Creative Governance in City Regions
A German Perspective

Planning Nordic city regions: experiences and agendas
Oslo, 11 May 2015

Outline

1. Germany 2015
2. Metropolisation
3. The future of the city is the city region
4. Governance in city regions
5. Successes and failures of city region development
6. Trans-border city regions
7. Assessment
8. Conclusion
• Population: 80 million, stagnating in some regions in East Germany declining and aging: low fertility rate, 50% single person households;
• A Federal state with 16 comparatively independent states, governments and capital cities;
• A balanced polycentric urban system with many small and medium-sized cities > central places and (more or less) equal living conditions;
• Growing share of ethnic minorities from Turkey, Southeast and Eastern Europe, the Middle East and Africa; > More refuges to come, welcomed by the desperately labor seeking industry!
• An affluent welfare state, though growing social and economic polarisation;
A thriving economy with low unemployment
> due to high consumption and cheap production in China?
> Strength of Mittelstand small and medium sized enterprises and vocational training tradition;

Considerable share of industrial production
> 30% of labour force;

Weak central, but strong local and state governments
> top-down and bottom-up planning and decision-making processes in a consensus searching environment;

A fair distribution of taxes between local, state and the federal government;

Civil society and media control planning and political decision-making in city regions

As elsewhere in Europe, caused by market-led economic policies and better education of citizens, government is replaced by governance;
Germany 2015-3

- A balanced polycentric urban system with many economically thriving small and medium-sized cities > central places;

- Even 25 years after reunification a divided country, socially, economically and politically!
Metropolisation

- Globalisation, structural change and new Information and communication technologies (and the logic of the market economy) favour the concentration of economic development in large city regions;

- The competition among larger city regions in Europe and beyond, for investments, international institutions, qualified manpower, corporate investors, for events and media coverage: > sports events, cultural festivals, international meeting

- The Lisbon Agenda, the document of the European Commission to achieve competitiveness in Europe is explicitly promoting economic development in metropolitan regions;
Metropolisation
Metropolisation

- State governments support investments in public infrastructure (airport hubs, trans-European networks, higher education policies, to strengthen the role of metropolitan city regions;

- Planning and decision-making processes happen in increasingly complex public-sector led systems at five or more tiers of government and governance.
Competitive Metropolitan Regions

Additive combination of standardised R&D-indicators: personnel total, personnel in BES, expenditure on R&D (regional average of ESPON countries = 0)

- up to -1.0
- 1.0 up to -0.5
- -0.5 up to 0.0
- 0.0 up to 0.5
- 0.5 up to 1.0
- 1.0 and more

Metropolitan European Growth Areas (MEGA) by functional importance of global, European, national and transnational significance

- Industry
- Transport
- Tourism
- University
- Administration
- Decision-making

Size according to average value of related significance of functions

Decision-making functions outside MEGAs by significance
- National/transnational significance
- Regional significance
- Local significance

no data

Source: ESPON database

© EuroGeographics Association for administrative boundaries
Regional level: NUTS2
Origin of data: R&D; ESPON Project 3.1, BBR & ECOTEC; functional importance of MEGAs: ESPON Project 24.2, BBR; function outside MEGAs: ESPON Project 24.2, BBR; MEGA definition: ESPON Project 1.1.1, Nordregio
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The future city is the city region! Why?

The emergence of (polycentric) city regions is the consequence of

- Globalisation and global urban competition
- The logic of the market economy and the new post-industrial urban economy
- The need to cooperate regionally and to organize a strategic division of urban functions
- The strength of local governments and civil societies in a post-industrial world
- The insight that big events (> Olympics) can only be attracted by large cities
- Value changes of the people and the renaissance of urban living

80% and more of national populations are living in city regions
The future city is the city region

The future city region is an archipelago, a network of highly interrelated local functions, many of which are globally linked.
The future city is the city region
Why Metropolitan Regions?

**German Perspective**

- **Why Metropolitan Regions?**

  **Germany 1995 > Europäische Metropolregionen**

- Activities of the European Commission to strengthen Europe against other regional economies
  > Asia, US

- Neo-liberal market oriented agenda of the EU > Lisbon Agenda, Europe2020, competition policy

- Competition among European city regions
  > for image, investment, qualified, creative labour, tourists and media coverage:

- Clustering of economic activities
  > globalization, metropolization and deindustrialization, renaissance of agglomeration economies

- Conflicts over large infrastructure projects in the city region > airport extension, new railway station;
Why Metropolitan Regions?

Germany 2015

- Higher liveability standards for better educated and cosmopolitan citizens
  > Accessibility to public & private services

- German vision/ perspective leitbild produced by the Federal Ministry of Transport, Housing and Spatial Planning

- Declining public (regional and local) budgets > Sharing the burden, joining forces

- Growing importance of media coverage in location profiling
  > Urban profiling, urban marketing

- Lack of cooperation among local governments city regions
  > Conflicts over tax, and flagship projects and out-of-town supermarkets, often driven by local election rationales
What are the Challenges?

- States vs. metro region
- Inter-communal cooperation > soft boundaries?
- Involvement of regional stakeholders
- Strategic regional development policies
- Who dominates? Market vs public sector
- Speed of decision-making processes
- Large infrastructure projects
Spatial Planning in Germany

Declining importance

- Demographic decline
- No expansion of transport infrastructure
- Market-led ideology
- Low political appeal
- Lack of communication (and courage) of the planning community
- Strong local governments

1. Federal Tier: Raumordnung > Leitbild
   Wachstumsbündnisse und Verantwortungsgemeinschaften
   Alliances for Growth and Joint Responsibility

2. State (Länder) tier > State development plans and programmes
   Losing former importance > Central places

3. Regional tier: Regional (physical planning)
   Not more than intercommunal lad-use-planning
   >Urban containment
Spatial Planning in Germany

Wachstumsbündnisse und Verantwortungsgemeinschaften

Alliances for Growth and Joint Responsibility
Governance
Process of collective learning on the basis

Governance instead of Government: what is the difference?

- Interplay of public, private and civic actors with different rationales for development and action
- Voluntary organization with exit options
- Self-governed production of collective goods
- Networking among local governments in a metropolitan region
- Strategic regional cooperation
- Self-defined rules of interaction
- of mutual information exchange, arguing and bargaining

Source: after Fürst 2009
Strategic Planning
Replacing traditional urban and regional and land use planning

is a chance for spatial Innovation and creativity, it is an approach which brings innovation and creativity into planning processes! Why, how?

- Strategic planning (at all tiers of planning and decision-making) is not regulated
- Neglects administrative boundaries and accepts soft spaces
- Benefits from being more independent from established political rationales
- Opens windows of opportunities for innovative projects and action
- Encourages the involvement of the civil society and their innovative ideas
- Makes (vested) economic interests more transparent
- Provides physical and mental space for new urban/regional economies
- Creates new public-private partnerships
- Requires explorative visions, narratives and scenarios for incremental action
- It is an open and flexible, a plug-in-concept
Strategic Planning: an ambitious, fuzzy concept

John Friedmann 1987

... to come from knowledge to action!

Mintzberg 1994

... a strategic planning process is launched with three types of objectives. "Thinking about the future", "integrating decision-making" "improving co-ordinating mechanisms"

Patsy Healey 1997

... a social process through which a range of people in diverse institutional relations and positions come together to design plan-making processes and develop contents and strategies for the management of spatial change.

Louis Albrechts, Patsey Healey and Klaus R.Kunzmann 2003

... strategic planning produces frameworks and interpretive images capable of mobilizing people into action and in some cases of constructing a new governance culture

Louis Albrechts and Alessandro Balducci 2012

... focuses on results and implementation by framing decisions, actions and projects, and it incorporates monitoring, evaluation, feedback, adjustment and revision.
Metropolitan Governance
In Germany

A very heterogeneous pattern, no central government directive

- **Monocentric**
  > Berlin, Hamburg, Munich, Bremen

- **Polycentric with strong core**
  > Frankfurt, Nuremberg, Stuttgart, Bremen

- **Polycentric with equal partners**
  > RheinNeckar, Hanover, Mitteldeutschland

- **Strong economic support by private stakeholders**
  > Nuremberg, RheinNeckar

- **Predominantly local government cooperation**
  > Bremen, Hanover, Hamburg, Mitteldeutschland

- **Transborder (state) cooperation**
  > Berlin, Bremen, Frankfurt, Hamburg, Mitteldeutschland, RheinNeckar

- **Special case Rhine/Ruhr: no cooperation**
  > except Ruhr only recently a regional parliament
Regional Planning in City Regions

- Rhein Main  > Established regional planning authority (partly)
- RheinNeckar  > Established regional planning authority  > successful
- Hanover Braunschweig Göttingen Wolfsburg  
  > Established regional planning authority (partly)
- RheinRuhr  > Established regional planning authority (Ruhr only)  
  > Much participation no vision
- BerlinBrandenburg > Gemeinsame Landesplanung
- Stuttgart, Munich, Hamburg, Bremen, Nuremberg  
  > Traditional regional (spatial) planning by central cities and state governments  > Semi-Formalized cooperation
- Leipzig Halle Dresden  > No joint regional planning
Fear of new regional governance-level (local authorities)
though economic requirement to have a powerful regional unit

dominant local interests to improve regional positioning
though economic interests to improve regional infrastructure and quality of life

high expectances
though unclear perceptions of the value added of Metropolitan Governance.

functional orientation of the economic actors though territorial orientation of local government

Source: after Fürst 2009
### Metropolitan Governance

**Functional or territorial cooperation?**

<table>
<thead>
<tr>
<th>Functional cooperation</th>
<th>Territorial cooperation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selection of members according to their power in the region and their contribution to regional challenges and issues</td>
<td>Selection of members on basis of regional representation</td>
</tr>
<tr>
<td>Regional delimitation irrelevant for networking</td>
<td>Cooperation related to defined region</td>
</tr>
<tr>
<td>Project-oriented cooperation</td>
<td>Region-oriented activities</td>
</tr>
</tbody>
</table>

*Source: after Fürst 2009*
RheinMain
Frankfurt, Mainz, Darmstadt, Giessen, Offenbach, Hanau, Marburg

Territorial capital
> trade, banking, accessibility (airport) fairs, universities
> US Headquarter
> Opel Rüsselsheim
> Liveability in the hinterland
  Rheingau, Taunus

Institutional Setting
> metropolitan agency
> long standing regional
  land use planning authority

Weaknesses
> Territory of three federal states
> Too many regional stakeholders
  with vested interests
RheinMain

Many regional stakeholders

.... though no real coordination... Too many cooks!
RheinMain

Legally binding contract (Staatsvertrag) between three federal States (Bavaria, Hesse, Rheno-Palatine) in preparation!

Challenges

• Political rivalry and ideological differences
• Two capital cities Wiesbaden and Mainz
• Dominance of Frankfurt
• Traffic congestion
RheinNeckar

• Born out of the concern to be forgotten between the Metropolitan regions RheinMain and Stuttgart
• Building upon successful regional spatial planning
• Driven by strong economic drivers, such as BASF or SAP
• 2005 Staatsvertrag Hesse, Baden-Wurtemberg and Rheno-Palatine (Deepening in 2015)

Regional action areas

• Regional planning and development
• Regional marketing
• Coordination of infrastructure development
• Film festival
• Garden festival
• Promotion of regional food
• Tourism
• Verbund für territoriale Zusammenarbeit (EU) CODE 24
RheinNeckar
Mannheim/Ludwigshafen/Heidelberg

Territorial Capital
> BASF, ABB, SAP, Hornbach, Merck,
> Universities
    Heidelberg/Mannheim
> High degree of liveability
> Excellent European Accessibility

Institutional setting
> Four metropolitan agencies

Weaknesses
> Still tensions and individual actions of the between the agencies and the three main cities
RheinNeckar
Board members of the Metropolregion RheinNecker e.V. 2011

- Dr. Harald Schwager  CEO  BASF SE
- Prof. Dr. Peter Frankenberg  Minister of Federal State of Baden-Württemberg
- Dr. Eva Lohse  Mayor of Ludwigshafen
- Dr. Werner Brandt  CEO  SAP AG
- Prof. Dr. Bernhard Eitel  Rector Ruprecht-Karls-Universität Heidelberg
- Albrecht Hornbach  CEO  Hornbach Holding AG
- Willi Kuhn  President Chamber of Commerce Pfalz
- Dr. Peter Kurz  Mayor of Mannheim
- Dr. Georg Müller  CEO  MVV Energie AG
- Sabine Röhl  County Governor of Bad Dürkheim
- Werner Schineller  Mayor of Speyer
- Bernhard Schreier  CEO Heidelberger Druckmaschinen
- Bert Siegelmann  Director Rhein-Neckar-TV
- Dr. Gerhard Vogel  President Chamber of Commerce Rhein-Neckar
- Matthias Wilkes  County Governor Kreis Bergstraße
- Dr. Eckart Würzner  Mayor of Heidelberg
RheinNeckar Staatsvertrag

Successes

- Clear separation of political, administrative and economic activities!
- Definition of joint action areas guide local government activities
- Considerable image achievements
- Longer term vision 2025
- Contract between Federal States will be renewed
- Urban rural linkages strengthened
- Considerable city region image improvement

Source: Zimmermann/Pelka 2014
Territorial Capital
> Hanover Fair, CEBIT
> automotive (Volkswagen)
> engineering
> liveable medium-sized cities
> Hanover, Göttingen universities
> State capital city

Institutional setting
> established metropolitan Agency
> long standing regional planning authority

Weaknesses
> Low Image
> Continuous intraregional tensions
> Lack of metropolitan spirit
> EXPO 2000 not successful and not sustainable
Nuremberg
Erlangen, Fürth, Bamberg, Coburg
Ansbach, Amberg, Bayreuth

Territorial Capital

> History> trade, crafts, art, music
> Global corporations
  > Siemens, Adidas, Schaeffler, MAN
> Transportation, manufacturing
> After Munich and Stuttgart
  the third most dynamic
  metropolitan region in Germany
> Attractive small and medium-sized
towns
> Wine and food
> Liveability

Institutional setting

> Very active metropolitan agency

Weaknesses

> State government in Munich
Nuremberg Organisation

Intensive Intra-regional cooperation in seven thematic arenas under excellent leadership
Hamburg

Three federal states (HH, Schleswig-Holstein and Lower Saxony) & Associations, chambers of industry, commerce and crafts & 800 local governments (together 4.2 million population)

Cooperation based on principles of consensus and voluntary cooperation

- Regional Council (40 members/meeting once a year)
- Steering Committee (14 members/meeting eight times a year)
- Expert Groups
- Regional Conferences
- Secretariat (8 staff)

Goals

- Enhancing international competitiveness
- Maintaining the standards of technical social and cultural infrastructure
- Developing urban and regional planning and area management
Nuremberg Policies

- Metropolitan Profiling/branding based on regional identity endogenous, capital and together with strong global players >Siemens, Adidas, MAN

- Promotion of Bio-Food, Wine,
- Tourism
Territorial Capital
> Capital city
> Large nature reserves in Brandenburg

Institutional setting
> established joint planning authority metropolitan

Weaknesses
> Mistrust in the dominance of Berlin
> A referendum to merge the two states failed
> Weak economy and high debts of both partners
> Teeth less planning authority
> Apart from a trouble making airport no joint projects
RhineRuhr

Scattered regional cooperation within the metropolitan region

Source: Rainer Danielzyk, 2010
Germany Summary

- With the exception of RheinRuhr, all metropolitan city regions have established institutions to promote intra-regional cooperation.
- The need for intraregional cooperation and international profiling is seen. Small local governments see the advantages of cooperation.
- Self-organization, intra-regional co-operation, participation, communication and consensus finding processes are high on the regional political agenda.
- Institutional arrangements differ considerably > parliaments, contracts
- Tensions between state governments and metropolitan governments obvious.
- Private corporations are important drivers in some metropolitan regions.
- Success depends very much on (the acceptance of) regional leadership > Noncontroversial leaders matter!
Accessibility is a major concern
>infrastructure, airports, interregional transport networks

The development of knowledge hubs/knowledge industries are much favored strategies >university cooperation

Food arenas are a delicious temptation for regional consensus finding beyond ideological battlefields

Joining forces to organize resistance against political, economic and cultural concentration in capital cities and state governments
> promoting regionalism
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Transborder city region cooperation

- Quadropole
  Saarbrücken/Metz/Luxenburg/Trier

- Euregion Maas-Rhein
  Aachen/Liege/Maastricht/Limburg

- TriRhenia/Regio Basilensis
  Basel/Freiburg/Mulhouse/Colmar
Quatropole
Saarbrücken/Metz/Luxemburg/Trier

Strategy

- Virtual metropolis
- Joint cultural events
- Aim to initiate innovative projects

Governance

- An information website
- Not yet beyond mayor’s offices

Assessment

- Still very fuzzy
Creative Governance in City Regions: A German Perspective

Euregio Maas-Rhein
Aachen/Maastricht/Liege/Limburg

Strategy

- Joint labor market
- Infrastructure: Airport
- Maastricht: Cultural capital of the Netherlands 2018
- Tourism
- Cross-border knowledge development

Governance

- Initiated in 1976 as an interregional association
- Secretariat in Eupen coordinating working networks and strategic partnerships

Assessment

- Established cross-border arena for information and communication
RegioTriRhena
Basel/Colmar/Freiburg/Mulhouse

Strategy

- Infrastructure and accessibility
- Green economy and eco development
- IBA Basel as a catalyst project
- Euro-district TEB

Governance

- Mutual information and co-operation since 1975
- Four pillars
  > Politics, economy, science, civil society

Assessment

- Long tradition of co-operation
  > Regio Basilensis
- Established communication arenas
Multi-level Gouvernance der TMO

Trinationaler Kreis mit Vertretern aus Politik, Wirtschaft, Wissenschaft und Zivilgesellschaft

Gemeinsame Arbeitsebene mit entsandten Experten aus Politik, Wirtschaft, Wissenschaft und Zivilgesellschaft

Politik
Regierungs­kommission
Ober­heinkon­ferenz
Ober­heinrat
Euro­distrikte
Städte­netze

Wirtschaft
Vertreter der Wirtschaft, Industrie­ und Handels­kammern, Handwerks­kammern, Sozial­partner etc.

Wissenschaft/Hochschulen
Vertreter der Universitäten, Hochschulen, Berufs­akademien, etc.

Zivilgesellschaft
Bürger, Vertreter von ehrenamtlich Tätigen, Bürger­beauftragte, Bürger­anlaufstellen am Ober­hein, etc.

Funktionales Netzwerk = vertikale Gouvernance

Trans-Sektorales Netzwerk = horizontale Gouvernance

Bereichsspezifische Netzwerke
Assessment

- No common template for city region governance
  > depending on regional traditions. Path dependency, and initiatives of regional leaders and planners
  > tax systems, political rationales, as well as cultures of cooperation and consensus-finding differ!

- A West-European concern, no documented success stories from Eastern European city regions > Vienna/Bratislava, Triest/Fiume;

- Information and communication platforms, place branding agencies;

- City regions are arenas for political careers
  > European playground for politicians and bureaucrats

- Cross-border labor markets and consumption flows are benefiting from cross-border cooperation;

- Projects and events serve are drivers and catalysts for cooperation,
  > as a rule, no comprehensive strategy;

- EU policies and programs are often reasons and much welcomed carrots for cross-border co-operation
  > Interreg programs
Conclusions

- City regions are the locations for the majority of drivers of economic development in the early 21 century
- City regions are the ideological and substantial battlefields of vested interests in Europe
- Context matters. There is no common model for city region governance, in Europe not even in Germany
- Path dependency determines structure and approaches to governance in city regions
- The challenges for city regions cannot be addressed by traditional land-use planning any more. A different strategic approach is needed
- Strategic planning offers the appropriate framework for innovative and creative city region development
- Strategic planning is a joint communicative effort of the public, the private and the intermediate sector. It has to be managed by qualified planners and moderators
Creative governance in city regions

A few lessons from German experience

- Start with soft boundaries > those who wish to join, join, others just observe and wait and see!
- Rely on economic, cultural and social endogenous local potential > what is in the minds of people, policy makers and economic actors?
- Identify regional competences reflecting the identity and strength of the city region > competitive in Europe
- Formulate a few regional principles for incremental development oriented towards a longer term vision > where should we go and how?
- Initiate catalytic projects, easy to implement and to replicate within the city region > for learning cooperation and building trust;
- Establish fora for regular communication among regional stakeholders > twice a year!

German city regions are not a model, though a source of inspiration!
Creative governance in city regions