
7 Institutions, Path Dependency and Public Transport

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Introduction

The aim of this chapter is to provide a historical overview of urban transport policies in Auckland, New Zealand, and to investigate the nature of institutional barriers and opportunities for change that have emerged since the early 2000s. The chapter reviews literature on political-institutional factors by considering how political and institutional power and finance have influenced transport policy making in Auckland.

The central-local relationships in urban transport planning

For cities, urban planning decides ‘who gets what, when, where, why and how?’ and includes political-institutional dimensions (Forester, 1982; Sandercock, 2004). These dimensions are characterised by unequal power relations between different actors (such as tiers of government, the private sector and community groups), and procedures that favour some actors over others. Central governments formulate transport legislation and policies and therefore set priorities and funding mechanisms (Banister, 2005; Curtis & Low, 2012), thereby setting ‘*the parameters within which local authorities operate*’ (Laffin, 2009: 25). Hierarchies generate necessarily collaborative relationships between central and local governments (McGarvey, 2012) with local government following central government policy direction to receive funding for mega-development projects (Lee & Rivasplata, 2001). Planning practice works through national frameworks implemented by regional or

local government (Friedmann, 1993; Laffin, 2009); planners facilitate government policy and make these policies acceptable to the public via community engagement (Sandercock, 2005; Gunder, 2010). As a result, urban planning cannot act outside the scope of politics and institutional contexts; planners should embrace the political context of planning as *'there is no way to avoid being political'*, and openly invite examination and debate concerning political and institutional values (Sandercock, 2004:136).

It follows that transport planning is also very political cum institutional (Curtis, 2005; Loh & Sami, 2013), with both central and local government exerting power over agenda-setting and funding. The political-institutional direction of transport planning and policies controls whether the focus of a city transport system will be automobile dependent or transit oriented (Vuchic, 1999). Historically, a positive central-local relationship has been observed in road building (Merrill, 2012). For example, in Australia and the US, road building is mostly federally funded, whereas public transport is rarely funded in this way (Curtis, 2005). The 1956 USA Federal Aid Highway Act and Highway Revenue Act provided the policies and funding to build the Interstate Highway network (Headicar, 2009; Vigar, 2001). Federal government provided 90 per cent of funds, the remaining funds coming from state governments. Positive relationships ensued between central and state governments, generating cost-effective interstate networks. In the UK, the 1949 Special Roads Act allowed motorway building, which peaked in 1972 at 400 miles (643 kilometres) per year (Headicar, 2009). The Commonwealth government in Australia funded interstate highways in collaboration with State governments (Curtis, 2005).

After World War II (1939–45), transport policies in the UK, US and Australia favoured cars and motorway development, justifying investment on the basis of economic growth and societal freedom (Banister, 2005). These policies have resulted in a bias toward mobility, rather than accessibility for all members of society (Banister, 2005). Car manufacturing industries and oil and road construction companies have lobbied central government to influence agenda-setting and decision-making processes to favour on-going road building and to give the car priority over other modes of transport (Gunder, 2002). Vasconcellos (1997) argues that economic prosperity, automobile subsidies, urban resource policies and public transport policies have all acted together to make transit impractical, whilst making the automobile 'highly demanded'. Indeed, Urry (2004: 27) describes the system of automobility as a world-wide *'self-organising autopoietic, non-linear system ... which generates the preconditions for its own self-expansion'*. Central and local government transport policies and funding mechanisms are elements within that autopoietic system.

Policy and funding mechanisms have caused tensions between central and local governments in relation to transport policies. International research demonstrates that transport challenges can be overcome through fresh conceptualisation and empirical investigation of institutional challenges (Curtis & Low, 2012; Vigar, 2001)

as *'institutions both limit intentional action, and make action possible by providing definitions of problems, solutions to those problems, the knowledge to implement those solutions and a corps of personnel bearing that knowledge'* (Curtis & Low, 2012: 49).

Path dependence & development – a theoretical framework

'Path dependence' explains how a particular solution to a policy issue becomes selected over time by probing the history, small events, coincidences and circumstances in an institutional context (Arthur, 1988; David, 1985; Greener, 2005; Kay, 2005; North, 1990; Pierson, 2004). In the literature, David (1985) uses path dependence to explain technological selection and growth. He explains how 'historical causes' favour the QWERTY keyboard even in the presence of better alternatives. Other examples include the selection of the narrow gauge of British railways, the petrol engine, colour television system and the 1950s programming language FORTRAN, which benefited from certain circumstances in history. Arthur (1988) applies the concept to the selection of physical locations of firms and patterns of urbanisation. He argues that city structure did not develop by economic determination alone but that there were events, coincidences and socio-political circumstances that shaped the current patterns of our cities. North (1990) employs the concept of path dependence in the sphere of governance and argued that the competition is not between technologies and economies but amongst institutions that make decisions. These authors make a strong case for the importance of history in identifying path dependence in technological evolution, economic rationality and policy processes.

However, some scholars criticise historical approaches. For example, Mahoney (2000: 507) argues that path dependence is defined within the vague terms 'history matters' or 'the past influences the future'. He stresses that identification of path dependence should involve tracing a given outcome to a particular set of historical events, and showing how these events are themselves contingent occurrences that cannot be explained on the basis of prior historical conditions. Goldstone (1998: 832) suggests that history leads to purely narrative explanations of particular sequences. Pierson (2004) argues that to assert that 'history matters' is insufficient, unless we are able to explore why, where and how. He stresses that systematically situating particular moments, including the present, in a temporal sequence of events and processes can greatly enrich our understanding of complex social dynamics. In summary, path dependence does not simply analyse what is being planned and implemented but also examines all the factors that influence the way in which policymakers conceive of and address problems. Thus the path dependence process is understood as intrinsically historical, with initial steps in a policy direction encouraging further movement along that path, with path stabilisation being conditioned by earlier choices, and changed bounded by institutional continuity (Imran & Matthews, 2011).

Low and Astle's (2009) and Curtis and Low's (2012) research on urban transport in Australian cities shows that structural changes, land use planning, access to funding, accountability frameworks and forums of other stakeholders in the roads and public transport sectors exhibit institutional path dependence. Imran's (2010) research in Pakistan found institutional, technical and discursive forms of path dependence in the development of sustainable urban transport. The studies cited show that urban transport policies become stable over time as a result of past decisions on infrastructure investment, funding systems, transport techniques and the mind-set of key decision makers concerning both the nature of the problem and its solution. Moreover they show that policy and funding mechanisms have caused tensions between central and local governments in many parts of the world. Local governments carry out land-use planning and set transport policies, but funding remains controlled by central government. Local governments have to raise their own funds for projects not supported by central government (McGarvey, 2012). Transport is important for local government because it provides local mobility solutions, which may not align with central government solutions and policies. For example, Curtis (2005) argues that the Australian federal government adopted a 'windscreen approach' to providing transport infrastructure, giving priority to cars, with other modes being afterthoughts. In contrast, Perth favours investment in walking, cycling and public transport. As a result, solutions delivered by one tier do not satisfy the expectations of the other (Curtis & Low, 2012). Similarly, Banister (2005) notes that Edinburgh, Scotland, is unable to achieve suitable transport solutions due in part to constraints in funding from central government. Positive central-local relations are found to have been generally absent in public transport investment.

In spite of this, a new and sustainable path is under development. For example, in recent years central governments in the UK, US and Australia have become aware of the unsustainable nature of transportation networks and have formulated responses: in the UK, the Traffic Management Act 2004 and the Planning Policy Guidelines 7 (PPG); in Australia, the Australian National Charter of Integrated Land Use and Transport Planning 2003 (Curtis, 2005); and in the US, the Safe, Accountable, Flexible, Efficient Transportation Equity Act 2005, showing a significant move towards transit investment and land use and transport integration. This change toward a multi-modal approach has also come about due to the recognition by central governments that cities are economically, socially and environmentally important at a national level, and politically influential (Hull, 2008). This is an exciting time in history when the path-dependent nature of transport policies is being challenged and a new policy path is emerging.

Transport planning and policies in Auckland

According to the 2013 census, approximately 85 per cent of the New Zealand population reside in urban areas. Auckland, with a population of 1.5 million, is New Zealand's largest city; it is located in the north of the North Island (see Figure 7.1).