

Understanding economic development as a Deleuzian 'plateau'

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Abstract

This article develops a theoretical framework for understanding the New Zealand economic development landscape from a Deleuzian poststructuralist perspective. The Deleuzian concept of the 'plateau' is metaphorically used to denote levels of understanding that an economic development practitioner needs to know. It also demonstrates how changing government policies and key concepts such as globalization, clusters and business incubators can be visualized through metaphors. Deleuzian terms such as territorialization, folds, smooth and striated space, and nomads have been used to describe recurring key local economic development concepts. The importance of *thinking outside the square* is also highlighted.

Keywords

Deleuze, economic development, lines of flight, folds, plateaus and territorialization

Understanding economic development as a Deleuzian 'plateau'

Crafting an economic development strategy from a Deleuzian poststructuralist perspective can be likened to a series of plateaus. In geology or physical geography a plateau refers to relatively flat elevated regions with often nearly horizontal underlying layers of rock strata. When discussing 'plateaus', Colebrook (2002: 58) stated that:

In geology [as in societal practices, such as economic development] Deleuze show[ed] how life and time become in a multiplicity

of layers: genetic, chemical, geological and cultural events all produce different strata or *plateaus* of life ... The idea of a ... [framework for understanding economic development] suggests that there is a distribution, a drawing of lines, a plane of differences, a number of planes or plateaus which constitute ... [practice], and that this number of plateaus cannot be located within the unity of a subject.

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In this article, ‘plateaus’ are metaphorically conceptualized as levels of understanding of basic economic development concepts such as competitive advantage (Rowe, 2009). The elevation of the various ‘plateaus’ becomes increasingly higher and more complex as new goals and key concepts are *folded* into the mix.¹ The various levels of understanding are conceptualized as rhizomatic structures of paths and connective links (Morss, 2000: 195).² The paths or links could be disturbed, interrupted or lost, but there is always an alternative path to follow that continues the flow by connecting ideas and thoughts. The implications from the upwards sophistication of concepts will be examined through a Deleuzian lens.³ This researcher also interprets such concepts as tools for *thinking outside the square*.

This research seeks to illustrate the potential value for alternative ways of thinking about and conceptualizing key local economic development fundamentals through the use of the Deleuzian metaphor ‘plateau’ in a New Zealand context. Deleuzian concepts offers a ‘new way of thinking about economic development by providing insights into the complexity and chaos of capitalism while affording alternative ways of thinking about economic development policies or strategies’ (Rowe, 2012: 76). Such a framework is potentially useful because Deleuzian concepts ‘clearly refer to spatial relationships’ (Gough, 2005: 2) between real world economic activities and can be seen as ways of visualising them.

The second section of this article will further develop the theoretical framework. New Zealand’s geographic location will be delineated and the effects of globalization on the nation’s economy will be investigated from a practitioner’s perspective. The following sections will begin by conceptualizing the nation’s competitive advantage and regional fundamentals as ‘plateaus’ of knowledge. Other key economic development tools, such as clustering, SME support

systems and small business incubators, will also be folded into the mix of fundamental concepts.

Theoretical framework

The landscape can be visualized as a series of ‘plateaus’ or plateaux as originally conceptualized by Bateson (1973) in the early 1970s (Deleuze and Guattari, 1987: 21–22, 158; Massumi, 1992: 7). The concept has been subsequently refined by Deleuze and Guattari (1987) in their seminal publication *A Thousand Plateaus: Capitalism and Schizophrenia*. Deleuze and Guattari developed the concept as a way of describing the distinction between arborescent and rhizomatic thinking. The philosophers called a ‘plateau’ ‘any multiplicity connected to other multiplicities by superficial underground stems in such a way as to form or extend a rhizome’ (Deleuze and Guattari, 1987: 22). Jacobs (2007: 268) described the metaphor ‘rhizome’ as follows:

The multifarious activities that constitute [economic development] can be seen ... as links between those ensembles of activity or patchworks ... through what Deleuze and Guattari term the ‘rhizome’, a metaphor that they use to ‘map’ the connections between agents, material objects and the local.

A ‘plateau’ can also be formulated as a descriptor in order to enhance the understanding of the New Zealand context. The context needs to be understood as an essential component of a conceptual framework for visualizing how different stakeholders (Central Government policy makers, local politicians, the forces of globalization, etc.) at different scales converge across the ebbs and flows of daily practice. According to Brian Massumi (1992: 7):

a plateau is reached when circumstances combine to bring an activity to a pitch of

intensity that is not automatically dissipated in a climax leading to a state of rest. The heightening of energies is sustained long enough to leave a kind of afterimage of its dynamism that can be reactivated or injected into other activities, creating a fabric of intensive states between which may number of connecting routes could exist.

This is important because an economic development practitioner needs to be able to 'identify, analyse and intervene in the complex mixture of forces at work in a globalised economy' (Hillier, 2005: 279). In order to intervene, practitioners have to deal with the virtual and actual because they both constitute reality. Actuality is unfolded from potentiality and the 'diverse actualisations of the virtual... [can be] understood as solutions' (Boundas, 2005: 297) or events. 'Virtual implies future potential or *becoming*'⁴ (Hillier, 2008: 45) and in this first domain, the virtual, essences are replaced with multiplicities.

Deleuze (1988: 55) further elaborated by stating that:

We have...confused Being with being-present. Nevertheless, the present is not; rather, it is pure becoming, always outside itself. It is not; but it acts. Its proper element is not being but the active or useful. The past, on the other hand, has ceased to act or be useful. But it has not ceased to be. Useless and inactive, impassive, it IS, in the full sense of the word: it is identical with being in itself.

Deleuze developed his conceptualization of virtual by drawing upon the Bergsonian *durée* and *élan vital*. Both Deleuze and Bergson agree that *durée* is an 'immanently differentiated dynamic process of the real whose nature is always to actuali[s]e itself in novel differentiations' (Boundas, 2005: 298). 'From any actual or unfolded term it should be possible (and, for Deleuze, desirable) to intuit the richer potentiality from

which it has emerged' (Colebrook, 2005: 10). This is applicable to this research because 'difference is something possible for an already actualised entity' (Colebrook, 2005: 9). This can be related to the striated hierarchical bureaucratic structure that a practitioner has to deal with when seeking funding for a new initiative.

For example, key concepts such as smooth and striated space clearly illustrate the connection between Deleuzian philosophy and the practice of local economic development. According to Patton (2000: 111–112) smooth space indicates 'the heterogeneous space of qualitative multiplicity, while striated space is the homogeneous space of quantitative multiplicity'. Smooth space can also be considered 'rhizomatic space... in which local regions are juxtaposed without reference to an overarching' (Patton, 2000: 112) economic development strategy. In the above quotations, Patton was referring to the inherent tension between smooth and striated space. An economic development strategy is usually designed as a striated structure with specific actions plans to address each goal. Paradoxically, a key objective of most economic development strategies is to create the smooth space of an entrepreneurial culture. It should be noted that Deleuze and Guattari (1987: 474) understood that these opposing spaces are intertwined by stating that: 'smooth space is constantly being translated, transversed into striated space; striated space is constantly being reversed, returned to smooth space'.

Following this same line of thought, a practitioner can strive towards *immanence* by implementing new initiatives which challenges the *striating* forces which seek to de- and reterritorialize space and by regulating its chaotic multiplicities through striation (Osborne and Rose, 1999: 738).⁵ As a result, immanence is difficult to achieve because policies and strategic documents create points on which to tie striations.

Similarly, 'Deleuzoguattarian *knots of arbor-escence* where matted elements of smooth space are woven into the... [fabric] of striated space' (Hillier 2007: 139). These '*becomings* of entangled complex *assemblages*' (Bonta, 2005: 110) invent new *lines of flight*⁶ and innovative solutions to approach local problems as 'they escape from old constraints' while at the same time 'convert desire into [economic] opportunit[ies]' (Hillier, 2007: 139). Crafting an economic development strategy is a *becoming* because it promotes new trajectories, ideas and innovative solutions (Massumi, 1992: 101). Consequently, one could strive toward immanence by channelling smooth space into the mix of striations to create a becoming: a *becoming-developed*.

The practice of economic development can also be regarded as a performance of *folding* (there is no predetermined style of folding, un-or-refolding). Practitioners may choose (if they wish) to participate in a Deleuzian voyage of discovery by 'play[ing] along the folds and... become swept up by the variable consistency of a certain context' (Doel, 2000: 131) which opens up potentialities of becoming (Semetsky, 2011). The issue is not one of relation, but of 'fold-in' or of 'fold according to fold'. Folds are in this sense everywhere without the fold being a universal (Deleuze, 1993: 135). It's a 'differentiation', a 'differential' (Deleuze, 1995: 156) and the 'unit of matter, the smallest element of the labyrinth, is the fold' (Deleuze, 1992: 6). The term 'fold' has also been borrowed from geology. It can be defined as a bend, flexure, or wrinkle in rock produced when the rock was in a plastic state (Leet et al., 1978: 468).

It is in this sense that a fold, as the minimal element, is a transformer because one is always amongst countless others who perpetually pull it out of shape (Doel, 2001: 564). This means that understanding can be enhanced by visualizing key concepts such as competitive advantage and the

forces of globalization being folded into the complex mix that constitutes the practice of economic development. Visualizing concepts such as competitive advantage and the forces of globalization as 'plateaus' can be enabling and emergent via differential relations of folding. As Deleuze (1992: 93) concludes: 'I am forever unfolding between two folds and if to perceive means to unfold, than I am forever perceiving within the folds'. Practitioners with new insights are better prepared to navigate through the muddled transdisciplinary field of local economic development.

New Zealand's geographic context

The first 'plateau' to be considered is New Zealand's geographic setting. New Zealand and Ireland are small isolated island nations on the periphery of the global economy (Poot, 2004). Ireland, as opposed to New Zealand, was until recently often cited as an economic success story. From an economic development perspective, Ireland's peripheral location is negated by its membership in and access to the European Union and its large market. As can be seen in Figure 1, a 1200km radius from Wellington covers a market of 4m people while a similar radius from Dublin covers a market of almost 175 m. If the radius were to be extended to 2200 km, the New Zealand market would be unchanged while the Dublin market would expand to over 300 m.

The New Zealand national economy is especially vulnerable to international economic shocks because of its peripheral location, lack of economic diversification and the extremely small average size of business firms.⁷

One must also appreciate that geographic isolation, population size, low population density, limited financial resources and a small domestic market of 4.3m consumers



Figure 1. Wellington and Dublin market areas.

Source: Rowe (2005a: 3)

limit the number of options (and realistic results from any economic development strategy) that are available to New Zealand. Accordingly, New Zealand likely will never be able to compete with Ireland or even a Brisbane for international inward investment because of its small population, limited domestic markets and financial resources.

In the late 1990s, New Zealand was slowly adjusting to the dramatic changes wrought by the adoption of neo-liberal trade policies since the mid-1980s. The dramatic economic shock that resulted from the adjustments amounted to a 'fierce round in that process of annihilation of space through time that has always lain at the center of capitalism's dynamic' (Harvey, 1989: 293). For Harvey, this represented a reflex of contemporary capitalism as a global process or globalization.

According to Gidwani (2006: 326) Thrift, with inspiration from Gilles Deleuze, argued that the new time and space relationship of capital has produced a radically experimental ontology that consists of everyday locations that are not only '*designed* to proliferate, but to proliferate *adaptively* (rather than as mere copies)'. This gives capitalism a built-in capacity

for continuous updating and knowledge generation which leads it towards an evolutionary resilience. This conceptualization distinguishes space of prescription and space of negotiation, the latter being 'space of fluidity, flux and variation as unstable actors come together to negotiate their membership and affiliations (and could be seen as topological or rhizomatic spaces)' (Murdoch, 1998: 370).

The effects of globalization and the importance of tertiary education institutions

The second 'plateau' can be scaled by understanding the effect globalization had and is still having on the New Zealand economy. Globalization and neo-liberal policies have diminished the active economic role previously played by state governments (Beer et al., 2005). Jessop (2000: 329) stated that: 'the economy is the ecologically dominant system in contemporary societies (especially in its globalised form)'. The crisis of the national spatio-temporal fix has contributed to the ecological dominance of global capitalism. According to Deleuze and Guattari, global capitalism is a radical

deterritorialization⁸ – such that all movements and connections are in constant flux – and a reterritorialization – such that all change is related to the one common denominator – money (Colebrook, 2006: 12).

Territorializing and deterritorializing are co-implicated in complex ways because they are separate and distinct processes (Buchanan, 2005: 28–29). However, deterritorialization at one scale is sometimes accompanied by territorialization at another (Cox, 2005: 196).⁹ This means that the actions of local government can be off-set by the policies of central or state government. As a result, a local economic development strategy can be complicated or even made redundant by central government policy changes. When this occurs, an economic development practitioner should return to the basics and determine his or her area's competitive advantages, investigate available opportunities, research 'best practice' examples, develop an achievable economic development strategy with innovative initiatives and finally – work toward its implementation.

The rescaling and *reterritorialization* of state capacities have taken place through a variety of mechanisms, including the creation of new state organizations operating at different socio-spatial scales.¹⁰ In Deleuzian terminology, by '*deterritorialising* previous territorialities, *lines of flight* are freed to travel to new territories, intersect with other lines of flight and engage in new experiments' (May, 2005: 145).¹¹ This means that by changing territorial configurations by devolution or amalgamation, lines of flight of experimental new governance arrangements are emerging. Part of the spatio-temporal fix explains why new forms of local governance, such as the newly amalgamated Auckland Council, are being established (Rowe, 2010).

The second 'plateau' also involves an understanding of the role of tertiary institutions that impact the practice of local

economic development. Local universities play a prominent role in actively developing local businesses and economies in many successful regions such as the Silicon Valley and the North Carolina Research Triangle. The Silicon Valley is integrally linked to Stanford University and the Research Triangle to Duke University and the Universities of North Carolina and North Carolina State. They do this through such means as improving the education and skills of the labour force (both local recruitment and external students staying in the region after their education), and staff starting new businesses and technology transfer (including consultancy, spin-outs, science parks and providing knowledge through personal exchanges of different kinds) (Dalziel et al., 2009). New Zealand has many excellent tertiary institutions that are world class in some fields of specialization: however, and more importantly, are these tertiary institutions 'entrepreneurial'? Deleuze understood the importance of strong local universities and advocated 'education at every level' and once stated that his own university, Vincennes, had 'provided exceptional conditions' for higher education (Deleuze, 1995: 182).

Innovation is a complex process by which organizations use a variety of human, financial and knowledge resources to change the products, processes, services and markets in which they operate. Deleuze acknowledged the role of creativity in an unpredictable world. His 'insistence of creativity represents Deleuze's most significant contribution to our thinking about education' (Morss, 2000: 185). Successful nations and regions have developed a culture in which innovative firms flourish, making regular improvements in their products, processes and operational efficiency, and learning continuously how to operate more effectively in a global economy. This can be characterized as an interlocking system by which different types of knowledge are combined in

new and ever changing ways to give companies and regions a competitive edge. Other countries, for example most Nordic countries and Singapore, have promoted entrepreneurship as a key to the country's future success (Institute of Welsh Affairs, 2001).

This section has examined the effects of contemporary economic development practice under globalization on the New Zealand economy. The next section will discuss and define such fundamental concepts as competitive advantage and regionalism.

Competitive advantage and regional fundamentals

In order to reach a third New Zealand 'plateau', one has to understand the concept of competitive advantage and New Zealand's regional fundamentals. This section will briefly review the literature and discuss various approaches to regionalism.

The 'bottom-up', decentralized, and community-led economic development experiments initiated in the late 1960s and developing into the 2000s, signalled a break with orthodox approaches but were found to be lacking in terms of their capability, resources and stability (Geddes and Newman, 1999). Deleuze would have emphasized a 'bottom-up' approach to developing a theoretical framework for understanding local economic development. Such a framework, as articulated in Rowe (2008), would also be locally based and bottom-up and would be able to explain the disconnect between economic development strategies, initiatives and the occurrence of real world economic activities (Alpin, 2000: 280). As a result, a context of constant change, uncertainty and risk has placed a premium upon adaptability, learning and reflexivity within local and regional economies (Cooke, 1995; Cooke and Morgan, 1998). Working with uncertainty has become one of the major challenges for economic development practitioners (Murdoch, 2006: 155).

Regions are deemed essential for establishing economic competitiveness in an era of globalization (Brenner, 2003; Lovering, 1999). The regional scale is also viewed as key for promoting a plural society based on 'participatory politics, active citizenship and civic pride' (Amin, 1999: 373).¹² Combining these strands of thought, regions are being presented as the *crucible* of economic development and the *prime focus* of economic policy (Lovering, 1999; Mandaville, 2002). As a result, most policy makers agree that 'large-scale urban regions rather than localities... represent the most basic territorial units between which competition is occurring' (Brenner, 2003: 302). As previously stated, this has resulted in new local governance structures, such as the Auckland Council, emerging.

Developing and sustaining regional economies require certain preconditions for regional growth. In Deleuzian terms, these preconditions can be related to a *line of flight*. A city or region has to be able to articulate a vision of what it wants to achieve and the path toward achieving the vision can be conceptualized as a line of flight to where it wants to go. According to Deleuze and Parnet (1987: 120) the most important question that needs to be asked is 'towards what destination?' A region's or city's capacity to grow is contingent primarily upon its ability to draw new income from outside through exports and new investments (Australian Local Government Association, 1999). One major study emphasized 'that the creation of competitive advantage is the most important activity [an economic development practitioner] can pursue' (Barclays, 2002: 10).

Some general conclusions can be reached. The most obvious of these is that *successful* regions focus on a small range of activities designed to build on their regional strengths and tackle weaknesses with their main emphasis on building capability. These can be contextualized from a Deleuzian perspective (modified from Rowe, 2005b: 223):

- they pursue this approach over long periods of time;
- they use a multiplicity of techniques to achieve these ends;
- they prioritize the building of an enterprise culture by encouraging spontaneity, innovation and *becoming* plus concentrate on helping to develop existing businesses with growth potential and also provide a wide range of practical support to start-ups (an *assemblage* of support programmes);¹³ and
- they align the *line of flight* of most stakeholders by *folding* agreed priorities into formal and informal inter-connected business led partnerships in both the strategy formulation and the program implementation stages.

The next section will discuss the importance of developing clusters and supporting small to medium size businesses.

Clusters and small and medium enterprises support systems

I suggest that the fourth 'plateau' may be an understanding of clustering and the need for small and medium enterprises (SME) support systems. Many regions are home to an assemblage of industries (popularly known as clusters) which are growing and prospering, even in this age of intense international competition. Some regions have adopted measures or initiatives that have supported this trend (largely through training services), others are deliberately trying to develop industrial clusters and a few are even consciously trying to encourage new clusters in modern knowledge-based industries. Porter (2003: 562) believes that industrial clustering (not cities) are the drivers of regional and national economies and that clusters are an important influence on innovation, competitiveness and economic performance. Clusters of similar businesses can be related to Jacques

Lacan's *autre objets* and the Deleuzian concept assemblages.

Emilia-Romagna, Italy, provides a clear and often-cited example of industrial clustering of designer textiles which, in this case, developed naturally in the cities and provinces of the region where certain manufacturing traditions and expertise already existed (Institute of Welsh Affairs, 2001). The success of the region is based on industrial production concentrated in a number of specialized districts. This created a concentration and accumulation of sector-specific expertise in relatively small geographical areas, leading to a constant growth of the knowledge base, product innovation and diversification. It is important to note that assemblages of industries (clusters) in New Zealand are significantly smaller with a local catchment of 4.2m and it is less integrated than in Emilia-Romagna or the carpet cluster located in the vicinity of Dalton, Georgia.

In almost every country, governments provide support through industry-specific training initiatives. Clusters of highly specialized, internationally competitive businesses with appropriate global networks and sophisticated local support systems are obviously desirable. General research suggests that programmes designed to improve the performance of 'high-growth' firms need to be provided (Barclays, 2002). However, there is evidence that effective public support to help firms progress from start-up to survivor to high-growth company, means addressing real needs by using a range of appropriate tools. As a general observation, there are many programmes in place to support business growth in New Zealand. The appropriate tools (such as Enterprise Development grants) are in place; the key problem is again a lack of resources (the grants are too small to be effective). From a Deleuzian perspective business clusters should be encouraged and supported

because of the many natural partnerships that can be developed between businesses that are aligned into assemblages or clusters in the same sector.

The importance of promoting a culture of entrepreneurship also needs to be emphasized. An entrepreneurial culture can be explained in Deleuzian terms as a reterritorialization that encourages opportunities for smooth space to be developed from the striated space of regulation and control. New Zealanders are very entrepreneurial, but for many reasons, this entrepreneurial flare has not translated into wealth-creating business ventures like Nokia in Finland or Eriksson in Sweden (Frederick, 2005).¹⁴ Deleuze would have tried to alter the *line of flight* of new business start-ups by channelling the *flow* of innovative ideas into an *assemblage* of high-growth companies. An appropriate first step might be to develop an entrepreneurial policy designed to increase the opportunities and the culture for individuals to create businesses and then to enhance the services and assistance available to those newly created businesses.

According to Porter (2003), the overriding objective for any region should be to create competitive advantage for its businesses in order to promote growth. The key principle is to give priority to developing local businesses, especially those with growth potential, and to encourage an enterprise culture. Deleuze's conceptualization of smooth and striated space supports Porter's argument by suggesting that communities would benefit through embracing the smooth space of entrepreneurship and innovation by developing policies that encourage small businesses to grow. The objective is to increase capability rather than simply to grow capacity. Support for businesses should be oriented to providing practical help to secure competitive advantage through increasing productivity and sales, and developing new and better

products and services. As will be discussed in the next section, ideally, new commercial applications should be nurtured in a small business incubator.

The previous sections have set the stage by describing New Zealand's geographic constraints and the key fundamentals of economic development as it is practised. Significantly, it has established a conceptual framework for understanding the context by tying the theoretical concepts of 'plateaus' and folding together with descriptive discourse. Deleuze's theory of discourse mirrors practice and revitalizes the study of economic development subjectivity by visualizing an implicit, unelaborated concept that informs contemporary modes of practice (Schwartz, 2005). The next section will consider the importance of establishing small business incubators and will draw some general conclusions and recommendations for drafting economic development strategies in the New Zealand context.

Beyond existing plateaus: A creative fifth plateau

The fifth 'plateau' requires the ability to conceptualize the metaphor to *think outside the square* in order to visualize a 'plateau' as a mountain summit that one has to climb in order to reach the next level of understanding. The cliché, *think outside the square* can be linked to the concept of *nomadism* which can be interpreted as a form of thought that does not follow conventional modes of thinking. The 'nomadic thinker... is free to create new connections, open experience to new *becomings*' and essentially 'to think *differently*' (Jeanes, 2006: 129). In essence, I argue that practitioners are able to increase their scope of becoming with 'open-ended and innovative thinking' but should also be cautious 'over its implications for' economic development (Jones, 2005: 4).

Scaling this 'plateau' is fundamental to the local economic development practitioner because it establishes the need for innovative solutions that may not be considered *best practice* to resolve local problems. If one were to venture beyond the confines of one's daily practice, he or she would immediately find that outside the square would be the status quo. This is important because one has to *think outside the square* in order to challenge the status quo. If your innovative local solution becomes popular, then everyone will want to copy your innovative ideas by jumping on the bandwagon. Because good squares (best practice) last only for a short time some observers and practitioners are greeting new ideas as 'merely another fad in a field sharply influenced by fads' (Bosworth and Rosenfeld, 1993: 44).

An economic development practitioner needs to become adept at identifying which popular fad will become *best practice* that is applicable to the context of his or her local community or region.¹⁵ Research and long experience have identified no 'miracle solutions' along the lines of 'if a region does these x things success is guaranteed' because there is no clear blueprint which can be copied to achieve success. There are, however, certain patterns of behaviour and specific activities and approaches found in many international examples which give insight into better strategies for success. Blindly following *best practice* examples fosters a 'theoretical weakness that allows for the ready construction of ideal types and the subsequent simplistic serial copying of policy across diverse local and regional contexts' (Wood and Valler, 2001: 1142). Deleuze (1994: 23; Boland, 2007 and Deleuze and Parnet, 2002: 137–147) warned against copying so-called 'best practice' policies when he stated that we learn nothing from those who say: 'do as I do'.

Small business incubators, a recurring fad since the 1980s in economic

development, would be another useful example of the rhizobian concept of immanence.¹⁶ In this example, Deleuze would refer to 'planes of immanence' as 'plateaus' from which further thinking occurs (Jeanes and De Cock, 2005: 4). Successful incubators are composed of smooth space with the goal of fostering the flow of entrepreneurial activities and support for young entrepreneurial firms. They are a viable way of creating jobs because nurturing and developing local entrepreneurial companies is seen as being more effective than chasing footloose industries. Establishing business incubators is considered 'best practice' and has become an essential component of most economic development strategies (everyone has jumped on this bandwagon).

Conclusions

Many of the fundamentals for regional economic success are based on striated geography and national government policies that are territorialized in a manner that precludes general prescriptions for success. New Zealand's geographic line of flight cannot be changed by transporting itself to the coasts of Europe or North America, so therefore direct access to large markets is not an option.¹⁷ The domestic market is small and, in a globalized world, New Zealand will never compete with China as a conventional manufacturing base. Central Government exercises a multiplicity of powers by setting the tax regime and controls spending on education and the expansion of the tertiary education institutions. Yet, despite the geographic and demographic constraints (most are beyond the control of a region or local council), most New Zealand regions meet many of the preconditions for economic success.

This is important because the literature clearly indicates that there is no 'right' strategy, only a number of different *lines of flight*

within varied governmental, cultural or business contexts. However, the common thread is that successful regions directed their efforts towards enhancing their competitive advantage. All are characterized by a long-term consistent approach. Yet, the lesson for practitioners is that economic development is a long-term, continuous and changing process. In practical terms, this means that innovative initiatives and new policy directions should be developed specifically to fit the New Zealand context to ensure sustained and adaptive economic growth. This relates back to the recurring theme of *thinking outside the square*.

These lessons suggest that a region or local council may consider developing a vision that is underpinned by realistic goals and objectives that are aligned with a broad programme of action that:

- creates a continuous *flow* of wealth by facilitating *becoming-thought* that in turn creates a diversified, knowledge-driven economy;¹⁸
- establishes an entrepreneurial culture by encouraging *rhizomatic thinking*;
- builds *assemblages* of adaptable and highly skilled workers;
- promotes tertiary education as the heart of a region's economy because it has the potential to generate a *flow* of innovated ideas and skilled knowledge workers;
- meets 21st-century transport, communication and property needs with an appropriate *assemblage* of infrastructure options; and,
- maintains a *multiplicity* of business friendly policies by developing a favourable perception towards businesses.

Because the practice of local economic development is complex, an economic development practitioner needs to be able to understand the issues, develop initiatives based on appropriate 'good' practice and develop the ability to apply the lessons to

the real world. This is difficult because local economic development is not only complex but is also an often chaotic process. This is why 'Deleuze suggests continual engagement with and emergence through the recombination of theory, research and self' because 'there is no model application, no "royal road" to science, only the real work of infinite multiplication' (Bradshaw and Williams, 1999: 249). This means that the practitioner has to use imagination while applying rigorous research, pertinent theory and common sense when developing innovative initiatives and realistic strategies.

In summary, local economic development when viewed as a series of Deleuzian 'plateaus' may provide a way forward for practitioners to develop appropriate strategies for their local areas because 'Deleuzian concepts have a utility in that they can provide a new prism for understanding the factors and processes that inform contemporary' economic development (Jacobs, 2007: 270).

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Notes

1. 'To explicate is to unfold or explain, while something pliant is foldable. Folding brings new connections as once-distant entities are now juxtaposed. It generates new energies as folds are never pre-formed or given. They have no transcendent rules or final solutions. Folds literally *complicate*. They express a *multiplicity*' (Hillier, 2007: 60).
2. For Deleuze, arborescent (striated or structural) thinking stifles creativity (Stagoll, 2005a). Rhizomatic thought, on the other hand, can be presented as a more appropriate way forward across a diversity of knowledge and methods of inquiry. Rhizomatics, by contrast, makes random, proliferating and decentred connections (Gough, 2005).

3. Although a hierarchy is arborescent, they are also 'constructs' that can be ranked because '[f]or Deleuze, the meaning of a given representation, classification, categorisation or code can therefore only be understood in terms of its condition of possibility; the much broader socio-economic and political networks of codes which produce and invoke it' (Hillier, 2007: 191).
4. 'The Deleuzoguattarian concept of becoming implies the pathways along which an entity or concept may be transformed whilst retaining some resemblance to its former self. Becoming is linked rather to the unpredictable, indeterminate, never accomplished actualisation of virtualities' (Hillier, 2005: 280–281).
5. Immanence is a Deleuzian concept that connects new ideas and possibilities for thinking. Immanence is also connected with other Deleuzian concepts that promote new styles of thought.
6. Lorraine (2005: 145) defines a line of flight as a 'path of mutation precipitated through the actualisation of connections among bodies that were previously only implicit'... that 'can evolve into creative metamorphosis of the assemblage and the assemblages it affects'. In layperson's terms, lines of flight foster new ways of thinking by connecting rhizomatic thoughts or new ideas.
7. In the USA an SME is defined as 500 employees while in New Zealand an SME is defined as a company with 19 employees. In NZ 99% of firms employ fewer than 50. By international standards, New Zealand SMEs are microbusinesses.
8. According to Delanda (2006: 13), the concept of 'territorialisation must first of all be understood literally' as a 'process that define or sharpen the spatial boundaries of actual territories'. A wider interpretation would expand the concept to include anything as per Deleuze and Guattari (1987: 508) 'one can re-territorialise on a being, an object, and apparatus or system'.
9. Buchanan (2005: 28) disagrees by stating that 'these two processes go hand-in-hand, Deleuze and Guattari always insist, but that does not mean they are of the same order or somehow reciprocal'.
10. Amin (2004) uses the term to describe the changes in governance brought about by the reconfiguration of regions as a result of devolution.
11. O'Neill and McGuirk (2005) used the analogy of deterritorialization to describe the changing economy and institutions in the Sydney basin.
12. Scale serves as a "metric of geographical differentiation" (Smith et al., 2000: 725).
13. An assemblage can be defined as the process of creating a multiplicity; a network of meshed lines and is a form of functional connections and flows of force and power relations which construct the social. Machinic assemblages are 'not fixed structures, but sites of continuous organisation and disorganisation' (Bogard, 2000: 273).
14. Innovative spin-offs are more likely from a major technology corporation such as Saab, Ericsson, 3M or Microsoft than from a small New Zealand company (a company with 19 employees does not have the resources, personnel or time for innovative research and New Zealand has very few large companies with substantial research components – this is an issue of scale).
15. It is important to understand that 'best practice' does not necessarily translate as appropriate practice for New Zealand. 'Best' may have no relevance because it may be a model that worked well in particular conditions that do not fit the New Zealand context and is therefore of little immediate relevance.
16. Small business entrepreneurial incubators are designed to germinate new viable businesses.
17. It is recognized that the concept of a *line of flight* draws on a dynamic potentiality and immanence yet to be realized precisely through de/reterritorialization. This implies that the distribution and redistribution of peoples, things and even nations may be up for grabs and negates geographic isolation as per Deleuze (1995: 121, 165). 'Any analysis in terms of movements, vectors, is blocked' contrary to his aim 'to get things moving'. This explains modern technology and transportation systems enabling New Zealand products to be sold throughout the world.

18. Becoming-thought is 'the production of a new assemblage' (Bonta and Protevi, 2004: 59) of thinking. Deleuze 'uses the term *becoming*... to describe the continual production... of difference immanent within the constitution of events whether physical or otherwise' (Stagoll, 2005b: 21). Thus, becoming-thought is a continuous process of re-thinking by gradually adding new ideas to one's knowledge base (similar to a hermeneutic circle).

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