

Evaluating State-Sponsored Economic Development Models: Comparing Property-Led Initiatives in Lanarkshire, Scotland from 1990 to the Present

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Abstract

The aim of this research is to critically assess the historical and long-term performance of government-supported initiatives in economic regeneration within urban regions, with specific reference to two contrasting development models adopted in Lanarkshire, Scotland during the 1990's: The Lanarkshire Enterprise Zone and the Strathclyde Business Park. This will evaluate economic outcomes from two different policy approaches in the shared conurbation space. The first is an "Enterprise Zone" a concept that represents national and local policy support for economic development within a specific area and is driven by government policy and money. The second, a "Business Park," generally refers to single-use employment location by corporations that has been created for a unique set of operations, is based within a geographic context and has evolved from predominantly office, research or industry focused development goals. In addition, business parks are typically located away from urban city centers and are privately funded although the land might be publicly held. These two forms of property-led economic development strategies are common throughout the world, from Scotland to China, South Africa to the Midwest of the United States, from

inner city Detroit to Cambridge, Massachusetts. They are popular policy initiatives, especially in developing countries, yet we do not have enough research on how these two initiatives work and what explains their different outcomes/impacts in both the short and long-term. The research makes use of two detailed case studies and sets of primary data, analyzes their relationship with the Greater Glasgow conurbation thereby providing in-depth accounts of the development and performance of these projects and critically, their continued results. The development and performance of the initiatives in the development of both the regional economy and co-development to the nearby Greater Glasgow economy is considered within the context of institutional approaches to economic and urban geography. (McPherson and McDonald, 2005) The unique distinctions both the Lanarkshire Enterprise Zone and Strathclyde Business Park possessed which differentiated them from their peers, alongside their ultimate results, especially in context to their implementations in relation to their urban geography, will also be discussed. The comparison is especially valuable as both are in the same Scottish Region which composed the Greater Glasgow urban area, so the data will enable a true compare/contrast evaluation.

Keywords: Urban Regeneration, Glasgow, Scottish Development, Enterprise Zones

1. Introduction

1.1 Urban Economic Regeneration and Government Involvement

Urban economic regeneration is a process that involves revitalizing and improving the economic conditions of urban areas, especially with an emphasis on urban areas that have encountered economic stagnation or degeneration. (NatraTex, n.d.) (Roberts and Sykes, 2008) Since the advent of the industrial revolution, a progressively larger share of countries' populations have migrated to urban areas. As a consequence of this shift in demographics, the economic health of urban areas has become of critical concern, especially considering the consequences of urban environments that encounter economic decay. (Roberts and Sykes, 2008) (UNCTAD, 2022). Thusly, urban economic regeneration has several benefits for countries. Firstly, it can help to promote economic growth and development in urban areas by creating new jobs, attracting businesses, investment and improving infrastructure and public services. (UNCTAD, 2022) This can help to boost local economies, increase tax revenues and improve the standard of living for residents. (Roberts & Sykes, 2008). Secondly, urban economic regeneration can help to address a range of social and environmental challenges facing urban areas, such as: poverty, low employment rates, income inequality and environmental degradation. (Alpopi & Manole, 2013) By promoting sustainable development, community enrichment and development and economic prosperity, urban regeneration initiatives can help to create healthier and further resilient urban communities. (Roberts, n.d.) Thirdly, urban economic regeneration can help to promote innovation and entrepreneurship, which in turn drives further urban development and economic growth. (Roberts, n.d.) By supporting innovation clusters, incubators and in this papers case, enterprise zones and business parks, urban regeneration initiatives can help to create new businesses, products and services, in addition to supporting currently existing businesses and entrepreneurs. (OECD, 1997) Overall, urban economic regeneration is an important tool for promoting and

sustaining economic growth in urban areas and is especially important when considering economic revitalization. (Roberts & Sykes, 2008) (OECD, 1997).

1.2 The Significance of Urban Economic Regeneration Policy

With how crucial healthy urban areas are to countries, government involvement in urban economic regeneration has grown alongside urban areas. Modern urban economic regeneration policy developed as a necessity following the conclusion of the second World War, as nations such as the United Kingdom, France and Germany sought to reconstruct entire urban areas which had been reduced to rubble during the World war. (Tallon, 2013) (Ehrlich and Clout, 2017) The United Kingdom for example implemented a range of urban economic regeneration programs such as Distribution of Industry Act of 1945, which aimed to prevent a return to the high unemployment rates that the United Kingdom experienced prior to World War Two, by creating development areas and investing in infrastructure and industry. (UK Parliament, n.d.) In addition, the government implemented urban planning policies such as the Greater London Plan of 1944, the New Towns Act of 1946 and a plethora of town and county planning acts in 1947, to decentralize employment and housing away from London and towards other regions of the country. (Tallon, 2013) (Ehrlich and Clout, 2017) (UK Parliament, n.d.) The government also implemented slum clearance programs throughout the 20th century to demolish what was deemed as unfit housing. These policies were further bolstered in a 1969 housing act which provided financial incentive to improve existing housing. All of the above policies were further supported through the establishment of the National Health Service, which provided free healthcare and helped to improve public health in urban areas across the entirety of the United Kingdom. (Tallon, 2013) (UK Parliament, n.d.) These policies were substantive enough towards the revitalization of the United Kingdom that the Festival of Britain, which proclaimed national recovery from World War Two, occurred just six years after the end of the war. The success of these government led initiatives alongside a myriad of other urban economic policies enacted across the world has led to state-sponsored urban economic regeneration policy becoming a key tool used by governments for urban prosperity.

1.3 Institutional Views on Urban Economic Regeneration

Institutional perspectives on state-sponsored initiatives in urban economic regeneration emphasize the role of institutions in forming the groundwork for successful and effective initiatives. (Rubin and Wilder, 1989) (Givord, Quantin, & Trevien, 2018) These perspectives suggest that state-sponsored initiatives are influenced by a range of institutional factors, including political structures; bureaucratic processes; regional, cultural and societal norms; and the urban geography related to the initiative. (Givord, Quantin, & Trevien, 2018) (McDonald & McPherson, 2012) For example, institutional perspectives highlight the importance of political leadership in directing urban economic regeneration initiatives. Effective political leadership can help to overcome bureaucratic barriers such as red-tape, mobilize resources effectively and build public and financial support for regeneration initiatives. Institutional perspectives also emphasize the role of bureaucratic structures and their influence on the implementation of regeneration initiatives. Bureaucratic structures can

either facilitate or hinder the implementation of initiatives, depending on their flexibility, responsiveness and capacity to innovate. (McDonald & McPherson, 2012) In an urban geographical context, the traditional view of state-sponsored initiatives has been that they should focus on the physical infrastructure of the urban area and the development of local industry and businesses. (Herald Scotland, n.d.) This view has been largely driven by a focus on combatting unemployment and the health of the local economy; however, this perspective has come to be seen as overly narrow and a broader, holistic approach has become increasingly applied to urban economic regeneration. (HeraldScotland, n.d.) Rather than focusing solely on physical infrastructure, modern state-sponsored initiatives have increasingly taken into account the social, economic and environmental aspects of urban regeneration. These initiatives such as the National Innovation System place greater emphasis on the local urban social context, as well as the regional secondary and tertiary effects. (OECD, 1997) This has led to a greater focus on the geography, not only of the city, but of the surrounding conurbation space and its various neighborhoods; as well as the importance of understanding the local economy and the needs of local businesses and residents. (OECD, 1997) This can be seen in examples such as Scotland's recent Regeneration Capital Grant Fund, delivered by the Scottish government in conjunction with the Convention of Scottish Local Authorities and local governments, which supports locally developed place based regeneration projects that involve local communities, with an emphasis on helping to tackle inequalities and deliver inclusive growth in deprived, disadvantaged and fragile remote communities across Scotland. (www.gov.scot, n.d.) Further examples of state-sponsored policies that can facilitate urban economic regeneration include: funding; policy and regulation; marketing and promotion; and the focus of this research paper, the development of enterprise zones and business parks. While there are numerous distinctions between enterprise zones and business parks; further compounded by differences between what constitutes either dependent on how each country or community they are established within interprets their structures, both share a significant number of similarities. Both are extensions of cluster theory or industrial districts, the idea being that the concentration of specialized industries in designated locations confers economic benefits. (Kuah, 2002) (Wolman and Hincapie, 2014) This paper will focus mainly on the implementation of business parks and enterprise zones in the United Kingdom, with an emphasis placed on Glasgow, Scotland's Strathclyde Business Park and Lanarkshire Enterprise Zone; especially concerning their relationship with the Greater Glasgow conurbation and its urban regeneration. However, the different interpretations of business parks and enterprise zones across the developed and developing world will be touched upon as well.

1.4 Creating Optimal Economic Policy on Urban Economic Regeneration

In conclusion, government involvement in urban economic regeneration projects is crucial for promoting growth, revitalization and regeneration in urban areas while institutional perspectives on state-sponsored initiatives in urban economic regeneration highlight the importance of understanding the institutional context in which these initiatives are implemented. The government can provide funding, policy frameworks and promotional support for these initiatives. While there may be challenges associated with government

involvement in urban regeneration projects, these can be addressed through careful planning and a focus on long-term economic benefits for the community by taking into account political, bureaucratic, urban and cultural factors. Thus policymakers can design initiatives that are better suited to the needs and constraints of the urban area they are seeking to revitalize.

2. The Greater Glasgow Conurbation and Urban Geography

2.1 The Greater Glasgow Conurbation Overview

The Greater Glasgow conurbation is a metropolitan area located in west central Scotland, encompassing the city of Glasgow and several surrounding towns and suburbs. This area is the largest urban area by population in Scotland and the fifth-largest in the United Kingdom, with the city itself having a population of over 630 000 people, and the conurbation a population exceeding 1.8 million people. (www.investglasgow.com, n.d.) Located on the river Clyde, Glasgow has historically been one of the United Kingdom's largest harbour cities, and continues to be a major economic and cultural centre. The history of Glasgow is especially of interest when examining urban economic regeneration as Glasgow faced severe unemployment, de-industrialization and economic degradation in the 20th century, much of which it is still recovering from. Since the peak of Greater Glasgow's stagnation and degeneration sometime between the Great Depression and the 1980s, the city has rebranded itself away from heavy industries and has seen significant revitalization. (McDonald and McPherson, 2012) Glasgow now has a workforce of over 900 000 people and an unemployment rate of 4.02%. (www.investglasgow.com, n.d.) The conurbation specializes in healthtech and precision medicine; fintech; the space industry; the digital and creative economy; advanced manufacturing; and environmental economics. (www.investglasgow.com, n.d.) Greater Glasgow has also hosted events such as the 2014 Commonwealth Games and the 2021 United Nations Climate Change Conference. As the Greater Glasgow conurbation continues to develop as a significant financial, technology and cultural centre, the conurbation has put forth significant investments into ensuring that the urban geography of the area is sustainable. One example is the recent major urban economic regeneration project that the city of Glasgow undertook, the Clyde Waterfront Regeneration project. (Digital, n.d.) The project was a collaborative effort between the Scottish Government, Scottish Enterprise, Glasgow City, Renfrewshire and West Dunbartonshire Councils to rejuvenate a twenty kilometre corridor along the river Clyde which runs through Glasgow.

2.2 The Urban Geography of the Greater Glasgow Conurbation

Urban geography plays a significant role in the Greater Glasgow conurbation, as this area has undergone significant changes in its urban landscape over the past few decades. One of the key features of the urban geography of the Greater Glasgow conurbation is the presence of multiple centres of employment and urban activity outside of the city centre. While Glasgow itself is the largest city in the area and the primary centre of economic activity, there are several other towns and suburbs that have their own distinct urban centres which were intentionally devised to draw people out of the overpopulated city centre. For example, the town of Paisley, located to the southwest of Glasgow, has a historic town centre with a variety

of shops, restaurants and cultural attractions. This town also has a strong industrial history, with several historic textile mills and other industrial buildings still standing in the area. Similarly, the town of East Kilbride, located to the southeast of Glasgow, has its own central shopping district and a range of amenities and services. The Greater Glasgow conurbation also benefits from a number of internationally recognized universities such as: Glasgow University, Strathclyde University, Glasgow Caledonian University, the Glasgow School of Art and the Royal Conservatoire of Scotland. Another key feature of the urban geography of the Greater Glasgow conurbation is the presence of several major transportation corridors. The M8 and M74 motorways connect Greater Glasgow to the rest of the United Kingdom. (www.investglasgow.com, n.d.) In addition to the M8 and M74, the Greater Glasgow conurbation also has an extensive public transportation network, including buses, trains and a subway system. The Glasgow subway is the third-oldest underground metro system in the world, and serves as an important transportation link between the city centre and surrounding suburbs. The Greater Glasgow area also contains two international airports: Glasgow Airport and Glasgow Prestwick Airport. (www.investglasgow.com, n.d.) For key enterprises, the ability to utilize Greater Glasgow's significant workforce, intellectual capital, advanced economy, transportation network and geographical location are key factors in the decision to utilize Glasgow. (www.investglasgow.com, n.d.) In-turn, the Greater Glasgow conurbation continues to cultivate these factors to maintain the urban economic revitalization the area has experienced since its nadir. One important thing to note regarding both the Lanarkshire Enterprise Zone and Strathclyde Business Park which will also be mentioned below, are their proximity. Architects of both economic policy plans carefully selected the location of the Enterprise Zone and Business Park to take advantage of the above motorways. As a consequence, the two are roughly only ten kilometres apart. (Image 1)

Image 1. Geographic Locations of the Lanarkshire Enterprise Zone, Strathclyde Business Park, M8 Motorway, and M74 Motorway (Image 1, Bing Maps)



Aerial Photographs of the Lanarkshire Enterprise Zone (Red), the Strathclyde Business Park

(Blue) and the M8 and M74 Motorways (Green and Orange respectively)

Within the Greater Glasgow conurbation also lies the region of Lanarkshire. Lanarkshire is a historic county in the lowlands of Scotland. The area which constitutes Lanarkshire now falls within the administrative council areas of: East Dunbartonshire, Glasgow, North Lanarkshire and South Lanarkshire. (Lieutenancy of Lanarkshire, n.d.) This region is of special interest as both the Lanarkshire Enterprise Zone and Strathclyde Business Park are in this region. The Lanarkshire region is geographically predominately flat lowlands, with the area historically being focused around the city of Glasgow and the presence of coal deposits in the area. (Lieutenancy of Lanarkshire, n.d.) However, by the end of the mid-20th century, the region of Lanarkshire encountered the same economic stagnation and degradation as the other areas that constitute the Greater Glasgow conurbation. (Peters, 2002) By 1983, the last collieries had closed and the region was experiencing the deindustrialization that was affecting the United Kingdom during the period. (Peters, 2002) The effects of deindustrialization peaked in Scotland around the same period with the Central-Belt of Scotland, including Lanarkshire, reaching unemployment rates above fifteen percentage points. (HeraldScotland, n.d.)

2.3 Reports and Data on the Lanarkshire Enterprise Zone and Strathclyde Business Park

When comparing the Lanarkshire Enterprise Zone and the Strathclyde Business Park, the primary set of data consulted was two reports published by Roger Tym & Partners and Knight Frank, both published in late 2004. These two reports are of particular use as Roger Tym & Partners and Knight Frank were commissioned by Scottish Enterprise Lanarkshire to determine the extent to which the Lanarkshire Enterprise Zone and Strathclyde Business Park successfully achieved their stated goals and specifically what additional economic benefits were brought to the region. (McPherson and McDonald, 2010)

To that end, the published reports contain information not previously made available concerning ultimate metrics of both initiatives. Below is a table containing both Lanarkshire Enterprise Zone and Strathclyde Business Park's results compared to their stated targets as of late 2004. (Table 1)

Table 1. Roger Tym & Partners and Knight Frank Table on Actuals versus Targets (Evaluation of Strathclyde Business Park, 2004)

	Strathclyde Business Park		Lanarkshire EZ	
	Actual	Target	Actual	Target
No. of businesses (Spring 2004)	128	-	89	-
Floorspace (million sq.ft)	1.110	1.243	3.318	5.673
Employees				
Gross	4,179	4,049	-	-
Direct (FTE)	3,908	-	8,429	12,222
<i>Additionality Factors</i>				
Displacement				
Across Lanarkshire	64%	-	25%	-
Jobs after displacement - Lanarkshire	1,391		6,335	
Across Scotland	84%		47%	
Jobs after displacement – Scotland	608	-	4,487	-
Leakage				
% employment ex Lanarkshire	46%		15%	
Jobs after leakage – Lanarkshire	745	-	5,394	5,579
% employment ex Scotland	4%		0%	
Jobs after leakage – Scotland	584	-	4,487	-
Multiplier Effects				
Lanarkshire	2.71	-	1.53	
Scotland	1.73	-	1.56	-
Net Additional Employment				
Lanarkshire	2,023	2,500	8,253	7,493
Scotland	1,008		7,000	
Construction-related employment	-	247	-	1,389
Additional GVA 2004 (2004 prices) £m	-	137.12	-	341.11

Table of Actual vs Targeted Results of the Lanarkshire Enterprise Zone and Strathclyde Business Park

These reports are especially beneficial to our analysis as there is a lack of information concerning the economic circumstances specific to the Greater Glasgow Conurbation in the latter half of the 20th century.

3. Enterprise Zones and the Lanarkshire Enterprise Zone

3.1 The History of Enterprise Zones: An Overview

Enterprise zones are designated areas that aim to promote urban economic growth and development by offering businesses a range of incentives and benefits. The main objective of enterprise zones is to encourage businesses to locate in an area and create jobs. (Mossberger, 2000) They can be used to help an area transition from traditional industries to newer, more high-tech industries, or to attract businesses to an area that has been hit by economic decline. They are also used to promote the development of small businesses and to encourage

businesses to invest in research and development. The methods used to attract these businesses and start-ups vary, but can include tax breaks, simplified planning procedures and access to a range of support services, in addition to access to otherwise unavailable or difficult to obtain real-estate. The United Kingdom has a long history with the utilization of enterprise zones as regenerative urban economic policy having been the nation to devise them and first implement them in order to combat economic stagnation and degradation in the United Kingdom's urban areas. (Jones, 2006) The first was established in 1981, having been announced the previous year, and following its success in creating jobs, especially during an economic downturn, the concept became popularized in urban policy in the United Kingdom and the United States. (Peters, 2002) (Jones, 2006) By 1996, enterprise zones had become standard urban policy in both the United Kingdom and the United States, with 34 enterprise zones in the United Kingdom and the existence of enterprise zones in one form or another across 34 US states, with 2 840 zones having been developed in the United States. (Peters, 2002) These enterprise zones were fundamentally linked to the political forces that were prominent in both the United Kingdom and the United States during the period, Thatcherism and Reaganism respectively. (Jones, 2006) (Mossberger, 2000) Enterprise Zones were seen as a post-Keynesian way of spurring growth in urban areas, reducing regulation and bureaucratic involvement. (Peters, 2002) (Mossberger, 2000) It is important to note that despite their similar naming and intent, the interpretations of enterprise zones by the US and the UK began to significantly diverge almost immediately after their initial inception. Enterprise zones in the UK were relatively uniform in size and scope, and implementation was overwhelmingly done by similar bodies and state actors. US enterprise zones on the other hand varied much more significantly. Whether this be in relation to their tax statuses, location, size, implementation, governance, or other, as a term, enterprise zones were much more open to interpretation. (Peters, 2002) By 2006, the final enterprise zone in the United Kingdom had completed its ten-year lifespan and a significant number of the established enterprise zones in the United States had shifted away from their original designs. (Jones, 2006) This first generation of enterprise zones were ultimately a mixed bag. (Bond, Gardiner and Tyler, 2013) There was overall a lack of common consensus on the effectivity of enterprise zones as an urban policy tool. The most common major critique focuses on the lack of data, especially accurate, actionable data regarding this generation of enterprise zones. (Mossberger, 2000)

3.2 The History of the Lanarkshire Enterprise Zone

The Lanarkshire Enterprise Zone was established in February of 1993 as part of the third and final round of enterprise zones introduced. (Legislation.gov.uk, 2023) As with the rest of the other enterprise zones introduced, the Lanarkshire Enterprise Zone had a ten-year lifespan, ending in February of 2003. (Legislation.gov.uk, 2023) The Lanarkshire Enterprise Zone was introduced as a response to the decline in the manufacturing sector in the associated Lanarkshire region. Between 1991 and 1993, over 3 000 jobs were lost in the Lanarkshire steel industry and the Scottish economy was facing a 7.7 percent unemployment rate compared to 5.5 percent for England. (Changing Gear - A Strategy For The Lanarkshire Economy, 1997). The decline in the manufacturing sector is not limited to Lanarkshire, with

roughly fifteen in every 100 manufacturing jobs lost between 1990 and 1993 in Scotland. The Lanarkshire Working Group, formed in December of 1990, decided that the preferred form of urban policy they would like to pursue to regenerate the Lanarkshire economy was an enterprise zone. (Changing Gear - A Strategy For The Lanarkshire Economy, 1997) The mission statement for the Lanarkshire Enterprise Zone stated that the intended results were to attract inward investment, and facilitate the creation of 7 500 new jobs in Lanarkshire. (Evaluation of Lanarkshire Enterprise Zone, 2004) These targets were notably ambitious. An evaluation of the above goal found that to achieve these results, the Lanarkshire Enterprise Zone would have to be the best performing enterprise zone as of the time. The Lanarkshire Enterprise Zone ultimately consisted of nine suites totalling 206 hectares, this too was notable as this made the Lanarkshire Enterprise Zone the largest enterprise zone with the next largest being just slightly over 70 percent the size of the Lanarkshire Enterprise Zone. (Evaluation of Lanarkshire Enterprise Zone, 2004) To achieve these ambitions goals, the Lanarkshire Enterprise Zone offered significant benefits: a 100% allowance for corporation and income tax purposes for capital expenditure on industrial and commercial buildings, rates exemptions on industrial and commercial property, simplified planning regimes and statutory controls, and reduced government requests for statistical information. Another major benefit to the Lanarkshire Enterprise Zone was its location, situated just below the M8 Motorway, the Enterprise Zone was only roughly eight kilometers north from the M74 Motorway. This allowed the Lanarkshire Enterprise Zone to rapidly integrate with the Greater Glasgow Conurbation and the rest of the United Kingdom.

3.3 Results of the Lanarkshire Enterprise Zone

When evaluating the Lanarkshire Enterprise Zones ultimate results, it is useful to compare how it performed against other enterprise zones and how it compared to the initial aims of the project from an urban policy perspective. When compared to other enterprise zones, the Lanarkshire Enterprise Zone generally falls into average values in most categories, including: percentage of land developed, employment rates and employment density. Notably however, the Lanarkshire Enterprise Zone achieved this despite being significantly larger than its comparators, leading credence to the idea that the Lanarkshire Enterprise Zone achieved its goal of being the “best” enterprise zone in the United Kingdom. In terms of the stated goal of achieving 7 500 new jobs in the Lanarkshire conurbation, the Lanarkshire Enterprise Zone exceeded the target, achieving 8 253 net additional employment. (Evaluation of Lanarkshire Enterprise Zone, 2004) In addition, the Lanarkshire Enterprise Zone exceeded its targets in minimizing job leakage and gaining construction related employment. (Evaluation of Lanarkshire Enterprise Zone, 2004) The only stated metric the Lanarkshire Enterprise Zone fell short of was in floor space development within the zone, only achieving roughly 69 percent of the floor space they intended. (Evaluation of Lanarkshire Enterprise Zone, 2004) Overall, between its 1993 inception to its term-end in 2004, the Lanarkshire Enterprise Zone achieved an estimated additional gross value added of £2.34 billion. (Review of Enterprise Areas in Scotland Summary Report, 2015) (Evaluation of Lanarkshire Enterprise Zone, 2004)

3.4 The New Generation of Enterprise Zones

In 2012, the government of the United Kingdom reintroduced the concept of enterprise zones with the establishment of 24 new zones in England. (Communities.gov.uk, 2012) (Ward, 2023) This was further expanded with the addition of another 24 zones in England between 2016 and 2017. (Communities.gov.uk, 2012) These second generation enterprise zones offered the same tax relief towards investments in plants and machinery alongside simplified local authority planning, but did not offer several benefits that their predecessors offered including: reduced statistical information requirements, exemptions from occupation tax for industrial and commercial buildings and exemptions from industrial training levies. The only new benefit in these newer enterprise zones were a business rate discount worth up to £275 000 over a five years period, but electing to partake in this discount would make entities ineligible to redeem the tax reliefs towards investments in plants and machinery. (Communities.gov.uk, 2012) (Ward, 2023) Outside of England, new enterprise zones were established in Scotland and Wales as well (One enterprise zone was designated in Northern Ireland as well.) (Communities.gov.uk, 2012) The new Scottish enterprise zones offered nearly identical benefits to their new English counterparts, but the 16 new sites were split across four “Enterprise Areas,” with each Enterprise Area focusing on one specific sector of interest. (www.gov.scot, n.d.) These enterprise zones are still relatively new, and it remains to be seen whether their results will differ significantly from their predecessors. In 2009, a significant portion of the land that was once the Lanarkshire Enterprise Zone was converted into the Maxim Business Park; at the time Scotland’s largest Business Park. As of 2019, the £330 million Business Park funded by property investment company Tritax was two-thirds empty, with just shy of half-a-million square footage of unused space. (Aitken, n.d.)

3.5 Results of Enterprise Zones

Overall, the original generation of enterprise zones had mixed results. The lack of significant evidence condemning or supporting their effects as urban policy tools goes to show their inconclusive results. (Bond, Gardiner and Tyler, 2013) Their discontinuation, with the final new induction being in 1996, goes to show that for a myriad of reasons, local government and urban areas lost interest in their use. (Bond, Gardiner and Tyler, 2013) Despite this, the evidence regarding the Lanarkshire Enterprise Zone shows that it was substantially more successful than its counterparts. (Evaluation of Lanarkshire Enterprise Zone, 2004) The fact that the Business Park that succeeded it is struggling to garner the same occupancy rates are another testament to the well-thought planning behind the Lanarkshire Enterprise Zone, and the value of well-formulated and executed economic policy. However, the degree to which this can be solely attributed to the Lanarkshire Enterprise Zone versus other influences such as the United Kingdom exiting a minor recession and other general trends in the conurbation is debatable.

4. Business Parks and the Strathclyde Business Park

4.1 Business Parks: An Overview

Business parks are specialized designated areas that are designed to accommodate a range of businesses and industries within a geographic location. They typically offer a range of facilities and services to the entities they support, such as office space, conference facilities

and support services, designed to support business growth and development. (Damesick, 1990) Alongside enterprise zones, business parks were most highly utilized in the late 20th century, with their early predecessors having been developed at the start of the same century. Business parks provide businesses with a variety of benefits with the goal of retaining companies in highly competitive urban areas. These include benefits such as: amenities such as restaurants, fitness centers and other recreational and leisure activities. (Damesick, 1990) Business parks in the United Kingdom go further, offering businesses a wide range of services, such as legal advice, financial advice and access to funding. (Peddle, 1993) (Damesick, 1990) (www.strathclydebusinesspark.com, n.d.)

4.2 The History of the Strathclyde Business Park

The Strathclyde Business Park, established in 1990, is one of the largest business parks in Scotland, covering over 150 acres of land including what was previously a coal bing. (www.strathclydebusinesspark.com, n.d.) (www.strathclydebusinesspark.com, n.d.) It is located in Bellshill in North Lanarkshire, and is easily accessible by road and public transport from the rest of the Greater Glasgow Conurbation. In a similar vein to the Lanarkshire Enterprise Zone, the creation of the Strathclyde Business Park was a concentrated effort in response to Lanarkshire's economic woes. (Evaluation of Strathclyde Business Park, 2004) Priorities for the park included not only increasing the availability of industrial land and buildings, but to also acknowledge and confront the lack of high amenity sites in Lanarkshire as a whole. (Evaluation of Strathclyde Business Park, 2004) Compared to the Lanarkshire Enterprise Zone, the Strathclyde Business Park had a larger emphasis placed on high technology and prestige operations; the new generation of Enterprise Zones mimic this trend towards specialization to specific industries, notably Bio-Parks. ((www.gov.scot, n.d.) The Strathclyde Business Park also had significantly fewer incentives, with the most notable being £1.4 million in grant incentives for use of the park. (Evaluation of Strathclyde Business Park, 2004) When analyzing the results of the Strathclyde Business Park in spring of 2004 against target metrics set when founded, Strathclyde Business Park fell short of both developed floor space (1.110 versus 1.243 million square footage) and net additional employment (2 023 versus 2 500). (Evaluation of Strathclyde Business Park, 2004) Associated employment leakage and displacement of the Strathclyde Business Park was also notably higher than that of the Lanarkshire Enterprise Zone, which was attributed to the Lanarkshire Enterprise Zone's extensive application process. (Evaluation of Strathclyde Business Park, 2004) In 2004, Strathclyde Business Park achieved an additional gross value added of £137.12 million, versus £341.11 million gross value added for the Lanarkshire Enterprise Zone during the same year. (Evaluation of Strathclyde Business Park, 2004) Unlike the Lanarkshire Enterprise Zone however, the Strathclyde Business Park did not have a built-in end date. Strathclyde Business Park continues to operate as of 2023, now housing over 240 companies which employ approximately 6 300 staff. (www.strathclydebusinesspark.com, n.d.) Just like the Lanarkshire Enterprise Zone, the Strathclyde Business Park benefited from a very accessible location. The park was just two kilometers from the M8 and five kilometers from the M74. This proximity to both motorways is something the Strathclyde Business Park advertises as a significant attractant to this day.

4.3 Current State of Business Parks

Unlike enterprise zones which were not utilized between 2006 and 2012, business parks continue to be utilized as urban policy globally. (www.savills.co.uk, n.d.) There are currently just shy of 11 000 distinct business parks in the United Kingdom, proving testament to their continued utility as an economic tool to spur growth. In addition, unlike the Maxim Business Park, the Strathclyde Business Park continues to see high occupancy rates to this day. (europa.uk.com, n.d.) (Aitken, n.d.)

5. Conclusion

In conclusion, both the Lanarkshire Enterprise Zone and Strathclyde Business Park were able to successfully deliver a significant portion of their intended results. From an urban economic regeneration policy perspective, both initiatives were well-thought policies that had economic benefits to the Greater Glasgow Conurbation, directly helping to counteract the economic degeneration that was present in the Lanarkshire area during the time period. While some targets were not fully met, it is difficult to fully attribute this to any policy shortcomings or economic geography consequences, especially since the two initiatives were in such geographic proximity to one another that they shared almost all geographic strengths and weaknesses. When analyzing the two initiatives comparatively however, it is evident that the Lanarkshire Enterprise Zone was successful to a greater degree during the first ten-year timespan. It was able to more readily achieve its targets, despite being significantly more ambitious of an undertaking. The Lanarkshire Enterprise Zone's success is further illustrated by the fact that it was an anomaly in how successful it was in comparison to the rest of the first generation of enterprise zones in general across the United Kingdom. Despite this, it is important to note that the Strathclyde Business Park has now been operational for almost three times as long as the Lanarkshire Enterprise Zone's lifespan. The continued benefit that the Strathclyde Business Park has brought to the Greater Glasgow Conurbation is significant, and perhaps the single largest differentiator between the two initiatives. Strathclyde Business Park continues to drive economic regeneration through the continued development of the Greater Glasgow Conurbation long after the Lanarkshire Enterprise Zone suspended operations. Further proof can be found in the lackluster results that the successor to the Lanarkshire Enterprise Zone, the Maxim Business Park, displays. Whilst the short-term effects were significant, effective economic regeneration within the urban geography has been better accomplished by the Strathclyde Business Park and the ultimate result of the albeit successful Lanarkshire Enterprise Zone is another plot of land in need of economic revitalization in the conurbation. To that end, any comparison between Enterprise Zones and Business Parks should consider the ramification of the built-in lifespan on Enterprise Zones as a piece of economic urban regeneration policy, and how the long-term continued benefits of the Strathclyde Business Park are a significant determinant to its success as an economic regeneration policy tool.

6. Future Research

6.1 Considerations on Built-In Life-Span

Looking forward, one significant determination that should be researched is in regards to the economic consequences of the first generation of enterprise zones having a built-in expiry date. Should the built-in ten year lifespan have been stricken or absent from the original policy, would the urban areas have been better off? The results would be significant in the construction of future urban economic regeneration policy. In addition, research should be conducted on how the Lanarkshire Enterprise Zone and Strathclyde Business Park might have been better supported policy-wise to have achieved targets they fell short of, in addition to further succeeding in targets they achieved.

6.2 The Consequences of Clustering Economic Zones

Further analysis on the benefits and detriments economic cluster zones have on one another would be pertinent as well. When considering the fact that the Lanarkshire Enterprise Zone and Strathclyde Business Park were extremely close geographically to one another, being less than ten kilometers apart, and both having access to the same motorways within the Greater Glasgow Conurbation, there is a significant possibility that their proximity had an impact to their respective developments. Further research to the possible benefits and detriments to the proximity of economic cluster zones would be beneficial in deeming if either of the two initiatives might have been more or less successful should the other had not existed. (Karlsson, 2010)

6.3 The Results of New Enterprise Zones

Finally, further analysis on the new generation of enterprise zones that were established in the United Kingdom 2012 and onwards should be conducted. This new generation of enterprise zones do confer new benefits and are different in scope to their predecessors and analysis into how they have fared across the past 11 years could prove illuminative to the successes and failures of the first generation of enterprise zones. In addition, the lack of concrete information on the results of the first generation of enterprise zones was a significant misstep and extensive data on these new enterprise zones will be beneficial in the development of future economic urban regeneration policy development. (Cumbers and MacKinnon, 2004) (Kuah, 2002) This new generation of enterprise zones should ultimately also be directly compared to their predecessors to determine which of the two were more successful to their targeted results.

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