GRATTAN Institute

Resilient Cities

- Neil McInroy

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Transcript

Cities in Australia are facing a series of challenges, particularly relating to their next stages of growth. The Centre for Local Economic Strategies (CLES), based in Manchester, UK, helps cities and communities cope effectively with such challenges. CLES has recently laid out a 'place resilience framework' – a partnership model for local government and other sectors to work together to develop a resilient economy. The framework has been piloted in 15 locations in the UK with fascinating results.

At this Grattan seminar Neil discussed the findings of the CLES's resilience pilot, and suggested how Australian cities and places might prepare themselves better for upcoming challenges.

About the Speaker

Neil McInroy is the Chief Executive of The Centre for Local Economic Strategies (CLES). He has two decades of experience, at home in the UK and around the world in helping places respond to economic shocks, ongoing environmental threats, and social challenges.

He is presently involved in a range of activities across the UK, including work on place activism, local economic strategies and making local economies strong and resilient to adverse change. Neil has recently been commissioned by the Royal Society for the Arts to write a pamphlet on the future of place making in the 21st century.

Speaker: Neil McInroy

Moderator: Jane-Frances Kelly

Host representative: Janine Kirk, Ernst & Young

AUDIO: This is a podcast from Grattan Institute, www.grattan.edu.au.

JANINE: My name is Janine Kirk, I'm a partner of Ernst and Young. It's my great pleasure to welcome you here this evening for this Grattan Institute event.

I'd like to start off by doing a welcome to country and show my respect to and acknowledge the traditional custodians of the land, of elders past and present on which this meeting takes place. And quite frankly, to have this subject matter with that view behind me is absolutely appropriate. It is a stunning view of Melbourne, and of course, it is a very usual type of evening here in Melbourne. Lovely weather. So I think that the topic we're going to have this evening … if you're staring out, I know you're not staring at me, I know you're staring at the stunning view, so. But I do welcome you and I would certainly like to welcome our guest. Now Jane-Frances Kelly is actually not a guest, she's going to be the moderator, but I do want to acknowledge her and many of you would know of course she heads up the Cities program for the Grattan Institute.

JANINE: Our guest speaker for this evening is Neil McInroy. Neil is the Chief Executive of the Centre for Local Economic Strategies.

JANINE: CLES was founded in 1986 and it is an independent charitable organisation whose work is funded by a network of agencies. And that in its own right I think is a very interesting concept. CLES is concerned with regeneration, employment, economic and community development as well as European issues, and combines a policy regeneration stand also a … a doing consultancy. What's this? A doing consultancy trading arm, so again you're out there actually implementing things. In all of CLES' works the issue of economic development married to progressive environmental and social benefit is a common theme. And Neil has been Chief Executive since 2003. I'm certainly happy to go on with a lot more detail because he has been involved in many things, but as we know there is an election coming up in Victoria, the Premier came out today and said he would not speak about the past because the past is that, it's only about the future. So I won't go into detail with all the good work that's been done by Neil in the past because today we're going to be talking about the future and some very key issues I think,

with the … about the liveability and the quality of the urban environment. And so I'm going to invite Neil to have a few words and we're going to have a discussion here.

Everybody would you please welcome both Jane-Frances and Neil, and …

(Applause)

JANE-FRANCES: Thank you. Thank you very much Janine, and thank you to Ernst and Young for hosting us in this beautiful room. Neil and I have been spending the last couple of days at the Vic Urban Place Making Series, and so I have to admit both of us have been pretty much doing public speaking non-stop for the last two days and today alone there was two sessions this morning in front of hundreds of people. Then this afternoon they made us do 45-minute sessions, four of them pretty much back to back, so as people did, they called it a round robin. So we're practically ga-ga. And then we had to frog march along from the MCG and as soon as Neil says any more you will hear that he is embarrassingly for me another Scot. I just realised that in the Grattan Cities program public seminars we have, he is the third Scot that we've had in a year. That is sheer coincidence. None of those Scots, including me, actually live in Scotland, but if there's anything you don't understand, then I can interpret.

Now we're recording this for a podcast which is sort of going in there. What I'm going to do is sort of in a sense lightly interview our speaker and so have a conversation up here for about 30 to 35 minutes, and then we're going to open it up for a Q&A. And what we'll do just … we usually have a roving mic, we don't have one today, if you could ask your question relatively loudly and I might then repeat it for the podcast recording, 'cause we've got a lot of people downloading and the transcript's going to be really interesting this time around. I don't envy the person doing the transcript.

So the first question that I have for Neil, 'cause he's going to talk to us this evening about resilience and cities, is the very initial question of how did you get interested in that as a concept?

NEIL: Well it happened about six years ago and we've got some … we've got traditional economists at our office, there's about 20 of us, and we've also got fairly alternate economists in terms of steady state, green economic people. And somebody was doing some work on the greening of places. And they got into this notion of resilience. And particularly in relation to ecosystems and thought about the resilience of ecosystems like a meadow and how it's resilient to change and how it bends and moves and adaptable in a natural sense. And this person, Victoria, came to me and said there was this thing about resilience, intriguing to see how it operates in places and in neighbourhoods. And why is it in Britain we've got these localities which, you know, lost their economic raison d'être 30, 40 years ago and have never bounced back. They're still there, they're still struggling. How can we make places more resilient to those types of inevitable economic changes as winds of economic change blow through places? And she started going on about these ecosystems and started talking about rabbits and meadows and grasses and thinking, trying to apply this to places. And eventually I got it, and I thought what a brilliant idea, a fantastic notion this idea of place resilience. And something about the DNA that exists within a place like in an ecosystem that made … that could deal with economic change, opposed to falling over and not being able to bounce back again. So that was how it kind of started.

JANE-FRANCES: All started with rabbits.

NEIL: It started with rabbits.

JANE-FRANCES: Excellent.

NEIL: And Victoria rabbitting on at me.

JANE-FRANCES: So what do you mean by resilience? So you've talked about the economic health of a place and more recently the word resilient we hear often mentioned in an environmental context. Can you talk a bit about those?

NEIL: Well borrowing from that environmental context, it's about the adaptability and the flexibility of any given system. So in terms of place in cities, you're looking at its adaptive qualities. And for those biologists out there, adaptive qualities of an ecosystem, or of a species, is related to the relationships and the bonds between different elements within that particular thing. So it's about the relationships that go on in a place, and it's about the bonds that connect different elements of that place which is the strength, which is the DNA, which is the adaptive capability of that locality. So resilience is an exploration of the relationships and the connections of the things that go on within a place.

JANE-FRANCES: And so that begins to describe that it's economic resilience, environmental resilience, but also social resilience. And those three things, and you've been developing a framework for thinking about those?

NEIL: Yeah, indeed. We don't … we got some money from a childhood trust to do some initial research around this, and we felt that the core element from an economic resilient point of view was the relationship between the public, the commercial and the social economies. And public economy is the totality of public sector spend, so it's the local government, health, all that. So it's all that stuff, public taxation. Then there's commercial economic activity which is the wealth creation. And then there's social economic activity which is community activism, social capital if you like, which is much more difficult to measure, but nevertheless important to factor in in terms of any place. The classic would be that if you've got high levels of social capital and high levels of neighbourliness, that could be a saving to the public purse in terms of adult social care, in terms of child care and those other things that are provided by the public services. I always use this analogy: I've got a next door neighbour called John who's an elderly Polish man, and John asks us to buy his bread and sausages of a day. And he knocks on our door and asks for his bread and sausages and we go and … gives us some money, we go to the shop, buy the bread and sausages for him and give him the change back. If we weren't doing it for John, social services would have to do it, which … so we're giving a saving to the public purse. Or he would have to use OCADOR, or Tesco Online, part of the commercial economy. So it's important to factor in this social capital because it's a relational aspect to the public and the commercial economy too.

JANE-FRANCES: So a lot of people in Australia have been hearing this. We've been hearing this phrase coming over from the UK, the big society.

NEIL: Yeah.

JANE-FRANCES: And people have been asking you know, what on earth does that mean? And I was in Britain a couple of months ago and they're trying to figure out what on earth does that mean as well.

NEIL: Yeah.

JANE-FRANCES: Is that … what do you kind of understand that concept could be?

NEIL: Well, I've never heard so much noise over a concept in my life. And I have to say compared to a concept like the welfare state, which had substance and depth, the welfare state was a red strap line, but it had a whole range of policies behind it. Big society is a great strap line with not much policy behind it. But I would say the notion of the big society is actually playing around with this social … the contract between individual community and the state and the balance between those three elements. And it is playing around with the notion that we need to have high levels of social capital and so put … and the State needed to support those high levels of social capital. So from a political nerdy point of view, it's got the history back to Jean-Jacques Rousseau, Hobbs, it's interesting from a political nerdy philosophic point of view. From an applied policy point of view we're yet to see evidence of that.

JANE-FRANCES: Yeah.

NEIL: Yeah.

JANE-FRANCES: It's still … still to come. What does a place look like? To get back to resilience, what does a place look like or how can you tell when a place isn't resilient?

NEIL: Well in our investigations, we did work in different cities around the world and we've recently done 15 local authorities in the UK. And we look for those poor connections. So a classic would be we look for a chamber of commerce that isn't just a club where people play golf or tennis, it's something that's a turbo charged vehicle for seeing business-friendly policies being adopted by the public sector. So …

JANE-FRANCES: Are they allowed to play golf as well?

NEIL: The can play golf, but that should be a sideline.

JANE-FRANCES: Okay.

NEIL: Not the main business. So a poor place, poor economically resilient place, we'd actually have a very bad connection between the commercial and the public in a very denuded and weak chamber of commerce. Or you would see low levels of commercial philanthrocapitalism, or giving to the social sector. You would think that would be an example of unresilient relationship with the commercial and the social. You'd like to see a commercial economy that appreciated and supported social capital through lots of different ways. And somewhere I suppose between the public and the social, you'd like to see a public sector who appreciated the social sector and also perhaps levels of grants that were fairly significant and also service contracts and service delivery relationships with the social sector. But absence of some of those things you would think well it's not resilient, you would have these components of the economy in isolation rather than the fusion. I think in the UK and I'm sure here in Australia, things like mutuals and co-ops and different ways of working and different ways of delivering activities I think is all good resilience for the future.

JANE-FRANCES: And do you see there's quite a lot of places like that in the UK and do you worry about them as the public sector gets cut and the economy continues to struggle in Britain?

NEIL: Yeah. I think in some places, for instance we did some work in Ashfield and Mansfield, it's an ex-mining area in North Nottingham, who … Nottinghamshire, which has lost its economic raison d'être, and never bounced back. It's had 35 years, 40 years of decline. And we did the resilience work there and we found all the things you'd expect of a failing economy and market failure everywhere. But we found … we found remnants, almost in fragments of an ecosystem that could be rejuvenated. For instance, solidarity capital because it was an ex-mining area was very strong. People felt good … good neighbours and there was lots of social capital and social institutions that we felt were something that could be bought upon. There was actually the commercial economy that was there, though not vibrant, had a strong sense of identity and attachment to that place. So that was something that we thought was … so there's fragments and elements and I kind of thought, and we advised them, if you could get the commercial economy to hook up more with that social solidarity, you could have more different delivery forms, new forms of co-ops, new forms of mutuals. Perhaps even elements of social entrepreneurship could be developed from there. So I think even in the … even the most economically unresilient place, I think there's fragments which we need to build upon and that's how you build a new local economy for those locations.

JANE-FRANCES: Yeah. So that was actually my next question of how can resilience be developed in places which don't look like they're that resilient at the moment. So you can build on the things that are there and so on, but you were talking about places that don't have an economic raison d'être any more. Is it really possible to turn them around?

NEIL: I think for too long we have thrown public money at failing … economically failing places, to … sometimes it's worked, but a lot of times not. And Britain in the good times did spend a lot of money on regeneration, a lot of money on attracting inward investment which has left or has went somewhere there's cheaper labour or less environment restrictions or whatever. So the

economic development models we've adopted, not just in Britain but elsewhere, have been far too clunky, far too unrelated to place, far too … like a spaceship landing from out of space. It needs to snuggle and be much more of a closer relationship with the essence of that place. And even in the worst place I think there's fragments that can be built upon. And speaking to Ashwood and Mansfield as an example, we looked at all their previous economic development strategies that said things like the future for Ashwood and Mansfield's the knowledge economy. It doesn't have a university. You know, dreamy notions. So we said to them, forget all that, you're talking about a 30-year plan of turning round the economy of Ashwood and Mansfield. Look for your investment, but building on those elements you've got, that's your DNA and trying to augment and supplement them over the years.

JANE-FRANCES: Yeah, yeah, 'cause there can be fads, can't there, where everybody wants to be about it cluster.

NEIL: Yeah, indeed.

JANE-FRANCES: And not everybody can be. We've even got Silicon Glen in Scotland, as we know.

NEIL: Yeah.

JANE-FRANCES: It's true. I'm enjoying the fact that in two separate and two subsequent … I'm nervous when I'm beginning to go ga-ga, two answers, one of which came after the other one, you used the term philanthrocapitalism …

Neil; Yes.

JANE-FRANCES: … which is seven syllables, really … I think that's the most we've had in a Grattan seminar so far.

NEIL: It's good, yeah, I'm impressed.

JANE-FRANCES: And then needing to snuggle, that's great. One of the last things that I did before I left the UK was led the first phase of a government … a review of government intervention into deprived areas in England and Wales and you know, the very kind of top level we realised about 12 billion pounds had been spent over the previous 10 years in those areas, and that the indicators were just not turning around. So something was getting very wrong. It was lack of snuggling, now I know.

NEIL: Yeah, indeed.

JANE-FRANCES: So what other kinds of things do you advise places to … to build the resilience?

NEIL: Well I think the … obviously peak oil climate change and those huge big issues, I mean the essence of the resilience work was to try and … not just about economic development and economic growth in the traditional sense, was to think about how you create a resilient economy in the face of all those huge environmental challenges. And I think that the whole implicit in our work is localisation, yeah, and in protecting local economy, and not just place shaping, we've been talking about place shaping the last two or three days, but also place shielding and how you protect what you've got, and how we build an economic resilience that can deal with elements of climate change or changes to the environment.

JANE-FRANCES: Can you talk a bit more about what you mean by place shielding?

NEIL: Yeah, I mean in one sense it's things like flood barriers and you know, and that kind of thing, the physical infrastructure elements of shielding a locality. But it's also about, I think, the planning and strategic thinking where you're factoring in the possibility that when we need to have adaptive elements within that locality so that when things do happen you can … you can prod them and they'll start springing up. I mean Rob Adams today who's the city design chief I

think, talked about your plane trees and how the plane trees were not … were actually not resilient to the changing climate. They like elements of shade and they're very thirsty and that we need to think about different types of trees that can do similar things to plane trees but they're not … not going to be plane trees. I think that's the kind of thinking. It's a good example of those kind of adaptive elements of a place.

JANE-FRANCES: And a part of the localism that you talk about too is things relating to local food strategies and so on. Can you talk a little bit about those types of work that you do?

NEIL: Yeah, I mean a lot of our bread and butter … bread and butter work, local bread and butter work, diddum, is …

JANE-FRANCES: This is what happens when you put people on stools.

NEIL: … yeah, is the … is localising one's economy and localising one's food support, food sources. And we've done quite a bit of work in Manchester on local markets, local traders and hooking that up to allotments. And I think all those things, again it's the adaptive qualities, it's the interdependencies, the connections within a place are really quite important in terms of food security, and also just basic healthiness. And there is now in the UK a flourishing of allotments. I have an allotment …

JANE-FRANCES: So these are veggie patches.

NEIL: Yeah, yeah. Anyway six years ago we had an allotment and I was the youngest by about 50 years.

JANE-FRANCES: You've got an allotment?

NEIL: Yeah, yeah. I was the youngest by about 50 years. Now there's a series of young urbanites asking me as the old man how to grow a … how to grow the beetroot. But yes, I think food security and local food networks are very, very important.

JANE-FRANCES: One of the things that I've noticed in Melbourne is sort of living … I live in inner Melbourne and it's a huge difference I noticed coming here from the UK where you generally shop in large chain supermarkets is that I do most of my shopping in markets. And so not only are you sort of slightly closer to the producers of the food and so on, but you go around different stalls and there's a lot more social interaction involved in the thing rather than wheeling a trolley around …

NEIL: Indeed.

JANE-FRANCES: … a supermarket. So there's a whole … it's not just, you know, the kind of … the sort of making food supply chains more resilient to kind of shocks and all of that kind of stuff, it's also actually just about sort of interacting with more people.

NEIL: Yes.

JANE-FRANCES: There's one fishmonger in Prahran Market that imports smoked haddock from Scotland and you know, I chat to him relatively frequently.

NEIL: Well I've seen a fantastic piece of work.

JANE-FRANCES: Been getting my smoked haddock.

NEIL: I found this fantastic piece of work recently, slagging off Wal-Mart, which was good. And who was it by? [Unclear - Goots and Rupasinghe 24:51]. It's an American piece of work and it said that where Wal-Mart moves in, less people vote.

JANE-FRANCES: Wow.

NEIL: And … and part of the reason it gave in the article was that the local butcher shop, is that what you're saying …

JANE-FRANCES: Yeah.

NEIL: … the local butcher, local market, people go there and they talk and they say … they'll have … you'll meet a neighbour, you'll say did you see what went on in that park last night? Them … them lads or whatever. And so it builds up that social capital. Whereas you go to Wal-Mart you don't have those conversations. So yeah, again it's about interdependencies and relationships, and have got …

JANE-FRANCES: And that's going to be more important as the population ages 'cause sometimes I'll notice, you know, kind of elderly women or men who are, you know, interacting with stall holders, having a chat with them, talking about their grandkids and asking about the kids' return. And for some of them I think it might be their main daily social interaction, you know, they're buying dinner for that evening.

NEIL: Yes, indeed. Indeed. And I think these words that atomise and seem very, you know, small scale thing, but the aggregation of that I think is really important in cities.

JANE-FRANCES: Yeah, no, that …

NEIL: And that does give the resilience.

JANE-FRANCES: Yeah. I mean even tiny things like … still I'm sort of obsessed with Prahran Market this afternoon, it's the smoked haddock, I need some, the car park in there had, you know, the guys that you would pay as you went out of the car park. And over the last couple of months they've been replaced by machines which have got really obnoxious loud English female accent that tells you if you want a receipt to press the button and you know, if she does …

NEIL: Just head butt the machine.

JANE-FRANCES: I know, it's just extraordinary. But it's really interesting. I remember those guys, they were really friendly, they, you know, just sort of say how are you going, sort of smile and so on, and I just sort of thought that's one less bit of social inter … you know, human interaction that you get. And we don't really think about what we lose when we kind of replace kind of people in those kinds of ways.

NEIL: Yes, indeed.

JANE-FRANCES: From what you've seen of Australia, what … you know, where are we doing well on this kind of stuff and where are we not? Because you've been over here a few times now haven't you? Yeah.

NEIL: Yeah. Yeah.

JANE-FRANCES: I could tell by the accent.

NEIL: Aye, yeah. Yeah (with Australian accent). I can do that bit. The … well clearly the … the opportunities that you have in your cities for the kind of interaction and the relationship or the relational thing I'm talking about, it's clearly impossible within the CAD and the city centres. But as far as I can tell from what the … from suburbs and the locations, there is a very much a social and then the commercial and the public are very separated. And it seems to me that the notion of an activity centre needs to have a much greater fusion and blend between those kind of three elements. I know you've got the plans for Melbourne, five million and eight million, and I know the plans are about increasing the density on the arterial roads. And I think that's a very, very decent strategy in terms of improving the density in the future for Melbourne's growth. But it seems to me that a lot of the conversation about the increasing the density on the arterial roads is talking a lot about commercial and it's talking about social, sorry, yeah. It's not talking

about public and it doesn't talk about the relationship between all those in that densification of the arterial roads. And I think there is elements of traditionality how you think about zoning, you know, and that whole thing about zoning for certain things. I think, in isolation, I think you zone for madness to occur and madness for serendipitous relational things to occur. But generally, I love this city and I kind of know it more than probably lots of cities. And you seem to be doing a pretty good job. I would say that you seem to be fascinated by best practice, which … which, you know, it's good, you know, you're a long way away from lots of places so you need to get best practice or else I suppose. But I kind of think that you can apply things in a kind of overly clunky way that don't really translate very well. And I think it's much more about the principles you might see from elsewhere. And then given it a good dose of Melbournian kind of creativity and energy.

JANE-FRANCES: That's true, we're heard quite a lot about best practice in the last couple of days.

NEIL: Yeah. I mean I hate … I think that's what Carol … Carol Coletta from the representative body for the Cities …

JANE-FRANCES: CEOs for Cities.

NEIL: Cities, yeah, cities in the US. It's a bang on point, you know, best practice, it's got its limits.

JANE-FRANCES: It's not that good.

NEIL: No, it's not that good, it's not that good. And she said, wasn't it, the best practice, as soon as it become best practice it's all practice. And as soon as it gets to somewhere else it's very old practice. So you need to actually … you know, the immediacy has gone and it's probably past its sell by date.

JANE-FRANCES: So something I'd love to hear you talk a bit about and I think people will be really interested in is that last night Ian Harper, who a lot of people will have heard of as one of Australia's foremost economists, he was introduced as, spent the afternoon at the Vic Urban conference, yesterday afternoon, and then at dinner last night he summarised what he had thought had happened during the course of the day. And really it was an absolute tour de force.

NEIL: It was a fantastic summing up.

JANE-FRANCES: It was really extraordinary. We gave him a standing ovation.

NEIL: Yeah.

JANE-FRANCES: And the … he talked about the difference between transactions and relationships. And it strikes me that that kind of relates to some of the things you were talking about just now.

NEIL: Yeah.

JANE-FRANCES: Can you talk about what struck you about what he said last night?

NEIL: Yeah, it truly was. I mean I …

JANE-FRANCES: And nobody was recording it.

NEIL: I go to millions of conferences and all that, you know, too many. And I also see millions of summing up speeches, you know, and usually you get the kind of bullet points of, you know, at best, or sometimes you get a narrative running through the conference that bears no relation to what actually happened at the conference. This …

JANE-FRANCES: They got lost from the conference next door.

NEIL: Yeah. You think it was at this conference? Anyway, last night that Professor Ian Harper, he put a framework to it and then summarised what people were saying. A fantastic way …

JANE-FRANCES: He did our speeches better than we did.

NEIL: Yeah, indeed, indeed, and it's a pity we didn't record it because of what he done … I would have loved to know what he said about it again, 'cause I had a few glasses of wine. But anyway. He talked about transactional relation … relational and the kind of transactional things that happen and relational things that happen and the moving of … having to move to more relational futures. And the transaction I think he was talking about, I took it, was a kind of … a kind of duopoly. It's like, you know, you trade … you want something off somebody and they give you it.

JANE-FRANCES: So one off.

NEIL: A one off. And it's kind of you get what you want and then you leave and that person gives you it and they're happy and they go. Yeah. Where relational thing is about actually the more ongoing relation you have …

JANE-FRANCES: Where you build trust.

NEIL: … as part … you build trust and affinity and empathy and all those things. And I think it was a critiquing, if you like, the economy that we have in society and material consumption side …

JANE-FRANCES: And economists are very busy as well.

NEIL: Yes, kind of saying that everything goes down to like I'm going to employ you to … I'm going to get you to do that, you give me it, and then 'bye-bye. Yeah. And nothing's really left, it's been neutralised by this consumer society to an extent. And he was saying we need to get much more about understanding of how we relate more to each other. And a new … a new kind of paradigm of economy, you know, and …

JANE-FRANCES: And the thing that really struck me and that made us proud to be Scottish was that he was talking about Adam Smith and the people generally forget that Adam Smith said that man was self-regarding and also other-regarding.

NEIL: Yes.

JANE-FRANCES: And that he wrote the Wealth of Nations but he also wrote the theory of moral sentiment, that's …

NEIL: That's right.

JANE-FRANCES: And so Ian Harper started to talk about the moral relationships and the moral imperatives that we have in society and that …

NEIL: Indeed.

JANE-FRANCES: … that comes in when you start talking about relationships, and it's absent when you're talking about transactions, yeah.

NEIL: Yes, yes. And Adam Smith no doubt thought it absurd that you could consider a place without understanding the individuals, the human frailties and how they relate to the market place. And … yeah.

JANE-FRANCES: We're getting a bit philosophical.

NEIL: We are.

JANE-FRANCES: It is as though there is whisky here.

NEIL: Yeah. We're back to … we're back to 18th Century Edinburgh aren't we.

JANE-FRANCES: Yes. Oh, those were the good old days.

NEIL: Those were the days.

JANE-FRANCES: Now I think we're going to open it up to the floor to ask if anybody's got any questions. That's a kind of a fairly rich canvas that Neil has kind of crossed over there. There's lots of things to pick up on. Thank you.

AUDIENCE: Hi. Can you give us an example of a city that has faced a major challenge and sort of proved its resilience? Where they've actually sort of pre-planned, almost you know, got the plan right.

JANE-FRANCES: Okay, so …

AUDIENCE: And tried obviously … comes to mind as a city that obviously didn't plan, but a city that did plan and did sort of foresee its challenge.

JANE-FRANCES: I'm sorry, I should have asked you. Can you tell us who you are?

AUDIENCE: Oh sorry, Nick Maher from Kreab & Gavin Anderson.

JANE-FRANCES: Okay.

NEIL: Yeah. Well, the interesting about resilience is it's not so much … it's something you can't plan for in an instrumental way. But more importantly it's about …

JANE-FRANCES: What do you mean by that?

NEIL: In a sense you would say, well an event might happen and when we would do all this, like contingency planning. Yeah, that's what I mean by an instrumental kind of way. But the best … the best types of resilience is not that, it's actually where you set the conditions, yeah, the agar jelly in the Petri dish so that when some thing happens it can do it on its own without the kind of plan, yeah. So it's serendipity. How do you increase the potential for serendipity, a positive serendipity to occur?

JANE-FRANCES: So the cities are complex systems and they evolve by themselves or …

NEIL: Yes.

JANE-FRANCES: I remember somebody saying, you know, they don't call it master planning for nothing.

NEIL: Yeah, indeed. And but the great … the best master plan is the master plan that creates the conditions for things to happen on their own.

JANE-FRANCES: Yes.

NEIL: But a lot of master plans are far too instrumental and goes in there. And I think there's something about … I'll come back to the point I was going to raise, but I'm now sidetracked by my own thoughts, and it's been a long day.

JANE-FRANCES: It's alright. I'll pull you back.

NEIL: You'll pull me back. But the … in public policy we tend to have a really bad understanding of when to intervene, how deep we intervene, how long we stay around for, and how we get out. And those four elements …

JANE-FRANCES: About covers it doesn't it.

NEIL: Yes. Those four elements are extraordinarily badly understood in public policy. We tend to either go in too fast, in too deep and stay around not long enough, or we don't go in when we should be going in, then we do, we go in too shallowly. So there's all this understanding of how we … when we do public policy. The best example though I think is in … that I've come across was probably an example is Portland in Oregon. And there's some serendipity going on there. But Portland understood something about the conditions that provided for economically successful place and its resilience and perpetuity, and still does. And there is great connection between the commercial, the social and the public within Portland. And it did rise from a post industrial blight. There was a lot of luck in there and there was a lot of peculiar bespoke circumstances, but they rode that luck and they're continuing to understand how they need to keep that agar gel in that Petri dish ripe and ready for another kind of change that might occur.

JANE-FRANCES: There was a question up here.

AUDIENCE: Robert Peck from Peck von Hartel. And Jane-Frances, I don't know whether we've ever discussed between ourselves, but as a service provider across Australia, our own staff report that Melbourne is a relationship based city in a service provision, and Sydney is a transaction based city. And our staff have made that declaration themselves. And Ian's aware of it, so I'm not suggesting he's stolen our thoughts, but he's a very fair thing in amongst our staff …

JANE-FRANCES: He never said that last night, even though he had a Melbourne audience and it would have gone down well.

NEIL: He didn't source you.

AUDIENCE: [Unclear 38:05], and I'm just wondering with Neil, you've seen it in other cities, and if you have, what do you do about it?

NEIL: If you've got …

AUDIENCE: What does one do about it?

NEIL: If you've got the relational …

AUDIENCE: If it's a transaction based city, as you describe, it's shake hands, get on with the service and get out.

NEIL: Yeah.

AUDIENCE: I don't want to see you again. Relationship based here in Melbourne is we need to get the right result, we happen to be architects, and that building needs to be a good building. And want to work with you to achieve that result. Quite different, quite different, markedly different.

NEIL: Yeah.

AUDIENCE: For him to raise it in the context of society, and we just found it interesting. Have you seen it in other cities, or in other parts of the world?

NEIL: Yes, I have. I think in terms of what you would do to make that transition, I think there's physical things you could do and cultural things you could do. And you could say things where you encourage public space which creates greater levels of heterogeneity. And rather a public space that's about buying a burger or a coffee, a public space that means you can hang out and

there's a vibe and there's a scene going on like in Federation Square. I think that's good in terms of changing a culture and how people relate to place. And there's also I think physical things one can do. There's also economic things I think you can do in terms of different ways that you would deliver public services and seeing it as a public service delivers something to the residents where you involve the residents more in the actual delivery of that service. So I think there's … I think though, if you're talking about the whole totality of a place, I think you're talking about a cultural shift in the consciousness of how people conceptualise their life within that locality and it needs a whole range of different mechanisms to move to a more relationship model. Does that make sense?

AUDIENCE: A challenge for your reporting you know, Jane-Frances, isn't it?

JANE-FRANCES: Oh yeah, well … yes. Sir. So you know, here … sorry, just behind you and then the lady up here and then yourself there, go.

AUDIENCE: Hi.

NEIL: Hi.

AUDIENCE: Jay [unclear 40:22] from the Victorian Eco-Innovation Lab. I've got two questions if I may. The first one is could you explore a bit more about the importance of place? You mention that a lot. And particularly embeddeness in place. So that's one question. And the other one, there's generally in the discussions been that resilience is good. But resilience has the ability to keep existing and sometimes be bad if what is resilient is not so good. Let's say Wal-Mart is probably fairly resilient.

NEIL: Yeah. On place, give me that again.

JANE-FRANCES: What do you mean …

AUDIENCE: You were talking a bit about [unclear 41:05] …

JANE-FRANCES: … when you say place?

NEIL: Yeah, yeah, you're right.

AUDIENCE: … an organisation if … to help create resilience is good for organisations to be embedded in place.

NEIL: Yeah.

AUDIENCE: And you mentioned place often.

NEIL: Yeah. Good.

AUDIENCE: And the importance of understanding the nuances of place and could you explore that [unclear 41:22]?

NEIL: Yeah.

JANE-FRANCES: I think it's partly that we've been at this Vic Urban Place Making Series, so we've caught the jargon.

NEIL: Yeah, indeed. I think place is actually the site for many things to occur. And I think that's the utility of place.

JANE-FRANCES: As required by the laws of physics, for example.

NEIL: Indeed.

JANE-FRANCES: Yeah.

NEIL: But in terms of, you know, place in a city sense, it's the site where things can happen and alchemy can occur and we have relationships between things. So when I talk about place, I think I'm talking about a place, a thing in society that is … where meaning, sharing, relationships can occur. And obviously you want to create a place that has that kind of components or qualities. There are certain … there are obviously places, the non-places that don't have those qualities, but that's I think what I mean when I talk about place. The question about, give it me again, sorry. What was the second one?

AUDIENCE: Oh, the second one.

NEIL: Yeah.

AUDIENCE: Just about resilience, you've been talking about resilience as only a good thing, in a good sense.

NEIL: Yeah. Yeah, good.

AUDIENCE: But you said right at the beginning that resilience is the ability to keep existing, to you know, despite all the shocks and disturbances that you confront. But of course if we talk … we could think of lots of things in our society that we would probably say is not so good and the fact that they persist in the way that they do …

NEIL: Yeah.

AUDIENCE: … would mean that they are resilient.

NEIL: I think …

AUDIENCE: And also …

NEIL: Yeah, I get it. I think there's a clear difference though between resilience and something that persists and lasts. Resilience is the ability to actually be adaptive and acts to be something that's, through a shock, and actually recover to be something that's better, something that persists in and have life, but not actually have an adaptive quality.

JANE-FRANCES: Also you can learn from anything that's resilient, you know, sort of a struggling place could potentially learn some lessons from Wal-Mart about how to survive things and be flexible.

NEIL: Yeah. Tricky questions.

JANE-FRANCES: Especially for this time of the day.

NEIL: Yeah, they're good ones, they're good ones.

JANE-FRANCES: Oh well they're hand picked you know.

AUDIENCE: Kate Matysek from the Heart Foundation. My question is about … talking about social capital and do you accept the premise that social capital is a major building block of resilience and adaptive capacity. Is globalisation then reducing and eroding our ability to be resilient and have resilient cities?

NEIL: I believe so, yes. I think that the global economy may do as with the globalisation, is that something different. I think the global economy is eroding the reciprocity and the relationships we have with each other within a given locality. And that's why we are avid localists because we believe the resilient future is to localise the economy more. I think there does need to be a global economy, I just don't think that it needs to be, it should be the … it cannot be the sole driver of an economy of a particular locality. It needs to have a blend of global and local

because it does erode social capital, and social capital is a key component of making that … keeping that place resilient. Arguably, we went to Culiacan in Mexico which is a part of the global economy, a massive amount of American foreign investment there with probably about 15% a year growth rates, economic growth rates. Huge expansion of population in recent times. Hooked up to the global economy, excellently successful, but very, very vulnerable because the GFC came along and a lot of that investment left because it was only there for cheap labour and cheap land. So I think one needs to … the future for that part of Mexico, Culiacan, would be to be much more … much more embedded localised economy and an economy that supported the social capital and the social identity of that … of the people that live there. Did that answer, I think?

AUDIENCE: Yeah, that's good.

NEIL: Good.

JANE-FRANCES: Gentleman down here, then over here, and then up …

NEIL: These are all great questions. Australians are clever aren't they?

JANE-FRANCES: Yeah, I know.

NEIL: God, they'll be challenging me here.

JANE-FRANCES: I had to up my game when I arrived.

NEIL: I bet you must have.

AUDIENCE: Nigel Flannigan, SGS Economics and Planning. Adaptability in individuals as well as place and individuals make up the place and then [unclear 46:15]. Can that be taught? I mean is it a function of socio-economic status, is it a function of education? If you don't have very many skills, clearly you can't adapt the same way if you've got a variety of skills.

NEIL: I think it can it be taught? I think … I'm a big … I was a big fan of the old polytechnics we had in the UK where you didn't just do urban planning, you did all the other bits and geography and maybe a bit of something else, yeah. And I think you can teach multidisciplinary approaches so the answer is yes, I think you can. The spaces between disciplines are actually more interesting than disciplines themselves.

JANE-FRANCES: Is that what you're asking?

AUDIENCE: Yeah.

NEIL: Is that what … yeah, yeah. So you can teach it by focusing individuals to not get overly focused on the discipline but actually see their discipline's relationships to other disciplines. So it's back to the relationship model. In terms of the existing localities, and it's back to the gentleman's point before about the difference between Sydney and Melbourne, how would you teach or how would you increase relationship … relational elements to a particular locality. I think we're back to what the answer I gave there in terms of physical, economic, social stuff. You teach the consciousness.

AUDIENCE: [Unclear 47:45] move anywhere, yeah.

NEIL: Yeah. Really good question.

JANE-FRANCES: There's somebody over here and then Chris, and then two up there.

AUDIENCE: It was mentioned …

JANE-FRANCES: Sorry, who …

AUDIENCE: Oh, I'm sorry. I'm Art Truter, I work with the Department of Planning and Community Development. It was mentioned before, Detroit came up, and it was interesting. I was going to ask you various … there seems to be some understanding … or some investigations to the actual resilience of places that we don't really think might be so, and there's some discussions about Detroit itself and resilience of new communities which are evolving. They may not be what we perceive as standard communities. And also the whole movement of the slums and like the Favellas in Rio and such …

NEIL: Yeah.

AUDIENCE: Would you like to comment on that, on the fact that there may be other unsophisticated or actually be more sophisticated concepts of resilience?

JANE-FRANCES: Now just in there …

NEIL: That's a good point.

JANE-FRANCES: … I … so on Tuesday night, I think it was originally a BBC program, Kevin MacLeod's Slumming It. I don't know if anybody saw that.

NEIL: I know the program, yeah, I know the program, yeah.

JANE-FRANCES: The first part of it was on ABC on Tuesday night I believe and I think the second part must be next Tuesday. It's well worth watching, relating to what you're talking about. I mean it's really interesting, really … really interesting.

NEIL: A couple of thoughts on that. We did some work in Kom Bator, it's a city in Tamil Nadu, and I think we can learn a lot from different cultures in terms of resilience. And in this Kom Bator we found that public sector was denuded, weak public sector. So you think and the place must be a basket case, okay. But actually what you've got is high levels of social entrepreneurship, energy of the people and high levels of social consciousness, not just in the social sector but in the commercial sector. So what you found was this extraordinarily strong relationship between the commercial sector and the social NGO sector, where the NGOs would actually provide services for the commercial sector, the public sector, with … and now Western democracies we're providing like waste and all that stuff and provide it with social sector. So I think we can get snippets of different places where we can learn very much in terms of resilience. It's not the formal Western liberal democracy way, it's about different ways of operating that can learn from other localities. I'm going to give you an example which Jane-Frances would be familiar with in terms of Easter House which is in Glasgow. It's … I think possibly one of the biggest housing estates in Western Europe.

JANE-FRANCES: It's 60,000 population.

NEIL: Yeah. And notoriously knife-fuelled, drunken louts.

JANE-FRANCES: Lots of burned out houses.

NEIL: Gangs. You know, you can imagine …

JANE-FRANCES: It's where my mother grew up.

NEIL: You imagine kind of Glasgow … Glasgow thing we're talking about.

JANE-FRANCES: It is, yeah.

NEIL: Thank, Christ.

JANE-FRANCES: No, no, it's …

NEIL: Yeah. You know, one of these places you know, the … slum whatever you call it. Anyway, actually one of … a very resilient place because the people are the most entrepreneurial you'll ever find. You know, they might be doing illegal things, well they are doing illegal things, you know, but they're actually extraordinary entrepreneurial, and look after their own as well. So when they … their harvest from ill gotten gains is spread in parts of the community. So … I'm not advocating, you know, illegality and deviant behaviour, but I'm saying there is something we can learn about how they look after their own and the relationships between gaining income and how one spreads it out and how one looks after family networks and neighbours.

JANE-FRANCES: The … it reminds me of a story on Rekasie in Glasgow where my … yes, where my father's mother lived until recently. They were knocking down a lot of the houses and so there would just be these sort of big derelict kind of plots between houses that were still there and it was just terrible, terrible place. And there was one there, there was this sort of great story about a bunch of local teenage boys who had stolen a car and were joyriding in it, hooning, we call it hooning here.

NEIL: Hooning, yeah.

JANE-FRANCES: Yes. And so the fact that Jeff Hoon was Minister for Transport in the UK at one point is of great hilarity in Australia. Anyway, so they were hooning and were, you know, getting the police car to chase them across this sort of loch which had grassed over and so on. And what they'd actually done was dug an enormous hole in the middle of it, and they drove round it and the police cars thought ha, we'll take a short cut, right, and go through it. Car, boomf, down eight feet into the ground. Very, very, very creative.

(Laughter)

JANE-FRANCES: So, you know, it's not that there's not a lot of talent. The … I've just … I've got two questions up here and then if you can ask them, we've got five minutes left, if you can ask them briefly and then I can take these two briefly and then we'll need to finish. So there's somebody in about the third row from the back, is that right? And then, and in the back. Yeah okay, great. Thanks. Yeah.

AUDIENCE: Phil Harbutt, Department of Transport. You talked before about changing the way public service is viewed, so public service is rather being sort of two people or two communities or four communities, with communities, can you expand on that, comment further on that, and any … any sort of examples you'd like to draw attention to?

JANE-FRANCES: Meals on Wheels.

NEIL: Yeah.

JANE-FRANCES: Providing company as well as food.

NEIL: Yeah. I mean in the … the user groups of public services, and certainly in the UK, are increasingly becoming actual service providers themselves. So the difference between the provider and the user is breaking down. And you're finding services being reshaped with stuff that maybe have been done in the voluntary or philanthropic ... voluntary sector, to be done in partnership with the public services, and it's called things like co-production. So I think that is not only a product of the fiscal situation countries like UKRN, I think it's something we need to … probably all need to get to grips with in the future because we can't really afford the public services that our society require because we're all getting older and less productive workforce. And also we're getting more and more demand for public services because we need to compete with public service, with commercial sort of delivery of activities. And also we tend not to want to pay any more tax. So we need to find more interesting ways of delivering public services and I think that fusion and different modelling and different ways of delivering it is, I would say through austerity Britain's probably at the forefront of that if I could be … I'd have to say because …

JANE-FRANCES: 'Cause we have to be, yeah.

NEIL: … we have to be.

JANE-FRANCES: I'm just going to get us …

NEIL: I'll be a bit briefer.

JANE-FRANCES: Yeah. You're wandering. A quick question from Anna and a quick answer.

NEIL: Yeah.

AUDIENCE: Quick question. Anna Skarbek from Climate Works. Earlier you talked about a chamber of commerce being thriving rather than just a place for golf as one indicator of …

NEIL: Yeah.

AUDIENCE: … health. If you're working with an area, a local area that doesn't have a thriving chamber of commerce, what would you do or what have you seen done well where you can transform an existing one that is … is the stale one?

NEIL: It's an easy answer I think. Not easy answer but quick one. It needs to become more directly involved in public sector decisions that relate to business. And that means local government and other government needs to open its doors and be porous to business interests in a much, much more meaningful way. That would help.

JANE-FRANCES: Chris. I realise I missed you out, I'm sorry.

AUDIENCE: You did, but it wasn't a short question.

JANE-FRANCES: Oh okay. Well then in that case I'll …

AUDIENCE: I've ruled myself out but I will ask it after.

JANE-FRANCES: You're going to nobble him afterwards, that's fine. Over here.

AUDIENCE: You've spoken a lot about social resilience …

JANE-FRANCES: Sorry, can you tell us who you are, sorry.

AUDIENCE: Oh, sorry. Petra Crawshaw from DSE. You spoke a lot about social resilience and economic resilience. I'm just wondering like in this current climate with increasing natural disasters and huge environmental consequences in the future, whether any of your work touches on environmental resilience and how we can sort of seek to create places that address all like … all criteria, economic, social and environmental resilience.

NEIL: We factor in the environment as a component of the local economic territory and how … so it's not … we … yeah, so the short answer is no we haven't.

JANE-FRANCES: Excellent. And the person … oh sorry, go …

NEIL: Yeah. There's a better answer but I need a little bit more time to think about the better answer.

JANE-FRANCES: So it's not that you don't take it into account, it's …

NEIL: We … yes.

JANE-FRANCES: … that you take it into account in a particular way.

NEIL: In a particular way.

JANE-FRANCES: Yeah. Okay. Up the back for the last question. There was another one? Ah, it was down there. Oh, I'm so sorry. Yes, no, no, it was you. I'm sorry.

AUDIENCE: Okay.

JANE-FRANCES: Yeah.

AUDIENCE: What's …

JANE-FRANCES: Can you tell us who you are, sorry.

AUDIENCE: Oh sorry, Sarah Lindenmayer from the Department of Planning. What's your view of these creeping privatisation of public space in relation to social resilience and the capacity for providing these serendipitous relationships and bonding and bridging kind of …

NEIL: I think it's a pernicious force really. I think the commodification and the privatisation of public space is a bad thing. I think we need to ensure that they remain democratic spaces which are heterogeneous and have a … well, in terms of the public spaces that have been created here in Melbourne, traditionally they have that spirit and retain that spirit.

JANE-FRANCES: Thank you. I'm going to do two quick plugs before I thank Neil. The first is the next piece of work that we're going to be publishing in the Cities program is on Cities and Social Interaction which is about those … which is about the relationship. So it's not the same as social capital, but it's related. It's not the same as social inclusion, but it's related. But it's about our needs for relatedness and about how the built environment can either help or hinder us kind of getting more or less social interaction and our hypothesis is we're better at building in isolation than we are at encouraging social interaction. That's probably at the moment we think going to be published about December and Amber-Lee who's sitting down here in the bottom right is working on that. So nobble her if you're interested. The other thing is that a week on Monday we're having another public seminar with Geoff Mulgan who's the former head of policy at 10 Downing Street, and former boss of mine, who's not Scottish. Nevertheless, he founded Demos and has revitalised the Young Foundation which have been two of the most influential think tanks in the UK over the last 20 years. He's well worth listening to. He's going to talk about the social design of cities. We've deliberately got a really big space up at Melbourne University because we … the last time Geoff was over 258 people kind of turned out. But he's well worth listening to, so if the … I'm sure … I think the invite has gone out but do sign up. That … I highly recommend that one. So I just want to turn now and thank Neil McInroy. He has been, I think you'll agree, more than worth my potential embarrassment of having yet another Scot along to do a public seminar at the Grattan Cities program. So thank you very much to Neil and thank you all for coming.

NEIL: Thank you.

AUDIO: This has been a podcast from Grattan Institute. Want to hear more? Check out our website, www.grattan.edu.au.

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