

**mesopartner's
Fourth Summer
Academy on Local
Economic
Development
14 - 18 July 2008**

Summary Report

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local economic delivery

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Duisburg, July 2008

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Sitz: Duisburg, eingetragen beim Amtsgericht Essen (PR 1150)

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mesopartner's Summer Academy on Local Economic Development saw intense interaction among 26 LED practitioners from 14 countries. It was designed as an event

- to stimulate exchange among LED practitioners,
- to share insights from mesopartner's practice and methodology development.

The Summer Academy was hosted in Duisburg, a city in the Ruhr Area, a region that has been coping with drastic structural change for decades.



Monday, 14/07

Workshop 1: Key Issues in Territorial Development

The first session aimed at homing in on the LED topic and define the interactive style of the Summer Academy. Participants created working groups to address three questions:

1. What are my most exciting experiences in LED?
2. What are the main challenges I battle with in LED?
3. How can I express the innovative elements in LED to overcome challenges?

The format used in this session was the LED Café. This is a useful format for use in LED processes, especially when a major number of participants needs to be involved. You organise a setting that looks like a café. Participants create small groups around a table and discuss a specific issue for 30 to 45 minutes. After that time, one of the participants stays back, becoming a “host”, while all the others move to different tables.

In the third round, the participants were not only asked to define LED but also to come up with a “living monument” that symbolises LED.



Workshop 2: Value Chain Development

Local economic development has been informed by the pattern in which the local economy interacts with the national and global economy. It is thus essential for LED practitioners to have a robust understanding of value chain analysis, i.e. the techniques used to map and analyse the interaction between the local and the larger economy.

The session was devoted to principles of value chain analysis and promotion. In a metaphorical perspective, the basic principle comes down to one point: You can only move a chain by pulling it. Trying to push a chain is pointless. Accordingly, value chain analysis has to start at the market / with the buyer, and value chain initiatives must be informed by a solid understanding of market structures and buyer needs and behaviour.

The session also introduced a simple tool to educate stakeholders on the principle features of a value chain, namely the “living value chain”, where individuals impersonate different role players in a given value chain, from the final consumer to the initial producer.



Informal meeting with Dortmund LED officials

At the end of the afternoon, there was an opportunity for an informal discussion with two professionals from Dortmund’s LED agency, Harriet Ellwein and Rasmus Beck. They shared some experience regarding the challenges for LED in a locality where old industries have mostly shut down and a new economic basis needs to be created. One of the interesting features is the “Dortmund Project”, a public-private partnership that addresses strategic issues in LED:



Excursion:**Duisburg Inner Harbour waterfront development**

Duisburg's Inner Harbour waterfront development project is a showcase of successful urban renewal. An old industrial area has been converted into high-quality office space, residential buildings, parks and recreational installations (museum, kid adventure centre, playground, numerous restaurants). It shows how urban development, if it is done in the proper way, can contribute to LED.

**Tuesday, 15/07****Workshop 3:****Strategy in Local Economic Development**

Strategy is one of the key issues in LED, and it is an issue that generates a certain degree of disagreement between proponents of the “strategic planning” school and the “strategy as competitive advantage” school. This session was oriented at strategy as competitive advantage.

1. The analysis of a locality's competitive advantage
2. The analysis of the locality's LED approach from the “5 Ps” angle (perspective, pattern, position, plan, ploy)
3. The analysis of the stakeholder structure, using the CLIP tool
4. A scenario exercise that included the identification of rules of the game and key uncertainties, and scenario writing



It was pointed out that the main success factor in strategy formulation is an agreement on the strategic intent, not the elaboration of a detailed plan.

Excursion:**Landschaftspark Duisburg (former steel plant converted into public park)**

The “Landschaftspark” (landscape park) in Duisburg is a unique case of brownfield conversion, where an abandoned steel plant and the surrounding 200 hectare estate were turned into a public park that is open to the public 24 hours each day, including access to the top of one of the blast furnaces. The gasometer has been filled with water and handed over to the local scuba diving club. Part of the former iron ore storage facility with its ten meter high concrete walls is used as a training ground by the local alpinism club. Summer Academy participants were invited to have an introductory experience in climbing in this section of the park.

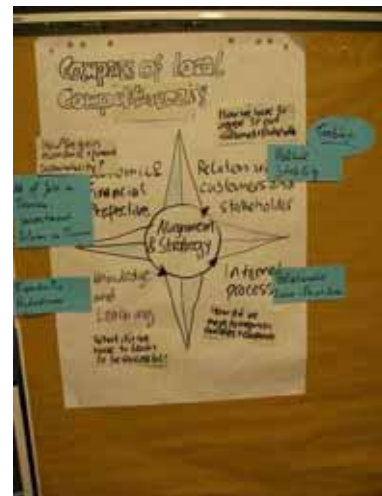
**Wednesday, 16/07****Workshop 4:
mesopartner methods**

The mesopartners presented several tools that they have (co-) developed:

- the Hexagon to explain the principle features of LED,
- PACA to kick-start LED,
- Red Tape Reduction as a major tool in LED,
- the Compass to assess and strategise LED.

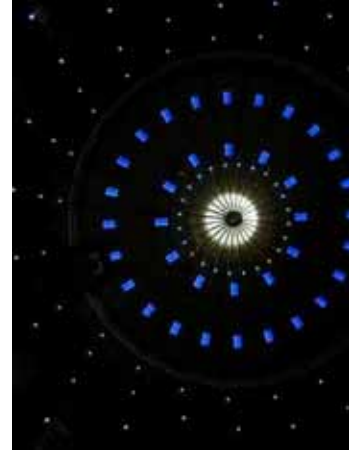
The Tool Market Place

In the afternoon session, participants shared methods and tools. The session was organised as a “market place”. The introduction and discussion on each subject was limited to ten minutes, so that a basic orientation was given and participants could make an informed decision whether they wanted to look up in-depth information on the respective method or tool.



**Excursion:
The Gasometer in Oberhausen**

Each steel plant has a gas tank where the top gas that emerges in the process is stored. A huge steel making complex in the city of Oberhausen boasted the biggest gasometer in Europe. The steel plant was shut down 20 years ago and subsequently scrapped to create space for a mall and entertainment facilities. Yet the gasometer was maintained and turned into exposition space. With a height of 110 meters, it offers a unique experience to visitors, both in terms of the art installation inside it and the fantastic view from the roof.



Thursday, 17/07

**Workshop 5:
Innovation and Systemic Competitiveness**

Innovation is a topic that is increasingly important in territorial development – not only in terms of the locality’s ability to sustain innovation in products and services, but also around the governance of LED. At the same time, it is important to understand that innovation resistance can be perfectly rational, so that an effort to encourage and support innovation will meet with all sorts of resistance. As a consequence, innovation promotion needs to operate with change techniques.



Locations typically can be described as an “innovation system”. There are three fundamentally different constellations, each with specific requirements in terms of the innovation promotion effort that is needed:

1. Catch-up innovation involves an effort to close the gap to best practice,
2. “Running to stand still” innovation is a typical feature in global value chains, where local producers constantly innovate yet don’t change their position in the chain,
3. leading edge innovation, where first-in-the-world innovation is generated.

In order to understand a location’s ability to innovate, it is useful to refer to the concept of systemic competitiveness.



Workshop 6: Pro-Poor Tourism

This session addressed a series of questions: What is pro-poor? How can tourism reduce poverty (size matters, local livelihood gains, employment creation). There are three pathways of benefits from tourism to the poor within and outside the destination [direct earnings/income in tourism sector, indirect income in the non-tourism sectors (supply chains, wages spent) and dynamic changes in the economy (infrastructure, skills upgrade, factor price increases etc.)]. An example from a tourism value chain analysis in Danang highlighted the difference between a tourism value chain and a product value chain.



Workshop 8: Networking in and with the private sector

Relations between private and public sector are often difficult. Before engaging in joint LED activities, it is thus crucial to engage in an elaborate effort to build a robust relationship, typically through quick-win activities or unilateral activities by local government (e.g. red tape reduction).

One of the typical activities in LED is an effort to stimulate collaboration within the private sector, or in a specific cluster of the local economy. A number of critical success factors were introduced, highlighted issues such as the need to identify and leverage allies in the private sector, clearly communicate expectations and benefits, and take a strong effort to make sure that the build-up and the first two or three sessions go well. If that is the case, there is a good chance for an initiative to build momentum quickly.



Workshop 9: Making markets work for the poor

Markets are a highly effective means of coordination. At the same time, there tends to be market failure. Development practitioners often hesitate to get involved in an effort to make markets work, rather relying on service provision by government or through formal or informal networks. The main messages of this session were

- that markets and market failure are terms that sound more complicated than they really are,
- that there are practical tools available to analyse market failure,
- that LED needs to develop a consistent effort to create or strengthen markets.



Workshop 10: Communication, negotiation, conflict management

This session introduced key concepts around communication and conflict, such as

- the “iceberg” model,
- the principles of non-violent communication,
- the different styles of communication,
- the “onion tool”.



Excursion: Boat trip around Duisburg harbour

Duisburg is located at the confluence of the Rhine, the busiest waterway in Europe, and the Ruhr. It boasts the biggest inland port in Europe. A boat trip created a unique opportunity to experience the extended structure of the port, to understand the urban development challenges created by the prevalence of industry along the waterline, and the recent efforts to connect the city and the waterways in innovative ways.



Friday, 18/07

Workshop 11: Summing up

The last day was dedicated to summarising the main lessons learnt during the Summer Academy. During the first session, participants mapped the key issues in LED, i.e. they organised the main topics, methods and tools in a logical way.

In the second session, the participants addressed again the issue of sequencing. Three working groups looked at

- a practical way to initiate an LED process,
- options for LED after some initial activities have been implemented,
- the challenges involved in sustaining an LED process.

In the third session, working groups brainstormed about ways of transporting the main messages of the Summer Academy to colleagues at home. This resulted in formats for a one hour briefing session with government officials and a half-day workshop with colleagues.

In the final exercise, the “Island of Learning”, the participants reflected on the expectations before the Summer Academy, the lessons learnt, and the questions that are still open or have newly arisen.



Statements by participants

“One of the most useful seminars I have participated in in the past years”

“Good to know that mesopartner is going to organize regional events”

“Very good – I want to visit Summer Academy in next year!”

“The Summer Academy was good and a wonderful experience. The mix of participants was lovely!”

“It is very useful, friendly and can be practised immediately”

“Excellent work!”

“Very useful for operational LED based on theoretical ground”

“Very good work: continue to grow the organisation”

“Super!”

“It was very helpful to me, especially as a policy implementer”

“Both theoretical and practical well organised”

“Very nice, very satisfied”

“I’ve got more and better than expected (I had very high expectations)”

“I leave with new knowledge, tools, and motivation”

“You all did a really great job! It was great!”



mesopartner is a knowledge creation and sharing partnership that specialises in local and regional economic development.



mesopartner develops innovative methodologies and tools to address the challenge of local and regional economic development.



mesopartner trains and coaches local practitioners in developing and transformation countries on local and regional economic development.



mesopartner conducts advisory and consultancy work for national, regional and local governments on territorial development policy and initiatives.