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Strategies of urban development between europeisation, the state and regions

1. Defining urban development in the global perspective

Spatial structures are manifestations of economic, social and political development (Bornsdorf, 2004). For decades the leading guidelines in national and regional policies, as well as strategic documents in Europe, have stressed goals of balanced spatial development. The same applies to common principles and guidelines of guidelines of spatial policies of the European union [1], which represent the starting point for directing spatial development based on cohesion policies. On the other hand globalisation processes are supporting urban systems that follow the economic significance of concentration and which correspondingly emphasise the leading role of large urban centres. Such development, supported by global spatial competitiveness, triggers economic processes of post-industrial society, in which the role of the service sector linked to development of modern information and communication technologies is increasing. In the forefront of economic success are attributes, such as: economic growth, entrepreneurial environment, innovation etc., which condition concentration of economic activities. (DISP, 2005)

Although the European network system of large and smaller cities essentially hasn't significantly changed in the last decades, globalisation flows have affected the role and function of particular cities and increased or weakened them in their national and regional contexts with respect to capacity for adapting to economic circumstances. On the other hand structural transformation of Europe is changing spatial relations between countries, regions, cities and agglomerations [2], without bothering about political or territorial boundaries. Traditional functions of cities, as unique places for varied economic dynamics, cultural and social offer, are gradually disappearing and merging into various (regional) urban networks that are complementary to growing global cities and agglomerations. With increasing economic and infrastructure flows and strategic enforcement of transnational authority, gradually a uniform European economic and social space is emerging, in which different integrations are increasingly substituting the role of states.

Thus, with gradual achievement of the European vision, understanding of directed spatial development and management is radically changing, which was formerly determined within national, regional and other boundaries. We are speaking about the necessity of different perspective outlook, which puts in the forefront of spatial policies integral dealing with spatial development. Linked to economic policies and other physically relevant departmental policies (transport, environment, agriculture etc.) conditions are created for successful, competitive urban economies. In national and regional policies thus the need for new instru-

ments for vertical and horizontal communication are increasingly more pressing, which include public and private actors. This is coupled with contemporary attitudes of urban sociologists, who consider cities and modern compact urban areas as spaces for integrated development even in the future, however attributes of economic growth are joined by components of social equity and cohesion needed for achieving general welfare.

2. Development processes and the hierarchy of urban Europe

Urbanisation is a process that became one of the fundamental questions in the 21st century and in which global actors are precisely cities and urban regions. (MVRDV, 2002) The result is the extant urban system, which reflects historical development and is gradually changing the European territory in its economic, political, social, cultural, as well as physical and structural image. The changes of transition from industrial production to service-oriented economy, hastened growth of transport connections, communications and infrastructure and the relation between the public and private sector are the most manifestative processes that are affecting development of spatial structures. The adaptation to changed development conditions is also devising a new order of priorities, i.e. globalisation, in which trans-national structures and increasingly taking over the role of states.

Processes inherent to the post-industrial age are imposing new criteria of development success and efficiency of development of cities and agglomerations. The goals and strategies of economic, entrepreneurial orientations in urban development emphasise capabilities for competing for attracting the most important economic subjects. The international race or competition for seating different functions and activities in Europe is occurring between several large urban agglomerations that are experiencing a real boom as new centres of power on the regional, national or international economic and political scene, while other cities, which haven't successfully adapted to new post-industrial conditions, are declining and thus undergoing negative structural changes. The characteristic of successful cities is therefore increasing concentration of jobs, while development of transport connections enables good accessibility to residential and other functions of quality living. (MVRDV, 2002).

The basic question for devising future policies and strategies in new globalised conditions thus deals with the present role and function of cities and urban systems as decisive factors of economic success of nation states. What are the characteristics of successful cities, agglomerations, regions under conditions of competitive European space? The answers can be found in various hierarchical definitions and categorisation systems that try to explain reasons and consequences of differing roles of cities. Various typologies are developed that are based on two key dimensions, which decisively affect urban hierarchy: 1) the capacity to adapt to changes caused by transition from industrial production to flexible specialised economic systems and 2) the capacity of cities to develop different »control capacities« on the economic, political, social and cultural field on the wider supra-national, European or even global level. These functions apply to important financial centres, head offices of economic groups, international organisations, but also festivals, sports events etc. (Brenner, 2000: v Ache, 2004).[3]

2.1 Polycentrism and cohesion

Alongside new typologies of production and technology and growing consumer demands also established spatial and corresponding lifestyle patterns are changing. Apparently the development of cities and urban regions is better defined by economically supported imperatives of investors, rather than planners, since the former's interests are, for various reasons, increasingly stretching far into the hinterlands of large cities and urban agglomerations. Contemporary economic circumstances demand new forms of spatial organisation of activities and functions, whereby old urban structures are changing and new ones emerging, such as polycentric urban systems, functional urban regions etc. These new structures founded on mutual networking try to provide particular cities and agglomerations integration in economically successful, dynamic, attractive wider urban environments. In all these processes especially the role of national authority is changing; it is slowly and consistently diminishing, but simultaneously the role of regional and local authority, supported by active participation with the private sector, is growing.

Even European spatial documents, within the desire for balanced spatial development, define two levels of urban systems (ESDP, 1999):

- **The EU level** with large cities as dynamic centres of growth with a tendency for concentration of economic activities in core regions, whereby other areas automatically become peripheral;
- **The level of European regions**, in which dominant centres are replaced by chains of connected cities; typical examples of such regions are urban networks in Randstad (The Netherlands) and the Ruhr region (Germany); peripheral regions are covered by predominantly countryside areas with small and medium-sized cities.

This leading image of (balanced) polycentric development of the system of cities is aligned to goals of social and territorial cohesion, stated in the Union's charter. The component of territorial cohesion is built into European spatial strategies with the goal of emphasising integration between various departmental policies on specific territories, whereby its spatial dimension is stressed. This principle respects the formation of core regions throughout Europe, one of which, the regional administrative network Randstad, is presented in continuation, as a good example of integrated departmental national policies.

2.2 Example of a polycentric urban region: RANDSTAD, The Netherlands ^[4]

The functionally incredibly diverse area populated by 7,5 million people consists of cities and provinces in the western Netherlands, strung around the edge of nature reserves (»green heart«). The urban region represents the »motor« of economic development, which is based on industry, innovation, business and financial services and tourism. Its four cities: Amsterdam – international service centre, Rotterdam – global logistics centre, The Hague – administrative centre of national government and international organisations and Utrecht – national service centre, have a complementing economic profile. If we summarise the strategic directions of the Randstad region, we can establish that the key factor of its international competitiveness is multilateral accessibility (air, maritime, road, railway transport), which is based on connections within the TEN-trans-European network. This in-

ternational investment environment besides high quality business sites also demands high quality residential areas with emphasis on environmental qualities, including development of rural areas and management of the coastal zone. Both conditions for the entire region's success are achieved by intensive internal cohesion, which is based on accessibility and modality of different transport chains in the entire territory.

2.3 Attempt at systemising urban systems

From the presented theoretical starting points and practical examples we can establish that different factors for successful cities and agglomerations are tied to their improved competitiveness on the regional, national and international level. Simultaneously the question about their size and functions consistently stresses the necessity of their mutual network linkage into different urban systems. In the attempt at systemising we summarise the main trends and their characteristics, which can also be defined as guidelines for directions of national/regional urban systems (CEERD-RePUS, 2004) ^[5]:

- **Trends for concentration:** affect the growth of global cities and represent an international polycentric system of metropolis of traditionally competing cities based on dominant functions (institutional, technological, innovative, financial etc.) and high quality services with strong effects on competitiveness of the entire country (London, Paris, Brussels, Frankfurt etc.);
- **Trends for decentralisation:** combined with active policies for raising attractiveness of cities they improve the role of other large cities as potential poles for balanced development of global cities; their role is predominantly national/regional, but relevant on the European scale, since as secondary urban systems they co-affect the national capacity (Barcelona, Toulouse, Lyon, Milano etc.);
- **Trends for forming urban regions:** medium-sized cities that act as regional centres and play an active role in the increasingly decentralised national systems; connected to other regional areas and centres they form sub-regional urban systems, common in most decentralised countries (Germany, Italy).

3. Urban development from the national/regional perspective

Unbalanced development of urban systems in different national and regional environments determines further division of economic activities between particular cities, agglomerations and urban regions. To define the characteristics and functions of successful cities we state Kunzmann's spatial definitions of urban development (2004), which are from the aspect of urban economy on the national/regional scale controlled by two exceptionally determined trends. The first is spatial polarisation, which gives the advantages of central position to large cities and agglomerations before the periphery, since they are seen as having more competitive capabilities for internationalisation, good transport infrastructure, modern production and communication systems etc., which ensure better conditions for various activities. On the contrary, functional polarisation of activities includes medium-sized and smaller cities as centres of specialised production (automobile industry, optical products etc.). These cities can develop their image with growing specialisation, which can promote their economic development to attract various public and private investments. Hereby a significant factor for

competitiveness is the capacity for mutual linking of particular functions that ensure necessary cooperation and coordination for the city's economic and social success in the region, as well as national and international environment.

3.1 Systems of network connections

One of the more successful concepts of networking specific activities into technological networks (clustering) is based on expected continuation of trends for down-scaling and specialisation of companies. Such organisational connections connecting of related activities is of utmost importance for the development of smaller cities that find focus for specialised activities also in simultaneous development of transport and communication infrastructure – especially in cases when regions are dominated by single industrial branches or companies (probably the best known example is the Ruhr region in Germany).

An important aspect of networking is also the development of new, knowledge-based industrial activities that emphasise the fields of research and education. Expert knowledge demanded by new technologies, can, as a rule, together with research institutions, be ensured only in university environments. Development of such high quality environments, with the goal being achievement of international competitiveness, is always a long-term process tied to financial resources, but achievable. A successful example lies next door (e.g. Austrian Graz has been developing an automobile manufacturing cluster, which intends to, according to recent information, expand to the Maribor business zone).

Numerous smaller cities recovered with the service sector, which is based on location factors different to production-based activities, and can react in a different manner under networking conditions. Positioning of service activities with contemporary concepts are also affected by truly non-urban factors, amongst other lower costs, which create opportunities for competitive sites in smaller cities and peripheral areas. Ensuring quality and a high level of service can be generally ensured only by larger markets, therefore out-of-town locations are conditioned by good transport connections with neighbouring compact urban spaces. By investing in development of transport infrastructure we can achieve suitable scales for various service-oriented investments also in smaller cities (shopping centres, entertainment centres, sports and recreation centres etc.). In these areas urban economy, when compared to metropolitan regions, in general stresses strongly higher quality of living and working conditions and especially the high quality of the environment. (Andersen, 2003)

3.2 Soft strategic factors

Priorities in development policies and strategies of cities and urban regions have to be adapted to new attitudes on sustainable development, which as a counter-weight to emphasised economic characteristics stress the importance of spatial variety, which is based on endogenous potentials of particular sites, cities, regions. Thus development of cities and agglomerations is increasingly being conditioned by »soft« location factors, such as quality of living and working environment, housing and cultural offer, level of urbanity, safety etc., which compose the entire image of a place, emphasise the distinctness of certain sites (in the field of tourism, e.g. specific charm or atmosphere of a place). International publics

are today attracted by various museums and galleries of contemporary art, theatres etc, while major echoes are achieved by comprehensively organised projects, such as internationally established sports events [6], cultural and entertainment events, especially those accessible to the general public (Maribor Lent-festival, Love Parade in Berlin etc.).

Creativity and innovation are becoming important elements of spatial competitiveness, with which cities as places with cultural identity (Koll-Schretzenmayr, Burkhälter, 2002) attract investors and capital. Most European cities are trying to utilise such advantages in wider action programmes, e.g. the project »European cultural capital« (in the past Ljubljana, Graz in Austria, Maribor is a candidate for 2012). Although such projects are not necessarily profitable, their undertaking has long-term effects for city promotion and marketing.

Medium-sized and small cities often confront another issue: *how to adapt their economic foundation to global trends of increasingly more complex regional development?*

How varied these development factors of successful, competitive cities can be, is clearly summarised with the example of some survey answers for German cities, when asked what does the term »entrepreneurial city« represent [7] (Ache, 2004):

- Frankfurt – The Ruhr: dense institutionalised network of links between economy and politics;
- Dortmund: structural changes with emphasis on IT-technologies;
- Wolfsburg: one of the rare cities where economy controls the central areas of urban development, including city marketing, the labour market, entertainment and tourism;
- Hamburg, Leipzig, Bremen: cities and city regions with strong economic dynamics, which are based on knowledge and research (universities, institutes);
- Stuttgart: sites for global enterprises active in Europe, competent regional planning structures, employment prospects, low unemployment;
- München: proactive city, which searches for investors and obtains projects; important events (including the national urbanistic congress); the city promotes its development strategy with new instruments for its image, i.e. a profiled, flexible, entrepreneurial city, especially in building land management and city development.

We can ascertain that demands for competitive development of cities largely involves economically conditioned factors, which alongside factors of education, entertainment, leisure etc. stress cultural diversity, but also social equality and cohesion. Such a palette of various factors undoubtedly demands the introduction of contemporary methods and procedures of governance and city management, whose organisation and administration generally reach into the wider region (e.g. the regional agglomeration of Stuttgart union, different inter-municipal institutional ties).

4. New aspects of success in urban development

One of the repeatedly raised basic questions of future development of urban structures is the question of compatibility of economic growth and social equity under global competition conditions. Is dual strategy, which on one hand emphasises economic growth and competitiveness, and tries to

maintain the key levers of welfare on the other, at all possible? We can discern in development strategies of some European cities numerous development directives that stress the duality of spatial indicators many adequate answers in experiences of achieving such endeavours in practise. As a successful example we can see the typical elements of the development strategy of Copenhagen, which began as a central government initiative and was carried out in the wider urban region.

4.1 Example of dual urban strategy: Copenhagen [8]

Priority fields of the city's urban strategy were emphasised traditional development policies oriented towards economic development and stimuli for investors, which were offered the best conditions by the city: highly trained work force, modern infrastructure, low taxes, high quality public services, selective industrialisation policy inclined to investments in modern strategic fields, such as biotechnology, communication and electronics. Such policy demands strong support of all public agencies in particular strategic areas, since it involves establishment of new institutes, modern education programmes etc.

Simultaneously development of non-priority fields demanded comprehensive re-formulation of urban policies, since investment was also needed for traditionally neglected dilapidated housing on central locations, combined with other efforts of less profitable nature. The local authority developed new criteria and methods for general social improvement for the population, which is manifested by the balance between different population groups, i.e. those with less income and those with more, net-recipients and net-payers etc. To avoid the growing number of net-recipients one of the first measures was to stop public housing construction and systematic promotion of ownership or part-ownership of apartments, another was to rehabilitate traditional immigration areas, where small, cheap apartments are refurbished into larger, completely modernised and attractive residences with rents. The central government's measures forced the city into more active strategies, which intensely involved town planners as well. An example of such cooperation is the dock area, led by the national planning agency, the partner of the city in efforts to redesign available spaces into expensive apartments, which would attract the middle and higher classes of population back to the city centre and thus also improve its own financial conditions.

Another example of dual strategy is the bridge connecting Copenhagen and Malmö, also initiated by the central government with the idea of creating the cross-border region Öresund. The city's urban economy achieves the desired scale of international metropolitan competitiveness and simultaneously stimulates comprehensive regional development.

5. Perspectives in managing urban development

Positive examples of urban strategies developed by European cities that move away from liberal aspects of the last decade are coupled with ongoing sociological studies and internationally conducted research [9], that see cities and urban agglomerations as leading spaces for future development. Much attention is given to complex approaches to city success, which predominantly depend on capable management and directing development. Thus, at the beginning of the 21 century, a new

wave of optimism concerning development can be seen, which means a shift from single-sided production oriented aspects about cities, common in the 19th and 20th century, whereby cities should again become exciting and creative places, in which one lives and works. New strategic approaches point out the »triple« character of successful (sustainable cities): demands for (economic) competitiveness, (social) cohesion and (responsible) leadership. (Gordon, Buck, 2005) Contemporary governance and management models are accordingly conceptualised on principles of networking actors and institutions into planning teams at various levels that include horizontal and vertical cooperation and coordination. These principles are gaining in importance even in practise. After all, as McElweeney (2004) put it, they offer vast possibilities for implementing different projects as elements of integrated urban concepts in regional city perspective. Apparently the gained experiences are diminishing the role of spatial regulation, since the fields of controlled urban development are moving from the territorial to the marketing basis – even with various subsidised programmes of the European Union.

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Notes

- [1] ESDP-European Spatial Development Perspectives, 1999
- [2] The article introduces the Swiss usage of the term agglomeration, where it is defined as a connected urban area with smaller towns and local communities with at least 20.000 inhabitants.
- [3] At the top of the ladder are »global« cities, such as London, Paris and Frankfurt; the next are »European urban regions« i.e. conurbations Rhein-Main (Frankfurt), Copenhagen, Randstad (Amsterdam/Rotterdam), The Ruhr (Dortmund – Essen–Duisburg); larger cities – Eurometropolis – Athens, Brussels, Vienna, Rome, Madrid, Barcelona, Milano and Barcelona, as well as Berlin after reunification. At the bottom of the hierarchy are cities that are peripheral in contemporary European economy, such as Naples or Cottbus; while the end ranking of successful cities is being held by cities such as Manchester or Duisburg, which are still struggling in transition from fordist production processes. Trailing along at the end are also some other smaller cities functioning as national urban centres or that have more successfully transcended to post-fordist production (Brenner, 2000: In Ache, 2004).
- [4] Summarised from Economic strategy Randstad Holland, A joint metropolitan strategy and an agenda to stimulate the economy of an internationally competitive Randstad Holland, Regio Randstad 2004.
- [5] summarised from CEERD-RePUS, 2004.
- [6] »...London beats Paris in the competition for hosting the 2012 Olympic Games«, Delo, 7. 7. 2005.
- [7] Entrepreneurial City is a term imported from USA and used to identify urban innovations in successful cities that are recommended by the Manhattan Institute to new candidates for mayor of the city (after Ache, 2004).
- [8] Andersen, H. T., 2002. Urban Economic Futures, material for the conference COST C10, Copenhagen, 2003.
- [9] Project by the European Commission COST A26: The European city-regions in an age of multi-level governance – reconciling competitiveness and social cohesion?, 2003–2007, Ministry for science and technology, University of Maribor, Faculty of civil engineering, Cathedra for building, spatial planning and environmental protection.

For sources and literature turn to page 11.