Robert Lukesch and Harald Payer, ÖAR Regional Consultants Ltd.

Learning is not compulsory…neither is survival.
W. Edwards Deming, 1900-1993.

Learning Regions, Evolving Governance

In a small beauty parlour in the outskirts of Ouagadougou, a curious visitor asked a question to the lady who runs the business: "How do you, while cutting and braiding your customers' hair, know that you are doing a good job?"

She thought a while and then she answered: "Well, of course, I look at the customer's head on which I'm working. But only beginners keep staring at what their hands are doing. I rather use to watch the mirror to get a glance of the customers face, and then I ask myself: How will people see her when she's finally leaving my parlour? And then: What's her face like? Is she grim or relaxed? If this person leaves my parlour in a bad mood, any hair dress will look ugly to her. And then I examine myself in the mirror: Am I looking friendly enough to cheer her up and to make her happy? Eventually I start to tell funny stories or to make compliments, ask her, how she likes her hair cut, braided, coloured... She will react, and so do I. Moreover, if my assistant does the job, I come to stand behind her from time to time,, looking in the mirror, watching her cutting and braiding, getting a glance of the customer's face, the assistant's face and my own face being watched by my assistant and my customer…"

1   Basic assumptions and definitions

1.1   Learning Regions

The concept of Learning Regions has been coined by Richard Florida (1998) and other authors stressing the importance of the role of research and development, knowledge creation and innovation as driving forces for territorial competitiveness: "Regions are", according to R. Florida, "becoming focal points for knowledge creation and learning in the new age of global, knowledge-intensive capitalism, as they in effect become learning regions. The learning regions function as collectors and repositories of knowledge and ideas, and provide the underlying environment or infrastructure which facilitates the flow of knowledge, ideas and learning".

Although R. Florida's concept addresses the whole regional economic system, in most cases the term keeps being used in a shortcut version, addressing predominantly the educational subsystem. Leo Baumfeld (2005) stipulates three dimensions of learning regions:

  – a learning region is characterized by comprehensive activities in favour of the continuing education of the people;
  – a learning regions is characterized by comprehensive activities in favour of empowerment and networking the educational capacities of the region (e.g. schools, universities, vocational training services) in order to upgrade the educational infrastructure of the region and to enlarge the knowledge base of the region;
  – a learning region is characterized by ongoing investments to integrate all the regional subsystems and institutions into a sustainable process of mutual learning and innovation.

We prefer the third definition, which gets near to the concept of learning organisations. According to Peter Senge (1990), "learning organizations are organizations where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to see the whole together." A learning organization integrates three levels of learning, that of individuals, teams and the company or institution as a whole. A learning company is an organization that facilitates the learning of all its members and continuously transforms itself. (M. Pedler *et al.* 1991) With P. Senge (1990) the notion of systems thinking and a strong focus on dialogue become preponderant, which in turn refers to the concept of social capital, as Robert Putnam (1993) puts it: "The central idea of social capital, in my view, is that networks and the associated norms of reciprocity have value. They have value for the people who are in them, and they have, at least in some instances, demonstrable externalities, so that there are both public and private faces of social capital. I focus largely on the external, or public, returns to social capital, but I think that is not at all inconsistent with the idea that there are also private returns."

The concept of social capital makes it a small step to pass from the systemic level of an organization to that of a region. The first has, in most cases, clear cut boundaries, a purpose and a well-defined governance (= management) subsystem. The region is a much more elusive term, as it often depends from the observers' purpose to define what a region is. To our opinion, the region is a utilitarian concept. The justification of the construct "region" arises from its usefulness for specific purposes of perception or intervention. A botanic region, a hydrographical region, a geological region…they do not concern us in this context, although they may play a certain role in it. In our context regions are contiguous territorial systems of interaction. When we speak about regional development, the economic interaction is the predominant field, as it is also in most cases when we speak about regional governance. There is also a common understanding that "regional development" or "regional governance" do not address the strictly local (micro-) or supranational (macro-) level. Regional boundaries may coincide with political-administrative borders (like the German Bundesländer, Regierungsbezirke or Kreise), but they often do not and surely do not have to. They are less defined by distinctive boundaries between the region and the outside, but more by the den-

sity of interaction networks which can be related to the region as a whole and which gravitate towards a centre. The distinction is not drawn by the "in/out" polarity, but by a gradient of "more vs. less". The gradient is influenced by the intensity (frequency, relevance, quality…) of interactions, but in the last consequence regions remain fuzzy sets.

Referring to the concepts of social capital and the learning organization, we consider "learning regions" as territorial interaction systems which are not only able to solve immediate problems but also to raise their capacity of problem solving by structural changes. This capability is called "double loop learning" in the ground breaking concept of Chris Argyris and Donald Schön (1978). For C. Argyris and D. Schön learning involves the detection and correction of error. Where something goes wrong, they suggested, a starting point for many people is to look for another strategy that will address and work within the governing variables. In other words, given or chosen goals, values, plans and rules are operationalized rather than questioned. This is *single-loop learning*. An alternative response is to question to governing variables themselves, to subject them to critical scrutiny. This path they describe as *double-loop learning*. Such learning may then lead to an alteration in the governing variables and, thus, a shift in the way in which strategies and consequences are framed.

Figure 1: Single and double loop learning
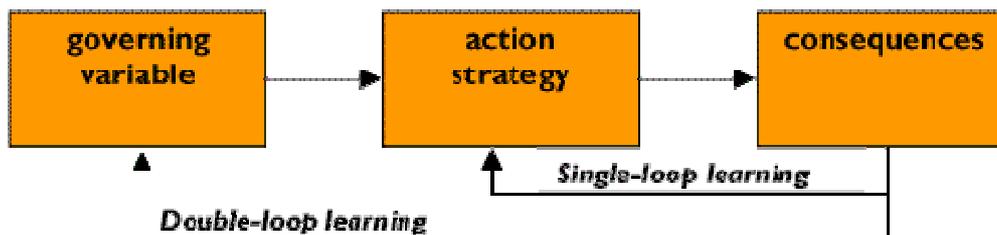
Double-loop learning occurs when error is detected and corrected in ways that involve the modification of an organization's underlying norms, policies and objectives. What is called "modification" here is usually called "innovation" in economic policy making. It is commonly understood (Scherer 2005, Benz and Fürst 2003, Adamaschek & Pröhl 2003, Willke 1995) that innovation is a key challenge for regions as social systems in order to keep them capable to adapt to permanently changing internal and external conditions and influences. This means innovation with respect to concrete actions and measures, but also to institutional structures and networks. Innovation and learning is almost synonymous in this sense.

Enabling, planning, triggering, managing and evaluating implicit as well as explicit learning processes (or innovation), is a leadership (respectively management) task in business, hence a governance task in regions. In this sense, learning regions are inextricably connected with regional governance.

1.2 Regional Governance

Regional governance is mainly (Scherer 2005, S. Bauer-Wolf 2005) described as conscious, purposive and specifically legitimized interaction between key actors of different subsystems, namely administration, policy, economy and civil society, within a defined region, with the aim of influencing the socio-economic development of the region in the direction of a commonly acknowledged ideal state, or at least of what is acknowledged as an improvement of the present situation. According to Arthur Benz (2004), regional governance means that regional actors (representatives of interest groups, business, unions and other organisations) organise themselves through negotiation and networking, in addition and in constant collaboration with governmental institutions, specifically territorial authorities at local, regional, national (and European) level.

Each subsystem follows its own specific modes of coordination and governance, using their specific "languages". Thus, it is quite an intercultural challenge to bring those different subsystems together, to create mutual trust and space for common action. The challenge becomes even more difficult by the fact, that the different subsystems are further differentiated by territorial and functional criteria; for example, the administrative subsystem comprises municipal, regional, national and international levels, the economic subsystem comprises different sectors and sub-sectors etc.).

Figure 2: Key elements of regional governance
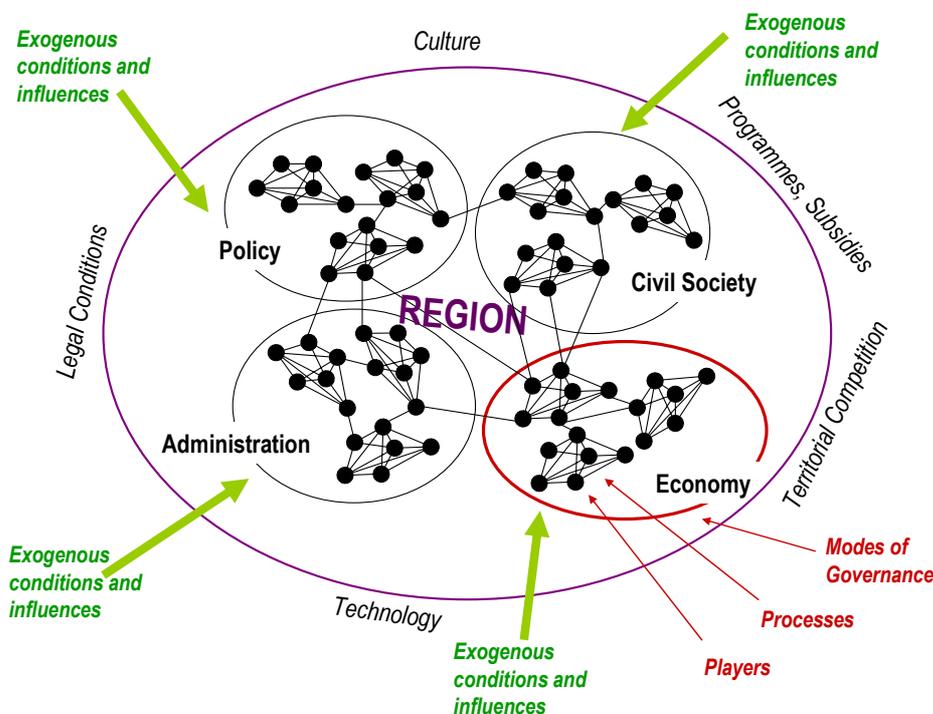
In nearly all these considerations regional governance is also marked by the existence of an differentiated leadership and management function (a regional development partnership and a regional development agency) which
- has the explicit obligation and legitimacy to act (within certain, mostly rather narrow limits) on behalf of the "whole" (= the region), whose interest lies beyond that of the different subsystems;
- tries to reconcile and to integrate divergent interests in a triple-win perspective (with three winners: the one, the other and the whole). It is this restriction which makes some pessimistic observers say that "regional governance" is working "as long as the sun is shining". Regional governance as a "fair weather concept" would not be capable to absorb or mediate major interest conflicts within the region (R. Scherer 2005, D. Fürst 2005).

Regional governance can be seen as a fusion of the terms "regional development" and "good governance" (S. Bauer-Wolf 2005, H. Willke 2005): Hence its often normative use in the reference literature (e.g. Lafferty W., Narodoslawsky M. 2004). However, in most recent publications the term "regional governance" is more or less kept free from valuations. They use a more descriptive and/or analytic approach. Of course, the analysis is driven by the search for excellence and factors for success, which is measured against self-imposed objectives – socio-economic development – and the related criteria and indicators (Michael Böcher o.J.).

All in all, the literature upon regional governance focuses on conscious and purposive collective action. But not always we can identify explicit management structures. To the contrary, they emerged only recently and just some forerunners date back earlier than the nineties of the last century. Could it be that the focus of observation is too narrow? Following systems theory we assume that complex systems can not be governed from outside. They are self-organising, self-governing, and practitioners know how small is the margin of manoeuvre of explicit regional governance structures compared to the real driving forces represented by a multitude of individual interests, changing external conditions and unplanned occurrences of all kind.

To our opinion, what we observe and categorise as "regional governance" is a rather evolved state of regional self-governance. To get a better understanding of regional governance, we should also take into consideration less complex, "unconscious", "undesigned" and "illegitimate" forms of governance. H. Willke (2005) set the stakes by stating the following apory:

- Governing complex systems is impossible.
- All complex systems are (self-)governed.
- How can we understand governance and how can we operationalise systemic governance in order to go beyond the paradox of non-governability?

We suggest to widen the focus of observation and to conceive regional governance as an instrument to look at the world, just like our lady in the beauty parlour uses her hairdresser's

mirror. As an instrument of observation it will become – automatically – an instrument of purposive change, which helps

- to deepen our - the observers' - own understanding of the complexity of regional development,
- to improve our - the change agents' - purposive interventions into the processes of regional development, and to observe and understand our own doing and its impacts upon regional systems, and
- to share our experiences in the understanding and the shaping of regional development, and on the base of these shared experiences to improve our concepts of regional governance.

Thus, we measure the fitness of the operating model of regional governance against

    a. its **connectivity** with the forces of self-governance;
    b. its **capacity to multiply the interfaces** between the "conscious", "purposive" and "legitimate" part of governance and all the other "chaotic" actions;
    c. its **ability to increase the probability of achieving the self-imposed objectives** through a defined set of interventions.

Ad a. The connectivity is determined by the degree to which the governance subsystem is isomorphic to the "environment" in which it is operating. Ross Ashby's "Law of Requisite Variety"[1] states that in order to achieve complete control, the variety of actions a control system should be able to execute must be at least as great as the variety of environmental perturbations that need to be compensated. Since we may assume that the environment as a whole has always more variety than the system itself, the evolving system would never be able to achieve complete control, but it would at least be able to gather sufficient variety to more or less control its most direct neighbourhood. We might imagine a continuing process where the variety of an evolving system slowly increases towards but never actually matches the infinite variety of the environment.

Ad b. The three terms put in quotation marks require a closer definition:
- We define any action relevant for regional governance as **"conscious"** act, if an individual actor is aware of the consequences the action could or will have on the regional system as a whole. For example, a trans-national company builds a factory in a certain region offering comparative advantages. The managers act consciously with regard to these regional features, but do not have any intention towards the region as such.[2]
- We define any action relevant for regional governance as **"purposive"**, if the action is aiming - at least in parts - at the regional level, apart from direct individual interests. For example, a hotel chain invests in a wellness spa. Politicians support this invest-

---

[1] Every good regulator of a system must be (contain) a model of that system. (R. C. Conant and W. R. Ashby, 1970)
[2] This ignorance has become very rare in large scale investments, at least in Europe, but it is far from being extinct.

ment because they know that the conversion of an agricultural region into a tourism area could keep employment in the area. In exchange, the company invests in human resource development, helps in building up infrastructures and additional tourism offers expecting a consolidation of its direct investment in the long run.

- We define any action as **"legitimate"** with regard to the regional system (of actors), if it is commonly agreed and implemented by or with the support of an organisation/institution acting on their behalf. In other words, among all regional actors there is at least one who has the legitimacy to speak or act on behalf of the "whole". This mission is focused on regional development and sometimes even more restricted to the management of publicly funded support programmes.

We see, only the third type of action, the "conscious", "purposive" and "legitimate" one, is usually focused upon when regional governance is discussed. At the same time we have to consider that this part of the game is just the tip of the "iceberg" of actions governing regional development.

Ad c: Objective-led action calls for accompanying structures and processes. The emergence of a leading structure[3] (regional development partnership) and of an operative management (regional development agency[4]) may be a big step for the regional system of actors, but it is just a small element in regional governance. H. Willke (2005) calls for "an attitude of humbleness" with regard to our factual ability of purposeful steering.

As a conclusion, we can define effective regional governance as the ability of regional actors to utilize the self-organising forces for what they commonly define as the wellbeing of the region. As the regional governance structures usually have no or very little political power, indirect steering is the rule. Indirect steering means

- to manage the relevant interdependencies (interface management) by multiplying interactions in an atmosphere of trust;
- to set up negotiation systems in order to balance partial interests and to set up commonly decided rules of interaction;
- to bring in external resources and stimuli (finance, know how, technology…);
- to emphasize and strengthen the commonalities (often vaguely described as "identity").

---

[3] The term „leading" should not be misleading. It does not mean that the regional development partnership has any influence at all. In practice, it can be a very weak structure, such as a "round table". It does not even mean that the requirement of balanced representation of the regional actors is met, as it is the case with numerous QuaNGOs (quasi-NGOs), which barely hide the predominance of public partners in the game. We use the term because the regional development partnership is *designed* to lead the regional development process. In a mature governance system, it would be quite representative, and it would have some political weight, but how many governance systems are "mature" in this respect?

[4] In Germany and Austria usually called as „Regionalmanagement", in Switzerland as „Regionalsekretariate".

2   Evolving governance

Although it is basically impossible to govern complex social systems such as regions, collective and individual actors are charged to act as regional development agents (e.g. Regional-manager, manager of cluster initiatives, manager of local agenda 21 processes), which means that they are designed to play a predominant role in regional governance. It is evident, that regional governance is much more than the simple planning and management of a set of regional development projects. Regional governance is both purposive and emergent governance, the latter to a much higher degree. We think the challenge is to find suitable approaches for modelling regional governance in order to sharpen this tool for a maximum of possible contexts. The following three subchapters provide a set of criteria which should make this modelling task easier. They all relate to time and complexity:

- the four functional realms of governance;
- the three-stage process from the outset to maturity;
- the five governance regimes

2.1   Four functional realms of governance

In order to reduce complexity, we identify four functional realms of intervention: the operational realm of concrete action and development projects, the strategic realm of programmes, the organisational realm of structures and tasks, and the symbolic realm of regional self-reference.

The **first (operational) realm** refers to the level of development projects. Here we are at the level of the daily implementation of abstract concepts into concrete actions and tangible benefits. It is this operational level where the real effects of the governance system can be most effectively measured.

The **second (strategic) realm** refers to regional development programmes. They include a detailed analysis of strengths, weaknesses, options and threats of the region concerned, some strategic options and the setting of priorities, a vision and objectives, a more or less comprehensive catalogue of measures and projects, and recommendations for the organisational set up (steering and management structures). These programmes and concepts (should) integrate the different projects into a coherent overall strategy for the whole region.

The **third (organisational) realm** refers to the required organisational and management structures (human resources, offices and facilities, organisational structure, distribution of tasks, financial management and funding administration, decision of rules etc.).

The **fourth (symbolic) realm** feeds the first three realms back to the region as an integral space of action and identification. The point is to embed the strategies, the programmes and the projects in a flow of symbolic communication, which easily hooks into regional people's world views. This is primarily a matter of suggestive communication embodied in brochures, events, brands, certification procedures, but also of political speeches, the demonstrative attitude of leaders etc. Symbolic communication ought to raise the regional players' motivation to link common goals with individual interests, not so much in what they talk about, but in their actual behaviour. This is rarely transferred by explicit learning, but by socialisation[5]. In reality, the ability to co-operate and the thrust to innovate is less an ability, than the inability not to do so.

Figure 3: The four realms of regional governance

	with regard to the parts.	*with regard to the whole*
concrete / substantial	**Operational**	**Strategic**
abstract / formal	**Organisational**	**Symbolic**

If we further distinguish between "internal" and "external" tasks, the activities relevant for regional governance appear in the respective frames.

Figure 4: Typical activities in each of the functional realms

	internal	*external*
Operational	Initialisation, management and coaching of innovation projects Consultancy and administration of subsidies	Inter-regional co-operation Global networking
Strategic	Elaboration of regional development concepts Selection of key projects Selection of regional partners	Contributions to supra- and inter-regional programmes and networking structures
Organisational	Organisational and inter-organisational development (management of structures, processes and rules; resources, evalua-	Management of interfaces to embedded (e.g. municipalities) and encompassing (e.g. national) structures

---

[5] Referring to Ikujiro Nonakas and Hirotaka Takeuchis differentiation between implicit and explicit knowledge (1997).

	tion and self-evaluation)	
Symbolic	Public information and communication	Regional promotion, image building
	Brand management	Representation

The four realms follow different logics and rhythms. Therefore different actors are represented in the realms to a varying extent. The symbolic realm is mainly populated by politicians, but of course not exclusively. The operational realm is the project managers' preferred field of action, the organisational realm that of Regionalmanagers. In the strategic realm we find them, too, but it is also the main playground for the voluntary actors in the carrier structure, the regional development partnership.

Figure 6: Different functions, different rhythms of action
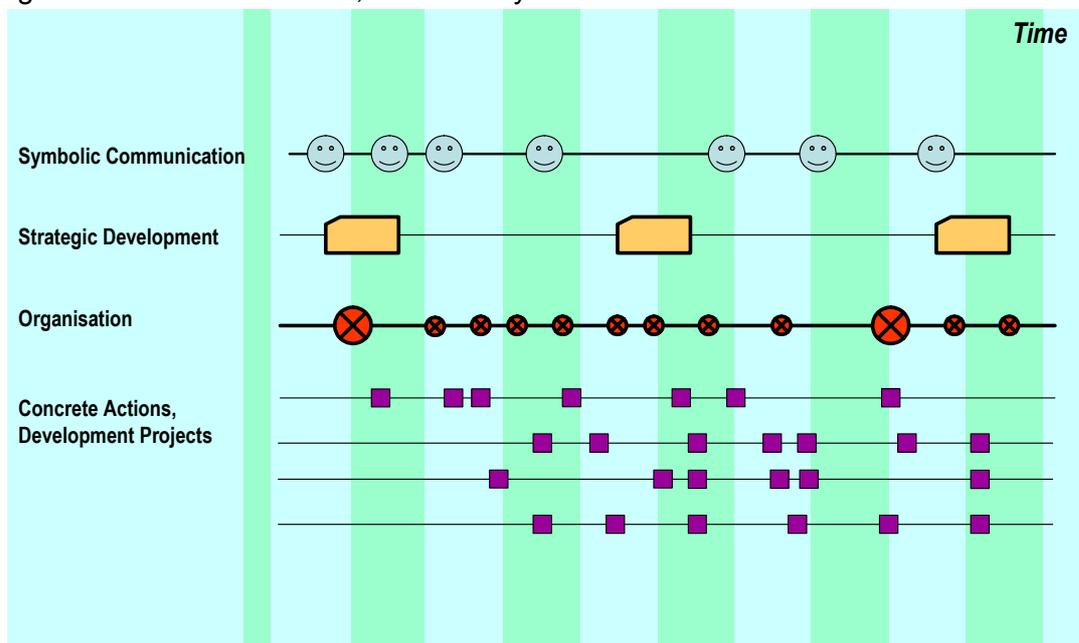
2.2 Three-stage process from the outset to the maturity

A „mature" regional governance system does not emerge spontaneously: Nobody else than Alfred Marshall put on the title page of his path breaking "Principles of Economics" the Darwinian maxim: *Natura non facit saltum.*[6]

Regional governance evolves over time, and this evolution is marked by a transition from less to more complexity, from less to more conscious, purposive and legitimate action on behalf of the region as a whole. At each level the governance system may „degenerate", but

---

[6] This is quoted in Stephen Jay Goulds „The Structure of Evolutionary Theory", p. 957 (Cambridge/US and London/UK, 2002).

an „informed" region recovers more easily than a region which never had acquired a certain state of complexity of self-governance.

The following three stages are based on observations made in regional development practice over the past 20 years and should be considered as hermeneutical crutches in order to design an ideally development path which mainly focuses on the interplay between the voluntary (regional development partnership/regional actors: RA) and the professional part of the regional governance structures (regional development agents/Regionalmanager: RM).[7]

> **1st stage: The outset. Rudimentary governance structures.**

Regional actors (RA) come together in order to „do something for their region". An operative agent (RM) is hired or commissioned (by them or by the administration) tries to set up viable and demonstrable key projects.

Figure 6: The first stage of regional governance (outset)
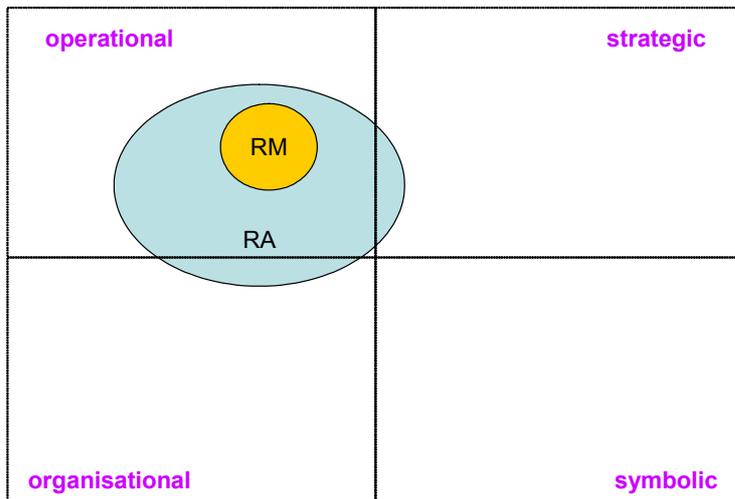
At this stage the actors are keen for quick results. They want to see the fruits of their efforts, not only to satisfy their own interests, but also to convince the "others", not so interested people, that taking action for their region makes sense. They want to show that what happens around them is not fate but destiny which can be put in their own hands, at least in parts. There is not so much talking about a broad development strategy or sustainable governance structures. The active core of actors is highly motivated, the decisions are taken in common, and task distribution is not so clearly marked.

> **2nd stage: Professionalisation. The technical staff as the driving force.**

---

[7] First presented in R. Lukesch (2004).

With a growing number of tasks, the responsible development agent and his/her staff becomes the main driving force and competence centre for regional development. The voluntary regional actors concentrate on the projects which are most relevant for them and their individual interests. They rather withdraw from the strategic level, but may remain active in thematic groups. Political actors and representatives of the regional development partnership give support to the technical staff in public speeches and comments. With rising complexity to be managed (e.g. more funding programmes, more thematic fields of intervention), they delegate organisational questions to the management staff, which eventually becomes the dominant player in strategy making and structure building.

Figure 8: The second stage of regional governance (professionalisation)
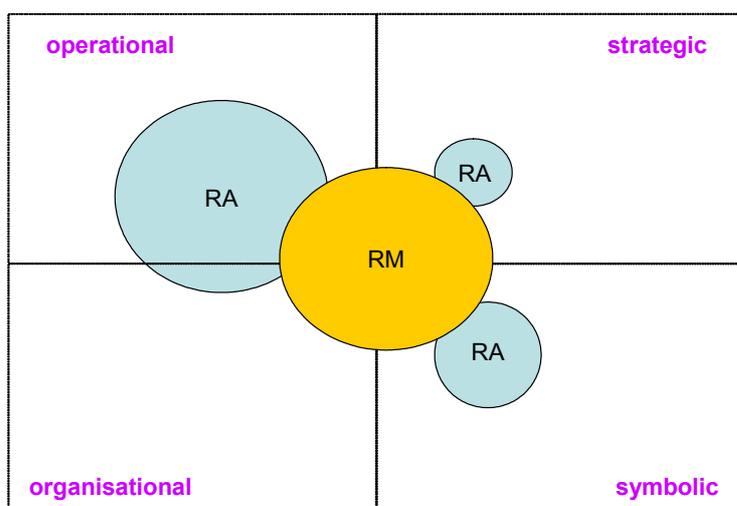
The described pattern is common in regional governance systems and is usually valuated as good practice of regional development, be it in territorial development pacts, LEADER action groups, Regionen Aktiv or similar approaches.

In the last consequence it can not be regarded as a fully differentiated, mature, sustainable system of regional governance, because it is bearing severe risks of degeneration:

- **Cost intensity:** If the funding of the professional management staff is no longer guaranteed, it may, if ever it survives, reduce its array of action on organisational tasks (administration of funding, monitoring) to the detriment of the strategic and symbolic realm, as well as from the animation work for identifying new, innovative projects. The development gets more or less reduced to „what happens anyway“. In the extreme case, the regional development agents are spending most of their time in securing budgets for their own continuation from one year to another.
- **Alienation:** If the professional management staff is not willing to share its competence with the voluntary actors and if it neglects the further development of the partnership and its inherent potentials, the regional agency transforms into a technocratic structure. The

voluntary actors feel that they are no longer needed and stay aloof. The selection of key projects either tends to underlie strictly economic criteria (in avoidance of any kind of risk), which means a lot of deadweight funding in consequence, or to individual criteria set up by the management staff and certain influential players who remain in the background.

- **Political interference:** An unbalanced representation of voluntary actors may seduce certain actors to monopolize the symbolic realm and to mix political campaigning into what appears as advocacy for regional development. This kind of degeneration is sometimes a consequence of the first risk (cost intensity), as the role of local politicians may gain importance as their spheres of influence (municipalities, Landkreise) become the main funding sources for the operational structures.

> **3rd stage: Maturity. Integrated and participative regional governance.**

The professional staffs encourage and enable the regional actors to take over continuous roles and responsibilities in all four realms. The management staffs see their main task as network coordinator and managing the interfaces between the region and its environments. They also continue to introduce some innovative impulses where they consider it as of strategic importance. The operational structure is kept lean in order to remain resilient against financial bottlenecks and to keep administrative load manageable. Administration should mainly be delegated to where it is supposed to be: in the public administration. Their representatives take part in regional networking, constantly searching for improvement and simplification of bureaucratic processes. Project management and monitoring is no longer done by the regional development agency, but by the thematic actors who organise themselves by creating intermediate structures in their realm of activity.

Figure 8: The third stage of regional governance (maturity)
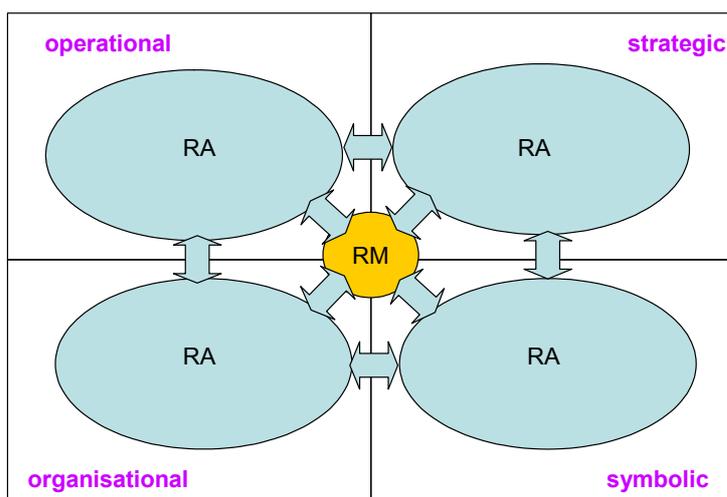
The mature stage utilizes the self-organisation capacity of the regional system of actors and builds on the ability and their willingness to learn. This stage of regional governance is likely to produce what we would call a learning region.

2.3 The five governance regimes

In order to understand the dynamics between regional actors and to choose the appropriate strategy of intervention, the three-stage model does not suffice. Therefore it is necessary to look more closely behind the scene: Which governance regimes are prevailing, what are the main patterns of interaction? In how far do these patterns depend from the evolutionary stage?

The following list of patterns is still hypothetical and needs to be empirically consolidated and proved by shaping and putting into practice the corresponding tools for diagnosis and the management of change.

We assume that co-operative and competitive behaviour, the way of decision making, the conformity (or not) to rules and the character of relationships between the main actors are based upon different modes or regimes of governance. Helmut Willke (2005) made an attempt in listing these different regimes. We modify his proposition influenced by ideas of the psychologist Clare Graves (1970)[8].

- **Governance by charisma:** Actors gather around strong leaders who set the direction. Regional development actions are often starting as a response to (mostly) external threats, they are embedded in a kind of political movement.
- **Governance by hierarchy:** Objectives and rules are set up in a mainly top-down mode. There is more planning than dialogue, the implementation of the strategy decided at top levels follows a clear distribution of tasks and responsibilities. The process of decision making can be more or less democratic, it is always centralistic.
- **Governance by market incentives:** There is a strong thrust on innovation and the development of competitive advantages. Economic viability is the dominant criterion for funding eligibility. The fittest will survive and they shall survive for the best of the whole. Developing strengths goes before closing social gaps.
- **Governance by solidarity:** Social coherence and robust relationships, the forming of partnership structures across sectoral and functional borders is emphasized. The strategy puts a strong focus on social inclusion and territorial equilibrium.
- **Governance by discourse:** The actors are seen as equitable partners in a continuous negotiation process for triple-win situations. A multitude of intermediate organisations fulfils specified functions in selected thematic, sectoral and territorial subsystems. The re-

---

[8] see also Don Beck and Christopher Cowen (1995), as well as Norbert Elias (2001)

gional partnership evolves into a network of networks. Communication and information transfer become the major assets of effective regional development.

These five regimes can be regarded as stages in a process of rising complexity. But each stage encompasses elements of the previous stage. That means, in the governance system of highest complexity (governance by discourse) all the other features are still active, although embedded and less dominant. As it is the case in the three-stage model, the "progress" from less to more complexity is reversible, but an "informed" region more easily regains a once acquired state of complexity.

Let us put the governance regime in relation to the three-stage model, as the occurrence of the different governance regimes is, to some extent, related to the stages.

Figure 9: Relationship between evolutionary stages and governance regimes
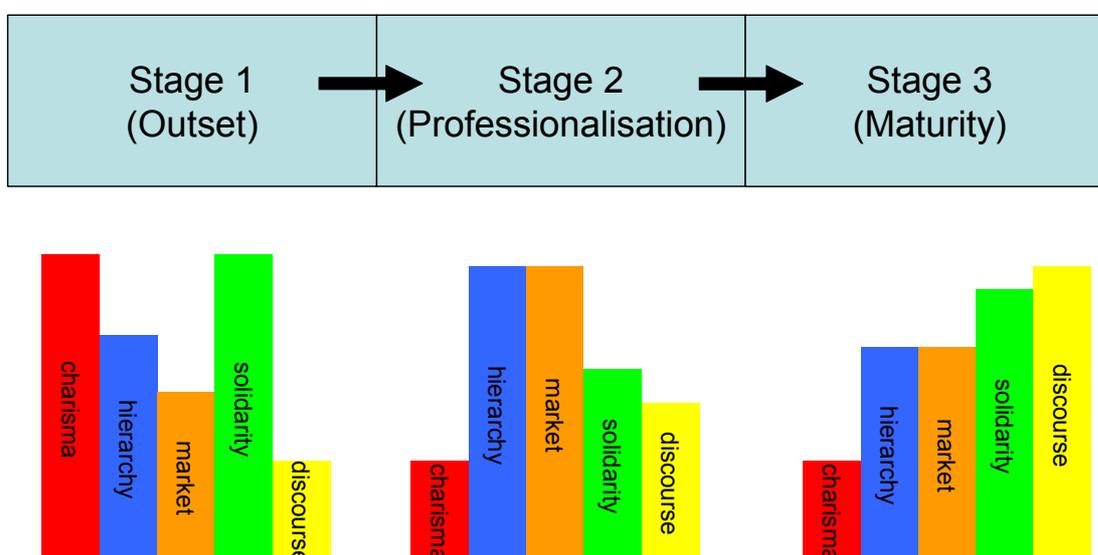
Of course, this is hypothetic, if not speculative. But to our opinions it could open the path for shaping new diagnostic tools and to identify "typical" evolutionary paths, which in turn would bring forth less tentative and more reliable approaches to organize regional governance at a certain stage for a certain time in a certain socio-economic context. We do not believe that the number of variables and idiosyncrasies is too high as to come to useful typologies for regional governance as an instrument of observation and change.[9] We also plea to deepen the empirical research upon the evolution of regional governance systems as a next step towards its better understanding.

---

[9] Fürst (2005).

Robert Lukesch and Harald Payer, ÖAR Regional Consultants Ltd.

Both, the "learning region" and the "regional governance" have become quite popular terms in regional development. More than being simple catch-words, both concepts mark a change in the understanding and the governance of regional development. With this contribution we wanted to show

- that the explicit structures of regional governance are only the tip of the iceberg of regional self-governance;
- how the concepts of regional governance and learning regions are interrelated and embedded in a wider evolutionary perspective;
- that the evolutionary perspective allows insights that may guide us to produce typologies that we can use for shaping tools for diagnosis and change management;
- That regional governance itself can be considered as an instrument of observation and change. Regional governance will work best if the explicit, visible structures mirror the functional patterns of regional self-governance…and something more.

Look in the mirror and one thing's sure; what we see is not who we are.
Richard Bach (1963), Jonathan Livingston Sea Gull.

Authors:

Robert Lukesch
ÖAR Regional Consultants Ltd.
http://www.oear.co.at
A-8350 Fehring, Hirzenriegl 55
Tel.: (+43)(0)3155-51 08
Fax: (+43)(0)3155-51 08-4
lukesch@oear.co.at

Harald Payer
ÖAR Regional Consultants Ltd.
http://www.oear.co.at
A-1010 Wien, Fichtegasse 2
Tel.: (+43)(0)1-512 15 95-0
Fax: (+43)(0)1-512 15 95-10
payer@oear.co.at

Robert Lukesch and Harald Payer, ÖAR Regional Consultants Ltd.

References

Adamaschek, B., Pröhl, M. (Ed. 2003): Regionen erfolgreich steuern. Regional Governance – von der kommunalen zur regionalen Strategie. Verlag Bertelsmann Stiftung. Gütersloh.

Argyris, C., & Schön, D. (1978): Organizational learning: A theory of action perspective, Reading, Mass: Addison Wesley.

Bauer-Wolf, S. (2005): Was ist Regional Governance? Kex Note to the Workshop „Regional Governance als Steuerungsmodell für Regionen?. Ein Lernevent für ExpertInnen und PraktikerInnen" der ÖAR Regionalberatung GmbH, 26. und 27. September in Wien. Wien.

Baumfeld, L. (2005): Balanced Scorecard für Regionen. LEADER+ Österreich. Wien.

Beck D., Cowan C. (1995): Spiral Dynamics. Blackwell Publishers.

Benz, A. (Hg. 2004): Governance – Regieren in komplexen Regelsystemen. Eine Einführung. Wiesbaden: VS Verlag für Sozialwissenschaften.

Böcher M. (o.J.): Regional Governance – Ein Konzept im Spannungsverhältnis zwischen Anspruch und empirischer Wirklichkeit. Discussion Paper.

Conant, R.C. and Ashby, W.R. (1970). Every good regulator of a system must be a model of that system. International Journal Systems Science 1(2) 89-97.

Elias N. (2001): Über den Prozeß der Zivilisation I/II. Soziogenetische und psychogenetische Untersuchungen. Suhrkamp.

Florida R. (1998): Building the Learning Region. OECD Symposium on the Learning Region, Jena Germany, June 26, 1998.

Fürst, D. (2005): Regional Governance: Wahrnehmung und Erkenntnisse. Contribution to the Workshop „Regional Governance als Steuerungsmodell für Regionen?. Ein Lernevent für ExpertInnen und PraktikerInnen" der ÖAR Regionalberatung GmbH, 26. und 27. September in Wien. Wien.

Graves C. (1970): Levels of Existence: An Open System Theory of Values. *The Journal of Humanistic Psychology*, Fall 1970, Vol. 10. No. 2, pp. 131-154.

Hummelbrunner, R., Lukesch, R., Baumfeld, L. (2002): Systemische Instrumente für die Regionalentwicklung. ÖAR Regionalberatung GmbH. Wien.

Königswieser, R., Exner, A. (1999): Systemische Intervention: Architektur und Designs für Berater und Veränderungsmanager. Klett-Cotta: Stuttgart.

Körner, M. (2005): Kommunalreform am Horn von Afrika. Erfahrungen aus der Prozessbegleitung in Addis Abeba, Äthiopien, in: OrganisationsEntwicklung 1_05, 60-71.

Lafferty W., Narodoslawsky M. (2004): Regional Sustainable Development in Europe – The Challenge of Multi-Level, Cross-Sectoral, Co-operative Governance. ProSus, Oslo.

Robert Lukesch and Harald Payer, ÖAR Regional Consultants Ltd.

Lukesch R. (2004): Strumenti sistemici per lo sviluppo di progetti orientati alla partecipazione. Buchbeitrag für ein Lehr- und Trainingsbuch für lokale und regionale EntwicklungsberaterInnen. FORMEZ, Roma, 2005.

Nonaka, Ikujiro & Takeuchi, Hirotaka (1997). Die Organisation des Wissens. Wie japanische Unternehmen eine brachliegende Ressource nutzbar machen. Aus dem Englischen von Friedrich Mader. Campus Verlag. Frankfurt/New York.

Pedler, M., Burgoyne, J. and Boydell, T. (1991, 1996): The Learning Company. A strategy for sustainable development, London: McGraw-Hill.

Putnam R. D. (1993): The prosperous community: social capital and public life. In: *American Prospect*, 4:13.

Scheer, G. (2004): Regionalmanagement in Österreich – Eine Zwischenbilanz. Euregia 2004. Leipzig.

Scherer, R. (2005): Good Governance – Erfolgsfaktoren und Stolpersteine. Workshop „Regional Governance als Steierungsmodell für Regionen?. Ein Lernevent für ExpertInnen und PraktikerInnen" der ÖAR Regionalberatung GmbH, 26. und 27. September in Wien. Wien.

Senge P. (1990): The Fifth Discipline. The Art and Practice of the Learning Organization. Currency Doubleday, New York.

Willke, H. (1995): Systemtheorie III: Steuerungstheorie. Grundzüge einer Theorie der Steuerung komplexer Sozialsysteme. Stuttgart, Jena: Gustav Fischer Verlag.

Willke H. (2005): Final feedback to the Workshop „Regional Governance als Steierungsmodell für Regionen?. Ein Lernevent für ExpertInnen und PraktikerInnen" der ÖAR Regionalberatung GmbH, 26. und 27. September in Wien. Wien.