence of allowing entrepreneurs to manage heritage is that since the very nature of enterprise is growth, more cultural heritage will be created and at a faster pace. Companies are always looking for ways to expand and if a company sells history and heritage, it will constantly be on the lookout for of it. Thus they might move an old mill to the extant site, showcase the story of the haunted house, or relate the history of villages long gone. These are things, places and stories that professional antiquarians would never prioritise. This brings us back to the question of who gets to preserve what and how.

As a result, the body politic will have less control over how its citizens see themselves. The nation-state used to homogenise its citizens at a national level: One nation, one state. It was deemed preferable to have a homogeneous group with roughly the same sense of self-populating the country than a bunch of heterogeneous individuals or large subgroups with their own particular heritages. Thus it was deemed necessary to control self-image. Inviting private interests to help choose and maintain
national or regional heritage involves relinquishing that control. What effect will this have on the value of Sweden’s historical heritage?

Figure 1: A possible career for a potential cultural heritage.
Source: Molin et. al. 2007: 56.

The figure above charts the "career" of a visiting point. An enthusiast sees potential in something, let us say an old abandoned mine. At this point in time (A) it has zero or maybe even negative value. It is, however, potentially cultural heritage. The enthusiast researches its history, invests by preserving and restoring. The site begins to attract paying customers and if all goes well, he starts making a profit (B). The market value has risen but the cultural value is still low. The entrepreneur invests more and more and his reputation spreads. He makes deals with other historical sites and arouses the interest of established museums and state agencies. Antiquarians working for the government come to inspect the site (making suggestions for improvement of course) and deem it worthy of being granted the status of established national cultural heritage.
The visiting point has now arrived at position C, but this is also a danger zone. If state agencies start enforcing strict regulations that hinder the entrepreneur from developing his business as he wishes, his profits might diminish – the site now enjoys high heritage value, but low market value (D). Now it is just one more profitless museum, though having been appraised as highly valued national heritage, it is entitled to government funding. Which is exactly what the new policy opening the sector to private interests was created to avoid – increased national spending on cultural heritage.

Few visiting points will actually travel all the way from A to D. In fact, most won’t make it to B. But if C is the ultimate goal of antiquarians and entrepreneurs alike, they must work together in harmony. It is singularly important that antiquarians refrain from smothering the entrepreneurial spirit with traditional regulations. Without the foresight and industriousness of the businessman, the historical site open to visitors would not exist in the first place.

**Regional Consequences**

So does it really matters what is preserved and by whom? It most certainly does, because that is what the regional population uses in creating its images of home and self. How can a place promote its industrial history without any remains to show? Visitors they will soak up the stories told by the remains together with the tales told by local experts carry them back home and spread them further.

Is it a good idea for local politicians to allocate public funds to local entrepreneurs who want to invest in heritage? This is a harder question to answer. Financially, it may be sound if the visiting points fail to show a profit on their own. Modern tourism calculation models all agree that tourists are profitable since they spend money during their stay, so hotels, stores, gas
stations, etc. will be earning even if the visiting point is in the red. Heritage impact is another story altogether. Exploiting heritage as a market resource does not necessary diminish its traditional historical function. We can only hope that local decision-makers are aware of this.

Conclusions

This chapter has identified three different uses of heritage.

- The traditional use, wherein heritage primarily functions to homogenise the population and its sense of self. It focuses on an idea, like the original museum project of the Gold of Lapland.
- Heritage as a tourist attraction. Its primary function is to attract tourists. This too is idea-based, as in the case of the Gold of Lapland evolving into a tourist destination.
- Heritage as a trigger for local change. Its primary function is to cause change, any change, and its focus, like Cultural Heritage Marieholm, is on the process itself.

As I see it, these three broad uses appear in historical sequence. The first has a very long tradition, stretching back to fifteenth-century Sweden. Its more modern function came into being in the early nineteenth century. If we take into account the pilgrimages of the Middle Ages, then the second use also has a very ancient tradition, but it actually began escalating with the advent of mass tourism in the late twentieth century. The last is a modern phenomenon that will probably become increasingly common with the encouragement of the government.

Entrepreneurs can and do create national heritage. Recent government policies have given private interests the opportunity to do so, partly in the form of grants and subsidies. Once the wheels are set in motion they will by the very nature of enterprise gain momentum, and new cultural heritage sites initiated by private businessmen will become part of the everyday historical landscape.
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Hällefors is one of the municipalities in Sweden attempting to break free from the traditional corporate structure. While it has a long history of iron and steel production, technology-based industry is now being supplemented by investment in cultural, culinary and design projects. The aim of this chapter is first to chart the progress of the municipality toward sustainable development and secondly to investigate whether there have been any fundamental changes made to the system. This means that we shall consider the adoption of a path-dependent trend and formative instances in local development processes, with a neo-institutional framework as our theoretical guide. One major discovery is that the term "sustainable development" crops up constantly in daily dialogue and practical application; it appears in municipal strategic and policy declarations, in both preliminary and comprehensive documents, and in sector-oriented programmes. Yet despite the fact that there is clear evidence of sustainable-development thinking, it has not replaced previous
models of local development. Although the concept has become familiar, it is not possible to say whether it has actually contributed to fundamental institutional change on the local level.

Introduction

It is not easy to consciously and strategically break with tradition. This is true in many businesses, and it is just as true in many municipalities. As a result of globalisation and the transformation of the industrial sector, many Swedish municipalities are struggling to replace a corporate structure that has been dominated by a single company with a more multifaceted industrial profile. Hälsinges, with its long history of iron and steel production, is one of the municipalities attempting to break free from the traditional corporate structure. Technology-based industry is now being supplemented by investment in cultural, culinary and design projects. The area has become home to one educational centre, The Nordic House of Culinary Arts (Måltidens Hus), which sports training facilities for the hospitality services, while another – The House of Design (Formens Hus) – has been more recently established to provide instruction in design. Both house extensive libraries, and the latter mount exhibitions on a regular basis. The aim of these investment initiatives is to achieve a wider degree of stability on the corporate front and thus obtain a more predictable overview of municipal finances (Persson & Bro 2000; Persson & Bro 2002; cf. Pettersson 2002). Since the early 1990s, many municipalities have striven to implement some measure of sustainability in their daily operations. The United Nations’ proposed globally oriented sustainable thinking needs to be translated to local conditions and traditions (Our Common Future 1987, Bro et. al. 1998, Olsson 2005, Pettersson 2007). Hälsinges has gone a step further than many other Swedish municipalities in this regard by advertising itself as a sustainable community.
The present chapter describes how authorities in Hällefors have addressed the task of breaking with tradition in an effort to apply the United Nations’ global thinking locally. Is the local sustainable work process being run in a manner that differs greatly from previous ideas and working methods? In concrete terms, the aim of this chapter is first to chart the progress of the municipality toward sustainable development and secondly to investigate whether there have been any fundamental changes made to the system. This means that we shall consider the adoption of a path-dependent trend and formative instances in local development processes, with a neo-institutional framework as our theoretical guide.

The present authors have followed developments in Hällefors for more than 10 years. During this process, we have conducted more than 50 interviews with politicians, civil servants, and representatives of trade and industry, NGOs and other organisations.

Background

Hällefors has a long tradition of iron and steel manufacture. The steel industry, whose history extends as far back as the 1600s, has always been the biggest employer in the region. As such, it is an important historical legacy, viewed against the backdrop of the current development in Hällefors and the investments that are being made in preparation for the future. Over the years, the steel industry has been run via a variety of ownership structures featuring both Swedish and foreign owners. The business may have been conducted under different names, but its significant influence on local life has remained unwavering. As any other business, the steel industry is dependent on market forces; its fortunes both improved and deteriorated throughout the 1900s. On a national scale, the post-war period proved highly productive. The steel industry had a production capacity that brought huge returns on investment. Indeed, all of the country’s
industries were intact after the Second World War and were thus able to meet the huge demand from the rest of the world. The period immediately after the war is often described as a time of vigorous expansion, a time of general optimism in Sweden. The Social Democrats remained in power for an extended period of time and created "the Swedish model". The welfare state was built according to plan and the country prospered. Significant investment was made in infrastructure and municipalities throughout the nation had no reason to be anything but optimistic about the future.

The municipality of Hällefors was no exception. It had long been a typical Swedish industrial town and had enjoyed its most prosperous period during the 1960s, when roughly 2,500 people worked at the steel mill. The population grew to 12,500, and the authorities estimated that this number would increase to 30,000 by the 1990s. There is an obvious connection between the fortunes of the steel mill and the development of Hällefors municipality. When the company expanded, the municipality’s population increased. 1,047 new apartments were built locally between 1951 and 1960. The housing market cooled off between the latter half of the 1960s and the first half of the 1970s until becoming almost non-existent by end of the decade. This decline was partly due to the fact that the ironworks’ expansion programme had now largely been completed and partly to a downward trend on the employment market and in population growth. Rationalisation measures within the industry and the drastic reduction in the demand for new housing also affected local construction companies (Jonsson 1993).

The continuing operation of the steel mill was thus absolutely vital to the work force. The company’s share of the total number of working people grew until the mid-1970s despite the fact that increasing numbers were employed in the public sector. Thus Hällefors was prioritised in the so-called "County Development
Programme” for the Örebro district as the municipality most in need of a differentiated business sector (Jonsson 1993). Variations in the types of available jobs and in unemployment statistics were clearly related to the municipality’s one-sided dependence on a single industry. Furthermore, the ironworks was extremely vulnerable to market forces. The existence of one dominant, vulnerable company in the region posed enormous problems for the municipality’s planning. The unstable situation for homeowners caused spasmodic fluctuations in investment, surpluses and deficits on the housing market and an uneven flow of income via taxation. The municipality’s highest priority was to see to it that the local business sector was supplemented by lighter industries. Dependence on the ironworks also had a powerful impact on the gender division of labour. When the plant experienced difficulties, the local community usually felt the repercussions. Thus there was an urgent need for new businesses to establish themselves in the region. In addition, it became increasingly apparent to residents that the ironworks may not always be able to provide them with secure jobs. This realisation became even more manifest when the crisis in the steel industry became acute at the end of the 1970s. Significant changes were in the offing (Jonsson 1993).

In the mid-1980s, its management group decided to close down the ironworks in Hällefors and move it either to Finland or to another region in Sweden (nearby Hofors – which had a relatively new plant). However, before the decision became final, the industry experienced a temporary economic upswing. As a result, the company added new staff and informed the municipality that more apartments would be necessary to house the new arrivals. As the authorities began looking at housing proposals, several politicians raised objections, seeing as the company had already decided to eventually move its operations out of town. Indeed, it was not long before the company began kicking numerous workers.
Many locals took this as a temporary setback. “When everybody’s cars begin to show their age, we’ll start up again,” was the general attitude among the townsfolk. They were confident that they produced the best ball bearing material in the entire world. But the crisis finally struck in 1992, and steel production ceased. Shortly afterwards, an invading army, as many local residents saw it, came to Hällefors and stole the plant – one hundred and forty Chinese workers marched in one morning and dismantled the blast furnace, right before their eyes. The symbolism could not be more appropriate. It was at that moment that economic reality hit home for the people of Hällefors, and it resulted in a form of mental crisis. The entire foundation of the local community – of life – had changed. The people realised that the steel mill would not be rebuilt. They began to wonder whether "the last man to leave would please turn off the lights,” and whether this spelled the end for Hällefors. They became frustrated and angry, both with the company’s managers and with the municipality’s political leaders.

In Sweden, as in many other countries, there are numerous examples of municipalities that have not made much of an effort in similar situations, but which have instead waited for the federal government to step in with aid. In Hällefors, a powerful desire to deal with its own problems and assume responsibility for the continued development of the community emerged, which only increased with the onset of the crisis. A local discussion on the future of the region was thus initiated, providing a significant intellectual foundation for renewed optimism. It deliberately included cultural aspects as an area for development. It was also decided that the municipality ought to invest in establishing a distinct environmental profile.

This process was reflected in huge cultural investments. Apart from establishing a compulsory cultural presence in primary schools, significant resources were allotted to the municipality’s residential areas and surrounding parks. The community hoped artistic decorations on building façades and in the parks would
increase the aesthetic appeal of municipal housing. These investments have proven extremely successful and have received widespread national and international acclaim.

**Theoretical Reflections**

**Historical Institutionalism**

In research contexts, we often distinguish between actor-oriented and structure-oriented approaches, which mean that we assign the main role in our analyses either to the actor or to the structure (Rothstein 1986). While structure-oriented researchers (e.g. Marxists) have been around for a long time, a palpable actor orientation has always been distinct in the social sciences. The enormous interest in the individual is the legacy of the behavioural education system that emerged in the 1950s. Behaviouralism was characterised by systematic individualism that implied that a sound understanding of politics could only be achieved by ignoring the formal structure of the political system and concentrating on the political behaviour of the individual instead.

In this case, the actors’ personal interests and deliberations have been viewed as the most important incentives and the reason why the community has developed in a certain way. In analyses of sustainable efforts, this would imply that we focus on particular individuals or groups of individuals, and would explain any successes against the backdrop of their rational and strategic deliberations. It is only recently, since the mid-1980s that people have begun to question and criticise this clearly actor-oriented tradition, particularly within the scope of what has been referred to as neo-institutionalism (March & Olsen 1984).

Neo-institutionalism is not a uniform collection of theories. There are fundamental differences in opinion with respect to what qualifies as an "institution". There is significant disagreement as to the extent of influence institutions can exert and,
consequently, the degree to which an actor can influence his own status. (Peters 1999). Despite these differences, it is generally agreed that the thought processes and actions of individuals have been pressed into already-existing patterns – i.e. have been institutionalised. Within the field it is assumed that institutions play a decisive role in the development of the society (Sundström 2003). When we speak about formal institutions, we refer to the laws and rules that have already been established. Examples of this include workplace legislation or municipal policy documents. In addition, the term "institution" can denote informal institutions, those norms and values that guide our actions in our daily encounters with other people.

In our case, a neo-institutional foundation implies that local actors may be expected to unconsciously interpret sustainable thinking against the background of local traditions. In other words, we do not reflect on why and how we interpret sustainable thinking. Another important premise of neo-institutionalism is that institutions change only slowly and with great difficulty; this also implies that it is difficult to change our way of thinking and acting. We proceed along the same avenues to which we are accustomed (Rothstein 1998). Thus individuals in the respective municipalities may be unable to free themselves from established modes of thinking. Here, institutions serve as an inertial mechanism that sort new ideas into existing patterns.

**Formative Moments**

Historical institutionalism is most succinctly defined by its perspective on formative moments and path-dependent processes, which implies that future actions are mostly dependent on, and limited by, events that occur in the present. Although the past cannot faultlessly predict future alternatives, they are indeed limited by the institutional relationships established on previous occasions. This means that standpoints assumed at a particular point in time may give rise to specific
problems which will affect decisions made at a later stage (Johansson 2002). On certain occasions, called formative moments, the institutional structure transforms and completely new institutions can be established. Stephen Krasner introduced the expression "punctuated equilibrium", a term which he borrowed from biological evolution. However, there are also other expressions in the literature, which represent either the same or similar events. Sydney Verba uses the expression "sequential development," while "creative destruction" is used by Genschel (1997).

This means that new norms and/or formal rules for new tasks can be established. It is assumed that such moments occur rarely, and then only when there is interaction between important and dramatic external and internal events. The argument is abstract; however, it can be illustrated by a situation in which the established local institutions that influence our methods of dealing with local developmental problems in different ways have either begun to be challenged while new ideas about how similar issues should be tackled begin to flourish. It is assumed that these opportunities for change, these formative moments, will be followed by an extended period of stagnation or by changes that follow a certain trend, a path-dependent process. It should be noted that historical institutionalism couldn’t predetermine what will become a formative element. Compare this with Lindblom’s (1959) discussion of what he refers to as "muddling through," meaning that we are always striving to get ahead, both pragmatically and incrementally.

While an institutionalist argument does not maintain that such rapid change never occurs, it does imply that such episodes are infrequent and are followed by long periods of either relative stasis or path-dependent change.
Changes, from an institutionalist perspective, can never be easy, fluid, or continuous, and are more likely to occur at the level of the whole population of organizations, as some types are selected out, than as a result of an individual adoption. (Krasner 1988:74)

The precise nature of these external events is often discussed in the literature. While there is no universally accepted definition, most researchers agree that they are rare, comprehensive and all embracing (Genschel 1997), and would therefore affect all municipalities within the scope of the particular business region. Such an interpretation assigns an almost revolutionary role to the events in question. In contrast, others believe that the events could take place at many different levels of society, on international, national, regional and local levels. Or, the events might occur within distinct spheres of policy and affect only specific sections of the society (Baumgartner & Jones 1993). Such an interpretation completely alters the scope of the events and their inherent meaning and motivates us to identify changes not only on the national level, but also on all levels. However, local actors feel that the event is so significant that they abandon local norms in favour of new ones. They disregard the old institutional structure, allowing new norms and values to emerge (True 2002). The institutional structure becomes stable and resists change until a new formative element emerges (Krasner 1984 and 1988).

Sustainable Development: A Formative Element?

The next obvious question is whether sustainable thinking can serve as a dramatic "event" that leads individuals to begin questioning local institutions. In other words, has the directive from Rio led to transformative processes and new ideas, or is the municipality’s sustainable work continuing along well-trodden paths in a process that is already path-dependent? The UN’s sustainable thinking can hardly be described as revolutionary,
although the commission states that its suggestions, which deviate from conventional trends, would have significant consequences for all aspects of society (Our Common Future 1987).

The problems are considered to be such a threat to the quality of life on earth – indeed, “life itself” – that the survival and prosperity of the human species may depend on whether people succeed in translating the principles of sustainable development into a global philosophy. Investment in development and the environment is thus far insufficient; old habits need to be broken. The changes suggested by the commission are considered necessary in order for future development to enter new territories. Thus the commission identifies global sustainable thinking as a solution to the threat at hand, while seeking to attract and clarify the mission of local actors (Our Common Future). It is a powerful signal. At the same time, more “aggressive” interpretations of the principles of sustainable development can be found in research publications whose premise is that we can and must “refocus” and direct the development of society in an entirely different direction.

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Figure 2: The relationship between external change and the local situation.

Thus the manner in which sustainable thinking is translated into practice depends on how dramatically it is interpreted in relation to the estimation of the local situation and consequently, the opportunities and needs that are to be refocused. We refer to
this as a “general local propensity for change”. Figure 2 is an attempt to capture the complexity of the formative moments according to the principles of sustainable development. The figure combines external pressure – in this case sustainable thinking – with the local situation and its propensity for change.

New Prospects

A Future Discussion

The decision to close down the plant naturally posed a huge problem to Hällefors. Many people lost their jobs and several subcontractors were adversely affected. People began to wonder whether this spelled the end for Hällefors. While many others might have waited for external federal aid, the crisis actually led to an expression of popular support for the continuation of the development process. It was obvious to the municipal board that Hällefors could no longer depend on a corporate structure solely based on heavy industry. So it invited a number of lecturers, including some from the Institute for Future Studies, in order to gain insight into the prospective structural transformation. The lecturers stated that the steelworks belonged to a community structure that would soon be regarded as antiquated. Furthermore, society in general was in the midst of transforming into ”knowledge society”, which meant that the immediate future would be dominated by different values, including culture, creativity and communications. The lectures provided the intellectual foundation to a renewed belief in the future, and helped shift culture into a central position in discussions about local development. It was also decided that the municipality ought to invest in establishing a distinct environmental profile. This was not uncharacteristic, for the municipality had show great interest in environmental issues since the 1970s. Today, cultural issues dominate municipal developmental policy. In addition to launching the compulsory cultural centre, the municipality has also promoted the region as
both a successful environmental community and the only one in Sweden to implement the Factor 10 concept (see below). In retrospect, the pace of development has followed the municipal board’s policy for the future since the early 1990s, though not without facing some strong opposition on certain issues.

**Housing and Public Parks**

Cultural issues turned out to be of great significance to the developmental process. As a result of the continuous decrease in population, the municipality became saddled with a large number of empty apartments. While it naturally wanted to rent them out as soon as possible, several of the housing estates were characterised by social problems and a high occupant turnover rate. The key to renting the units was of course attracting new residents, but any new residents would need to be able to support themselves and the labour market in Hällefors was not particularly vital at the time. In other words, an active, municipality-led corporate policy and subsequent development of the business sector were in the best interests of the housing company. One of the points made by its board of directors was that the framers of the national housing policy had focused on the actual apartments, which proved to be a successful strategy – Sweden boasts the highest apartment unit standards anywhere. The board of directors now realised it ought to broaden its perspective. It wished, in other words, to highlight the significance of having one’s own home while seeing housing as a whole in as broad a context as possible. Since it assumed that imagination and creativity would become two of the most important products in the future, the board felt that the housing environment ought to be designed to contribute to the stimulation and development of such qualities in their tenants. The company therefore began to discuss how the residential estates and parks in the area could be improved. It soon discovered that there was massive opposition to the planned changes based on the assumption that they would be merely
"cosmetic" and therefore not solve the fundamental problems of the local population. The fact that the proposals came from the municipality led to widespread dissatisfaction among citizens.

At the same time, the managers were convinced that they could not be swayed by this yearning for a return to a bygone order of things. In order to realise their new ideas, they were forced to push on with their plans and hold out against dissenters. There was clearly tension between the local population and the municipal political leaders during this period. Local newspaper Bergslagsposten increased the "letters to the editor" section from one page to two for an entire year. Various political parties took up the issue, which led to heated partisan conflict. The frustration of the people of Hällefors laid the foundation for the establishment of "Hällefors Independent", which remains one of a host of active local political parties today.

The housing development "Klockarskogen" was built between 1972 and 1975. The area had originally consisted of rectangular courtyards with a total of twenty-four two-story buildings and 219 apartments. Five older structures were demolished, and a new health care centre was constructed by linking four of the remaining buildings. Two more were merged to create retirement living, and one building was transformed into administrative offices for the Department of Social Services. The remaining twelve was renovated. Eight artists, among them Carl Milles, were commissioned to decorate the area. The region was later christened "Millesparken" and was inaugurated in 1995.

The second housing development restored was "Diakonen", built in 1970–71 and consisting of sixteen two-storey buildings and a total of 186 apartments. Diakonen was a traditional apartment complex that was never popular with the citizens. First, four buildings were demolished and three were converted from housing to administrative and training offices. Large sections of asphalt were replaced with green areas, flowerbeds and fountains. Exteriors were repainted and decorated. The
work of eleven different artists adorned the area. All the old outdoor lighting was replaced and new, artistic light sources were installed. By 1997 work had been completed and the area renamed ”Polstjärnan”.

Finally, the third area left to be overhauled was ”Klockaren”, destined to be reopened under the name ”Mästarnas Park” in 2000. 151 apartments had been built there in 1951. Several buildings were demolished and a small, fifties-inspired park was built between the walls. Two model units were also furnished in a 1950s style (one for tenants and one for administrative staff) (Persson and Bro 2000).

While the last touches were being put on the various parks, busload after busload of curious visitors from both Sweden and abroad began arriving in Hällefors. Hällefors Bostads AB was awarded a national environmental prize 1999; Hällefors received SKTF’s prize as ”innovator of the year” in the cultural sector. The municipality received numerous mentions in the national media. In the light of all this attention, the residents of Hällefors finally began to come around – maybe these investments were good for Hällefors after all.

**The Nordic House of Culinary Art – Måltidens Hus**

Meanwhile, during the decline of the local steelworks, a completely different discussion was taking place in the same municipality, which soon became intertwined with the housing issue to form a single entity, a platform for debate about regional growth and a new local identity. This parallel discussion, which began in the 1970s, concerned ”Grythyttan”, an inn whose lineage dated back to the 1600s. One local entrepreneur – Carl-Jan Granquist – succeeded in rescuing it from demolition and had a number of ideas as to how it could be used, ranging from a hotel and restaurant to an educational training centre. By the late 1980s the ideas had been more thoroughly developed and a proposal for a post-secondary training centre for the hotel
and restaurant industry was laid forth. The Swedish Hotel and Restaurant Owners’ Union expressed its support for the ideas and parliament allotted the Örebro Technical Institute funds to start a trial course at Grythyttan, which eventually became a permanent programme. This was soon followed by the idea of moving the Swedish pavilion from the 1992 World Trade Fair in Seville to Grythyttan, where it was converted into The House of Culinary Art. The Restaurant Academy was launched in 1994, under the auspices of Örebro University (see Braunhielm (2006)).

Today, the pavilion has been converted to a centre dedicated to the art of food and drink. The exterior of the Nordic House of Culinary Art is the same as it was in Seville while its interior has been adapted to its present-day needs. Its fundamental purpose is to promote the long-term development and quality of the food and restaurant industry through training, seminars, exhibits, conferences and research. The House is a meeting place for producers of raw materials, nutritionists, gastronomical researchers, restaurateurs, and food and drink critics, manufacturers and other food specialists. The Nordic House of Culinary Art current houses the Institute for Restaurant and Culinary Art Knowledge and a culinary arts library (both administered by Örebro University), a shop, exhibits, a reception room, a theatre and a restaurant. Since the autumn of 1993, the Restaurant Academy has offered courses for chefs and waiters and later introduced an advanced programme in hospitality training, a so-called “drinks programme”, and other individual speciality courses (see www.maltidenshus.com for further information).

The House of Design – Formens Hus

In the course of weaving culture and the Factor 10 concept together as part of the municipality’s transformation process, the idea of a house of design was raised. The proposal was originally made during a collaborative project between Hällefors
and the neighbouring municipality of Ljusnarsberg. The two towns studied whether conditions were favourable for the development of a design centre to be run jointly. The basic concept was based on Swedish industrial design and assumed it had tremendous potential on the international market. The environmental attitude upon which the Factor 10 concept was based was viewed as a vital component in the development of new designs and crafts. However, Ljusnarsberg dropped out roughly a year later, so Hällefors proceeded on its own. In 2001, local administrators began to work full-time on the project. It was at this juncture that efforts at combining design and crafts with the Factor 10 concept began in earnest.

The home of the House of Design has been both renovated and expanded, incorporating two older apartment blocks and the model units preserved in Minnenas Park. The significance of the Factor 10 concept grew once construction began, when the various actors felt constrained to pause and assure themselves that the structure fulfilled the strictest of environmental specifications. Only materials classified as being sufficiently environment-friendly and energy-efficient were used. The steering committee did not feel obliged to follow all of the guidelines provided by Schmidt-Bleek, though it agreed to document all materials and products used, insuring that the finished product would ultimately be "Factor 10 certified" by Schmidt-Bleek. The steering committee conceded that it would be incapable of achieving one of the ten factors, but that the entire construction process would be documented meticulously so that others may be able to follow the decisions that were made. Thus the House of Design can be used as a pedagogical tool to stimulate the construction industry and architects to adopt the principles of environmental-friendly construction. Factor 10 can therefore be transformed into a concrete and useful tool.
The actual practical purpose of the House of Design has changed over the years. It was initially intended to entice designers to move to Hällefors. The plan was to attract fresh graduates who could reside in the community before becoming established within the industry. The building would contain a number of studios and several display workshops. When Ljusnarsberg pulled out of the project, these plans morphed into the House of Design. Its primary purpose today is to encourage design companies to establish themselves in the region (as was initially envisioned), but now for the long term. The aim is to create an infrastructure that offers a variety of training options in order to attract skilled individuals to settle in the region. The ultimate goal is to become a knowledge centre for design including exhibition space and a library. No comparable knowledge centre exists today, either domestically or abroad.

In recent years, the House of Design has established numerous contacts with national and international actors in the field. These contacts include all Swedish educational institutions with design programmes, foreign museums and educational institutes in both Europe and the United States. Both the national and foreign educational institutes have already committed a number of hours to the House of Design, and several short-term and long-term courses are planned. All trainings sessions will feature elements of the Factor 10 concept. Several of these actors regard the House as a national resource in terms of research and education. It administration expect to host about 800 students in Hällefors in 2007. In comparison, there are around 400 students enrolled at the Restaurant Academy in Grythyttan today.

Prime Minister Göran Persson cut the ribbon at the opening of the House of Design in November 2005, while the International Factor 10 Club, with representatives from several European countries, held a congress there to celebrate the occasion. Today, the House of Design is a foundation jointly owned by Hällefors municipality, the Swedish Society of Crafts and Design
and the Swedish Industrial Design Foundation. The municipality manages the continued construction of the building, while the foundation is responsible for operations. The municipality will donate the building to the foundation upon its completion.

**Sustainable Thinking Defined by the Factor 10 Concept**

The theory of sustainable development was presented to the international community by the “Brundtland Commission” (the World Commission for Environment and Development) in 1987, and in the report, Our Common Future. Few concepts display a broader scope or greater complexity in their attempts to capture the entire planet’s most serious long- and short-term developmental and environmental issues. The basic premise is that something must be done about the global population’s collective use of its resources – environmental and developmental problems do not recognise boundaries drawn on a map. Sustainable development is about much more than the preservation of resources for future generations; it also encompasses a sense of solidarity with the earth’s poor and an equitable distribution of resources from a global perspective. Technical development, economic growth and social mobilisation are also important mechanisms. The main responsibility for the Agenda 21 process and thus the drive towards achieving local sustainable development has heretofore fallen on local actors. They are expected to inspire others and become the engines of the local business sector’s shift toward sustainable development. But it is only when the global concept is tied to local conditions and traditions that the foundation for long-term local and global sustainable development will be firmly laid.

The Brundtland Commission’s reports on sustainability have been interpreted in a wide variety of ways (see e.g. Haughton & Hunter 1994; Jacob 1996; Lafferty & Meadowcroft 2000; Pettersson 2005a and 2005b) in line with the Factor 10 concept. The term was introduced by the German Wuppertal Institute
and suggests that the processes and products of society and the industrial sector need to become ten times more efficient in their usage of materials and energy (Schmidt-Bleek & Weaver 2000). Factor 10 is based primarily on the ecological aspect of sustainable thinking, without ignoring its interaction with financial and social aspects. In order to implement a process of dematerialisation, decision-makers and other actors within the public and private sectors – as well as ordinary citizens – need to become involved in the process. This requires better information regarding the amount of resources used to produce various products and services. An important component of Factor 10 is therefore the development of a system to assess the extent in which products and services affect the ecological system. The ultimate goal is to arrive at simple and easily communicated measures for lessening the impact on the environment. Factor 10 is thus a proverbial safety net for the continued growth of Western society; it will provide the guidelines according to which industrialised nations can increase their productivity while simultaneously achieving long-term sustainable development (SOU 2001:2).

Factor 10 has been adopted as a target goal for the long-term policies of both Sweden and the European Union as a whole. Brundtland proposes that Factor 10 ought to be used as a compass for navigating the framing of environmental policy. At the same time, the report admits that there is still much work to be done to shape it into a strategy for local sustainable efforts (Prop 1997/98: 145; cf. the Kretsloppsdelegationen 1997; Nordiska Rådet 1999; IVA/FRN 1998; SOU 2001:2; AFR 1999). The concept has many advantages but also a few disadvantages, its main weakness being the absence of concrete examples of how Factor 10 could be implemented by municipal organisations. Hällefors is often hailed as the only municipality in Sweden that has "completely" adopted this concept.
The Factor 10 Process – The Idea Takes Root

After some of the municipality’s administrators came across the concept they met with its proponent, Professor Friedrich Schmidt-Bleek at the Wuppertal Institute in 1996. They were inspired by the concept and saw obvious connections with the municipality’s ongoing development process. Furthermore, they viewed it as a template for the municipality’s environmental policy. They immediately realised that Schmidt-Bleek could provide concrete solutions to the problem of creating a sustainable process. This was not simply a utopian vision. They realised that Factor 10 had the potential to become the necessary tool to help them promote and specify the continued process. They also thought that it would be a good way to calculate the environmental cost of different products and services. Armed with Schmidt-Bleek’s calculations, they were quickly able to deduce which materials were sensible choices from a sustainability point of view. The municipality’s political leaders also became fascinated by the idea and deemed the concept a concrete, practical and sufficiently profitable theory upon which to base municipal policy for future development.

Thus Factor 10 was introduced to a small but well-informed group in the midst of its transformative process. However, the concept failed to achieve broader acceptance or wider dissemination in the rest of the community. Only a limited group of people within the municipality’s political and administrative management group – an elite – was involved in the work, whose ideas it also shared with visiting delegations from business leaders, other municipalities and even other countries interested in the municipality’s transformation process. The soundness of the Factor 10 concept was a certainty for the group; it became a natural part of its routine, intuitively accepted. And yet the concept was never actually put into practice. Many politicians and administrators found its reasoning difficult to follow and
simply did not understand the meaning of "Factor 10". A gap soon opened between the management group and other politicians and administrators. It became apparent that huge changes would have to be made in order to ensure that the process would not grind to a halt, and that the entire municipal organisation would have to become involved in the process.

**Skills Investment**

Skills training exercises were introduced. These had several goals. The first was to present and develop the group’s thoughts on the Factor 10 concept and inspire enthusiasm in the participants. The second goal was for the participants to develop strategic plans for the implementation of the Factor 10 concept in their respective operations. The third was that the municipality’s overriding implementation plan for Factor 10 is specified against the background of the various implementation plans for each sector. The fourth goal – and perhaps the most important one – was that a variety of committees and administrative bodies actively begin implementing the Factor 10 concept locally. The fifth and final goal was that the distribution and marketing of the concepts to external parties should always begin with a skills training process.

**Groups and Group Divisions**

An "Ecological Committee" – ekoberedningen – (see below) was assigned the operational responsibility for conducting a dialogue with the various administrative offices and communities in order to choose people who could participate in the skills training exercise. The committee felt it was necessary to ensure that the participants represented a wide variety of municipal branches. The basic premise was that politicians and businessmen, women and men, management and labourers should participate in the process. Five groups were formed, each with its own organisational presence and goals, including the municipal board and the ecological committee, i.e. the individuals who
launched the Factor 10 concept in the community in the first place. Several of these individuals – but no one-group entirety – were thus already very familiar with the subject. The social services department, comprised of people who worked with elder care, constituted the third group. Most of the participants were either office or field workers. Two groups were formed out of educational administrators, a school group and a child care group. The school group consisted of two principals, one vice-principal, a teacher and a member of the administrative staff. Three of the groups were purely administrative in character, while politicians with comprehensive political connections dominated two. In all, a total of forty individuals with relatively different identities participated.

**Overriding Schedules**

After an introductory session, seminars dealt with aspects including conducting personal analyses, discussing concrete measures, clarifying the continuation of the skills training process and organising internal municipal interaction. The participants also learned how the issues could be studied from local, regional, national and international perspectives.

It was important that the Factor 10 concept be related to the participants’ practical operations in order to illustrate its relevance and allow the participants to determine its potential on their own. Each group was urged to plan at least two steps, the first of which was to be taken during the first year. Success stories illustrating its suitability were also necessary to encourage dissemination of the concept. A meeting on skills training and internal interaction was subsequently organised. Important issues addressed concerned methods of spreading the Factor 10 concept throughout the municipality and introducing new staff to the concept. Following this, all five groups met for a coordination meeting, during which they listened to each other’s strategies and exchanged lessons. Themes of the subsequent
meetings were local, regional, national and international synchronisation, at which methods of spreading the Factor 10 work processes to other actors (municipalities, the business sector, schools, etc.) were discussed. Spreading the concept was viewed as one stage of the implementation process, as well as a method of marketing the success story that Hälelfors had become. The process was concluded with one last coordination meeting, serving as a forum for additional joint learning. In addition it functioned as a way of wrapping things up as each of the groups presented their final implementation plans. The common strategy was to describe the function of Factor 10 in Hälelfors as a series of steps, not in terms of basic definitions of the concept, but rather through examples of practical application. In this way, the practical relevance of the concept would be guaranteed.

**Plans of Action**

There is often no basic strategy for how an organisation should proceed with its transformation process. In Hälelfors, the Environmental Committee was given the overriding responsibility for implementing the Factor 10 concept based on a plan drawn up by the municipal board in 2003. Nevertheless, the plan was not particularly detailed; it is here that skills training enter the picture. One of the aims of this stage of the transformative process was to formulate individual plans for the implementation of Factor 10 outlining specific goals suitable to each of the five groups, which was indeed achieved. At the same time, the municipality’s political leaders developed and approved its own joint plan.
Final Reflections

Reflections on the Factor 10 Concept

The most significant result of this Factor 10 work concerns the participants’ impression of the concept. Initially, the image of Factor 10 as a technical concept largely inspired by its initial German interpretation predominated. This interpretation revolved around mathematical calculations about the flow of resources and the consumption of material and energy in various contexts. Many were sceptical at the time; it was difficult to understand what Factor 10 actually meant, and much worse, to envision how a Factor 10 approach could be used to revitalise the community and its operation. During the process, we have also witnessed the emergence of other interpretations of or alternative approaches to the concept. We have not come across one single, agreed-upon definition or distinct group identity. On the other hand, we have witnessed a variety of approaches to the concept, most of which are largely focused on human and social processes geared toward achieving efficient organisational development influenced by interest in the environment. An element of pride at being one of the participants is also palpable.

The choice of Factor 10 as the template for future strategies also indicated that it was regarded as the new solution to every possible challenge, though for many of the participants, it was long unclear which problems Factor 10 would solve, which brought a confusion and delays. At the outset, participants felt they were facing an incomprehensible solution to unidentified problems. They began to question "Factor 10" both as a solution to existing problems and as a title. The designation "Factor 10" proved to be sacred to the elite group that has so far been the champions of the idea. On the other hand, they were quite open to alternative approaches and operation-related interpretations.
The fact that the primarily technical original interpretation was supplemented with a more refined environmental interpretation was warmly welcomed.

Basically, this multitude of meanings need not be a threat to the implementation of Factor 10, either globally or locally. Instead, that may actually be its very core, an expression of the pluralism, creativity and desire characterising the various parties’ Factor 10 projects, in much the same manner that democracy takes different forms all over the world. Some attempts at democracy may be regarded as being either more or less democratic from our perspective, depending on specific motives and contexts. The main reason for continuous debate about democracy is not to permanently establish a single, accepted definition that should applied everywhere for all eternity, but rather to keep democracy alive and constantly revitalise its process. Similarly, we ought to accept and affirm the differences in interpreting Factor 10. The variations are both natural and positive (cf. Pettersson 2007).

<table>
<thead>
<tr>
<th>The basis of the interpretation</th>
<th>Conceptual</th>
<th>Business-oriented</th>
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<td>The direction of the interpretation</td>
<td>Ecological</td>
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Figure 3: Interpretation of the new idea

In the groups from child and geriatric care, the concept was associated with the ongoing efficiency drive within the administration. This was partly due to the fact that the members of the groups failed to thoroughly analyse the concept, finding it too abstract, and partly because they failed to see how it could be translated into their respective processes without being redefined. Thus the groups soon abandoned the conceptual level and held discussions from a viewpoint that was more
operation-oriented. The three other groups placed great weight on the concept’s underlying ecological message. The educational group held many such discussions in the past, as had the municipal board and the ecological committee. The difference between these three groups was that the latter two had begun to discuss these issues even earlier, before the actual skills promotion drive was initiated. In this case, it can be said that of the three groups that opted to adopt an ecological interpretation of the Factor 10 concept, the educational group was the one critical of the new measures.

Choice of premise has a significant influence on the manner in which Factor 10 is interpreted. In this case, the concept-oriented premise led to the learning process espousing a clear ecological focus, while the operation-oriented premise resulted in a strictly social emphasis. Both choices were largely rooted in local affiliations. All of the individuals involved may have identified themselves as municipal workers, but their process-specific affiliations were stronger, and each thus strongly identified with their own unit. Given that the municipality was a politically managed organisation, we might have expected significant ideological differences. However, the problem was not primarily political in nature. All parties backed the new concept. Nevertheless, it was clear that there were differences of opinion between the political collective and the administrators. The latter viewed themselves first and foremost as representatives of education, home care or childcare. Each identified with a particular operational culture and therefore highlighted the problems that might arise should the new concept be translated from word to act in the form of altered routines and working methods. Several participants had difficulty understanding how the new concepts would be able to solve their problems since the various operations were already running independently of a new, joint municipal platform.
While we have focused mainly on sectorial learning, we would also suggest that a certain amount of organisational learning has occurred as well, reflected in the fact that all the participating groups have, via coordination meetings, acquainted themselves with the values and attitudes that each group represents. Together, they all agreed to accept a pluralistic interpretation of the concept and consequently, a sectorial learning process, which in turn poses a huge challenge. Despite the fact that much of the research on learning processes emphasises the need for mutual participation, the learning process is based on the assumption that management maintains a certain level of control over the process. While it should not be possible for the management group to force their ideas on its employees, it should always remain keenly aware of how change translates into new methods and routines.

It has gradually become clear that the skills promotion process may be viewed as an attempt to move from an elite and narrow focus to a broad, organised developmental process involving a large number of participants. For the past few years, the municipal development process has been run by a small group of politicians and administrators. The skills development process caused a greater amount of people to become involved in the process in order to achieve long-term sustainable results. As a result interest in the issues at hand has received wider dissemination. Several people who had not taken part in the initial discussions on the Factor 10 concept (before the skills training process began) have laterally become highly vocal champions of Factor 10. They have been inspired by the concept (and their individual interpretations of it) and have formulated extensive proposals for interpreting and translating it into their respective operations. By continuously discussing Factor 10 with their colleagues, they keep it current and help spread these ideas throughout their organisations. Likewise, this group puts pressure on the political management of the
municipality and the trade union leadership to tailor policy and formulate guidelines so that these measures may be smoothly implemented. This is necessary both in order to gain political legitimacy and to ensure uniform working conditions for all.

**Fundamental Changes?**

According to the theory of historical institutionalism, the manner in which sustainable thinking is translated from word into action and replaces previously established notions about local development depends both on how dramatic local actors experience the new (international and national) concept and how local conditions are interpreted. We may begin by assuming that the people of Hällefors have adopted an explicit approach to sustainable thinking. The term repeatedly crops up in daily dialogue and in practical applications. It appears in municipal strategic and policy documents, and in both fundamental and sector-oriented programmes. Sustainable thinking is reflected in various ways. The impression that sustainable development is the continuation of long-existing environmental policy remains dominant. The safeguarding of global justice – a central aspect of the United Nation’s principle on sustainable thinking (see Pettersson 2002) – is regarded as more complicated and elusive. It may therefore be difficult to actually identify local municipal conditions and efforts to achieve sustainability in relation to international and global conditions.

But despite the fact that there is clear evidence of sustainable thinking, we cannot claim that it has completely unseated previous notions of local development. Although it has spread, it is not possible to say whether sustainable thinking has contributed to fundamental institutional change on the local front. As mentioned, we have noted that there is an “elite” consisting of politicians and administrators with comprehensive ideas on sustainability. At the same time, there are other actors
more closely connected to the business sector who have completely rejected the concept, are not familiar with it, or could not care less about it.

**Propensity for Change?**

There are several explanations as to why sustainable thinking has failed to change the established system of norms. In Hällefors, sustainable thinking has been assigned a relatively central position, often credited to the need for a refocused corporate structure to replace the one implemented in the early 1980s, when the municipality found itself dependent not only on one, single industry but on one, single company. The loss of the steel mill was a terrible blow to the municipality in more ways than one. But at the same time, it suggested that there was now room for other concepts that had sprouted among some politicians and members of the local business sector. When the steel mill closed down, they developed and fortified their financial plans and made certain cultural investments, moves which indicated a clear break from the factory mentality that had characterised the region up until then. While we cannot claim that the factory mentality has completely disappeared (many individuals and groups cannot shrug off a lifetime of experience just like that), Hällefors is definitely developing a new mentality. The municipality has staked out a new path in which the environment and cultural issues are in focus.

Thus no outside incentive guided Hällefors in relation to the United Nation’s principles on sustainable thinking. External events like the Brundtland Report and the Rio Declaration provided no impetus to the process in this municipality. In other words, these foundation documents have not acted as formative elements in the region. Thoughts on sustainability have been combined with previously established local norms. While local investment in sustainable development has undoubtedly received confirmation by Brundtland and Rio, the main focus
of the process is based on local events and local contexts. Investment follows clear and consistent paths or rather path-dependent trends, while at the same time illustrating how local problems are interpreted. Local sustainable work is pragmatic and reformist in nature and is thus not concerned with revolutionary processes.

Conclusions

Sustainability issues have left a comparatively deep institutional impression in Hällefors underlining the need for adjustment in relation to the immediate problems in the structure of the local business sector. We believe that the Brundtland Report and the Rio Declaration contributed to the development and specification of investments that had already begun. The argument about formative moments could be applied to Hällefors, but its radical structural adjustment really has nothing to do with sustainable thinking. Instead, it is much more about how the municipality dealt with the steel industry crisis in the early 1990s. When the facility shut down, a vital nerve centre was lost; sustainable thinking subsequently became just one, albeit important, component in the transformation already begun.

The main conclusion of this chapter is that the concept of sustainable thinking has not become firmly established in Hällefors. While it does offer a platform for individuals and groups, the interpretation of sustainable development varies wildly. Furthermore, there are other conflicting and competing ideas as to how the municipality should proceed. This naturally makes the local process of institutionalisation through uniform sustainable thinking more difficult. Ideally, this would involve a broad, cross-sectional organisation in which parties representing different arenas joined together to discuss the fundamental aspects of sustainable development, before allowing an agreed-upon interpretation to influence the operations of various public sectors and private businesses. Nonetheless, reality reveals
more pragmatic attempts in which parties either reach an agreement on feasible strategies one step at a time – or agree that the concept of sustainable development is not a viable tool for the practical development of municipal policy. However, the fact that sustainable thinking has not made a broad and lasting impression in Hällefors does not mean that it will not succeed in gaining a foothold in the future. The results presented in this chapter emphasise the fact that the dissemination and institutionalisation of sustainable development as a complex idea must be viewed from a long-term perspective.

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6 Creating Passion for Work

Dorit Christensen

This chapter describes how running the adventure destination Boda Borg can be interpreted as meaningful, an insight which emerges by appreciating the creative energy of the employees and seen through the prism of the thought of Guillet de Monthoux and Husen. These existential theories pose creativity and its energy as the impetus for an organization. The five entrepreneurs at Boda Borg experience passion – in their work, never more so than during the off-season, the main period of focus in this essay.

Introduction

The previous chapter focused on female entrepreneurs in the experience economy. Here we shall pay a visit to one particular business run as a cooperative by a staff consisting of members of both sexes.

My interest in studying the phenomenon of meaningful work intensified when I heard about Boda Borg, a tourism agency in Torpshammar in northern Sweden, home to a group of entrepreneurs who appear to differ significantly from the 322 I have already studied in Denmark. Boda Borg opened for customers or guests as they call them in May 1995. Its foundational concept was to offer a live adventure inspired by the computer game Super Mario. In the game, a little man
runs from one room to another; he must successfully complete various tasks in each room before moving on to the next. The members of the cooperative hatched the idea in reaction to watching their children spend hours playing computer games rather than being active and participating in real-world activities. They were able to purchase an abandoned mental institution for the price of one Swedish crown, which was converted into a live version of the video game in which roughly one hundred rooms were divided into twenty-six "quests". The customers (guests) solve various problems in groups of three to five people before moving on to the next challenge in the next room. These problems can only be solved if the members of each group pool their mental and physical resources and cooperate with each other. Boda Borg quickly became a popular playground, particularly for women in their forties, but also corporate groups of mixed gender learning teamwork. It has also served to stoke a passion for work among the members of the collective. In interpreting the empirical data collected at Boda with existentialist theories, it was concluded that the core of meaningful work at Boda Borg was creative productivity (work with passion) and the opportunity to create at one’s own pace. With reference to the theories of Pierre Guillet de Monthoux (1993), its value is in succeeding to creating meaningful work through a vivid, aesthetic play.

From my perspective meaningful work is not determined by income, job security or social interaction, though these are all ingredients vital to professional well-being. The "meaningful" aspect consists of the opportunity to work with something one "lives" for, something one is passionate about, and which allows the individual space to continue to grow creatively. One searches largely in vain for mention of these elements in the available literature. But at Boda Borg, I have found empirical evidence to support this conviction. Its history so far can be divided into two distinct periods, each one year long and divided further
into peak season and off-season. The proprietors and some of Boda Borg’s guests were observed and interviewed during both periods, but this essay focuses on the work done during the off-season.

On my first visit to Boda Borg in 1998, the cooperative consisted of five enthusiastic, committed members who had developed a new, unique product. They were not "specialists" in corporate economics, but were nevertheless able to earn a living from the business. Boda Borg was converted into a limited company shortly after its establishment in 1995. Since 1997, its board of directors has consisted of two advisory members, both of whom have a background in commerce, and the members of the cooperative. Initially, converting to a limited company had no discernable effect on the company’s operations. Each member of the cooperative was entitled to one vote on the board. By 2003, Boda Borg had been in existence for eight years and there had been a slight increase in both the number of guests and the annual turnover. By 2007, Boda Borg had eight franchises in Sweden and one in Ireland.

In my own quest to arrive at a better understanding of Boda Borg, I first explored socio-technical theories. However, the central themes of the empirical data could not be interpreted according to these theories, since they concerned elements of creativity and time. The existentialist theories of Guillet de Monthoux (1993) and Husen (1988), on the other hand, embraced these essential themes. Guillet de Monthoux’ model of aesthetic play thus provides the basic theoretical framework of the present chapter.
Aesthetic Play at Work

In Guillet de Monthoux theory, a company’s product is presented as an aesthetic object. This object should not be placed on a pedestal or be isolated from ordinary life. The experience of art is down-to-earth and can be experienced all over the world /…/ Every automobile mechanic can be gripped by passion for good handicraft. Such daily experiences can serve as guidelines to the sound appreciation of art (Guillet de Monthoux 1993: 45. All quotes author’s translation).

His definition of art is broad, as is his definition of "artist".

Everyone who works creatively is an artist – quite simply (Guillet de Monthoux 1993: 7).

Guillet de Monthoux describes how aesthetics can engender a creative production process in today’s businesses, blazing a trail from the somnambulistic melancholy of working life to the reality of a joyful working life /…/ The difference between an ordinary object and a work of art has nothing to do with either physical or subjective thinking. Art becomes a masterpiece through the process of creation (Guillet de Monthoux 1993: 6 & 43).

This means that when the product (aesthetic object) interacts with its environment in a fruitful manner, it becomes a work of art. The actual interaction is the process of creation.

The artistic product – the temple, painting, sculpture, poem – should not be confused with the work of art. Art is expressed only after the individual and the product interact to produce an experience that is appreciated specifically for its liberating organisational qualities. (Dewey 1958:214; Guillet de Monthoux 1993: 44)
Guillet de Monthoux describes a model of aesthetic play in business, which shows how the individual and the product ought to interact in order to engender this experience.

The model highlights the five components that constitute an aesthetic play. While normally associated with artistic collectives, an aesthetic play can occur just as readily in a hospital as in a theatre or gallery. In using more corporate economic terminology to describe these components, then artist = producer, art = product, audience = customer, technique = production apparatus, and critics = quality control.

In the case of Boda Borg, the art/product is its one hundred small rooms with “play stations”, the result of creative collaboration between the cooperative, which provide sufficient incentive for the development of a cultural context and an interested audience. The audience is of course the customers, called ”guests” by the cooperative to make them feel more at home. The final component is criticism. This category is trickier when applied to Boda Borg, since the purpose of criticism is to assess the final product, according to Guillet de Monthoux, and thus external to the process. In the present context, criticism has been interpreted to include both the self-criticism of the collective and the opinions of the guests before and after a visit. No special section has been assigned to ”Critics”, since it will partly be described in the sections ”Technique” and ”Audience”.

Figure 4: Aesthetic play. Source: Guillet de Monthoux 1993: 97
A Living Aesthetic Play at Work

The art itself is the key component for an aesthetic play to become a living aesthetic play. Interaction – the living aesthetic play – is engendered by the tension between art and its surrounding culture – between artist, technique, audience and critic.

With the art in focus, surrounded by the culture of the artist, critics, audience and technique, the aesthetic play can live, for aesthetics requires interaction between art and its surrounding culture (Guillet de Monthoux 1993: 98).

If the aesthetic play comes alive, then art and culture interact in balance. Neither one is dominant.

When art is based on the individual’s desire to play, then aesthetic vitality emerges, which instills the aesthetic play with life. This vitality can be compared to what Guillet de Monthoux refers to as ”Geist”

[or] passion. True genius never lacks that ”Geist” that instills an observer’s imagination with playful verve. In the interaction between the artist and the work of art, the artist creates a force field that touches off this energy (Guillet de Monthoux 1993: 25).

The desire to play may subsequently lead the individual to float freely and delightfully in the tension between life’s opposites:

At times, she is drawn to the symmetrical dream, to the rational palatial French gardens, at other times to the aesthetic charm of the vegetable garden of liberal market naturalism. The power that gives her ”being” (or ”presence”) a social form is generated by the tension between the poles. A restless motion arises in the force field, whereby the satisfaction of one ideal leads to the desire for another. Living culture is characterized by such oscillation (Guillet de Monthoux 1993:61).
It is the role of art to incite us to enjoy the rarefied atmosphere between life’s opposites in our efforts to achieve harmony. However,

*stability is neither mechanical nor momentary, but rather in motion and the result of this tension* (Dewey 1958: 183; Guillet de Monthoux 1993: 46).

This is precisely what turns the aesthetic play into a living aesthetic play and a challenge in producing meaningful work.

**The Art …**

I have chosen two quotes from the theory of Guillet de Monthoux with which to inaugurate a discussion of art as a living aesthetic play that can be interpreted as meaningful work.

*Successful art is not just about itself. What gives the work of art its aura of truth is the fact that it illustrates real life* (Guillet de Monthoux 1993: 37).

*Art enables us to rediscover the essential, the genuine truth, in something that we thought we knew* (Guillet de Monthoux 1993: 95).

According to Guillet de Monthoux, life provides us with a series of continuous experiences through our business and action.

*Art itself offers us the cherished opportunity to take these daily experiences and vivify, enhance and refresh them. Art transforms the experience of ordinariness to festive reality. Art gives us experiences with a capital E. Thus the experience of art lends daily life an aura of intensity. The feeling of intensity and vitality often comes as a sudden surprise* (Guillet de Monthoux 1993: 45).
Thus from an aesthetic point of view, the one hundred rooms of Boda Borg are not just about themselves. For example, the rooms had the ability to inspire guests to cooperate with each other, as testified by various guests at the house.

*It helps foster the spirit of cooperation (Guest from Ericsson).*

All rooms were designed so that the guests would be compelled to cooperate in order to get from one to the next. The event and the experience were enhanced by lively group interaction in solving the challenges posed by each of the rooms. When at its best, a visit to Boda Borg reminded the guests how rewarding collaboration could be. The impact of the experiences they went through exceeded what they would have gained by merely listened to a presentation on the merits of teamwork. The concept was evidently so successful that consultants from various parts of Sweden decided to bring project teams from companies that needed to learn how to cooperate to Boda Borg.

*Some companies have had consultants observing their workers on the tracks in the rooms while they performed the various tasks. They have done this especially to see how the people in the group cooperate in order to be able to discuss the events afterwards, e.g., who took command, who did not surrender, etc. (Katarina – one of the entrepreneurs)*

Boda Borg also boasts three conference halls, which were still under construction at the time the interviews were conducted. The cooperative felt that there ought to be unusual aspects to each. A young woman had contacted Boda Borg and obtained permission to create these unique conference rooms as part of her practical training in design. For example, they were furnished with children’s chairs and odd mixes of chairs instead of the typical matching sets, in order for the group in question to experiment with the space in the room. The manager might
sit in a tiny child’s chair and an assistant on a soft beanbag; the subsequent effect of this change in roles offered both entertaining and interesting study to accompanying consultants, while providing the visitors with yet another enlivening experience which challenged the ”ordinary”.

Signs that they experienced an atmosphere of intensity and vitality at Boda Borg were evident, though they came as a surprise to the guests. I take ”intensity” to mean that they become excited and cannot help becoming caught up in the activities; similarly, I take ”vitality” to mean that their participation in the activities makes them feel alive and happy. The female consultant accompanying offers one such example a company group come to learn how to improve their cooperative skills. Introducing herself to the group, she stressed the fact that her role was simply to follow them passively as they went from room to room, in order to study what they did; in other words, they were to take no notice of her. After a while, Katarina caught sight of the group on its way from one track consisting of four or five rooms to another. She was no longer at the back of the group, but was instead in front, waving to the others excitedly and shouting: ”Come on – we’ll do this track now!” I myself had a similar experience when I had followed a group of guests. I instinctively pressed a button in a room and in an instant; my passive role had been transformed into an active one. Furthermore, in the process of following yet another group I felt that I had to become part of it – join the team, as it were, if I was to fully share that feeling of intensity and vitality. For when I had tried out one of the rooms on my own, I experienced a mild but unpleasant sense of claustrophobia. As lone, passive observer, one cannot share in the sense of intensity and vitality the group feels. This actually proves the collectives’ underlying idea – that the fun is in the play and in the interaction with the other guests.
Take Ove’s favourite room, popular with many of the guests:

I have a favourite room – it is in the cellar and is number four in a track there. When you come into the room, there is a box with a built-in fan and a hose, as on a large vacuum cleaner. The hose can be used to blow a ping-pong ball along the top of a net – the net is fixed so the ball moves uphill along the net. At the same time, there are small hurdles. But to get the fan to blow (air) toward the ball, people must stand elsewhere in the room and wave their hands in front of a motion detector. The fan blows when this is done properly and actively. But then they stand there and wave – and watch the ball moving and watch you fighting with the hose. And then it becomes more difficult and exciting, so they slow down (waving their arms) a bit and /…/ well, they eventually just stand still. And then you hear the fan making a sound like ”zuuuuuuuurrrrr” and everyone panics and screams. So they begin to wave their arms again – as hard as they can, but the ball has fallen down and so the one with the hose tries to get the ball back up again. And so he finally gets it up and it passes the first hurdle and then the next, but it is such a tiresome process that those waving their arms begin to watch the ball again and forget to wave. I think it is such a wonderful room (Ove – one of the entrepreneurs).

I asked Ove why he thought this room was so much more fun than the others and he explained it this way:

It is just that people become so involved in there and that the same thing happens over and over again, even though they are aware of it. They stand there waving...and in the excitement they stop waving because their attention is focused on what is happening to the ball on the other side. And it is so obvious when you hear the fan switching off and going slower and slower and everything is on the
verge of collapsing – after all the work they have done to get the ball up. And then everyone howls and shrieks and laughs. I think that it is so much fun. It is clear that the cooperative effort requires everyone to play his part, because as soon as you become a bit too curious about something else, the process slows down and this causes the entire chain of events to temporarily collapse. (Ove)

At first glance, the rooms at Boda Borg do not give the impression of being particularly lively or original. But upon observing the guests in action, I understood why the place had become such a popular destination. The rooms did not need to be "showy" in order to attract visitors. The artistic aspect of the rooms was their creators’ ability to invent fun ways of getting the guests to cooperate in order to gain access to the next room. And the next.

The Rhythm and Energy of the One Hundred Rooms

The rhythm and energy that is generated in the encounter between guest and rooms may contribute to the ability of art to enliven the former’s everyday experiences. By "energy", Guillet de Monthoux means that the work of art constitutes a complete entity consisting of


By "rhythm", Guillet de Monthoux means that the artist’s work is no longer about "time and space", but about "time-space".

The rhythm that Dewey (1958) describes in the art experience is not the tick-tock sound of the clock, but rather the lively tam-tam sound of the African natives’ drums. It is not the mechanical repetition of individual effects that may be isolated for psychological perception
It was previously mentioned that the rooms evoked "something" within the guests. However, since the rooms did not appear to be extraordinary upon first inspection, then whatever was evoked must have occurred as a result of the meeting between guest and room. Many different emotions were observed among different groups of guests while they were engaged in activities in the rooms. The following are just a few examples.

Conflict could arise during discussions on how to interpret the rooms and proceed. The situation could then lead to a sense of unity in the group a moment later, accompanied by outbursts of delight.

Janne (one of the entrepreneurs) related that some guests became claustrophobic in the rooms (or "cells" as the cooperative calls them), and feel that they were being obstructed in the play. On these occasions, however, Mr. Cell would enter and "hold the guest’s hand” (ironically, Janne’s surname is Cell), after which the guests would relax and feel encouraged by the fact that they had managed to get through the room.

Some guests become frustrated after having spent two or three hours in various rooms. These individuals had failed to fully enter into the spirit of the play and thus not feel invigorated by the activities. The cooperative members usually provided guidance the minute they detected this. For example, they would give the guests tips in the form of small clues. Clues were also written on the walls in the corridors leading back to Room 1 on each track, so that guests who had become stuck in Room 4 could find their way back. Upon their return to Room 1, they could then renew their efforts to make it all the way through. Under such guidance, frustration quickly abated; the situation thus became
productive for both the guests and the cooperative, since the latter had succeeded in aiding the guest in enjoying the process and entering into the spirit of the play.

The one hundred rooms enable the guests to experience a rhythmic composition, in which all components form a living entity. The feelings that emerge during the play and the common rhythm generated when the group repeatedly pass through the same room combine to create what may be regarded as a living entity. If the guests made it through Room 4, but could not overcome the challenge of the fifth, then a red lamp in the room would glow. They would then have to go through all the first four rooms again, but this time at a much faster pace, since they had solved them before. These repeated trips created a rhythm the guests appeared to truly enjoy. A group of businesswomen I followed through the rooms quickly found its rhythm, in which each individual had her own role. One woman jumped up each time they entered a room and sat in a box on one shelf, while another climbed up a ladder onto the highest shelf in the loft.

This rhythm may have contributed to the merging of time and space for the guests. For when the guests truly got caught up in the play and found their playful "verve", they forgot about time and space. Several times guests simply forget to pause for lunch and only realized it hours later.

*The guests do not realize the extent of the emotions that emerge from within when they come here. They may say, "I’ll stay for an hour or two," and then end up staying for five hours. They are often surprised at the time. "And we haven’t had any lunch," they often say, "we forgot all about it." (Katarina)*

The ingenious methods concocted by its creators to encourage cooperation among the visitors provided the artistic element of the one hundred rooms of Boda Borg, triggering in them a broad spectrum of emotions and leaving such an impression that they went home and told their friends. The members of the cooperative, in other words, are artists.
The artists...

These four individuals and the role they play in the creation of Boda Borg can be understood in accordance with the theory of Guillet de Monthoux, which places the artist at the center of the process, since their work is the starting point for the play. Together, they create a lively, aesthetic play.

Organizing the Art: An Aesthetic Play

The business evolved from the artists’ work; thus the artists are the founders of the organization. An aesthetic play was constructed from the aura of the artwork they created. Critics and an audience emerged. None of this would have occurred without solid roots in an artistic product, which is the focal point of the show.

The artist organizes in a concrete manner. He becomes the art world’s organizer through his art. The show, the organization’s theatre, arises from the object, the thing or the painting. Hans Georg Gadamer’s aesthetics illustrated that a work of art requires a following, a populated society (the organization is populated by producing artists and a consuming public, in addition to critics and the applied technique) in order to exist. Gadamer advises us to look for the artwork’s message in the aesthetics, rather than in sociology. The art itself is namely the key to this organization. The artwork’s aura cannot be evoked through an artificial organizational culture, corporate image-technology or other administrative tricks with no foundation in the art (Guillet de Monthoux 1993: 120).

The one hundred rooms constituted the object at Boda Borg. From the very beginning, the building and its rooms was the base from which the cooperative extrapolated, became inspired and came upon their big idea.
We were disappointed by the structure, since it had no large, spacious areas, just a lot of small rooms. We searched for other ideas but our thoughts constantly returned to that building. We had become fascinated with it – I mean, it had a hundred small rooms! (Ove)

On visiting Boda Borg, it is easy to understand why its founders were drawn to the building and its grounds. Few would be left unmoved by the building’s history as a mental hospital, the ghost stories, the remains of the structure’s old architecture, the botanical garden and magnificent natural environment, with the rushing waters of a river close by. The cooperative let the place and its history influence their imagination. This brought the art to life, since the artist’s creation was rooted in the place’s history and in the members’ personal involvement.

The play and its participants were born of the artwork’s aura. “Dead” things come to life when an artwork meets its audience, according to Guillet de Monthoux (1993). The one hundred rooms are not particularly eye-catching at first glance. However, once I witnessed the guests’ encounter with them, I could feel their excitement: they were living in the playing. Various guests spoke of releasing their inner child. The concept that the cooperative first thought would mainly appeal to youngsters turned out to be the perfect playground for grown-ups.

Initially, there were mostly youngsters at Boda Borg – that was the group that we had targeted. Parents drove their children here, they were between the ages of 9 and 10, and thought that they could simply leave them here on their own. We had to refuse. So the parents were allowed to register themselves as well. This resulted in some protest, but after a couple of hours the children became tired of the playing, so the parents would come out and tell them, “Look, here’s twenty crowns, go and buy yourself something. Mommy and Daddy are just going to run through this track.” And we ended up babysitting
the children. The groups sometimes included five- and six-year-olds, and they drew pictures while they waited.

"Oh, what a lovely drawing! Can you draw just one more – Mommy and Daddy will be back soon.” We then put the drawings up on the door. However, the parents have now learnt not to bring such small children along. The system is designed for adults, and most of our guests are grown-ups now. (Katarina)

Proof that the aura of the artwork stems from the aesthetic play can be found in Boda Borg's unsuccessful advertising campaign. It garnered almost no response, while the art itself received plenty of attention. Instead, "word of mouth" carried a positive message from former guests to future ones. The cooperative later spun this effect into a travelling show, outfitting a trailer with three rooms resembling those at Boda Borg. It was a big success, because it gave visitors to trade shows the chance to actually try them out. Visitors to previous trade fairs had completely misunderstood the concept when the cooperative had attempted to explain how entertaining their visit would be. This tactic dovetailed perfectly with the Boda Borg philosophy: by providing a foretaste of the experience, guests became excited by the prospect of visiting the actual site and collaborating in the process. At a trade fair in 1999, two to three thousand people passed through the trailer. A living, aesthetic play began to take shape out of the "aura" of the rooms, even at a distance.

**The Four Basic Skills of the Artist**

The basic skills possessed by any artist include originality (creative independence and/or personal distinction), exemplariness (ideal) and instinctiveness (intuition) (Guillet de Monthoux, 1993). Furthermore, the artist must also possess

> Spirituality /.../ the ability to lead an observer’s imagination into playful ”verve” (Guillet de Monthoux 1993: 25).
This is the sense of inspiration, joy and empowerment that enticed the artist to become enthusiastically involved in the first place, and which in turn rubs off on the audience, experiencing the pleasurable swing between contrasting emotions. According to interviews conducted in 1998, cooperative members often gained inspiration from each other while working. The art, i.e., the concept and design of the rooms, came about through teamwork; by the time a room was deemed ready for play, everyone had contributed to the end product. Each fed off the artistic skills of the others through the sense of teamwork that was inherent in the group.

> When we have meetings to come up with (ideas for) new rooms, it is necessary to have cookies and snacks available to help us relax and create. These are not as important at the other meetings. (Katarina)

In addition, each developed an attitude toward the other over the years that gave their individual geniuses the opportunity to develop and flourish. It was forbidden to laugh at or trample on anyone else’s idea or belittle their invention.

> We must not have any inhibitions and we must not laugh at each other; it is simply a matter of improvising from one instant to the next until a genuine idea emerges from the mess. It is tiring – being creative is hard work – but it is a lot of fun. You give so much and are so receptive during those hours, plus there is the fact that you do not stop anything by commenting on the ideas or by saying ”no” before someone has finished explaining. We have developed this method on a gradual basis. You can be as ridiculous as you want at these meetings, as silly as possible. (Katarina)
With this attitude, “the members released their inhibitions” and their originality came to the. As Janne described it,

*It is our collective, morbid sense of humour that is expressed when we try to come up with ideas and provoke people. Something eventually works, and this is rather amusing.* (Janne)

Furthermore, the freedom to make personal decisions also had implications originality being expressed in the creative process.

*Freedom – (means) that you are able to go and make up new things. The fact that no one has decided how we should work, but rather that we are the ones who create and come up with all of these things means a lot.* (Ove)

Chance was also significant to the creative process. Ove related that inventions and ideas sometimes came out of the blue. One could suddenly get an idea from a simple paperclip in a stationery store, to which elements were subsequently added and subtracted. A member could suddenly get an idea and quickly summon the others to an informal meeting, where the rush of inspiration immediately took over and the idea be further expanded by the group.

As far as exemplariness is concerned, Guillet de Monthouux states that genuine masterpieces are never reflections or obscure shadows of something real, perfect or ideal. Genuine art ”reflects” less than it ”reveals” about what exists.

The cooperative created art that could be regarded as exemplary insofar as it helped the guest experience its deeper meaning only after he/she had begun to cooperate with the others in his/her group. A pathway to playfulness was thus opened. This was the expressed intent of the cooperative.

*We want people to discover that they can use things in new ways, as well as stimulate their creativity – to cooperate with each other.* (Ove)
At the same time, the art at Boda Borg was not the sort that "existed", but rather art that "revealed" what "was". The rooms that had originated in the members’ "morbid sense of humour" could not be designed logically. The guests were able to play their way through each track with the help of their creativity and imagination; in additional to "revealing" each room’s character, the play also involved solving several different problems in order to be given the green light and access to the next room.

*In one room, you crawl into a tunnel and it causes your ears to buzz, so you have to cover them. But then you have to cover the ears on a totem pole inside the room in order to get the green light for access to the next room. But one girl had first touched the totem pole’s ears and then kissed it, so she did not understand why the green light did not come on the next time she entered the room and kissed the totem pole/…./*In another room, we had a stuffed moose; the green light went on when they beat it up/…./*Some of the guests came afterward and asked – are we supposed to kick the moose in the rump? (Ove)*

The degree of collaboration between the creators is almost a symbol of the level of cooperation they attempt to "reveal" to their guests.

*It is perhaps because the company is a cooperative from the beginning that we try to solve things together. If one person thinks that there is no solution to a particular problem, then there is always another who has a more positive outlook and comes up with possible solutions; the problem is eventually solved. (Katarina)*

The same approach would manifest itself in the guests.

Guillet de Monthoux describes spirituality as the internal sense of excitement that the artist must possess in order for his imagination to "swing" playfully. There were several indications that the creators of Boda Borg possessed this internal
excitement. They were aware that Boda Borg was their creation and proud of the fact that it was they who had come up with the concept by pooling their collective imagination.

*It is almost an exploratory excitement, except that it is not a geographical journey, but rather one of discovering new opportunities. The most enjoyable thing is that there is huge scope for creativity – it is not so much about discovering new paths, as it is about creating new ones.* (Ove)

In turn, the enthusiasm of the collective contributed to the guests’ sense of excitement and playfulness. Katarina felt that her excitement increased when she saw how excited the guests became and how much fun they were having. Janne related the following:

*The most entertaining task at Boda Borg is looking after the guests, e.g. when they come and ask what to do – you can even have a laugh with some of them. You can establish a very good rapport with the guests – you can joke and trick them a bit.*

In sum, the individual members of the collective each possessed the general skills necessary to an artist, but they really only blossomed through their combined efforts. This contrasts with Guillet de Monthoux’s theory, in which strokes of genius were attributed to a single person. Honed through years of interaction, the collective’s creative process was expressed through a variety of techniques they created.
The Techniques...

To realize their art, the members of the collective first selected their material, then constructed "complete rooms".

The Technique Used to Select Material

Artistic vision gives us what Sartre refers to as "momentary knowledge". Of course, he states, there is substance behind the imagination. The painting's material consists of the canvas, brush, paint and the frame. The concert hall, orchestra, instruments, musicians and director constitute the substance of the piece of music. However, our visions do not come from the thoughts or observations of such substance. Instead, the substance tends to vanish when the visions arise (Guillet de Monthoux 1993: 73).

Its rooms were the substance of the imagination of Boda Borg. They were the concert hall to the members' orchestra, and recontextualized scrap, paintwork, alarm systems (the lock with the red and green lamps) and the unique forms of cooperation were their instruments. In guiding their guests, they also served as conductors, helping the audience enjoy a playful experience.

Ove describes their attempt to formulate a technique for identifying useable material.

For example, you can find materials when you enter a rubber treatment plant, when you enter a stationery store, you can find just about anything /.../ it is just a matter of being alert and learning to recognize useful technology. (Ove)

The members quickly discovered, however, that the step from creative vision to practical reality was huge.

But constructing it was another story. We had to start with the technical problems that we could address and manage. We adopted technology and products from
industrial operations and alarm systems. We sometimes had to start over, sometimes we were able to leave things as they were and at other times, we simply had to adapt them /…/ Yes, we ended up having to experiment a lot – it was a question of affordability – but we were by no means experts. But we had nobody else to turn to either, so we had to learn. There was no one to say "this is the way to do it," and there was of course no one with those skills. We have had to work and develop and struggle with it ourselves. It has involved many mistakes, experiments, attempts and so on, to achieve this in the end. And many things have failed, things that were unusable and many pieces of equipment we bought and then had to discard. (Ove)

Since the members had only a small amount of money to invest in materials, they were forced to be creative and make use of what they had at their disposal.

We are reluctant to make changes that cost money, because it would be painful, since we are at a very costly phase in the development of the company, which also requires investment, etc. But if people can come here and think that it is fun, without it costing us too much, then everything will be fine. (Ove)

At first glance, it quickly became apparent that the rooms at Boda Borg primarily contained primitive, low-cost materials. However, the guests were usually so absorbed in the play that they paid scant attention to the materials and their condition. In other words, the material disappeared in parallel with the shaping of a successful entertainment enterprise.

The Technique Used to Construct "Complete" Rooms

Guillet de Monthoux states that it is useless to "search" for the truth, but that it is beneficial to "create" truths by attempting to influence people's opinions through the spreading of ideas and the creation of ideals.
Neither art nor truth is created in a day. To use James’ words /…/ “we patch up and repair more things than we renew”. The new is absorbed, it taints and permeates the old mass; however, it is also colored by the material by which it is absorbed. Our past perceives and interacts and /…/ we seldom incorporate a new fact in a completely primitive form in the new equilibrium (James 1974: 113; Guillet de Monthoux 1993: 50).

In Boda Borg’s case, the truth consists of completed rooms and the technique for achieving it consisted of several phases. Each creative process began in the autumn, when there were fewer guests. On these occasions, the cooperative would disappear for several days to hold brainstorming sessions.

Their art was not created in a day; furthermore, if the art was to be profitable, then it could only be evaluated after the guests had put each room to the test. Only then would they know whether a room was unique enough to leave the guests “beside themselves” with exhilaration. And according to Janne, ”the rooms that are the most popular are the ones that remain the longest.” Some of the rooms became complete at once, e.g., the bathtub room, which was left exactly as it had been at the house’s opening in 1995 after the renovations in 1999. The vacuum cleaner room, which was quite new, also qualifies for veteran status. The members needed to repair and change a few things in other rooms, particularly during the initial stages of Boda Borg’s operation, since they failed to function interactively as had been envisaged.

At the end of the peak season, the creative process continued, as unexpected things observed in the encounters between guest and room provided the food for thought for new, entertaining variations. For example, the guests felt that they had had as much fun in the room with the totem pole when they thought that the green light had come on because they
had kissed the pole, rather than because they had covered its ears. Furthermore, the collective was delighted at the variety of responses a room could elicit.

One of my favourite rooms is the maze. I think this room is fun because it has no (physical) walls, but there are still walls in the form of "motion detectors", so that you have to walk a certain way. I contributed a bit to the concept of this room, but no one ever knows who came up with what idea afterward. It just sort of – it comes up. The funny thing is that many people don’t know what to do in the room, and if you tell them that it is a maze, they still don’t know. It is the guest’s response that is entertaining and it is a very cool room because the response is different each time. But there are many other rooms that are also entertaining. (Janne)

The seasons themselves also played a role in the spontaneous development of ideas.

I spent one and a half months constructing a trailer that we now use at trade fairs. It contains three rooms the visitors can try out. At the same time, people on the outside can look in. So both those walking by and those who try it out get a sense of what Boda Borg really is /…/ It has been fun to apply my imagination to the construction. Everyone has different ideas and this was the result! The trailer will now be dismantled and slightly remodelled, since there were some little things that did not work. We have just exhibited it at another trade fair. I was not interested in the fair, but it has had good results. It is at the little meetings that such ideas get a chance to emerge. The meetings are unplanned – they just happen. It is very difficult to do such things during the peak season. But in the winter, we may not have any guests for a week and this allows us to hold meetings. (Janne)
The last time the members of cooperative went away during the autumn they came up with a new concept in another, unexpected manner. While taking a break, they went for a walk and came across an art exhibit. It consisted of sculptures made from recycled material like old iron, and some of the sculptures incorporated running water. Janne and Ove both felt the visit influenced their own respective, creative processes.

*You become inspired by new places, structures and symbols. It is easy to categorize – you create a universal image and then become stuck inside it. Anything that leads people to regard things from a fresh perspective is beneficial in this context, and if they can identify all the untested opportunities in their surroundings. It might be interesting to test music as a source of inspiration another time.* (Ove)

It turned out that the standard of the rooms’ materials was of minor importance as long as their composition resulted in "complete" rooms. These rooms appeared to emerge primarily during spontaneous experimentation sessions. Certain rooms became ”complete” at once, while others were either changed slightly or were omitted, depending on how excited the audience became during the encounter. According to Guillet de Monthouxs’s model of an aesthetic game, there should also be a section on the ”critic”. An explanation as to why this topic is only addressed in conjunction with the other sections is provided at the beginning of the essay.

**The Audience…**

In this section, I scrutinize the reactions of visitors to Boda Borg in accordance with the observations of Guillet de Monthouxs pertaining to audience participation in a living aesthetic play.
The Guests were "Beside Themselves"

According to Guillet de Monthoux (1993), an audience becomes "beside itself" when reality appeared in the aesthetic play’s festive circle, in which the individual members of the public distanced themselves from their normal identities and the art did not reiterate their hackneyed daily selves.

Art has the ability to penetrate the walls that separate people, walls which are impenetrable in ordinary organized situations (Dewey 1958: 348; Guillet de Monthoux 1993: 51).

The art at Boda Borg enabled the guests to distance themselves from their normal identities and those of their fellow guests. However, they did not do this consciously, which is anomalous with respect to Guillet de Monthoux’s definition. Apart from this, it was observed that the guests did not repeat their "hackneyed" daily selves. Even King Carl Gustaf and Queen Silvia jumped, howled and crawled on the floor:

The King and Silvia visited Boda Borg in 1996 at the special invitation of the cooperative. Säpo (the Swedish security police) checked several rooms before they were allowed to visit. The King, Silvia and Ove went through some tracks together, but the photographers were not allowed to join them when the King and Silvia threw themselves on the floor and jumped around and enjoyed themselves. The cooperative thought that they would gain much publicity from the royal visit, but it gave very little. (Notes from interview with Ove)

One example of the guests’ separating themselves from their usual identities was that they put aside their titles and status during their playing. The guests quite simply regarded each other as playmates.

I am now thinking of a room that we have had from the very start and which older ladies in particular find delightful and experience very strong feelings. It is a room with a
bathtub. The women enter and say, "Oh dear me, what can this be – this will probably not be much fun." These ladies are 50-60 years old and they do not want to play and crawl around on their hands and knees. But when they come to this room and three or four of them get into the bathtub and begin to pull their way forward with the rope above the tub, they begin to shriek and laugh, so… they probably feel incredibly silly/…./I don’t know how they feel. But you can hear them when you stand in the corridor outside, and then they come out the room, almost on tip-toe, and burst out laughing. (Katarina)

It may also have been easier for guests to let go of their usual identities when they wore clothes that were not associated with a particular identity.

There were some guests from Ericsson and I asked whether I could join them as they went through the tracks, and they said yes. They were three of them – two men and a woman – and they were wearing gym clothes. People must work together in each room in order to solve the task and move on to the next. They "jumped" from room to room with delight. (Notes from observing guests in action)

As mentioned above, the guests broke through the "walls" that separated them. However, it was not just the "walls" between guests who were co-workers that had been demolished, but also the walls between people who had never met before.

*It happens that people meet here on a Saturday and form new groups. For example, some of those who had arrived in the morning may say (to a stranger) in the afternoon: "Come on, let’s do this track together, my wife doesn’t like it" – and a new acquaintance is thus made. (Katarina)*

Ove confirms that the rooms helped to establish new contacts or break down "walls" between people who were virtual strangers.
Sometimes it’s not just about having fun, but something more serious. Like building cooperative skills, learning to know each other and joining forces when a group is formed. (Ove)

A sense of reality was created in the encounter between the guests and the rooms, to the extent that the guests only had to be in the rooms in order to enter into a playful sense of “verve”. There is much that indicates that the cooperative was initially completely unaware that it was actually the guests’ experience of collaboration that was the key to Boda Borg’s success. Or rather, they were not aware that it was the form of cooperation that was the force that caused ”the aesthetic play to come alive”, as the following response partly reflects.

A more important factor to us is that the client groups we have enjoy challenges and difficult situations, can cope with things, like eye-opening experiences and are curious. It does not matter whether they are ten years old or sixty. Age is not an important selection criterion, since it suits business managers who like challenges and they are often a little older, are confident (ha, ha) and find it very entertaining. There is one group that often comes and says that it has been fantastic – and it consists of women in their forties. We have rather poor ”bearings” on the cause. But it is possible that they did not have very high expectations when they came here, but rather simply followed others, without thinking that it would have been so much fun. (Ove)

Katarina confirmed Ove’s observation.

It is largely companies that utilize the Adventure House’s activities, e.g., in association with the creation of a new department, ”kick-offs”, children changing schools and cooperative skills training. There are also some that have
used the activities to develop women’s self-esteem. Furthermore, there are visits by groups holding hen nights, stag parties and birthdays (Katarina).

The members were extremely curious to discover exactly what their guests found most exciting and, more importantly, why.

We actually know far too little about it. It is difficult to extract real insight from a questionnaire, but it is something we would very much like to know more about. We have naturally attempted to contact the local university to help us get a closer look at guest satisfaction. Of course there are many surveys in which people are asked whether they are satisfied or not, but how they arrived at that state is really the most important aspect as far as research on tourism is concerned, in my opinion. It is whether the customer (the guest) is satisfied and recommends it to other people that is the decisive element in the long run – customer satisfaction. (Ove)

The five entrepreneurs did not seem to realize that it was the rooms that offered the opportunity for unique forms of cooperation that constituted the core success of their business – the force from which the living aesthetic play emerged.

The Guests’ Energy is Organized by the Rooms

But what is living art? The essence of an artwork lacks borders, joints, seams and dead centers. The artwork organizes the observer’s energy. It arranges, articulates and focuses the experience. The result is that we feel alive. We exist in the face of the artwork (Guillet de Monthoux 1993: 48).

Some of Boda Borg’s guests entered into a state of playfulness – they existed in the face of the artwork, as illustrated by their reactions to the bathtub room and the vacuum-hose room. Others did not. For example, they may either have had very
high expectations before the visit, based on what they had heard from previous guests, or they may have been in need of guidance. There were also guests paying shorter visits who found it difficult to enter a state of playfulness in only two hours, according to Börje (one of the entrepreneurs). A guest’s transition to a state of playfulness could thus depend on the members’ ability to feel out the guests, interpret their signals and subsequently provide the right type of support at the right moment. Katarina viewed this aspect of her work as a challenge she enthusiastically embraced.

And then there’s the contact with the guests. That is what makes me feel so good about the job; the positive response. Even the negative – we get someone who is not happy, and we find a way to change that – to help out by giving him a few clues – just enough so that he feels he has solved the task in the room on his own, even though we helped put him on the right track – we turn them around so that they become very positive after another hour.

None of the entrepreneurs seem to have noticed that this occurred in rooms demanding particularly unique forms of cooperation. Nonetheless, they were aware that certain guests needed assistance in getting into the "verve", and that this not only required time, but sufficient time.

**Time Spent at Work...**

Study of the second period of the peak season showed that the aesthetic play was no longer as lively, and that the reason for this could not be sufficiently explained by the model of aesthetic plays. For this reason, Husen’s theory of various perceptions of time spent at work was selected to complement the analysis. During the process of observing and conducting interviews at Boda Borg, it was noted that while creative productivity was an opportunity to carry out meaningful work, time constituted an obstacle to the same. According to Husen (1988), work may be perceived from both linear and circular conceptions of time.
The linear concept largely refers to our present perception of time, while the circular concept refers to people’s perception of time as expressed in the work conducted in agricultural society, which was determined according to the changing seasons. Husen believes that people of today have been wrenched from their relationship with the rhythm of nature and a rhythmic lifestyle. He believes that the challenge facing today’s society is that of finding a way back to a rhythmical work method and lifestyle.

There is an anecdote that may help explain the meaning of work according to a rhythmic, circular concept of time. It was written by Heinrich Böll (1975) and reproduced in Husen (1988).

A wealthy tourist in a fishing village in the Mediterranean sees a fisherman sleeping in his boat. After taking a photograph of this picturesque motif, the tourist asks the fisherman why he was not out fishing. The fisherman replies that he had gone fishing the day before and had caught enough fish last him for a while. Whereupon the tourist begins a long argument about whether the fisherman would not make better use of his time catching more fish, in which case he could become wealthy, purchase a bigger boat and eventually become the manager of an entire fleet of fishing boats. "And then what?" asks the fisherman. "Well then you could let your people go out and fish, while you could be free to lie on a boat, relax and enjoy life here in the harbour," (said the tourist). "Yes, but that is precisely what I am doing now," replied the fisherman" (Husen 1988: 38).

The fisherman lives according to a circular concept of time, which is nevertheless rhythmical. He follows his own internal rhythm when he sleeps in the middle of the day, since that is what he and his body feel like doing at that moment. He may
begin to feel guilty the next day, if he has done nothing but lie on the boat and relax. Thus he may once again feel like going out to fish and may feel that it is enjoyable again.

This is not surprising, according to Husen, since an exchange between oppositions and various states and activities makes life and work both desirable and pleasant. At the same time, it is vital that there is interchange between the various activities at the appropriate moment.

In the case of the fisherman, he begins to fish at the time of day that suits him and his work does not come to an end until he ceases to find meaning in it – when he is tired of fishing or has caught enough fish to satisfy him. The fisherman does not think about the future, he is more focused on the present and follows his own internal rhythm.

Everyone has a personal internal rhythm, according to Husen, though this rhythm may be latent. The individual may have lost his sensitivity to the body’s signals and may therefore need to become more in tune with it in order to be receptive. In any case, the body will probably react in some way, sooner or later.

\[\text{Each individual becomes aware of his personal rhythm through the sense of pain and the absence of will, when personal rhythm has been disturbed/.../ Maintaining a good relationship with one’s body (often called ”being in touch with one’s feelings”) is largely about being aware of how long one wishes to carry out an activity and when one wishes to do something else (Husen 1988: 21).}\]

In those cases in which the individual is able to work according to an internal rhythm, the work process may be perceived as play (Husen, 1988). Husen’s theory illustrates that a circular concept of time at work that is rhythmical can be experienced as a good time, as play. This concept of time allows the individual to experience work as meaningful.
Corporate practice and traditional corporate economic theory in particular have advocated a linear perception of time embedded in strategic planning. But is it possible to find companies and businessmen who have not necessarily been schooled in this perception? Boda Borg has proved to be a company with a difference in several respects. First and foremost, it began as a cooperative, which was then converted into a limited company. The instigators were not schooled in corporate economics, and in fact had much more in common with artists than businessmen. Husen believes that artists and researchers have a better chance of experiencing their work from a rhythmic, circular perspective. While they may become completely immersed in their work, as soon as they feel like doing something else, they feel free to do it. Nevertheless, Husen believes that these professional categories constitute an exception to the rule. It was discovered that the members’ perception of time at work was crucial to the understanding of why the aesthetic play was especially lively during the off-season. Their perception of time – viewed in terms of having time to hold brainstorming sessions without interrupting the moment’s intensive creative power – influenced the entire creative process. In other words, simply finding time to locate good, but cheap material for the rooms and constructing them according to their individual rhythm, as well as the time to enjoy themselves and be inspired by guests during their tour of the attraction. In the following section, the members’ perceptions are viewed in relation to quotes that describe both the rhythmic circular and the linear perceptions of time according to Husen’s (1988) theory. The description focuses on the members’ ambitions, work scheduling and whether they feel a sense of pleasure with their work.
The Purpose of the Work

Life as it is lived in modern society is shaped by work processes and activities that have been predetermined for a particular purpose. For this reason, human life is also shaped by instrumental values, i.e., activities that we carry out not because they are of value at this particular moment, but because we assume that they will lead to something of value for us in the future (Husen 1988: 61).

The description of Friday in Robinson Crusoe gives the impression of an individual who lives for his own pleasure.

Friday lives in the present and has no anxieties about the future. His actions and thoughts are spontaneous, i.e., he follows the rhythmic motions that arise in his own body and the surrounding environment. When he is hungry, he gets food and when he is tired he takes a rest. If he wishes to play, then he plays (Husen 1988: 9).

Several statements indicate that the cooperative members worked mainly to create future value, particularly in relation to established franchising agreements. At one point, they had signed a contract with a company in Karlskoga. The aim was that the franchisee would be able to generate income for the corporation in the future.

The franchise in Karlskoga will not provide huge returns; however, if we open many more franchises then collectively they will be a good source of income for Boda Borg, which is our aim/…/I can imagine that the procedure is the same as for golf and golf courses, namely that there will be more (golf courses) and thus more competition – our guests travel more than 200 km on average/…/If things go well for them (Karlskoga), then money will of course trickle in to us. And the more places this occurs/…/
then the more pleasure we shall derive from it in the future. But this will take time. Rome was not built in a day and things have nevertheless gone pretty fast so far. (Ove)

Ove views franchising as an opportunity to earn more money for the Boda Borg business in the future, but also as an opportunity to focus on the process of developing new rooms, which he and other members consider an entertaining part of their work. The members would thus be able to focus on designing rooms and testing them on the guests at Boda Borg before they were licensed to franchisees around the country. Boda Borg would therefore not be dependent on a large number of guests for its income, since the success of the franchises would contribute to its overall healthy financial status.

In reality, however, the interviews reveal that higher income is not as important as the necessity to experience an acceptable standard of existence.

*Making money plays only a very small part in the job I perform, although there is a threshold, which may also move over time. But deep inside, there is a sense that – I am earning what I need, so it does not matter if I make more. In that case I would rather consider working less, if I happen to earn too much (ha ha). (Ove)*

*But one has to live, and the salary is enough to live on. That is not the important thing about this, but the fact that we develop and receive feedback from the guests.* (Katarina)

*We do receive very low salaries, so of course it is hard. But the work gives us so much. We get greater pleasure at work, colleagues. And this is ours – we are partners.* (Janne)

Furthermore, the cooperatives’ ambition has changed over time. At Boda Borg’s inception, the members worked toward a
palpable goal – to design and build the place in time to receive guests on a particular date. They were working for value in the present. This was apparent when I asked Börje whether it was more fun putting together a room during the first year at Boda Borg.

Yes, without any doubt! It was a very enjoyable period! We were more involved in the same thing as a group – building and getting the place open. (Börje)

Ove felt that he was able to do things that were more fun in Boda Borg, in comparison to his thirty previous jobs.

I have the opportunity to develop myself in this job. It is possible to do more of the fun stuff here. (Ove)

Thus, the goal of the members of the cooperative has not been to make as much money as possible. Instead, they have focused on values such as being able to live where one was raised and has roots, concentrating on creating new rooms and enjoying their work.

Planning Working Hours

How did the cooperative organize time in order to achieve its goals? According to the linear concept, time must be planned and used economically in order to be as efficient as possible. According to the circular concept, time is secondary to the primary goal, i.e. fulfilment or completion of the meaning or significance of the process.

Time Used as Economically and Effectively as Possible

Time is perceived as a long, blank line with a past, a present and a future, which can then be filled with projects. People plan and use their time in order to be as efficient as possible. Robinson from Robinson Crusoe

...is aware of the past and the future. He has foresight and makes plans. He thinks and makes economic use of time. Time must not go to waste (Husen 1988: 9).
Time is Secondary to the Perfection of the Meaning of Content

Time is perceived as a rhythmic oscillation between events such as day/night, summer/winter, birth/death and hunger/satiation; people need contrasts. It is not perceived as an empty permanence that can be measured, but rather as a contrast between content-determined sizes. Time and its content are not distinguished from the object (Husen 1988: 59).

A period of time is completed when the content’s meaning has been "fulfilled" – when a characteristic experience has been "completed" (Husen 1988: 60).

Since Boda Borg opened its doors in 1995, business had oscillated between peak season and off-peak season, roughly identical to summer and winter.

One contrasting aspect of Boda Borg is that it takes care of guests on one hand, while constructing rooms on the other; both aspects are related to the guests. So one could say that the process spans one year – construction and then contract with the guests. (Janne)

The peak season runs from May to September. The off-season runs between October and April during which far fewer guests visit. Considering that Boda Borg is open seven days a week, the two seasons imply that the members switch between a work-intensive period with a tremendous workload and one with a drastically reduced workload.

From May, it is more hectic with respect to the guests – there is more stress in the spring and summer, but it feels good. May and June are rough months, and nothing is known about the summer. Last year there were
the World Cup soccer games. Much of the activity is controlled by external factors. Things usually calm down from September/October. (Janne)

It appears that the cooperative members need the off-season in order to cope with the workload during peak season. During the off-season, the cooperative enjoys

- a breathing space – we reduce the pace a bit, or reduce our individual paces a little. We use the time/…/to recuperate. (Ove)

At the same time, the off-season provides the members of the cooperative with more space in which to carry out what they regard as their central task – working on the rooms. But does this also imply that they find joy in the work?

**Enjoyable Work**

According to a linear concept, work may develop until too much of it is performed out of a sense of duty. In contrast, according to a rhythmic, circular perception of time, work is performed out of a sense of pleasure.

**A Sense of Duty**

Apart from the week, which has given work a seven-day rhythm, there is also a term called the "working day" which states that work should be carried out during a fixed number of hours each day/…/Needing to work every day is not the same as needing to work eight hours a day, possibly at a rapid pace. The sense of duty for those who are employed is painfully obvious. In any case, there is much to suggest that for many people, a sense of duty contains either too much duty or too little tempo for them to be able to enjoy a satisfactory rhythm in life (Husen 1988: 87 & 94).
A Sense of Pleasure

The rhythm that provides a sense of pleasure and a pleasing rhythm in life is inherent in the organism and cannot be imposed from without. To be filled with pleasure, rhythmicity, i.e., the personal pace that is idiosyncratic to the entire individual and exclusive throughout his/her life and manner of living, is to be able to develop in a free interaction with the work and the material (Husen 1988: 48).

Only if one lives in resonance with his or her internal rhythms will life be pleasurable and natural (Husen 1988: 30).

Among the aspects that are of importance to the human organism are the length of the working day, the need for a leisurely siesta in the middle of the day, the need for variation in the use of the different senses and muscles, as well as the need for variation in tasks and intellectual challenges (Husen 1988: 50).

The members generally viewed their work as pleasurable at the time the interviews were conducted, during the off-season, in contrast to the peak period, during which work was characterized as compulsory.

I often work just for the pleasure – it’s true. I find it difficult to plan and organize things, although I do so to a certain extent. However, I tend to follow my instincts and the pace of development and whether I am enjoying it or not. (Katarina)

You are what you are and you do what you do, I don’t feel any sense of compunction, nor do I feel in any way that I have to be here. (Janne)

Among the indications that the members of the cooperative take pleasure in their work is their degree of involvement, even when they are at home.
There are many occasions when I leave here, but that does not mark the end of the day; instead, I think, make sketches and try to get things, etc. – at least when I am on my own. One must of course try to have a social life as well. (Börje)

I’m going to Euro-Disney in the summer. It will be a private trip with the children, but I will of course keep my eyes open. I never fail to imagine how things would fit in at Boda Borg. I do the same when I watch television or read the newspaper. I sometimes become absorbed in headlines that are interesting and am ashamed when I devote too much time to it, like when the children are waiting for me to take them to go skiing or some other activity. But if the television "prattles" on then I may stand there a moment longer to see whether there is anything that may be of interest to Boda Borg. (Ove)

Of course you live with it. It is almost like a way of life. You can’t just go home and leave it behind. You think about it twenty-four hours a day. Something always happens to make you come here on your day off. Or you are thinking, or get an idea, so you have to call here. Janne rang yesterday evening because he had an idea. So you end up thinking all the time and pull others in, whether they want to or not, really. (Katarina)

During the off-season, working days follow more regular hours, since there are rarely any guests in the evenings during this period. But the members of the cooperative generally use the opportunity to start and end the workday according to their own, internal rhythm.

If I was a crane operator I would never be as flexible as I am here. No one checks the working hours. Börje comes in at 7 a.m. and leaves at 4 p.m. That is his "time" – it suits him. Katarina and I both usually arrive between 8.30 and
9 o’clock. That is what suits us best and I am here until around 5 p.m. If I want to go home earlier, then I go home if it is possible. It is not always possible. But I rarely get stuck here when I would rather have gone home. No one becomes irritated if I have to go home because I am in charge of my son this week. It evens out in the long run, so that the others may also take time off. (Janne)

I have planned my schedule according to my children’s school hours, so I work from 8.30 a.m. to 5 p.m. But if we have an evening booking then I work until 7 or 9 p.m. I don’t go home during the hours in between, nor do I want to, when I work evenings. (Katarina)

During the off-season, it is possible to take a siesta, if anyone wished to – although Katarina says at first that such things are not possible, since there is always so much to do. But then she reconsiders.

Actually, on Monday morning we decided, let’s have a barbeque, so Bengt and I went to buy food, while someone else prepared the grill. And then we had a long lunch. Just like that – we have no guests today, so let us do this. On Holy Thursday (I think it was), we went to a little lake and had some drinks. We all left together. And we called everyone who was to work that day and asked whether they wanted to join us. But we only do this sort of thing if we don’t have any guests. From now on we have a heavier workload. But in April we won’t be open, other than to take bookings, so we will be able to do things like that then. (Katarina)

In addition, the cooperative appears to be flexible enough to be able to do as they wish and vary their daily tasks, particularly after having undergone a restructuring exercise in 1998. One member, who left the organisation in 1998, used to make a list of tasks, "do this and that", but the others did not care for this approach.
If I don’t feel like doing that at this time, then I try to avoid it. The important thing is that everything should be ready when the guests arrive. (Katarina)

I don’t take coffee breaks and I take very short lunch breaks – I am quite happy doing so. No one forces me. I change tasks without thinking. I would rather talk to the guests than take a conventional break. It re-energizes you, there is no doubt about it. (Ove)

That work be experienced as pleasurable, that the members of the cooperative are able to work and interact with the material freely and according to his/her internal rhythm, is of tremendous value. For example, Janne designed the exhibition trailer during the off-season; this allowed him to work at his own pace, while providing variation in relation to the task of serving guests.

At the same time, in order to take pleasure in one’s work, it is vital that the individual is able to vary the use of different senses and different muscles. Börje relates that whenever he “gets stuck”, he changes tasks, while he considers how to solve the problems posed by the first one.

I look for another room that only requires installing a few planks or simpler things like painting or something. Things that you only need your hands for, rather than your head.

Katarina too appreciates the fact that the work varies. Her job largely consists of checking that people are in position and that everything is ready before the guests arrive, and she enjoys it. However, she also relishes the process of creating the rooms.

Actually, there are several things – it is the entire process, I think. The fact that one has this opportunity to shape it, as well as that everything is included in the process, from cleaning to planning the rooms. I participate in every
phase of the process, from receiving the guests to being involved with an idea and following it to fruition. Oh, I really like that/.../just the fact that it is constantly changing.

(Katarina)

The perception of pleasurable work at Boda Borg varies among the cooperative members. In general, however, they all feel that the opportunity to switch between different tasks is gratifying. When they stick to their main task, i.e., the creation of rooms, and make sure they have plenty of time for change during the off-season, the reward of a joyful work experience emerges as an almost natural consequence.

Conclusion

The tasks performed by the cooperative during the off-season at Boda Borg and the satisfaction they experience is akin to what Guillet de Monthoux refers to as a living aesthetic play, which has been interpreted as meaningful work for the purpose of this chapter. The members perceive their work to be entertaining and pleasant when they work as a group. Examples include brainstorming and realizing ideas, enjoying the guests’ reactions, catering to their needs and providing them with guidance. They take advantage of the off-season to recharge their batteries after an intense peak period and having the time to be creative together in the space they have created. When the members take time off, or slow down the pace so as to obtain a calmer atmosphere in which to stimulate creativity, they initiate a positive spiral with excited guests, good word-of-mouth, and new and returning customers.

Generally speaking, small-scale tourist attractions like Boda Borg do not generate huge profits. Thus it is of the utmost importance that the work itself be rewarding. Viewed from perspective, it may be said that the members of the cooperative make existential choices. Their initial premise was financial; they
wanted to find a source of income that would allow them to remain in the village they loved. They became captivated by a large, abandoned building with long and fascinating history, and created one hundred rooms for play based on another existential concern, over their children spending too much time at their computer game consoles.

The members of the cooperative created a product that stimulated themselves and their audience with a mutual sense of playfulness. By 1999, however, there were indications that they were deliberately steering the company onto a "financially viable and efficient" path; off-peak seasonal activities were regrettably minimized, despite the positive effects these would have had in the long term. Whether the members succeed in keeping the aesthetic playalive, as was their original purpose, remains to be seen.

The theories of Guillet de Monthoux and Husen are invigorating – not only as means of characterizing empirical data, but also for understanding individual pursuits and meaningful work. The Boda Borg study shows that work may be perceived as a meaningful, living aesthetic play. On the other hand, it is doubtful whether business in general will be able to learn to develop living aesthetic plays on a more conscious level, even though they may gain a measure of inspiration. Living aesthetic plays are created through playfulness, but in today’s business climate, there is not much room for that. This unfortunate fact lies at the center of the present study, in which efficiency, stress or a fast pace may ruin attempts to encourage a living aesthetic play. The play, as well as the participating individuals and groups, needs to evolve at its own pace. This requires time for reflection. Le Boeuf (1990), who describes the means by which the inherent creative ability emerges, has a similar argument.
People with creative imaginations know how to use the time to get things done. They are always working towards their goals in a relaxed, but efficient manner. They realise that one of the greatest problems with haste is that it requires so much time (Le Boeuf 1990: 205).

Boda Borg is one realistic example of playfulness in business. Meaning was cultivated at Boda Borg, particularly when the cooperative members joined forces to create new rooms in a playful process. According to thinkers as diverse as Husen (1988), Guillet de Monthoux (1993), the German Romantic Schiller (1915) and Björkman (1998), playfulness is fundamental to the creative process and thus to the establishment of a living aesthetic play and meaningful work.

It may consequently be felt that it would be wise to concentrate solely on the playfulness in the creative group interaction at Boda Borg. If this were done, however, then the significance of time to the play in relation to the process as a whole may not be sufficiently recognized, in which case enthusiasm for work would have to be balanced with rhythm or some other sort of creative counterweight. The work may be so interesting that the individual becomes engulfed in a constant state of labour even it might be passionated. This may be compared to Husen’s way of regarding enthusiastic work, as opposed to more rhythmic work. According to him, work becomes exciting when ”god” has possessed the individual – he becomes excited, and works as if enraptured. On the other hand, eurythmia, the art of daily living, concerns harmony and the ”good” rhythm. The excitement that arises from the living aesthetic play that Guillet de Monthoux describes resembles Husen’s definition of enthusiastic work. When the excitement and pleasurable work offered by Boda Borg present themselves, guests tend to lose track of time. However, when the excitement abates and the obligation of
their workload reasserts itself, the difference between those
who are working according to an internal rhythm and those who
do not, become apparent. This was observed in 1999 when
money replaced enthusiasm as the raison d’être of the job. To
be reflected upon is however whether Katarina (the only woman
of the founders in the cooperative) now experiences her work
as less meaningful than her male colleagues. Frankenhaeuser
(1993) claims that men and women in the workplace have
different motives.

Women are driven by the desire to develop and obtain
meaningful work. The man’s primary incentive in his career
is a higher salary and more influence in the company
(Frankenhaeuser 1993: 111).

It turns out that Katarina’s passion for Boda Borg is essential to
the ongoing creation of meaningful work, though none of her
male colleagues seem to be aware of it, especially since she
herself does not address this imbalance out loud. This serves
to indicate the importance of allowing all possible "voices" to be
heard in order to continue creating meaningful work. Thus this
is a matter of importance to female entrepreneurs such as those
featured in the previous chapter. How this can be achieved is the
subject of the next chapter.
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Part II

Methodological Reflections
7 Made Visible Through Narrative

Dorit Christensen

This chapter briefly describes a business acquisition, wherein a Swedish company acquired a Danish one. During a major organization restructuring, some “voices” wishing to contribute to the development of a new, common discourse can be drowned out. In a situation like this, internal competition can also be more ruthless than usual due to the risk of rationalization in the wake of the merger, and it can become particularly difficult to create meaningful work. Using the narrative form allows many different voices to be heard and enrich understanding of what it takes to create meaningful work for everyone in the new, international corporation. The chapter focuses initially on the means of acquiring data using a method quite different from that of Boda Borg, only to concentrate subsequently on how narrative can be constructed from that material.

Introduction

The previous chapter focused on the creation of meaningful work for men and women alike in an entrepreneurial venture in the experience economy. Here women and the creation of meaning are once again in focus but now in a completely different context, one which attends to the all the “voices” heard during a major organizational restructuring like the merging of companies, in order to guarantee that the new discourse include meaningful work for women.
In 1999, a Swedish company acquired a Danish one. The Swedish company’s strategic plan was to become one of the ten largest businesses of its kind in the world within five years. This latest acquisition was part of the plan, according to the company’s annual report of 1999.

Seven integration projects were created immediately after the acquisition was complete. Approximately half of the participants came from the Swedish company and half from the Danish one. These projects were to spawn an additional twenty to thirty cross-border projects. Twenty-seven long-time employees from both companies were interviewed for a study of integration processes caused by mergers and acquisitions (M&A) in Nordic companies (Christensen et. al. 2003). The interviews focused on what worked well, what was problematic and what remained to be done to facilitate the integration process. In this particular pre-study, the process was deemed successful, e.g. with respect to the acquiring company’s concern and respect for the acquired company’s know-how and history. Overall, the interviewees from the acquired company did not experience feelings of inferiority or of being ignored when their company obtained a new owner.

But that is not the whole story?

One ”little” voice was not entirely content with the integration process. I heard it emerge when I re-read the transcripts of the interviews. It was the voice of a woman from the acquired company complaining about not being invited to join the dialogue and not being listened to when decisions were made about new, cross-border integration projects. Conversely, the men interviewed experienced themselves as included in both the dialogue and the decision-making process.

I began to wonder if there were only a few women on staff, since only a few of the interviewees were women. This was
not the case. Both companies comprised roughly 40 percent women and 60 percent men, but only those most involved in the integration process were in fact interviewed. A closer investigation of the documentation showed that fourteen women were characterized as "extra resources" in the initial integration process. However, when I contacted them I found that none of them was aware that they had been singled-out as key individuals.

There is only limited research on gender equality in the otherwise huge body of literature extant on the subject of M&A. In a merger between two Finnish banks, Tienari (2000) found that men obtained the new, "desirable" positions during the integration process, while women were given the "less desirable" ones, viewed in terms of job contentment. "When the going gets tough, the tough get even tougher," as Tienari et. al. (2003) and Calas and Marta (1993) expressed it.

I resolved to do some additional research in an attempt to hear to more "voices" about the integration process. What did the women think about it? Did they have other stories to tell? Was it possible to do meaningful work in such a context so different from Boda Borg's? Ultimately, this research proved that the women did indeed have stories to tell that contrasted drastically with those of the men.

Integration was a Success. But that’s Not the Whole Story

I have previously discussed men’s "voices" in this particular integration process in a pre-study (Christensen et. al. 2003), which also included interviews with three women, a mere ten percent of the total. Therefore the risk exists that the women's voices were diminished in the pre-study report. One of them mentioned that she was not involved in any dialogue about new integration projects undertaken by the Swedish and Danish
companies in the process of merging, and that as a matter of fact; she was seldom listened to when decisions on new integration projects were made. On the other hand, the men interviewed all generally felt involved in both the dialogue and the decision-making process.

Research on M&A provides ample reason for focusing on women involved in integration processes (Tienari 2000 and 2003). Like Tienari, I think it is important to join the "conversation" in this field given the increasing number of company mergers and how it is affecting many women in the labour market. The number of acquisitions in Sweden doubled, from 403 to 849, in the eight years between 1994 and 2002. The number of Swedish acquisitions abroad also more than doubled during the same period, from 84 to 197 (Sevenius 2003).

I therefore collected data on selected Swedish and Danish women's opinions on the integration process. The conversations were conducted using the same guidelines as the pre-study: What was positive about the integration process? What was less positive? And what remains to be done to improve it?

The women spoke at length about various obstacles they had encountered during the integration process, some of a more personal nature. The data collected indicated the same findings as Tienari’s. It is therefore germane to move further and ask why the women felt they were not doing meaningful work and try to suggest sources of potential change in working conditions so as to obtain the degree of meaningfulness they seek in the integration process. "Women must become better at developing the power they already have – they should not see themselves as victims, but use the power they have to bring about change,” according to three businesswomen (Dagens Industri 2005).

In an earlier article, Bragd et. al. (2008) related that the two companies in this study had parallel Swedish and Danish discourses before the merger occurred, and developed a new
common discourse after it was accomplished. However, this new discourse was dominated by the "voices" of Swedish and Danish men. The aim of the present study is thus to identify the obstacles women encounter during the integration process and to transform/reconstruct these obstacles in order to offer them more meaningful work.

I begin by detailing the philosophical perspective that best supports a greater understanding of the phenomenon and provides answers to the research questions posed. The women who were interviewed, the observations made during the study and the method by which the women were interviewed are subsequently presented. The suitability of a narrative approach is then discussed. The obstacles experienced by the interviewed women are first described in various narratives, only to be scrutinized in order to detect patterns and possible new perspectives. These exercises resulted in the conclusion that analysis should not focus solely on the obstacles themselves, but to see them in connection with the individual’s life as a whole, since said obstacle often appeared meaningless when isolated from other factors.

Secondly, while the model from the study of Boda Borg of analyzing proved eminently useful, it was necessary to adjust it to the new context. The model was then used to analyze the data by first focusing on individual awareness of "meaningful work". An aesthetic model for each woman could then be created and compared with the others and both opportunities and hindrances for creating meaningful work appeared. Here it was interesting to observe that a more meaningful pattern evolved when comparing the different individual aesthetic models, but it was at the same time a pattern where the earlier structuring of the various obstacles supported the new pattern’s results (Christensen 2007).
Hermeneutic Existential Perspective

What philosophy can best help us achieve an understanding of a phenomenon characterized by the key words women, creating, meaningful work and integration process? Women leads one to think about gender perspectives, as well as the gender equality issue of making one’s voice heard and being part of the decision-making process. Nevertheless, the women in the study had never even considered gender equality, much like the interviewees in Tienari’s 2003 studies. When he asked questions about gender issues, the interviewees looked confused and asked what that had to do with the integration process. During the course of my study, I often heard comments like, ”But that’s only because of the acquisition […]”, a palatable excuse for incidents or changes that employees would otherwise not have accepted under normal circumstances.

While the men on staff might very well have thought it better if at least half of the decision-makers were women, the reality was that only men were closely involved in the decision-making process. Since this is a problem shared by many organizations in many different contexts, I find it imperative to focus on creative and meaningful work. In many cases, the interviewed women claimed to have encountered obstacles to experiencing their work as meaningful during the integration process. But these hindrances are not all directly related to the integration process, as the analysis illustrates. All of the women were conscious of what they considered ”meaningful work”, which indicated that they were aware of the need to become creative in an effort to develop more meaningful work during the integration process.

Creativity and meaningfulness are concepts existential in nature. At the same time, the M&A context invite one to apply an existential perspective. M&A is very ”to be or not to be”, ”to live or to die”, seeking meaning in the new, and creating something new together with ”others” – people who are not like us. A
former competitor, perhaps even a foreign competitor, may be regarded as the "other", until the two companies become one, in which case the "other" suddenly changes status to become "one of us". Close scrutiny of existential theory indicates that it may be the right perspective with which to characterize and enrich the answers given by the interviewees.

Sartre, de Beauvoir and Kierkegaard are prominent figures in the field of existentialism, the crux of which focuses on the problems of individual human existence and the individual's responsibility for creating a meaningful existence for herself. De Beauvoir's texts are of particular interest in this aspect. She not only discusses "being creative" and obstacles to female creativity, she focuses specifically on what it is like to be the "other". In the present study, the Danish women in the acquired (Danish) company are regarded as the "other" by the Swedish women in the Swedish company and vice-versa. At the same time, the men often collectively regard the women in both companies as "others".

The hermeneutic, existential perspective is valuable here because attention to emotions is the most vital ingredient in achieving improved understanding. To existentialists, emotions lie at the base of everything and must be carefully investigated (Alvesson & Sköldberg 1994). Donatella de Paoli has highlighted the importance of emotions when studying members of organizations.

When it comes to humans, organizational analyses and theories tend to have a schizophrenic perspective because they are assumed to lose both body and senses the moment they enter the door, into the organization. People within organizations are interpreted and analyzed as if they only contain brain and intellect, and then when they finish for the day and exit the confines of the organization’s walls, they arise as physical and sensitive beings again. (Donatella de Paoli 2001: 14)
It is important to be aware of people’s feelings and experiences in relation to their working environment because it is their feelings and experiences that determine their actions. What they relate in the interviews is their interpretation of the world; this is valuable for the researcher because one should assume that it is the same perception that can cause subsequent actions (Czarniawska 1999). I presume that assessing the women’s feelings and experiences is one way of gaining a more thorough understanding of the phenomenon, and that this form of assessment could become a tool with which to analyze the feelings and experiences of women in relation to their work. Thus the relevance of the interviews and observations is indisputable.

Selection and Observation

As mentioned above, the case selected for study involves the integration of two Scandinavian businesses after a Swedish company acquired a Danish one. My initial reports – the pre-study – was based on interviews with the individuals most deeply involved in the integration process. The participants held the highest positions in both companies. The groups contained equal numbers of Danish and Swedish participants. In total, twenty-four men and three women were interviewed. The interviews were completed in the spring of 2002. During the interview process, I obtained valuable insight into the workings of the two companies. I deem this an advantage since the ability to observe the “scene” where the action of which the respondent speaks has taken place is essential to the researcher’s comprehension and understanding, as Czarniawska has stated (1999).

I was also given the opportunity to read material like annual reports, which provided me with diverse background information. It was then that I realized the board of directors consisted entirely of men. Corporate executive management was comprised of ten men and three women shortly after the acquisition, though roughly one year later the numbers had
shifted to twelve men and one woman. I also observed that the charts displaying the organization’s structure were constantly updated due to the pace at which new companies were being acquired. Furthermore, I had the opportunity to read the acquiring company’s internal “white book” on the integration process to be followed upon the acquisition of a new company, containing detailed, step-by-step instructions. Finally, I obtained a folder listing the people involved in the first “cross-border” integration groups. One Danish woman and one Swedish woman were initially involved, though now only one of them was still with the company. The folder also revealed that fourteen other women were considered “extra resource” personnel (or “support staff”) in the very first integration projects. I decided to interview these sixteen women since one would expect them to be among the most deeply involved in the integration process. I contacted all the women by telephone and interviewed ten of them in January 2004. Six of the women were Danes residing in Denmark, while the other four were Swedes residing in Sweden. Some extra information was obtained via telephone from the six women who could not participate in a personal interview.

The Interviews - or, the Conversations

I attempted to conduct each interview like an “everyday” conversation, and I believe the women I spoke to did, too, because they spoke quiet openly about their work experiences. However, conversation is generally an exercise in give-and-take, while in this situation, the researcher does not contribute her viewpoints, only respectful and undivided attention (Czarniawska 1999).

Before, during and after each conversation, I strove to be as observant as possible, and recorded all my observations and impressions the same day the interview was conducted. These notes were useful later on when I began to write the narratives. I also wrote down everything I remembered from the interview
the very same day, despite the fact that all the interviews were tape-recorded, since at times I paused the machine in the chance I might obtain some information I might not have should the machine have been running, which indeed proved to be the case. In these cases I had to exercise good judgement to know when to "jump in" with new questions at the right time, rather than direct the conversation or interrupt at inappropriate moments, such as when the interviewee was just about to relate significant observations or develop a new narrative. At the end of certain conversations, I returned to topics touched upon just to check whether there was anything more of value that could be extracted. During the interviews I strove not to impose my own pre-conceived notions on the women. I dressed casually in neutral colours and attempted not to communicate any kind of reaction with my body language.

The fact that I myself am Danish may have been an advantage when talking to the Danish women for obvious reasons, who need not worry about being misunderstood. The conversations with the Swedish women were conducted in Swedish and while I felt entirely accepted as "one of them", too, my Danish accent may possibly have created a certain distance between us.

The conversations were conducted according to the interview guide introduced in the previously mentioned and contained questions concerning what functioned well, what was problematic and what remained to be done in the integration process. In addition, questions were asked about work-related experiences in connection with the process. To reiterate, the interviews were conducted as "casually" as possible, though with mutual awareness that all themes presumed relevant before the interview would be pursued.
Communicating the Collected Data

Initially, the collected data was not structured according to common themes due to the simple fact that they were not yet suitable for structuring. For example, if "time" first appeared to be a common thread, it was necessary to view it in relation to the context in which it had appeared. A 55-year-old woman with three adult children would probably experience time differently than a 35-year-old woman with two toddlers at home. The reason we work changes over time, depending our life situation, as Hall has stated (1994). I found that the narrative approach to each woman’s story was best, since it provided the opportunity to see "the big picture" without carving her up into various themes and categories. Furthermore, the plotted, narrative form enables one to weave in virtually everything that might enhance the reader’s understanding of the woman’s situation.

[A] plot can weave into the story the historical and social context, information about physical laws, and thoughts and feelings reported by people. A plot has the capacity to articulate and consolidate complex threads of multiple activities by means of the overlay of subplots…. This is an important property from the point of view of social scientists, faced often with the fact that, as many things happen simultaneously, a simple chronology is not sufficient to tell a story. (Czarniawska 2004: 19 and 125)

You might call the "story" of my dissertation "Managers: Obstacles or Opportunities?", and I’ll tell you while shortly. To qualify as a "story", it must at the very least contain a particular circumstance that is transformed from one state into another. In the present case, the initial state is "the old boss" and possible "obstacles"; the event is the acquisition of the firm; and the new state is "the new boss" and possible "opportunities" offered by this change in circumstances.
Within this narrative framework the ten individual “plots” of the women appear, fleshing out the story. The storyteller, in the form of the present author, decides which aspects of each plot to prioritize and how to best tell the story. The narrative approach also makes it easier for the reader to adapt to the context.

*It seems that many authors become excessively conscious of a referential contract: ”I am writing to instruct, not to entertain, and you can go and check that my description is correct, if you wish.” The problem, as all educators know, is that the ”fictional” and the ”referential” contracts are never separate; they only take on a different priority in different texts. In other words, it is difficult, if not impossible, to instruct without pleasing, or entertaining, or moving, the readers. (Czarniawska 2004: 119)*

**Narrative Method**

In preparing to write the narrative, I listened to the tapes and read the transcriptions. The conversations were each one to two hours long (30–40 pages transcribed). Since all the discussions focused on ”obstacles,” I attempted to summarize each woman’s ”impression” of her job, focusing on the main obstacle each individual felt she had faced. In this way, the ”plots” became the main narrative thread, and the overriding theme the greatest obstacle the individual in question had experienced. To select and define what should be a plot in a narrative means, in reality, to introduce a structure that enables one to make sense of the reported events (Czarniawska 2004).

In some cases I also applied Martin’s deconstruction method (1990) to the transcribed interviews in order to reveal perspectives ”hidden” between the lines. For example, one woman expressed herself very negatively during her interview, complaining about Swedish managers and how only Swedes
from the acquiring company became managers. Through Martin’s analytical strategies, it became obvious that the woman felt she deserved to become a manager herself.

As an introduction to each narrative some of my pre-understanding is outlined, and a brief summary follows each narrative. This should help the reader to understand any background information that may have influenced my interpretation of each woman’s working experiences. A researcher’s pre-understanding undoubtedly affects the results. The researcher’s “spectacles” tend to “colour” the choice of subject, collection and interpretation of data, and final conclusions. Awareness of this pre-understanding helps the reader assess the value of the results.

**Trustworthiness**

There is always something more that could have been done to increase a given study’s trustworthiness and reliability. In the case of the present study, the reader may wonder whether the writer really captured the actual experiences of the women. Are the texts indeed true? How can one be sure that another researcher will see the same things?

The foundation of a text’s trustworthiness is the degree of confidentiality established during the interviews, resulting in trust and honesty. There is always a risk that an individual want to give a positive impression of the integration process, even though it does not reflect her own, actual experiences. Since their anonymity was guaranteed, I believe the women felt free to speak about their feelings and experiences.

The interviews were conducted four years after the acquisition, which is significant insofar as time had eliminated the risk of shortsightedness, allowing the women to “understand” their actions and develop a more reflective narrative.
A Swede transcribed the interviews conducted with Swedish women, and a Dane transcribed the interviews with Danish women, in order to detect any possible language errors or misinterpretations.

I believe the women felt I had become "one of them" over the course of the respective interviews due to my Dano-Swedish background, which they instinctively understood made it easier for me to imagine myself in their shoes, as it were.

Since each and every woman dwelt upon obstacles they had encountered in the integration process, the theme of my narrative quickly became apparent. While it is possible that other researchers might assemble different plot structures out of the same material, I firmly believe that they would come to approximately the same conclusions I did. In this way, it is a plus for the researcher to appear as a subject who also influences the result of the study. The social sciences have increasingly been paying more attention not only to the role of language, but also the role of interpretation in understanding and explaining events and occurrences in the world (Selander & Ödman 2004). Czarniawska (2004) goes so far as to propose that questions like "Is it valid?", "Is it reliable?", "Is it science?" ought to be replaced with questions like "Is it interesting?", "Is it relevant?", "Is it beautiful?". She suggests alternating between a fictional and a referential style.

In the present study, the introduction to each narrative is partly fictional, e.g. the description of the morning routine of a mother of twins. However, the relevant obstacles she faced in the workplace are reproduced as exactly as possible, albeit in narrative form. A literary specialist was consulted during this process, checking whether the narrative texts did indeed accurately reflect the contents of the transcriptions.
A Final Word

This chapter focused on the power of narrative in reporting research. A well-composed narrative will bring readers closer to your data and findings. A well-written narrative assures that your text gets read rather than put away on the shelf. Part of developing the experience economy is to make it visible, and the narrative approach provides not only the facts, but the desire to experience them first hand.

References


This chapter discusses the extent to which researchers ought to become involved in local efforts at achieving sustainable development. Local development gives rise to normative reflections on the past, present and future. The question is whether scientists and scholars can or even ought to participate in these deliberations. If so, then a new kind of researcher must emerge, and three possibilities are discussed: distanced, close and interactive, and one in which the relationship between theory and practice need to be revised. The discussion was spawned by the United Nations’ concept of sustainable thinking and the role it gives the researcher. Via a discussion on how the role of the researcher is treated in the scholarly literature, a conclusion in favour of an interactive role results. The chapter offers a model of "sustainability practise" for how researchers and practitioners can create interactive knowledge together, reinforcing the specific roles of both actors in the process.
Introduction

In the previous chapter, it was argued that the creation of meaning in business could benefit from collaboration between researchers and practitioners. This chapter focuses on some of the problems and demands that can arise in that relationship concerning the issue of sustainable development. Pledging to undertake processes of local sustainability implies that we automatically face numerous normative reflections on the present and the future. We must confront ourselves by posing questions on how we should manage current and future demands. Because of the complex and multi-dimensional nature of the concept of sustainability, it is sometimes argued that the management of these reflections demands new and innovative partnerships that break through traditional barriers and ways of thinking. Operators who may not even have met on previous occasions are now expected to jointly raise a platform. In this chapter, we shall pay attention to one issue that rose in this context, namely whether researchers ought to participate in local processes to assure sustainable development and consequently, in the reflections which will inevitably follow. The founding documents on sustainable development (formulated by the United Nations and the Swedish government, among others) do not provide a uniform picture of the situation. Nevertheless, they do outline clear arguments for and against researcher participation. The main aim of this chapter is to discuss some of these more fundamental perceptions in order to develop an analytical tool to help us structure a line of argument in favour of researcher participation.
Sustainable Development – An Introduction to the Concept

The concept of sustainable development was presented to the world by the so-called "Brundtland Commission" (the World Commission for Environment and Development) in 1987. Through the Rio Accord, Agenda 21 and its subsequent ratification by the Swedish government, municipalities were invested with particular responsibility for the implementation of sustainable local development policies. The task before the municipalities was to formulate agendas for sustainable development in concert with other local operators. They were urged to commence an Agenda 21 process by 1996 at the latest, to which all-Swedish municipalities readily agreed. While the decisions were not legally binding, they could be viewed as moral imperative. Local goals and strategic guidelines were to be formulated according to the Rio Accord. The directive also stated that all municipal operations should aspire to fulfilling the concept of sustainable development; however, the original and largely globally oriented texts do not specify the exact type of policies required (Bro et. al. 1998).

Sustainable development, as presented in the Brundtland Commission’s report and subsequent United Nations publications, is a complicated term (Blowers 1993). There are few other concepts that display greater scope or complexity than this one, which attempts to solve the entire planet’s most overriding and serious developmental and environmental issues, both long- and short-term. The basic premise is that something must be done about the collective use of the earth’s resources, and that the issue of sustainability does not recognise national borders. However, sustainable development is not only about the preservation of nature and its resources for future generations, but also showing solidarity with the earth’s poor and the fair distribution of resources from a global perspective (Sachs
1993). The approach of operating locally while thinking globally is considered fundamental (Parker & Selma 1999). At the same time, it is vital that the conversion to sustainable development is based on democratic principles, involving wide-scale social mobilisation (Barry & Wissenburg 2001; cf. Pettersson 2002; Olsson 2005; Pettersson 2007).

The Foundation Document’s Views on Researcher Participation

The foundation documents on sustainable development emphasise that local sustainability work must be based on encounters between "ordinary" citizens, representatives of local organisations and associations, and municipal politicians, civil servants and representatives of administrative authorities in neighbouring communities (Our Common Future 1987; cf. also Parker & Selman 1999; Badshah 1996). But how exactly to regard a researcher in this context? In his scholarly capacity, he may not necessarily be interested in – or be regarded as a representative of – the local community in question. Should he then be included in the process? If so, should the researcher actively participate in the normative reflections with which these processes must deal? The Brundtland Commission’s report reminds us that the research community has played a crucial role in the history of the environmental movement. From an early stage, researchers pointed out the significant environmental changes taking place as a result of human activities. According to the report, researchers have played an invaluable role in the identification of risks, evaluation of environmental effects, and formulation of adequate responses. Researchers have also had a significant impact on maintaining a high level of public and political awareness of the topic (Our Common Future 1987). The commission stresses that investing the research community with an expanded role constitutes one of the more complicated and politically challenging choices demanded by the transition to sustainable development. Thus Agenda 21 pays
particular attention to this issue, emphasising that research is a vital component of sustainability, and that deep ties must be established between researchers and the public.

*It is important that the role of science and technology in human affairs be more widely known and better understood, both by decision makers who help determine public policy and by the general public. The cooperative relationship existing between the scientific and technological community and the general public should be extended and deepened into a full partnership. Improved communication and cooperation between the scientific and technological community and decision makers will facilitate greater use of scientific and technical information and knowledge in policies and programme evaluation (Agenda 21 1992: Chapter 31.1).*

According to Agenda 21, specific measures geared at improving and strengthening research results are required in order to achieve these general goals. This, in turn, requires stronger support for researchers and teachers interested in communicating and interpreting scientific information for decision-makers in political settings, representatives of other "professions", and the public at large (Agenda 21 1992).

**Views on Researcher Participation as Presented in Research Publications**

The foundation document thus views researcher participation in a very positive light, regarding them as a vital component in the success of local sustainable development initiatives. But the document’s ambitions are not sufficiently clear and the discussions are analysed from several different angles. Two prime arguments against the participation of researchers are described in the scholarly literature, overwhelmingly characterised by criticism of the traditional role of science
and the researcher in society. This critique is based mainly on the assumption that many researchers presume they have a monopoly on knowledge and that the skills most needed by society are developed only within the walls of the university, to then be disseminated to society at large (Gibbons et. al. 1994). The researcher thus separates him from the rest of the world and assumes a role that appears overbearing to politicians, civil servants and other representatives of the local community. Thus the research community becomes the primary benefactor of the research. The researcher determines what is to be analysed and which questions are to be asked, an attitude generally felt to be difficult to change. The active participation of a researcher who possesses these characteristics would render other participants passive, with the unfortunate result that local operators would lose control of the direction of the sustainability process. Control of, and responsibility for the local sustainability process would be ceded to the researcher.

Other arguments against researcher participation claim that the body of knowledge produced is seldom of any practical relevance. There are two aspects to this opinion. First, that research does not focus on the practical problems and secondly, that researchers tend to arrive at contradictory conclusions about the question at hand. In the first instance, researchers are criticised for not devoting themselves to the sustainability issues that are of particular importance to the local community. Their research is instead based on theory and is derived from the academic sphere. C. S. Holling, Fikret Berkes and Carl Folke claimed, for example, that traditional research is far too regimented, reductionistic, mechanical and independent from the reality with which it should be concerned. In the second instance, it is claimed that researchers are incapable of delivering an objective or uniform view of the sustainability process (Holling et. al.1998; Ziman 2000). This may certainly be positive from a wide, community perspective in which we benefit from pitting
different views against each other and discussing various attitudes. Nevertheless, problems will arise if we assume that researchers are capable of presenting any "true" image. Paul Selman, for example, claims that the huge variations between scientific interpretations of the natural environment and the changes it is undergoing have in fact contributed to the further aggravation of the environmental problems (Selman 1996). This results in frustration and uncertainty.

In spite of the obvious contributions of science to our understanding of environment, many people are also deeply concerned about the role science and technology have played in bringing about environmental problems (Carley & Christie 1992: 65).

Insufficient practical relevance combined with varying expectations about the encounter between researchers and practitioners can place the lay public in confusing and complicated situations, which in turn may contribute further to the passive response of the process’ participants. This provides strong arguments for excluding researchers and, in the long haul, their conclusions about local processes of sustainable development. If so, then representatives of the local community will be responsible for pursuing sustainable development on their own. In sum, research articles tend to criticise the positive and somewhat oversimplified image of researcher participation conveyed in the founding documents on sustainable processes.

A New Role for Researchers?

Must we then rule out researchers participating in, and thus contributing to, the achievement of the goals outlined in the founding documents? If we return to the research articles we may realise that researcher participation is possible, provided researchers partly abandon their traditional role in favour of a new one. Only then will the development of what we refer
to as close and interactive relationships be possible. These relationships are partly based on the presumed existence of another perception of knowledge than that which has long characterised the academic world.

The close relationship can be illustrated by Selman’s arguments. Like many others, he states that local discussions on sustainable development should be protected by broad-based participation in which the participants themselves deal with complex sustainability issues. According to Selman, researchers are hardly able to enter such a process as active partners, since their research tends to be far too expert-oriented and sector-oriented (compare this to the above discussion). Selman suggests that researchers, while remaining outside the discussions, must nevertheless contribute "sound environmental information and reports" to the process (Selman 1996). The role of the researcher is therefore to provide texts that are as understandable and descriptive as possible to the concerned operators, rather than in-depth theoretical analyses. In this way, the researcher’s relationship to the other participants will not be as remote as previously described, but more indirect in nature. He/she neither participates directly in the actual process nor in the normative reflections that inevitably follow.

Research articles sometimes go even further, arguing for more comprehensive and direct researcher participation in order to develop an interactive relationship. This is primarily because the scope of participation would be broader, leading to increased opportunities for a richer exchange of experiences. In these processes, the traditional academic system is opened to new influences. At the same time, influences from the academic world can spread throughout the world to a greater extent than ever before. In this setting, the researcher is placed on equal footing with other participants, who then enter into a dialogue on the structure of the work and its scope in accordance with the participatory research tradition. This implies that
local participants become joint operators, instead of the more traditional investigative subjects (Singh & Titi 1995). In those instances in which the researcher assumes a more interactive role it is acceptable to speak of research and development collaboration. There are also variations in the tasks at hand. Some involve assuming the role of donor or coordinator of workshops designed to involve the all the participants (Buckingham-Hatfield & Percy 1999; Mushota 1995). A deep interpretation of the interactive relationship requires the assumption that local participants and researchers have different respective skills (Josefson 1985a, 1985b and 1991; Gustavsson 2000). An interactive relationship places demands on both researcher and practitioner. It is identified by the dialogue it generates and its main purpose is to learn together (Lave & Wanger 1999) – hence the ambition of changing both the practitioner’s and the researcher’s custom of interpreting and structuring a given situation (Gustavsen 2001; Gustavsen et. al. 2001). In this setting, research and practice extend a hand to each other; the depictions of problems are based on an assessment of what is interesting from both practical and scientific viewpoints. This argument can be summarised as shown in the figure below.

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**Figure 5: Various research roles and their significance to local sustainable processes.**

<table>
<thead>
<tr>
<th>Characteristics of the research role</th>
<th>The relationship’s characteristics</th>
<th>Type of researcher participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional role</td>
<td>Remote relation</td>
<td>Participation not desired</td>
</tr>
<tr>
<td></td>
<td>Close relationship</td>
<td>Indirect participation</td>
</tr>
<tr>
<td>New role</td>
<td>Interactive relationship</td>
<td>Direct participation</td>
</tr>
</tbody>
</table>
The traditional and new research roles are two extremes on a sliding scale. The traditional role is considered unsuitable for participation in processes concerning sustainable development, as it causes the researcher to keep his distance from local representatives. However, if the researcher were able to develop more interactive relationships, then researcher participation should be discussed seriously. The close relationship can be described as an intermediate position. This division may naturally be described in several ways, but it is sufficient to point out certain fundamental research roles, the differences between them, and the effects of researcher participation on local sustainable processes.

**Separate Levels of Ambition in Practice?**

In this light, there are two issues that appear to be of particular importance. The first is whether those within the research community actually have any interest in participating in local processes, in either a close or an interactive manner. The second is whether the municipalities and other local government representatives are interested in linking up with researchers in this manner. For the moment, there are no straightforward answers to these questions. However, certain patterns can be discerned. There is much to indicate that there is a general demand for researcher participation among municipalities (Strömberg & Tydén 1998 and 1999). We also note a growing interest in including researchers in local sustainable development processes (Bro & Pettersson 1997). Nevertheless, there is hardly any uniform perception of the form this relationship should take. In many cases, there is a significant degree of uncertainty or confusion, partly over the type of research relationship the participants actually desire, and partly over the path leading to this relationship. Some would like to go further in their interaction with researchers than others. Many practitioners seek a combination of the close and the interactive relationships, while
others merely require descriptions of local conditions from them without further analysis or intrusive discussion. Still others regard researchers as partners with whom they can discuss both the complexities of the concept of sustainability and concrete local "cases" in which specific and practical assessments of the work are clarified. We may argue that local interpretation of the sustainability concept may foreshadow the local stance on prospective researcher participation.

Researchers themselves can also provide us with answers. Within this group there are no preconceived notions about participating either closely or interactively. In fact, the overwhelming majority are probably more interested in analysing local processes than actually participating in them. There are many explanations for this state of affairs, among them that the concept of the traditional (remote) research role is still so widespread that it dictates the guidelines for a researcher's acts. The discussion of a new (interactive) research role is regarded as challenging and provocative. Another immediate explanation is that the close or interactive relationship does not always live up to traditional academic standards. Working closely or interactively implies that the researcher no longer address a purely scientific audience. Their tasks will probably include the publication of more popular science articles or similar reports, which do not normally carry as much weight in the scientific community. For this reason many feel that they neither can nor indeed want to participate in the process. For other researchers, the move towards interactivity is regarded as natural (cf. Lawler 1999; Nowotny, et. al. 2001; Svensson 2002). They do not regard participation in processes on local sustainable development as being in conflict with traditional scientific values (Longino 1990 and 2002).
The local impact of an interactive relationship may be significant, providing researchers with the opportunity to discuss problems and the development process with local operators. Collaboration also paves the way for the direct and notable incorporation of research results into ongoing local development work. An interactive relationship also has huge advantages. Interaction with the local operators allows the researcher to develop terminology, models and theories for change. On the other hand, the benefits or active participation on behalf of the researchers should not be taken for granted from a general academic perspective. There are strong arguments in support of researchers continuing to maintain a remote role in relation to practitioners. As with interactive research, intra-scientific research benefits significantly from the theoretical development of the research field. For this reason, it may be impossible to incorporate research results into the daily operations of the municipality. The relationship that proves the most productive and realistic cannot be determined in advance. It is problem that researchers and practitioners need to assess as it arises.

**Practical Sustainability – The Need of Awareness**

The above discussion highlights fundamental methodological differences in the way local sustainability work is perceived, and will serve as the starting point for our continued investigation of what we shall refer to as practical sustainability. This is a model
that will help us structure our various perceptions and the actual collaborative efforts between researchers and practitioners in the local sustainability process. Practical sustainability has emerged after several years’ worth of experience – including work on local authorities confronting natural disasters (Skoglund et. al. 1996; Johansson et. al. 1999) and sustainable development (Pettersson & Bro 1997; Pettersson 2007) – together with various practitioners. It has also acted as a guideline for local sustainable development (Bro & Pettersson 2005a and 2005b). Successful collaboration requires the clarification of several of our more-or-less conscious reflections. We all follow certain routines in our work, regardless of whether we work as researchers or as practitioners; certain skills are valued more than others. We organise our day in different ways and probably employ particular, familiar methods to conduct the work with which we are continuously confronted. Many would surely immediately describe well thought-out, deliberate strategies in response to the question of why they do their work in certain this way. Upon reflection, however, we may occasionally perceive a certain discrepancy between our proud declarations of what we do and what we actually do (Meyer & Rowan 1977; Brunsson 2002). As researchers interested in activities taking place on a variety of levels in society, we must – ideally – consciously select methods and strategies. Then we must evaluate them. Depending on circumstance, certain methods may appear better than others. Methods and technology may in turn be derived from certain skills-based and scientific theories. Adopting a reflective approach to methods and technology lays the foundation for awareness of these fundamental aspects. In other words, we should approach them in a critical and creative manner while being aware of the advantages and disadvantages of each from a research perspective. Similarly, practitioners can and should reflect on their work in order to discover what actually guides them (DiMaggio & Powell 1983).
Someone may say, "this is the way we have always done it", providing no basis for a critical approach and failing to establish a basic starting point for either our surroundings or ourselves. We may perhaps have unconsciously selected a certain focus or become stuck in a particular research direction without actually having given any serious thought to the reasons behind it and the consequences of treading that path. We have failed to support the operation on either a practical or more fundamental level. Such an ambition may be likened to coincidences that force us to embark on particular paths, both theoretical and methodological, at particular intervals. Events and occurrences in our immediate vicinity may have influenced us and steered the process in a direction we would otherwise not have selected. We are accustomed to working in a particular manner and we pretty much instinctually follow the better worn paths. According to Oscar Öquist (1995), there is a positive value in this unconscious and unintentional behaviour. Herein lays a sense of self-sufficiency that the conscious mind can never replicate, a creativity that frees us from established thought processes and habits. Furthermore, a certain amount of routine may be required in order to create room for reflection. The issue of the significance of consciousness is a complex one which has received much attention in many and varied contexts. We shall not go any deeper into the subject in this chapter, only mention that consciousness poses a problem. Regardless of how creative an unconscious step may be, it is vital that we nevertheless clarify where we "are" after we have taken that step. Since there are apparently a multitude of views on the running of local sustainable processes and the interaction between researchers and practitioners, it is necessary to resolve these issues as they arise. One method is to use cognitive models to structure discussion and the learning process. The practical sustainability model – which we have used with some success – is presented in figure 6.
A Feasible Path?

The practical sustainability model works as a tool for both researchers and practitioners (Robinson 1993; Hård af Segerstad 1996). The model can be used to structure discussions on individual sustainable processes in which participants wish to create an equal and mutual starting point. It can also assist operators in finding a method of routinely gathering data on the sustainability process, analysing it and interpreting the climate for sustainable efforts.

Figure 6: The practical sustainability model. Johansson et. al. 1999, p.15.

The model is constructed around four kinds of attitudes (toward sustainable development, context, methodology and results, respectively). The terms are analytical. In other words, they are theoretical constructs whose aim is to highlight, structure and analyse matters that would otherwise have been treated more or less hastily in the course of a routine, stressful and complex working day. The four terms are not mutually exclusive but rather complement each other. At times there are distinct differences between the terms. At other times, they merge. The purpose of the model is to offer a structured framework that explains the actions of certain operators (individuals, associations and organisations), i.e. why they think and act as they do (Björkegren 1989). What arguments can be used? What conditions are they
working under and what are their goals? (Vedung 1977) The idea is that it should serve as a tool for reflection and mutual learning, i.e. to clarify the ideas and strategies upon which collaboration is based. The purpose of interaction, the role of the participant and the effect on the participant’s operations, regardless of whether said participant is a researcher or a practitioner, must be clarified.

The first component in the model constitutes what we refer to as attitudes to methodology. In this case, the researchers and practitioners involved must clarify several key methodological issues. However, the most fundamental issue is whether they can indeed interact and in what manner. Are there any conditions upon which to base a cooperative effort? Will both groups participate in the work on an equal footing, or will one group take precedence? What would happen, for example, if a practitioner wanted to adopt an interactive relationship, while a researcher desired a close or remote one? Or vice-versa. If the researcher and the practitioner differ on the type of relationship that should characterise their work, they would basically have reached a crossroads. The first alternative would be to attempt to find an intermediate path and compromise. The other would be to quite simply part company. Thus a cooperative effort between a researcher and a practitioner may come to nought. However, no one makes such decisions deliberately. On the other hand, if they agree that they have grounds for continued collaboration then they must be prepared to answer other important methodological questions. How will they formulate the specific R&D issues? Is the practitioners’ task or will they perform it together with the researchers? Regardless of whether any particular operator is given precedence, is it necessary to establish the empirical, theoretical and/or normative grounds upon which such issues are formulated? Other important issues to discuss involve the methods that will be used to tackle the issues at hand.
The model's second component is denoted attitudes to sustainable development. As its name implies, this attitude focuses on the actual concept of sustainability and serves to clarify the operators' basic perception of the term. As we have seen, sustainable development can be interpreted in several ways. However, we normally claim that such development involves the integration of organic goals with financial and social interests. By highlighting the operators' attitudes to sustainable development we are able to establish whether they believe that certain factors are more germane or superior to others. Are the attitudes characterised by financial considerations, in which democratic and environmental dimensions are understood and clothed in economic rhetoric (green ratios, democratic accounts, environmental accounts, etc.)? Are there any differences between the participating researchers and practitioners? The point is not that everyone should be in agreement, but rather that they should pay attention to possible differences in attitudes and how they should be dealt with.

Neither the attitude toward sustainable development nor the attitude toward methodology emerges in a vacuum. Rather, they are the product of their surroundings, contexts, or whatever we choose to call them. This brings us to the model's third component – attitudes to context. In their local work processes, the researchers and practitioners more or less consciously define an environment or a context in which sustainable development projects are being run. The global definition probably includes those areas of the world that are thought to be of the greatest importance to the operation, while the rest is filtered out. If the goal is to run sustainable projects together then it is necessary to create a joint global analysis. It is thus vital that both the researcher's and the practitioner's interpretations of the situation be included in the description of sustainable work. Such a global analysis may be formulated in a variety of ways. The present authors believe that it is most meaningful to focus
on three relationships, namely ideas, institutions and physical base, with none more important than the others. The important thing is that the operators explain whether they feel that the context obstructs or aids their efforts. The term "ideas" refers to the concepts, values and goals for sustainable development circulating in the community, as well as other important issues that may have some bearing on the local sustainable work processes. For example, is there an established concept of sustainable development in the local community, or are there several related interpretations? How well established are the various concepts in the community? What arguments are used in favour or against them? Contextual analysis serves to investigate how different local institutions influence sustainability efforts. Of course, the term institution comprises everything from written laws and regulations to more informal principles of management and behavioural norms (Scott 1995). Institutions provide guidelines for behaviour, present-day and future actions and decisions made in the past (North 1993). Does the local sustainability process hinder or promote existing institutions? Are there institutional cultures pulling the sustainable process in different directions at once? Finally, it is vital that the involved operators consider how the physical basis affects their work. The physical base of a community consists of different types of material circumstances and resources. Geographical territory constitutes an important component of this equation, but so do the residents, the natural resources, and the natural environment and its ecosystem. Also included in the community’s physical base are converted resources such as infrastructure, welfare system, technology, production and finance. The interplay of ideas, institutions and physical bases form a situation, a setting against which interaction in local sustainable processes can be interpreted. The context sets much of the agenda for the work on sustainable processes. At times, it may appear to conflict with the principle of sustainability; for example, legislation governing the operations may not point in the same direction as
economic conditions in the physical base, and goals formulated by centrally-administered organisations do not necessarily coincide with prevailing regulations.

As previously stated, we assume that context can be reasonably interpreted in a variety of ways. Consequently, operators will be able to develop their own approaches to – in this case – sustainable development and their own attitudes to the methodology required to manage their efforts. This, in turn, implies that there may also be varying views on how to assess the results of these efforts. Thus the model also contains a component called attitudes to results. What are regarded as results in sustainable work and how does one ascertain whether or not they have been achieved? Are clear goals like reduced air and water pollution desired or are results viewed as being more process-oriented, with participation and dialogue at the forefront? There may also be huge differences in the perception of what can be regarded as "output" and "outcome" (Ternblad 1992). While "output" refers to decisions and actions, "outcome" may be regarded as the effects of these decisions and actions. The latter is often more difficult to identify.

The model therefore demands that the operators clarify their attitudes, though this in no way means they must be identical. It is important to note that getting researchers and practitioners to approach each other should not be interpreted as making them indistinguishable from one another. Instead, the purpose is to ensure that they develop and improve their own starting positions through a broader understanding of their respective situations. Nevertheless, the process largely concerns the development of a common language and a democratic dialogue, since it is often assumed that these are the primary forces in any change process (Jacobsson 1997). The existence of different languages aggravates the possible construction of a common image (Ericson 1998). The common language is thus significant, since it is through language that we are able to create
arenas for dialogue in order to facilitate encounters between different traditions (Gustavsen 1992). One precondition is that all participants genuinely embrace the idea of utilising each other’s respective skills. The skills possessed by each individual may contribute to an improved understanding of the overall image being discussed. At the same time, it may just result in solutions to individual problems (Pettersson & Bro 1999).

**A Continuous Process**

It is vital that these clarifications occur at an early stage, but continuous checks should also take place. It is not unusual for initial statements to be characterised by restraint and uncertainty. The matter of who is the researcher and who is the practitioner hangs in the air, eventually joined by concerns as to whether both will actually be able to cooperate. One method of sorting out this confusion is to implement a discussion agreement (Robinson 1993; Hård af Segerstad 1996). This is naturally not a legally binding contract, but rather an informal document that describes the concepts and strategies upon which the collaborative effort is based. It should clarify the purpose of interaction, the roles of the participants, and their effects on each party's operations. When researchers and practitioners are presented with a common challenge, a discussion agreement will not only serve to determine the general scope of the ongoing relationship; it may also be used to regulate the contents of the process, as well as the "demands" researchers and practitioners may make on each other. In practice, deviations from the agreement are treated with subtle reminders of what was agreed delivered in a friendly manner. The greater the degree of interaction, the more open the cooperative process between the two parties will be. Consequently, the responsibilities of both the researchers and the practitioners will be regulated in a clearer and more specific manner. But even this most basic of agreements may be insufficient. The fact that there are huge
differences of opinion between various practitioners and local representatives concerning the type of research relationship they seek to adopt often becomes more apparent as the process progresses. Some may leave the group to undertake assigned tasks and will be replaced by others. This means that the joint foundations must be rebuilt, occasionally several times. Nevertheless, the permanent members – who ensure that the group does not abandon the initial fundamental agreement and who facilitate the smooth introduction of newcomers – serve as a binding element, thus guaranteeing long-term continuity. At the same time there must naturally be a sense of openness toward new measures and approaches. If the specifics of the relationship are made clear at an early stage, unnecessary frustration among both researchers and practitioners can be avoided.

The contract is formulated and institutionalised through open and unconditional discussion about the terms and goals, the needs and demands that ought to be included in the process. A whiteboard or posters are often used to highlight important words. The words are grouped into different categories, which then provide themes for subsequent discussion. The result is four or five well-defined key values, the above-mentioned discussion agreement. It often serves to reveal the tone of the discussions, attitudes toward the other individuals and their opinions, and the areas of responsibility assigned to various participants. At times it may even indicate how decisions should be made within the group or how disagreements should be treated (not avoided). The aim is not to lecture grown adults, but rather to assure them that they are in charge of the process; no one else can tell them how to treat each other. If the participants manage to get through these discussions successfully then they will have laid the foundations for a creative cooperative effort on the more fundamental issues with which the interaction is primarily concerned. These discussions function as a warm-up
process in which everyone meets to ensure that their voices will be heard and their statements recorded, making everyone feel truly involved.

Through such discussions, the sustainability model emerged. Nowadays, the model is used as an introduction to the discussions. The rough outline of the model and its four guidelines are presented and discussion of the contents of the agreement ensues. Our experience of the process has been good. Practitioners may find the researcher’s models formidable, particularly if they are formulated with intra-scientific terminology. However, if they are presented as overall planning models that convey an overall view of proportionately basic, distinct sections, then true interest may be stimulated. Through this heuristic function, the practice of sustainability serves to promote totality, create perspectives or alternatives, and both arouse instincts and raise issues for future discussion.

**Usefulness of the Model**

The argument presented in this chapter has largely been pitched from a local perspective. Such an approach quickly gives the impression that the ideal collaborative relationship is an active one, which it may well be. A case such as this provides local operators with enormous opportunities for working with researchers to identify and characterise problems. There are also good prospects for clearly and directly incorporating research results into ongoing local development work, for example in the establishment of new industries. Instead of discussing sustainable development in general terms, it is possible to focus on how design, experience, and cultural heritage can vitalise existing industrial structures. The local benefit of an interactive relationship is thus very significant. And as we have seen, if we leave the strictly local perspective and assume the researcher’s point of view, huge benefits can accrue by entering into an interactive relationship. Interaction with local operators
provides the researcher with an opportunity to develop theories, terminology and models for change.

At the same time, it cannot be taken for granted that the researcher will feel that he naturally should participate actively in these local processes. Apart from the purely qualification-related issues mentioned above, there are also strong arguments in favour of the researcher continuing to maintain his traditional distance from practitioners. In common with interactive, goal-oriented research, intra-scientific research benefits greatly from theoretical development within the research field. Studies conducted within the boundaries of tradition often make invaluable contributions to the body of research and the academic world. If practitioners and local representatives are interested in research more for the purposes of serving as a test municipality than with the intention of following resulting recommendations, then it is reasonable to assume that the remote interactive relationship adequately serves this purpose. Local processes will continue to be viewed as fodder for research rather than arenas for development. Again, from a local viewpoint, the remote relationship may be problematic. Local operators may not view the research being done as being of interest to them, since it may fail to apprehend the reality of local conditions and problems. Consequently, research results may be impossible to incorporate into day-to-day municipal operations and contribute to the process of development.

It was the desire of the present authors to use this discussion to demonstrate that recommending researcher participation as outlined in the foundation document on sustainability is not entirely problem-free. This is mainly because there is a large degree of uncertainty as to whether, and to what extent, interaction in matters of sustainable development can be achieved. We have highlighted three types of relationships that may present themselves and argued that some uncertainty can be cleared up with the aid of a discussion agreement. An
important conclusion should therefore be that it is unreasonable to expect all research to be conducted interactively. The research/practitioner relationship must first be resolved in its particular context.

One final, concluding question is whether the three relationships we have highlighted are unique to sustainable development. While this may not be the case, we wish to state that they are based on fundamental, methodological issues that researchers and practitioners themselves must ruminate over, regardless of field of research or type of R&D work. We must determine which interactive relationship is most suitable on a case-by-case basis. Despite the fundamental challenge that it poses to the development of society, sustainable development does not constitute a unique methodological situation.

References


9 Is “Development” Necessary to Innovation?

Conny Pettersson & Anders Bro

Continuous reform has been the rallying cry of the public sector in the past few decades; change in itself as good. The need for innovation is often stressed, with various miracle cures presented as inspiring examples. In this chapter we wonder whether not changing and not surrendering eagerly to full-scale reform might not be the most innovative stance of them all. Via the concept of innovation and a new attitude to institutions and learning, in concert with discussions of the dissemination of ideas and the creation of meaning in local development processes, the present chapter conducts a discussion of four ideal types of attitudes to the future and to external influence in order to counterbalance reformist zeal.

Introduction

Imagine that a municipality in Sweden decided to systematically reject the all the new ideas and proposals that more or less bombarded it from all directions on a daily basis. Imagine that it instead wished to specify, consolidate and refine its own local tradition. Adopting this approach is discussed in both political assemblies and various administrative bodies. There is unanimous support for the proposal from everyone, from
the nursing assistant in elder care and the road construction engineer in the technical administrative office, to the chairman of the municipality’s executive board. All the actors feel that the strategy is monumental. There is an overwhelming degree of participation. Group discussions have been conducted in study circles at the grassroots level. Everyone agrees that the main problem is that there have been far too many meaningless reorganisation programmes that have never led anywhere. They decide instead to go back to their core tasks, regardless of all the new ideas being bandied about in the community.

How should such behaviour be interpreted? Is it innovative? An experienced innovation specialist would probably brand it as conservative or even regressive behaviour. In this chapter the authors do not intend to take sides, at least not yet. Nevertheless, we wish to pave the way for an interpretation whereby the above behaviour is seen as progressive and innovative, since the municipality is conducting sweeping changes in regards to its exercise of power, decision-making and relationships. At the same time, the effect of the municipality’s decision to jump off the express train to the future both flees from change and confronts it head on. It both breaks with its own recent tradition of eagerly embracing change and reorientation and the progressive mindset that permeates society, and argues in favour of continued non-change in a manner that may very well be characterised as innovative; the notion that it may turn the general innovation discussion upside-down in more pedagogical than strategic. Instead of concentrating solely on the attempt to define the concept “innovation”, the municipality suggests it may be useful to reflect upon the opposite, at least in principle.

The aim of this chapter is to present a draft theory or theoretical approach for interpreting innovation beginning with an initial description of the problem of innovation discourse. The title is deliberately provocative. Our more pragmatic premise is that we
may not always need to implement dramatic change in order to innovate, which is also the common theme of the present volume. Reflections on reform and innovation are vital to the growth of new industries. It is therefore more appropriate to speak of them as a proposed sustainable mixture of old and new.

**Four Innovation Themes**

Here we conduct a brief discussion of four recurring themes in the literature on innovation that form the basis of our argument. While still others naturally can be found, these particular themes constitute a sufficient basis for continued discussion. The first theme tackles the variety of definitions of innovation, from an economic-technical focus to a civic interpretation. The second focuses on the two approaches to development that appear in the published literature – the concepts of linear and interactive development. The third theme deals with the levels and sections in which innovation is debated, while the fourth concerns the scope of innovation.

**Economic & Technical Premises and Civic Interpretations**

Wherever we look in innovative literature, we stumble upon the name Joseph Schumpeter. He was an economist whose career spanned the first half of the twentieth century and was often regarded as the progenitor or at least one of the foremost sources of inspiration for present-day innovation research (Schumpeter 1934). His thoughts on the significance of entrepreneurs for economic development (Sandal 2003) have recently become the centre around which the entire discourse on innovation revolves (Nilsson & Uhlin 2002). For obvious reasons, much of his discussion concerns business and economic growth, and large tracts of today’s literature on innovation focus on how innovations are developed in the private sector. Present-day innovations are often described as changed
economic behaviour and occasionally include the development of new products or new processes, i.e. product and process innovations. The bulk of the literature focuses on technological development and technical innovation (Patel 1998; Hauknes 1998; Nelson & Rosenberg 1993). In these cases, innovations are compared to what is required to make a company competitive in fields in which technological development resides at the core of its operations (Nelson 2000).

Although the present authors have mainly focused on companies, one of the most fundamental aspects of our thesis is that the economic development of a region or a state depends not on the success of individual companies, but rather on how well companies interact with each other and the surrounding society, e.g. in the public sector. Knowledge is created and disseminated in association with other actors (Fischer & Frölich 2001).

At the same time, a certain shift has been noted in the literature. An interest in innovation in the public sector is beginning to spread (Edquist 1997; Gidlund & Frankelius 2003), which is also in line with one of Schumpeter's more general observations on innovation, that it was not necessarily connected to the corporate world, but was instead something that "combines factors in a new way, or consists of carrying out new combinations" (Schumpeter 1939:87f). Based on this definition, the concept "innovation" could indicate organisational innovations in general (cf. Edquist 1997).

Today, there is an array of definitions of the term "innovation" to be found in the literature. In some cases, the concept is not defined at all (Eriksson 2000). Others compare it to general changes (Ekholm 1978) or with the accomplishment of something new and the practical implementation of an idea (IVA 1994). Some study the concept theoretically, while others adopt a more empirical approach and all but ask the (primarily) business advocates what they consider to be necessary for
the implementation and spreading of innovations (Meeus, Oerlemans & Dijck 1999). Many make use of a narrow definition, which attempts to explicitly include the actors/organisations that participate in the innovative process, e.g. companies and development laboratories. At the same time, broader definitions arise in other contexts; these focus on all aspects of the economic and social structures (including their institutional frameworks) which influence the process of learning and the development of innovations (Lundvall 1992). However, the daunting variety of definitions and premises need not pose a problem, since definitions and analytical categorisations are neither true nor false. On the other hand, they may be more or less productive and useful (Edquist 1997). But wild variation means that the concept is weak; it becomes too all-inclusive, without much ability to function as the operative tool sought (Hauknes 1998).

**Linear or Evolutionary Development?**

Roughly two views on how innovations ought to be developed and implemented, regardless of how they are defined, have emerged in the published literature. The first is characterised by linear development thinking. This resembles a form of rational planning ideal in which innovations can be planned deliberately and in advance (Carlsson 1992). It may therefore be likened to classic ”top down-thinking” (Sabatier 1999). All innovative systems are knowledge-intensive, but what kind of knowledge is important? The linear development model is geared toward research and technical development, which means that research – and technological research in particular – constitutes the most important source of knowledge in the development of innovations (Etzkowitz 1994; Fritsch & Schwirten 1998; Nelson 2000), capable of solving most any problem. According to some innovation researchers, a policy based on this conviction has led to a strong national focus and been geared toward larger
corporations’ need for support (cf. Asheim 1994, for a critical discussion of this viewpoint). The narrow definition of innovation presented above may be related to linear development thinking.

Many innovation researchers protest that innovations cannot be created in such a rational and purposeful manner (Nelson & Rosenberg 1993). Instead, they characterise the process of innovation as evolutionary. In this case, it is assumed that the details of the process cannot be controlled; furthermore, it is assumed that the process is heavily influenced by institutional structures (cf. Carlsson & Stankiewicz 1995). "Institutions" often refers to symbols, norms, values, laws and rules. Thus many wish to formulate a completely different interpretation of the innovative process. For instance, modern literature on innovation applies a more "socialist" or more straightforwardly, "institutional" perspective (see Mothe & Paquet 1998). It is assumed that such a process is dependent on a number of internal and external organisational factors, i.e. that the process is characterised by interactive learning (Asheim & Isaksen 1996; Wiig & Isaksen 1998). This means that innovative processes are socially and territorially established and cannot be interpreted when removed from their institutional and cultural contexts (Asheim 1994).

The evolutionary developmental view can clearly be related to the broad definition of innovation presented above. In other words, the modern approach to innovation is characterised by a form of holism in the drive to map and specify all of the components important to innovation. This approach also insists that innovation is largely due to institutional and organisational factors (Edquist 1997; Morgan 1997). It may also be likened to a "bottom-up" approach and compared to the broad, basic definition of innovation previously discussed.

The second, more evolutionary developmental model is based on the assumption that it is knowledge, but definitely not just the scientific kind, that is the most fundamental resource in a modern economy. Nevertheless, there has been a certain
shift in opinion even in this regard. Everyone from researchers in their labs to workers on the shop floor is considered co-creators in a continuous innovative process (Florida 2000). It is obvious that different innovations require different types of knowledge. The development of a product may be in greater need of technological knowledge than that of a process (Castro & Jensen-Butler 1993). Among other things, the outcome of a process is dependent on how well various types of knowledge are applied (internally and externally) in new ways (Fritsch & Werker 1999; Breschi & Lissoni 2001; Fischer et. al. 2001). Both the linear and evolutionary developmental models are often concerned with information that can be designated as applied knowledge.

**Level or Sector?**

The term ”innovative system” is often debated in published literature. Such systems are often understood in terms of networks consisting of actors (private and public) and institutions involved in the process from which innovation arises (cf. Freeman 1987). Two main innovative systems can be discerned in the discourse. The first type of innovative system is primarily concerned with geographical or localised systems. The system is thus based on a spatial proximity that can be detected at various geographical levels. The expression ”national system of innovation” was coined at the end of the 1980s (Freeman 1987; Lundvall 1992; McKelvey 1991). The nation was regarded as the natural analytical entity, a productive starting point if we assume that the nation is homogeneous, i.e. that there are no significant cultural differences within its borders and that all its inhabitants share a common language (Lundvall 1992). However, arguments in favour of the existence of other types of geographical systems are also made – global, European, regional or even local. In several cases, it is pointed out that a regional perspective may prove more productive than a national one (Nilsson & Uhlin 2002; Cooke et. al. 2004), since it would enable us to consider
the effect of local and regional conditions on the development of innovations. It is sometimes claimed that the best conditions in which an innovative economy can possibly thrive is a territorially distinct, local environment (Asheim & Isaksen 1996). Regional/local cooperation is rooted in historical fellowship; it may therefore be assumed that this guarantees some form of collective innovative development (Wiig & Isaksen 1998). Thus research has been geared toward significant and successful regions rather than more "peripheral" ones (Wiig & Wood 1995).

The second type of innovative system is the so-called sectorial system. In this case, there are specific sectors or instances in which the premise is based on special technologies (Asheim & Isaksen 1996). Whether a system is sectorial or localised cannot be determined in advance (Fischer & Frölich 2001). The nature of the issue will determine the type of system developed. As in the case of innovation terminology, we attempt to define and describe an innovative system as succinctly as possible in terms participating actors (cf. Freeman 1987). Others point out that no distinct boundaries can be defined for any innovative system (Lundvall 1992). It may be both practical and necessary to distinguish between a system that is territorially integrated and systems which are geographically separated, but which may be integrated into the national political/institutional structure and national productive systems (Asheim 1994).

**Big Changes or Small Ones?**

Measuring the actual degree of innovation is also discussed in the literature, generally in terms of either incremental or radical. The former concerns smaller and perhaps recurring changes featuring continuous development. In such instances, expressions like "innovation as sequence" (Metcalf 1988) and "learning-by-doing" (Marton & Booth 2000) are used. The latter relates to more comprehensive change, illustrated by changing technological gear (Asheim 1994). It is sometimes claimed
that focusing on the regional level automatically implies that the changes are more incremental in nature. At the same time, it is also claimed that the combined effect of these changes may be considerable, though they appear unimportant on their own (Asheim & Isaksen 1996). The linear developmental model repudiates the relative importance of incremental innovation (Freeman 1993). There is also some concern about the detrimental effect relying solely on incremental innovation can have on an economic system.

**An Institutional Approach to Innovation**

**An Historical-Sociological Premise**

As we have seen, the innovative approach is not expressed as a coherent, formal theoretical formula. Instead, it operates as a conceptual framework and a theory still in its infancy, particularly from a social science perspective (Zoltan 2000; Edquist 1997; Wiig & Wood 1995; Hauknes 1998). Various theoretical premises are used to understand innovation, depending on our views on development. The vast majority of innovative analyses currently rest on various "complexity theories"; these assume that reality is in a state of continuous change, with uncertainty and interaction its key components. Our own understanding rests primarily on institutional theory, which corresponds with literature that makes reference to institutions. What then, is the significance of our use of institutional theory as the basis for understanding and analysing innovations?

In research contexts, we usually distinguish between actor-oriented and structure-oriented approaches, which mean that in our analyses, we assign the main role to either the actor or the structure. Structure-oriented researchers have been around for a long time, but the main current of social scientific research has always had a distinct actor orientation. The actors’ interests have been regarded as the most important impetus and explanation
for the direction in which his or her society has developed. This would mean focusing on specific individuals or groups and attributing success to their rational and strategic considerations (compare this to the linear development model). Only recently (beginning in the mid-1980s) have people begun to question and criticise this distinct actor-oriented tradition, particularly those working within the framework of what is referred to as neo-institutionalism (March & Olsen 1984). The emergence of the innovation discourse’s evolutionary distribution and developmental model may be viewed against this backdrop.

Neo-institutionalism is however not a thoroughgoing, homogeneous theory. There is disagreement as to what an institution is and how it changes and even greater differences on the degree of influence institutions are expected to have and, consequently, on the solitary actor’s ability to influence his own existence.

We obtain our main inspiration for understanding innovation from the historical and sociological fields of neo-institutional streams. The sociological focus is particularly characterised by its cognitive and knowledge-based premises, in which it is assumed that individuals follow certain regulations and routines because they are taken for granted. The argument becomes particularly interesting when we combine it with historical institutionalism. Institutionalism has traditionally had a similar basis, though as the name implies, it has a more distinct historical approach and focuses on formative moments and dependent developmental trends, which implies that tomorrow’s measures will largely be dependent on, and restricted by, the events of the past and the present. In other words, future event alternatives will be limited by the institutional relationships established on previous occasions (Johansson 2002). On some occasions, called formative moments, the institutional structure changes and entirely new institutions may be established. This means that more comprehensive organisational, civil or
technological changes may also be implemented. According to the theory of historical institutionalism, these moments rarely occur, and even then, only when established local institutions have begun to be questioned or are no longer taken for granted in local society, while new ideas begin to flourish, e.g. about the proper management of local developmental issues. These occasions for change, or formative moments, are assumed to be few and far between and are expected to be followed by a long period of stagnation or changes that follow a particular, path-dependent trend. By combining sociological and historical institutionalism, we are able to obtain a good understanding of institutions’ influence and to deepen our understanding of the methods and reasons for implementing radical or incremental innovations.

We develop our understanding of innovations from this general discussion on institutionalisation, or rather, an understanding of the processes of innovation. We shall now further elucidate the argument with the aid of three intimately connected components. The first is a discussion in which we look at the ways in which different ideas are spread and developed. The second component in our institutionalisation model consists of a discussion that we shall refer to as the creation of meaning, while the third component revolves around learning. Our theory is that an idea in itself cannot be innovative. It becomes innovative during a process of meaning creation, and it is there that learning occurs.

**Disseminating Ideas – Three Distribution Concepts**

Earlier in this chapter we showed that innovation discourse has been characterised by two perceptions of reality – one linear, the other evolutionary. We also pointed out that we were critical of the linear model, since we question the rationalistic planning ideal upon which it rests. To arrive at an understanding of the development of innovations and methods by which they are
disseminated, we turned our attention to other literature. We subsequently observed that there were two established models for the spreading of ideas – the linear diffusion model and the evolutionary translation model; these corresponded well with the two developmental models mentioned in the innovation discourse. As shown above, linear distribution is viewed as the transfer of ideas, while distribution in the evolutionary sense is viewed as the creation and exchange of ideas (Czarniawska-Joerges 1998; Johnson 2003; Furusten 1995; Pettersson 2007). Unfortunately, these are presented as dichotomies in many contexts, despite obvious similar elements and shared flaws. They differ in degree, not by nature. More to the point, they emphasise different sections or phases of the process. In reality, the former concerns the production and dissemination of ideas, while the latter deals with the reception and reproduction of ideas. There is a bridge between linear and evolutionary thought processes, the exact opposite of linear thinking, i.e. non-linear thinking, which is neither linear nor evolutionary but rather contains elements of both. In this document, as in general research, linear and non-linear thinking are referred to as ”diffusion”, while evolutionary thinking is denoted ”translation” (Fiske 1997). This means that the process of distribution can be captured in three distribution models: linear, non-linear and evolutionary.

From Linear to Non-Linear and Evolutionary Concepts of Distribution

Linear distribution models (diffusion or process models) are used to illustrate the dissemination of new ideas in time and space. Much of the available research has been concerned with geographical distribution, particularly with regards to technical innovation (Rogers 1995). These distribution models are used to describe the transfer of messages, i.e. the manner in which they are spread to members of a social system, or from one social system to another (Rogers & Shoemaker 1971; Heine-
Geldern 1968). The basis for this is that actors in a system do not individually find solutions to their problems on the basis of functional and other local stipulations, but instead make use of those that have been created elsewhere.

In the diffusion model, the distribution of ideas is presented as a simple linear process (Shannon & Weaver 1949). In reality, it treats neither the communication process nor the transfer of the idea in itself. The actual exchange is of secondary interest. The same applies to the significance of the idea, which is assumed to be embedded in its contents. Nevertheless, this model has certain implications. When viewed as a communication system, the model concerns the ability to reproduce an idea originally produced elsewhere. The main task is to reduce uncertainties. It focuses on the freedom of the source and sender (both may be the same actor) to choose between different ideas, as well as their ability to code the signal and choose a suitable channel; the aim is to ensure that the information reaches the receiver with as little distortion as possible.

But let us return to the implications for communication and the dissemination of ideas (Fiske 1997; Windahl & McQuail 1979; Hård af Segerstad 1983). One metaphor used to illustrate mathematical diffusion is the physical principle of inertia. This states that a unit set in motion will continue to move at the same speed unless it is acted upon by an outside force – in a frictionless environment (Forssell & Jansson 2000). Translated to social contexts, this means that the spreading of ideas occurs through a process of imitation. Furthermore, the metaphor indicates that the dissemination of an idea in time and space may be taken for granted and needs no explanation. It is deviation in speed and direction that is of importance. Ideally, the transfer is not expected to take place without encountering difficulties. The idea is received in the designated manner and leads to the desired change in behaviour. For complete efficiency in the distribution of the new idea, the actors must either have
the same scope of interpretation, or the idea’s contents and meaning must be predictable. Great care needs to be taken in coding ideas which pose a challenge to the actors, or otherwise huge problems may arise. An absence of efficiency in the transfer process is regarded as a disturbance and a deviation from the norm. Everything that is added to the idea while it is being transmitted from sender to receiver is viewed as ”noise” (Fiske 1997).

Diffusion thinking is controversial. Among its primary weaknesses are a simplified view of the distribution process, the characterisation of the receiver as passive, and the assumption that the idea’s meaning is embedded in the actual transfer process. But ideas are spread in ”black boxes” without modification (Furusten 1995). Thus the ideal view of the transfer of an idea becomes contentious in social contexts. Its distribution in time and space may be relatively easy to trace, as far as straightforward products like a screwdriver and a blender are concerned. The fact that a sale has taken place is one measure of distribution; another is whether the products are being used as intended. It is far more difficult to capture the dissemination of music, movies and books. The fact that they have reached new markets says little about the extent to which a person actually reads books or whether they are left untouched to fill the shelves. It is even more difficult to understand which interpretations, reflections and behaviour they inspire. Most news and ideas are treated in a similar manner. Even if an idea has been spread in both time and space, it is far from obvious that its message and meaning have been transmitted intact.

Distribution models have increasingly moved from being simple, linear and expressed in mathematical symbols to being more complex and more representative of reality. They have developed both non-linear and evolutionary elements (Ogburn 1964; Rogers & Shoemaker 1971). According to Bateson (1972), non-linear thinking challenges the purpose of the black
box as the conveyor of objective truths or indisputable facts which can neither be perceived, interpreted or valued. In linear thinking, significant weight was placed on the efficiency of the distribution process. More recently, this aspect has been developed to provide feedback in the form of the retransmission of the receiver’s reaction to the sender: a response, a gesture or inattention. This may be regarded as a weakening of the meaning of efficiency in the distribution process, however, it may also be regarded as an acknowledgement that the original source and the sender do not possess indefinite power to preside over the definition of these elements (De Fleur 1970). The switch from one-sided distribution process to double-sided communication process enables the sender to modify the idea based on the receiver’s reactions and response. This may guarantee the efficiency of the distribution process, although with an altered meaning. It also enables the receiver to participate in dissemination and implementation, which may improve the prospect of the receiver adopting and utilising the information being spread.

Other non-linear models take on elements that are nearly evolutionary in character. This means that the relationship between sender and receiver is developed through the inclusion of the message’s context and the contacts between sender and receiver in the interpretation. The same applies to the existence of mutual information systems. In non-linear and evolutionary models, the message’s relation to reality is developed; this paves the way for discussions on subjectivity, perception and distortion. Terms such as “re-inventing”, interpretation and translation are used to indicate that the receiver often further develops an idea that has been received (Rogers 1995; Latour 1987). Thus distribution becomes a process of selection consisting of several stages in which an original idea never really exists. The idea is continuously created and re-created in a process of selection. Furthermore, the idea’s form is analytically
separate from its contents. The latter is significant, particularly for the understanding of the message’s dual nature. Form is not the same as content, though the two do co-exist: no form, no content, and vice-versa. This means that no original core content can exist in the message or the idea, or can be extracted for analysis until the form takes shape. If linear diffusion thinking highlights the distribution process, as well as the producers of messages and ideas, then non-linear distribution thinking paves the way for the receiver and other social environments to influence the transmission of the message. Deviations, delays and a host of interpretations may be viewed as natural elements of the distribution process, regardless of how they affect feedback and the quest for efficiency in the process. Therefore the process is not so much concerned with distribution as with the institutionalisation of ideas – ideas are not innovative. The decisive factors are whether the idea is new to the individual, organisation or society to which it is ascribed and the processes to which it leads. In other words, it does not need to be innovative in comparative or "objective" terms, but only in relation to the context in which it is introduced. Innovation has an idea-related component, i.e. a thought or an attitude that is new in relation to previous ideas. It may also be that the meeting of the old and the new assume such dimensions. Moreover, innovation may also have a physical component. An innovation may therefore contain anything: a product, a technical application or a method, as well as an object or pattern of behaviour or vision of civic reform. Studies of innovation and diffusion have traditionally highlighted the dissemination of physical innovations, however there is no stipulation for the inclusion of physical objects (Rogers & Shoemaker 1971; Ogburn 1964).

In contrast to linear and non-linear distribution thinking, in evolutionary thought the onus is almost exclusively placed on the role of the receiver. People react differently to the same influence. Furthermore, we are all equipped for better or worse
with selective attention and selective perception (De Fleur 1970). As a result, the importance of reaching collective actors and exerting influence through standardisation is increasing (Rogers & Shoemaker 1971). Through evolutionary distribution thinking, it is possible to analyse the creation and exchange of ideas, particularly the latter (or the exchange of texts, which is the term and concept used in the translation discourse). The text is a construct of the symbol, which creates meanings in association with the receiver (Fiske 1997). The emphasis is not placed on the persuasive power of the idea, but rather on the transformation of the original message through the process of reception and implementation. This is why the term "translation" is used. Elements regarded as distortion, failure, disturbance and noise in linear distribution thinking constitute the fundamental dynamics of evolutionary thinking. In contrast to the concept of linear thinking, which treats the transfer of messages and meaning, evolutionary thinking concerns the transformation of texts.

One of these people may act differently; he may allow it (the original symbol – author's note) to fall, modify it, divert it, reveal it, add something to it or seize it. A correct transfer /…/ is a rarity in such a model and if it occurs, then it requires an explanation (author's translation; cf. Latour 1987: 44).

If the distribution process is to continue, then someone must receive the idea, otherwise it will come to naught. The idea has no inherent power or motive energy: distribution energy is formed when someone does something with the idea. The identity of the person who first formulated the idea is of little importance; it does not even have to be particularly well-formulated or esteemed in order to persuade people to convey it. In linear thinking, this capacity is critical. The source of information or the sender is moved to the periphery of the analysis so that the text may be transformed. This shifts focus to the text and the manner in which it is read or interpreted.
The production and reading of texts are parallel – if not identical – processes. Interpretation can be likened to a process of negotiation in which the reader interacts with the text. In the negotiation, experiences and other personal circumstances are applied to the codes and symbols of the text in order to foster an understanding of their meaning. Furthermore, the text refers to an external reality, which also enables collective traditions and local conditions to influence the process. People with different social experiences or from different cultures will therefore have different perceptions of the same text (Fiske 1997).

Apart from the transformation of meaning and the fact that new energy is obtained from the most recent actor in the distribution process, the most important aspect of evolutionary thinking is that people involved in the process are constructive creators or actors, not passive receivers. Multiplicity is a much more likely effect than singularity. While the former meaning needs no explanation, singularity does. It is highly unlikely that everyone affected by an idea will follow its lead and transmit the text literally, without adding or subtracting something. Thus the dissemination of ideas is a result, and not the cause, of collective action (Latour 1987). It is also at this stage that a process either assumes innovative proportions or not.

To a creator with ambitions of standardisation, evolutionary thinking brings little comfort. The model may be applicable to new leadership ideals, technical innovations and fashion, but how applicable is it to sustainable development, democracy, human rights and the United Nations Convention on the Rights of the Child? There are ideas whose contents, form and meaning are contentious. There may also be offensive values to which everyone must adapt. Avenues for learning and coordination must be developed for these and other less fundamental issues.
The Coordination of Ideas

Our understanding of how ideas are spread and possibly developed rests on a combination of the above-mentioned three models. We have identified a need to give more room to, and plan for conscious discussions of, new ideas (the production of ideas), which may be viewed as a component in linear thinking. At the same time, we do not view modifications (distortions or additions) and outright misconceptions of a specific idea in the distribution process as a problem, as is the case in linear thinking. Instead, we view modification as a natural and obvious consequence of the process. This enables us to save energy explaining these deviations in order to focus on considering the contexts and situations in which an idea-oriented heterogeneity and multiplicity would be both acceptable and desirable. Another important focus – and an extension of previous arguments – lies in abandoning the powerful and at times propagandistic character of linear thinking in favour of viewing the individual or actor as a participant in a long-established tradition. The aim of disseminating ideas is not to influence the behaviour, thinking or mindset of other actors and thereby lead them in a predetermined, desired direction. New influences may flavour the preparation of local traditions and other situations. This also implies that the participant in a tradition is transformed into a constructive partner. This also means that these processes cry out for coordination. The method of treating this phenomenon must be determined on a case-by-case basis (see Molin & Pettersson 2011).

The Creation of Meaning

The fact that ideas are disseminated as described above does not automatically mean that they are innovative. In our opinion, a creation of meaning must take place between the respective actors participating in the process for this to occur. The creation of meaning is about ascribing meaning to both existing and new
ideas. The knowledge of meaning creation – and trust, which is a similar concept – has hitherto been poorly developed. As such, it is critically dependent on institutions, since they determine how we think and act to a great extent. The institutions constitute the lenses through which we observe reality. They play a vital role in the development of society (Sundström 2003). Institutions are both productive and restrictive. They are productive in that they provide a template which individuals and groups of actors may employ to characterise ideas as sensible and rational. At the same time, they are restrictive in that they also provide templates for ideas regarded in the opposite light (Åkerström Andersen 1995). Institutions therefore provide us with a more limited form of rationality, which means that we do not consider all possible alternative actions and consequences in the decisions we make. Instead, the individual inserts new information into his existing perceptions, ignores information that does not fit into these patterns, or changes it so that it confirms his preconceived notions (Jervis 1976).

The same habitual acts that are part of every individual’s social life also occur in the interaction between individuals. When people solve a problem on repeated occasions, a habitual pattern of action tends to be established, becoming normalised and standardised. It is further cemented when individuals observe others following the pattern, and it is eventually taken for granted. New people become schooled in the pattern by observing the actions of others. The pattern of action is separated from its original function step by step. This form of objectification or embodiment indicates that the pattern of action has begun to be institutionalised (Berger & Luckmann 1979). This institutionalisation is further entrenched when the pattern is also separated from its original circumstance. The pattern’s domain widens and is accepted as being applicable to more situations than originally intended. Patterns of action – or ideas – that are generalised in this manner are institutions. New ideas
are institutionalised in a similar manner. The greater the number of people who adopt a new idea (regardless of the shape it takes), the more widespread it becomes. Institutionalisation takes place through the repetition, distribution and imitation of patterns of action. The idea, which becomes an institution in association with the creation of meaning, is stored in the consciousness of the actors involved and transferred to new individuals through socialisation and learning. Learning takes place via oral communication, written routine, and practical and exemplary action. Institutions do not lack context. When a situation arises, special institutional action can be initiated in order to address it. Established institutions also enable situations to be interpreted as they are. Institutionalised action is sometimes more ritualistic than strategically or functionally adequate in relation to the situation at hand (Forssell & Jansson 2000).

But institutions are not static. They change via a process of mutual interpretation and adaptation in combination with historical milestones. Dramatic changes, during which nearly everything is redefined and new guidelines for the creation of meaning are formulated, i.e. that which we previously referred to as formative moments, may occur on particular and/or exceptional occasions. The causes may be found in large, subversive events such as natural catastrophes, war, epidemics, etc., at which time entirely new ideas are introduced. The causes may also be sought in the slowly operating dynamism that eventually cuts the cord connecting collective meaning; cognitive expectations are then quickly and unsentimentally abandoned. Problems sometimes arise when old expectations are dismantled as a result of changed conditions. The actual situation must then be approached from another point of view and re-evaluated (Krasner 1984; Boulding 1973; Laginder 1989). Only then will new ideas gain a foothold and begin to flourish.

The concept "institution" may denote informal institutions, e.g. the symbols, norms and values that control our daily
actions and our encounters with other people. We may also refer to formal institutions, i.e. established laws, policies and regulations. Individual actions are not institutions. However, they may typify institutionalised patterns of action. Similarly, individual organisations are not institutions. On the other hand, administrative authorities, companies, associations, clans and various other organisations are institutional. Institutions are conceptions, and institutionalised actions are illustrations of these (Brunsson 1991).

Institutions are thus social constructs. They are created and re-created by being used. They survive as dominant opinions justifying their existence, their appearance and the functions they fulfil. If we were to stop using them, they would immediately cease to exist. We learn what is right and wrong, natural and unnatural, normal and abnormal through the interaction of human beings in different social and historical contexts. It is not just values and norms that are socialised, but also perceptions of how reality is constructed and modified. The power of the transfer of meaning is evident. It is difficult for an individual to relate to that which is established in a manner different from that expressed by others. This is a context that can be distinguished in time and space. It is social acceptance, not objective knowledge that is of the essence.

In our case, an institutional basis means that local actors may be expected to interpret the need for and existence of new ideas in relation to local traditions. Within the field of institutionalism, it is largely assumed that this interpretation is not conscious. In other words, we do not reflect on why and how we interpret ideas they way we do. Since institutions are often slow and resistant to change, we often continue proceeding along the paths to which we are accustomed (Rothstein 1998). This implies that a local innovative process may not oppose established practices, though it might lead individuals to create awareness of the sort of idea they feel should constitute the basis of their operations.
Institutions thus serve as inertia mechanisms that fit new ideas into existing patterns.

Thus institutions play an important role in determining the way in which ideas are received and established in local contexts. When ideas are institutionalised, a common "meaning" related to the idea and trusted by the individuals involved is created. Thus overriding changes involving the emergence and institutionalisation of new ideas do not occur frequently. This does not mean that only sweeping, ideal changes are innovative. Less radical changes may also be regarded as innovative – it all depends on the creation of meaning. Searching for and emphasising acceptance, thereby toning down or disregarding competing ideas safeguards our expectations. Furthermore, stabile structures provide security. Negligible changes and adaptations of established ideas may therefore take place without challenging their inner core, at least in the long term.

**Learning**

The fact that ideas are institutionalised in the manner described is not an isolated occurrence. The creation of meaning is continuous, regardless of whether the actors adopt the new ideas whole or combine them with variations of established aspects of their thought processes (i.e. ideas that have already been institutionalised). A form of learning also occurs during the creation of meaning, which leads us to the third pillar of our institutionalisation model. Thus learning (or changed thinking) can only occur within existing or new viewpoints or ways of thinking. Establishing better contact with reality does not lead to a better description or organisation of the world, but rather to an improvement of our connection with the ideas, values and goals that make us think and act as we do. We need more time to pause and step back from life’s daily routine in order to reflect on the things that work well and those that do not and the reasons why (Melin 1992; Löwstedt 1995).
Learning may be perceived as a technical, instrumental process experienced at school, i.e. a process of studying factual information and memorising a string of formulas to able to repeat these on certain occasions, the purpose being to make oneself more attractive on the market for higher studies and gainful employment. But actually, learning is part of our daily life; it makes our existence exciting and life worth living. Learning is often a peaceful pursuit; sometimes it is challenging and painful (Svensson 1997; Marton & Booth 2000; Säljö 2000). In our opinion, human beings are first and foremost producers, not consumers, of knowledge; thus to a certain extent, knowledge is socially constructed, rather than being taken for granted in advance. The knowledge itself is not complete until someone discovers, memorises and applies it to something useful. Curiosity and the desire to find meaning, as well as the ability to interpret and understand, are fundamental premises for learning. Another fundamental premise is problem solving: without problems, no learning.

Our attitudes and expectations play a key role in the formulation of knowledge, acting as filters for aspects identified and viewed as being interesting or capable of being better managed. If people are to enjoy the process of learning and regard it as being well worth the required investment of time and work then it must not only be meaningful, but also originate from a practical problem (as perceived by the individual) in need of a solution (Öquist 1995; Angelöw 1991). This is simplified if the learning processes also allow the individual to obtain an overview of the situation and an understanding of the problem in a particular context (i.e. double, development-oriented or deuterol-learning) (Ellström 1992; Argyris & Schön 1978). Two obstacles to learning are time – there never seems to be enough – and the perception that learning is a "bonus" (i.e. a break from daily routine in the form of a weekend course or similar activity) awarded to clever employees. Furthermore, it is sometimes said that learning is the
opposite of efficiency and the capacity to act, taking time away from more "productive" tasks. This may well be the case with certain courses that place emphasis on superficial learning. The ability to question and modify the alternatives that one has learnt to expect during second-grade learning has been denoted third-grade learning (triple-loop or tertiary learning) (Bateson 1972; Bauman 1987). There is an important collective dimension to the distribution of ideas and the creation of meaning, for while individual learning is fundamental, collective or organisational learning is crucial to these processes (Nilsson 1999; Pedler & Aspinwall 2000). In other words, the collective creation of meaning and learning are two sides of the same coin. The presence of one implies the presence of the other, without being identical or even present at the same time. The creation of meaning may involve first, second or third order learning.

Apart from the collective, there is also a decisive, action-oriented dimension to learning and the creation of meaning. Naturally, action is not supported by all forms of learning: even if humans learn to act ("learn by doing"), there is no guarantee that all action will be conscious action, since some forms of experience-related learning only occur on a superficial and transient level. With regards to the conveyance of initiative, dazzling presentations and electrifying lectures cannot be compared to the less exciting prospect of daily learning and diverse individual activities. Inspiring lectures have other values; they do not actually intend to stimulate the listeners’ viewpoints, approaches and ability to act on their own. Consequently, they should not be used for this purpose (Engen et. al. 2001). The matrix below illustrates the three levels of learning that have been described.
Innovative processes feature all levels of learning: changed behaviour, value awareness, changed approach and capacity to act. They are conversely related to the significance of meaning creation. Each individual employee should be regarded as responsible for his or her own learning process if the changed approach and capacity to act are expected to give results. In practice, there are no airtight links between various levels of learning or given causality between cause and effect; everything depends on application. The underlying idea is that the prioritisation of values has a positive effect on the capacity to act, while the absence of collective goals and norms makes it difficult for the individual to estimate how to act in the best interests of the collective, which consequently increases the risk of widespread passivity. If the individual is involved in the prioritisation of values and feels secure, then unexpected decision-making situations can be dealt with quickly and self-sufficiently, for the good of the entire organisation.

Learning is the final component in our understanding of innovative processes. If we fail to organise our learning in a manner that allows it to be influenced by daily events and personal activities that could facilitate an enhanced ability to act, then the innovative process may be thwarted. There are no simple and general solutions. Sound innovative work must be formulated and designed locally in the prevailing situation and context. There may be a vast number of avenues that lead to the

<table>
<thead>
<tr>
<th>The learning method</th>
<th>The view of mankind and learning</th>
<th>The desired level of learning</th>
</tr>
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<tbody>
<tr>
<td>The transfer of knowledge</td>
<td>Consumer of knowledge</td>
<td>Changed behaviour</td>
</tr>
<tr>
<td>Learning and reflection</td>
<td>Producer of knowledge</td>
<td>Sense of worth and changed view</td>
</tr>
<tr>
<td>Personal activity, daily learning</td>
<td>Producer of knowledge</td>
<td>Power to act</td>
</tr>
</tbody>
</table>

Table 3: Three levels of learning. Source: Developed from Svensson 1997.
same solution, if the premises are based on the local conditions. The formulation of goals should be a joint effort; a collective task for the entire organisation with an ear cocked to the dominant culture, but ultimately the interpretation of common goals and their realisation should take place locally.

Conclusions

This chapter constitutes an attempt to understand the process of innovation and its requisite components. While the argument needs to be expanded in several respects, it serves as a productive basis for continued discussion. Against this backdrop, we now wish to directly revisit the introductory municipal example on the premise stated in the title, i.e. whether a municipality must develop in order to be regarded as innovative. We shall present an argument in favour of so-called "ideal types", i.e. theoretical and concrete categorisations. These ideals will be constructed with the aid of what we shall refer to as attitudes to influences and attitudes to the future; these will be presented in relation to what we shall refer to as ideas, institutions and physical bases.

Four Ideals

An operation may be studied from various angles and in different ways. We believe that it will be both meaningful and vital to focus on three relationships, ideas, institutions and physical bases, no single one of which is more important than the others. Consequently, ideas refer to the values and goals of the good life and the good society in general, and the good operation in particular. We have previously argued that we cannot take ideas for granted. They must be analysed. An obvious starting point would be to clarify the extent to which the ideas are established among the operations actors. Is a single idea dominant, or are there several that are more or less complementary or competitive? What is the relationship between various ideas
and how do they work together? Which arguments are used to justify various ideas? Are there various interpretations of a single idea? Secondly, how do different types of institutions influence the operation? We have argued that institutions incorporate everything from written laws and regulations to more informal principles of action and behavioural norms. Institutions determine guidelines of behaviour and action in the present and the future; at the same time, these results from human actions and past decisions in the form of customs and legislation. We have not previously discussed the third relationship, which we refer to as the physical base and which consists of material conditions and resources. Geographic territory constitutes an important aspect. However, the people, natural resources, and the natural environment and its ecosystem are also important physical conditions. These are included in society’s more frequently used physical resources, such as infrastructure, maintenance systems, technology, production and financial resources (Bro & Pettersson 1997; Johansson et. al. 1999). Ideas, institutions and physical bases constitute a context, a background against which interaction within society, a commercial enterprise or a municipality can be understood.

We have previously explained how ideas are disseminated and institutionalised. We have illustrated that completely new ideas are sometimes spread and institutionalised in a manner that changes an organisation’s fundamental operations. We have also argued that ideas can be institutionalised without any significant change, or no change at all. The latter case may involve putting a new label on an old operation. This may not necessarily be due to the construction of façades, but could just as well be an indication that the idea has already been implemented and is still valid. Two analytical dimensions that can help us to develop four ideal attitudes may be extracted from this argument (see the figure below). The first consists of attitudes to new ideas and the second, attitudes to the future. In the case of the former, we
use the terms "robustness" and "adaptability"; in the latter case, "conservative" and "progressive".

<table>
<thead>
<tr>
<th>Attitudes to new ideas</th>
<th>Attitudes to the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Robustness</td>
<td>Conservative</td>
</tr>
<tr>
<td></td>
<td>1 Consolidative</td>
</tr>
<tr>
<td></td>
<td>(no change)</td>
</tr>
<tr>
<td></td>
<td>2 Technocratic</td>
</tr>
<tr>
<td></td>
<td>(change of physical base)</td>
</tr>
<tr>
<td>Adaptability</td>
<td>3 Administrative</td>
</tr>
<tr>
<td></td>
<td>(change of institutions)</td>
</tr>
<tr>
<td></td>
<td>4 Creative</td>
</tr>
<tr>
<td></td>
<td>(change of ideas)</td>
</tr>
</tbody>
</table>

Figure 7: Attitudes to the future and ideas

Robust and adaptable attitudes imply the following:

- A robust attitude (within the ideal) means that we attempt to adapt new ideas to previously established and ideal structural concepts.
- An adaptable attitude (revised ideal) means that we revise our previously established structural concept and construct a new ideal.

Conservative and progressive attitudes imply the following:

- A conservative attitude implies that we attempt to preserve the status quo.
- A progressive attitude means that we seek and attempt to achieve better future conditions.

While all attitudes may be regarded as legitimate and reasonable in the drive to achieve that, which is sought, each has various consequences. It is now time to clarify the four ideal attitudes presented in the above figure in greater detail. Let us begin with a municipal perspective and call it the consolidative municipality. In this instance, the prevailing order is preserved. There is no change. A hypothetical sanitation manager and the problems and strategies with which he struggles will illustrate the ideal argument. Imagine this official is confronted with a significant
increase in the chemical contamination of wastewater. In the consolidative society, he acts as he has always done, i.e. he views the problem as temporary, or as someone else’s responsibility. No further measures are taken. New ideas are thought to be accommodated within current thought and behavioural ideals. As previously discussed, new terminology is perhaps incorporated, but only as new designations for existing operations. For example, new civic organisational ideals do not lead to the fundamental revision of ideas, institutions or physical bases in the consolidative municipality. The new ideas are regarded as transient events and temporary deviations from the norm, definitely not as new trends. The obvious argument for the consolidative municipality is that it can never fully predict, much less manage, all new organisational ideals and revolutionary proposals. Another argument (albeit a weak one) is that it is costly to adapt ideas, institutions and physical base. The difficulty with the consolidative municipality is that reality tends to "get away" from its expectations – social development "escapes" its grasp and the municipality may find it increasingly difficult to keep up. If we assume that society is mutable, then the consolidative municipality is not innovative in the long term.

The second ideal situation is the technocratic municipality. In this case, the municipality represents a progressive attitude insofar as its leaders actually implement certain changes. At the same time, it is an expression of a robust approach, since the desire is to implement changes within the local ideal. In the technocratic municipality, new ideas are accepted and managed by expanding and refining existing physical systems. Continuing with the example of the sanitation manager’s attitude to new conditions, in the technocratic city he recommends the expansion of the treatment plant in order to increase its capacity. He assumes that these measures will lead to an improvement in the handling of the escalating emissions. No other measures are taken. The physical base is thus changed. Security systems
that were already comprehensive will now become even more technological, a health care system that is already machine-intensive will incorporate even more technical instrumentation, and the expanding petrochemical industry will cause the town to build bigger and more effective treatment plants in order to prepare for the challenges of the future and ever-increasing emissions.

Combining a conservative approach to the future with an adaptable approach to new ideas results in an administrative municipality. The municipality adapts to changed conditions in the surroundings, but only on an institutional level. No revision of fundamental ideas takes place. The ideal remains. The sanitation manager in the administrative town expands the treatment plant; however, he also attempts to have legislation modified in order to change the way various industrial bi-products are disposed. The difference in practice between the technocratic (progressively robust) and administrative (conservatively adaptable) municipalities is negligible, but the principle differs significantly. While community building is encouraged and reinforced in the technocratic society, the administrative society simply adapts to new situations as they emerge. What they have in common is that neither of their respective concepts of the "good society" revised. This does occur, however, in the final type of municipality.

In the creative municipality (progressively adaptive), the adaptation of the physical base and its institutions is combined with an adjustment of accepted ideas (Deutsch 1970). The basic purpose of the adaptation process is to ensure that the actors do not assume a rigid position in relation to the changes and their related costs. The municipality’s actors are able to consciously reprioritise and view reality from new perspectives. The actors realise that the relationship between actors and structures are not permanent, even if they appear to be functioning splendidly for the moment (Argyris & Schön 1978).
The creative municipality is best characterised by its desire for change directed toward future growth and based on proactive thought and action. This town’s sanitation manager can be expected to implement all the measures that are taken in the other types of municipalities, while also engaging in discussion with citizens, business people, politicians, and others about possible methods of changing and improving sanitation; in other words, he leads a local discussion on fundamental ecological, financial and social concepts.

The four types of municipalities may thus be summarised as follows.

- In the consolidative (conservatively robust) municipality, ideas, institutions and the physical base are preserved.
- In the technocratic (progressively robust) municipality, ideas and institutions are preserved, but are refined and made more efficient through alterations to the physical base, e.g. changed financial, technical or other material conditions.
- In the administrative (conservatively adaptable) municipality, institutions and/or the physical base are adjusted to meet the new conditions without the revision of ideas.
- In the creative (progressively adaptable) municipality, the physical base, institutions and ideas are all revised to suit the new conditions.

In order to specify the outer boundaries of the different types of municipalities, it can be said that while the consolidative municipality is characterised by a desire to protect the existing good society, the creative municipality is one continuously undergoing a process of readjustment. While the former exhibits too weak a disposition toward change, the latter is too enthusiastic in its desire for change. Too weak a disposition toward change may lead to the premature abandonment of
old, still vital relationships. If this occurs then a form of "value rootlessness " may spread through the municipality's citizenry before a new order has been established. This may cause the actors to become passive in the long term. If the process is not informed by a common vision, the legitimacy of actions in the present will become more difficult to prove.

Thus each type of municipality can embrace an innovative change process. One does not have to implement sweeping changes in order to be innovative. The important thing is to create meaning and learning.

The ideals described can be used as analytical tools by researchers in the field interested in the formulation of theoretical concepts. As for practitioners, we hope that they use the examples of ideal municipalities to stimulate reflection in discussions concerning local change and innovation. We also hope that the ideal types raise issues related to the extent of the changes new ideas actually bring about.

**Final Remarks**

The title of this chapter – Is "Development" Necessary to Innovation? – poses a deliberate challenge. We live in a future-oriented society in which continuous change and development is the norm. That which does not change is viewed as negative and problematic. It would thus be redundant to argue for intensive change at this stage, which is why innovation is really about either breaking trends or about the qualitative aspects of stimulating creative and innovative processes in a wide variety of environments.

We feel it necessary to tone down the actual importance of the idea being disseminated in order to reach a deeper understanding of what acts to stimulate creative and innovation processes locally. Innovations are sometimes presented objects that can be produced, circulated and applied anywhere under
the right conditions. We believe that the process is much less rational and manageable. What is truly innovative can only be determined after the idea has been implemented, and even then, only in accordance with tradition and other local conditions. The idea itself may just as easily fall flat as it may lead to the liberation of creative powers. This brings into proximity of Schumpeter’s general definition of innovation and encourages us to view innovative approaches as being synonymous with interaction (Edquist 1997). We assume that innovative processes take place over time and are influenced by numerous factors. Because of the complex nature of society, innovative processes are rarely conducted in isolation; ideas and influences often come from unexpected avenues. In an effort to be innovative, organisations also interact continuously with other actors including municipalities, private enterprise, universities and other educational institutions. This interaction involves exchanges of information, knowledge and other "resources". Keep in mind that far from all collaborative and network-building activities result in innovative processes. Some solutions assume almost mythical proportions, like the system currently referred to as the "Triple Helix". The present authors tend to believe that innovations as such are rarely, if ever, disseminated. What are disseminated are ideas, skills, values, and successful or promising solutions. Being as innovations are context-dependent (cf. Zoltan 2000), we have presented our ideals, as contexts in order to illustrate that idea should not be viewed as complete package solutions, but rather as influences to which one chooses to relate.

We therefore find it difficult to support the linear distribution and development model, since we do not believe that innovations can be produced, spread, institutionalised and coordinated in as rational a manner as it implies. Although we may point to certain characteristic and fundamental premises for any given innovative process, we cannot reasonably expect to formulate detailed and advanced plans for such a process. Neither do we believe
that the type of knowledge that is of importance to an innovative process or the actors involved can be predetermined. Such aspects must be determined by the nature of the question being asked, an empirical question as to how comprehensive, flexible and open the innovative system is. The time perspective is also important. Innovations take time to develop. During this time, the process is influenced by a number of factors; it may not even be apparent to various actors that they are actually involved in an innovative process. We do not believe that it is possible to define the optimum circumstances for innovation, since most innovations tend to be hybrids. The dissemination of innovative processes is more about finding ways of revitalising tradition rather than selling all-inclusive package solutions.

In conclusion, we wish to state that this is a draft of a theory. Our arguments are not fully developed. What we have presented is our interpretation of innovative processes. Our ambition is to understand these processes against the backdrop of relatively known theories of social sciences, rather than to cultivate the distinctive character of innovation discourse. The conclusion – thus far – is that innovative processes are characterised by the creation of meaning and learning. These two elements are the keys to the understanding of innovative processes. The perspective will be further developed. In particular, we feel that the symbolic, mythical and narrative aspects of meaning creation need to be developed.
References


Part III

Conceptual and Theoretical Reflections
10 Regional Developments in a Changing World

David Rylander

Business sector policies have been undergoing a process of regionalisation since the 1980s, with the focus being placed on local and regional development. The integration of Europe has resulted in new conditions for competition; these have spurred many regions to stake their claims in a wider economic and political arena. New institutions and cooperative networks have been established for the purpose of supporting companies, act as coaches and stimulate network building. The aspiration is to highlight the problems in a spirit of partnership and to collectively arrive at solutions that favour positive regional development. The ability of a region’s population to learn and be creative is critical to its long-term economic viability. In a changing world with a global market, successful entrepreneurship and the long-term creation of employment opportunities largely depend on the companies’ ability to learn and compete through innovation, new design, creative marketing strategies and lowered production costs.
Introduction

Business sector policies have been undergoing a process of regionalisation since the 1980s, with the focus being placed on local and regional development. The integration of Europe has resulted in new conditions for competition; these have spurred many regions to stake their claims in a wider economic and political arena. New institutions and cooperative networks have been established for the purpose of supporting companies, act as coaches and stimulate network building. The aspiration is to tackle problems in a spirit of partnership and to arrive at collective solutions that promote positive regional development.

Regional Development Factors

Regional development can be viewed as an organic process in which the action of various players forms a web shaping the region’s progress; this action is in turn strongly influenced by the region’s history (Nilsson 1998). Regional development is defined in this chapter as processes which together result in an improvement of the population’s living conditions. This includes sustainable economic growth with minimal strain on the environment, environmental rehabilitation in places where wear and damage have already occurred, economic renewal and reinforcement of the local business sector’s competitive strength through increased network cooperation and a heightened ability to learn and innovate and deepen democratic processes, e.g. through the development of electronic administration and e-democracy. Different players can enter into partnerships for the execution of strategic work and operative implementation in order to achieve regional development. Similarly, the region’s borders may vary according to the type of cooperation that exists between neighbouring municipalities. A region’s borders may also be made more permanent through regionalisation, owing to divisions or mergers of municipalities or counties (Rylander 2004).
Universities and regional tertiary institutions have been assigned a significant role in the execution of regional development, since knowledge, skills and creativity are crucial to the creation and maintenance of efficient innovative systems. Central governments have increasingly been allotting higher priority to applied research and increased cooperation between the business sector and universities. The idea is to improve the platform for innovations that could lead to new products and a more competitive business sector (see e.g. Andersson 1988; Mitra & Formica 1997; Sadlak 1997).

It is important to distinguish between endogenous and exogenous factors in regional development, although the process is often dependent on the actions of both external and internal operators (see figure 8). Exogenous factors include the increasing global competition for corporate establishment and investments, and environmental pollution carried to other regions by air and water. In most countries regional policy, which is determined by the central government and parliament, directly influences the regions’ options for counteracting uneven development. Financial support to regions that have been affected by the shutdown of industry and a reduction in the population serves to strengthen the platform for structural change, although this may also lead to long-term dependence on subsidies. As with national regional policy, the European Union’s regional policy emphasises the importance of vitalising opportunities for positive regional development in peripheral and economically weak regions.

The endogenous factors consist of the region’s resources in the form of demography, growth and skills. The region’s natural resources are also of importance, not only for nature excursions, recreation and the establishment of a regional identity, but also for the development of the business sector. Environmental pollution caused by industry and local traffic is an endogenous factor that may increase the risk of ill health and inhibit the development of the tourism sector. Another factor is the composition of the business sector, which determines
the region’s resistance to market fluctuations and the possible decline in demand for certain businesses or services. Focusing strictly on sectors where business is intermittent makes the region more vulnerable than developing several different trade.

The educational sector is yet another factor. The presence of a tertiary institution in the region will provide better opportunities for an increased level of skill among the local population and the establishment of a local innovation system that could promote development in the region.

Central governments in an increasing number of countries have devolved the right of taxation to regions, without experiencing any major problems affecting its control of macroeconomic policy. The right of taxation and budgetary responsibility may imply greater responsibility and an incentive for regional operators to take steps toward regional development. This does not automatically result in unfettered spending on the part of the regional authorities followed by increased taxes; as such measures would decrease the region’s competitive strength even more. Weak regions continue to be dependent on political subsidies from the state and the European Union, even when they possess the inherent right of taxation (Armstrong & Taylor 2000).

One clear trend in the process of regional development in Europe is the delegation of certain areas of responsibility from the national state to regional and municipal levels authorities. Another is the formation of partnerships between local authorities, the business sector, institutions and local associations. Some of these relationships result in a process of integration and the construction of more resilient regional organisation. This process is called regionalisation. In several countries, government authorities have been relocated from capital cities to other parts of the country. This has led to a reduction in the concentration of specialist skills in the capitals and a wider distribution of these throughout various regions. But it is the delegation of responsibilities for an increasing number of
portfolios and the decentralisation of decision-making processes and their devolvement to local and regional authorities that is of more immediate significance. The municipalities and regions are subsequently faced with the task of making decisions on matters of greater weight than those with which they had previously dealt. In many cases, this has proved to be a difficult task for organisations with limited experience and resources. Each new area of responsibility thus results in specific problems. To date, municipalities have primarily been invested with responsibility for the areas of nursing, elderly care and education (Karvonen 1997).

Regional Policies

Regions are increasingly being viewed as dynamic sources within the business sector. Regions with good prospects for development function as engines of national growth. Regional clusters are viewed as a good way of organising the production sector, since the combination of dynamism and proximity within the cluster promotes increased learning, which in turn opens up opportunities for the development of products and services or their production at a lower cost. Concentrated, locally established networks constitute a favourable environment in which to launch new companies, experimental work sites and specialist fields. Dynamic development in agglomerations with sufficiently developed networks of entrepreneurs, authorities and associations may become self-reinforcing, ultimately leading to a cumulative process. Regions can therefore control their own pace of development and make significant contributions to national development.

Regional municipalities in most of European countries obtained greater freedom to formulate regional policy during the 1990s. However, these policies need to be coordinated with those outlined by the government, just as initiatives adopted by the municipalities need to be coordinated with those of the regional authorities. The increase in inter-municipal cooperation, the
The extent to which regional operators in private, state-owned and non-profit organisations may influence regional development through the promotion of new clusters or other forms of dynamic business sectors have been hotly debated since the late 1980s. In a globalised market, successful entrepreneurship and the creation of long-term employment opportunities largely depend on the companies’ ability to learn and to become more competitive via innovation, new designs, creative marketing strategies and lowered production costs. However, a district’s capacity for innovation also depends on factors such as industry structure, technical infrastructure and cultural relationships. In order to support the development and growth of companies, a number of institutions and networks have entered the regional stage. In Sweden we find among others ALMI Business Partner, regional chambers of commerce, and foundations created to generally promote the business sector. These operators seek to create a closer relationship between the business sector and society at large in order to promote the competitive strength and corporate and physical appeal of their respective regions. Highlighting corporate and physical appeal serves two purposes: first, it targets potential investors and secondly, it targets tourists, since tourism constitutes an increasing share of the GNP each year (Rylander 2000).
Figure 8: Examples of endogenous and exogenous factors in regional development.
Regional Imbalance

There exists a degree of polarisation between key regions and peripheral regions. The former tend to set the pace of economic development in one or several areas, while the latter must generally be content with supplying the key regions with cheap labour, the routine manufacture of mature products, and basic services (Higgins & Savoie 1995). Investors generally tend to follow three main strategies: (1) increase investment in a region in order to make production more effective and thereby improve competitive strength; (2) relocate or invest elsewhere, i.e. in a more advantageous area, and; (3) form a growth coalition in the existing region, so that investors are able to cash in on an appreciation in value (Taylor 1994).

Over time, one particular area may prove to be a key economic region for a certain period only to be adversely affected by unemployment and financial downturn during a subsequent period of structural transformation. Several of Europe’s leading industrial regions in the first half of the 20th century suffered similar negative transformations after 1970, when the manufacture of finished products began moving to developing nations.

An antiquated infrastructure and strong political and industrial traditions may create an unfavourable environment for the development of new trades in old industrial districts. Eventually, resistance to change eventually gives way to cooperation in order to implement local solutions to problems arising from corporate closures and high rates of unemployment. This solution sometimes consists of investments in businesses in which innovations form the basis for the production of goods and services. For certain peripheral regions, the absence of overwhelmingly strong industrial traditions may be an advantage when the structure of the business sector needs to be renewed.
Economic discrepancy between regions can have repercussions on the national market and in the political arena. The national unit may be weakened if dissatisfaction with uneven development becomes widespread. High levels of unemployment in certain regions may lead to social unrest, which may make it difficult to maintain long-term regional and national development. The demand for a work force equipped with specific skills is often greater than the supply in fast-growing regions. This leads to inflationary pressure which may spread to other regions and markets like the housing sector.

**National Regional Policy**

The regional perspective has thus far played a limited role in the formulation of economic policy and other decision-making processes at the national level. There is a long tradition of civil services and national authorities favouring national and sectoral perspectives in politics. But increasing numbers of researchers and regional operators claim that it ought to be possible to integrate regional and national/sectoral dimensions to a much greater degree than is currently the case.

Economic differences between regions create financial and social problems that require political solutions at the local, regional and national levels. In spatial theory and national regional policy, regions with numerous success stories are often held up to the less successful peripheral regions as models to emulate. The motive is to stimulate the development of dynamic regional clusters in these peripheral regions. To do this, special political regional initiatives can be tailored to their needs (Rylander 2000).

Initially, Swedish regional policy was established as the extended arm of national policy by order of parliament in 1952. At that time, it was referred to as "localisation policy". By the 1970s, there was talk of a condensed decentralisation policy,
the purpose of which would be to build up growth centres in the various counties. National regional policy serves partly to stimulate economic efficiency and increase production and employment, and partly to oversee the redistribution of resources in order to promote financial, social and cultural equality. Regional subsidies are primarily intended to assist companies making material and intellectual investments and provide support for thinly populated areas, employment programmes, transportation, the reduction of companies’ social security burden, and other local projects. Furthermore, additional measures of great importance to the regional development process are routinely implemented, but not for political reasons. The formulation of regional policy has been gradually shifted from the national to the regional level in Sweden and most of the other member nations of the European Union (Rylander 2004).

**The European Union’s Common Regional Policy**

Since the mid-1970s, the European Union’s primary political goal has been to prevent poorer regions from falling so far behind in the development process as to threaten the political unity of the inner market, its common institutions and other key values in the process of European integration. It has done this by applying a regional policy comprised of both balancing and growth-promoting elements. The United Kingdom first advocated this approach in the process of its membership negotiations. The European Regional Development Fund was created in 1975.

Regional policy was long regarded as simply a mechanism for obtaining refunds on the membership fee, rather than as a more qualified political tool. The regional fund’s resources were distributed according to a national quota system and implemented through the national regional policy of each respective member state within the regions they selected. The system underwent a fundamental change during the regional policy reform of 1988; the structural funds were merged to
create a powerful instrument for a centrally governed, Union-wide structural policy. As of today, this common regional policy includes the European Regional Development Fund (ERDF), the European Agricultural Guidance and Guarantee Fund (EAGGF), the European Social Fund (ESF) and the European Investment Bank (EIB).

The 1988 reforms were expected to lead to an active partnership between the European Commission, its member states and representatives of the regions in question. The European Union’s regional policy thus requires administratively and politically functional partners at the sub-national regional level. In order to meet the specifications for programming, implementing and evaluation of the structural fund policy, empowerment at regional levels was required in many centrally governed member states. The common regional policy has thus served at least to some degree as a catalyst for the introduction of political and administrative decentralisation processes among member states.

The European Union’s regional political efforts have been driven by the need to ensure that the anticipated financial profits from the European integration project would benefit all regions of every member state. The regional policy’s share of the European Union’s budget has increased from 1 to 36 percent since the mid-1970s. That includes the ERDF, the ESF and the Cohesion Fund, whose funds currently amount to some 300 billion Euros, i.e. a bit more than one-third of the European Union’s total budget for the period 2007–13 (European Union 2007).

The European Union’s implementation of the Principle of Additionality, which states that regional political investments must be connected to equivalent national investment, ensures an indirect form of influence on member states’ policies.
By launching a consulting body called the European Regional Committee, which includes representatives from all designated regions in the European Union, the 1992 Maastricht Treaty lent regions a stronger profile. The European Union’s share of the total amount of regional political investment is on the increase in all European Union countries. Simultaneously, there is a tendency to cut back on national investments (Rylander 2004).

**Economic Swings and Cyclical Processes**

Both goods and production technology undergo cyclical processes. These changes are brought about by competition between companies in conjunction with technical development. In the economic development ongoing since the Industrial Revolution, long waves with a periodicity of roughly 50 years have been observed. In 1920, Kondratieff presented the first comprehensive theory on long waves of upturns and downturns in trade, production, prices, salaries and consumption. These economic swings can be explained by variations in levels of innovation. The structural crises brought on by these long waves lead to the introduction of latent innovations and a resulting increase in innovation density. Technical and social novelties that create completely new goods and services appear at regular intervals. The world economy is thus entering a new phase of growth, with a resulting rise in investment (Kondratieff 1926; Mensch 1979; Schumpeter 2000).

Schumpeter regards technical development as the key to economic growth. He describes capitalism as a dynamic system in which economic growth results from entrepreneurs making use of technical innovations, leading to increased investment, new products, new production methods, improvements in transportation systems, and the creation of employment opportunities. A period of growth is followed by stagnation and decline, during which markets become saturated, and earnings and investments fall. The long-term development of capitalism is
thus characterised by periods of innovation followed by periods of "creative destruction", in which less efficient processes and less sought-after products disappear and others take their place (Schumpeter 2000).

Long waves have a consistent pattern: a period of structural crisis lasting five years, transformation/change over twenty to twenty-five years, and rationalisation/stability for fifteen to twenty years, followed by a new economic crisis. The initial transition from the first to the second "Kondratieff Cycle" took place in the mid-1800s, when steam replaced wind and manpower. Railways displaced horse-driven transportation and steamships sailing vessels. By the next market upturn at the end of the century, oil and electricity were becoming alternatives to coal and steam. Diesel and electric locomotives and motorised freighters were put into traffic. The structural crisis of the 1930s was followed by a new phase of change and transformation. The fourth cycle's upturn occurred after World War II, when people began to drive and fly at a rapidly increasing pace and the related infrastructure expanded. Oil and electricity were being consumed in an increasing number of regions. The 1970s were marred by a new structural crisis in the world economy, and the transition from the fourth to the fifth Kondratieff Cycle occurred during the 1990s. This cycle was characterised by the increased usage of telecommunications, new areas of application for computers, new network services, the digitalisation of the telephone system and the expansion of the infrastructure for digital mobile telephony and the Internet (Schön 2000).

**Economic Development**

Economic development implies the occurrence of structural change in the business sector. And all over the world, the transition to a more knowledge-driven and network-based economy is underway. A company’s competitive strength is fundamentally defined by the knowledge it possesses and how
it uses it. The significance of knowledge and contact-intensive services is increasing, as the cost of manufacturing is largely made up of services whose raw materials are knowledge and skill.

The conditions for competition have changed, too, resulting in altered patterns of collaboration, e.g. with regards to the relationship between large corporations and their subcontractors (Lorentzon & Rylander 1997); increased outsourcing leads to increased competition among the latter. Manufacture no longer requires costly storage. Instead, efforts are made to ensure that the delivery of material is always timed to coincide with the output of the production chain, thereby removing the unnecessary tie-up of capital. Flow organisation is a further development of the "just-in-time" principle, with short lead times and the goal of achieving a more even flow of material and products (Tägtström et. al. 1996; Bonde 2001). There are significant differences and similarities between the various operators’ competitive strengths and strategies. For companies that produce standardised industrial products, cost and speed are the most obvious competitive advantages, while quality and the learning process constitute the primary competitive advantages for manufacturers of specialised products. Since imitation is a force with an eliminating effect, competition must be constantly re-created through innovation (Storper 1997).

When a new product or company is launched, its immediate surroundings (domestic base) are of particular importance, providing competence, infrastructure and service. Competition on the domestic front increases the future long-distance competitive capability of local companies. A tradition of industrial operation in the area would be advantageous at this stage. Companies become more sensitive to costs and price competition in the latter stages of development. Some companies grow to become large transnational corporations with many offices in geographically diverse areas. It is not unusual for manufacturing divisions to be relocated to low-
income nations during the latter stages of such a company’s development (Porter 1998).

The economic cycles lead to variations in localisation preferences. A town may therefore have different layers of investment that match the rhythm of the world economy. Over time, regions undergoing a boom can become problem areas and vice-versa (Taylor 1994). Globalisation has thus brought about increased competition between geographical regions. This has led to attempts at counteracting the shutdown of businesses by relaunching the region as the ideal location for potential investors representing transnational interests. Nevertheless, what Schumpeter describes as capitalism’s creative destruction continues unabated, resulting in the closure of antiquated industries and companies that are not able to compete on the basis of either price or quality. Emigration frequently occurs, since companies can lower their production costs by relocating to another region.

Companies have become increasingly knowledge-intensive and network-based in order to keep abreast with the changes in demand and production technology many industries face. A network-based company is characterised by a combination of four types of networks:

(a) Intra-organisational networks, e.g. computer-aided design and manufacture.
(b) Trans-organisational network, e.g. electronic data transfer between offices in several companies and networks which efficiently link manufacturers, suppliers and customers.
(c) Inter-organisational networks, e.g. joint venture companies or strategic alliances.
(d) Meta-organisational networks, e.g. standardisation organisations that formulate and issue environmental certification (Bressand 1997).
A successful company is able to link to global networks and integrate design and marketing information gleaned from other leading actors in the market. It learns how to differentiate between products and the significance of just-in-time delivery. Pioneering companies can help to stimulate the regional economy by identifying and penetrating new export and local markets, which in turn may benefit the region’s business sector. Successors imitate the pioneer’s approach, while other companies concentrate on delivering basic supplies and services to the pioneering companies. Increased levels of employment and higher incomes stimulate demand on the domestic market and create additional opportunities. This process depends on governmental and regional programmes to ensure that the energetic development spiral is not inhibited by bottlenecks in the infrastructure. In other words, increased dynamism in the private sector encourages the authorities to participate in the financial renewal process. The key to these links is the stimulation of the effective demand for the local production of goods and services.
Small businesses have assumed a more important role in efforts to stimulate job creation in recent years. Innovative processes are regarded as social, interactive learning processes in today’s knowledge-intensive and network-based economy, and the interactive innovation model is tailor-made for small businesses. Small businesses in developing economies are a strategic indicator of a region’s capacity to innovate and thereby develop and ensure its competitive strength (Asheim & Isaksen 1999). Financial and cultural institutes are embedded in local and regional environments in which people live and work. Without active links to transnational flows of knowledge, capital and ideas, they will quickly become stagnant. The interaction between the forces of global change and local ambition takes place via the links that connect a potpourri of domestic bases and innovative environments. The Internet plays an essential role in keeping increasing numbers of small businesses up-to-date on product development, design and market changes. It also facilitates network building, trade between companies and consumer sales.

**Conclusion**

The ability of a region’s population to learn and be creative is critical to its long-term economic strength. Learning is a social activity that involves interaction between individuals. It is also a dynamic system characterised by positive feedback and reproduction. As competitive advantages are imitated and competitors in other regions develop production methods, the competitive edge that the original operators previously enjoyed due to their unique skills is dulled. In a changing world with a global market, successful entrepreneurship and the creation of long-term employment opportunities largely depend on these companies’ ability to learn and compete through innovation, new design, creative marketing strategies, and lower production costs.
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Regionalisation in Local-Global Interplay

David Rylander

The driving force behind regionalisation is increased global competition. Local responses to the challenges posed by increased global competition have often fallen short. Thus municipalities find it more advantageous to cooperate with each other and propose joint solutions that would benefit the entire region. Identity, awareness of local specialities and collaboration between businesses, authorities and the non-profit sector are prerequisite to developing the experience industry in order to attract investment, visitors and new residents to the region. The successful development of experience industries depends on a level of social, political and cultural capital. By constructing development tactics and strategically positioning their identity, their specificity and the stock of skills they possess, territories will be able to make themselves visible to the broader market.

Introduction

This chapter treats the concept of regionalisation and describes the background to the increase of regionalisation processes across Europe. Small municipalities have joined forces to cope with the growing number of tasks they have been assigned. One alternative is inter-municipal cooperation based on joint decision-making processes and the execution of powers in public partnerships and local networks. This cooperation may embrace
widely varying issues including infrastructure, health care and EU-supported cultural projects. Neighbouring municipalities naturally compete with each other to attract new business activities, tourists and new inhabitants. However, local responses to the challenges posed by increased global competition – i.e. business relocation and increasing levels of unemployment – have often proven insufficient. Thus municipalities often find it more advantageous to cooperate with each other and propose joint solutions that would benefit the entire region.

The concepts of region and regionalism are discussed in the chapter’s introduction. This is followed by an analysis of different types of regionalisation and thoughts on identity and territorial community. The chapter concludes with a discussion of regionalisation and regional endeavours into the experience industry.

**The Region**

The term "region" has remarkable elasticity and is used in numerous contexts. Furthermore, the region’s boundaries are the focus of reforms like regional enlargement and regional division. The term "region" is derived from the Latin noun regio, which means "district”, an extended version of the original meaning direction, which in turn is derived from the verb rego, meaning "to direct." For the purpose of this chapter, a region will be defined as an area with distinct and connected patterns of physical characteristics or human activity, making it a meaningful unit and distinguishing it from the surrounding areas (Goodall 1990: 399). Nevertheless, border neighbourhoods frequently form hybrids due to shared natural characteristics or functional orientation. Hettne (1997a) states that we can never completely define a region, since regions define themselves through slowly converting from an objective, slumbering existence to a subjective, active existence. In its general meaning, the term region denotes a geographic area. In administrative terms, it
denotes a level halfway between the central powers and the local society, however it may also refer to a transnational region. A common method of defining a region is to let the classification be determined by nature, culture, function or administration (See Jönsson et. al. 2000).

An island, a peninsula, flatlands or a river valley normally constitutes a nature region. Culture-based regions are bound together through language and ethnic similarities that have developed as the result of a common history, in which religion often played the binding role. Strong internal relations including a common labour market, a town hub or commercial centres with a nearby customer base hold a functional region together. The administrative region is defined on the basis of the range of its management’s decision-making power.

Network-based regions, where "network" refers to the unification of physical, social, cultural and financial networks, are increasingly being discussed within the field of regional development. The transnational collaborative regions formed in the Baltic’s in the 1990s are network-based. They are examples of regional construction in which various elites strive to form new regions or reawaken a sense of solidarity with historical ones (Rylander 2004).

The New Regionalism

Regionalism is currently defined as the experience of seclusion, group awareness, or identification and loyalty shared by the people who live in a given area (Goodall 1987). The new regionalism refers to attempts to define geographical areas in terms of a new, intermediate political and administrative intermediate between the local and national ones, triggered by the European integration process. The vision of a “Europe of regions” has had an increasing impact as a result of the Single European Act of 1986 and the 1992 Treaty of Maastricht.
This has led to processes of regionalisation based on existing regional identities, the need to delegate certain central governmental responsibilities, and the decentralisation of the related portfolios to either local and regional authorities, or to geo-economic coalitions consisting of districts whose business concept is to create a customer base for their respective regions in a bid to meet the challenges of economic globalisation. These challenges were expected to take the shape of increasing inter-regional competition and the regional concentration of power.

At the beginning of the 1990s, the regional structure in most of the Baltic countries was sorely antiquated. There was also a confusion of ideas when the business sector and politicians began promoting their remote districts when “regions of Europe” was launched as an attractive vision of the future in the 1980s. In 1992, Björn Engholm, premier of Schleswig-Holstein at the time, stated that the Baltic Sea region could become a centre of power within 10 or 20 years, depending on the outcome of the reforms being implemented in Eastern Europe. He conveyed visions of a new Hanseatic League in which Malmö, Lund and Copenhagen would constitute a vital economic unit in a borderless Europe where regions would be able to test their financial mettle against one another without the restriction of national borders. Regions were also assigned a significant role in the democratisation of the existing European Economic Community (EEC) (Ramklint 1992).

While regional cooperation and integration are not new concepts, their definitions were revised during the course of the 1990s. The old form of regionalism had played out within a bipolar world order characterised by a cold war between the United States and the Soviet Union, representing two competing socio-economic systems which each attached clusters of client states to themselves in the course of their mutual power struggle. The effect on economic integration was often a
tendency towards internal protectionism that more or less cut the region off from the rest of the world. The situation concerned relations between sovereign states; other players, e.g. individual businessmen or local politicians, were irrelevant in this context (Teló 2001).

In stark contrast, the new regionalism developed in a multipolar world order, allowing regional groups promoting themselves greater room to manoeuvre. This has taken the shape of a spontaneous, upward and outward, future-oriented process involving numerous aspects of society and enhancing regional identity. It is far less introverted, as today’s world is significantly more financially integrated and regions want to be integrated into the world economy on favourable terms. The new regionalism aims at combining free international trade with a soupcon of regional preference. One identifiable trend is the creation of large supranational trade blocks that subsequently develop into integrated macro-regions, while another is the formation of larger sub-national regions. The nation-state takes a loss in this process; so too do the national capital in many cases, as their functions are diminished through internationalisation, deregulation and the transfer of certain decision-making processes to supranational entities (Hettne 1997b).

Hettne (1997) outlines various degrees of regionness: (1) the natural geographic/ecological region; (2) the region as a social system; (3) the region as a formal cooperative organisation in which the nation-state’s membership determines the region’s external borders; (4) routine collaboration between several different areas which subsequently leads to a regional civil society, and; (5) the region that eventually evolves into an historical entity with a distinct identity, which may take the form of a transnational micro-region with powers assumed from member states. An important criterion for ”regionness” is a region’s ability to manage the conflicts it faces. Hettne regards regionness as sort of yardstick measuring the extent to which
the regionalisation process has progressed; or regressed. Integration is thus not an irreversible process; it can also turn into disintegration and fragmentation.

**Regionalisation: Integration or Disintegration**

Regionalisation is defined as a process in which a geographic area is distinguished from its surroundings. It implies that a particular area may eventually become an authentic region and assume distinct regional characteristics. In such cases, it assumes that the direction of integration will be inward and demarcation outward. This may be the result of neighbouring areas merging through an integration process due to the plain fact of municipal or regional expansion. However, it may also occur by dividing one area into several smaller ones as the result of a process of disintegration due to municipal or regional divisiveness. The term "integration" is frequently used when localities and sub-regions are linked and financial, cultural, political and social relationships merge. Regionalisation is based partly on the implementation of changes that lead to increased negotiation at the regional level, and partly on the de facto emergence of a regional identity. The driving forces behind regionalisation can be divided into three main categories: decentralisation, regional identity and region building.

**Decentralisation and the Delegation of Responsibility**

One clear tendency in the process of regional development in the OECD countries is the delegation of certain areas of responsibility from national to regional and municipal levels. Another is the formation of partnerships between local authorities, the business sector, and any variety of institutions and associations. In some cases this leads to a process of integration and stronger regional organisation – i.e. to regionalisation. In several countries, some national authorities have been moved from the capital city to smaller towns in other
regions. This minimises the concentration of advanced skills in one place and disseminates them more evenly throughout the country. Delegating responsibilities and decentralising the decision-making process means that municipalities and regions face the prospect of making decisions that carry more weight than they are used to, primarily in the fields of health and geriatric care and education.

Regionalisation is also an effort at increased efficiency. A large public sector is easier to run when it is divided into units. This allows for local adjustments and collaborations. The delegation of responsibility has brought about a new attitude to decision-making processes and the delivery of services. Local and regional authorities change their working methods. This is partly in response to changes in people’s values and expectations and partly in response to technological changes. Local forces strive to gain greater influence over decisions that affect their communities. ICT infrastructure supports this decentralisation process by reducing the cost of transactions in order to be kept informed and reach agreements. Increasing importance is being placed on the municipalities’ ability to use information to develop strategies for using ICT in a manner which improves their ability to better provide services to their citizens, businesses and tourists. In this regard, the development of e-administration and e-democracy is necessary in order to achieve increased interaction.

Decentralisation can be achieved in a variety of ways, including staff, policy and economic autonomy. Staff autonomy gives the municipality the right to select its own civil servants. Policy autonomy means that there is an existing broad-based framework capable of handling decision-making processes. The more the state governs through laws and directives that are characterised by goals and frameworks, the greater is the
freedom enjoyed by the lower bodies. Economic autonomy refers to the lower bodies’ authority to collect taxes, meaning that those who pay for the various organisations can also govern those (Hadenius 2001).

The decentralisation of decision-making may very well strengthen the democratic process, if local authorities make sound use of the opportunity of involving a larger segment of their community in the political process. Local adaptation is an important factor in favour of decentralisation and small-scale development, since problems and solutions differ from area to area. People with roots in the local environment who are familiar with the prevailing conditions are in a better position to formulate public policy than officials residing in the capital. Furthermore, as local representatives they will enjoy greater popular support and legitimacy, making it easier to implement public policy. The existence of a myriad of independent decision-making centres would provide greater scope for creativity. New working methods can be tested and disseminated throughout the rest of the country when successful (see Hadenius 2001).

**Region Building**

Region building tends to happen only partly due to historical events. It is usually based on shared financial interests wherein the region is regarded as a business concept (Hettne 1997a). Regionalisation is not a linear process, but rather a project constructed by a region-building elite supported by various interested factions, with the "losers" subsequently organising themselves in order to mount an opposition. Integration and disintegration thus become two sides of the same coin.

Marketing the region and promoting its identity based on cohesive conceptions of history, culture and natural geography are essential to the process of region building. While it is always possible to find special circumstances and relationships that can be called into service to promote a sense of solidarity among residents, it can also often appear arbitrary.
Indeed, it is actually hard to find examples of places where regional elites have succeeded in creating a strong regional identity. Instead, it is local identity itself, like national identity that instills a strong concept of community in people. A regional identity based on common history and culture requires a long time to manifest itself. Such a regional identity must also emerge from the ground up; in other words, it must be based on the citizens’ interaction with each other and their daily life, work and leisure. But if we assume that it is possible to rally a region’s citizens around the idea of a common future, then it may be possible for a regional identity to emerge in the form of a project identity, characterised by feelings of inclusion and responsibility for the evolution of local society (Castells 1997).

**Local Regionalisation**

In practise, regionalisation processes take place on different levels. In the present study, regionalisation is divided into subcategories based on the regional level to which each process is assigned. Local regionalisation refers to the merging or division of municipalities. A local regionalisation process often results in municipal reform. In Sweden, a process of regionalisation on the local level took place in the 1950s and 1960s, culminating in the creation of numerous large municipalities by 1977. This municipal reform was based on the central region theory, the aim of which was to create a municipality consisting of a central town hub and smaller surrounding communities. The creation of larger units increased the municipalities’ capacity to provide the type of services that the citizens of a modern society required. In some cases, displeasure with the new super-municipalities has led to municipal division in the wake of local referendums. After reducing the number of municipalities from 2,500 in 1931 to 277 in 1977, municipal division has led to the number of municipalities increasing to 290 as of 2003 (Godlund & Hägerstrand 1961, Svenska Kommunförbundet 2003).
The municipal system in Europe varies. In Scandinavia, it occupies a prominent position. As a result, municipalities control a significant segment of the public services and enjoy a huge degree of autonomy. Their operations are financed by the imposition of a local income tax. This system is based on an ancient district- and parish-based tradition in which free holding farmers played a decisive role. Municipalities in Germany are also very powerful political entities. The country has a federal structure, which means that national power is divided between a federal and a constituent level. Constituencies have the right to draft laws regulating life in their respective municipalities. There has always been a significant degree of autonomy in these German constituencies (Lidström 1996).

A few Eastern European countries (Poland, the Czech Republic, Slovakia, Hungary, Estonia, Latvia and Lithuania) have gone further than their neighbours in reforming the Communist structure which continues to dominate. Post-Soviet systems are hindered by significant institutional inertia since old structures continue to operate in parallel with the new local government systems being put in place. The nations whose efforts at reform are succeeding are those who boast municipal systems built in the 1990s based not only on inspiration from West European models but also on their own (pre-Soviet) traditions of government. Elected local authorities now assume the responsibility for education, housing and so on that the central government previously commanded. On the downside, a common problem has been the lack of funds municipal authorities require to finance their operations, resulting in the scrapping of many plans for change.

Changes in Poland have been particularly significant. Since Poland regained its independence in 1920, its municipalities, primarily in the northern and western regions, have undergone tremendous development. With the end of Communist rule, local government ceased to exist, as a centrally directed
A system consisting of 300 districts and 4,000 municipalities was implemented. Municipal autonomy was first introduced in 1990. Local government was partially transformed into a two-level system consisting of municipalities and municipal associations or counties, the latter reform being implemented in 1999. The municipalities (gminy) feature directly-elected local political bodies and a board of directors responsible for the administration and financing of primary health care, schools, libraries, environmental protection, water and sewage treatment, municipal roads, etc. The counties (powiat) also consist of directly elected local political bodies and a board of directors. The Powiat are responsible for the police, rescue services, hospitals, secondary and adult education, etc (Chancellery of the Prime Minister of the Republic of Poland 1998). These regional reforms were backed up by a reform of public finances. This provided the municipalities and municipal associations with a steady source of funds in the form of taxation, income from municipal operations, and ear-marked subsidies from the national budget. About 27 percent of income tax goes to the gminy, while 1 percent goes to the powiat (Swianiewicz 1995; Regulska 1998).

Widespread distrust toward all forms of political authority is still common in the reformed nations, which has had repercussions for the legitimacy of the elected bodies. Lack of experience in assuming responsibility for and dealing with local issues without directives from above adds to the burden. Nevertheless, citizen’s interest and participation in the local political process has undergone renewal since the 1990s. According to surveys, the Polish populace holds local authorities in higher regard than for other institutions and national authorities. The regionalisation process has created healthy conditions for political culture and a climate that promotes citizen participation, even if the process is not yet complete and the goals only partially achieved (Regulska 1998; Bartoszewicz 2001).
Sub-National Regionalisation

Sub-national regionalisation concerns processes that aim to create smaller or larger regional units at the intermediate level of a nation-state. This process is currently receiving much attention in countries that by European standards have small sub-national regions, where they are striving to create larger regional units which will be able to hold their own on the inter-regional market. Strong regional local government is a vital ingredient.

In Sweden, the counties of Malmöhus and Kristianstad were merged to form the county of Scania on 1 January 1998, boasting a population of 1.1 million. One year later, the county of Västra Götaland was formed, with a resulting population of 1.5 million citizens. These mergers are both attempts at creating regional autonomy. Both Scania and Västra Götaland have had numerous issues coordinating traffic, medical care and development issues (see Wieslander 1997; Hansson & Broberg; SOU 1998:166 and SOU 2000:85 for a description of regionalization processes in Skåne). A number of regional trials took place during the period 1997–2002, e.g. in Kalmar and Gotland, the aim of which was to democratise the regional development processes, as well as to redefine the division of responsibility at the local level. Instead of having government officials sitting on the district boards, decisions were to be made by elected regional politicians.

The trials took different forms in Västra Götaland, Scania, Kalmar and Gotland. For example, the first two regions feature directly elected regional parliaments, while representatives of the county of Kalmar are indirectly elected. On the island of Gotland, a municipal representative and a regional representative are the same, which means that the district also has directly elected-regional representatives (SOU 1998:166; SOU 2000:85). One consolation is however, that the processes led to a significant
degree of participation in European Union projects and other network cooperation processes, including new business start-ups (cf. also SOU 1998:55).

After evaluating the regional trials in Kalmar and Gotland, parliament decided to grant the country’s districts increased autonomy in 2002. But instead of regional associations with extensive autonomy, it decided that permanent regional cooperative bodies should be formed as of 1 January 2003. A number of regional associations had spontaneously formed in several districts as early as 2000. Blekinge was one such district. Permanent regional bodies which have gradually taken over the responsibility for regional developmental issues, communications planning, and the management of subsidies from the European Union’s structural funds have been formed since 2003.

The pioneering model of partnerships for growth that was initiated in 1998 has been of great significance to the regionalisation process in Sweden. A study conducted by a group of public finance experts found that the partnership model was more successful in Kalmar, where a regional association led efforts, than in Kronoberg, where the district administrative board had been in charge. One conclusion was that placing leadership of the process in the hands of elected officials with roots in the municipality lends it greater legitimacy (Ehn 2001).

Comprehensive administrative reform was undertaken in Poland in 1999. The first phase took the form of regional expansion, in which 49 regions (województwo) were combined to form sixteen; in the second phase, changes were made in their scope of authority and the tasks assigned to them. As a result of a revamping of public sector finances, the districts obtained a stable flow of income through the taxation of civilians and companies, municipal operations and earmarked subsidies from the national budget. Approximately 1,5 percent of the collected taxes are distributed to the regions. While redrafting the responsibilities of the regional municipalities, reforms were
also implemented in the health care, educational and pension systems. The number of inhabitants in the regions varies between one and five million. Each district has a directly elected regional parliament (sejmik) and regional board. The districts’ main responsibilities centre on regional development, e.g. the formulation and implementation of development strategies for the purposes of creating relationships that may stimulate growth. The governor and the regional board represent the state. The national government has entered into agreements with the districts regarding the execution of specific tasks geared at promoting each region’s development. All sixteen regions completed their development strategies between 2000 and 2001 in organised settings to which the public was invited in order to discuss important goals for the region as a whole, its region’s constituent municipalities and its municipal organisations.

Prior to 1999, there was no regional policy that took the fact that districts had different needs and goals into consideration. Nowadays, there are state subsidies to support regional activities. These funds were initially insufficient but have since been supplemented by contributions from the European Union’s structural funds. Autonomy is the key factor in the regional development process. Regional parliament defines the long-term development strategy in terms of stimulating the business sector, increasing competitiveness, and promoting efficient land use (Rylander 2004).

**Transnational Regionalisation**

One of the greatest challenges facing the nation-state is globalisation triggered by increasingly efficient transportation and communications technology, which means that a greater proportion of work can be performed in transnational networks beyond its control. This gradual erosion of the borders between countries began in the 1990s and the transnational
The process of regionalisation has led to the gradual formation of cooperative regions whose members consist of sub-national districts and municipalities. The forces behind regionalisation – decentralisation, regional identity and region building – can act in concert. This development is occurring in border regions throughout Europe (cf. Jönsson et. al. 2000). Transnational regionalisation is intended to result in the extensive integration of financial, cultural, political and social relationships in which either entire countries or regions and municipalities work together. This collaboration often results in the construction of a cooperative network that eventually becomes formalised. "Transnational region" is the term applied to regions that consist of (portions of) a number of adjacent countries and can be divided into three categories: macro-regions, meso-regions and micro-regions.

The macro-region is an emerging level of society located between the national and global levels, e.g. ASEAN, EU, MERCOSUR and NAFTA. The most extensive cooperation is found within the European Union, which constitutes an economic and political union, while the remaining three constitute only economic cooperative organisations at this stage. Furthermore, the European Union is a political organisation with several levels based on networks; these networks include state representatives, as well as representatives from sub-national and supranational entities. The European Union is a "negotiation state" in which parties enter into negotiations on various issues and levels. The European Union’s networks transcend the borders between organisations and include both governmental and non-governmental organisations, national and transnational regions and sub-national regional organisations. It has gradually become an arena for interaction between the negotiation state and other parties. The European Union’s multi-level structure is based on negotiation as the dominant method of arriving at mutual decisions; this takes place in an organisational environment which encourages continued informal contact and networking (Jönsson et. al. 2000).
Network-based regions may be viewed as building blocks in the network state that the European Union is increasingly being depicted as. The different nodes of the network are mutually dependent on each other, so that no one node can ignore another in the decision-making process. If certain political nodes do this then the entire system is thrown into question. This is the difference between a political network and an intermediate political structure. The network state is the political systems’ answer to the challenges of globalisation. However, it will be difficult for the European integration process to result in a united Europe without the emergence of a European identity. This may be developed as a complement to national, regional and local identities (Castells 2000).

The vision of a "Europe of regions” as a replacement for the "Europe of nations" has taken root within the European Union. Since the nation-state is no longer the given frame of reference, there is greater room in which to operate at the sub-national level. The "region” has become a useful, politically mobilising tool, with the "network" being the channel through which mobilisation is organised.

The Baltic Sea region constitutes one example of the ongoing process of meso-regionalisation in Europe. The North Sea and the Alps-Adriatic regions constitute others. The delimitation of the Baltic Sea region is primarily based on natural conditions and the territories’ geographical position by the Baltic Sea. However, it is also due to existing networks and functional relationships. The region is currently only a loosely formed structure in the form of states, regions and municipalities that cooperate within inter-state, inter-regional and inter-municipal organisations and networks. Despite plenty of shared history, the Baltic Sea region has yet to be recognised as an integrated, functional meso-region and regional civil society. Extensive long-term cooperation between Baltic states, together with numerous temporary projects, facilitates integration and regionalisation in the Baltic
area. Networks within and between parties around the Baltic Sea, such as the Baltic Sea States Sub-Regional Cooperation, the Union of Baltic Cities, and smaller networks for various interest groups are leading the pace of development.

The heads of government of all the Baltic nations met for the first time at the Baltic State Summit held in Visby in 1996. The result was that Baltic cooperation assumed a new spirit of consciousness and embarked upon a series of coordinated activities. However, no regional identity encompassing the population of the Baltic Sea states can detect. The existing cross-border identities are Nordic, Baltic, Slavic and European. Nevertheless, it is possible to speak of the existence of an embryo that may eventually develop into a unique Baltic identity under favourable conditions. During the Second World War, there was a regional Baltic identity among the small group of free traders who moved unhindered between the ports of the Baltic Sea. The expression "one must be able to walk on all fours" referred to the need to be able to speak Finnish, Russian, Swedish and German to do business (Kirby 1995). There have been organised attempts at filling the contrived expression "Homo Balticus" with a selection of idea-entities; it is thought that these could form the basis of a common identity for the section of the population in Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland, Russia and Sweden which resides along, or in close proximity to, the Baltic coast (Union of the Baltic Cities 1995).

Transnational regionalisation also results in the construction of micro-regions. This is understandably interpreted as several adjacent, sub-national districts and municipalities that belong to at least two states, but which either seek to jointly create a niche, or express a common interest in the new political landscape being created by the erosion of the national borders.
The Öresund region is a micro-region consisting of two sub-national districts (Scania and Zealand), each of which is located on separate sides of an international border, which constitutes a more solid form of cross-border region building than in other parts of northern Europe. The governments provide direct support for the process by accepting responsibility for making the necessary changes so that legislation in the two regions can be harmonised. Thus the Öresund region may eventually become an integrated region, in which regional Swedish-Danish authorities will assume part of the decision-making process, which currently rests with the national public authorities. Collaborative projects are gradually being implemented, including Öresund University and the Öresund region’s council on labour market policy. The Copenhagen-Malmö hub is the motor in the region builders’ drive toward integration. The two cities were linked by permanent road/rail connection – the Öresund Bridge – in July 2000. Nonetheless, expectations of a rapid pace of integration between southeast Zealand and southwest Scania once the bridge was opened have not been fulfilled. Despite the similarities between Danish and Swedish cultures, there are also significant differences that may dampen the people’s desire to integrate. Furthermore, although both countries are members of the European Union and face similarly high rates of taxation, differences in legislation serve as barriers to people wishing to work on one side of the bridge and live on the other. Nevertheless, the number of Danes who move to southwest Scania increases annually. New initiatives between Helsingborg and Helsingør, as well as among the municipalities of northeastern Scania have been undertaken in an attempt to balance the pace of development (see Wieslander 1997; Maskell & Törnqvist 1999; PARK 1999; Region Skåne 2003; Rylander 2004).

In comparison with the bi-national Öresund region, the regionalisation processes in the multi-national Euro regions of Pomerania and the Baltic are in their infancy. In the latter case,
there are greater challenges to overcome in the form of several nationalities and cultures spread over considerable geographical distances. The friendly relations between Zealand and Scania were initiated as early as the 1950s, while the Pomeranian and Baltic Euro regions are products of the 1990s.

The vision of a Euro region Pomerania began to take shape in 1991, when the process of creating a transnational region in the southwestern Baltic began. Serious discussion gained momentum in 1993 when Malmö and Bornholm became active partners, together with Szczecin and the German city of Vorpommern. Thirty-five municipalities from Szczecin in Poland signed a preliminary agreement. In addition, the agreement covered six provinces and two cities in Germany, some from the federal district of Mecklenburg-Vorpommern and some from the district of Brandenburg. All 33 municipalities in Scania joined in February 1998. Bornholm left the group the same year to join the newly formed Baltic Euro region. The level of collaborative activity increased with the entry of Scania’s municipalities to the group. The Polish representatives had been eager to bring in new members who could counterbalance German influence.

The fundamental aim of Euro region Pomerania is to stimulate sustainable development and create closer relationships between its institutions 3,7 million inhabitants (Rylander 2007). The transformation into a Euro region reflects the development of a regional identity and related skills, alongside improved opportunities for financing projects through European Union subsidies.

Following a period of increasing network-based cooperation during the 1990s, parties from Bornholm, Klaipėda, Liepāja, Pomorskie, Mazurskie-Warmińsko, Kaliningrad, Blekinge, Kalmar and Kronoberg joined together and formalised relations in the southeastern Baltic Sea region. The process was initiated in 1997 and the decision to found the Baltic Euro region made a year later. The region runs projects in the fields of environmental
management, tourism, business, crime fighting and equality. The establishment of the region has made it eligible for financing from the European Union. The Euro region’s members include municipalities from the sub-regions of six Baltic Sea states. Denmark and Sweden have been members of the European Union since the start of the process, while three have been members since 2004 (Latvia, Lithuania and Poland). The sixth country is Russia, represented by the Kaliningrad exclave. The Baltic is one of the largest euro-regions with a population of 5.7 million (Rylander 2007).

It is unclear what degree of freedom is applicable to the formulation of regional policy in relation to that of national foreign policy. The regions have gained influence in the European Union cooperative process through its regional committee and other bodies. The regional committee has no direct power, however, serving as an advisory body within the European Union and liaison with the European Union parliament. In its initial stages, this function involved establishing contacts, creating secretariats, drafting documents and hosting conferences (PARK 1999).

Many regions have representatives in the Congress of Local and Regional Authorities of Europe (CLRAE). Similarly, many regions are members in a European regional organisation. The most important of these are the Assembly of European Regions (AER), the Conference of Peripheral Maritime Regions of Europe (CPMR), and the Association of European Border Regions (AEBR), which all promote cooperation between border regions. Transnational interaction has become increasingly important with the expansion of the European Union; cooperation with adjacent areas in Russia has intensified and north-south cooperation has been consolidated within the Union. In an era characterised by flexibility, fluency and variation, networks contrasty starkly with the hierarchical organisation of government from which the region builders wish to distance themselves. Thus the goal is to supplement the national level with four transnational levels: micro-regional, meso-regional, macro-regional and global.
Four levels which transcend the nation-state have been identified, exercising influence from an historical perspective – the United Nations on a global level; the European Union on a macro-regional level; the Baltic countries’ cooperative network on a meso-regional level; and, to a certain (though modest) degree, the cooperation within the Baltic’s, Pomerania and the Öresund region on a micro-regional level.

**Multiple Territorial Identities**

Regional proximity and local roots have not lost their significance in the face of intensified globalisation. While movement across international borders is increasing via both physical relocation and electronic communication, the importance of local and regional identity is actually on the increase. Local identities do not wither away, but rather co-exist with other social and culturally conditioned identities. People learn to live with multiple identities.

The physical environment, i.e. the place in which a person lives, studies and works, has huge significance for the development of that individual’s personal identity. Nevertheless, place-monogamic identity loosens up as a result of the increased opportunities for mobility in society and the increase in cultural influences via the electronic media. We attach ourselves to more
and more places. Place polygamy, i.e. connections to several places, is the gateway to globalisation in the individual's life (Beck 1997).

Local identity is strongly dependent on community. Various kingdoms and empires were created over time; however, the local community was still the place to which people's loyalties and attitudes were most firmly tied. Geographic distance between communities created barriers between them. It was only with the advent of more rapid means of transportation like trains, cars and airplanes and faster tools of communication like the telegraph, telephone and Internet that geographical barriers were eventually conquered.

Electronic media offer nearly unlimited range, while the significance of local connections originates from the opportunities and limitations of the human mind. Its scope is dependent on biological and mental capacity and the ability to include the surrounding world in mental spheres of interest. Our human range has not changed nearly as much as our technical range (Törnqvist 1998; Jönsson et al. 2000).

Opportunities and limitations of human range constitute strong or weak identities based on territory. Tables 4a-d illustrate the development of regional and macro-regional identities by modelling the central point of strategic, tactical and operative thinking with respect to territorial community in different societies during different periods. In reality, all variations have been found, in one form or another. The figure that is presented is highly oversimplified; however, it captures the main features for clarifying the emergence of multiple and increasingly comprehensive region-based identities.

In the self-sufficient regions of pre-modern agricultural communities, there were few incentives to acquire knowledge of wider geographical relationships. Interaction with other regions was largely limited to trade, marriage negotiations and clan
meetings. Religion provided a concept of community and held several local communities together in a wider state formation (Anderson 1991). Thinking was micro-dominant on all levels (see table 4a below).

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Table 4a: Micro-dominant thinking on territorial community in the pre-modern society.

Eventually, states were organised according to nationality, i.e. based on a common language, religion and culture. Governing bodies were able to effectively standardise and fashion a strong, common national identity during the 19th century when the public school attendance was made mandatory. The nation was the territorial unit around which the population rallied (see table 4b).

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Table 4b: Local-national thinking on territorial community in early modern society with beginning nation building.
Regions played a hidden role for much of the twentieth century, in comparison to (often small) municipalities and national-states. Information about other cultures and societies was indeed taught in school, but only alongside the glorification of the native country and the native community. After two world wars, Fascism was regarded as nationalism at its extreme; internationalism emerged as a preferable alternative with the establishment of the European Council, but also due to the fact that the newly established United Nations was taken much more seriously than its predecessor, the League of Nations. During the 1950s, the European Economic Cooperation expanded on a macro-regional level. In the following decade, cooperation expanded to include more areas, while the borders between member countries lost their importance. International cooperation and competition alike, as well as the consequences of environmental damage and the unfettered growth of the population were crucial in shaping global awareness. There was a shift in the paradigm around 1970. This was due to the explosion of education in the West and the spread of television, which led many to realise that the earth’s resources were finite and that there was a limit to how long they would last at the present rate of consumption (table 4c).

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Table 4c: Global thinking on territorial community in the late modern society.
Sports reflect local and national identities – teams compete in the name of towns and nations, but rarely in the names of regions. Yet. In the political arena, however, the importance of the regions has increasingly been recognised since the 1980s, particularly since the establishment of regional, elected parliaments in several countries. Macro-regional identity is still underdeveloped. Feeling "European" is an emotion most have never felt. However, global identity as a citizen of the world – a cosmopolitan – has grown in stature since the 1960s. This has dovetailed neatly with the message espoused by the non-profit sector and private international organisations have thus obtained an increasing role on the world stage.

Communities are built and maintained by the contents of their communications channels. The increased degree of availability and the use of electronic media and network services raise the level of communicative activity in society. Table 1d illustrates the duality that exists in the form of a physical and a virtual side to the experience of territorial community. The virtual side is presumed to create a less powerful experience than the physical, since sensations like touch, smell and taste do not come into play. Nevertheless, communication via electronic media plays a significant role by providing opportunities for rapid updates and access to information, as well as the exchange of knowledge between different worlds, independent of physical distance.
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Table 4d: General thinking on territorial community under the second modernity and in the network society.

Regionalisation and the Development of Experience Industries

The incentive to improve and renew local variations on the experience industry is being reinforced while more and more towns and areas profile themselves in order to attract visitors, investment and acumen. Neighbouring municipalities will naturally compete to host investors and attract visitors and new inhabitants. Local elites will endeavour to raise the profile of their particular town or area in order to promote its capacity for attracting investments and employment opportunities. However, local responses to the challenges brought about by increased global competition have often been found to be wanting. Thus municipalities find it more beneficial to cooperate with each other in order to offer joint localisation capacity in their region.

One alternative is municipal cooperation based on shared decision-making and execution in public partnerships and local networks. The cohesive ideas of the region-building process are founded on a common history and culture, internal flows of interaction (e.g. commuters and trade), and in some respects a shared natural geography.
Strong regional identity, awareness of local specialities, and cooperation between businesses, authorities and the non-profit sector would be a boost to the experience industries. Regional experience industries development is usually couched in financial terms, such as the number of jobs generated and amount in which land value increases. This approach usually ignores social and community aspects. The successful development of experience industries depends on a degree of social, political and cultural capital. In turn, it can be undertaken in a way that adds social, political and cultural capital in the region (Macbeth et. al. 2004). Through development initiatives and strategic identity positioning, their specificity and the stock of material and non-material skills they possess, territories will emerge from beneath their cloak of invisibility to offer the kind of attractiveness that will make them competitive (Neto 2007).

References


12 Local-Global Dynamics in Light of the Structuration Theory

Conny Pettersson

With the ideas of Anthony Giddens in mind, this chapter discusses how local and global levels interact, how actors both influence their surroundings and are influenced by them. Terms including "structure", "institution", and "system" capture the environment in which the actor exists. Furthermore, the manner in which actors and abstract phenomenon mutually influence one another in concrete situations – the so-called "micro-macro dynamic" – is subjected to in-depth treatment. The discussion turns to reflections on structural duality and local-global dynamics, which are applicable to how actors – principally in Swedish municipalities – react to proposals claiming that the key to financial structural renewal lies in the experience economy and cultural heritage.

Introduction

Regionalisation and other local-global perspectives on actors, structures and systems are linked to previous research particularly that which has highlighted the manner in which institutional powers interact with organisations in general, and within organisational fields in particular (Powell 1991; Jepperson 1991; Tolbert & Zucker 1996). In neo-institutional theory – as in
the field of social sciences in general – the local level is primarily represented by the actions taken by the actors, while the global level is often regarded as providing the structural conditions for these actions. Reference is sometimes made to "global actors", whose tentacles appear to reach everywhere. There is reciprocity in the relation between the levels that needs to be developed and specified. The dynamics have previously been described as "dualism" (Palan & Gills 1994; Putnam 1988; Evans et. al. 1993). But its success has only partly materialised (Leander 2000). There are certainly spheres of influence – perhaps even dominant relationships – between actors at and between the levels, though this certainly does not rule out reciprocity.

Thus the starting point of this chapter is that global patterns emerge through a myriad of local patterns of action, not as unilateral aggregations from below, nor simple scale reduction from above (cf. Knorr-Cetina & Cicourel 1981; Smith 1998; Brenner 2001). A salient deficiency of neo-institutional theory is the absence of a more developed overview of the institutionalisation process (see chapter13); furthermore, it sometimes displays insufficient empirical relevance (Pettersson 2007). Apart from the gap between theory and empirical data, there is also a gap between various (heuristic) elements of the theory. The gap between (often rational) theories of decision-making and action and institutional analysis is particularly wide (Giddens 1981; Tolbert & Zucker 1996). It is often said that the actors’ rationality is bounded, with few clarifications of the statement’s significance. In addition, the explanation is often one-dimensional (Frumkin & Kaplan 2005). Thus the relationship between the levels needs to be clarified, in order to unite rather than further polarise the two sides (see Alexander et. al. 1987). The aim of this chapter is to reflect on the methods by which (social) actors, structures and systems may be interpreted in a mutual light and a local-global dynamic, beginning with Anthony Giddens’ structuration theory. The ambition is not to
fully penetrate the underlying theory, but rather to use it as a methodological approach or conceptual framework upon which to structure and interpret other empirical phenomena – in this case local-global dynamism (cf. Giddens 1991).

The Structuration Theory: From Dualism to Duality

The contrast between actor and structure is construed, not natural. Attempts at unilateral analyses of the actor, the process of organisation (Weick 1979) or the structure (see Mayhew 1980; Parsons 1951) are interesting from philosophical and theoretical viewpoints. However, such analyses are difficult to conduct in practice (Lukes 1977; Lundquist 1987). The distinction is chiefly of heuristic value. In reality, the focus tends to be placed on either the actor or the structure, without excluding or disregarding mutual influence. I make no claims as to whether actors and structures belong together or not. According to the structuration theory, actors and structures are epistemologically connected and ontologically distinct (Wendt 1987; cf. Brante 1989). An opposing point of view is presented in Archer 1999. According to her, actors and structures are separate entities interwoven in reality (cf. Jackson 1999). For a brief review of the arguments between empiricists and scientific realists, see Wendt 1987. From an epistemological standpoint, I am in favour of an integrated actor-structure approach, in which both actor and structure are interpreted in relation to each other. Giddens (1981) states that the structure is both the medium and the result of the actor’s actions (structural duality). In reality, structures do not exist in time and space on their own, but in concert with actors’ social actions (cf. Rothstein 1988).

The two are mutual and contemporary phenomena, wherein the former presumes the presence of the latter. Several integrated actor-structure models have already been developed (see Wendt 1987; Rothstein 1988; Rundqvist 1998; Lundin 2004), of which the most well known is the process-oriented structuration
theory (Barley & Tolbert 1997; Hirsch & Lounsbury 1997). The structuration theory has the potential to bridge the gap between deterministic, objective and static views of structures on one hand, and voluntary, subjective and dynamic approaches on the other. This can be achieved by highlighting the intersection of actions and structures (Barley & Tolbert 1997). The structuration theory is an actor- or action-based attempt to understand integration through structural statements (Giddens 1984). The drive for integration also comes from structural avenues.

Synthesising actors and social structures demands linking terminologies that apply to both theoretical and actual situations. The definition of these terminologies is perhaps the first watershed between different theorists. In his "actor network" theory, Latour (1987) dismisses both the actor-structure and micro-macro theories. He states that not only is the actor the network's subordinate, it is the network which gives rise to the actor. This dehumanises the interpretation in favour of one that regards social processes as circulating entities. Luhmann (1995) describes how social systems are interpreted and whether they are able to observe themselves, since the ability to observe oneself is a prerequisite for being able to observe one's surroundings. Self-observing, self-reporting and self-organising social systems (called "autopoietic systems") subsist if they themselves are able to create the constituent parts of the system in the form of meanings and codes, for instance. Habermas (1987) discusses the colonisation of the world, which means that the system’s anonymous and objective relationships with respect to economic markets or public operations are increasingly forcing their way to the fore and taking charge of their origins in the world (which consist of various social relationships, e.g. among family members, colleagues and friends). Elias (1991) discusses figuration, in which the indirect relationships between individuals are analysed. Individuals are analysed only with respect to their relative position in social networks. Attempting
to interpret the behaviour of individuals independently of social context, or to understand society without looking at the constituent individuals is not a feasible solution. Bourdieu (1990) takes an interest in the relationship between social (objective) and mental (subjective) structures. In his analysis, he begins with the term *bearing;* signifying individuals’ accumulated social knowledge and experience (of mental and cognitive structures) or the fields that exist beyond the actors’ mental and cognitive structures, i.e. networks of relationships between objective entities and phenomena. Bhaskar (1979) views social structures as a continuously present precondition and the result of actors’ actions. Thrift (1983) provides a more coherent approach and includes descriptions of several previously mentioned theories. The four common denominators are (1) in contrast to the approach espoused in individualistic research, the occurrence and significance of irreducible and scarcely observable social structures which create actors is accepted; (2) in contrast to the structural approach, functionalism and the need for a theory characterised by practical consciousness is rejected while reason is emphasised in order to capture the meaning of people’s intentions and motivation; (3) actors and social structures are instead interpreted in a dialectic synthesis; and (4) social structures are related to spatial and temporal structures, which means that they must be studied theoretically and empirically in concrete projects. Note that basic cultural theory is based on non-dualistic premises (Williams 1981). The structuration theory addresses the deficiencies

*by means of [Giddens’] concept of the duality of structure. Structure is seen to consist of the rules and resources which are instantiated in social systems. In social life, actors draw upon these rules and resources, which
thereby ‘structure’ their actions. At the same time the structural qualities which generate social action are continually reproduced through these very same actions (Knorr-Cetina & Cicourel 1981: 161).

Thus structures are not interpreted as external or independent in relation to man and his actions. In particular, they are not regarded as being determinative in a social causality (Giddens 1981).

Fundamental Conceptions about (Social) Actors, Structures and Duality

The structuration theory states that structures are not interpreted externally in relation to actors and their actions. Structures are recurrent patterns of rules and resources that are mobilised by actors. Actors use these rules and resources to structure their actions. Actors and structures are not separate entities, locked in eternal opposition. Instead, they reciprocate one another in a duality between subject and object, between actions and institutions. In other words, structures both limit the actors and provide them opportunities (Giddens 1981; Giddens 1984; cf. Geertz 1993).

Experiences of structural duality vary from person to person. Some feel a sense of affirmation, while others feel obstructed. It may be assumed that people with the potential to influence their existence perceive a more pronounced duality than those who feel powerless and excluded. It is probable that the latter tend to view dualism as the mechanism upon which communities are built. The degree of consciousness also varies from actor to actor. The system may correspond with the efforts of individual actors to a greater or lesser extent (Lukes 1974; Mouzelis 1989; Sewell 1992; cf. Bourdieu 1990).

Subjectivism is important, since we are born into a particular structural context (nationality, ethnic group, gender, level of
education, class) which affects the social structures that we experience as being supportive or obstructive, as well as whether it is possible to influence them or not. This is particularly applicable to cognitive structures, but also to how well we are able to interact with institutional structures for personal benefit.

*By the duality of structure, I mean the essential recursiveness of social life, as constituted in social practices: structure is both medium and outcome of the reproduction of practices. Structure enters simultaneously into the constitution of the agent and social practices, and "exists" in the generating moments of this constitution.*

(Giddens 1979: 5)

So duality implies that actors, by way of their actions, create and maintain structural relationships, which in turn enable these actions to take place. The status of "actor" is not conferred on just anyone; it presumes a certain degree of control over the social relationships that are established, as well as their meaning. This requires consciousness and the ability to act (Lundquist 1987). In the long term, the potential ability (or power) – if not the will – to transform these relationships – i.e. to diferente – will be required. The same is true of the other local relationships that characterise the actions. If there is no potential to make a difference, then the issue does not concern an actor but rather a powerless individual or organisation (consider the concept "agent" in Bourdieu 1990).

Successful actors are powerful and able to make a difference. Their actions must be rooted in intentions and alternatives, and they must possess the ability to reflect on possible outcomes and improvements (cf. Burns & Dietz 1992). Power is connected with the exploitation of resources, both human and material. The ability to exploit both authoritative and allocated resources is an important key in being an actor (Giddens 1984; cf. North 1993). **Authoritative resources**, which are based on the management and coordination of the activities of human actors, and allocative
resources, which relate to utilisation and control of material products or other sections of the material world. Thus politics – simply put – concerns the attempts of certain actors to preserve particular structural relationships that manifest their power, even as others attempt to change them (Crozier & Friedberg 1980; see chapter 14).

**Resources (focused via signification and legitimisation)**

are structured properties of social systems, drawn upon and reproduced by knowledgeable agents in the course of interaction. (Giddens 1984: 15)

The duality between actors and structures have discursive functions, in that structures cannot be separated from the actors’ intuition and other grounds for a particular course of action (Wendt 1987). Three processes distinguish actors. **Reflective surveillance** is the intermittent control of the actions that lead to the fulfilment of goals and rules without full awareness of their purpose. **Rationalisation** implies that we are held responsible for our actions through routines and links to shared knowledge. **Motivation** involves respecting mutually recognised routines and meaningful needs (Giddens 1984).

Some actors will therefore find certain structures restrictive, while others find them supportive. On the other hand, the actors may focus on working on certain structures with a view to changing them. The capacity for reflection is included in the theory of structures as part of an overall concept of progress and modernity. Interaction between actors and structures differ from case to case, since actors have diverse characteristics and circumstances. Even if patterns emerge, each interaction is new and to a certain extent, unique. It is therefore difficult to come to theoretical conclusions. This makes it impossible to ignore contextual relationships in studies of individual or collective actors (Giddens 1996).
Social structures may therefore be the result of both the actors’ conscious and unconscious actions, since we experience things differently and do not recall everything. Furthermore, we may have suppressed memories, which influence us, without our being able to invoke or express them in the present. Giddens (1984) distinguishes between the unconscious, the practically conscious and the discursively conscious. While the unconscious is linked to memory capacity (or repressed memories and motives), the practically conscious is linked to the ability to reflect (based on memory and knowledge) on one’s actions. Finally, discursive consciousness is linked to the ability to verbally express intentions and motives. The various degrees of consciousness thus become comprehensible.

According to the structuration theory, no structure can exist without knowledgeable actors who use their knowledge in a creative and innovative manner (people who know what to do, how to do it, and the reason for doing it) in order to transform structures or apply them to new contexts (with particular reference to cognitive structures – see below). In general, it can be said that the ability to reflect on the basis of one’s own actions is fundamental. An additional step is taken by facilitating not only a mutual build-up of knowledge, but also meaningfully coordinated actions in combination with knowledge of other actors’ circumstances (McPhee 2004; cf. March & Olsen 1989; Andrezki 1983, and the “communicative rationality” in Habermas 1990). Consequently, the structuration theory has been referred to as the “ontology of possibilities” by its advocates (Johansson 1995), but also as “sophisticated intentionalism” by its critics (Thompson 1989).

Social structures influence both individual and collective actors, either internally or externally. Each type shapes and clarifies particular aspects of the actors’ behaviour, either as internal
abilities and motivation, or as external relationships, limitations and discourses (Giddens 1984; Wendt 1987; Emirbayer & Mische 1998). All actors choose between three inherent paths of action:

- a theoretical (real or incorrect) understanding of their actions, i.e. being able to defend their thoughts or actions;
- being able to reflect on, and perhaps change their actions;
- being able to make decisions.

This concerns both specific individuals and collective actors or organisations in relation to their social surroundings (businesses, municipalities, states, etc.).

Social structures cannot be interpreted in space and time, other than as virtual traces of memory (the development of knowledge: organic foundations in the form of concepts and ideas), or quite simply, individual and collective experiences of previous interactions. Briefly, there are three general structural dimensions in society: the creation of meaning, dominance and legitimacy. *The creation of meaning* is an abstract dimension that enables actors to communicate with and understand each other. It contains patterns of semantic codes, interpretation schedules and discursive practices. *Dominance* refers to influence and power-based relationships like autonomy and dependence. *Legitimacy* adds ethics and morals, i.e. values and ideals, normative rules, reciprocal rights and moral obligations (Giddens 1984).

The opportunity to reflect requires not only routines, which create room for deliberation (Cyert & March 1963) but also a certain degree of autonomy in relation to structures. At the same time, it renders the structures more or less autonomous in relation to the actors, which minimises the degree of control. The process also features a measure of insecurity. The actor does not have complete control over the structures with which the interaction will proceed and more importantly, over the structures that are to be displaced, recreated or renewed. The degree of insecurity increases in collective processes, which creates a
strain of impersonality. The actor experiences the structures as being external, as well as hard to perceive, influence and control (Berger & Luckmann 1979). He therefore cannot gain immediate access to the structures, despite the fact that he must nonetheless be able to assess them in various situations in order to act. Structural duality therefore becomes a perpetual process of rediscovery and recreation of elusive structures, which both facilitate and impede certain actions (Lundquist 1987).

The situation becomes more difficult to analyse when looking more closely at the definitions of "actors" and "structures". The situation-dependent structural terminology is particularly vague, and its relation to institutional terminology even more so. Normally, "structure" is defined partly as physical and distinct from individual actors, and partly as the social system of institutions within which the actors act. Giddens distinguishes between social system and social structure, where structure consists of the regulations and resources actors’ use in the production and reproduction of social systems over time. Structural duality is more about underlying structures that affect human behaviour than about specific institutions. Furthermore, Giddens’ structural concept ignores biological and other phenomena of the body, which may well, be important to the act it commits (Jackson 1999).

Nevertheless it is difficult to distinguish between social structures and social systems (Layder 1993; Archer 1999). Structures tend to be defined in a manner that is different from what is considered the norm, both generally and scientifically. The scientific descriptions include a host of interpretations and the term is furthermore frequently bandied about without exact definition. Excluding subject-based distinctions, these definitions include relations between groups, configurations of social roles, and the degree of inequality in society and the global capitalist system. Each of these definitions is relatively abstract, requiring a heuristic discourse in order to make them appear reasonable.
But from a realistic and empirical point of view they are simply awkward. Social structures can be regarded as patterns of costs, incentives and opportunities (i.e. an assessment of the preconditions, possibilities and alternatives that an actor perceives in a more actor- and action-oriented situation) (Hindess 1988; Lundquist 1987). If the actor is a knowledge-creating and reflective individual or organisation, then its ability to assess and estimate various alternative actions is evident in the choice between faithfully following the "accepted knowledge" on an issue or pursuing alternative normative paths.

*Social institutions and practices are regulative systems that define opportunities and constraints that guide, limit, and inspire individual action.* (Little 1989: 220)

Returning to the framework of the theory of structures, note that it is social structure that is being discussed; naturally, there are other structures (financial and cultural, physical and ecological, to name but four) with distinct roots in time and space. Instead of analysing structures in the traditional manner as stable and permanent, in structuration theory depicts them as situation-dependent, temporary and intimately associated with actors.

Thus structures are either material or social. Social structures do not exist independently of the actions to which they are related, or the actors’ impressions of their actions (Bhaskar 1979). Procedures, ethical rules and authority-creating resources (formal organisations, organisation of space and time, etc.) are structures; they may either be classified as external social or internal organisational structures. The actor is defined by his ability to make a difference or to bring about change. He who is not an actor is powerless. The possession of power is about being able to employ resources, either authoritatively (through coordinated actor-based activities), or allocatively (through the control of material products and other aspects of nature) (Giddens 1979; Giddens 1984). The theory of structures locates "power" in the actors’ conscious and unconscious attempt to
make a difference in individual and daily interaction with other actors or structures, as well as in its consequences for the system. This deflects attention from the phenomenological analysis of power in the actor’s intentions or in the interest of structuralism and functionalism in external structures (Ritzer & Goodman 2004).

The existence of social structures presumes the presence of abstract thinking. Although they are clearly manifest in daily life, it is difficult to point and say, "look at that structure". At times, they are more latent than manifest, e.g. when memories of previous situations influence our actions in a particular situation (cf. Lévi-Strauss 1969). Thus structures are reproduced along the boundary between latent memories and manifest action.

Rules and resources, recursively implicated in reproduction of social systems. Structure exists only as memory traces, the organic basis of human knowledgeability, and as instantiated in action. (Giddens 1984: 377)

The meaning of structures needs to be developed and elucidated with respect to the actors’ use of regulations and resources, as well as the patterns of interaction that accompany its repeated usage. The actor’s actions thus far are presumed to be guided by rationality (a point to which I shall return). However, the difference between actor-dependent and situation-dependent structures and institutions (or, contest-dependent structures) should first be clarified.

**Structures or Institutions?**

If actors and structures exist only in mutual interaction, then the meaning of "memory" is unclear. Does the memory emerge during the interaction, or is it always present (is it dependent on situation or context)? If it is the latter, then the structural concept ought to be divided (cf. Archer 1985; Archer 1999; Taylor 1989). The absence of a temporary (or spatial) structural
context renders historical analyses difficult in cases in which interest is directed toward the structural influence of certain actions (Wendt 1987). Furthermore, memories are regarded as individual experiences of previous interactions, which should be separated from collective remembrance and repeated patterns of interaction in space and time. The latter may be characterised as

a normative structure applicable to the participants and by a behavioural structure linking participants in a common network or pattern of activities, interactions, and sentiments. (Scott 1992: 15)

These durable, effective structures belong to the institutional sphere.

As ordinarily used in the social sciences, 'structure' tends to be employed with the more enduring aspects of social systems in mind, and I do not want to lose this connotation. The most important aspects of structure are rules and resources recursively involved in institution. Institutions by definition are more enduring features of social life. In speaking of the structural properties of social systems I mean their institutionalised features, giving 'solidity' across time and space. I use the concept of 'structures' to get at relations of transformation and mediation which are the 'circuit switches' underlying observed conditions of system reproduction. (Giddens 1984: 23f)

While structures are situation-dependent, the patterns that arise through interaction with actors are more permanently fixed in space and time. The figure below shows how social actions are conditioned and developed in tandem with the institutional sphere, through the structural duality described above. Action is created in the encounter between the preconceptions of actors (including identity) and structures perceived in specific situations and contexts. This is not about connecting to simpler
forms of goal rationality, but rather about a more limited or context-dependent rationality (cf. Becker 1976; Andrezki 1983; Simon 1957). This means that actors make choices more or less consciously – based on an assessment of situation and context, or experiences of previous interaction (individual traces of memory or collective institutions) – to act in a certain manner aimed at achieving a certain outcome (there are a number of other motives, however; cf. Goffman 1959). The degree of consciousness is important; it is reasonable to assume that not all structuring and institutionalisation occurs through the conscious creation of meaning, but also as unconscious socialisation processes during which we routinely learn which action usually works best (see Jepperson 1991, for a discussion on the relationship between conscious actors and unconscious institutionalisation processes). A society’s cultural heritage also plays an important role in choices made, myths and ideologies colour the actors’ mental models (see Meyer & Rowan 1977; DiMaggio & Powell 1983; Friedland & Hecht 1996). The figure below illustrates the gap between the theory of action and neo-institutional theory, bridged with the help of the duality between actors and structures.

Figure 11: The structural duality of social practice as manifested in the interface between action and institution.
Structures come freighted with either cognitive or normative elements from the institutional sphere (cf. Lundquist 1984; Lundquist 1987; March & Olsen 1989; Lundquist 1998). The distinction is subtle, but important. Normative elements always contain cognitive equivalents, while cognitive elements may either be on a journey through space and time, or en route to becoming. Cognitive elements consist of preconceptions, thought patterns, concepts, future images, ideas, and narratives. Similar terms are designated "schedules" in Giddens (1984) and "mental structures" in Bourdieu (1977). Normative elements consist of values, norms and principles that shape behaviour in various ways (see chapter 13).

**Social Integration and Social Systems**

The basic tenets of structuration theory mainly apply to individual actors who

> continuously monitor their own thoughts and activities as well as their physical and social contexts. In their search for a sense of security, actors rationalize their world. By rationalization, Giddens means the development of routines that not only give actors sense of security but enable them to deal efficiently with their social lives. Actors are also motivated to act, and these motivations involve the wants and desires that warrant prompt action.
> (Ritzer & Goodman 2004: 380f)

Although Giddens mainly discusses the actor as an individual, I have no qualms about applying the term to collective actors, to wit, organising and organisations, not analytical categories such as gender or class (cf. Mouzelis 1989; Sewell 1992). Berger & Luckmann (1979) mainly highlighted institutionalisation among individual actors, rather than collective ones, in a similar manner. Zucker (1977) highlighted organisations in her experimental studies, though she remained at the micro-level. Others also
included the macro-level in their analyses. Coleman (1990) stated that organisations distinguish themselves in several important ways, including hierarchical authority, possible eternal life, specific legal space and responsibility, which may constitute different premises for the process of institutionalisation than those that apply to individuals. Furthermore, this does not apply to internal relationships, which is why Tolbert & Zucker (1996) base their discussions on formal organisations. Collective actors are also included in the context:

Agency entails an ability to coordinate one’s actions with others and against others, to form collective projects, to persuade, to coerce, and to monitor the simultaneous effects of one’s own and others’ activities. Moreover, the extent of agency exercised by individual persons depends profoundly on their positions in collective organisations. (Sewell 1992: 21)

(Social) practice is formulated in the encounter between actor and structure. These social practices are also the premise for the empirical analysis. The reproduction of social practice stabilises relationships and patterns of interaction in time and space in two ways (Giddens 1984; Lockwood 1964; cf. Archer 1999). First, there is social integration. Concrete social meetings and daily, face-to-face contact between people lead to the development of steady social patterns. This means that daily life is reproduced through the development of routines, the basis of which is the reduction of uncertainty. Alternatively, this may be formulated as the inherent effort to reduce uncertainty in daily life. We reduce the ontological (and epistemological) uncertainty of existence by seeking to establish epistemological certainty in our social relationships. Epistemological certainty includes the establishment of future images or orientation models that enable us to share similar orientation systems in time and space. It also implies an effort to attain a state of predictability through the development of routines in daily life. Secondly, there is system
integration. This means that reproduced social practices lead to regularly recurring patterns of interaction between individuals and collective actors, even those absent in time and space. Thus daily life becomes more remote through the broadening of social systems, which requires a form of virtual reduction in the degree of uncertainty. Others have attempted to develop the relationship between actors and cultural systems (Archer 1999). Social systems are

empirically observable, intertwining, and relatively bounded social practices that link persons across time and space. Social systems would encompass what most social scientists mean by "societies" but would also include social units greater (e.g. the capitalist world system) or more limited (e.g. the neighbourhood community) in scope than the nation-state /.../ structures are not the patterned social practices that make up social systems, but the principles that pattern these practices (Sewell 1992: 6).

While social integration presumes a presence in time and space, integration systems pave the way for extended relationships and patterns of interaction. Social systems are not made up of social structures, but are instead an expression of recurring structural patterns in space and time. The collective patterns constitute the system, not the structures themselves. This distinction is necessary in order to distinguish what individual actors experience in particular situations from what countless reproduced interactions bring about. This occurs through the establishment of trans-local patterns of interaction and networks. These dependences in turn become part of a complex "entity of ornaments" (Elias 1989).

The ornamentation model consists of people in long and complex chains of dependence and interaction. In this model, people are united and related to each other
through power links. They then form many different types of "ornaments" such as schools and cities. (Olofsson 2003: 482; author’s translation)

The contexts in which the individual actor operates are created in these linked entities. Changes in operation and other traditions may be related to changes in social relationships. Identities are created, preserved and changed in a cross-fertilisation between internal and external factors (Elias 1989). This occurs locally, however, emerging perceptions of long patterns of interaction create an awareness of other meaning-creating entities. The term "organisational field" was coined by neo-institutional theory in order to succinctly capture that concept (Meyer & Rowan 1977; see chapter 13).

Certain social systems are based on the intentions of actors, while others are based on unexpected consequences of human actions, odd perceptions of structures or complex system dynamics (Weber 1978; Giddens 1984). Michal Frenkel (2005) illustrates how the people of Israel attempted to construct a rational and modern state that was not based on capitalist principles beginning in 1948. As they began to translate various management principles, they incorporated a degree of legitimacy for fundamental, neo-liberal assumptions into the process at the local level. These neo-liberal assumptions were embedded in the management principles. Refer to Max Weber’s (1978) discussion on how clear goals often lead to completely different outcomes.

Knowledge-acquisition and the ability to be sociable are dependent on these unexpected consequences of previous actions, which are reproduced in the system. The actors learn from this, change their actions and thereby reproduce the uncertainty and dynamics in the system. This may be the primary reason for structural change (Giddens 1981; cf. Harré 1981). According to the theory of structures, daily behaviour is
characterised by an aspiration toward ontological certainty or the reduction of insecurity. The question is whether epistemological certainty results in ontological security. The development of routines may be a mechanism for security. This frequently leads to unintentional effects and renewed insecurity. One important cause is that innumerable interactions between knowledge-seeking actors and structures create long production chains and the reproduction of social practices (Giddens 1984). Even the slightest shift in the meaning of social practices may lead to unexpected, unpredictable and chaotic effects over time. The result may even be the opposite of what actors originally sought to achieve (Urry 2000; see Merton 1963, on manifest and latent function and dysfunction). Shifts in the meaning of social practices are not only rooted in conscious and expressed intentions, but also in unexpected structural stipulations and complex system dynamics (Gleick 1988). This should not be misinterpreted as a fundamental requirement or function of the system. Societies in themselves have no needs (see Brante 1989, however). By being interpreted in terms of human actions, without any existence beyond people’s memories and actions, structures contribute to shaping social patterns of interaction, social institutions or systems. Thus structural change does not imply the presence of conscious actors. Actors may naturally devote themselves to imitating each other or dealing with structures; however, the changes can become significant in the long term, even on a global scale, through the minimal, yet inevitable shift. Repeated interaction between actors and structures eventually leads to both linear and non-linear change (Urry 2003), as well as evolutionary ones (Collins 1998). Increased consciousness, reflection and discussion may counteract unseen shifts. In this context, the understanding of when and how actors move from a state of reflection to one of action promoting change and renewal is relatively undeveloped (Archer 1999). Being faced with contradictory structures provides the actors with freedom of choice. The actor may
"choose" structures with which to interact (Whittington 1992). Taken in connection with complex system dynamics – systems which are characterised by complex, multi-dimensional and occasionally contradictory patterns of social practice on several levels – this implies that actors’ "alternatives" pave the way for new patterns of interaction beyond those shaped by the social system. Since our knowledge of social systems is heuristic at best, their complexity and inherent dynamics ensure that no one gains control of the whole. From a system perspective, rational actor behaviour is more of a coincidence than a characteristic. Social systems are viewed as troublesome from a learning perspective, for much the same reason. Structural change is otherwise usually referenced on the basis of future influences, such as new ideas or changes in organisational fields. Thus structures also change internally through the tension created by structural multiplicity, complexity, inconsistency and imperfection.

Structures are complex phenomena. The more we attempt to simplify this complexity, the more difficult understanding how and why they change becomes. It is namely the degree of complexity, rather than the contradictions, imperfections and fields of tension that are created which lead to structural change. This in itself is no anomaly, but rather an expression of inherent function. Five axioms that have been adapted to my structural terminology are developed in Sewell (1992). These provide a fundamental interpretation of structural change.

- **Multiple structures** – society is based on social practices that emanate from many different structures and various levels and function in various contexts. Related structures, which are applied to different contexts or encounter different actors develop varying logics and are reformulated. Knowledge-seeking actors may use various concepts and other resources in their interaction with institutions, which may change the very pattern of interaction.
• Transference and conversion of ideas – knowledge-seeking actors may consciously and unconsciously use old concepts and other cognitive structures in new contexts; this may lead to changed cognitive structures and perhaps even institutional structures.

• Intractable institutionalisation – to introduce new laws is to alter action; however, it is never completely possible to check the manner in which this is done. Knowledge-seeking actors often find creative alternatives to the lawmaker’s intentions, whether the subject is traffic law or tax regulations.

• The structures’ multiplicity of meanings – the interpretation and use of legislation constitutes an example of how structures maintain and obtain various meanings for actors with various backgrounds and prospects in various contexts. The multiplicity of meaning is rooted in both the inner construction of the structure and the actors’ expectations and intentions.

• Overlapping structures – the line of argument stretching from multiple structures (the first axiom) to meaningful multiplicity (the fourth axiom) in it illustrates the complexity and inherent difficulty in surveying the phenomenon. Overlapping sometimes leads to the structures’ strengthening each other at certain intersections and weakening them at others. New structures may be created at the intersections, while old ones may disappear through the creativity of knowledge-seeking actors. The interpretation of structures’ dependent path of development is formulated at a later stage.

There is a multi-level relationship between actors, structures and systems that needs to be investigated before continuing. While as explained the system so far appears to consist of collected
and unexpected events in daily life, another aspect is comprised of the awareness of a common structure of regulations and resources gradually manifested in daily life.

**An Unsolved Problem?**

Apart from the basic principle – structural duality – the structuration theory is rather vague and deeper study unfortunately offers little clarity. On the other hand criticism is plentiful and diverse (Held & Thompson 1991; Bryant & Jary 1991). Criticism of the theory of structures has primarily been levelled at its theoretical openness, imprecise definitions, unclear conceptual restrictions and an incrementalism that implies that new relationships and phenomena are continuously being appended to the theory. In the latter regard, it resembles the meta-theories whose weaknesses – according to Giddens – are said to have inspired the development of the theory of structures. Perhaps there are also flaws in its ontological depth, which means that structures beyond the social world ought to be included in the analysis (see Craib 1992). Also refer to Archer (1999) for another important argument. In reality, her ”Morphogenesis Theory” is about the dualism between actor (agent) and cultural systems (via socio-cultural systems). In addition, she employs a different structural terminology than Giddens (”structure” is defined as material phenomena and interests, while ”culture” is composed of immaterial phenomena and concepts), which makes for an inefficient comparison. The criticism primarily concerns the issue of time between actors and structures. Archer claims that social structures exist before, during and after actors and their actions; they are independent of the actor, to a certain extent. It is particularly important that social structures (interests) precede the actor. Furthermore, she says that if the relationship between actors and structures does not correlate in time, then they ought to be interpreted individually, in tandem with each other (cf. Mouzelis 1995). In
addition, the theory of structures and other actor-structure approaches have been criticised for being "magical manifestoes" rarely put into practice (Rothstein 1988). In line with what has already been said, the difference between structuralism and functionalism on one hand and actor-oriented or translating approaches (hermeneutics and phenomenology) on the other is idealised. Furthermore, these research approaches are hardly uniform and static. Various actor-structure approaches have been observed from philosophical, theoretical and explanatory perspectives. The theory of structures is viewed here as a perspective, rather than as theory or philosophy. This means that actors and structures are included in the analysis, i.e. in human plans, in relation to the surroundings, and vice-versa (Rundqvist 1998). The actor-structure approach may answer the question "How is event X possible?" but not the question, "Why did X happen, but not Y?" The latter can best be answered via historical analysis (Wendt 1987; see Pettersson 2002).

In addition, there is a "level" problem that has been poorly analysed (Mouzelis 1995; Ritzer & Goodman 2004). Integration in social systems takes place on at least two levels: an abstract (macro) level and a concrete (micro) level. In the literature – other than that directly dealing with the theory of structures – structural principles, structures and aspects of structuring are developed as a problem of levels in structural analysis. The most abstract analysis is that of structural principles, which resembles the institutional terminology used here. It relates to how fundamental social institutions are expressed and changed; the ones which continue to exist over time and space. Structures are the rules and resources, which depict the actions of actors. Structural aspects constitute the most concrete level of analysis for structures (see Giddens 1981; Thompson 1989).

Daily contact between people in their immediate surroundings is usually said to occur at the micro-level. This reflects the existence of a duality between actors and microstructures, such
as inter-personal relationships, in small groups, and other forms of interaction within smaller social entities (social integration). Various aggregations (abstractions) on the micro-level can be converted to overriding levels in which the whole corresponds to the sum of the parts (e.g. meso and macro-levels, see Hage & Meeus 2006). The development of certain institutional events in the aggregation from micro to macro-level can be viewed as a solution to psychosocial tensions and individual conflicts. Alternatively, regular patterns of action can be regarded as recurring identities in the interpretation of existence. If “micro” encapsulates the individual level, then “meso” should denote inter-personal relationships and “macro”, a structural level. The macro-level consists of overriding structures which influence interaction between actors, e.g. through the broadening of irregularities in time and space. Macro-influence at the micro-level may either be explained by the fact that institutions (formal laws and regulations, as well as informal norms and principles) are internalised, or that overriding structures (laws, market systems, etc.) establish the framework for the actions (Hage & Meeus 2006; Brante et al. 1998).

Naturally, there is some overlap in the distinction between actors and structures and between micro- and macro-levels. Nevertheless, there is good reason to separate them for now in order to subsequently unite them in a developed interpretation of duality (cf. Alexander et. al. 1987), although certain elements may appear incompatible (McGregor et. al. 2001). The division between micro and macro does not represent distinct paradigms in the understanding of society, institutionalisation or actors’ thoughts and actions. It is more likely that macro describes the abstract, while micro describes that which is tangible in the same context. Empirically, they are embedded in the same phenomenon, which is easily detected once the correct issues are addressed.
The micro-macro distinction refers to the difference between small-scale social phenomena on an individual and/or face-to-face level and large-scale events on an impersonal or collective level. The actor-structure distinction treats the issue of whether humans’ social relationships should be explained on the basis of their meaning-creating actions or social structures. (Lundin 2004: 36; author’s translation)

The distinction between micro and macro has traditionally been interpreted as different empirical domains or empirical levels with causal relationships between the levels; this is basically the same issue described by structuration theory.

In this regard, micro has touched upon directly observable events and the interaction between individual actors, while macro has related to non-observable, non-individual structures. Much energy has been spent on ascertaining the direction of causality. Are the structures at the macro-level formed by events at the micro-level, or are cause and effect to be found elsewhere? These theories have often been formulated around reductionistic concepts in which the clarification of phenomena occurring on one level is sought on the other (Guneriuussen 1997). The micro-macro issue may involve different focuses (Hilbert 1990):

- One level may be explained as part of another (Boudon 1987; Collins 1981);
- integration of levels (Giddens 1984);
- one level both restricts and facilitates the other, which in turn changes the underlying conditions through reconnection (Alexander et. al. 1987);
- an overall view consisting of levels integrated in different ways (Luhmann 1981; Wiley 1988).

The problem is that this easily leads to an impression of two simultaneously existing and related worlds, i.e. that there is
another world or dimension beyond our own that restricts our scope of action. But there can be only one world (Callon & Latour 1981).

Micro-actors associate, creating networks. As the network’s operation acquires a relative stability, the network begins to be perceived, or conceived of, as a macro-actor, by definition more powerful than any micro-actor. Market changes do not result in changes in a producer’s behaviour, and changes in consumer behaviour do not result in market changes. They are one and the same, usually at different points in time: it is a consumer’s behaviour yesterday which made constraints on the consumer’s options today, and couched in a different language.

(Czarniawska & Sevón 1996: 7f)

The situation becomes more interesting if the micro-macro dynamic is labelled according to an analytical difference or a degree of difference, in which context determines the definition of micro and macro. Imagine the context of a municipal economic policy for sustainable development. It may be natural to label municipal decision-making processes as micro while sustainable thinking is interpreted as an external macro-economic structure. How does this influence the municipality’s effort to formulate an economic policy for sustainable development? The distinction between internal and external influence is important, and brings the level problem into focus. The municipality may also be viewed as macro, while the internal administrative process or interaction with local society is viewed as a micro-process. An additional way of interpreting the concepts of micro and macro is to view them as parts of a whole. Thus from a research perspective, micro-processes are relatively elementary events or processes, while macro-processes constitute the entire system or the framework for interpreting events that occur on the micro-level. In empirical
research, the macro-level is particularly difficult to define, although most accept that there is an external framework or meaning-creating entity characterising, and being characterised by, our actions. Actors are always present at the micro-level, but may remain at both micro- and macro-levels. The structural duality in terms of the interaction between actors and micro and macro-structures should not become all embracing and include consequences of various interactions. The head of a Swedish municipality is not a macro-actor, any more than the global consequences of George Bush's decisions made him one. Actors make concrete decisions, regardless of the structures with which they interact and the consequences that result (see Callon & Latour 1981).

Others also speak of macro-actors. Mouzelis (1992) points to two such types. The more likely of the two is the group collective actors, which interact and push various collective decisions forward. This group includes international organizations and political parties. The more unlikely of the two is the group mega-actors, whose decisions, actions and exertions of power affect many others (see Lundin 2004). My view of macro-actors is that it is a mistake to assign spatial and temporal significance to the macro-level. Macro is an abstraction, something beyond space and time. There are certainly actors, whose operations have global reach, but this does not make them macro-actors; it is actually more apt to describe them as "trans-local". Thus all forms of structural duality takes place at a micro-level upon which the actors operate and interact with micro- and macro-structures. Note, however, that the micro-level may contain actors who interact with others to obtain or create a function or status in order to influence or translate other actors’ expectations and values. Actors who exert this multi-dimensional power resemble macro-actors. In order to achieve the function, they must "enrol other wills by translating what they want and by reifying this translation in such a way that none of them can desire anything else any longer" (Callon & Latour 1981: 296).
Some view the difference between the actor-structure duality and the micro-macro duality as simply one of terminology, while others view the former as typically European and the latter typically American (both highlight the relationship between the part and the whole) (Ritzer 1992). Others simply see a difference in degrees. While investigating (empirical or analytical) levels in micro-macro approaches and the exchanges between them, the interest in actor-structure approaches is directed towards the link between the practical behaviour of actors and social structures on different levels (actors always operate on the micro-level) (Carlsnaes 1992). Combined and unique elements are developed in Ritzer & Goodman (2004). Like the structuring model, the micro-macro duality does not provide any explanation of how theories on different levels can be combined (Summers-Effler 2002).

What is referred to as a global economy is no more than micro-actors interacting with other micro-actors to construct networks that happen to appear global. This has been dubbed elsewhere an "actor-network" (Callon 1986b) and its participants "collective actors" (Czarniawska 1999). A global economy is a macro-structure to the individual; the concept becomes institutionalised as it spreads and is established in the public domain. It is unlikely that all individuals will participate in the same network, and most of the networks do not have a global range. Although specific individuals do not participate in overarching networks or possess global ideas, they are indirectly influenced by globalisation if "everyone else participates" (Czarniawska & Joerges 1996). Neither can nations, society, markets or international organisations such as the United Nations be regarded as macro-actors (Czarniawska & Sevón 1996). Once again, consider the case of the municipality implementing an economic policy for sustainable development. Actors who support the concept have to interact with both sustainable thinking (macro-structure) and an economic policy tradition.
Some view the difference between the actor-structure duality and the micro-macro duality as simply one of terminology, while others view the former as typically European and the latter typically American (both highlight the relationship between the part and the whole) (Ritzer 1992). Others simply see a difference in degrees. While investigating (empirical or analytical) levels in micro-macro approaches and the exchanges between them, the interest in actor-structure approaches is directed towards the link between the practical behaviour of actors and social structures on different levels (actors always operate on the micro-level) (Carlsnaes 1992). Combined and unique elements are developed in Ritzer & Goodman (2004). Like the structuring model, the micro-macro duality does not provide any explanation of how theories on different levels can be combined (Summers-Effler 2002). Furthermore, institutional frameworks constitute

a meaningful, symbolic state which defines and gives meaning to the actions or their alternatives. Paying for something with cash or a credit card is meaningful insofar as the actors involved understand the terminology related to money, prices, ownership, buying and selling, as well as the fact that there is an institutional state to which this terminology refers. The individuals’ mutual expectations are coordinated and the actions gain meaning as a result of these terminologies and the institutional state (Guneriuussen 1997: 301f; author’s translation).

The system contains a general meaning in which each actor, microstructure and macro-structure is a component. Each section of the system supports this general and fundamental meaning, together with a more subjective and practical meaning. The micro- and macro-levels are related to each other both logically and conceptually and appear as the subjective and inter-subjective creation of meaning, respectively (cf. Taylor 1989), rather than as traditional cause-effect or reductionistic
relationships (Guneriusseen 1997; Alexander et. al. 1987; cf. Habermas 1990; Latour 1999). This means that the actor uses cognitive structures to create an image of the way in which society, or the current social system, is constructed and how will change. This image contains a time-dependent relationship between actor and cognitive structure, in which the past and the future enter the present (Collins 1981; Archer 1999; Carlsnaes 1992). Whether this future image will come into being through thought and behaviour – in the form of new values, norms, principles and concrete actions – is an empirical issue, as is the question of whether these behaviours will recur and build new institutional structures. In so doing, that which is intimately personal will be united with that which is commonplace.

Globalisation does not only concern the creation of large-scale systems, but also the transformation of the local, and even personal context of social experience (Giddens 1994: 4f).

Globalisation does not only concern abstract changes at the macro-level, but also addresses how such changes are perceived by actors at the micro-level against the backdrop of already existing conditions, e.g. material structures, traditional operations and other cognitive and psychological dispositions (cf. Wilbanks & Kates 1999). To understand this duality, it is necessary to study the local structural and relationships, preferably over time. Furthermore, it is necessary to familiarise oneself with inter-local and global relationships, as well as how various actors manage these micro- and macro-structures in their daily operations (cf. Layder 1993). The model below is based on the latter interpretation in which the Protestant work ethic led to new actor’s values. These new values and behaviours had implications not only for the religious system, but also the financial one.
James Coleman (1990) developed this model to illustrate the micro-macro duality in the theory of rational choices. While the theory itself is irrelevant to the current discussion, the dual approach is not. Coleman claims that the macro-phenomenon can only be interpreted through fundamental insights into the micro-phenomenon (connected to the theory of rational choices, preferably with emphasis on the actors’ intentions). Giddens also supports the necessity of beginning with an underlying perspective, although he mainly discusses the actions of social actors as the path to understanding social structures and systems. The main path through which the research world may understand society goes via social practice (Giddens 1984).

While highly simplified, this model illustrates how individuals interact with structures and between structural levels, how macro-levels develop, and how unexpected consequences may result. The process begins with an event in relation to an existing structure or the presentation of a new concept. The resulting influence is spread to individuals and groups of individuals who have a tradition of social practice with unique patterns of interaction. They adopt the influence, though not necessarily strictly in its present form. Something new emerges, in this instance outside the formal structure, practice and doctrine of Protestantism. New patterns of thought and social practices
develop; eventually, a new macro-structure takes shape, whereupon new social systems are developed. Thus the model captures fully the selective appropriation of global elements by local actors. These are transformed and adapted to local circumstances and accommodated into a local plan. By doing so, local actors are able to localize development, customize it – to a certain extent – to their own needs, thereby diverging and re-channelling the course that the so-called globalising forces are apparently heading for. (Remmers 1999)

**Reflections on Structural Duality and Global-Local Dynamics**

Although global, or rather, "glocal" structures exist (Pettersson 2007), it is local structures that continue to be the primary influence on people’s daily lives (Berger & Luckmann 1979; Collins 1981; Tomlinson 1994; Scott 2001). It has been said that all knowledge is global (Kroeber 1948) as well as local (Geertz 1983; cf. Clifford & Marcus 1986), but also that it is glocal (Giddens 1994; Czarniawska & Joerges 1996). One expression of the latter may be the municipality whose local operations are guided and adapted according to an awareness of the global environmental and developmental problems. The question is thus how globalisation, as a distant, external function, creates cognitive, social and existential meaning locally (Lie 2003; cf. Bäcklund 2003).

According to theory, globalisation is a structural phenomenon that affects the behaviour of the actors. Like many other phenomena considered sufficiently important to warrant deeper understanding (revolutions, economic development, innovative processes), the feeling of being able to influence proceedings is significant in determining the action the actors choose to take. Structural phenomena and transformative processes often involve many people and proceed over a long period of time. They tend to remain harmless narratives without structural
relevance. Although they are related to the development at the structural level, they tend to focus on the groundbreaking efforts of powerful rulers, conspiratorial attempts at change or specific, decisive actor-related events in history (see Allison 1971; Coleman 1986). What is happening all over the world – according to the globalisation theory – is that there is increasing contact between local actors, i.e. the inter-local relationships are increasing (Callon & Latour 1981). This implies a harmonising inter-locality in which local actors either interpret and implement global influences in a similar manner, or find other ways in which to converge. If the exogenous function of globalisation is emphasised then the varying dynamics of inter-locality is lost. Behind this lie a perception or assumptions on financial, political, cultural and other forms of power concentration that drive a global integration process (Kasimis & Papadopoulos 1999). Globalisation, viewed as a superior, autonomous and harmonising process, appears to respond to the debate between those who study social wholes (methodological collectivism) and those who seek explanations based on the individual (methodological individualism). The terms action paradigm (based on Emile Dürkeim’s ideas) and fact paradigm (from Max Weber) are sometimes mentioned (Danermark et. al. 1997; Gilje & Grim 1993). The response is that a new level acknowledging the social whole – the global – emerges, the expression of which is neither supported by, nor reduced to individuals. Thus the structure stands as the victor over the actor in classic dualism (Urry 2003). Since I acknowledge the persuasive function of the globalisation theory, but question its elements of simplification, dependent development trend and reductionism, then it is my opinion that the view of actors and structures ought to be further explored. At that moment, they become translations and hybrids that are created when people, goods and ideas are transported from one context to another. The challenge is not to reduce or break down the structure to its smallest components, but rather to foster an appreciation
for how they influence daily interaction (Collins 1988). Nor is the challenge to convert the actions of actors into structures. It may certainly be true that interaction between people gives rise to structural phenomenon. Conscious intentions are not always realised. Similarly, actors’ actions do not determine a definite structural development (Coleman 1990).

Any form of social organization is reproduced in this way – by human agents through their translation of the institutionalised content of society – as reproduced by other human agents at other points in time and space. We orientate our actions to the actions of others past and present in order to achieve social integration, yet we retain our capacity to make a difference and in so doing we further extend social institutions in time and space. This is achieved not passively but actively. With global communications and global culture, social institutions have become increasingly globalised and the individual increasingly translates the day-to-day in terms of the global. (Spybey 1996: 190)

Regarding globalisation exclusively as a macro-phenomenon is delusional. The theory of structure features a heuristic explanation of the link between local and global levels. The key is that there is no global structuring from a spatial viewpoint (relationships that control the system’s reproduction). All structuring activities occur at the micro-level, where the actors’ understanding of the relationship between macro and micro (or the whole and its parts) limits what appears to be possible. The various ongoing structuring processes have no definite outcomes. In this light, the theory of globalisation appears to be problematic, while the theory of glocalisation increasingly appears to be fundamentally sound. The outcome of the world’s combined glocalisation processes may well resemble that which has been described in globalisation theory, though driven by other dynamics.
In conclusion, there are several advantages to this method of perceiving globalisation. It allows us to avoid the harmonising assumptions of globalisation theory and the feeling of external necessity. It addresses the issue of whether globalisation comprises a new world order at a system level or whether it is but one of several structuring processes in an existing global system. Furthermore, globalised thinking offers an opportunity to understand the dynamics between actors and structures beyond unambiguous or action-oriented explanations, whether they are structural or functional. Globalisation is not only spurred on by the development of the global market, the interests of multinational corporations or the declarations of the United Nations, but also by individuals, households, local businesses and municipal councils. The term "glocalisation" was coined in order to escape the shackles of globalisation theory and its harmonising effects. In particular, this new theory facilitates an understanding that transcends the deceptive dichotomies "actor-structure", "micro-macro" and "global-local".

From the present author’s perspective, structuration theory operates more as a conceptual tool with which to bridge dichotomies and thus promote an understanding of the dialectics between global-local phenomena, rather than concrete methods of integrating action theory with an abstract structural theory, even if the potential exists (cf. Bryant & Jary 2001). In line with the latter, it can be said that the structuration theory has some bearing on international relationships, or rather, that it defies the prescribed agenda for how such relationships are to be studied. While the actor interpretation of neo-realism and the structural interpretation of globalisation theory provide important insights, much in their methods of interaction remains obscured (Wendt 1987).

The opposite viewpoint is defended in Friedman & Starr (1997). An approach in which actors and structures are viewed separately is developed, based on positivist grounds, reducing them to nothing more than variables.
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This chapter presents a synthesis of three models for understanding how ideas are disseminated and institutionalised. The first one, linear diffusion, implies that ideas are realised in a uniform manner. In the second, non-linear diffusion, new proposals are received in the same way but realised differently. And according to the third model, evolutionary translation, reception and realisation occur via a process of dual translation. The resulting synthesis is firmly based on translation thinking, but features salient elements of the two other models.

Introduction

The previous chapter employed the structuration theory of Anthony Giddens in order to investigate the theoretical relationship between actors, structures and systems in local-global interplay. Through so-called ”glocalisation”, this exercise resulted in a need to broaden ideas dealing with the diffusion and institutionalisation of new thinking. Neo-institutional organisational theory has long been dominated by a linear diffusion thinking, which features two outlooks. Ideas are
either homogeneously spread and institutionalised between actors, or spread uniformly without being institutionalised (cf. Shannon & Weaver 1949; Rogers 1995). Diffusion denotes an automatic and self-regulatory process. Diffusion models have been used to capture the spread of news (customs, techniques, goods, fashion, innovations, ideas, values, attitudes, practices, structural elements, etc.) through space and time. Attention has often been focused on geographical distribution, particularly that of technical innovations (cf. Leichter 1983). Diffusion implies that ideas reach and are accepted by the receiver, at least formally intact as embedded in institutions. Empirical studies however often reveal a gap in that theory (see Pettersson 2007).

Studies of the diffusion of new organizational forms usually emphasize organizational imperatives and local decisions, implicitly suggesting that organizational forms are standardized through the effortless evolution of commonsense understandings about how to organize. By contrast, among the museums we see substantial discord about key aspects of museum form and function as well as the emergence of a national infrastructure – at which professional organizations supported by philanthropic foundations are at the core – committed to speeding and shaping the diffusion process. (DiMaggio 1991: 268)

Thus the theory says one thing and the empirical data another. For this reason, non-linear diffusion thinking has emerged (cf. Christensen & Lægreid 2001). Although many diffusion models are developed in a mathematical paradigm with advanced equations and integrals, they have obtained basic non-linear elements over time (Katz et. al. 1963; Ogburn 1964; Rogers & Shoemaker 1971; Brown 1981). Differences in theoretical conceptions may also be caused by variations in empirical focus and new methodological thinking. Non-linear thinking therefore signifies a shift from an overriding and automatic macro-dynamic state to a less automatic, micro-dynamic state. This dynamic is reciprocal (Brown & Cox 1971).
To learn about social interaction and social structure, however, we need to move beyond standard diffusion models, which assume spatial and temporal homogeneity. Spatial homogeneity means that all members of the population have the same chance of affecting and being affected by each other. Temporal homogeneity means that the potential influence of prior adoption events does not vary with the length of time since their occurrence. These assumptions make the mathematics of diffusion relatively tractable. But they also render diffusion analyses uninformed by, and uninformative about, the social structure of the population under study (Strang & Tuma 1993: 615).

Bateson points out one important – however problematic – premise in the emergence of non-linear thinking.

*If you walk around with pattern A and you encounter pattern B then all you get is your pattern A and a hybrid of A and B. You never see B.* (Bateson 1972: 126)

In non-linear thinking, the process of distribution as the transfer of permanently established ideas, objective truths or indisputable facts which neither can nor need to be perceived, interpreted and evaluated is challenged. Nevertheless, many processes of distribution and institutionalisation appear as failures. Not only are the contents and meanings of the concepts displaced, they also change in basic character. A translation metaphor has been developed within the sociology of knowledge and communication theory as an alternative to the diffusion metaphor, which gives the process a more evolutionary outcome. The starting point of evolutionary translation thinking is to first understand how and why ideas change when they are disseminated (Latour 1987; cf. Saussure 1983).
The translation model can help us to reconcile the fact that text is at the same time object-like and yet it can be read in different ways. Also, it answers the question about the energy needed for travelling: it is the people, whether we see them as users or creators, who energize an idea any time they translate it for their own or somebody else’s use. (Czarniawska-Joerges 1996: 23)

In contrast to diffusion thinking, which deals with the transfer of messages, translation thinking deals with the transformation of texts.

If a man kicks a stone, then energy is transferred from the man’s foot to the stone. The stone will move to a position that can be precisely calculated from the amount of energy transferred from the foot to the stone, the shape of the stone, the angle of incidence, etc. However, if the man kicks a dog, the dog can be expected to run away, attack the man and bite him on his leg, etc. The dog gets the energy to do this from its own metabolism, not from the kick. In other words, the process does not involve the transfer of energy, but of information, which is the interesting aspect – the manner in which the dog perceives and interprets the information which accompanies the kick, in relation to the dog’s behaviour, determines the dog’s outcome. (Lundahl & Öquist 2002: 39; my translation)

Apart from increasing proximity in space and time, this implies that the meaning of the recipient’s internal relationships is upgraded. Thus interest is also directed at those who did not receive the message, misunderstood it, or re-interpreted it. Even unsuccessful diffusion may lead to meaning-creating institutionalisation (cf. Holub 1984; McQuail 2000). The basic mechanism in translation thinking is that people react differently to the same influences. Furthermore, we are selectively attentive.
Perceptually (cognitively and normatively), we are unequally prepared to observe, interpret and absorb specific ideas (Bruner 1957; De Fleur 1970; Angelöw & Jonsson 1990).

The aim of this chapter is to present three established perspectives in neo-institutional theory formation: the structural perspective, the actor-structure perspective and the actor perspective. Previously, the first and second perspectives have been pitted against each other, while the third has been pitted against the cumulative understanding of the first two. There are crucial differences between the perspectives, e.g. in the use of the terms "idea" and "institution". Another difference concerns the choice of dynamic with which the ideas are spread and institutionalised. My intent is not to conduct a systematic comparison, rank the perspectives in terms of productivity, or determine which perspective is best suited to which empirical context. The perspectives are regarded as being potentially equivalent in terms of clarifying different forms of distribution and institutionalisation processes. Instead, it is the problem formulation, methodology or empirical data themselves – from case to case – which will determine which perspective is relevant.

**The Structural Perspective: Linear Diffusion**

**Introduction**

In the structural perspective, organisations are assumed to operate in institutional environments in which leadership, identity and business make them more or less similar. These environments are called organisational fields. They enable organisations to identify themselves in a certain manner over time, which creates a bond with other organisations in similar positions. In reality, it is of little consequence whether organisations, which operate similar businesses and share similar concepts, are also similar in other respects.
Organisational fields are network-like relationships between organisations that operate on the same market or political arena or establish identity-creating (cognitive and normative) relationships among themselves (Meyer & Rowan 1977; Scott 1987; cf. the term "shared standardisations" in Berger & Luckmann 1979). Organisational fields have classically been described as

\begin{quote}
\textit{those organizations that, in the aggregate, constitute a recognized area of institutional life: key suppliers, resource and product consumers, regulatory agencies, and other organizations that produce similar services or products. (DiMaggio & Powell 1983: 148)}
\end{quote}

Organisational fields function on different levels. Many fields in the Western world are influenced by the overriding divisions between public, private and voluntary sectors within which subordinate sectors form (Czarniawska 1992). Examples of this can be seen in the educational, health care and defence sectors (Scott, Meyer 1991). The significance of this observation should nevertheless not be given exaggerated weight, since it is even more clearly illustrated in the remaining perspectives. In practice, there is an ongoing process of cross-fertilisation between different fields, which occurs when specific organisations elect to seek alternative grounds for legitimisation or affiliation. The relationship between public and private sector operators in particular displays this trait. The private business sector has thus often been touted as an exemplary model for the public sector, given the necessity of efficiency and modernisation (Czarniawska 1985; Lind 2002; Jacobsson 1994; Blomquist 1996; Christensen & Lægreid 2001). In the structural perspective, homogeneous organisational fields influence the impression of how ideas are diffused and institutionalised.
The Diffusion and Reception of Ideas

The dynamics in the field are based on the fact that divergent views of reality have emerged among the actors, and that similar cognitive and normative expectations have been established (Berger & Luckmann 1979). Furthermore, the language has homogenised, particularly where there frequent interactions occur (Meyer & Rowan 1977). The emergence of divergent expectations constitutes the foundation for both formal and informal guidelines for thinking and acting. Furthermore, this indicates meaning to actors in the field. In practice, this means that the rules are either taken for granted or are enforced by public opinion and/or legislation (cf. Johansson 2002).

Organisational fields are thus patterns of interaction between organisations, which have relationships with each other and are characterised by structural homogeneity (similar identities, positions or functions in the field). The field is structured in four different ways:

> An increase in the extent of interaction among organizations in the field; the emergence of sharply defined inter-organizational structures of domination and patterns of coalition; an increase in the information load with which organizations in a field must contend; and the development of a mutual awareness among participants in a set of organizations that they are involved in a common enterprise. (DiMaggio & Powell 1991: 65)

Rationalised myths lead to the best form of efficiency being established. These myths spread to the organisations, often spontaneously, and subsequently become the norm within the field via diffusion, through which they are homogeneously incorporated into the organisations’ formal structures (Meyer & Rowan 1977). Safety regulations, concern for the environment and sustainable development, the UN’s Convention on the
Rights of the Child and other high-profile ethical standpoints quickly become (with some exceptions) part of the organisations’ formal structure (see Parsons 1960).

As the issues of safety and environmental pollution arise, and as relevant professions and programs become institutionalised in laws, union ideologies, and public opinion, organizations incorporate these programs and professions. (Meyer & Rowan 1977: 244f)

This logic is particularly prominent in organisations that strive to appear rational and legitimate – especially politically controlled organisations. Although certain ideas may be regarded as specific and unique, the majority are tied to overriding ideologies and philosophies. This means that many ideas appear to be reasonable, since they appear to be part of a logical whole. Furthermore, since most of the arguments are familiar, the ideas appear natural enough to be accepted, regardless of whether they contribute anything new or actually address the problems individuals face (Christensen & Lægreid 2001).

What appears to be effective in a field perspective is not always effective for individual organisations. Nevertheless, to appear legitimate, organisational representatives tend to express formal ambitions that are in line with the rationalised myths in the field. The organisational fields thus largely influence the organisations’ formal structures via so-called isomorphism. This implies that both legally binding and other normative powers are established among the actors in the field. Furthermore, in an uncertain environment, the example’s power appears to lead the meek to follow those who have achieved a measure of success on a certain issue. Instead of creating our own success, we tend to imitate our predecessors and pioneers. The result is that organisational sketches, action plans, visions and other formally planned patterns of action and expressed ambitions are homogenised. Thus isomorphism has little or nothing to do
with the level of efficiency in organisations. Instead, the process concerns legitimacy, acceptance and the appearance of doing pioneering work (DiMaggio & Powell 1983).

All forms of disengagement of structure from action means that organisations may look very much alike in form and structure, but function very differently in practice (Tullberg 2000: 37; author’s translation).

The Organisation and Institutionalisation of Ideas

The duality existing between the formally expressed and the practically applied frequently causes tension. This in turn leads operations within the same organisation to separate and maintain a detached relationship with each other, the force behind which is the ambition of liberating efficiency-oriented core operations from legitimising operations – it should be possible to run the former independently of the latter. The process comprises both conscious and unconscious elements, neither of which need be nefarious or cynical.

The difference between formal and informal organisation, rituals and double standards often consists of crucial and sometimes necessary ingredients in modern organisations that wish to match prevalent demands for decency and rationality while efficiently producing coordinated actions (Brunsson & Olsen 1990: 21; author’s translation).

There are thus two sides to every organisation. One is receptive and easily influenced and adjusts readily to changes in its surroundings. The other is more resistant and cultivates its identity and individuality. The latter has been described as an informal organisation – in contrast to the former, more formal organisation – with its, internal logic based on the efficient production of goods and services (Brunsson & Olsen 1990; Goffman 1959).
The power of organisational fields to convince or otherwise influence organisations to adapt varies, which naturally affects both the structure and content of their legitimate operations (Scott 1983). Thus some obtain partly ceremonial functions. The façades of formal structures are constructed as symbolic gestures designed to give the impression of dutifully abiding by normative, obligatory ideals or decisions made by parliament, or of being at the forefront of a future-oriented process of efficiency and modernisation. Those who are successful in conveying the right impression likely improve their prospects of obtaining both external and internal financing. In addition, they are less vulnerable to criticism from the public, researchers or administrative authorities than those who formally distance themselves from the process (Edelman 1992; Scott 1994). Organisations can therefore legitimise their existence without depleting the efficiency of their operations (Meyer & Rowan 1977; Powell & DiMaggio 1991). While core operations are characterised by loose connections to formal structures, legitimate operations remain intimately linked to these formal structures. A degree of openness prevails in the latter; indeed, there is a desire for external scrutiny. Modernity is constantly being “revised”, and the ability and willingness to adapt is evident. Prospecting operations are conducted, in which the latest “thing” is investigated, imitated and assimilated if it benefits the organisation’s reputation (Meyer & Rowan 1977). No one wants to be seen as being close-minded.

If institutions are exclusively regarded as external phenomena in relation to various operations, then the meaning of isomorphism may be taken to the extreme, i.e. that organisations located in the same surroundings may become homogeneous. This means that institutional pressure would largely be created by demands from central authorities or regulatory and normative actors. Universally accepted expectations, norms and practices may have a definite and limited influence, but the bulk of external
pressure emanates from formal authorities (Meyer & Scott 1983; Sutton et. al. 1994; Scott & Meyer 1994a). Authors of more recent articles have begun to question this distinction, particularly as the national arena is increasingly complemented by a prominent global one (Kraatz & Zajac 1996; DiMaggio 2001). Although some say that organisations have hardly changed at all (Sköldberg 1991), others espy revolutionary transformations (Jönsson 1988).

Thus within the framework of the structural perspective, two very different outcomes can be reached. The first is the original impression that ideas are spread through diffusion via organisational fields, which causes the organisations’ formal branches to become homogeneous while the core operation remains untouched. The second is the impression that ideas are institutionalised in a deeper sense, so much so that they come to characterise core operations.

**The Actor-Structure Perspective: Non-Linear Diffusion**

**Introduction**

Counterbalancing the interpretation of organisations from an overriding, abstract macro-level, a micro-oriented perspective has been formulated to focus on organisations both as institutionalised forms and as the sources of new or modified forms of institutionalisation. Initially, the actor-structure perspective appeared mainly in the form of criticism of the structural approach. In it, important theoretical and empirical issues considered either insufficiently discussed or completely ignored by the structural perspective were addressed, including internal and external influence, resource dependence, social struggles and power relationships (Zucker 1991; Tolbert & Zucker 1996). The actor-structure perspective thus moves the interpretation from a macro-level to a micro-level and emphasises the existence of a micro-macro dynamic, though
the view of how ideas/institutions diffuse remains the same. On the other hand, the significance of the receiver is clarified, which means that a more action-oriented and practical interpretation of institutionalisation emerges. The process involves the restoration of a focus and methodology (case studies) common to older institutional theory (cf. Hirsch & Lounsbury 1997). In other words, the relationship between the actor-structure perspective and the structural perspective is more complementary than antagonistic. It is possible that the ambition has never been to dismiss the structural perspective, but rather to highlight different potential results (cf. Tolbert & Zucker 1996).

The actor-structure perspective and the structural perspective represent two interpretations of the classic article Institutionalized Organizations: Formal Structure as Myth and Ceremony (Meyer & Roman 1977). What the interpretations have in common is that they both claim that ideas are spread to all actors in a similar manner (diffusion). The distinction between the perspectives’ interpretations is that in the actor-structure perspective, the actor is neither passive nor structurally limited. While advocates of the structural perspective are interested in organisations’ relationships with their surroundings (as both cause and effect), the actor-structure perspective primarily focuses on the process from reception to realisation. Instead of structures in fields (value systems, ideas, institutions, etc.), the institutionalisation of ideas is characterised by internal structures and the local environment. If the structural perspective captures the organisations’ relationship to their surroundings, the actor-structure perspective explains what happens between that which is formally stated and that which is practically implemented. This shift in focus is salient, since it pushes local creation of meaning to the forefront, while other aspects of the institutionalisation process fade into the background (Tolbert & Zucker 1996; Czarniawska-Joerges 1996).

In the actor-structure perspective, the importance of the actor and action to organisational change in general and institutionalisation in particular is re-established (Johansson
The focus is placed on the cognitive and normative process that the creation and transfer of institutions signifies. Important questions include, how is the endurance of the alteration ensured? What role do language and symbols play? Instead of viewing the organisation and institution as stable phenomena or states, they are instead described as processes or dynamics (Bostedt 1991). The corresponding distinction that the structural perspective makes between formal and informal structures is presented here. Formal decisions to organise the operation according to certain external influences are not automatically institutionalised. The premise is that the more institutionalised an idea is in the field, the less room there will be for local values, norms and claims to power in a bid to influence the reception and implementation of said idea (Zucker 1977; Zucker 1991). Consequently, new, less institutionalised ideas should be more receptive to local interpretation.

**The Diffusion and Reception of Ideas**

The actor-structure perspective is based on diffusion thinking which concentrates on local relationships. This is particularly striking among its pioneers. The influence of the structural perspective is more apparent in later research, although expressions like "organisational fields" or "isomorphism" are either rarely developed, or not at all (Tolbert & Zucker 1996). In relation to the structural perspective, the dissemination of ideas is simply regarded as a transfer of content and meaning. Note that the dissemination of ideas is not expressly mentioned, but rather the dissemination of institutions and structures. In reality, the structural perspective makes no distinction between ideas and institutions, since apart from behavioural aspects, institutions and structures (the terms are used synonymously) also possess cognitive and common sense elements (Pettersson 2007). On the other hand, it lacks ideas such as exclusively cognitive and non-institutionalised phenomena. This means that institutions (thought and behavioural patterns that are taken for
granted) are spread freely and unchanged between actors. This is a straightforward process of diffusion in which neither the ideological content and meaning nor the normative thought and behavioural patterns are affected (Zucker 1987; Tolbert & Zucker 1996).

It is argued here that internalisation, self-reward, or other intervening processes need not be present to ensure cultural persistence because social knowledge once institutionalised exists as a fact, as part of objective reality, and can be transmitted directly on that basis. For highly institutionalised acts, it is sufficient for one person simply to tell another that this is how things are done. (Zucker 1977: 726)

There is rarely only one source for any given idea. Even if there is an identifiable creator, the ideas/institutions travel along many different paths (other organisations, branch representatives, the media and other formal and informal power brokers, experts and creators of norms). This means that an assessment of the risk an organisation faces by taking on a new element from the very beginning is based on different outlooks. The background consists of a measure of insecurity about the outcome of different choices, where decisions are made based on information about the experiences of others and individual positions. Good examples with a huge potential for being spread to other organisations thus constitute less of a risk for potential receivers than relying on uncharted influences, others’ failures or the creation of one’s own success. This also means that well-tested and otherwise institutionalised ideas have a greater power of attraction than new ones, if we ignore potential content. Thus the objectification of ideas is partly a consequence of the fact that organisations observe, analyse and imitate each other. The recycling of established ideas appears to be simpler to achieve than creating something new and different (Tolbert & Zucker 1996; Banerjee 1992).
Differences between organisations implementing the same ideas or institutional influences are explained in the actor-structure perspective through varying degrees of institutionalisation. That is, the institutions’ cognitive and behavioural messages are realised to different extents or in different ways in different settings (Tolbert & Zucker 1983; Zucker 1991). There are thus similarities to the structural perspective’s isomorphism regarding the dissemination of ideas, but without the prescription of homogeneous institutionalisation or distinction, and featuring an implementation that leaves core operations unchanged. Non-homogeneity is a similarly probable effect. Thus organisations are regarded as being self-sufficient, context-dependent entities.

In other words, variation in strategic response to the same environment can engender differentiation rather than isomorphism. To specify the conditions under which either of these occur requires a focus on internal institutional process. (Zucker 1991: 105)

In the reception of ideas (or pre-institutionalisation), a proportionately small number of actors are involved, usually individuals whose profession is based on finding solutions to current problems or are personally invested in the adoption of a specific idea. Most influences are completely disregarded at this early stage; only a few are paid any attention at all. The amount of attention varies from a formal approach, via a formal decision-making process (in which the degree of influence is linked to the organisation’s operations by its inclusion in visions and plans), to deeper forms of theorising on the potential function and meaning of the influence in relation to specific operations (Tolbert & Zucker 1996; Strang & Meyer 1993). It is only when influence becomes the object of theorising that the institutionalisation process is initiated.
The Organisation and Institutionalisation of Ideas

In the actor-structure perspective, neither the conversion nor reception of an idea nor its subsequent organisation and institutionalisation are described particularly well. The reason is obvious. Since ideas (i.e. institutions) are thought to be spread and received homogeneously, the organisation of the idea’s implementation is rather unproblematic. Anyone who stumbles across the idea/institution interprets it in the same way. This means that much of the energy spent on formulating visions, programmes and plans need not be expended to achieve a practical outcome. It is more important to introduce as many people as possible to the new influence as quickly as possible. The premise is that statements and formal obligations tend to be homogenised between actors in the same field due to the persuasive power of the idea and the influence of the organisational field. On the other hand, the institutionalisation of ideas appears to be the most important process characterising the emergence and development of social practice (Berger & Luckmann 1979).

The institution, the final product of the successfully-completed process, has been defined in this thesis as a pattern of action recurring and ingrained in specific social contexts. This implies that habit-forming patterns of action are related to the behaviour – internally emergent or externally adopted – of an actor or group of actors as a solution to a recurring problem. This habitualisation is the first stage in the institutionalisation of ideas. Habitualisation manifests the emergence of specific patterns of action in the solving of certain stimuli. It requires links to shared perceptions of situation and context or to that, which justifies these routine actions (Schütz 1999). Thus it is posited that similar organisations struggling with similar challenges with a staff equipped with similar skills tend to achieve similar solutions.
In an organizational context, the process of habitualisation involves the generation of new structural arrangements in response to a specific organizational problem or set of problems, and the formalization of such arrangements in the policies and procedures of a given organization, or a set of organizations that confront the same or similar problems. These processes result in structures that can be classified as being at the pre-institutionalisation stage. (Tolbert & Zucker 1996: 181)

Thus institutionalisation means that the recurring patterns of action are disengaged from the individual actors through generalised interpretation (Tolbert & Zucker 1996). The generalisation of the actions’ meaning is called objectification. Objectification implies the emergence of meaning in routine patterns of action, which are disengaged from specific operations (Zucker 1977). This insight – that there is something general in the specific – constitutes a second stage in the institutionalisation of ideas. In contrast to the initial stage of habitualisation, objectification implies the emergence of a more conscious pre-conception or theory. It contains more conscious expectations of how things are linked together, which problems are best addressed, and the methods by which to address them in order to achieve particular results. This is crucial to the understanding of how actions are transplanted to other situations and contexts and the resulting consequences (Tolbert & Zucker 1996). Objectification is thus related to various processes, both within and between organisations (compare the terms "contingency practice" in Johansson et. al. 1999 and "sustainability practice" in chapter Business, Design and Factor 10 in this book). Within organisations, the process is one of institutionalisation (the institutionalisation of ideas), while between them, it is about the diffusion of structures (the spreading of ideas and organisational fields).
The movement toward a more permanent and widespread status rests heavily on the next process, objectification, which accompanies the diffusion of structure. Objectification involves the development of some degree of social consensus among organizational decision-makers concerning the value of a structure, and the increasing adoption by organizations on the basis of that consensus. Such consensus can emerge through two different though not necessarily unrelated mechanisms.

(Tolbert & Zucker 1996: 182)

In the actor-structure perspective, objectification is considered to be promoted by pioneers and enthusiasts. Perhaps the most important aspect of the institutionalisation process is that individuals or groups have a vested interest in spreading and implementing certain ideas (Czarniawska-Joerges 1990; DiMaggio 1988; cf. Ritti & Silver 1986; DiMaggio 1991; Læssø 1993; Furusten 1995; Olsson 2005). Three stages can be discerned in the process. As a handy example of the first, we can use the staff of a marketing firm, whose job it is to spread ideas between organisations in a market where it might be possible to sell them. The marketing metaphor illustrates the fact that the idea can potentially be spread – be ”sold” – to numerous different organisations, to the profit not only of the marketing firm but to a bevy of consultants and other experts, too.

The second stage relates to marketing staff and exponents of new ideas, who require two things to happen in order to be successful. First, they must formulate a convincing definition of the idea that addresses both organisational problems and operations – regardless of whether they are external researchers/consultants/leaders or internal leaders/workers. This is necessary in order to obtain general acceptance of the definition on cognitive and normative grounds. Secondly, a diagnosis is required, i.e. justification of certain formal arrangements as the solution to organisational problems (Strang & Meyer 1993).
This does not exclude the fact that additional participant-oriented, underlying processes may be successful, even though they often require more open-ended conditions (in chapter Is ‘Development’ Necessary to Innovation in this book).

By implication diffusion of new structures to a given organization will have a lower hurdle than will creation de novo of comparable structures in that same organization will have ‘pre-tested the structure, and decision-makers’ perception of relative costs and benefits of adopting will be influenced by observations of other organizations’ behaviour. Thus, the more organizations that have adopted the structure, the more likely will decision-makers perceive the relative balance of costs and benefits to be favourable. (Tolbert & Zucker 1996: 182f).

The third stage concerns whether the objectification of the patterns of action occurring in one specific social context have potential applications in others. Can routine, objectified ideas be transferred from one operation to another? How is resistance handled? How are results displayed? Can they be maintained over the course of time? In short, can the initial impulse be converted successfully into routine elements of everyday life (Hannerz 1992)? This process has been called sedimentation.

Full institutionalisation involves sedimentation, a process that fundamentally rests on the historical continuity of structure, and especially on its survival across generations of organizational members. Sedimentation is characterized both by the virtually complete spread of structures across the group of actors theorized as appropriate adopters, and by the perpetuation of structure over a lengthy period of time. Thus, it implies both “width” and “depth” dimensions of structure. (Tolbert & Zucker 1996: 184)

This is related to historical continuity, particularly the transfer of standardisations (interpretation of ideas) to new actors who
lack knowledge of their origins and the context in which they were created (Zucker 1977; Berger & Luckmann 1979; Tolbert 1988). The degree of routine, objectification and sedimentation reflects the extent of institutionalisation (Zucker 1977). Many ideas embraced by an organisation lead to institutionalisation processes featuring elements that indicate routine; a small number of these are objectified, while fewer still become full-fledged institutions. Many simply remain empty designations, while others are instilled with conceptual content, but remain desires expressed only on paper. Still others become the subject of concrete developmental processes. Some develop, some come to nothing. In the end, only a few ideas are fully sedimented and institutionalised (Tolbert & Zucker 1996).

The designation "complete institutionalisation" implies a qualitative status quite difficult to achieve. Most institutions are probably more or less insufficiently institutionalised. Furthermore, these processes are continuous, which means that there is some degree of overlap between the processes of institutionalisation and de-institutionalisation. Nevertheless, it is necessary to attempt to distinguish between varying degrees of institutionalisation, since merely receiving an idea is not enough to warrant the designation "institution".

**The Actor Perspective: Evolutionary Translation**

**Introduction**

In contrast to the linear diffusion thinking of the structural perspective, the actor perspective boasts an alternative, non-linear model of interpretation best described as a process of translation (Blomquist 1996; March & Olsen 1989). Its main weakness, however, is the fact that the failure or success of institutionalisation becomes difficult to discern, because this perspective is completely indifferent to whether the receiver has
correctly interpreted the sender’s message (Jacobsson 1994). Instead, it approaches each case on its own conditions (Callon & Latour 1981; Callon 1986a; Latour 1986).

The central role of the receiver as translator should however not be overestimated; because things will not become so different to the extent that no one diffused idea resembles the other. Rather, each individual actor is part of a chain of distribution or in a multi-facetted network (Gomart & Hennion 1999; Law 1999). Most of them probably attempt to conduct themselves in an exemplary manner and, with a little luck, exercise some positive influence on the development of things. Alternatively, they might follow fashionable trends or attempt to imitate successful examples. Few deliberately attempt to be odd and alienating or to deviate or dissociate themselves from various trends. A fundamental force in the process is the search for identity and meaning; this is created in relation to others in network constellations, as well as in relation to ideas. Thus there is an inherent desire for interaction between actors, which is the very engine of the evolutionary distribution model (Brown & Capdevila 1999).

Translation is first an endeavour. Later it may be achieved /…/ Translation is a definition of roles, a distribution of roles and the delineation of a scenario. (Callon 1986b: 25f)

The actor perspective basically emerged as a critique of the two other perspectives’ views on the environmental dependence of organisations and of the actor as being relatively passive in structural relationships. Criticism is specifically directed at the fact that while rationalised myths, distinctions and separations are certainly interesting terms which cannot be rejected out of hand, they are not enough to describe the relationships of all organisations to all surroundings. If organisations are not regarded as passive reflections of homogeneous, institutional environments – without personal creativity in an uncertain, insecure and unstable existence – then an interpretation must
be developed according to how various levels and complex patterns of interaction both create, and are created, by actors (Giddens 1984; Powell 1991; Geertz 1993; Skoglund et. al. 1996). One important difference is that the status of the ideas themselves is upgraded. Here ideas are clearly distinguished from institutions, as cognitive entities on a journey.

[O]nly a thing can be moved from one place to another and from one time to another. Ideas must materialize; symbols must be inscribed. A practice not stabilized into an institution cannot last; it is bound to be ephemeral. A practice or an institution cannot travel; it must be simplified and abstracted into an idea, and thereby converted into words or images. Neither can words and images travel until they have materialized, and until they are embodied or objectified. Only bodies or things can move in time and space. (Czarniawska 2002: 7).

In the actor perspective, the surroundings are viewed through selective perception and assigned varying values. We approach new ideas in a similar manner (Czarniawska & Sevón 1996), for example in relation to modern (Abrahamson 1996; cf. Sellerberg 1987) and outdated aspects (Røvik 1998). The premise is that actors maintain a relatively liberal approach to both new and old ideas. Many ideas are immediately rejected. Some become the subject of further attention, while a few are implemented in a deeper sense. Even fewer achieve the special status of "institution". Ideas that stimulate curiosity have been translated in order to be adapted to local conditions and interests. Translation implies that a complex and continuous process has been initiated, characterised by a combination of resistance and acceptance, along with interpretation, misunderstanding, change and stability (Doorewaard & van Bijsterveld 2001; Dolowitz & Marsh 1996).
The outcome of disseminating any one idea can therefore not be determined or predicted (Latour 1986; Czarniawska & Sevón 1996). It varies from case to case. In certain cases, participating actors may be homogenised, in others they develop differently. The important point in both cases is that they are characterised by translation processes, not by diffusion processes. The dynamics are not the same.

Perception springs from prognosis, leaving ample opportunity for the play of imagination, rationalization, or illusion and therefore for resort to these talents to justify or denounce any policy at all. As these illustrations suggest, the associations that particular categories evoke proliferate indefinitely, influencing reactions to issues, images, and terms regardless of whether their creators intended them to do so. In a sense, they create sentiments, moods, and ideologies that play their parts in a range of responses too wide to define (Edelman 1995: 16).

When an idea is introduced into a new context, a process of transformation (not adaptation) is initiated. The idea is discussed, interpreted, modified and changed in relation to the conceptual essence and context in which it is to be implemented. This is necessary in order to ensure that the receivers will understand its content and meaning in their own setting. In other words, the idea is translated (Doorewaard & van Bijsterveld 2001). It is thus up to each individual to create meaning for an idea and to shape it according to his own conditions and objectives (Weick 1995; Edelman 1995). Furthermore, the receivers rapidly become a sender. This is particularly clear with respect to formal statements on the marketing of personal strategies.

According to the latter, the spread in time and space of anything – claims, orders, artefacts, goods – is in the hands of people; each of these people may act in many different ways, letting the token drop, or modifying it, or deflecting it, or betraying it, or adding to it, or appropriating it (Latour 1986: 267).
The translation metaphor reflects movement, change and transformation, but also stability. It includes both formally translated ideas (linguistic objects) and more practically translated ones (materialised objects). The outcome is viewed as the result of a combination of local conditions and intentions, random events and institutional circumstances, and not of specific factors, such as strategic choices or environmental dependence (Czarniawska & Sevón 1996). Germaine questions include, under which circumstances does an idea gain local attention? Who is championing the idea? And the process as a whole may be succinctly put in the form of an overriding query, to wit, What happens to the idea when it is transformed from an abstract, mobile one to a concrete, objectified one, which in turn is eventually transfigured as a practically implemented, institutionalised one (Czarniawska & Sevón 1996; cf. Doorewaard & van Bijsterveld 2001; Frenkel 2005)?

**The Diffusion and Reception of Ideas**

”Translation” as a metaphor for distribution has another meaning, which has nothing to do with the translation of an idea from one set of linguistic attire to another. While there are both terminological and rhetorical elements in translation, there are also spatial and time-related aspects. This means that translation signifies interference on the part of the receiver, which means that content and meaning are either shifted or adapted to local conditions at the receiving end (Latour 1987). Translation is rooted in the existence and expectations of the receiver, with regards to both the abstract and the concrete. Alternatively, it may be compared to a fusion of horizons (cf. Gadamer 1960). Alternative interpretations of an idea are created during the translation process in order to accommodate local structures and situations (Callon & Latour 1981). This implies that links are created between both the specific idea and the specific needs of the receiver, as well as between various creators of ideas. Thus both idea and receiver develop as the distribution progresses
(compare the differences in focus between Latour 1986 and Callon 1986a). New translations and network relationships arise gradually, which implies a generative communication process. The distribution and institutionalisation of ideas creates new approaches and potentially gives rise to new practices. These practices will probably consist of new perceptions, clarifications and solutions, which will represent something other than "simply" interpreting the problem differently. The receiver will therefore become an involved creator or innovator, and not just a passive receiver (cf. Schön 1979 on generative metaphors).

It focuses on the process that adopted practices undergo as they become entirely different objects from what they were in their original social context. Both the idea and those who adopt it change during the process of translation. (Frenkel 2005: 279)

The process may be described as follows: the abstract idea undergoes linguistic specialisation during its transfer between contexts or levels, e.g. through the use of labels, metaphors and platitudes to facilitate translation. In simple terms, this means that the idea is summarised (simplified) and endowed with a figurative composition.

Labels tell us what something is: they classify. Metaphors say how something is: they relate, create images and bring things to life. Platitudes establish what is normal: they conventionalise. (Czarniawska-Joerges 1988: 14)

Initially, linguistic specification is of particular importance in labelling of new ideas introduced to environments rife with tradition and well-established practices. Ideas, meta-narratives or philosophies with which the new idea can be associated are clarified and established by labelling. This combination of old and new makes it easier for many to identify themselves with this strange concept (Czarniawska & Joerges 1996).
At each point of her daily life, the human finds herself in a biographically determined situation, i.e. in a physical and socio-cultural situation that she herself has defined and in which she has her position, not just in the physical space, external time and her status or role within the social system, but also in her moral and ideological position.

To say that this definition of the situation is biologically determined is to say that it has a history. It is a storage of all humans’ previous experiences, organised as the habitual stock of knowledge over which the individual presides and which, in this regard, is her own unique property, which she, and only she, has received. (Schütz 1999: 34)

People read texts and grasp meaning based on what they have previously experienced, what they expect to experience again, and the associations that are made in specific situations and contexts. The decisive factor in the present context is that the idea may be related to an organisation’s daily routine or core values, common symbols, myths or narratives (Meyer 1996; Czarniawska 1997). The receiver must feel some sense of identification in order to be attracted by the idea (Bruner 1957). When the unknown occurs, it takes time and sometimes-constant repetition before we perceive it. It takes even more time before perception leads to action. This implies that we also find it easier to accept ideas that legitimise things with which we are already working and which confirm our identity (de Rivera 1968; Jervis 1976; Esping 1983; Lebow 1990; Czarniawska & Joerges 1996; Pettersson 1997). The dissemination of ideas is thus a result, not the cause, of collective action (Latour 1998). In summary, evolutionary translation thinking means that the focus is placed on the relationship between local actors and trans-locally spread ideas (Forssell, Jansson 2000).

[E]ach of us [is] somewhat imprisoned in a world which we perceive to be reality. Operating within this world, we
attempt to imagine what the future will be like and what plans we should make in order to attain our goals. (de Rivera 1968: 65)

When an idea is introduced, it is the actor’s collective experiences, traditions and sundry other impressions that determine whether it will rouse notice. These factors also determine which future opportunities its reception will offer. The receiver may be expected to maintain a creative and selective interest in the idea, adopting elements that offer opportunities and ignoring those that do not (Schütz 1973).

The new vision must fight its way through a "semi-permeable organizational membrane", consisting of existing power networks, organizational culture and subcultures, in order to influence the existing set of organizational visions. As a result, during an ongoing process of confrontation of ideas, intermingling of concepts and (re)interpretations of meaning, the organization slowly changes towards the realization of a few of the core elements which can be found within the new set of values. (Doorewaard & van Bijsterveld 2001: 71)

Ideas that have been accepted, received and translated obtain an almost material presence, first as a quasi-object and then as an actual one. Ideas are objectified only by being transformed and reproduced in the same form. They are packaged and presented as relatively concrete ideas in visions, plans and programmes, or are conveyed verbally, which are in turn objectified in newspaper articles, televised news segments, and other media. If repeated often enough, objectified ideas may eventually emerge as inevitable future ideals.

In order to move from idea to action – from the formal translation to the translations of other operations – the idea must be protected by an image, e.g. a verbal or graphic figure
demonstrating the requisite actions or a narrative describing its historical development, which by its very existence points out conceivable futures (Bro & Pettersson 2005a, 2005b and 2005c). The events in these translation processes cannot be controlled, although a certain degree of influence can be exerted (Czarniawska & Joerges 1996).

**The Organisation and Institutionalisation of Ideas**

According to this theory, the organisation and institutionalisation of ideas may behave in a manner similar to both the actor and actor-structure perspectives (cf. Erlingsdóttir 1999), with two important differences. Firstly, the actor perspective upgrades the influence of the receiving actor’s (both individual and collective) cognitive and institutional circumstances for the reception and implementation of ideas. Thus means that the process that was described in a previous perspective as being either a linear or non-linear diffusion process emerges as a generative or evolutionary translation process in the actor perspective. Secondly, the focus on the process’ cognitive aspects means that the significance of the idea increases in the distribution and institutionalisation process. Furthermore, the objectified idea’s dual functions will emerge in external relations and internal processes. Both aspects are vital if the process is to be understood, in terms of both the creation of routine processes and the creation of meaning.
The above figure illustrates how ideas are accepted and realised by the receiver. The premise supposes that someone chooses to present an idea (plans, visions, programmes, or other formal statements). Objectification implies that the concept of "freedom" is disconnected from its realisation (cf. Czarniawska & Joerges 1996), though it does address how formal ideas are organised, as a distinction between formal strategies and implemented practices.

After prototypes have been edited and imported into the local setting, new expectations for and new meanings ascribed to the organizational activities may result from the language and comparisons the imitation entails. Thus imitation of successes may result in transformed organizational identities. (Sahlin-Andersson 1996: 71)
The interpretation of the dissemination of formally expressed, objectified ideas resembles that of both the structural and actor-structure perspectives. Thus formally objectified ideas tend to be homogeneous. This leads to the establishment of organisational fields through attempts at legitimised imitation. The force behind formal standardisation is that organisations, which follow good examples, tend to exaggerate the similarities and belittle the differences, since anything else would imply a failure to achieve the ideal. It is not unusual for realisation to be dramatised in an effort to draw attention to the latest "success story". The dramatisation in itself may imply that contents and meaning are changed. The difference between it and other perspectives is that the field is established as an effect of translation, not of diffusion (Doorewaard & van Bijsterveld 2001; Sevón 1996; Sahlin-Andersson 1996; Rottenburg 1996; Ström 1997). This is called formal translation (cf. Tolbert & Zucker 1996; Bourdieu 1995).

A second stage in the process, the institutionalisation of ideas, describes the manner in which formally objectified ideas are converted into events within the organisation. The first and second stages are often separated (as described regarding the structural perspective, see above). This also occurs through translation processes. In this regard, the distribution between organisations does not differ from the process that takes place within an organisation. The formally translated and objectified ideas are assigned the same functions in the process of distribution throughout the organisation as those between organisations.

A straightforwardly formulated idea with which to introduce staff to the new process is preferable. It should be both captivating and motivating and encourage further discussion. In the continued process of institutionalisation, it is critical that the new idea creates associations in the minds of the staff which lead more and more of them to adopt it, make it their own,
and choose to become part of the process (Bro & Pettersson 2005a, 2005b and 2005c). In successful cases, new procedures and norms for thought processes are established, and actions eventually become routine. If new employees then learn from older workers in a pre-determined and undramatic manner then we soon end up with institutions that are taken for granted (Tolbert & Zucker 1996). This is called practical translation.

In relation to the surroundings, there are more or less countless institutionalised ideas. Many end up forgotten and vanish during the process (often unnoticed); only a few become fully institutionalised. External observers and researchers, as well as cooperation partners are often presented with rather complex images, ranging from proud declarations on the organisation’s efforts on behalf of equal opportunity issues, sustainable development and human rights to a multi-facetted practice of more or less institutionalised ideas.

By way of definition, organisational fields consist of the actors whose interactions constitute a common institutional field (DiMaggio & Powell 1983). Many organisations never meet or cooperate with actors in other fields due to geographical separation or operating differences. This means that many actors actually working in the same field never meet. The field is neither an organisational nor an objective unit. It is more of a forum for the exchange of ideas (Sevón 1996) or an ideological community (Douglas 1986), which serves to shape identities and create meaning. By defining the field as a thought collective, rather than an institutional community, the cognitive aspects are emphasised. A thought collective accommodates different institutional forms that are adapted to local conditions, thus becoming fluid and dynamic (Blomquist 1996). Alternatively, it may be said that an actor’s pattern of interaction is often broader than a specific organisational field. For example, universities
interact with voluntary organisations, industry and other public actors without necessarily losing their identities and unique qualities (cf. Sahlin-Andersson 1996; Czarniawska & Wolff 1998).

The term action network has been coined as an alternative to the expression ”organisational field” (Czarniawska 1997; Czarniawska & Wolff 1998). In routine cooperation with others, a more action-oriented network is formed in order to jointly solve problems or arrive at solutions (cf. Sahlin-Andersson 1996). These action networks may however lead to both uniformity among participating actors and the emergence of more hierarchically designed organisational fields. Expectations of fellowship arise as a result of contacts between various types of actors as they go about their daily work. This expected fellowship or shared image of the future is intimately associated with the participating actors – they all know each other. Similar patterns of interaction are also created to handle the new situation that arises when unfamiliar ideas are introduced. Several organisational fields influence these networks. In some respects, it is variety itself that creates the dynamic; the various angles of incidence complement each other creatively. In the interaction between the participants – in the form of close, intimate and problem-oriented processes – plans and visions are of less importance. The focus is instead placed on the benefits of cooperating and solving current problems. Thus practically implemented ideas and experiences are exchanged. Institutionalised ideas are objectified and spread in these patterns of interaction. The action networks are not unique or isolated entities (other than in sect-like forms). Each operates in a particular environment and has a unique history. As a result, action networks are influenced by new ideas; they face cognitive and institutional pressure from various organisational fields (cf. Blomquist 1996). The number of actor’s increases as the network broadens geographically, which reduces the
relative number of interactions. Furthermore, the element of impersonality increases (hierarchies are established and the network becomes increasingly virtual).

*The translations are in turn used to illustrate the local interpretations that take place during the process. By using translation in parallel with the institutionalisation phases, the writers create an instrument which makes it possible to capture the local, detailed and often contradictory aspects together with the overwhelmingly general. At the same time, the model also becomes fairly abstract, out of necessity.* (Erlingsdóttir 1999: 31)

In conclusion, it should be mentioned that translation processes occur neither automatically nor completely openly nor creatively. There are numerous obstacles to face (Erlingsdóttir 1999). The processes may, for example, be characterised by attempts at social control, conformism and traditionalism (Sahlin-Andersson 1996) or be restricted by various physical relationships and material matters (Latour 1986). In addition, there are other restrictions, such as the political scope for action, financial resources, etc. Conversely, concepts are wide open to interpretation. Some both encourage and require translation (such as the United Nations’ sustainable policy) while others tend to concentrate on content and meaning. Overriding and abstract concepts invite the receiver to specify a content, which means that a multitude of interpretations will be created. Pre-formulated and pre-packaged ideas with impressive detail require greater adjustment on the part of the receiver. Time-honoured ideas may be less open to translation than untested ones. Furthermore, the receiver’s assessment of the ideas’ desirability and feasibility may also affect the way in which they are accepted. In addition, the framework for what ought to be done is determined by personal identity, organisational fields and expectations from the surroundings (Røvik 1998). The authority and status of the idea’s creator should also have some bearing on the manner in
which ideas are received. For example, Swedish official actors appear to stick to the letter of European Union directives, while others have adopted a more liberal approach. Furthermore, ideas that are transported between organisational fields may be more open to interpretation than those transferred within the fields (Erlingsdóttir 1999). The same applies to ideas transported between contexts and levels.

**A Synthesis of All Three Analytical Perspectives: Merits and Shortcomings**

The merit of the structural perspective is its depiction of the environment of the organisation, with its focus on the dynamics of the individual organisations’ relationship with the organisational fields. The knowledge that formal structures have fundamentally symbolic functions even while they may be action-generating is important. Structures can support and transmit meaning, as well as communicate internally and externally (Tolbert & Zucker 1996). The main premise of the theory of structures is that institutions in the (non-local) environment become formally homogeneous among organisations in the same field while in practise remaining vague at best, failing to link to patterns of thought and action in the core operation at worst. Ideas do not diffuse exclusively under their own steam, but also as a function of restricting and enabling myths within the organisational fields (DiMaggio 1991).

*Formal structures have symbolic as well as action-generating properties. In other words, structures can become invested with socially shared meanings, and thus, in addition to their "objective" functions, can serve to communicate information about the organization to both internal and external audiences. (Tolbert & Zucker 1996: 177)*

Another merit is the division between organisations’ legitimate operations and core operations. The separation between
formally articulated and practically-implemented aspects is important in interpreting the fact that while many organisations appear to change, most of them remain as they always have. The term "separation" enables a distinction to be made between a traditional variant of the structural perspective and a more modern one. Isomorphism, rationalised myths and separation have a special position in the traditional structural perspective. In the more modern perspective, it is also possible to discuss a form of double diffusion in order to illustrate how ideas are both spread and institutionalised homogeneously. Nevertheless, many empirical studies show that organisations certainly do change, but often in a way neither desired nor foreseen.

The structural perspective has two main flaws that are usually summed up collectively with the metaphor "black box". The first flaw is that the relationship between institutional forces in the surroundings and institutionalisation remains obscure. It has already been established that organisational fields consisting of networks of organisations that feel a sense of affiliation and perceive themselves to be similar result in formal homogeneity. But organisations within the network also have other relationships, which blurs the homogeneity thesis. What occurs in organisations with several specific affiliations? What happens when overriding ideas directed at organisations in different fields are introduced?

The second flaw in the structural perspective is that the interpretation of the dynamics between changes within the organisation and in its surroundings, both as underlying forces and as effects, remains under-developed. The perspective contains certitude that the survival of an organisation can primarily be understood in terms of the legitimacy of its formal structures, and that their relationship to the core operation can be ignored (Tolbert & Zucker 1996). Furthermore, change in organisations is not actually addressed. Instead, stability is stressed, although the more modern variant of the structural
perspective paves the way for future development. Neither the forces of institutionalisation, courses of development or consequences are explicated (Brunsson & Olsen 1990; Erlingsdóttir 1999). Moreover, other possible external spheres of influence beyond the field itself are not addressed.

The actor-structure perspective insists that organisations are not slaves to institutional stipulations in their surroundings. It has already been established that the ability to act strategically and selectively in the field or between different fields is a part of the structural perspective (cf. Meyer & Rowan 1977; DiMaggio & Powell 1983). Instead, individual action, group processes and the inner dynamics of organisations prove to be more vital sources of institutionalisation. Thus there is a particularly important process of implementing the formally received idea in various operations beyond their dissemination and reception. Organisations do not only consist of mouldable formal structures and resistant core operations. They consist of different interests linked to the operations, functions and positions of individuals and groups and their identities within the organisation. The values and expectations of these individuals may include experiences other than those of immediate concern to the organisation (cf. DiMaggio & Powell 1991; Friedland & Alford 1991). It could also be said that different interests struggle for the power to shape both structures and core operation to their advantage.

Thus, although we stress that rules and routines bring order and minimize uncertainty, we must add that the creation and implementation of institutional arrangements are rife with conflict, contradiction and ambiguity. (DiMaggio & Powell 1991: 28)

Although the core of the actor-structure perspective takes for granted that expectations and institutions influence organisations, surprisingly little attention is paid to their
underlying mechanisms. The question of how such expectations arise, persist and change is poorly developed. Another flaw is that the understanding of how organisational forms emerge and become established as leading examples remains undeveloped. Oddly enough, the definition of the term "institution" and analysis of the institutionalisation process itself also seem undeveloped.

A gap thus emerges between theory and empirical data. In theory, clear criteria are provided for situations in which something becomes institutionalised. Since empirical institutionalisation is normally a gradual process, the actor-structure perspective is restricted in its ability to conceptualise this without significant changes first occurring. For the same reason, degrees of institutionalisation are also not depicted in the comparison between organisations (Tolbert & Zucker 1996; see however Bro & Pettersson 2005b; also see chapters 8 and 9).

The explanation slides between levels; the focus is sometimes placed on internal processes in organisations, sometimes on external processes. The relationship between organisations is highlighted, particularly the diffusion of structures, which brings to mind organisational fields. The difference, in relation to the structural perspective, is that homogeneity in the dissemination and institutionalisation processes is not as prominent in the actor-structure perspective. In sum, the actor-structure perspective – viewed as a diffusion process – describes non-linear diffusion development. This interpretation is not an obvious one. In reality, the issue concerns two steps in a single process, where the first step (distribution) is linear, while the second (institutionalisation) is more likely evolutionary, lending the process non-linear elements. In short, the process lacks a more developed interpretation of how actors’ actions create, recreate and change institutions and other structures (Tolbert & Zucker 1996).

In contrast to the structural perspective, the actor-structure perspective manifests the need to distinguish between the spreading and institutionalisation of ideas as being separate
parts of the same process. Both perspectives regard ideas as being embedded in institutions to be subsequently spread intact to various receivers via diffusion. The difference lies in the way in which the implementation of formally received ideas is regarded. While the institutionalisation of ideas in the structural perspective occurs via a process of isomorphism, it occurs via a process of translation to local conditions in the actor-structure perspective.

The emphasis of the analysis does not lie in the persuasive powers of the ideas, but in the dynamics of the receiver and their implementation (Fiske 1990). The premise is that ideas do not possess any inherent truth, apart from that which is created by the receiver. It is for this reason that the distribution and institutionalisation processes are described in terms of translation (Callon 1986a; Latour 1987). Translation is not mainly the linguistic transfer of a text from one context to another, but rather a rearrangement intended to include other conditions, traditions and frames of reference (Czarniawska & Joerges 1998). Translation is the interpretation and practice that is established in a context, regardless of alternative interpretations that may have arisen elsewhere and under other circumstances (Law 1996).

One of the prime merits of the actor perspective is that the meaning of the ideas expressed in neo-institutional analysis is made clearer, distinguishing between ideas as linguistic attributes or cognitive ambitions and ideas as institutions, which means that institutionalised ideas cannot be viewed as objects transferred from one person to another. Only objectified ideas can travel between actors (cf. however Blomquist 1996). Patterns of interaction, which are created, and stand the test of time, may be regarded as institutions – locally implemented ideas transmitted between employees through socialisation. Objectified ideas travel through both space and time, potentially inspiring new processes of institutionalisation. Objectified ideas thus perform dual functions, enabling institutionalisation and facilitating further-reaching distribution.
Another important advantage offered by the actor perspective is that diffusion thinking (both the linear and the non-linear) is replaced by translation thinking as the fundamental dynamic in distribution and institutionalisation processes. Instead of being described as a process in which ideas are transferred and directly implemented regardless of locally prevailing circumstances (or becoming facades toward the surroundings), translation describes how ideas are spread through long and multi-branched processes and implemented locally by being translated in relation to local conditions. At the same time, the idea is energised and can be re-distributed after objectification.

One significant difference between the actor-structure perspective and the actor perspective is that translation is viewed as a single process in the former and as a double process in the latter. "Duality” in translation has been defined as both the idea and the receiver being changed as a result of the process (Latour 1986; Callon 1986a; cf. Johansson 2003). For example, the process may be described as "abstract language being translated to a concrete language and words being translated to actions" (Erlingsdóttir 1999: 30; cf. Brunsson 2002; Drori et al. 2003). Such formal and practical processes have been referred to as "translation delivery”, which may be interpreted as two consecutive phases in the realisation of ideas (Dobers & Söderholm 1998; cf. Uhlin 1995; Frumkin & Kaplan 2005). Moreover, the term "double translation” may be used to describe a process in which ideas are received and given formal expression (formal translation) at an initial stage, then organised and institutionalised (practical translation) at a subsequent one.

We show change as adaptation to the institutional requirements of the environment. But such an adaptation is far from unconscious or passive: it activates the intentional processes of the creation of meaning. (Czarniawska & Joerges 1996: 47)
Another asset of the actor perspective is that it promises that neither degrees of difference in the institutionalisation processes nor translation dynamics will prevent organisations from becoming homogeneous. On the contrary, organisations with similar traditions and local conditions may receive and institutionalise ideas similarly, but not as a result of diffusion and isomorphism (see nevertheless Skålén 2002, who states that the actor-level has been institutionalised). The focus is placed on the process, not on its outcome (Blomquist 1996).

Translation is a process before it is a result /…/ Translation is the mechanism by which the social and natural world progressively take form. (Callon 1986a: 224)

Evolutionary translation thought has proven suitably applicable to the interpretation of the processes by which new leadership ideals, technical innovations and fashions are spread (cf. e.g. Furusten 1995). Since these ideas are disseminated through countless channels the original instigator or sender is rendered unidentifiable. Instead, focus is placed on what happens at the receiving end. But what happens to disputable concepts such as "democracy", "human rights", even "sustainable development"? These are concepts that are disseminated with the express intent of influencing the thinking of receivers.

Political discourse, in contrast [to the variation in the translation model, author's note], typically entails an effort to depict a coherent, uncontradicted narrative or to discourage attention to contradictions, protecting fantasy and inventions from challenge. (Edelman 1995: 17)

The ambition may indeed be concrete, but may also be generally normative, or at least increase awareness of a certain issue. The underlying motive may be both expressive and instrumental. While the goal of expressive motives is distribution, instrumental motives aim beyond the actual process of distribution to the long- or short-term consequences of decision-making processes
(Windahl & McQuail 1978). There may also be inviolable values transmitted which everyone ought to follow regardless of their opinion as to how ideas are spread and institutionalised. Arenas must be developed for the exchange and coordination of these and other less fundamental issues. It is necessary to open avenues of communication between various receivers; however it just as important that a broad-based learning process be facilitated, and ultimately, the coordination of numerous branches of senders and receivers.

The purpose of this chapter has not been to compare the strengths and weaknesses of each perspective in order to establish once and for all which is most productive. At face value, they are considered to be equally applicable to various processes of distribution and institutionalisation. They are thus equivalent, although each presents alternative interpretations. A three-way division is my own invention. Previously, the argument had been dominated by what I refer to as linear and non-linear diffusion. A distinction between diffusion and evolution as dynamic processes emerged later. From my perspective, the debates flow into one another. My contribution is thus to categorise neo-institutional theoretical formulations from three perspectives by focusing on the dissemination and institutionalisation of ideas, thereby clarifying the contents of each perspective.

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<th>Dissemination</th>
<th>Institutionalisation</th>
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<td>Structural perspective</td>
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<td>Actor-structure perspective</td>
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<td>Actor perspective</td>
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Table 5: Three neo-institutional perspectives on the dissemination and institutionalisation of ideas. Source: Pettersson 2007:221.
In sum, it can therefore be said with a degree of oversimplification that in the structural perspective, ideas are spread and institutionalised via a process of double diffusion. Alternatively, nothing is changed in practice and a variety of façade-like principles are presented. In the actor perspective, this occurs via dual translation, while ideas in the actor-structure perspective are spread through diffusion and institutionalised through translation.

In the actor-perspective, reception and realisation are characterised by a subtle translation dynamic. Due to the empirical theme of the present anthology – future business and industries, especially those associated with design, the experience economy and cultural heritage – there is reason to look closely at how Swedish municipalities, for instance, receive and attempt to realise these "solutions". This chapter concentrated on how the conditions under which the receiver operates strongly influences the process, without neglecting the inherent power of attraction of the idea or the status of the sender. An important component in this dual translation dynamic – the need for evolved understanding – is the meaning symbols and symbolism has in the process. Thus the next chapter will focus on myths and metaphors in the policy-making process.

References


14 Metaphors and Myths in Political Life – Policy and Practice according to Murray Edelman

Conny Pettersson

This chapter presents an overview and critical analysis of the authorship of the late political scientist Murray Edelman, focusing on how political myths and metaphors both facilitate and preclude the development of policy and practise. Mutually-reinforcing relative ignorance of the significance of symbols among both the mighty and the week leave us all more or less in thrall to the existing structure, regardless of the good intentions of the majority. The issue is illustrated by various “wicked problems” including unemployment and environmental pollution. Unreflective symbolic worlds render the uninitiated incapable of understanding the times in which they live, let alone solve vital problems and think in new ways. Edelman sees this as a fundamental flaw in democracy, in danger of transforming politics into an illusion, preparing the way for misunderstanding and spectacle. His basic plea is for us to revitalise politics. The aim of the present chapter is to lay a theoretical foundation for analysis of the transformation of work and industry, concluding with reflections on some of the central challenges posed by Edelman’s thought.

Introduction

Language is one of the foremost tools of politics. It imparts ideas, supports arguments and conveys insight. At times, it fosters a sense of belonging, fellowship and understanding. Nonetheless, the primary function of language is the transmission of messages. These are expressed in different
ways, some directly, others more subtly. Metaphors constitute a significant feature of a language’s transmitting function and are often used in delivering political messages. Together with other symbols, they shape and influence people’s ways of thinking and acting. The term “symbolic play” denotes an idea that can be condensed and endowed with a figurative image (Czarniawska-Joerges 1988). An interesting message is always welcome. It is more important that it ignites reflections than that it is empirically constructed. A message may be relayed against one’s better judgement, in place of the exercise of better judgement. Metaphors, like graphic descriptions of ideas, are sometimes converted to myths and thus transmit insights on historical events with a certain element of prophecy.

How do present-day secular, democratic societies in the West succeed in maintaining the legitimacy of the prevailing system? After all, democracy does have its problems, including an increasing sense of exclusion among its citizens and alarming environmental problems. Growing divisions between the privileged and the underprivileged, the rulers and the ruled, the rich and the poor plagues many. Although the number of democracies has increased over the years, surprisingly few social scientists have addressed the issue of legitimacy with reference to myths and metaphors (cf. Chadwick 2001). On the other hand, they have had no problem identifying the meaning of symbolic politics in other societies. Rulers like Saddam Hussein and Adolf Hitler are regarded as stereotypes and caricatures surrounded by ridiculous and dangerous mythologies. We observe the giant portraits, the parades and manifestations in honour of the ruler or the party with unease. We are either horrified by the machinery of evil or reluctantly impressed by its well-oil choreography, though we ultimately dismiss it as political spectacle, encumbered by over-explicit and transparent symbolism (cf. Connors 1998, Lukacs 1999, Edelman 2001). We readily acknowledge the role of myth and metaphor in seemingly
deviant or historically remote societies, but how do perceive them in today’s secular, democratic societies?

The aim of the present chapter is to analyse Murray Edelman’s thoughts on the meaning of myths and metaphors in the policy-making process, functioning as a direct link to the conceptual and theoretical reflections of the other chapters, even if not explicitly understood as local-global interplay. That aspect remains to be developed. Reflection on symbolism in general and in policy process specifically is a complicated undertaking. It can often become abstract, particularly in the absence of concrete empirical proof. The significance of myth and metaphor in a multicultural context is possibly even more difficult to understand at first glance. Though this anthology deals with a particular problematic, the present discussion treats a theoretical argument conducting in a specific national setting. Like history itself, the dynamic of future development is surrounded by more or less powerful symbols. Below, an analytical foundation meant to facilitate an advanced understanding of the importance of symbols to political attitudes toward new opportunities presented by design, creative industry and cultural heritage is offered.

The present analysis reflects my understanding of Edelman’s legacy, focusing on developments in the United States between the 1960s and the first years of the twenty-first century. Nevertheless, parallels abound in many other countries, particularly those for whom the United States acts as a role model. The analysis is based on studies of a number of his numerous books and articles on the subject, teasing out a particular thread, which is identified and specified step-by-step in this chapter, as Edelman explains the implications of symbolism to the policy-making process. The chapter concludes with some critical remarks and reflections on the subject.
Fertile Soil for Formulated Policy Analysis: Background

The 1970s and 1980s led to more frequent and effective criticism of established models of policy analysis. More and more people became critical of the application of rational models, since the conditions they required were deemed too specific (Greenberger et. al. 1976). It thus became more difficult to predict future events, which uncertainty now had to be factored into the equation; furthermore, challenges appeared to become increasingly complex (cf. the "uncertainty principle" in Morley & Shachar 1986, Friend & Hickling 1987; cf. Rosenhead 1989, Thompson 1967). For example, people in general no longer believed that long prison sentences and capital punishment had a deterrent effect on serious crime, or that lower taxes systematically led to economic growth (Maynard-Moody & Stull 1987); unemployment remained steady, and there were no solutions being found to environmental issues (Greenberger et. al. 1976).

Decades of long prison sentences for drug possession and abuse have done nothing to curtail these pathologies, yet remain a popular response to the problem.
(Edelman 1995: 17)

Deficiencies in the analyses of various issues meant that old problems remained unsolved while new problems emerged. Many issues were not only difficult to manage practically, but also to explain scientifically. This only made the situation worse. Some of the more complex problems appeared to be downright chronic; these were denoted "wicked" (Rittel & Webber 1973). Wicked problems tend to remain unsolved despite a ruler’s declarations of intent and strategies for setting things right – usually accompanied by a chorus of exclamations of his splendid qualifications for doing so. Nevertheless, scientists and other intellectuals usually conclude that the steps taken tended
to perpetuate or aggravate the problems. Worse still, a sense of resignation would spread until the problems became increasingly accepted as a natural part of the development process – even by their victims (see Edelman 1998, Schram 1993, Stone 1988 for further details).

As the problems became more insidious and remained unsolved, interest in the issue increased, as well as in the transparency of new analytical directions and explanatory models. A fundamental aspect of the analysis of the policy-making process was that reality – as we know it – is a social construct. It can only be studied from a particular perspective, with certain stipulations that must be observed. There is no universal truth. The aim is instead to understand the contextual meaning of different truths (Schram 1993; cf. Shapiro 1993; Berger & Luckmann 1979).

One effect of this was an increased interest in language and its use in the policy-making process. An important task was thus to understand the manner in which the use of language has directed the way in which we view the world around us and identify the circumstances, challenges and possibilities. Where do our cognitive structures come from? Are there any obvious figures of authority? Are they in the church, in the fields of science, among parents, relatives and friends? What is the function of language in this interaction? One emerging interest in policy analysis was also the interaction between language usage and the creation of policy, particularly the use of symbolic language in the form of metaphors and myths (Schram 1993; cf. Hawkesworth 1988; Stone 1988). Symbols have previously been rejected on ontological grounds as being of no significance to the creation of policy, or on epistemological grounds as being impossible or difficult to scrutinise from an empirical point of view (Schram 1993; March & Olsen 1984). At the same time, policy analysts have become interested in the meaning of symbols in scientific processes (Dobuzinskis 1992; cf. Majone 1989).
Murray Edelman is a representative of the new form of policy analysis. He is one of the most important of the scientifically trained analysts. Above all, his distinctive character is expressed through the inclusion of linguistic and other cognitive structures in policy analysis more manifestly than had previously been seen in political science. Edelman was the George Herbert Mead Chair of Political Science at the University of Wisconsin between 1971 and 1990, holding the title of professor emeritus from 1990 until his death in 2001. The subject itself encompasses more than the field of political science, and includes the social sciences and several other disciplines. However, its ecumenical aspects are more comprehensive. The premise of the concept of policy analysis is rooted in socio-psychological ideas about how a human being develops into a social being throughout life and is moulded into a political being, discussing how the human becomes schooled in thought and action while attempting to reflect upon events taking place in the world. Despite this, many ingrained habits – both in thought and action – persist, whether unconsciously or subconsciously. The ability to both use language and exchange symbolic values is an important aspect of this premise. In particular, the ability to correct one’s actions and be accepted by others in various groups is also important. Edelman translates these socio-psychological theses to political science, or rather, to sociological observations of modern society.

Throughout his career, Edelman focused on public policy-making processes, initially those related to the labour market. His interest in symbolic politics, policy creation and the effect of subjectivity on ruling structures gradually crystallised. His most lasting scientific legacy may eventually be the creation of political meaning, i.e. how the creation of multiple meanings in specific situations, courses of events, people or institutions become tools in the hands of both good and evil powers in society.
At a glance, his collective production (eleven books and numerous articles) gives the impression of an account of modern (Western) society’s policy-making processes. It certainly represents critical scrutiny, but not of the system in itself. Instead, elements of conscious and unconscious hypocrisy, misunderstandings, misgivings and elusive dynamics inherent in collective decision-making processes are highlighted. These flaws in the policy-making process pave the way for an unnecessarily wide playing field for symbolic politics, symbolic actions and obscure linguistic games. They also shape the way policies are created – often on the basis of deficient cognitive, principled and emotional grounds – and are fuelled by other operations, such as the arts. Collectively, a key effect of these flaws is that politics increasingly appears as an act of illusion in which the smoke screens are steadily multiplying over time. Edelman’s zeal is directed toward highlighting and discussing modern democracy’s need for revitalisation and long-term sustainability. It requires the exposure of the most subtle and sublime underworlds to the glare of publicity, for scientific analysis and practical renewal (Memorial Resolution of the Faculty of the University of Wisconsin-Madison 2004). One expression of this can be found in his democratic premise of 1964, as relevant today as it was then.

Not only does systematic research suggest that the most cherished forms of popular participation in government are largely symbolic, but also that many of the public programs universally taught and believed to benefit a mass public in fact benefit relatively small groups. (Edelman 1964: 4)
Murray Edelman’s Policy Analysis

The Symbolic Uses of Politics

In The Symbolic Uses of Politics (1964), Murray Edelman states that political conceptions are not representative of reality, but rather constitute variable constructs.

For most men most of the time politics is a series of pictures in the mind, placed there by television news, newspapers, magazines and discussions. The picture create a moving panorama taking place in a world the mass public never quite touches, yet one its members come to fear or cheer, often with passion and sometimes with action /…./ Politics is for most of us a passing parade of abstract symbols, yet a parade which our experience teaches us to be a benevolent or malevolent force that can be close to omnipotent. Because politics does visibly confer wealth, take life, imprison and free people, and represent a history with strong emotional and ideological associations, its processes become easy objects upon which to displace private emotions, especially strong anxieties and hopes. (Edelman 1964: 5)

The relationship between political language and political events is constantly rendered problematic by the gap between experience and perception (Merelman 1992). While this certainly applies to the general public, politicians also display a lack of connection with any form of political reality. An important element in this relationship is the complexity and ambiguity which characterises many political issues; often, a deeper political connection – whether based on principle or ideology – which could simplify the interpretation and evaluation of political issues. In addition, many politicians are so involved with a specific issue or the promotion of certain interests that they selectively strengthen the significance of certain aspects and tone down that of
others. Thus the decision-making process is rarely based on a spontaneous consensus on the meaning of a particular political issue. The resulting consensus-based decisions are therefore the artificial outcomes of negotiation. Consequently, they are misleading and incorrect.

Edelman illustrates how politicians determine the expectations that people generally have of them.

*Political beliefs and actions spring from assumptions, biases, and news reports. In this critical sense politics is a drama taking place in an assumed and reported world that evokes threats and hopes, a world people do not directly observe or touch. (Edelman 1964: 5ff)*

Symbols have no intrinsic meaning. However, they gain meaning in relation to people’s level of expectation and values; they condense the meaning of a string of hopes, misgivings and emotions. The symbols of politics are never neutral. This is why they also put a limit on what can be done in specific contexts.

*The courtroom, the police station, the legislative chamber, the party convention hall, the presidential and even the mayoral office, the battleship or chamber in which the formal offer of surrender in war is accepted all have their distinctive and dramaturgical features, planned by the arrangers and actors in the event and expected by their audiences. (Edelman 1964: 95)*

Thus the various political arenas are often staged, designed to signal magnificence, embellishment and formality to a packed audience. They frequently take the shape of extraordinary and dramatic spectacles. Political actions must suit the context if the symbolism is to function effectively. For example, the use of warfare symbolism would be less effective at a party conference or a parliamentary debate. We are quite simply expected to act differently in different symbolic settings. Skilled politicians who master the arsenal of symbolism are viewed as being more legitimate (Chadwick 2001).
Politics as Symbolic Action

Politics as Symbolic Action (1971) deals with the significance of symbols on mass mobilisation and passivity, as well as on the escalation of conflicts. In this setting, what is sometimes referred to, as ”general opinion” is less general than one might imagine, since the political elite provides guidance on questions of honest conduct and perception. According to Edelman, political authorities have significant influence on people’s perceptions of reality and their place in the scheme of things. This influence is exercised through the use of symbolic language and subtle psychological play. Not that the elite has created some kind of discursive monopoly; there is no conspiracy. On the other hand, certain people possess ability and/or occupy a position in society that enables them to combine different ideas and values in a new interpretation of existence.

An essential character of religious symbolism is its multivalence, its capacity to express simultaneously several meanings the unity between which is not evident on the plane of immediate experience [...] This capacity of religious symbolism to reveal a multitude of structurally united meanings has an important consequence: the symbol is capable of revealing a perspective in which diverse realities can be fitted together or even integrated into a ”system”[....] One cannot sufficiently insist on this point: that the examination of symbolic structures is a work not of reduction but of integration. One compares and contrasts two expressions of a symbol, but in order to discover the process by which a structure is capable of enriching its meanings.

The quality of communication between the political elite and the general public is poor. A politician’s actions are primarily geared toward securing his personal power base. This often
involves the transference of symbolic resources and rhetorical strategies, which lack true substance. Thus the politicians become the winners of the political game. At most, the general public obtains a form of emotional acknowledgement. This becomes readily apparent when it loses faith in the rationality of the system (Chadwick 2001). The fact that politicians and other power brokers actively attempt to mould public opinion is hardly newsworthy. However, this means that political behaviour cannot be reduced to comparatively stable individual needs, attitudes or reasoning. Such empirical data is simplified and often misleading. What is needed instead is knowledge of how people interact with their surroundings: how a common existential meaning is created between people and transformed through collective and symbolic influence. Part of this influence is hidden, manifesting itself in the form of latent interaction through the symbolic language of myth and metaphor.

*Political history is largely an account of mass violence and of the expenditure of vast resources to cope with mythical fears and hopes. At the same time, large groups of people remain quiescent under noxiously oppressive conditions and sometimes passionately defend the very social institutions that deprive or degrade them.* (Edelman 1971: 1)

Organisations, which attempt to counteract the intentions of the elite or otherwise oppose authoritarian actions, actually constitute the first stages in a failed attempt to do precisely that. This is because the logic behind the formal organisation tends to follow the regulations mapped out by the elite, rather than create new informal institutions. According to Edelman, effective mass demonstrations serve to illustrate this peculiarity insofar as they are relatively disorganised and lack clear leadership. This equips the organisation with an element of unpredictability, an important key to success in the drive to bring about a change in the balance of power.
It is as though the absence of a well organized resistance movement keeps the elite unaware of the seriousness of the threat it faces and also makes it impossible to negotiate a viable pattern of cooptation and concession that will maintain tensions at a non-explosive level. (Edelman 1971: 29)

If the absence of leadership and organisation promotes the formation of protest movements, then the same are logically neutralised by the existence of leadership and organisation. Negotiation, bids and compromises offered by the elite’s side indicate a certain degree of recognition of the protest movement. But most importantly, the organisation of the relationship means that the protest movement will become predictable, as it will follow the rules established by the elite and subsequently become increasingly irrelevant. Although the relationship’s transformation into a more routine one may be regarded as both a psychological and symbolic sign of acceptance, such an interpretation would be incorrect. Edelman means that ritualistic negotiations are part of the process, as are all other symbolic gestures. In this case, the protest movement’s main bone of contention is included on the elite’s agenda, even though it is often given a low priority. Thus the issues of divergent interests and inequality which once inspired the movement are co-opted and buried. In addition, a degree of mutual understanding between the protest movement and the political elite is implied, which certainly does not benefit the movement.

Ritualization also encourages acceptance of a myth by the masses of political spectators: a myth of protected status and of policies based upon an objective standard of equity rather than relative bargaining resources. (Edelman 1971: 22)

The establishment of leadership and organisation does not signify the end of political conflict. On the contrary, different factions within the political elite must portray each other as bitter enemies in order to hold on to power. An example of this
is the ongoing conflict between political parties in parliamentary democracies. These conflicts orchestrated by the elite only serve to maintain the existing ruling structure. Thus the political debate is often about other issues than those which affect people’s daily lives. But even when the actual problems with which people have to deal – such as unemployment and deficiencies in public health and medical care – become subjects of debate and draw the attention of decision-makers, they are rarely solved. Furthermore, identified solutions are even more rarely implemented. This is because – according to Edelman – politically controlled administrative services also appear to be working to preserve the power structure. After all, they are also a part of the establishment.

The identification of deviating political processes is conducted by both the analytical elite and the general public; prominent aspects include the erosion of politics, the coincident political consensus, and the collapse of the pluralistic system in favour of an emerging irrational oligarchy. It is often difficult to distinguish the threats from the opportunities and friends from enemies when our cognitive and emotional understanding of the past, present and future is changing.

*Widely shared perceptions and misperceptions about political threats and issues are crucial in political behavior. An exploration of the dynamics of their development and the conditions under which they change is a prerequisite to explanation of political arousal, violence, and quiescence.* (Edelman 1971: 1)

Political perceptions have different dynamic. It is possible that religious perceptions are similar in character (see the section on the political influence of the arts). They are developed and reinforced in human collectives in whom they evoke intensive hopes or fears.
Only man among living things reconstructs his past, perceives his present condition, and anticipates his future through symbols that abstract, screen, condense, distort, displace, and even create what the sense bring to his attention. The ability to manipulate sense perceptions symbolically permits complex reasoning and planning and consequent efficacious action. It also facilitates firm attachments to illusions, misperceptions, and myths and consequent misguided or self-defeating action. (Edelman 1971: 2)

Knowledge of the basic dynamics of politics tends to be disguised in stable attire. Changes are often regarded as departures from the norm. This may partly be a reflection of the research sector’s traditional approach to political dynamics and its understanding of historical developments. It could also be an expression of universal concern for that which is unstable, irrational and not directly traceable. Politics is variable in reality. Long-term stability is a special case, not the norm. Instead of assuming that people’s political expectations and values are stable, interest ought to be directed at understanding the mechanisms behind change and ambivalence. The significance of specific issues is fluid, attracting huge interest one day and becoming painfully out of date the next. Political outlooks, attitudes and opinions are not only variable; they are sometimes mutable and contradictory. An absence of ideological schooling or fidelity (cf. Apter 1964) may be a contributing factor, while sheer disinterest may be another.

**Political Language**

Political Language (1977) asks why the problems of poverty and insufficient equality are never solved in the US – despite rhetoric to the contrary. The core of Edelman’s argument is that political myths about the behaviour of groups in need – the poor, ethnic minorities and women – determine the amount of support and
assistance allotted. Thus the premise of the analysis is a massive
gap between the promises (words that succeed) and their
execution (policies that fail). The lesson is that policy-makers
spend more time highlighting the challenges that poverty,
unemployment and inequality pose than implementing radical
techniques to rectify them or investigate why so many people
appear willing to accept huge differences in income and social
status.

One of the policy-related issues in the American welfare system,
which has proved to be difficult to address, is poverty. Initiatives
that have otherwise been well meaning have come to nought
because myths about the sick and unemployed flourished
among and were spread by politicians, administrative officers
and journalists. Other myths about the middle class cemented
the prevailing conditions. It turned out that modern conceptions
about the causes, dynamics and solutions to poverty were
inadequate. The image of the family as a nuclear unit consisting
of two adults and two children was now regarded as passé.
Reality had passed these preconceptions by and consequently,
the welfare system, too. While the welfare system focused on
providing support for the nuclear family, poverty spread among
single parents, primarily young women. The problem of poverty
is not simply a question of economics; it is also a question of
receiving opportunities for self-fulfilment. If society fails to provide
single mothers with childcare, health care, education and most
of all, a job that enables them to support themselves and their
family, then their identity remains fixed as "Mommy". Subsidies
and other forms of support are geared toward the role of the
"mother", not the individual's eventual self-fulfilment. The risk is
that this "mother-identity" becomes permanent and impossible
to shed at later stages in life. (Edelman 1977; cf. Fraser 1989)

According to Edelman, it would also appear that many
sociologists have accepted the problem as endemic. He
therefore attempts to investigate why the poor and needy tend
to accept their situation, or rather, capitulate in the face of its constancy, in a form of studied helplessness (cf. Seligman 1975). His analysis does not focus on traditional conservative and bureaucratic administrative processes such as the administration of defence or agricultural operations, but on practices that are often portrayed as favourably disposed to reform. These include those that manage or provide support to social workers, doctors, psychiatrists and counsellors in their efforts to provide assistance to the needy.

Edelman argues that these professional reformers actually reproduce the structures of domination they profess to transform. And since this is true for professed supporters of reform, it is true a fortiori for all government agencies. (Merelman 1992: 5)

This reasoning is based on the term helping profession, in which the individual who needs to change his life is schooled into a life of dependence. The relationship between helper and client is unequal from the start and is gradually reinforced. It is based on the assumption that the needy individual is irresponsible and incapable of understanding things done for his own good. Welfare recipients are thus doubly inhibited, since they lack both power and self-worth. Similarly, the concept of professionalism reinforces the power balance between helper and client. Through their state-sanctioned professions, social workers, doctors, psychiatrists and counsellors have earned the right to place their clients in categories. Professionals render the needy powerless by categorising their behaviour as deviant or dangerous. In the end, only professionals are capable of solving the problem.

Thus, what might otherwise be challenged as questionable political control over ordinary behaviour becomes transformed into unquestioned, legitimate "therapeutic assistance" to "cure" the "exceptional", "dangerous", and "pathological." (Merelman 1992: 5)
The key argument is that the political preconceptions of the American upper-middle classes, employing a complicated linguistic web of myths and metaphors, lead poor people to accept their lot in life. An arsenal of practical and symbolic tools is mustered: the marginalisation of internal discontent through the creation of external enemies, the creation of a language that is almost therapeutic, bureaucratic and legislative cooption, the creation of myths and rituals which encourage passivity, the manipulation of the landscape and architectural structure to create respect for power, and the use of the mass media to spread positive images of current conditions (Merelman 1992).

In creating these myths, the poor are stigmatised as being both responsible for their situation and as victims of the pace of development (Edelman 1977; Edelman 1995; cf. Schram 1993).

Some preconceptions are expressed directly, while others are embedded in the culture and in politically correct concepts. Nevertheless, the point is that elites and the poverty-stricken, as well as other non-elites, propagate similar myths about the issue of poverty. A threat against the prevailing order would awaken the consciousness of the poor. In the worst case, the middle classes would probably turn to other expectations. In principle, if society is viewed as a pyramid or a house with several floors, then some people will always end up at the very bottom. These people are defined as poor in relative and economic welfare terms. This prepares the groundwork for formulating myths about poverty being an unavoidable, natural component of any society. Poverty is rendered relative. Furthermore, the metaphor clear illustrates that many are poor, while few are wealthy. One has to struggle to move upward in the hierarchy, and those who do not hold on tight risk falling. This means that no one, or very few at least, can bring about change. Politicians and bureaucrats simply become better at relating how good they are at dealing with the issue of poverty, rather than actually doing so – after all, things could always be worse.
Where bargaining resources are equal, participation produces real influence on who gets what. When they are strikingly unequal, as is almost the case, participation becomes a symbol of influence that encourages quiescence, rather than substantive gains, for the powerless. (Edelman 1977: 121)

Thus the scope of myth creation is broadened to include even more individuals. When translated into Swedish labour market policy, similar mythical constructions lead to the perception that the cause of unemployment lies with the individuals themselves (they are either lazy or poorly/wrongly educated) or the development process. The latter case may refer to the fact that we now operate in a global market, which dictates the rules. The explanation also contains its solution. Lazy, uneducated, unemployed people are placed in various labour market policy programmes in order to cure them of their laziness and promote education. At issue is not whether or not the myths are true, but whether they are widely accepted by society at large. This is what determines whether the myth is effective or not. This gives the elite the mandate it craves to implement certain measures. The poor and the unemployed provide them with at least some form of legitimacy to cling to. In this way, they obtain a purpose in life that contributes to the pace of development.

Constructing the Political Spectacle

Constructing the Political Spectacle (1988) describes the actual creation of symbols. Policy-related issues are formulated to legitimise certain desired outcomes. This is necessary in order to arrive at a better understanding of the items on the political agenda and the manner in which they occur (cf. Kingdon 1995). Herein lies some of the power over the political process. Edelman likens the political process to a spectacle with the elite (politicians, bureaucrats and the media) as actors and directors and the citizenry as the audience. The media has an especially important role in the staging of this spectacle.
The spectacle constituted by news reporting continuously constructs and reconstructs social problems, crises, enemies, and leaders and so creates a succession of threats and reassurances. These constructed problems and personalities furnish the content of political journalism and the data for historical and analytic political studies. The also play a central role in winning support and opposition for political causes and policies. The latter role is usually masked by the assumption that citizens, journalists, and scholars are observers of "facts" whose meanings can be accurately ascertained by those who are properly trained and motivated. We are acutely aware that observers and what they observe construct one other; that political developments are ambiguous entities that mean what concerned observers construe them to mean; and that the roles and self-concepts of the observers themselves are also constructions, created at least in part by their interpreted observations. (Edelman 1988: 1)

When political events are noted at all, the manner in which they are understood and the extent to which they lead to specific action depends on the context in which the observers find themselves, the position of power they represent and the linguistic sphere in which the events are reproduced. Thus news stories presented in the media are based on many layers of interpretation; this means that both content and meaning are revised. The receivers understand certain parts but miss most of the news. The message is interpreted against the backdrop of their own principles.

For any audiences, then an account is an interpretation of an interpretation. An adequate analysis would see it as a moment in a complex chain of interpretations, each phase of the process anticipating later interpretations and helping to shape them. Ambiguity and subjectivity are neither deviations nor pathologies in news dissemination;
they constitute the political world. To posit a universe of objective events is a form of mysticism that legitimizes the status quo because the interpretation that is defined as objective is likely to reflect the dominant values of the time. (Edelman 1988: 95f)

It is in this context that politics appears to be a spectacle. This spectacle is both inclusive and exclusive. It works to obtain continued support from the powerless, while they are dispatched to the bleachers, the duality reinforced. In this way, underprivileged people come to accept their position; they imitate the values of the privileged in order to feel some sense of certainty, security and stability in their daily existence. As in many religious ceremonies, political relevance is evoked in the news through the use of strategic language. Phrases such as the "public", "public interest", "national interest", "financial necessity" and "when the economy allows it", have no obvious points of reference. However, they aim to legitimise decisions and actions that would otherwise have been received with greater scepticism or downright disapproval (cf. Chadwick 2001).

Each new statement is entered and interpreted in a various contexts. No news is too insignificant to exploit. Politicians, journalists, administrative authorities and the odd researcher who earns his livelihood via the political spectacle follow each nuance with interest. Add market analysts and financial investors to the list as well. One effect is that a decreasing portion of the population shows any interest in political events, much fewer the variances of daily politics. People can hardly bother to care on Election Day. This is another factor for journalists, researchers and politicians to be shocked about – new news and trends to dissect and analyse.

The art of shaping political expectations was investigated in Edelman’s From Art to Politics (1995). He felt that traditional scholarship (such as Marxism and positivism) has failed in its self-appointed task of highlighting developmental laws in
society. This was primarily manifest in the fact that insidious problems continued to flourish. Edelman proposed the arts as an alternative basis for a new political theory. In an earlier book he writes,

*Art helps to counter banal political forms and can therefore be a liberating form of political expression. It becomes that when it protects people from being confused with facts, conventional assumptions, and conventional language so that they see their inherent contradictions and recognize alternative potentialities.* (Edelman 1988: 126)

The premise is that similar ways of perceiving socially constructed reality largely emanate from the stories, images, models and concepts created by artists. Art conveys a wealth of interpretations of reality, regardless of veracity.

*When Pablo Picasso was told that his portrait of Gertrude Stein did not look like her, he is said to have responded, "No matter, it will."* (Edelman 1995: 12)

The image of a dying Jesus on the cross is perhaps one of the world’s most famous portraits. The question is whether it gives a fair indication of how the historic Jesus looked, or whether we would recognise him at all at a second coming.

*The most direct way in which art and politics are related lies in the injection of art, artfulness, and spectacle into governmental operations, modifying their meanings and accenting hierarchical relationships between those who govern and those who submit to their rule /…/ The prominent reliance upon spectacle, ritual and symbol in the Third Reich is the prototypical case, but the practice is pervasive in democratic states as well.* (Edelman 1995: 91)

These constructs simplify reality on the basis of interpretation and imagination. Stressing certain aspects while toning down others does this. Individual works of art may convey a single,
simplified and focused interpretation. However, the basic purpose of art is to stimulate the imagination and creativity, entice the observer to discover alternative realities and identify new possibilities. Perceptions and conceptual frameworks are created via narratives and images that shape visions of reality and the language that is used to describe it. In principle, Edelman makes no distinction between fine art and kitsch. All forms of culture can contribute, including the most banal pop culture. Novels, plays, paintings, movies, epic tales, soap operas and comedies all serve to shape the way in which we view reality.

The role of art is to illuminate, clarify and interpret thoughts, feelings, ideas and conceptions in time – regardless of where and why the art was created. At the same time, art is expected to challenge dominant assumptions and expectations in society by conjuring up and pointing out alternatives. Art should challenge the obvious. Insecurity and uncertainty are created where illusions of security prevail by demonstrating the ambiguity of existence. Art may also bring clarity to the unclear. Art can help to derail old trains of thought and topple hierarchies. It can increase people’s awareness of their own interests and spread ideas on the obstacles that limit thought, action and emotional life. The latter is especially important. Art can stimulate people to exercise their own critical thinking. Its political meaning can never be predetermined and it cannot be directly transferred from one person to another. Furthermore, since art is basically (or ought to be) difficult to control or make uniform, countless perspectives and ideals come into play. Its ambiguity, contradiction and many practitioners guarantee that non-ambiguity and singularity do not prevail.

Art periodically reconstructs expectations, interpretations and actions, which support various political actions conveyed via the news media, often in secret. State terror, police brutality and other forms of abuse of power tend to lead to indignation,
distrust or rebellion against the existing situation. There are numerous precedents, from Spartacus’ slave revolt against the Roman empire to the ghetto uprisings in the United States during the 1960s and the riots which followed the acquittal of the policemen who assaulted Rodney King in Los Angeles in the early 1990s. Art can exert influence over a long period of time, as in the former Soviet Union. Sometimes it also illustrates the degree of ambiguity that can be detected in reflections on the simplest chain of events, as in surrealist paintings. Art sometimes conveys faith in a single, genuine reality. Thus there is a nearly infinite set of metaphors, myths and narratives, which can be used for the purposes of communication – everything from the classics to the latest Hollywood blockbuster. A John Wayne film from the 1950s is just as normatively obligating – mediating between good and evil – as universally revered painted masterpieces.

First, art operates as a communicative tool in the hands of political groups who wish to convey a message or an ideology. Secondly, it can also quickly come to have a unique meaning to many receivers in specific contexts. Paintings, songs, novels and plays may convey feelings and insights about the present day, which leads to changed opinions and new decisions. Edelman provides examples of authors and painters whose Depression-era work indirectly stirred up empathy with the poor and unemployed together with a suspicion of the inequality that was brought about by communism, the fear of fascism and support for welfare programmes. The versatility of art enables the same piece to support ideologically divergent points of view depending on context. The interpretation of Steinbeck’s The Grapes of Wrath is not carved in stone; instead, it may promote other feelings and other insights in another place and time. Thirdly, art need not convey a specific meaning; it may possess a more general character. Thus the message may become more influential independent of time and space. Picasso’s Guernica
and Odets’ Waiting for Lefty are examples of pieces that treat something tangible and specific while conveying a theme that is universal. The artist is concerned with the "big picture”, while most war rhetoric and newscasts, distilling notions of virtue, unreasonable threats and God’s will into a discourse, require pointing the finger at someone else as being aggressive (cf. Said 2000; Lebow 1990).

In evoking such intellectual and moral outlooks, works of art become far more influential in politics than polemics can be, because they imbue discourse and action with a crucial meaning regardless of what forms these take or how they are rationalized in a particular political arena. (Edelman 1995: 11)

Finally, art can liberate politics from stereotypes, prejudices and perspectives that are far too limited. New ways of observing and understanding reality are constantly being discovered. A work of art that might have remained unnoticed under one set of circumstances may prove to have a significant effect under another.

The marking off of new elements or classes, or of familiar ones by labels of new kinds or by new combinations of old labels, may provide new insight /…/ If [an image] calls for and yet resists assignment to a usual kind of picture, it may bring out neglected likeness and differences…and in some measure remake our world. (Nelson Goodman, quoted in Edelman 1995: 12)

The influence of art is also subtle, occurring primarily on an emotional or instinctual level. It is primarily attitudes and opinions that are influenced, not fundamental principles. Furthermore, it is on this level that people generally form opinions on different political issues dominating the media, if they do so at all. As one issue after another is viewed through this prism, preconceptions,
which appear to be logical and consistent, are established – at least for those who have them. In this manner, principles and fundamental values are eventually assimilated.

Like all communication, these conceptions spread through discourse, paraphrases, imitations, and emulation, and through attacks on them as well. Their key political consequence is to focus attention, fundamental assumptions, and ideology. (Edelman 1995: 11)

Edelman uses his views on particular operators in the court system and the welfare system to outline his otherwise principled and convoluted reasoning. While representatives of the courts – mainly judges – enjoy a high status and are regarded as authority figures, welfare beneficiaries are viewed differently. People on benefits are regarded

as suspect, unwilling or unable to earn a living in a respectable way, and therefore low in status and subject to the authority of welfare officials, even respecting their lifestyles and types of decisions that more affluent people regard as personal and private in their own lives. Sometimes these art forms are deliberately contrived to influence public opinion about the poor. Sometimes they emerge as a product of the environment that comes to be associated with the poor. (Edelman 1995: 99)

Unfortunately, art does not normally function as an opposing force to the banality, irresponsibility or hierarchies in whose favour Edelman primarily argues. On the contrary, it only serves to worsen the problem. Advertising, kitschy and other simplified forms of art counteract art’s principal abilities. The cultivation of stereotypes and fear, sentimentality, fantasies and pure falsehoods create a one-dimensional, unequivocal and simplified view of reality. Kitsch also represents and influences much of today’s policy decisions; for example, preconceptions of the excellence of liberal social politics remain largely unchallenged.
The symbolism, dramaturgy and rhetoric surrounding the constitutional and welfare state are also under attack, as are the narratives of political leadership, the electoral system and general public opinion. The news media’s fragmentation and categorisation of the news it transmits is characterised by the same method of using and disseminating an image of reality (Edelman 1995). The essence of From Art to Politics is that political statements and second-hand information must be deconstructed. We must also dedicate more effort to investigating the origins of these statements in art. Nevertheless, and this is important, we must – even in democratic societies – do more to promote independent artists. Edelman’s most important argument is nevertheless the same as in previous books, which is that we are becoming aware of the symbols that direct our thoughts and actions. If we do not reflect on the influence of symbolism, then we shall remain slaves to it and to those who have the power to formulate universal myths, metaphors, and narratives.

**The Politics of Misinformation**

The Politics of Misinformation (2001) analyses how and why the general public accepts politicians’ promises of development and innovation, despite the fact that most of the proposed changes are either superficial or nonexistent. The argument was not fully developed by Edelman himself (he died during the preparation of the book) but by his daughter, which explains why the wrapping up of its arguments appears somewhat unsatisfactory. The sum of the analysis is that illusions of that which is stated and desired in achieving the social and economic consolidation of power aims to reflect development, even as it erases the same. Language, bureaucratic authority, legislation, political parties and science help to create images, which mislead elites and non-elites alike. Democracy appears to be rational, even as it conceals structural inequality. It does not encourage the critical evaluation of politics; in fact, it excludes people from political and other democratic work.
The limitations of the decision-making process constitute a vital ingredient both in space and time. The big picture is often not considered. Financial activity is almost exclusively pursued for short-term profit. Consideration is rarely given to global over-production; since its effect is often first felt somewhere far away, and only much later closer to home. There is even less capacity in the decision-making process to relate the effect of individual operations on an entire system, regardless of whether these are economic, social and/or ecological. Decisions based on fragmented evidence, which supposedly affect the entire system, serve to create illusions that are often incorrect.

**Concluding Reflections**

**On the Central Message**

Simply put, it can be said that Murray Edelman espouses the same theory in all of his literary works, to wit, that symbols conceal the decision-making process rather than simplify it. The use of symbolism leads to the preservation of power structures, rather than their alteration, as long as they are not exposed and do not become the object of investigation, reflection and honest scholarship. Change is not a fundamental premise. A citizen’s ability to influence decisions is deterred at every turn; the situation becomes particularly difficult for more vulnerable groups. An important task for researchers is therefore to explain and expose political myths and metaphors. Ultimately, this is a matter of freedom, democracy and human rights, as well as people’s ability to keep abreast of developments in society and exert influence – not just over political decisions, but also over their own lives. On one hand, it is necessary to safeguard human rights and obligations; on the other, it is important to ensure the individual’s right to participate more fully in the policy-making process.
It is difficult to either support or contradict the meaning of symbolism in politics empirically. While it is impossible to dismiss the argument, it cannot be proved beyond all reasonable doubt. One is either attracted to this form of critical thinking or not. At the same time, the concept is provocatively packaged. The texts are strategically formulated to provoke a reaction. The aim is not to identify truths, but to start a discussion. This is illustrated by the use of the terms "myth" and "metaphor". In ordinary speech, a myth is something of dubious veracity, and a metaphor is something based on embellished imagery. Thus myths and metaphors are tools with which honourable politicians, objective researchers and other professionals are fain to be associated – leave them to less scrupulous debaters and author’s deal. However, in scientific language, the terms are interpreted differently. Thus there is a distinct difference between ordinary and scientific language, an aspect that Edelman never seriously develops. It is reasonable to assume that Edelman was not ignorant of these linguistic differences, but that he instead used them strategically in order to challenge both researchers and practitioners, whether they belonged to elite or not. By delving into the myths and metaphors of political life, public organisations, science, law, and so forth, he unleashes the provocative force – not to "point the finger of justice," but rather to encourage reflection.

Edelman’s arguments imply that people’s perceptions and principles change throughout their lifetimes as material and ideological conditions change. To illustrate this, Edelman cites developmental stereotypes like the communist who becomes a dogmatic anti-communist or the young, progressive idealist who becomes a conservative pragmatist, as he grows older. It is a matter of lifelong learning. At the same time, each individual’s perceptions, impressions and experiences are unique. Although there may be similarities between people, no two people share identical backgrounds and experiences. Thus the argument
becomes relativistic, which places science and the role of the researcher as a policy analyst in a quandary. In simple terms, relativism means that the prevailing subjectivity makes it impossible to verify or falsify individual statements in a positivistic sense. From a relativistic point of view, all statements are true for the one who expresses them, and can never be fully understood by others who are themselves experiencing another subjective reality. (Edelman 1988)

**On Relativism and Inter-Subjectivism**

One moral problem of relativism is that it can be interpreted to mean that everything is hunky-dory in principle, since everyone can (or ought to be able to) explain and justify their behaviour with reference to their personal history and current circumstance. This would make it difficult for society to establish a more or less common set of morals and ethics. Nonetheless, Edelman states that reduced discrepancy in living conditions, education, access to employment, etc., leads to the comparison of similar experiences. It is the obliteration of deficient equality that promotes public morals, not the reverse. The fewer the differences and inequalities in society, the fewer the issues of morality in society (Edelman 1988). At the same time, it could be said that Edelman is claiming that the burning issue in the United States is that expectations have become uniform through the political socialisation of its citizens’ dreams and expectations. When art and the media do not function as the opposing forces they were intended to be, then it becomes difficult to support alternative concepts. The problem lies in the fact that inequality and poverty persist, rendering a false impression of the dominant preconception. Above all, it is a single-minded concept that threatens the democratic process. The foundations of democracy lie in its conscious practice and the mutual questioning of existing preconditions and values. Democracy is not found in the ethics of singularity, but in multiplicity. Thus ethnical relativism poses no problem to democracy, but rather
to one of its heavier cornerstones. Ethical singularity exists in military, political and religious dictatorships. History relates tales of innumerable massacres and persecution that have occurred in the name of justice. The danger facing modern democracy is that dissemination of the elite's worldview may cause it to become commonly accepted.

**Characteristic Universalism?**

There are elements of universalism alongside the relativism present in Edelman’s arguments (cf. Robertson 1997). This is particularly obvious in the second to last book, in which art is presented as a sort of declaration of all policies. If most of our preconceptions and philosophies can be derived from art then it begins to resemble the singularity and simplicity of thought that constitutes the essence of Edelman’s critical public analysis – even if he focuses on politics. Is it better to be a slave to art than to politics? The issue of the influence of science or religion on the formulation of policy is not clarified in his analysis. The media have been given an increasing role in recent literature, as a part of the stimulation of the political spectacle. The use of citizens as countermeasures in the formulation of policy or policy analysts’ increased interest in experience and other form of amateur influence is another avenue only fleetingly addressed (cf. Lindblom 1990 and Goodman 1978 for discussions on the citizen’s influence on the policy-making process). Since art – somewhat simplified – is everything according to Edelman, and everything is reducible to art, then everything is explained. But at the same time, nothing has been explained. The same criticism may be levelled at Edelman’s view of the influence of symbols. Almost all explanatory models include symbols, myths or metaphors. It may be that successful explanatory models the majority recognises, understands, and can apply to daily life are all based on, and presented in the form of, distinctive and empathic symbolism. Is symbolism another declaration to which everything can be reduced? In the long run, it would appear
that Edelman’s ambition is to construct a more realistic model to promote an understanding of the policy-making process, its influence on society and its interaction with the citizens, a model which includes symbols.

The Disputability of the Concepts

Murray Edelman’s understanding of political meaning conflicts with that of most advocates of public and rational choice (cf. Dunleavy 1991; Tullock 1994; Green & Shapiro 1994). These theories are based on the assumption that political purposes, norms, preferences and motives are stable and determine the choices made by political operators. Edelman suggests that norms, motives and values are also created against a backdrop of excluded, but possible, alternatives. Thus the analysis of the creation of political meaning is broadened, from taking preferences for granted to directing focus toward the processes that shape our preferences. Thus Edelman wishes to shift our gaze from the status quo of politics toward "political reality". Political language is thus neither disengaged nor neutral in relation to political reality. Instead it contributes to the creation of political reality. Ideologies, language usage and symbols are themselves expressions of political actions. Since political language is complex, ambiguous and at times misleading, theories intended to capture political reality, but which are not based on this simple premise, are doomed to be incorrect (Merelman 1992).

Many political parties in Western democracies claim that the political system is based on the premise that although political elites, elected by the people, lead the process of development, the citizens influence the elite through their principles, and the elite follows the will of the people. Murray Edelman challenges this claim. The main thrust of his criticism is that the citizen cannot be master of his principles in all situations. The ordinary citizen is not always acquainted with, or rather, does not
possess sufficient information on various political events to be able to develop well-defined principles, due to the inherent flaws in arbitrarily updated knowledge. Thus the situation for him is more about rapid, unconsidered expressions and attitudes. The creation of well-defined principles is fundamentally a laborious individual or collegial intellectual process; however, it tends to become a process in which various events, symbols, complex language and other interests shape principles (cf. Gallie 1956; Connolly 1983; Pettersson 2007).

Thus, the public simply cannot control its political leaders. Rather, political elites employ their power to create symbolic meanings which limit the range of political discourse, manipulate public debate, and manufacture whatever consensus ultimately emerges. (Merelman 1992: 3)

Murray Edelman further states that the public's ability to control its political leaders, particularly via debates and other attempts at exerting influence (demonstrations, petitions, etc.), is exaggerated. There is often a machine grounded in party politics or corporate activism between the political grassroots and the centrally located political elite. While this enables communication, it also serves as filtration. The individual's options for influencing the elite are eroded via endless preparatory and decision-making stages, as myths and metaphors often prescribe.

Edelman's Policy Analysis and the Growth of New Industry

In this chapter, a basic agenda for the analysis of the significance of symbols to the development of policy and practise has been formulated. Its significance is universal, but particularly adaptable to developmental issues, including the revitalisation of old industries and nurturing of new ones. Regardless of whether we focus strictly on design, creative industry and cultural heritage, or lift our gaze and broaden our view, it is in our own interests to identify and understand symbolic concepts indicating future social and business trends. Who are the actors advocating new
industries and on whose behalf? Our intention is certainly not to expose "egotistical, evil, underhanded dealings", but rather highlight the perceptions and values lurking in the background, in order to facilitate debate, communication and ultimately mutual respect. The latter is a particularly important in order to learn how different strategies function in different contexts.

Previous chapters have laid bare the anguish that often besets local developmental processes. The basic problem is not a reluctance to accept the proposals but rather to sift through the plethora of ideas and then motivate local forces to go from word to deed.

The many aspects of the symbolic world are better developed philosophically than scientifically and practically; the methodical grunt work of empirically charting the significance of symbolism remains to be done. Still, I maintain that here exists a key to better understanding why unemployment and other "wicked problems" are so implacable, despite decades of effort. Herein we can also find a key to better understanding why the globalisation thesis is so popular among world superpowers and market liberals (who primarily guard the status quo in world politics), while smaller nations propose different types of development dynamics between levels and hitherto marginalised countries speak of localisation and mutiny against the effects of globalisation (Pettersson 2007). Perhaps the successful growth of new industry requires that it be planted in soil featuring elements of the old. For in the end, the "new" is really just a twist on the "old", new wine in old bottles at the very least. At the same time, renewal can be elemental to the survival of numerous rural communities, maybe even some states and international regions. That a variety of visions and concrete proposals are constantly thrust at local actors may be a trivial observation. It may be more interesting to find out why one idea is rejected, another attempted, a third partly realised while a fourth succeeds in making it all the way from proposal to practise.
References


The title of this anthology, *Creative Industries and Local Development*, telegraphs a particular empirical interest but also a methodological and theoretical agenda. Our work has not been motivated by the illusion of finding easy answers to the actualised hypotheses. In fact, our intention is to create more problems. All the essays are based on empirical research in the form of case studies, both single and comparative, and have been collected in order to suggest a possible and certainly essential R&D agenda to tackle these very contemporary questions.

The present volume features discussions on how businesses can expand and grow, how actors in the public sector can revitalize policy-making and administration, and how coordinated efforts can be shaped for the mutual relevance, benefit and use of both parties. A common thread running through the anthology is the search for a profile, ethical or otherwise, which can encourage local and regional development. To this end, genus, sustainable development and cultural heritage in particular have
been highlighted (see Chapters 3, 4 and 5). In this concluding chapter follow critical reflections on the conceptual phenomenon known as "creative industry". It also contains speculation on the value of this anthology to the general debate and suggests ideas worth pursuing.

"Creative industry" is a clumsy concept. It often misses much of the work on the ground. Interpretations are often misleading. Focusing on new industries risks ignoring opportunities afforded by existing ones. Of course it is essential to report and evaluate new developments. The danger lies in marginalizing or excluding the importance of revitalisation traditional industry. The agrarian sector, for instance, has displayed numerous new, creative visages, inspired by both unlikely influences and new circumstances.

As a rule, the "unlikely" influences emanate from tourism and the experience economy and their subsidiary amenities. Here we find hybrid solutions both in content and organization. New circumstances include big changes in the cooperative, wholesale sector, whose gradual decline has encouraged the growth of both large, industrial corporations and small, exclusive speciality businesses. The latter engender new services, often in the form of accommodations, experience and cultural heritage. Calculating the positive and the negative, the sustainable and the non-sustainable, the innovative from the not-so-innovative is not always easy, which is where academic research can help develop more reliable models, theories and methods, both for scholarly use and practical application (see Chapters 5, 7, 8, 9, 13 and 14).

Product manufacture is not about to be replaced by the service sector. That is nothing but a highly exaggerated rumour. However, the shape, direction and organization of various businesses are indeed undergoing a transformation. Boundaries become blurred. The accepted logic of production and consumption and market value comes into question.
The notion of trade as a fiscal technicality and form of organization is downright counterproductive, an antiquated, misguided division of property between putatively sustaining and destroying activities. A Crossbreeding enterprise under various auspices and sources of financial backing is a necessity for local and regional development today. Supposedly destructive activities are often decisive for the creation and survival of presumptively sustaining activities. Much of the support granted by the European Union’s structural funds to different target areas is directly or indirectly earmarked to kick-start to the development of business and industry.

At times it seems the discussion of sustainable development is chiefly characterized by focusing on the issue of new industries versus future industries. The boundary between them often appears rhetorically symbolic rather than practically meritorious. In the West, a tripartite division between public, private and voluntary sectors reigns supreme, which further obscures the lines of distinction. In practice, hybridization between different sectors is already underway as organizations seek out alternative grounds of legitimacy or entertain parallel loyalties (see Chapter 13). This intermingling is particularly palpable between the public and private sectors (see Chapter 4). Private enterprise has served as a model for public service for some time now, on the pretext of a need for rationalization and efficiency along with a comprehensive modernization process (Christensen & Lægreid 2001). At the same time, public services have lately become increasingly relevant to private industry as it recognizes the commercial and developmental opportunities offered by environmental sustainability and other forms of ethical profiling (Pettersson 2007).
Thinking about creative industries can be traced to the century-long discussion on rationality and modernity. Points of historical interest are myriad and deserve full explication in another forum, for here space only allows us to briefly sketch it. Mid-nineteenth century, Ludwig Feuerbach claimed that a demythologisation of religion would inevitably result in the emergence of rational, political man (Feuerbach 1957). At the turn of the previous century, Friedrich Nietzsche and Karl Marx both sanctified the century in the name of rationalism – God was dead and religion was the super ceded opium for the people. Political ideology would function as religion had previously as the orientation system of society (Nordin 1995). But soon, faith in science as the most modern and ultimate form of rational social rule that ideology began to be challenged. In 1960, Daniel Bell pronounced political ideology dead; in a post modern, de-ideologised world, science would lead mankind safely through the wilderness (Bell 1967). It was even claimed that we had reached the end of history, that rational, modern society had been reduced to a single curve of development – liberal democracy. New, alternative ideas bent on social improvement were no longer necessary after the ultimate global triumph of political and economic liberalism (Fukuyama 1992). Noteworthy and somewhat paradoxical is the fact that liberal democracy is predicated and dependent on internal debate about controversial topics like "freedom", "equality" and "sustainable development" in order to flourish. Dispute itself energizes ideas which in turn keep democracy vital; no challenges, no democracy (Gallie 1956; Pettersson 2007).

Whereupon we encounter a number of attempts to gather empirical evidence to back up this historiography by locating keys and motives for continued excellence. The modernization
process caused a shift in knowledge focus, from complex simplification to simplified complexity. Obvious factors for success – scientific as well as political – are analyses or theses based on a broad, empirical material and a summary (easily mistaken for a simplified exaggeration) of complex phenomena and courses of events. Smooth talk also helps. Francis Wheen subtly identifies three keys to becoming a modern influential political guru.

First, summarise your tentative thesis in an American policy journal /…/ Secondly, devise a concept so arrestingly simple that it can be understood and discussed even by half-witted politicians or TV chat-show hosts. Finally, having got everyone talking about your provocative new idea /…/, reap the rewards by expanding it into a bestselling book (Wheen 2004: 70f.)

One such anointed guru is Robert Putnam. With the help of the concept of social capital (briefly defined as civic, social and associational community, institutions and networks), he has explained how and why democracy works so poorly in southern Italy while it does so well in the north. His basic thesis is that a well-oiled public life with many, repeated social contacts between individuals builds up a social capital between participants, which is the key to a functioning political system and which is the fundamental glue in society. By extension, this contributes to local development and a healthy business climate (Putnam 1992). Considered captivating in its simplicity and featuring a high intuitive recognition factor, the argument is brilliant. The rationale for how social capital is created and functions is similarly convincing. On the other hand, Putnam leaves much to desire when it comes to explaining how and why the acquisition of social capital inspires the creation and sustainability of businesses, especially small ones (cf. Putnam 2000).
Roughly contemporary with Putnam, another political guru, Manuel Castells, predicted that a new, network-based social order would succeed industrial society. His rallying cry was, from formal hierarchies to informal, practical nodes interconnected in networks. The metaphor of society as a hierarchic construction, a pyramid stacked with governments, major corporations and mass political parties, would be replaced by a structure of networks (see Chapter 14). A new method of production was broached, a new, information economy and a truly virtual culture. Both the material and virtual significance of the network as a society-shaping metaphor encouraged individualization of local workaday routine and global job sharing. The cumulative effect is that financial capital is coordinated globally, while labour is individualized locally. The basic fundament of power becomes increasingly diffuse, both insofar as levels and dimensions are concerned. From liberal democracy’s fundamental arena for debate about conditions, goal-setting and implementation strategies, the basic dynamic of the polemics of diversity has been replaced by the smoothness of simplicity, the extinction of ideology and a general lack of debate. Alternative thought is banished to the margins. The prophecy of network society is distinguished by the faceless (and locally unaccountable) global network of capital, information exchange and technological development (Castells 1996). Here can also be distinguished an order of production where manual labour and the surplus value creation of the machine are replaced by the production, dissemination and verification of information, knowledge and ideas (see Chapter 13). "Branding" has become the strategic development tool for individuals, businesses and sundry other organizations (cf. Pettersson & Molin 2010).
The Problem Unfolds: Creativity, From Hand to Head

The term *real virtuality* illustrates how imagined or created worlds become more real than reality itself. Computer programs, movies and TV series influence our habits, conversation and values, but also our decisions about the civic society in which we wish to live. Faith in the new order – network society – makes it the mother of all explanations. The network upholds the new by absorbing all expressions of order. Different skills are in demand; old class models are replaced by new ones (Castells 1996). In distinguishing between information as lifeless material, knowledge as reflected information, and competence as applied knowledge, the concept of creativity – in the sense of knowledge, ability and willingness to think differently – is freighted with new significance as precondition and prime mover (Tengström 1998; cf. Chapter 12).

Robert Putnam differentiates between two kinds of social capital, one based on similarity and the other on dissimilarity: bonding capital and bridging capital. Bonding capital comes into existence when people who resemble one another associate – same age, ethnicity, class, religion, etc. Bridging capital is generated when people who are unlike one another associate, like fans of a hockey team or a rock’n’roll act. Putnam claims that both forms of social capital are mutually reinforcing, but also enfeebling. In the multiethnic United States, social capital is beginning to collapse. In most of the West, in fact, we experience fewer daily face-to-face encounters, to the benefit of a life of interactive contacts or self-imposed isolation.

The end result is a crisis for democracy featuring an increasing lack of faith in politicians and declining election turnouts. Social capital even risks imploding as the fundament for local development and enterprise. Even if the actual significance of social capital to industry remains iffy, Putman identifies interesting tendencies for social change (Putnam 2000; cf.
Pettersson 1997; see also Chapter 14). Partly in verification and partly in opposition, Richard Florida (2002) claims that a growing percentage of the population in multicultural societies are engaged in creative professions. A creative class, which will have an increasing impact on, the social order is emerging, in a manner similar to the way farmers and factory labourers characterized their times (Florida 2005; cf. Pasquinelli 2006).

**Zeroing In on the Problem: Entrances and Exits to Concepts of Creative Industry**

An important motive for change in Western society has been that many goods and services with a relatively low surplus value can be produced more cheaply and often in better quality elsewhere. This seemingly irreversible development may be the source of the anxious call for reorientation. If the West is to retain its relatively superior position, revitalization is necessary; where experiences and creativity are recognized as fundamental impetuses (cf. DCMS 2001). Fizzy drinks, hamburgers and running shoes must offer more than their basic, inherent function; they need an image, a back-story or a lifestyle indicator to provide surplus value. Similarly, charter packages have gone from mass tourism to "less tourism". Added value is necessary, e.g. in the form of customer-friendly exclusivity. The challenge is the same for both established and up-and-coming tourist resorts. In this way, the arts become the wellspring of creativity and experience. The ages of the gentleman, the cleric, the politician, the social engineer and the Wall Street yuppie are over. This is the dawning, it is said, of the age of the cultural worker (see Chapters 2 and 4); the question remains whether artists appreciate being considered the cornerstone of big business (cf. Karlsson & Lekvall 2002). General scientific research and development is still considered as having a role to play, almost like a triple-helix mantra regardless of speciality (see Chapter 8).
Throughout history, culture, experience and creativity have been essential factors in social life, ubiquitous forces for both renewal and the preservation of tradition. Cultural processes like design and identity have characterized everyday life for untold generations, not the least in the form of the products consumed. In other words, culture is not a rarefied segment of social life played out in theatres, books and art galleries, but includes the organization of towns and cities, mass-transit systems and communication (see Chapter 4). Designing a richly adorned necklace or a rustic wooden plough in days gone by were expressions of the same impulse that determines the form of everyday utensils and luxury items today. The clothes we choose to wear are important to us and to whomever we are seen by. Organizations act in the same way. Today, nearly each and every actor, in both the public and private sectors, is working on its brand (Pettersson & Molin 2010). But what’s new about that? Have organizations not always taken their corporate identities seriously? For example, regardless of whether a nation is democratic or authoritarian, it has always been essential to create myths, metaphors and stories which link both the governing and the governed in a bond of mutual understanding as to the rules of the game. While the methods certainly vary, it is still a case of similar mechanisms intended to maintain order (Edelman 1995; see Chapter 14; cf. the concept culture hegemony in Gramsci 2007).

Today, industrial production is more exclusive than ever before, its volume and series smaller. Industrial corporations specialize and collaborate more often than ever before. Consumers have also changed the way they behave. Both mass-produced staples and goods sensitive to changing trends are increasingly used to signal identity and belonging, which in turn forces keener sensitivity and flexibility up the production chain. Production becomes increasingly knowledge-intensive, primarily when it comes to understanding and adapting selection to aesthetic
signifiers and other informal culture symbols. Scott Lash and John Urry (1994) call this the semiotization of consumption. Mike Featherstone (1991) identifies a similar, comprehensive tendency, which he characterizes as the aestheticization of everyday life, the increasingly fuzzy boundaries between art, aesthetics and popular culture linked to an increasingly consumption-focused society (cf. Flew 2002). At the same time, cultural personalities turn up strikingly often as initiators and firebrands of local and regional development projects (Pettersson 2007; Molin & Pettersson 2010).

The field is littered with buzzwords and new phrases and confusion is rampant. Politicians, business leaders, management gurus, journalists and university researchers all compete to be heard in the debate. Opinion as to how the future and its developmental dynamic can or ought to be understood labelled and packaged are many and varied. An even more uncertain gambit is attempting to identify the prime movers of the future. The name game has just begun. The term "copyright" recurs (cf. Cunningham 2004; Montgomery & Fitzgerald 2006). Hybrids abound. Activities, sectors, businesses, industries and clusters characterized by experience, creativity and culture are discussed. The extent to which actual, existing businesses are being alluded to or whether it is a question of wishful thinking or simply analytical models is not always easy to determine. Sometimes experience, creativity and culture are also related to the urban or financial concept, which includes a social founding status (cf. Burns & Stalker 1961). Either way, the debate betokens characteristics to which businesses and industries must aspire in order to keep pace, not miss the boat (cf. Pine & Gilmore 1998; Howkins 2001).

5 http://www.regeringen.se/sb/d/108/a/136205; prop. 2009/10: 3
The Problem Illustrated: Creative Industries

Some venture to say that the term "creative industry" entered the political lexicon with the victory of New Labour in the UK elections of 1997. A few years earlier, circumstances dubbed Australia a "knowledge nation" (cf. ALP 2001; Cunningham 2001; Hui 2006 describes a Chinese counterpart). "Reorientation" was a key word in the rhetoric of the new economy. Instead of clinging to an eroding industrial infrastructure, the ambition was to create a more knowledge-based economy. In England, the champion of this shift in thinking was the Creative Industries Task Force. This new organization was the result of an analysis of existing creative industries by the newly-established Department of Culture, Media and Sport (DCMS) in an attempt to find ways to further the desired development, but "made the unfortunate error of making these seem like entirely distinct entities...Pop stars and fashion designers were invited to Number 10" (Oakley 2004: 69). This rendered the creativity concept rather narrow, focusing on art and culture and ignoring research and science, which disquietingly obscured the implications of the term “creativity”. Its defenders said it fortified an internationally renowned British cultural legacy (Howkins 2001). Despite this, even efforts to preserve cultural heritage were ignored, regardless of their financial and developmental potential, a potential, which in many instances is much greater than the above-mentioned fields, can boast (cf. Cunningham 2001).

Creative industries have been defined in a myriad of ways. One reason is that increasing numbers of people are reacting to the concept and recognizing its financial potential. The number of creative sectors has varied according to source (see DCMS 1998; DCMS 2001). In 2006, eleven sectors were identified.
Table 6: Sectors in the UK Government’s Definition of Creative Industry.

This kind of list is both pragmatic and ad-hoc. Fields like architecture and antiques stem from an obvious desire to preserve and expand upon a cultural heritage, to keep a tradition alive. At the same time there is a whiff of opportunism in the air when including culturally related fields in which the nation, region or municipality in question is a world leader or at least enjoys comparative advantages. Presenting statistics, which reveal creative industries as the most rapidly, expanding sector of the economy has immediate political repercussions (McGuigan 1998), vastly improving their prospects of moving higher up the agenda and serving as an example to others. There is a need for more explicit and stringent definitions of the term – what characteristics should and should not be taken into consideration – in order to facilitate more accurate measurement and comparison (Larsson, Molin & Pettersson 2010).

Quantification remains highly problematic and the intent behind various surveys and claims ought to be scrutinized closely
(cf. Oakley 2004; Roodhouse 2006; Markusen et. al. 2008), particularly in relation to local impact or the assessment of the suitability (or unsuitability) of various ventures (Kolmodin et. al. 2007; see also Chapters 7 and 8). The prevalence and vigour with which policy development is pursued indicates that the creative industries have become a tool in global economic competition (Hill & Hupe 2002). Criticism has been levelled at how the term has been defined, whether statistic has been fudged, and the tenuous labour rights of the so-called "creative class". This indicates limitations that have obvious ideological undertones (Oakley 2004; see also Miller 2004).

The term creative industries often refers to several interlocking industrial sectors, "those activities which have their origin in individual creativity, skills and talent and which have the potential for wealth and job creation through the generation and exploitation of intellectual property" (DCMS 1998). The concept also includes activities providing business-to-business creative services, such as advertising, public relations and direct marketing. Generally it also refers to live performances, such as art exhibits, tourism and sporting events.

The concept of creative industries aims to reconcile the emergence of increasingly individual and small-scale, project-based or collaborative notions of commercial and non-commercial…production with institutionalized notions of cultural production as it exclusively takes place within the cultural industries (Deuze 2007:249).

John Hartley defines a creative industry as an idea

[seeking] to describe the conceptual and practical convergence of the creative arts (individual talent) with cultural industries (mass scale), in the context of new media technologies (ICTs) within a new knowledge economy, for the use of newly interactive citizen-consumers (Hartley 2005:5).
Creative industries are however no panacea for solving complicated development problems. The desire to retain the mass production of good and services of industrial society, spiced with more individualized and customer-friendly production can be seductively straightforward in theory. But there is a limit when competing business and market logic generates opposition and inertia. There has been plenty of focus on creativity within organizations and in social systems, and much less about individual and collegial creativity. Even if actors, structures and systems are best understood in the light of each other and develop in mutual interaction, a discussion featuring more actor-oriented reasoning and consequence is imperative (Schlesinger 2008; cf. Chapter 12). Brett Neilson and Ned Rossiter are wary of an "evangelical mentality", characterized by

an oxymoronic disingenuousness that wants to suggest that innovation can coexist with or become subordinated to the status quo. In this context, innovation becomes nothing other than a code word for more of the same – the reduction of creativity to the formal indifference of the market (Neilson & Rossiter 2005:8).

In England, creative industries have been subdivided into the production and distribution of culture in general and the "artist centred" in particular. The former exists more in relation to the broad demands of the market, while the latter focus on qualities which are most appreciated by a small circle of cognoscenti. In this respect, financing systems seem to play a decisive role; the former do not have the same access to arts council funding as the latter. According to Justin O’Connor, the division between commercial and artistic value is unfortunate since it causes an unnecessary polarization without imparting understanding of the potential for new, revitalizing thinking inherent in the arts (O’Connor 1999; cf. Mukerji & Schudson 1991). Others claim that culture shapes many of our political, social and economic
perceptions on society and its mechanisms (Edelman 1995; cf. Chapter 14). Richard Caves points out that the financial opportunities the arts may offer in a new immaterial economy should not be confused with the discussion of the advantages and disadvantages of public arts funding. The value of many creative industries cannot be judged by the same standards as other industries. Some essential characteristics can be named, regardless of who’s paying the bills (Caves 2000).

Inconsistent demand: Many “creative products” come in the form of experiences, which means that the consumer lacks information about the product and has a difficult time estimating value in advance. Moreover, experiences are highly subjective entities.

- **Playing business**: Many “creative producers” offer amusement in non-remunerative form but must market themselves and keep their accounts in order to appear credible, like any other legitimate businessmen. How do the cases handle their daily transformation work?
- **The collegial fundament of creativity**: “Creative production” often demands that a variety of experiences, perspectives and skills meet in creative teams, which also implies different interests and expectations. Is it conscious or unconscious?
- **Long-Term Deals**: Once developed (at a relatively high price), many “creative products” prove to be long lived (with a relatively low marginal cost).

These characteristics clarify the uncertainty of creative industries. They are high-risk projects with relatively high start-up costs. At the same time, success can lead to huge profits and thus offset the initial investment many times over. Furthermore, even financial misfortune can yield large, long-term revenue in the form of cultural, social, or political structuring. Public financing
is a way of distributing the risk, which is why problems emerge if public financing is mainly siphoned off to cultural investments, which only reach a small portion of the population and to actors who have minimal or no ambition at all to commercialize their work. These cultural manifestations have a fundamental role to play in society. The question is whether they actually belong to the creative industries. If they are malplaced, it can have a negative effect on both their own efforts and the growth of more obvious forms of creative industry. Genre-defying cultural workers who also participate in creative industries under the given premises should be given all the encouragement that can be mustered (cf. Chapter 14).

Today, much public financing takes the form of subsidies, with all the inherent risk of distortion of markets and other methodical biases and mistakes that involves. Richard Caves stresses that it would be desirable if more public – and private, cooperative, etc. – financing were commercially based. The ability to write successful project applications is not necessarily one of the skills required of a businessman. One way to deal with the uncertainty and risk that plagues creative industries is the inclusion of contractual provisions and stipulations (Larsson, Molin & Pettersson 2010). This means that the parties involved, including creators, financiers, manufacturers and distributors, share risks and tasks, cost and profit equally among themselves for mutual benefit and to insure continuity. Support structures of this kind tend to mainly be put in place to encourage the establishment of industrial enterprises, which is not adequate for all organizations. Here it would be advantageous if both public and private actors were open to finding new forms of dealing with burgeoning creative industries while continuing to encourage the revitalization of established ones (Caves 2000; cf. Oakley 2004).
Basically, Richard Caves reasons the same way economists have for the past fifty years. There is a need for fresh thinking, but in this context the old argument serves an important function, blunting the sharp end of utopian evangelism. The argument also links the present with the past and the future, the same spirit in which the present anthology has been written – to formulate an agenda for the study of creative industries with the assistance of existing concepts, theories, and methodologies.

**Concluding Thoughts**

Investing in creative industries does not guarantee that local development will flourish. Evangelical fervour should be cooled off in favour of more sober, constructive reflection. Creative industries are neither a miracle cure nor the sole road to salvation. The notion of a straight, narrow and single path to success needs to be complemented by broad, multi-lane freeways with plenty of off-ramps to side streets and long, winding back roads. The concept of "success" is complex. Perhaps there is a misguided predilection for testing one’s strength against others (and not only with comparable equals) instead of evaluating success in relation to circumstances, traditions and ambitions (see Chapter 9).

Sales reps with recipes for local and regional succession their suitcases have been forced to develop a broad arsenal of pitches. The challenge is to "sell" tailor-made empowerment methods to actors rather than prefabricated solutions – basically going from unconscious, powerless agents to conscious, self-empowered actors (see Chapters 12 and 14). In several of the essays in the present volume, the view from below and self-empowerment are keys to the development process, taking the step from inspiration and thought to action and practise (cf. Garnham 2005). The implication is that illustrative and inspirational examples do not always pave the way to success for those who travel them. There is no reason to set the bar at
the same height for everyone. Self-awareness is also necessary to understand how to translate and apply the success stories of others to a new context in order to be the master of one’s own success. The ability to adapt and translate the original idea can in itself be an indication of success (see Chapter 13).

A primary theme running through the present volume has been to underscore the significance of local individuals and actors to development. Business and municipal government is where many impulses for renewal emanate. Several essays provide examples of what hinders and what encourages renewal investment in women’s enterprises (see Chapters 3, 4 and 6) or the public sector (see Chapter 5). There are a number of factors in Sweden that indicate the potential for making some noise in an increasingly conspicuous creative sector (see Chapter 2). An equivalent potential exists in time-honoured activities, where the challenge is to unearth thinking and methods that revitalize tradition. In this context we have touched on questions of conditions, motivation, secrets of success and the sustainability of organizations. Rather than surrendering to colourful, marketable gestures like visionary documents with eye-catching, magical completion dates, several of the contributors stress the "small steps" strategy. Going from word to deed is far less glamorous and far more arduous than shouting "success!" from the rooftops in order to distract from external scrutiny. Perhaps this is in fact an essential factor of success – realizing what is really important. To locate the starting point and creative drive in each, individual instance, which serves to unite forces in common cause – to formulate and execute one’s own developmental practise (see Chapter 8; cf. Johansson, Pettersson & Skoglund 1999).

The second theme of this anthology is the significance of methodology. In development processes, method can be more important than the ideas themselves (see Chapters 4 and 5), since a splendidly formulated vision is predicated on
a meticulously prepared strategy of implementation. On the other hand, faulty policy can be implemented masterfully by reformulating ideas during the process. In the end, methodology plays a large role in the outcome. The initial idea is rarely carried out without some adjustment to local circumstances. This translation dynamic is worth embracing, not opposing, as many organizations are wont to do today. Thus our methodological starting point has been to let a plethora of actors contribute to the different steps of the process as often as possible. We would rather see the process emanate from below than above (see chapter 12). This is well illustrated in several chapters by presenting methodologies used both in private business and the public sector. This in turn also actualizes the need to see change and innovation as norms in transformational processes (see Chapter 9). By extension, this is a matter of understanding success and failure. What are the points of reference, the success stories of pioneers, the local traditions and premises? (cf. Oakley 2004)

As both established and new enterprises are developed, the need for different methods increases. Stories or narratives are one way to disseminate experience and deepen understanding. A story has the advantage of containing "good” and "evil” forces that, just like fairy tales, capture the attention of the listener. At the same time, stories provide an opportunity to impart wisdom and knowledge, which may inspire others more readily than process results presented in a more traditional manner. Another way creative industries contribute to a "rapprochement” between theory and practise is through researcher participation in the development of business and its future narrative (see chapter 8; cf. Cunningham 2004). In other words, the researcher gets involved in embellishing the company’s already-existing narrative. It can be difficult to maintain balance between mutual learning like this, but when it works, it can pay all kinds of dividends. Research helps create business opportunities and the ongoing narrative in tandem with practise in a continuous process. We
consider this mutual learning process to be a methodology that can contribute to growth and the sustainable development of many creative industries.

A third theme is conceptual and theoretical depth. Transforming labour and industry needs to be understood beyond the seductive, simplified complexity of the globalisation thesis. Discussing the role of the region in an increasingly conspicuous exchange between local and global groups, speculating on how ideas come to fruition, and identifying built-in symbolic points of common interest can achieve this. It is evident that global deference must be paid by actors involved in local and regional development (see Chapters 10 and 11). This is not however a simple matter of interdependence, where local and regional conditions are set by global standards. At bottom, that which is perceived as "global" consists of the sum of thoughts and deeds on other levels and there is no obvious answer to the question of who assumes the dominant role in the relationship between these levels. Consequently, the globalisation process comprises either a globalisation thesis in which society is the same the world over or a localization thesis in which societies are distinct from one another. Of course, it is possible that the answer lies in a third alternative, a hybridisation process between local and global, and a globalisation hypothesis where some components of society are uniform while others are singular. If so, globalisation as a distant, unreachable force field is highly exaggerated, at least if we choose not to perceive it as such (cf. Wang 2004; Tong 2006; Pettersson 2007). Self-empowerment is fundamental. If we all feel powerless in the face of globalisation, we risk internalising helplessness (Seligman 1975), seeing only problems and conformity rather than opportunities and developmental dynamics (see Chapters 10, 11 and 12).

As far as materializing ideas is concerned, the present volume offers three essays on how, why and with what consequences ideas are disseminated and implemented. Even if ideas are
formulated in a particular local context and disseminated globally, the translation process only gets underway when they are understood and implemented elsewhere. Faith in the global harmonization of human thought and actions received only paltry, in fact decreasing, support in most theories of globalisation. While numerous agreed-upon terms are tossed about and turned into buzzwords, local implementation still tends to create a myriad of viewpoints from a single, original thought. The practise thereby established is even more multifaceted. At the same time, knowledge about what it is that makes us accept certain ideas and reject others is sketchy at best. Interest in the meaning of symbols is growing. Myths, metaphor and narrative are familiar and relatively deeply rooted concepts in philosophical theory. Empirically and methodologically, this knowledge is much more fragmentary and less established. In the present anthology, a foundation has been laid for continued study of e.g. how certain time-honoured symbols trap us in a particular mindset. This influences the ideas we are willing to accept, the methods we consider reasonable and the solutions to be prioritised, what we should aim for and what we should value (see Chapters 7, 8 and 14).

For the time being, wherever there is a policy document, research application or brochure on local or regional development, you will find the words culture, arts, creative and/or experience tossed around without any deeper meaning. Like flies to a sugar cube, nigh on each and every county, municipality and region regardless of industrial infrastructure, human resources or history, is hard put to resist this trend. Few will succeed entirely; many will achieve nothing more than increased confusion about identity and its place in the world. The novelty value of creative industries should thus be challenged. Yet there is still much to indicate that the importance of creative industries for business framework analysis is on the increase. Its share of the work force is on the increase, as is
its percentage of the gross national product (see Chapter 2). Still, creativity is nothing new. What used to be called "product development" is now known as "design". "Tourist sites" are now "destinations". Terminological hair-splitting risks ascribing experiences more empirical significance than they deserve (cf. Eskilsson & Fazlhashemi 2001; Kamfjord 2002). Thus there is a significant gap between the creative industries as centers of knowledge and the gray zone of science, public policy and business administration (cf. Cunningham 1992; Garnham 2005; Oakley 2005). Herein lies interesting tension that deserves more attention, which it most certainly will get in the very near future. In wrapping up, here are two glimpses of what may be in store.

**The Creative Future**

Memories of the remarkable growth of the service sector in the last two decades calls for a certain humility for how "destructive" work and ancillary industries can in fact obtain socially significant functions. In an age when products were something material, immaterial services gained purchase. Perhaps the next step in this evolution will be to direct one's gaze beyond goods and services; to see function as something worth developing and selling, even by established manufacturers (Pine & Gilmore 1999).

The automobile and the refrigerator are finished products. Their basic construction abides. There is however still much to develop insofar as the function of the products is concerned. Mercedes-Benz and Electrolux are examples of companies that are trying, at least at the experimental stage, to think beyond the product, to instead find forms with which to sell function. In the future, the car and the fridge will not be packaged as products but as functions. The challenge is fundamental not only to the industries mentioned but for related operations within the transport sector and appliance industry. This new orientation is influenced by Factor 10 analysis, which aims at reducing the influx of energy and material in the manufacturing system rather
than search for solutions to waste disposal and recycling. The music and film industries are perhaps the two businesses which have come the furthest in this reorientation, driven primarily by technological development, creative programming and consumer sector lawlessness – they quite simply need to defend their copyrights and keep making money (see Chapters 5 and 8).

In places with almost universal status as "tourist resorts", the challenge is to extend the season and find ways to attract visitors year round. In the same way as economic policy began to emerge as an independent field of its own in the early 1980s in many Swedish municipalities, awareness is growing about the potential of "experience" and "destination" industries. At the same time, this presents new challenges to both the private and public sectors. As business leaders see opportunities for profit in what had hitherto been free, social planners, culture and heritage workers and conservationists encounter new situations and contexts to apply to dated legislation and fossilized practise. Other questions are raised in the public sector, for instance between developing new amenities and preserving particular legacies for the general public and future generations. The chance to exploit old ironworks or lime quarries is weighed against preserving them as museums. Many local and national representatives have undertaken commitments to preserve the sites surrounding castles and manor estates, which, if packaged attractively, can attract income via subsidiary enterprises like convenience stores, restaurants, guided tours, and role-playing. Even areas safeguarded for other reasons – including unique flora, fauna and biotopes – have the same commercialisation potential. The question is whether this will become an exclusive playground for "preservationists" or if developers and commercial actors will also be invited in. And if so, how much freedom of action can they be offered? Characteristic for the financial challenges faced by many municipal policy makers is their ability to communicate with private actors.
Administrative boards face corresponding challenges, not the least concerning the new decree to make protected areas accessible and commercialisable (cf. e.g. Utveckla natur- och kulturturismen 2006). These challenges are couched in the vocabulary used as well as the attitudes and values expressed (Näringslivsbarometern 2006). There is also a knowledge gap between private business and public administration insofar as their respective circumstances, conditions and mandates are concerned. The spotty knowledge public actor’s display about the business of doing business is notorious. But just as flagrant is the view of county administrations and municipalities by the industrial sector as little more than service organs, rather than as actors with a mandate to act on behalf of the electorate (cf. Pratt 2005; Galloway & Dunlop 2007; Larsson, Molin & Pettersson 2010).

References


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