Quality of Life Through Innovation Indicators: The Case of Peripheral Suburbs of Sydney

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Abstract This chapter discusses the concept of “Innovation Ecosystems” for assessing innovation intensity in peripheral areas of metropolitan regions. Innovation is a significant driver of prosperity, industry growth and job creation and is a significant influence in progress towards the sustainability of suburbs. Emergent areas of new technology applications and the development of smarter industries all have roots in innovative practices. However, innovation studies have traditionally focused on the strengths that cities, and in particular central business districts and inner-city suburbs, have in relation to the industries of the emerging “knowledge economy”, notably IT, financial, property and business services. Peripheral suburbs have, most of the time, been neglected from the analysis.

The chapter presents results on a study of innovation drivers in Sydney’s South West suburbs. (Results of the study are also published by Housing Policy Debate Vol 19 (3): 553–572.) The study shows that peripheral suburbs in metropolitan regions have local innovation processes that require specific planning measures for promoting innovation-intensity with a focus on quality of life outcomes. Some of these innovation processes are linked to local characteristics of suburbs that might not apply to the whole city or metropolitan region.

Introduction

Innovation is a significant driver of growth and hence, one of the main contributors to a productive and prosperous region (OECD 1999, 2001a,b). Industry growth, job creation, emergent areas of new technology and the development of smarter industries and new skills have a founding in entrepreneurial and innovative activity (OECD 2008, 2003). However, innovation studies have focused on the strengths that cities, and in particular central business districts (CBDs) and inner-city suburbs,
have in relation to the industries of the emerging “knowledge economy”; notably IT, financial, property and business services. Peripheral suburbs are often regarded as “dormitory suburbs” where industry activity is linked to the CBD and transportation planning plays a major role for these suburbs to be sustainable.

This chapter provides empirical evidence to support the thesis that peripheral suburbs in metropolitan regions have particular processes that require specific planning strategies for innovation-intensity. Therefore, traditional policy approaches to innovation might not be “transportable” to different areas of the metropolitan region and more attention needs to be made to local characteristics of suburbs or Local Government Areas (LGAs) where the culture of innovation needs to grow and flourish to address a range of emerging quality of life issues.

Despite the volume of analytical work in many countries, many of the policies put in place at national and regional scales have exhibited only moderate success. This may be due to the analysis having a national or state orientation and lacking the ability to drill down to finer scales (Feser & Bergman 2000). A second problem has been that most of the investigative work on regional/local innovation and development has proceeded by case studies with minimal of comparative analysis. As Markusen (1999) has noted, analysis of articles appearing over 25 years on regional development reveals that few analysts used replicable methods while some did not reveal the methods used or the reliability of the inferences. There has been a split between those from different disciplinary backgrounds (which can be roughly characterized as more or less economic) in the use of quantitative methods (such as input-output or trade) and qualitative approaches (focused more on relationships between players and emphasised intangibles such as level of trust or collaboration).

In a piece of research carried out in Canada, two observers collaborated in the analysis of innovation performance in Quebec. One, using quantitative methods, presented one picture (quite a lot of innovation) while the other using qualitative interviews with players reported a different situation (pessimism about innovation levels) (Nimijean & Landry 2000). Storper, in a wide-ranging paper, has discussed each of the major approaches, both analytical and policy, to the analysis of regional innovation. He comes to the conclusion that an approach which combines some of the quantitative input-output insights on agglomerations of activities and some of the qualitative analysis is useful (Storper 1995).

Moving towards an integrated approach to innovation analysis is a useful development. An important feature of an integrated approach, and one that is often neglected, is the interaction of different aspects of spatial activity under different systems of innovation. New approaches from the so-called “triple bottom line” (social, economic and environment) and sustainability sciences can be used to extend analysis into new domains. One such domain is termed the ‘natural advantage’ that links innovation, green business development and quality of life in regional communities (Potts 2007). The natural advantage articulates the often vague notion of ‘sustainability’ within a regional development context. It integrates innovation, conservation, environmental technology and community-business partnerships to create a holistic strategy for regional progress and doing away with the business versus the environment debates. Natural advantage strategies are