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**ON THE EMERGENCE OF RESILIENCE  
AND ADAPTABILITY:  
AN EVOLUTIONARY PERSPECTIVE**

## Introduction

The beginning of New Millennium witnessed the birth of ideas that gave rise to concepts, which are currently known as territorial resilience and territorial adaptability. The latter refers largely to long-term trajectories. On the contrary, territorial resilience can be in a way perceived as a short-term subset of territorial adaptability. Nonetheless, it should be stressed that qualitative aspects of both evaluated concepts are not the same. Evolutionary nature of both above mentioned concepts also causes that basic framework of our evaluation will be based on historical development of general approaches towards regional development.

Thus, the main objective of the paper consists in evaluation of resilience and adaptability concepts from evolutionary perspective. The paper is organized as follows: after introduction, an attention will be devoted to the evolution of regional development conceptions as well as different nature of Central East Europe and advanced western economies (Sucháček, Wink, Drobniak, 2012). Further on, concepts of resilience and adaptability with an emphasis on their sources and development will be depicted.

## 1. Territorial Development: Evolutionary and Spatial Perspectives\*

Albeit territorial development might seem to be similar in various nation states, in reality there exists a strong differentiation that can be seen for instance between relatively continuously evolving western countries and transition countries that for a long period suffered from totalitarian regime in the sphere of politics and central planning in the realm of economy. These differences are reflected also in the evolution of economic – political approaches towards regional and local development in individual countries. As it will be apparent in the following text, we are currently entitled to speak about emerging ‘two Europes’ in the sphere of territorial development.

In the course of last two or three decades the move from exogenous approaches towards regional development that rely on inner potential became tangible. However, rather than by remade endogenous doctrine, exogenous Keynesian paradigm was replaced by new neo-endogenous doctrine, which accentuates the creation of general conditions for the stimulation of inner endogenous development possibilities and capabilities in individual regions. Neo-endogenous stream of regional development was formed as an intersection of new concep-

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\* This chapter is the adapted version of (Sucháček, 2010).

tions, such as learning regions, flexible specialization or industrial districts that underline the importance of profound spatial differentiation in institutional characteristics. Contemporary neo-endogenous and to a certain extent eclectic stage of regional development is path-dependent upon the history of regional development paradigms.

Currently, basically all transition countries find themselves under the strong pressure stemming from the endeavor to apply neo-endogenous approaches to the regional development that are fashionable. The key cause of this strain consists in the presence of deformed system macrostructures, which embody the heritage of socialist times. The problem of the tension between neo-endogenous practice of regional development and dysfunctional system macrostructures that actually form the wider framework for all spatial processes in transition countries is stated only seldom, nonetheless it becomes increasingly palpable issue in these economies.

As it is visible in Table 1, regional development approaches are distinguishable as follows:

- Interventionist, i.e. Keynesian and extremely interventionist Marxian-Socialist;
- Non-interventionist, i.e. strongly non-interventionist liberal paradigm and rather non-interventionist modern neo-endogenous conceptions of regional development.

In other words it is possible to talk about ‘top-down’ conceptions that rely upon the outer interventions and are inherent to Keynesian and Marxian-Socialist paradigms on the one hand and ‘bottom-up’ approaches, which emphasize the stimulation of inner regional development potential and are typical for liberal and modern paradigms of regional development on the other hand.

Modern, neo-endogenous approaches towards regional development emphasize the importance of the stimulation of endogenous potential in the region. At the same time, these conceptions implicitly consider that system macrostructures are distributed in the way, which enables approximately even conditions for the development of individual regions and localities in the framework of the country. In this context, one has to take into consideration that system macrostructures bear distinct spatial dimension, which substantially affects the quality of these macrostructures.

System macrostructures are embodied by public administration (namely the power and manoeuvring space of state administration and self-government from financial perspective as well as the organisation of their competences) or by both physical and social infrastructure.

There should exist balance between state administration and self-administration on the one hand and the spatial distribution of infrastructure should be at least approximately bound to the settlement system as well as the overall socio-economic significance of particular territories on the other hand. All of these system macrostructures determine developmental possibilities and limitations of regions. More importantly, all of these macrostructures are formed on the basis of concrete political – economic decisions.

Adequately distributed system macrostructures ensure approximately even developmental conditions for all regions, which is also the prerequisite for efficient accomplishment of modern, neo-endogenous development. However, in the reality of transition economies, the occurrence of qualitatively good and spatially adequately distributed system macrostructures is rather an exception than rule. From this point of view, administrative, infrastructural as well as institutional system macrostructures in contemporary transition economies find themselves in an embryonic stage of their development (see Figure 1). Obviously, it brings a great augmentation of transaction costs in these countries (Jurečka, 2002 or Sucháček, 2005).

Table 1

## Chronological Development of Regional Developmental Paradigms

General Paradigm	Characteristic Features	Typical Regional Policy
Liberal/non-interventionist/ <b>endogenous development</b>	Convergent spatial development, there is no necessity to intervene in market forces. Non-interventionist approach	‘Workers to the work’ school, instruments increasing the labour mobility
Keynesian/interventionist/ <b>/exogenous development</b>	Divergent spatial development, it is necessary to intervene in market processes. Interventionist approach	‘Work to the workers’ school, tools supporting the inflow of investments into problem regions
Marxist-socialist/ extremely interventionist/ <b>exclusively exogenous development</b>	Divergent spatial development, necessity of planning and management of spatial development. Extremely interventionist approach	Central planning and management of spatial development, ignorance of spatial-market signals
Modern/‘transformed’ <b>neo-endogenous development</b> /formation of frame conditions for endogenous initiatives	Divergent spatial development, however, it is necessary to stimulate inner regional potential. Rather non-interventionist approach	Support of milieu, which facilitates networking, development of small- and middle-sized firms, innovations and learning. Augmentation of institutional thickness, co-operation and competition (co-operation and competition)

Comparisons show symptomatically great institutional similarity of Central East European economies that underwent totalitarian political regime and cen-

trally planned economy. It is thus only hardly surprising that transition economies can largely serve as excellent examples of dysfunctional institutions, which are not suitable for modern, neo- endogenous recipes for territorial development.

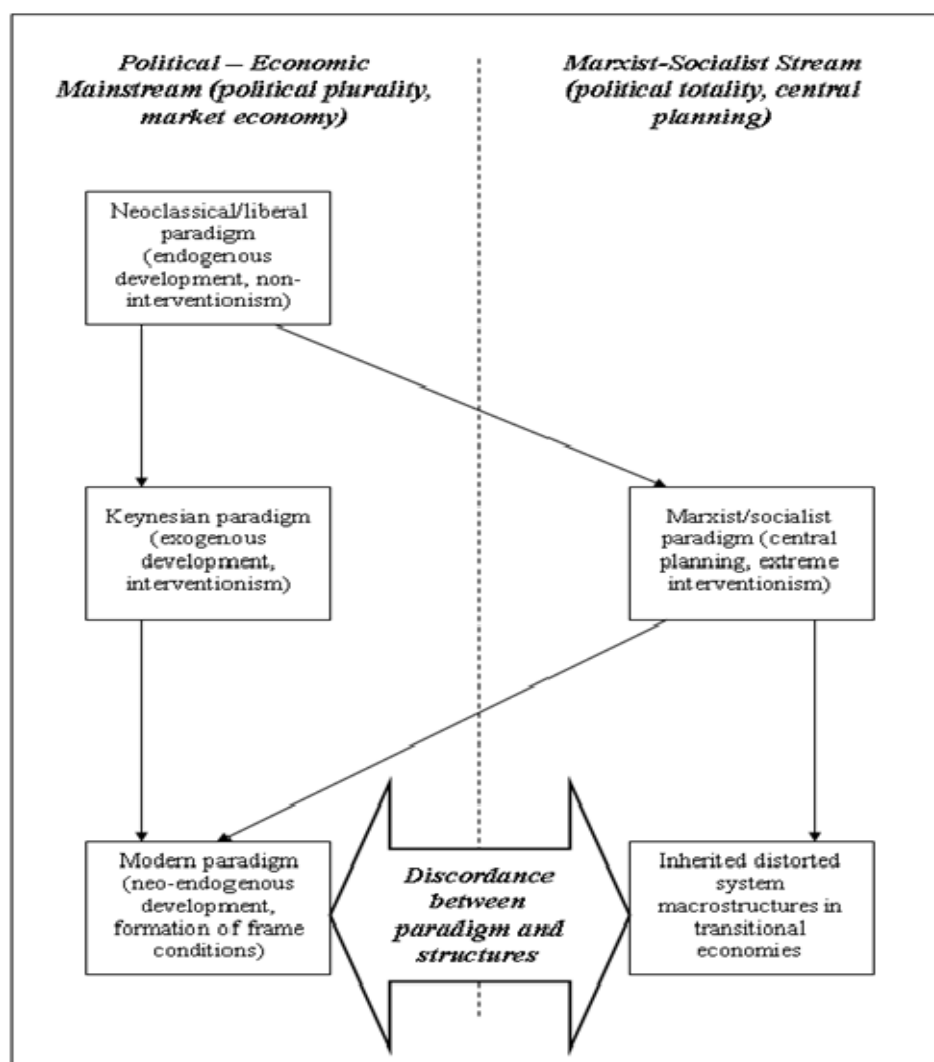
In practically all Central East European economies, there existed strong administrative-political centralization of virtually all decisive mechanisms of societal life into the capital cities. This could be perceived as a spatial manifestation of totalitarian political system. This constituted the basis for future developments of these countries which are nowadays strongly path-dependent (Lux, 2008 or Mlčoch, Machonin, Sojka, 2000).

The function of system macrostructures in contemporary transition countries is often braked and to certain extent deformed by centralizing approach of state administration that does not want to give up its financial resources and competences. Subsequently, the self-government is practically oppressed by an excessive influence of state administration and specific, neo-core-periphery pattern of these countries has evolved.

The key problem consists in the fact that the development in Central East European countries 'jumped over' or more precisely avoided the Keynesian stage of regional development. Deformed system macrostructures that represent the heritage of socialist era disallow an adequate application of modern approaches towards regional development, which are well-known and well-tested in western economies. In comparison with transition regions and localities, their western counterparts go from approximately equal technical, competence as well as financial categories that evolved in the framework of market economy and political democracy mainly during Keynesian era.

Relative consent between transformation of system macrostructures and regional policy paradigm in individual countries can be perceived as probably the most important element of the whole Keynesian period. In spite of interventionist character of Keynesian doctrine, market mechanism was not replaced in any advanced country. Concurrently existing central planning in combination with political totality in Central East Europe brought the deformation and namely centralization of de facto all basic components of life.

On the contrary, countries that applied Keynesian direction of development were generally able to create adequately distributed system macrostructures that facilitate the development of particular regions and localities substantially. Succinctly, advanced countries generally realized that they cannot afford socioeconomic 'black holes' within their own territories and that more or less evenly distributed system macrostructures ensure the socioeconomic development of the whole country. Not surprisingly, a great decentralization combined with the support of local and regional self-governments took place during the Keynesian and Post-Keynesian period in practically all advanced countries.



**Figure 1.** Discrepancy between Modern Paradigm on Regional Development and System Macrostructures in Transition Countries

At the same time, one has to differentiate also among western countries. Evolutionary trajectories in some of them (e.g. Germany or the Netherlands) led to the spatial model which might be called decentralized concentration and which is in compliance with settlement systems in these countries. On the contrary, for some countries (e.g. Great Britain or France), the historical centralization of virtually all relevant aspects of life into the capital city was typical and this changed namely during Keynesian era, when national governments (par-

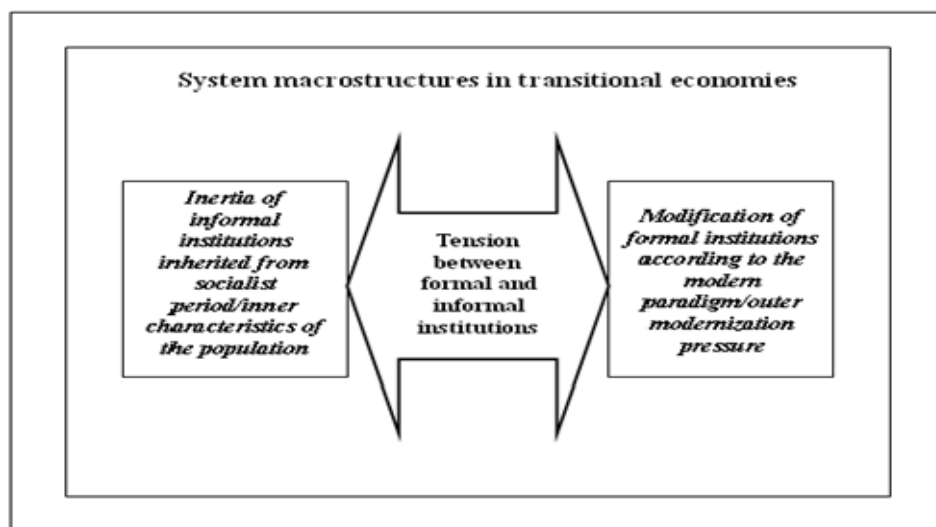
tly under external political and economic pressures) understood that location of economic, social and other activities should follow the settlement system as well as developmental potential of individual territories (Vanhove and Klaasen, 1987).

While in advanced countries both formal and informal institutions crystallized out naturally, in an evolutionary way, in transition economies, for which numerous developmental discontinuities are characteristic, the informal institutions played a relevant role in transitional years (Mlčoch, 1997). The significance of networking, lobbying or embeddedness is much higher in transition economies than in their western counterparts (see Figure 2). We are talking namely about hierarchical connections among regional and national actors, which are caused just by insufficient maneuvering space of self-governments.

Development, which is based on inner regional potential, is both effective and efficient, since it changes the quality of social and economic structures of individual territories. However, in many transition countries, markedly heterogeneous character of system macrostructures very often distorted or even eliminated the endogenous activities of local and regional actors. Developmental conditions of individual regions and minor cities in Central East Europe turned out to be rather differentiated and very often, one of the most important criteria of success or unsuccess is geographical and/or social distance from the capital cities. In Central East European localities and regions, the problem of discrepancy between relatively inertial and non-adequately distributed system macrostructures and neo-endogenous approaches towards regional development appeared.

Formal institutions were not defined well namely at the beginning of 90s. Corrective processes that concern informal institutions exposed to fifty years long incidence of Marxist-socialist paradigm on regional development, will probably last two or three generations. Obviously, these unfavourable facts afflict the applicability of modern approaches to regional development in Central East Europe.

It is thus possible to state, that location attractiveness and developmental conditions of particular localities are not given, but formed by concrete regional-political decisions and measures taken mainly by central institutions within nation states. Constitution of qualitatively good system macrostructures represents the first challenge in the process of the return to the natural developmental track. However, it is only requisite, but not sufficient condition, since history does matter and the redress of informal institutions is undoubtedly the question of longer time.



**Figure 2.** Inner Institutional Tension of System Macrostructures in Transition Economies

One has to consider the influence of system macrostructures, which do not ensure standard developmental conditions for all regions and localities. This fact is detrimental for the application of territorial – developmental approaches in the form well-known from western economies. Qualitatively well organized and distributed system macrostructures represent one of implicit presumptions of territorial development in advanced western economies.

## 2. Territorial Resilience and Adaptability

Both conceptions – i.e. resilience and adaptability – share an important feature: both of them raised and developed in advanced western economies. As already indicated, the economies of these countries underwent relatively continuous, unbroken development. That is why both of these conceptions, which are currently in vogue, apply to western economies rather than transition/post-transition countries.

As already indicated, territorial adaptability should be understood as wider notion than territorial resilience. Territorial adaptability can be perceived as spatially differentiated capacity of territorially-connected and established actors and structures to follow, create and influence possible territorial developmental trajectories in time. The final shape of territorial developmental trajectory is formed by accumulation and transformation of previous history on the one hand and by responses to the impulses (including both long-term trends and sudden



shocks) from external environment on the other. Production, employment, salaries, capabilities, knowledge, technologies or institutional density reflect both qualitative and quantitative aspects of territorial adaptability (Pike, Dawley and Tomaney, 2010).

While territorial adaptability is understood as a long-term ability of a territory to sustain performance and prosperity in the context of contemporary preferences, territorial resilience is related rather to short time span. As an organic subset of territorial adaptability, territorial resilience embodies an ability of territorial economy to react to a change of conditions and to create a new state of equilibrium. This new state of equilibrium can be of higher quality/level or of lower quality/level than the previous one. In contrast to adaptation, resilience constitutes an immediate response and adjustment to the changes.

As already indicated, both resilience and adaptation were born in the context of matured, western institutions. Both of these concepts should be understood as a natural continuation of neo-endogenous conceptions of regional development, which apply largely to economically advanced world. As it could be seen e.g. in Figures 1 and 2, both of these conceptions have only a limited validity for transition/post-transition economies, which are institutionally a completely different story.

Transition/post-transition economies were exposed to innumerable number of shocks of various kinds during both socialist era and last twenty years of transformation. These shocks that markedly differed from western world were both political and economic. Moreover, they were multiplied by political totality and absence of market during socialism and by painful return to natural developmental trajectory and general outer modernization pressures in last twenty years. Consequences of these enormously complicated processes were thoroughly depicted in previous chapter. In any case, we are entitled to talk about peculiar series of resilience or responses to almost permanent and at the same time specific shocks in Central East Europe.

From the perspective of adaptability, the difference between Western and transition/post-transition economies is even higher. Transition/post-transition territories suffer from intense developmental discontinuity in the presence of unsettled, and largely also ill-fitting institutions. Thus, resilience and adaptability applying to more affluent western counterparts can barely provide us with satisfactory explanations of contemporary processes in Central East Europe. To put it another way, transition/post-transition economies stay vis-à-vis the great challenge concerning the creation of original, non-copied and tailored approaches to the regional development in Central East Europe.

## Conclusions

Adaptability and resilience are getting increasingly popular. They provide a certain explanatory framework that can be utilized also for the purposes of interpretation and evaluation of processes in various types of regions. One cannot omit, however, that both concepts are applicable mainly in advanced western economies enjoying the advantages of relatively long and continuous socio-economic development. This applies much less to Central East European economies suffering from frequent developmental discontinuities and deformed system macrostructures. Paradoxically, deformed historical trajectories closely interconnected with these peculiar ‘series of resilience’ and contemporary projections of these previous developments are taken into consideration only rarely.

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