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## The Politics and Institutions of Project Approval - a Critical-Constructive Comment on the Theory of Strategic Misrepresentation

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### Abstract

This article addresses theoretical and methodological explanations of miscalculations of costs and benefits in large infrastructure projects. The particular focus is on the most influential theoretical contribution in this area, labeled 'the theory of strategic misrepresentation', associated with the work of Bent Flyvbjerg. The theory's major explanation of cost overruns is that the registration and representation of calculations of costs and benefits are made by planners in organisations that have economic interests in the results. They work in a context where they compete for scarce public resources, and in which lying pays off in the end. The result is, as Flyvbjerg expresses it, the 'survival of the fittest' - not the best projects that are built, but the most misrepresented ones.

This theory, with its focus on the institutional context and incentive structures, represents a major step forward compared to the solely economic explanations. However, it has several shortcomings both in theoretical and methodological terms. Methodologically, the research has not been necessary for validating the conclusion of 'the survival of the unfittest'. Theoretically, the framework does not offer any variation on the dependent variable nor when it comes to variation in planners (actors) motives and rationality. Hence, there is a need for a broader theoretical framework. We conclude our article by sketching such a framework, an institutional approach grounded in sociological theory, as well as applying it to transport planning. The Norwegian research in this area does not support the thesis that project approval is a result of planners' strategic behaviour. More often it is an outcome of institutions where politicians play a key role at all levels and stages of the planning process, often neglecting cost-benefit analyses and recommendations.

Keywords: Infrastructure planning; Cost benefit analysis; (strategic) misrepresentation; Professions; Institutional theory