

# Tracing territorial capital: a landscape based approach to institutional innovation

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## Abstract

*In the estuary of the river Minho, at the border of Portugal and Galicia, an autonomous region in the north western part of Spain, landscape conservation and nature preservation are challenged by the effective application of regional development policies. Different stakeholders with diverse goals and aims agreed on the need of a 'global plan' but a coordinated approach so far lacks. In this paper, we explore the theoretical boundaries of a participatory approach for negotiating and balancing the different economic and economic interests and organising cooperation in marginal rural areas. Such an approach should combine the identification, interpretation and incorporation of territorial capital. We assume its theoretical components of help to local stakeholders: since its practical application can guide the mutually reinforcing process of organising (economic) activities and governance programs, the approach might result in the creation of coherence and synergies between activities and strengthen the social-ecological and economic performance of the Minho estuary.*

## 1. Introduction

The protection of natural values and the attractiveness of the Minho river basin, in particular its estuary at the border between Portugal and Spain, might be hypothetically reached next to the implementation of rules and regulations by the design of a new economic model for the area. In such a regional development plan the protection of nature and economic activities should be combined, which requires the involvement of many entities (with different goals and aims) that together 'construct' a driving force that can help to set ecological goals. Since a coordinating, independent institutional level that people trust and can bring together lacks, we have organised meetings in the area in which people have commented on the need of such a plan. The further elaboration of the plan demands an approach that combines the identification, interpretation and incorporation of context-specific characteristics. In this paper we develop a theoretical approach on how endogenous knowledge on nature conservation and landscape preservation possibly can be integrated in an increasing number of activities and services that contribute to the optimisation of the region's social-ecological configuration.

## 2. Landscape based approach

The undeniable degradation of the natural resource base (Altieri 2002, Toledo 1990; 2002) calls for an alternative model for rural development (Lang and Heasman 2004, Marsden 2003, van der Ploeg 2006; 2008, Wiskerke 2009). A territorially grounded, sustainable rural development model (Marsden et al. 2001) requires the exploration and incorporation of local knowledge (Bruckmeier and Tovey 2008, Swagemakers and Wiskerke 2011) and support of policy making and/or frames and the knowledge infrastructure (Domínguez García et al. 2012, Wellbrock et al. 2012). In order

to bring a hold to negative trends, in this paper we develop a landscape based approach towards sustainable regional development.

### 2.1 Anchoring sustainable development

Sustainable regional development should allow for processes of change that last in the long-term. Hence, it is important that they are territorially rooted (Marsden 2003, van der Ploeg and Marsden 2009, Wiskerke 2009) and developed in collaboration with local groups (Bruckmeier and Tovey 2008). Besides in monetary terms and money flows, development is to be assessed in terms of the availability of physical stocks, the quality of end-products, the generation of labour, and the capacity to maintain and/or improve the quality of the natural environment (Daly 1990, Naredo 1996). This calls for a fundamental re-orientation of the interrelations between society and the economy (Haberl et al. 2009) and the incorporation and improvement of ecological capital (van der Ploeg 2008, Swagemakers and Wiskerke 2011). Through co-production between humans and nature, that is the specific interaction and mutual transformation of humans and living nature (Toledo 1990), landscapes and their endogenous development potentials get continuously (re)produced, reshaped and (possibly) improved (van der Ploeg 1997; 2008, Gerritsen 2002, Swagemakers and Wiskerke 2011). Moreover, traditional landscapes bring up a relevant and important departure point for sustainable rural development:

*'A traditional landscape contains the complex history of a place or region, which still can be read from its composition and structure. In Europe, with its long and complex history and great cultural diversity, a rich variety of traditional landscapes emerged, which form an integral part of our cultural heritage.'* (Antrop 2005:25)

Illustrative for the increasing attention for traditional landscapes and their intrinsic cultural values is the recently published report of the United Nation's Special Rapporteur Olivier De Schutter on the potential of agro-ecology (United Nations 2010). From an agro-ecological point of view, the reproduction of traditional landscapes contains cultural notions on how to manage nature and landscape. Therefore they can be identified as cultural landscapes, representing dynamic social-ecological systems (Rammel et al. 2007) that from an endogenous actor perspective (Long 2001) are subject to continuous adaptation processes (Holling 2001, Stagl 2007, van der Ploeg 2008).

Cultural landscapes can be improved by the agency of actors (Giddens 1984), when practitioners pay more attention to optimising their performance (Warde 2005). Consequently, as systems they represent context-related knowledge about interrelations between the natural and socio-economic resource bases (van Kessel 1990). We argue therefore that the manifestation, strengthening and sustainment of traditional landscapes depend on the knowledge and experience of practitioners: sustainable development strengthens when a mutually reinforcing process of the exploration of and the interrelations between social and ecological characteristics is organised at the level of the region. Both stakeholders and politicians should be involved in these optimisation processes.

### 2.1 Understanding territorial capital

In addition to Antrop's (2005) definition of landscapes as complex histories, Bourdieu's definition of capital helps us to identify a landscape's intrinsic values when he writes: *'the social world is accumulated history, and if it is not to be reduced to a discontinuous series of instantaneous mechanical equilibria between agents who are treated as interchangeable particles, one must reintroduce into it the notion of capital and with it, accumulation and all its effects. Capital is accumulated labour (in its materialised form or its 'incorporated', embodied form) which, when appropriated on a private, i.e. exclusive, basis by agents or groups of agents, enables them to appropriate social energy in the form of reified or living labour.'* (Bourdieu 1986:241) Hence we

consider cultural landscapes as representing objectified and accumulated labour that contain certain values.

As cultural landscapes by definition are rooted in the regional context, we relate them to territorial capital. This is defined as *'the amount and intertwinement of different forms of capital (or different resources) entailed in, mobilized and actively used in (and reproduced by) the regional economy and society'* (Van der Ploeg et al. 2009:13). Different forms of capital referred to in this definition are ecological, human, social, economic and cultural capital. When we apply Bourdieu's definition of capital, we conclude territorial capital is temporary in nature: it is not a fixed entity but flexible, and specific in place and time.

Thereby might its presence, or elements that might be strengthened through time, lead to its own (partial!) social reproduction: *'capital, which, in its objectified or embodied forms, takes time to accumulate and which, as potential capacity to produce profits and to reproduce itself in identical or expanded form, contains a tendency to persist in its being, is a force inscribed in the objectivity of things so that everything is not equally possible or impossible. And the structure of the distribution of the different types and subtypes of capital at a given moment in time represents the immanent structure of the social world, i.e. a set of constraints, inscribed in the very reality of that world, which govern its functioning in a durable way, determining the chances of success for such practices.'* (Bourdieu 1986:241) According to this definition territorial capital is unequally shared among stakeholders and might be differentially valued and, hence, differently be optimised. It evolves and improves when institutions as the *'collective and objective patterns of acting, thinking and feeling, which exert a stimulating and controlling influence on individual and subjective actions, thoughts and feelings'* (Zijderveld 2000:32) get strengthened and incorporated in daily practices of actors, and these practices mutually relate and strengthen each other. Or in other words, when cultural values increasingly are shared, translated, exchanged and result in a certain level of distinctive material objects (products and services).

In order to strengthen the process of materialisation of cultural values, the creation of networks with institutionalised relations of mutual knowledge, recognition and appreciation supplies certain advantages (Bourdieu 1986): *'The network of relationships is the product of investment strategies, individual or collective, consciously or unconsciously aimed at establishing or reproducing social relationships that are directly usable in the short or long term, i.e. at transforming contingent relations, such as those of neighbourhood, the workplace, or even kinship, into relationships that are at once necessary and elective, implying durable obligations subjectively felt (feelings of gratitude, respect, friendship, etc.) or institutionally guaranteed (rights). [...] Exchange transforms the things exchanged into signs of recognition of group membership which it implies, reproduces the group.'* (ibid. 249-250) Hence, a network consists of the motivation and dedication of people who make this network in the short or long run benefitting to them. Theoretically, the importance and increase of territorial capital is related to the social reproduction of networks.

## 2.2 Conversion of different forms of capital

So far we conclude that the value of territorial capital is expressed in material objects. Its value can be translated into payments and/or prices for private and/or public goods and services. We recall that some products and services can be easier valorised than others. Thereby, at first sight similar looking objects might have different production costs (both in monetary terms as well as in Bourdieu's terms of capital accumulation). In order intrinsic values to be valorised by consumers (and to be translated into monetary income of its producers) people will have to cooperate and communicate these intrinsic values both internally (in order to reproduce territorial capital) and externally (to 'access' e.g. niche markets or receive payments for the production of public goods).

This implies on the one hand that people might be paid for the reproduction of territorial capital: they might be paid for certain products or activities that are sold to individual consumers or they might be paid by government schemes in order to produce public goods (e.g. maintenance of specific characteristics of cultural landscapes). On the other hand, people might be paid in order to develop knowledge and cooperative structures that aim at increasing territorial capital. In the latter case payments function as incentives for strengthening social structures and endogenous knowledge: a primary goal of the implementation of this type of programs can be identifying the endogenous development potentials of a certain area (objectives are raising awareness, social organisation, the identification of physiological characteristics etc.).

Some products and services are accessible with economic capital without bringing extra costs, whilst others only are accessible with the input of social capital, which includes social obligations. *'The real logic of the functioning of capital, the conversion of one type into another, and the law of conservation which governs them cannot be understood unless two opposing but equally partial views are superseded: on the one hand, economism, which, on the grounds that every type of capital is reducible in the last analysis to economic capital, ignores what makes the specific efficacy of the other types of capital, and on the other hand, semiologism (nowadays represented by structuralism, symbolic interactionism or ethnomethodology), which reduces social exchanges to phenomena of communication and ignores the brutal fact of universal reducibility to economics.'* (Bourdieu 1986:252-53) From this theoretical explanation we learn that without initial recognition of its potentials, objects will not be activated. And ones initiating social processes on its activation or resulting from more spontaneous cooperation among a group of people this might generate conflicts and power clashes with those defending other interest.

In a landscape based approach, sustainable development is based on mutual influencing spheres: on the one hand the continuous development of knowledge and experience of practitioners and on the other hand the historic materialisation of a specific landscape and its characteristics. With the concept of territorial capital we intend to increase the abstract understanding of the dynamic character of the accumulation of the intrinsic values of a traditional landscape.

### **2.3 Dimensions of territorial capital**

Without claiming to have yet generated a complete overview, researching territorial capital as a point of intersection of different dimensions might help, we think, to make both its understanding and its use more concrete. Territorial capital we have defined rather than a thing (a static object) as a process. Territorial capital can develop, but also diminish. One can leave it for what it is, but it can also be actively used. By emphasising on its intrinsic values, the accumulation of territorial capital cannot be simply implemented by governmental agencies and/or regulated by strict laws and regulatory schemes.

Instead, we think a landscape-based approach to institutional development might be of help. We aim at developing an approach in which endogenous departure points are central. Supported by theoretical notions on capital accumulation, we search therefore for dimensions that inter-relate economic, social and ecological aspects of sustainable development and that allow for a central position of stakeholders' participation (politicians included) and knowledge creation. In this paper we explore how territorial capital can be identified and provided from meaning in processes of rural policy making: direct the orientation that these processes could take for the optimisation of its performance, valorisation and translation to the outside world. Therefore we distinguish the following three dimensions:

(1) Territorial capital is situated at the point of intersection of nature and culture

Culture is assumed to be the main driving force for the accumulation of territorial capital: cultural repertoires of stakeholders, different in place and time, result in specific transformations of natural resources into materialised objects. Historical landscapes and natural values for example can be 'made' important and be reproduced. Here, lay knowledge plays a determining role: endogenous knowledge relates the potentials of the natural resource base (or ecological stock) in an area to its materialisation: its transformation into objects (products and services). These intrinsic values need to be translated to the outside world, that is, the sustainment of the uniqueness of territorial capital requires its recognition outside its own production sphere.

(2) Territorial capital is situated at the point of intersection of the local and the global

Experienced local entrepreneurs who re-integrate territorial capital in their business model might have difficulties to express to outsiders what their product and services are all about. Distanced consumers might be ignorant. Additionally, politicians and scientists who might have a role to play in the accumulation and conversion of territorial capital might lack information on practitioners' experiences and their potentials for economic growth. Consequently, they might be incapable of supplying relevant knowledge. On the contrary, relative outsiders (informed and knowledgeable consumers, politicians and scientist) might supply relevant information to ignorant stakeholders. One way or another: the accumulation of territorial capital implies knowledge exchange between the local and the global.

(3) Territorial capital is situated at the intersection of niches and established regimes

Territorial capital is a controversial concept: it is controversial who has knowledge and what is adequate knowledge and it is contestable who might profit from it. To what extent territorial capital is controversial, however, might differ: in the process of aligning understanding, interests and participation among insiders and relative outsiders, the 'what and how' of territorial capital might become less controversial. Acceptance and involvement of relative outsiders (again: knowledge providers, consumers buying products and services, politicians and scientists providing support) will increase the accumulation of territorial capital. When more in general orientations shift from traditional economic to ecological departure points among a wide range of stakeholders, territorial capital might become a determining input of regional economic growth. It is the question whether the change in orientation remains limited to an (interesting) side-effect (a niche) or forms a point of departure for the development, establishment and sustainment of regional economies. It all comes to whether successful accumulation of territorial capital is extended to a multi-containing transition in society as a whole.

The descriptions of the three dimensions illustrate their mutual interrelations: it seems difficult to describe and specify a single dimension in isolation from the others. So far we can conclude that territorial capital gets strengthened when knowledge 'travels' at and between different dimensions: at the level of its primary constitution, at the level of its exchange to relative outsiders, and at the level of its influence and acceptance within the broader society.

### **3. Discussion and final remarks**

First, we assume our theoretical exploration helps to make research on landscape conservation and nature preservation problematic in a way it corresponds to debates and proportions in force in society. Second, by distinguishing the dimensions of territorial capital we aim at contributing to the identification of its context-specific characteristics. Third, researching it along the theoretical

guidelines we hope contributes to the identification of the relevant departure points for regional development.

Thereby, successful regional development depends on a careful exploration and management of 'institutions': cultural values that are transformed into materialised objects (landscape elements, water quality, food products etc.), a transformation that requires the involvement and interaction between different stakeholders at the level where endogeneity, that is *'the degree to which a regional economy is grounded on regionally available (and regionally controlled) resources'* (van der Ploeg et al. 2009: 8), can be managed and controlled. The identified and sustained physical characteristics by experienced practitioners can be scaled up and strengthened when territorial capital anchors in supportive political and knowledge structures: only then its chance of 'survival' and sustainment increases. Hence, institutional innovation is needed: finally the cultural values are to be identified, interpreted and incorporated in policies at the regional level.

In order to bring forward Zijderveld's type of institutions within regionally operating networks, new organisational configurations are required. We think territorial capital can be strengthening if they are considered to work as social-ecological configurations: organisational structures that optimise cultural values that belong to traditional landscapes and are able to adapt the conceptualisation of the traditional landscape in specific regional contexts in such a way that these again become and remain attractive to the outside world.

Learning about regional characteristics and performance potentials can be strengthened by the mix of the mutually influencing structuring mechanisms of institutional and formal support and more informal networks of practitioners (Giddens 1984). In niches (Knickel et al. 2009) ideas and new behavioural patterns or social configurations can develop (Kemp et al. 1998, Hoogma 2000). In niches actors can learn about limitations and requirements of innovative practices and connect them with existing knowledge and behaviour (Hoogma et al. 2002). The network members learn individually but through their interaction in and outside the group contribute to collective learning at a higher, social level (Geels and Schot 2007). The 'promising' dynamics in niches can be taken up and might result in the establishment of a functioning regional model that sustains the natural resource base.

Applied to the case study area, the implementation of a landscape based approach might result in the incorporation of stakeholders in drawing a global plan coordinating activities that, if carefully managed, results in strengthening the socio-ecological and economic performance of the Minho river basin, which if successfully developing, might inspire other (catchment) areas in Europe as well.

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