

Territorial Development Series



Roots and Wings of Action Research for Territorial Development

Connecting local transformation and international collaborative learning

Edited by Miren Larrea

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Note for the reader

The contributions in this book have been written in English, Spanish and Portuguese and their contents synthesized also in Basque, Norwegian, German and French. By choosing to have an inclusive approach to all these languages we want to generate awareness on the fact that action research is conducted throughout the world in diverse cultural contexts and in multiple languages, although many of these languages disappear when action research enters the academic realm.

To go beyond the symbolism of this decision and make our work understandable for as many readers as possible, we will publish in 2021 a book that will mirror this one by sharing its contributions in English translated into Spanish and its contributions in Spanish translated into English.

Notas para los lectores

Las contribuciones compartidas en este libro han sido escritas en inglés, español y portugués y sus contenidos resumidos también en euskara, noruego, alemán y francés. Nuestra decisión de tener una aproximación inclusiva al uso de todos estos idiomas responde a nuestro deseo de generar conciencia de que la investigación acción a lo largo del mundo se hace en diversidad de contextos culturales y en múltiples idiomas y que muchos de estos idiomas desaparecen cuando la investigación acción llega al ámbito académico.

Más allá de la dimensión simbólica de esta decisión, queremos compartir nuestro trabajo con el mayor número de lectores posible y en 2021 publicaremos un libro que será un espejo de este y que presentará las contribuciones publicadas en inglés en este libro traducidas al español, y las contribuciones en español traducidas al inglés.

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Chapter 8

Action Research for City Development: the case of Bilbao

*Miren Estensoro*¹

Laburpena

Hirien garapenerako ikerketa-ekintza: Bilboren kasua

Orkestrak garaturiko lurralde garapenerako ikerketak ekintzak (LGIE), lurraldea, maila anitzeko unitate moduan ulertzen du. Maila anitzeko ikuspegi honek, ordea, hirien berariazkotasuna ez du kontuan hartzen. Benetan maila anitzeko ikuspegia txertatzen duen LGIEk lurralde maila bakoitzaren ezaugarriak txertatu behar ditu ordea. Kapitulu honetan hiri mailan jartzen dugu arreta, hiria, maila anitzeko testuinguruan, lurralde garapenerako espazioa moduan aldarrikatuz eta ulertzen lagunduz.

Honakoa da kapituluak erantzuten duen ikerketa galdera: zein dira, maila anitzeko testuinguruan, hiri garapenerako ikerketa-ekintza prozesuak fasilitatzeke erronkak? Lurralde garapena sustatzeko maila anitzeko gobernantza eraiki nahi badugu, hirietan lan egiteak zer suposatzen duen ulertu beharra dugu.

Bilbao Next Lab proiektuan ikerketa-ekintza prozesua fasilitatzearen esperientzian oinarritzen naiz ikerketa galderari erantzuteko. Bilboko udalarekin lankidetzan garatzen dugun ikerketa-ekintzako proiektu hau 2013an hasi genuen. Espezializazio adimendunaren bitartez hiriaren garapen sostengarria bultzatzea da helburua. Hiriko garapen ekonomikorako agentzian lanean ziharduten politika-egileek (Bilbao Ekintzan) espezializazio adimenduna bultzatzeko gobernantza parte-hartzaileko ereduak eraikitzeke beharra onartzen zuten. Politika-egile hauek dira gobernantza eredu horien eraikuntza fasilitatzen dutenak. Gure paperak, ikertzaile aktore eta «fasilitadoreen fasilitadore» izanik, eraikuntza horretan lan egiteke gaitasunen garapena bultzatzean datza.

Kapituluaren emaitza den eredu analitikoak lau dimentsioz osatzen da. Dimentsio hauek hiri garapenerako ikerketa-ekintzari dagozkio eta Bilboko ikasketetatik eratortzen dira: eskala, boterea, erakundeen konplexutasuna eta hiri arteko lehiakortasuna. Ikerketa-ekintza prozesua fasilitatzeke erronka ezberdinak azalerazten dira dimentsio hauetako bakoitzean. Erronka horiek kudeatzeak LGIEk aldarrikatzen duen lurralde garapenaren maila anitzeko ikuspegia garatzea dakarki. Honakoak dira ikasketak eta hauei dagozkien aukerak: (i) hiri-aglomerazio eta kontzentrazioaren abantaileri probetxua ateratzeko eraikuntza kolektiboko

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prozesuak fasilitatzea eta prozesu paraleloak ekiditea (ii) gutxiak irekitze bitartez eta hiriko politika egileen botereari etekina ateraz botere gutxien duten eragileak ahalduntzea (iii) koordinazio horizontala medio, gaitasunen eraikuntza prozesuak erakundean zehar zabaltzea ahalbidetuko duen antolaketa-eraldaketa bultzatzea, eta (iv) gainerako lurralde mailekiko elkarrekikotasuna eta lurralde garapeneko erronkak azalarazteko hirietako politika-egileengan berebiziko arreta pizten duten rankingak erabiltzea.

Resumen

Investigación Acción para el Desarrollo de Ciudades: el Caso de Bilbao

La aproximación de investigación acción para el desarrollo territorial (IADT) desarrollada por Orkestra concibe el territorio como una unidad multiescalar. Sin embargo, esta definición de multiescalaridad no recoge la especificidad de las ciudades. El argumento central en este capítulo es que una comprensión verdaderamente multiescalar de la IADT requiere entender la unicidad de cada nivel territorial. Este capítulo contribuye a entender el nivel urbano como un espacio para el desarrollo territorial en un contexto multiescalar.

Con el objetivo de avanzar en dicha comprensión, el capítulo propone la siguiente pregunta de investigación: ¿cuáles son los retos a la hora de facilitar procesos de investigación acción para el desarrollo urbano en un contexto multiescalar? Si el objetivo es construir una gobernanza multiescalar para el desarrollo territorial, necesitamos entender cuáles son las implicaciones de trabajar en las ciudades.

Respondo a la pregunta de investigación basándome en la experiencia de facilitar un proceso de investigación acción en el proyecto Bilbao Next Lab. Este proyecto se desarrolla en colaboración con el Ayuntamiento de Bilbao desde 2013. Su principal objetivo es impulsar un desarrollo económico sostenible en la ciudad mediante la especialización inteligente. El equipo de hacedores de políticas de la agencia de desarrollo económico de la ciudad (Bilbao Ekintza) reconocía la necesidad de construir nuevos modelos de gobernanza participativa que permitan avanzar hacia la especialización inteligente. Son estos hacedores de políticas quienes facilitan la construcción de dichos modelos de gobernanza y nuestro rol, como investigadores actores y desde una posición de «facilitar a personas facilitadoras» se centra en apoyar el desarrollo de sus capacidades para que puedan trabajar en dicha construcción.

El modelo analítico que resulta de este capítulo recoge cuatro dimensiones que caracterizan a la investigación acción en ciudades y se extraen de los aprendizajes en Bilbao: escala, poder, complejidad de las organizaciones y competitividad interurbana. La investigación acción se topa con diferentes implicaciones con respecto a dichas dimensiones y es la gestión de esas implicaciones la que contribuye a desarrollar el componente multiescalar del desarrollo territorial reivindicado por la IADT. Se trata de (i) facilitar procesos de construcción colectiva para aprovechar las ventajas de la concentración y las economías de aglomeración evitando procesos paralelos, (ii) empoderar a los actores más débiles mediante procesos de apertura gradual y sacando provecho al poder de los hacedores de política de la ciudad (iii) impulsar cambios organizaciones que extiendan la construcción de capacidades a toda la organización mediante una coordinación horizontal, y (iv) utilizar los rankings de ciudades para explicitar retos para el desarrollo urbano y la necesidad de reciprocidad con el resto de escalas territoriales.

Action Research for City Development: the case of Bilbao

Introduction

Cities are increasingly attracting the attention of researchers and practitioners who work in territorial development and competitiveness. Their relevance has grown due to the world-wide urbanisation process and because challenges for urban development differ from other processes within non-urban territories.

The ARTD (Action Research Territorial Development) approach developed by Orkestra views territory as a multiscale concept. However, Karlsen and Larrea (2014), who based on Albuquerque (2012), define multiscalarity in ARTD as encompassing all countries' administrative divisions, i.e., regions, provinces, counties, and municipalities, do not specifically mention cities. One of the contributions of this chapter to ARTD is that it studies cities as spaces for territorial development in the context of multiscalarity (including the sub-regional level, and particularly, the city level). My experience with *smart specialisation strategies* (S3) at the sub-regional level may provide some insight into this matter.

Each of the territorial scales has its own features and roles within territorial governance, and one of the challenges is to understand the specific place of cities in that puzzle. This is the aim of my chapter: to find out what particular features of cities facilitate territorial development processes in them when interpreting territories from a multiscalar perspective. My main rationale when addressing the specificity of cities as spaces for ARTD is that certain features of AR processes are accentuated in cities because of their scale and diversity.

To be able to go through this understanding process, I propose the following research question: what are the challenges when facilitating action research for urban development in a multiscalar context? If the aim is to construct multiscalar governance for territorial development, we need to understand the implications of working at the city level. I answer this question based on my experience as an AR facilitator in Bilbao Next Lab (BNL). BNL is an AR project developed together with the City Council of Bilbao whose objective is to promote smart specialisation in the city.

The case analysis has enabled me to build an analytical framework consisting of four elements, which correspond to the dimensions that I want to highlight from the case and that serve to explain how we faced the challenge of facilitating AR for the city's development. The first element refers to the scale issue of cities. Agglomeration economies are a key factor for city development but also a challenge for participatory approaches like AR which aim to give voice to all those with a stake in the issues addressed. The second element is related to the first one but focuses on the power issue. Urban policymakers are powerful players compared with other local authorities, and from the AR point of view, they are more used to using power *on behalf of* citizens or other local actors such as SMEs, than using it *with* them. Facilitating AR in cities requires that action researchers manage this power play appropriately, and this invites us to reflect also on the power acquired by researchers working within these processes. The third element concerns the size and institutional complexity of organisations created ad hoc to foster development in cities, such as specific agencies or the city council itself. This complexity becomes more evident when comparing them with other organisations at the local/municipal level within non-urban areas. Carrying out AR with city policymakers very often requires changes in the organisational arena, making facilitation more complicated. And last but not least, the fourth element corresponds to the global hierarchy of cities and competitiveness among them. City policymakers are particularly challenged to promote the competitiveness of their city and to design strategies to achieve a relevant position in global rankings. This pressure to fare well in rankings is not as strong in other local areas where ARTD is implemented.

When doing AR with cities, we constantly have to choose between seeking a global status or prestige of the city and the well-being of its residents.

The chapter is structured as follows. After this introduction, the second section delves deeper into my ARTD roots and provides a literature review on the role of AR in the city development literature. The third section describes the case of BNL, focusing on my challenges as a facilitative researcher in that project. This experience allowed me to construct the analytical model presented in the fourth section, where I also reflect on the implications for multiscalarity and AR facilitation of each of the elements composing the framework. In the last section, I offer some concluding reflections.

My ARTD roots: a multiscalar approach to territorial development

My main argument in this section is that ARTD, from its inception, has taken a multiscalar territorial approach, but this approach has, on the one hand, focused in practice on multiscalarity within regions. On the other hand, no specific attention has been paid to cities. To be specific, the city level has not been differentiated from the general municipal level before. This chapter addresses these two gaps and contributes to a more comprehensive approach to multiscalarity in ARTD.

Karlsen and Larrea (2014), following Albuquerque (2012), define *territory* as the “actors that live in a place with their social, economic and political organisation, their culture and institutions as well as the physical environment they are part of,” and *territorial development* as a “process of mobilisation and participation of different actors (public and private) in which they discuss and agree on the strategies that can guide individual as well as collective behaviour”. This shows how the process perspective is intrinsically integrated into the term *territorial* within ARTD. Moreover, these authors advocate the importance of considering a multiscalar approach, which means that the connections between levels must also be understood.

This multiscalar approach is linked to the systemic one. In fact, the ARTD approach includes elements from the systemic view (Larrea, 2019). However, my aim with this chapter is not only to contribute to AR but also to the regional and urban development literature. The multiscalar approach is key to the latter and, for this reason, it is the central approach in this chapter.

The multilevel approach of territorial development is also described in the policy brief we wrote in collaboration with the European Commission, entitled “Multilevel governance for smart specialisation: basic pillars for its construction” (Larrea *et al.*, 2019). This document follows the argument presented by Estensoro and Larrea (2016) that bottom-up governance modes encouraged by S3 can be developed by more diverse (and sustainable) constellations of actors if regional governments collaborate with sub-regional ones. In the brief, our proposal did not stop at the regional level, and we argued for a comprehensive multiscalar approach that starts from municipalities and ends in European Commission policies.

The territorial approach of ARTD I develop in this chapter is framed both by Karlsen and Larrea’s reflections on the different territorial levels inside regions (region, province, county, municipality) and by the European level policies presented in Larrea *et al.* (2019). With this chapter, I further extend our knowledge on ARTD in that I focus on cities, which was the missing scale in the previous two works.

Policies such as S3 should integrate, according to ARTD, a multilevel approach. However, the role of cities is still understudied, although many authors claim the urban perspective should be included in these policies (Bevilacqua and Pizzimenti, 2016; EP, 2016; Capello and Kroll, 2016; Radosevic *et al.* 2017; Grillo, 2017; Serbanica and Constantin, 2017; Rivas, 2018; Aranguren *et al.* 2018:22). As mentioned before, the urbanisation process taking place all over the world means increasing the weight of cities within the territorial debate.

Furthermore, many authors have stressed the value of action-oriented research for city development (Forester *et al.*, 293; Reardon *et al.*, 1993; Foth and Adkins, 2006; Gandía and Cena, 2018), and particularly, for Smart City development (Maccani *et al.*, 2014; Suopajärvi, 2016; Tompson, 2017; Lim *et al.*, 2018). My contribution to the literature is a proposal that AR can be used as a strategy to delve deeper into the understanding of city development processes. In particular, I reflect on the specificity of facilitating AR in urban contexts, comparing it with non-urban territories, which no scholar has addressed yet.

Most of the existing literature underlines the suitability of specific features of action-oriented methodologies; the need for a collaborative approach when developing action-oriented knowledge (Lim *et al.*, 2017) and for involving local actors right from the beginning of the process when the shared problem is defined (Maccani *et al.* 2014); the importance of understanding the participants' perspective regarding why the cases evolved and emerged in the way they did (Tompson, 2017; Gandía and Cena, 2018); the need to transform power relationships in order to facilitate real public participation (Suopajärvi, 2016), or the challenge of building effective partnerships and developing a holistic understanding (Foth and Adkins, 2006). However, although these features have been studied in the context of cities, they are not presented as specific features of them. Moreover, they could be considered as valuable features for action-oriented approaches in other territorial contexts. By answering the research question, I aim to incorporate certain features that are exclusive to cities into ARTD.

Most projects developed under ARTD have addressed the roles of regional and local policymakers, adding an interesting nuance: although cities were conceptually incorporated into the local level, city policymakers did not develop AR processes together with the rest of policymakers. Thus, trying to understand city policymakers is not only a conceptual challenge but also an attempt to adapt ARTD to them.

So, let us continue the journey with another question: what are the challenges of playing the role of the facilitative researcher in city development contexts?

The case: Bilbao Next Lab

The AR context

Bilbao Next Lab may be defined as the AR laboratory of Bilbao's smart specialisation strategy. Since the start of its activities in 2013, its goal has been to facilitate, by means of smart specialisation (Foray, David and Hall, 2009; Foray, 2016), the economic transformation of the city towards sustainable urban development. Smart specialisation is a policy framework fostered by the European Commission whose aim is to find ways to increase the scale and effectiveness of territories' indigenous potential. Its origins are lie in the European Commission's Europe 2020 Strategy for "smart, sustainable and inclusive growth", but many other countries around the world have adopted it. It is a bottom-up approach for boosting growth and jobs, in which opportunity innovation areas are prioritised through a shared vision with local actors, including citizens. The case analysis in this chapter focuses on the period from October 2016 to March 2019. I took charge of the coordination of the AR project in October 2016, after three years of co-coordinating the project with another colleague from Orkestra. Likewise, in 2016, the City Council asked the director of Bilbao Ekintza (the City Council's local economic development agency, hereafter BE) to be the policymaker in charge of following up and monitoring the project. These changes led to redefining the goals and structure of the laboratory.

The three main challenges or "shared problems" (Karlsen and Larrea, 2014) addressed by BNL in this period were: (i) the limited capabilities of the Bilbao Ekintza team to fulfil their

role as facilitators of the specialisation process; (ii) the lack of a shared vision for smart specialisation among the different councillors and members of the Mayor’s Office in the City Council, and (iii) the lack of mechanisms for articulating multilevel governance and, consequently, the need to define the role of Bilbao’s strategy within the broader RIS3 strategy of the Basque Country. City policymakers had to face the challenge of facilitating smart specialisation using a new policymaking approach, while we, as researchers, had to play the role of “facilitators of facilitators” through the AR laboratory.

The diagram below shows the spaces that form the AR laboratory and where the challenges described before are managed. In each space, specific AR projects and processes with specific actors are developed. Researchers and policymakers contribute with their knowledge to activating and establishing action-reflection cycles based upon the specific contents created for each space. Co-generated knowledge enables policymakers to implement strategies using different tools, and researchers conceptualise this knowledge in order to contribute to the academic community. The diagram also shows the connections between the spaces. The connection between the different AR spaces is also facilitated by Orkestra, which makes it possible to develop a global AR vision and process.

Figure 1. AR spaces within Bilbao Next Lab



Tractor Group: this is the space where the main goals of BNL are established and from which the rest of the spaces are monitored to ensure a global vision. The Tractor Group is made up of representatives from the Bilbao Ekintza (BE) Management Team together with Orkestra researchers, and it meets every week.

Facilitators' space: this space, which is formed mainly by Bilbao Ekintza's area coordinators and technical staff, seeks to help agency professionals develop facilitation capabilities. Researchers facilitate this development by organising monthly AR workshops to reflect on their facilitator roles and to help design the pertinent facilitation actions.

City Council: this space focuses on addressing the challenges faced by the City Council and, in particular, its Area of Economic Development, Commerce and Employment when facilitating the specialisation process. Other City Council area representatives also participate in some of the meetings organised by this space in order to construct a shared vision among the different council areas within the smart specialisation strategy.

Local Group: this is a space for urban and regional smart specialisation strategies, which brings together urban, provincial and regional government authorities, regional research centres and think tanks, universities, the provincial chamber of commerce, cluster associations, as well as private firms and entrepreneurs. The objectives are the following: (i) to articulate and improve policies and initiatives related to the priorities of the said strategies; (ii) to conceive strategic projects that support them, and (iii) to contribute to building a shared vision of all the agents involved in these strategies. Orkestra participates as a member of the Local Group but also supports its facilitation, which is carried out by the BE managers and a team of professional facilitators. We reflect with them on their facilitation challenges, and we help them make decisions regarding facilitation actions.

S3 research projects: in this space, different research projects related to smart specialisation are carried out by representatives from the city, county, province and regional governments, together with researchers. Orkestra facilitates the construction of a shared vision and also learning from each other so that specific collaboration and articulation mechanisms are developed among the different research projects.

European projects: the aim of this space is to foster the co-learning of the different cities and territories involved in urban development policymaking. This space saw an increase in its activity with the participation in different European calls (such as H2020), where Orkestra has also been involved as partner and promoter.

Academic community: here, researchers participate in internal research team meetings and academic conferences and workshops, etc., to work on the conceptualisation of the co-generated knowledge and on related academic publications, such as this chapter. Furthermore, this conceptualisation allows re-defining new challenges within the laboratory spaces and benefits other processes taking place in the various research projects.

Lessons learnt when doing AR regarding the specificities of cities

This section contains four subsections which narrate the four episodes of BNL that inspired the discussion on what is different when facilitating AR for city development and in which my facilitation challenges are described. The episodes include literal extracts from statements made by policymakers and researchers involved in the AR process. This information has been taken from meeting minutes and my notes.

Scale increases transformation potential but makes facilitation of collective construction processes more difficult

The scale issue is a distinguishing element when facilitating AR for city development. By *territorial scale*, we refer to the set of actors and related relationships that exist within a specific geographical demarcation. Apart from concentrating population, cities bring together

the headquarters of several territorial institutions and stakeholders which also bring their resources and assets with them. The area of influence and the objectives of most of these actors exceed the city's borders. Consequently, their ability to get involved in city development processes can result in them influencing the development path of broader territorial areas.

By way of illustration, the greater Bilbao metropolitan area concentrates 39.3 % of the Basque Country population (Eustat, 2019), and in 2019 Bilbao Ekintza had an annual budget of EUR 30.5 million, 24 times the average yearly budget of any local development agency in the Basque Country². In line with this, if we look at the different "local actors" forming the Local Group, we may see that three government levels—three of the four Basque Country's universities, the Basque Government Innovation Agency, and one of the two regional technology corporations—make up this group.

Moreover, agglomeration economies attract diverse territorial actors (governments, firms, entrepreneurs, universities, etc.). The transformation potential of urban areas, which host all these actors, is bigger if compared with non-urban territories. However, one of the main challenges when facilitating AR within cities, which is related to agglomeration economies, is the management of diversity. Taking advantage of agglomeration requires a type of facilitation that integrates diversity, more than, for example, in other industrial and rural areas where ARTD has been implemented. These other areas are usually more homogeneous. And when diversity is very high, the risk is that these processes become merely informative rather than dialogical. AR facilitation has to avoid this and has to take care of the collective approach meaning to respect the participatory and collective character of the process.

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As explained above, the Local Group has the explicit goals, among others, to construct a shared vision among the actors involved and to coordinate and improve the policies and initiatives. Therefore, it also aims to develop shared agendas. In the next paragraphs, I will share an example of how, during a meeting, participants were inclined to share their different views but were not so keen on building a collective strategy.

We had designed a group dynamics to be able to discuss, within the Local Group, the shared messages and instruments that could be developed to build a common branding strategy. But participants spent most of the time sharing their organisations' view on the branding strategy as well as their opinions regarding the messages' features and the criteria for selecting an audience for the branding activities. The facilitators of the meeting (the agency's director and the consulting firm staff) let this discussion continue rather than sticking to what was scheduled on the agenda.

The director of Bilbao Ekintza in a briefing synthesised the meeting outcome as follows: "We did not have time for the group dynamics, but people were very participative" (Nora Sarasola, 07-02-2018).

I felt that the agency had received enough feedback to improve the branding strategy, but there had been no time for co-designing. I presented this as a methodological challenge:

"The methods we use for facilitating the meetings are our tools to achieve our facilitation goals... we have the power to select them so that we can have the power to decide on the result of the meetings" (Miren Estensoro, 07-02-2018).

² The average has been calculated taking away the agencies from the three capital cities Bilbao, Donostia and Vitoria-Gasteiz (Garapen, 2019).

The case of Bilbao shows that one of the implications of the scale issue has to do with the need to avoid parallel processes and take advantage of the attraction of cities to foster collective construction processes for territorial development in a multiscale framework. Furthermore, the specificity of ARTD conducted in cities regarding this dimension does not mean that agglomeration automatically translates into a participatory policymaking approach and pursuing a collective aim. Action researchers have to exert pressure towards this collective dimension, and the diversity of actors makes this a more complex endeavour.

City policymakers are more powerful than other local policymakers

The scale issue and the resulting concentration of population, actors and agglomeration economies make cities powerful stakeholders within the regional, national, and global context. Although policy competences within territorial development usually do not belong to city governments, city authorities' capacity to influence "higher" policymaking spaces is often greater than the rest of sub-regional governments. City policymakers are therefore powerful decision-makers compared to other local governments in the territory, sometimes even having as much influence as regional policymakers.

A common challenge refers to city policymakers using power on behalf of local actors. The share of citizens or any other actor, such as firms, who are involved in city development policymaking processes, is usually much smaller than in any other local context because the number of different actors in cities is higher. Thus, in bigger scale contexts such as cities, policymakers can justify non-participatory approaches more easily. In this sense, AR can contribute by introducing empowerment mechanisms and encouraging their use.

Moreover, the attractiveness of cases such as Bilbao to international institutions like the European Commission or the academic community shows the capacity of cities to claim the role of the local level in multiscale governance for territorial development.

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In terms of the use of power, different challenges emerge in AR processes developed in urban contexts compared to other processes developed at the local level. One of these challenges is that the large number of actors makes participatory processes too complex and very often induces policymakers to decide on their own.

The goal of the facilitators' space, apart from developing new governance modes through AR to foster smart specialisation, was to develop a new policymaking approach. The agency started to take decisions together with the local SMEs and entrepreneurs in order to, for example, prioritise the technological fields for smart specialisation. Considering the number in absolute terms of SMEs located in a medium-sized city like Bilbao, such multi-voiced dialogues might seem unfeasible. However, AR processes can help integrate these firms into an entire system where the lessons learnt are shared with a wide group of participants, making these processes possible.

Futurable is the name of the pilot entrepreneurial discovery process (EDP) facilitated by Bilbao Ekintza which explored specialisation opportunities within the wearable technologies field. One of the main challenges addressed in the action research workshops facilitated by researchers within the facilitators' space was to make EDPs sustainable.

The focus of one workshop was on designing facilitation actions that would contribute to the sustainability of the EDP, which had to do with sharing decision making with the involved actors (entrepreneurs, firms, technological centres, educational and training centres,

and the agency at that moment). One of the actions later carried out was that participants shared the decision about the specific technological fields in which wearable technologies would be developed, and that they jointly decided which actors would take part in the following meetings dealing with those technological fields (mainly potential firms demanding this technology).

The following comments from the agency staff shows how the process was rationalised and viewed as being meaningful even though we were reaching only a few SMEs:

“What really matters is the quality of the information we gather, not the quantity... actors can help us filter the criteria in order to obtain valuable information”
(Agency staff, 11-10-2017)

Although participation may be limited at first to a small number of city actors, its figure can later be multiplied if opinions on how to open the process for participation are shared (for example, which other actors should be engaged). As researchers who facilitate these processes, our role is to make policymakers aware of the value of sharing their power with local actors. City development challenges require producing change within different actors so as to include those with less power but with invaluable knowledge. Their involvement in decision-making processes, even if they are complex processes, will contribute to solving these challenges in a more effective way.

In order to institutionalise these dynamics, another challenge is to extend these practices to the rest of the city organisation. This is related to the following lessons learnt.

Organisational complexity is higher in city governments and agencies

Solving urban development challenges requires a systemic and integrative approach in policymaking. Integrating different departments of city councils or agencies is thus a critical challenge. Horizontal coordination implies achieving a broader consensus when making relevant decisions as well as increasing the capacity of any development process to reach a wider range of stakeholders and solve complex challenges. However, it usually also entails redefining the facilitation and decision-making procedures and bodies since agreements are not easy to reach due to difficulties and conflicting interests. For this reason, significant changes are required in deeply ingrained cultures and internal dynamics. Furthermore, in urban contexts, the large size of city development agencies makes this challenge even more complicated.

THE EXPERIENCE IN BNL

Processes such as Futurable, which I discussed in the previous section, led to the conclusion that BNL needed new governance modes to be able to foster smart specialisation. Futurable, thus, required changing the role of the local development agency and, accordingly, its way of working. Its goal was no longer to offer services to individual firms or entrepreneurs but rather to facilitate a dialogue space where the agency could carry out a continuous and open dialogue with city actors to establish common strategies and priorities. In this case, the role of facilitative policymakers was to transform the everyday work of this agency, which has more than 100 employees and a wide variety of departments, and to challenge its organisational culture. This is yet another specificity of working with city policymakers: organisations are bigger, and size is often correlated with complexity.

After seven action research workshops dealing with the Futurable process, the Tractor Group decided that the facilitators' space had to be opened to other relevant areas of the agency such as entrepreneurship, talent development, or internationalisation. The policy instruments used by these areas could also contribute to smart specialisation, and the new policy culture created by BNL should be extended to them. Hence, the facilitators' space was further expanded in order to involve the coordinators of those different areas. When discussing the features of the facilitation mode that each smart specialisation project would require, the need for a transition towards a more horizontal structure of the city agency became clear.

This was made explicit by the staff and myself, the action researcher in the process:

It is necessary to foster transversal dynamics among the different areas and to create transversal groups of facilitators... (agency staff, 19-06-2018).

The challenges our projects need to solve are very complex, so we need to reflect this complexity too (researcher, 19-06-2018).

In the next workshop, it was decided that members from different areas would participate in these transversal groups of facilitators and that each group would have the capacity to define their own facilitation approach. The agency's CEO and the human resources department engaged in this process to create the right organisational conditions (shared projects and budget among different areas, analysing possible changes in leadership positions and responsibilities, etc.) that would enable this transformation.

The case of Bilbao shows that AR can contribute to enhancing city development through organisational change and by fostering horizontal structures in public organisations. In this respect, we can conclude that ARTD conducted in cities very often is confronted with the need to facilitate organisational change processes in the agencies involved, which are often characterised by having many large teams and, consequently also, a deeply rooted and less changeable organisation culture.

Territorial development processes, apart from requiring multiscalar governance, also need different actors belonging to various sectors and parts of the society to get involved. Horizontal coordination within each government level included in the multiscalar governance is one of the mechanisms to facilitate this engagement. And the lessons learnt in fostering horizontal coordination among complex city organisations can be valuable for the rest of governments' levels as well.

Cities compete among themselves more explicitly than other local entities or regions

One of the consequences of the evolving model of capitalism has to do with a global urban hierarchy and competitiveness (Krels and Ietri, 2015). Cities, also small ones like Bilbao, are paying more attention to their position in global rankings that are dominated by megacities such as New York, London or Tokyo that are used as benchmarks in the competition for capital and talent.

City policymakers very often concentrate all their energy on positioning their cities in these indexes and rankings instead of focusing on city development strategies. Thus, we can conclude that the need for dealing with global indexes and rankings is one of the specificities of ARTD conducted in cities. One of the potentials of this specificity is that indexes and rankings can be used as tools to bring urban development challenges to the surface. We, as action researchers, can use them as detonators of negotiation processes when establishing common challenges.

THE EXPERIENCE IN BNL

Due to urbanisation in the global economy, cities have started to compete with each other to attract talented people and investors. Global city rankings reflect this competition, and to be able to facilitate AR processes with city policymakers, we very often have to deal with these rankings. However, the objective of action researchers facilitating city development processes is also to improve the well-being of city residents. Therefore, AR processes developed with city policymakers need to demonstrate not only their contribution to the well-being of city residents but also to obtaining higher positions in urban competitiveness rankings.

In a meeting of the City Council group, where different city councillors participated to discuss the main challenges to foster urban smart specialisation strategies, one of the researchers mentioned a talent ranking of Spanish regions. Its total index consisted of different aspects such as talent generation, attraction, development, and retention as well as skills and knowledge. The Basque Country held the fourth position in the total ranking but the seventeenth position in talent attraction. A long debate followed about the reasons why it occupied this position, and this discussion continued through emails.

One of the decisions that came out of this discussion was to start a new action research process to promote talent development and attraction through vocational education in which the regional government and the employment agency would be involved. Although the region's position in the ranking helped to kick-start the AR process, it also served to include among its goals a democratic skills development action plan so that citizens with different educational backgrounds could have access to it. Moreover, it was about involving other government levels to address a common challenge.

On the other hand, it is also true that in the "urban era", cities tend to focus only on other cities forgetting the rest of the territory. This case shows that even though rankings might not initially be on action researchers' agenda, they must be aware of the importance these rankings have for policymakers. Through dialogue, goals for city development processes can be established that promote both citizens' well-being and climbing positions in the global urban context.

Likewise, it is about opening our minds and recognising the role and contribution of different territorial levels to city development processes. This means that effective management of urban competitiveness can contribute to fostering reciprocity within a multiscale framework. Reciprocity means that the different levels mutually recognise each other as relevant actors and that multiscale governance is not seen as a threat (Larrea *et al.*, 2019). Therefore, it also means that AR in city development faces the challenge of building reciprocal relationships among different territorial levels.

Concluding reflections

From its inception, ARTD has followed a multiscale territorial approach, but without paying specific attention to cities. The argument is that a more comprehensive and multiscale perspective of ARTD requires understanding the specificity of each territorial level. In this chapter, I discuss the city level as a space for territorial development in the context of multiscale.

Following the lessons learnt in the Bilbao case, four dimensions seem to characterise the singularity of cities: scale, power, organisational complexity, and intercity competition. AR identifies different implications and challenges related to the facilitation of these dimensions. Efficiently managing these implications can contribute to multiscale in territorial development processes as claimed by ARTD. Table 1 shows the elements that compose the analytical model: the dimensions that facilitate AR in city development processes and contribute to multiscale governance for TD.

Singularity of cities	BNL experience	Challenges and implications of AR facilitation	Contribution to multiscalarity in ARTD
Scale	A tendency to create participatory spaces but with no co-construction	To facilitate a collective construction process seeking collective interests and taking advantage of agglomeration	Taking advantage of city density and attraction avoiding parallel processes
Power	Justification of non-participatory approaches as an easier way	To distribute power among the weaker actors or empower them gradually, opening the processes to participation	Direct contact with the regional, national and supra-national levels
Organisational complexity	Need to increase facilitation capabilities throughout the city development agency	To introduce organisational changes, taking a critical perspective, in bigger and less changeable organisations	Fostering horizontal coordination among different governments
Urban competitiveness	City policymakers pay attention to global rankings	To distinguish between the worldwide status or prestige of the city and its residents' well-being and use indexes and rankings to make urban challenges explicit	Reciprocity in mutual recognition between different territorial levels

In conclusion, this chapter shows that facilitating AR in city policymaking can contribute to the multiscalarity of territorial development processes. This means that we, as action researchers, have to help city policymakers open their eyes and encourage them to openly discuss, reflect on, and improve their work through action research. However, very often, this also depends on the personal commitment of each specific policymaker. And these are the people that any action researcher wishes to work with.

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