Conceptual Reflections on Governance and Stakeholder Dynamics in Urban Transformation: The case of the city of Agadir

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Abstract

Large-scale urban and industrial projects in many emerging cities are increasingly positioned as strategic tools for territorial development, economic diversification, and international competitiveness. However, the governance of such projects often reveals tensions between centralized decision-making and the need for inclusive, participatory processes. This paper offers a conceptual reflection on governance and stakeholder engagement in the context of major urban transformations, drawing insights from the case of the Haliopolis industrial project in Agadir, Morocco. By mobilizing theoretical perspectives from urban governance, stakeholder theory, and territorial legitimacy, the paper argues for a more integrated and collaborative approach to managing large-scale projects. The analysis highlights the importance of aligning project objectives with territorial identity, community expectations, and long-term city branding strategies. It contributes to the broader academic discourse on governance models suitable for cities facing rapid development and complex socio-political dynamics.

Keywords: urban governance, stakeholder engagement, territorial legitimacy, megaprojects

Introduction

Urban governance has become a central concern in large-scale projects that seek to reconfigure territories, attract investment, and reposition cities within global or regional hierarchies (Healey, 2006; Pierre, 2011). Governments are launching ambitious megaprojects for modernization, competitiveness, and infrastructure development in many emerging economies, particularly in North Africa and the Middle East (Flyvbjerg, 2007). While these initiatives promise economic growth and spatial transformation, they also raise critical questions about inclusivity, legitimacy, and the capacity of governance systems to manage complexity (Innes & Booher, 2010).

Morocco's city of Agadir provides a telling example. Traditionally known for its touristic identity as a seaside destination, the city has recently embarked on a series of major urban and industrial transformations. Among them, the Haliopolis industrial project is a strategic initiative to diversify the local economy, generate employment, and enhance territorial attractiveness. However, integrating such a project into the urban fabric and the city's brand image remains contested.

This paper uses this case as a conceptual lens to reflect on broader governance challenges that arise when megaprojects intersect with existing urban identities and stakeholder interests. In particular, it examines how the configuration of power, participation, and institutional coordination shapes the perception and performance of large-scale interventions in cities like Agadir.

Through this conceptual exploration, the paper contributes to a body of literature that calls for rethinking project governance—moving from top-down, technocratic models to more dialogic, inclusive, and territorially embedded approaches. It highlights the need for flexible governance arrangements to balance strategic ambitions with local legitimacy and long-term planning with short-term accountability.

2. Urban Governance in the Age of Megaprojects

The governance of urban transformation in the 21st century is increasingly marked by the proliferation of megaprojects—large-scale, capital-intensive developments that aim to physically and symbolically restructure cities (Flyvbjerg, 2014). These include transport infrastructures, industrial zones, innovative city initiatives, and urban regeneration schemes. While often presented as engines

of growth and modernization, megaprojects are also political instruments that reflect specific visions of development, usually shaped by a limited number of actors with considerable institutional and financial power (Flyvbjerg, 2007).

In many emerging cities, including North Africa, governance practices are shaped by a legacy of centralized planning and state-driven development (OECD, 2015). This frequently sidelines local institutions and civil society, raising concerns about transparency, participation, and long-term alignment with urban realities (Reed et al., 2009).

Urban governance, in this sense, is not simply about exercising authority or implementing technical plans. It is about managing interdependencies across sectors, institutions, and communities in ways that foster legitimacy and coherence (Healey, 2006). Effective megaproject governance requires institutional capacity, collaborative arrangements, clear accountability, and context-sensitive planning (Innes & Booher, 2010).

The literature on governance increasingly advocates for networked models over hierarchical ones (Ansell & Gash, 2008; Healey, 2006). These models prioritize coordination across public, private, and third-sector actors, recognizing that no single institution can manage the complexities of urban transformation alone. They emphasize horizontal relationships, shared decision-making, and adaptive learning. However, the operationalization of such models in rapidly developing cities remains limited, often due to political constraints, institutional fragmentation, or a lack of participatory culture (Pierre, 2011).

The Moroccan experience with megaprojects offers a valuable entry point for analyzing these tensions. While the national government plays a leading role in planning and financing, the effectiveness and acceptance of these projects depend heavily on how they are governed locally. The case of Agadir—where industrial ambitions intersect with a well-established touristic identity—provides a fertile context to examine the challenges and opportunities of governing urban transformation strategically and inclusively.

3. Stakeholder Participation and Territorial Legitimacy

One of the core challenges in governing major urban projects is ensuring that diverse stakeholders' voices, interests, and expectations are meaningfully integrated into the decision-making process (Freeman, 1984; Reed et al., 2009). In traditional project management models, stakeholder involvement is often limited to a consultative phase, typically late in the planning process. This approach risks reducing participation to a procedural formality rather than a genuine avenue for co-construction.

In contrast, contemporary governance theory emphasizes deliberative engagement, shared responsibility, and the co-production of solutions as key to building both project quality and legitimacy (Ansell & Gash, 2008). Legitimacy in this context refers to the perceived fairness, inclusiveness, and relevance of the project by those affected by it (Suchman, 1995).

In cities like Agadir, whose identity is closely tied to tourism, any project that significantly alters the territorial narrative must be susceptible to stakeholder concerns. For example, introducing large industrial zones may be perceived as a threat to the city's environmental, visual, or symbolic integrity unless framed within a broader vision of balanced development. This calls for strategic communication, transparent governance, and mechanisms that allow stakeholders to shape—not merely react to—the project actively.

While the Moroccan governance landscape is evolving, it operates primarily within hierarchical and technocratic models. Nevertheless, the growing awareness of place branding, citizen satisfaction, and environmental impact pushes urban actors to reconsider how projects are governed.

4. Conceptual Insights from the Agadir Case

The city of Agadir presents a particularly illustrative case for examining the dynamics of governance and stakeholder engagement in major urban projects. Traditionally known for its tourism-based economy and coastal appeal, Agadir has recently embarked on transformative initiatives aimed at economic diversification, infrastructural modernization, and enhanced territorial attractiveness. The Haliopolis industrial project is a flagship example of the city's shifting development trajectory.

While the project promises economic benefits such as job creation and increased investment, it raises concerns about critical territorial coherence and stakeholder alignment. The decision to locate a large industrial zone near a tourism-dependent city highlights the complex tensions between competing urban identities: one rooted in leisure and heritage, the other in productivity and industry. This juxtaposition necessitates a form of governance that is strategic, forward-looking, and profoundly attuned to the city's socio-spatial fabric.

Implementing major projects like Haliopolis involves multiple actors: national ministries, regional investment centers, municipal governments, and private investors. However, the absence of a unified governance body or a designated coordinator often results in fragmented decision-making and delays in implementation, weakening public confidence in the project (Stone, 1989). Stakeholders involved in the project may have overlapping mandates, unclear responsibilities, or divergent priorities (Reed et al., 2009).

Although some forms of public relations and top-down communication have been initiated, the involvement of residents and civil society actors remains limited. Many stakeholders report that decisions were made before consultations began, reducing opportunities for meaningful influence. This reinforces perceptions of technocratic governance and undermines the project's legitimacy in the eyes of the public (Suchman, 1995).

Perhaps the most symbolic insight from the Agadir case is the potential disconnect between project ambitions and the city's territorial brand. Stakeholders stress that development must not compromise Agadir's environmental quality, touristic appeal, or long-standing identity. Without careful management, industrialization may erode the attributes that make the city attractive to tourists and residents.

5. Implications for Governance in Emerging Cities

The governance challenges highlighted by the Agadir case are not unique; they reflect broader patterns observed in many emerging cities where development is fast-paced, investment-driven, and often centralized. As urban landscapes evolve under the pressure of globalization, climate change, and socio-economic restructuring, cities in the Global South are increasingly seeking governance models beyond administrative control (Watson, 2009).

5.1 Rethinking Success in Urban Projects

In many contexts, success is too often defined by tangible outputs—roads built, zones industrialized, jobs promised—without sufficient attention to process legitimacy or territorial fit. A broader definition of success should integrate stakeholder trust, brand coherence, environmental sustainability, and long-term social impact (Atkinson, 1999; Turner & Zolin, 2012).

5.2 Institutionalizing Participation

Participatory governance must move from ad hoc consultations to institutionalized processes that guarantee stakeholder involvement throughout the project lifecycle. This includes mechanisms for co-decision, feedback loops, and local advisory committees (Innes & Booher, 2010).

5.3 Bridging National Strategy with Local Identity

Many emerging cities are positioned as implementation platforms for national development agendas. While alignment with national strategy is essential, governance frameworks must reflect and enhance local identity, cultural assets, and community needs. Bridging this gap requires more than communication—it demands territorial intelligence and sensitivity (Robinson, 2006).

5.4 Integrating Governance with Branding and Territorial Marketing

In cities like Agadir, where territorial image plays a key role in economic development—primarily through tourism—governance must be closely aligned with branding strategies. Major projects shape physical space and narratives of belonging and vision.

5.5 Adopting Adaptive and Learning-Based Governance

Rapidly developing cities face uncertainty, diversity, and structural complexity. Governance in such contexts must be adaptive, iterative, and based on continuous learning. This requires investing in feedback systems, policy experimentation, and flexible institutions (Innes & Booher, 2010).

6. Conclusion

Major urban and industrial projects are increasingly used as strategic levers for development in emerging cities. However, their success depends on more than infrastructure delivery or economic output. This paper has argued for a redefinition of project success based on governance quality, stakeholder engagement, and territorial legitimacy (Suchman, 1995; Swyngedouw et al., 2002).

Drawing from the conceptual insights and the case of Agadir, the paper demonstrates how fragmented institutional arrangements, unclear stakeholder roles, and weak participatory practices can undermine even the most ambitious projects. For cities navigating rapid transformation, governance must shift from command-and-control approaches to inclusive, collaborative, and adaptive models. This involves rethinking institutional roles, integrating governance with territorial identity, and aligning development with long-term branding strategies.

Projects that fail to resonate with local communities' values, needs, and expectations risk generating resistance, eroding trust, and damaging the image they seek to enhance. Effective governance in the era of megaprojects must move beyond technical execution to embrace political negotiation, stakeholder co-creation, and relational legitimacy.

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