project. These had their counterpart in "public caravans" organised by the local government, who would transport people from distant peripheries in order to demonstrate their support for an avenue which their would probably never use, in exchange for snacks, T-shirts and colourful caps.

The resistance of the civil movement began to fail when some of its members were offered large sums of money for plots which would actually not even be used in the avenue, but would remain on its borders. Again, those who could bargain did so. Others, such as elderly people and single mothers, had to accept minimal prices from the Municipality for the purchase of their plots, and were not able to find similar houses in the vicinity. Even then, from the total amount of USD 120 million spent in the project, only ten million were actually spent on the building of the avenue itself, the rest being used in the various indemnities required. Those who had plots near the future avenue, and who at the beginning had fought against it, found themselves being offered enormous quantities of money by private investors, in some cases millions of dollars.

Again, the Avenida Faria Lima was considered to be a success, even though a small amount of bonds had been actually sold. Mr. Julio Neves, apart from being commissioned by the Municipality to complete the whole project of the avenue, also did some very important buildings that now stand on it.

## 4. Conclusion

There is no such a thing as a perfect mechanism for the development of Capitalist cities. Simply because mechanisms are not "good" or "bad" in themselves. Such mechanisms depend on a number of other factors, such as a diligent administration, a strong civil society, and above all, a common social project, which would allow society to sort its priorities and to protect the weak.

We can say, notwithstanding, that some mechanisms can be very "bad" if they are used ideologically, hiding the true motives of an administration or of the dominant classes behind it. It is very difficult to talk against "progress", because those groups that strive for domination, use the term to disqualify those who oppose their projects. In fact, what these hegemonical forces call "progress" is generally merely another opportunity for investment and the multiplication of capital and will not necessarily represent an improvement in the quality of life of the majority. In some cases, the contrary is true. "Progress", as it is understood by some, causes irreparable losses for society as a whole, but even greater losses for those who are not able to defend themselves.

Creating new opportunities of investment is therefore not necessarily the main role of a public administration, if it is not able to conduct the process properly, and to redirect private gain into public benefit.

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Roberto Rocco, Architect and Urban Planner, University of Sao Paulo, Brazil.

***Figure 1:*** *Avenida Paulista - business and commercial area*
***Figure 2:*** *A recent housing developement*
***Figure 3:*** *Structuring of urban space*

*For references see page 15*

**Nataša PICHLER MILANOVIĆ**
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# The Image of Ljubljana: Problems, Needs and Questions on Development

## 1. Introduction

Ljubljana, the capital city of a new country and a typical midsize Central European town is interesting for scientific and professional comparisons. For the city itself, relevant comparative research are beneficial, when they enable a reliable choice between development strategies, which are based on a real estimate of possibilities and maintaining comparative advantages of the city in the family of European cities. The process of European political and economic integration and the parallel process of strengthening regional differentiation also raise the issues of position, role and competitiveness between urban centres, the bearers of economic development and social transformation.

In the last years, emphasis has been given to cities, the dominant economic factor in the developed World. Namely, 80 % of all goods and services, in the European Union and North America, are produced in urban economies, i.e. cities and their pertaining areas or suburban regions. With the abolishment of trade barriers urban regions of the developed World have become true arena's of global economic competitiveness.

In all cities, especially in the most developed areas of the World, we can see, that they are the place of numerous and profound economic, social, sometimes even ethnic-racial differentiation, that hinder effective competition, thus hindering development on the national level. Today, problems of unemployment, pollution, uncontrolled immigration, even ageing of the population, coupled with obsolete economic and communal-technical infrastructure, weakening of social programmes, meaning less training for modern production needs and social activities, are in the forefront. Many of these problems connect and manifest themselves as synergetic effects, e.g. ageing and immigration, education and unemployment, etc.

Slovenian cities, especially the larger ones, operating under transition conditions, present concentrated problems in areas such as: reform of government and local self-government, privatisation, development of partnerships between the public and private sector, promotion of new housing policies in construction, renewal, maintenance etc.

## 2. The Background of the Project (European Urban Observatory)

The European Urban Observatory (in continuation EUO) was established in 1992 in the framework of the DG XVI RECITE programme of the European Union. The goals of the project were:

- establishing an integrated tele-communicational network and a decision support system to encourage strategic management of European cities,

– establishing multi-national, parallel, integral and multi-sector relational data-bases about European cities and
– establishing communication links and networks between European cities.

The cities included in the project were: Athens, Amsterdam, Barcelona, Berlin, Birmingham, Brussels, Lisbon and Lille. The management committee and technical director of the EUO project were in Barcelona. The research and technical part of the project was carried out by a technical group, operating from the International Centre for Urban Studies (CIEU, Barcelona) and the London School of Economics and Political Science (LSE).

The technical sponsor of the project was Siemens Nixdorf from Barcelona. All participants had the same hardware and software and were connected by X25 (X400) international links for data carrying and communication (e-mail). The decision support system was developed in co-operation with Siemens Nixdorf, based on Fox Pro relational data bases and software: MS Word for Windows, Excel, Harvard Graphics and MapInfo.

EUO wasn't only a research project, it was also a pilot research for the production of a data base of European cities and information systems for city management. The realised programme package is also a model and systems oriented mental framework for solving rather complex development problems in European cities. The statistical parameters and social indicators were carefully selected, in support of sensible comparisons between cities.

We wish to mention that, Ljubljana is the first city from Eastern and Central Europe, were the EUO methodology was used and the data base prepared, similar to those, that cities, members of EUO developed. Thus Ljubljana, in this case unofficially, took part in the EUO project and at the same time established good conditions (data base, comparative analysis, experience in implementing methodology etc.) for actual membership.

## 3. Basic Characteristics of the European Urban Observatory's Methodology

The data base is composed of 16 basic fields, structured into 3 information levels, namely:

### A-1: Statistical data base

The data base includes ordinary statistical data on economic development, social conditions, demographic changes, momentary political conditions, etc., that are structured by territorial units in the city area and the metropolitan area.

### A-2: Policies of city development

The questionnaire A-2 contains basic data on development policies, such as: name of bearer, goals, phases, indicators on execution, sources, performers, name of contact person, etc., prepared by the city administrators or under implementation, whose goals are solving acute problems and realising strategic long-term development goals.

The decision support system is defined as an auxiliary tool for decision making and design of development policies by decision makers in the city administration. For this reason, data from the questionnaire A-2 is definitely very important for users from particular EUO members (and of course Ljubljana).

### A-3: Survey on key problems, needs and development issues

The fundamental reason for preparing a review of images, trends and development scenarios of European cities, involved in the EUO project, is completion of the first two data levels, the goal being promotion of strategic thinking and directing city development, harmonised with the conditions of the European Union.

The aim of the survey was to provide information concerning views and stand-points on basic questions of urban functioning and development, such as: international position, housing quality, quality of basic urban functions, environmental quality, advantages for business, investment and development (business environment), development scenarios, etc.

The mentioned information was gathered by interviewing decision makers, representatives of different fields (politics, industry, trade, education, media, culture, religion, voluntary and international organisation, etc.) from the national (public) and private sector.

The method for conducting the project is interactive corrective analysis of relations, facilitated by three data levels

**A1**
statistical data

**A2**
problem solutions

**A3**
problems, needs and development issues

The collected and processed data represents the professional content for analysis and devising solutions for defined problems, needs and development issues.

Essential for the research procedure is establishing relations between the A-1 questionnaire, containing ordinary statistical data and the questionnaire A-3, containing (based on subjective estimates) problems, needs and development issues. Comparison of data, gathered with the A-1 and A-3 questionnaires, is controlled by the A-2 questionnaire, representing the core part of the programme, which can be coined the 'know-how' element of the project. The A-2 questionnaire enables formulation of suitable policies, following policy proposals, for solving problems, identified in questionnaire A-3 and quantitatively confirmed with indicators from questionnaire A-1.

A special value of the EUO project is in the possibility of developing and analysing conditions on two levels, i.e. each city separately and between cities, members of the EUO project. Based on use and selective analysis of experiences from other cities, each city has a better chance for solving its own problems and for evolution of development policies (scenarios).

To prepare the mentioned analyses and perform the research, each city has to have a professional team, trained for analysis production and comparisons of its cities prob-

lems with problems of other cities, execution of selective and goal oriented analyses, as well as preparation of suitable development policies and instruments for their implementation.

We have to mention that realisation of the A-1 and A-2 questionnaires was in the domain of city administrations, which gathered the data and proceeded it to expert teams for further analyses. The final data was analysed by the LSE technical group. The results were presented as tables, texts, in the framework of the decision support system.

## 4. Realising the Questionnaire A-3

The article places emphasis on the A-3 questionnaire, because the answers of respondents represent views and standpoints of various experts concerning image, problems and development perspectives. The answers are especially interesting, because Ljubljana is in a transition phase and questions on development in the new economic and political conditions are still quite open and conceptually undefined.

The A-3 questionnaire is an open survey, used for gathering information about the image of the city, development trends and expectations. The survey was carried out in the beginning of 1997. We conducted interviews with 27 experts and politicians, namely representatives of: public sector, politicians, labour unions and associations, business and commercial activities, real estate sector, education and research activities, media, culture, sport and recreation, tertiary sector, non-governmental and religious organisations and international institutions and organisations. The intention of the survey was to collect views of experts and politicians, which could be compared with survey results carried out in other EUO cities, especially those views, that could supplement policies and indicators of the EUO data base for decision support, thus encouraging strategic management on the city level.

When conducting wider and more complex research, especially international comparative analyses based on open-type survey, a special code is essential for enabling more effective and easier comparison of results between the cities involved in the research. That is why in this project we used the code, taken from the EUO methodology. The code was of course complemented and widened with answers, typical for Ljubljana, which hadn't appeared before.

### 4.1 Results of the questionnaire A-3: The image of Ljubljana, problems, development trends

The largest part of data (answers) was processed and presented for all sectors on the city level. Presentation of results was adapted to the EUO methodology, meaning that they were comparable to results from other involved cities.

Because the analysis is rather varied and detailed, we decided to present, in this summary, only answers to selected questions. The complete results of the research are available in the library of the Urban Planning Institute of Slovenia.

In the presentation of the survey, the first number means that the proposed image of Ljubljana took 1st, 2nd or 3rd place between the offered images, the second number means, that the proposed image was most important.

#### 4.1.1 The image of Ljubljana

**Ljubljana as an international centre – international functions of Ljubljana**

Most of the respondents estimated, that Ljubljana is predominantly a cultural centre (77,8 % of all respondents, 29,6 % stated that cultural functions were most important) and a business centre (74,1 % and 25,9 %). Ljubljana was also seen as a research and development centre (59,3 % and 7,4 %) and a congress centre (51,9 % and 7,4 %). Communication functions, integration in the high-way network was less important (40,7 % and 11,1 %), as well as seat of international institutions (29,6 %)

**Desired changes in international functions and image of Ljubljana**

Although, according to estimates, Ljubljana is an important cultural, tourist and sports centre, the majority of respondents (25,4 %) agreed, that these functions should be improved. Communications infrastructure should also be improved (18,4 %), as well as business and financial functions (14,1 %) and research-development functions and activities (14,1 %). It was also estimated that the image of the city and its comparative advantages should be improved (12,7 %)

**Estimate of marketing measures in the framework of particular values**

The largest number of respondents (66,7 %) feel, that culture is one of the fields and city values, where the most important marketing measures were most efficient, although only 14,8 % placed these measures in first place. They are followed by measures in the natural environment (51,9 % and 22,2 %), personal safety (51,9 % and 14,8 %), knowledge of foreign languages (51,9 % and 3,7 %), university and research centre (48,1 % and 11,1 %) and educated labour force (40,7 % and 3,7 %).

**Properties of the city which should be improved**

Most of the respondents estimated (40,7 %), that it is necessary to improve the city's traffic system and quality of the built and natural environment (33,3 %), followed by offer of suitable housing (29,6 %), high quality hotels and restaurants (25,9 %), university and research-development functions and better conditions for entrepreneurship and business activities in general.

It is evident, that the respondents focused on the toughest development problems in the city and on problems, that have bearing on the image of the city in an international environment – a well managed and organised city (traffic, high quality built and natural environment), development of comparative advantages (quality hotels and restaurants, availability of flats, research and university functions) – that would enable the city to effectively compete with other European urban centres and capital cities.

#### 4.1.2 International co-operation

**Participation in international networks and organisations**

Participation of the city in international networks and organisations is very high, 85,2 % of all organisations and institu-

tions, where the respondents are employed, in different ways participate in the international arena. The greatest benefits from international co-operation are seen as possible evaluation and access to measures and activities carried out in particular cities, access to data sources and information, exchange of research and development experience (65,2).

At the same time, a large number of respondents (30,4 %) mentioned negative experiences as well, namely: substantial differences in work habits and conditions, lack of support from local politicians and legal problems in co-operation with foreign partners.

Nevertheless, most respondents (63,0 %) stated that, although they had negative experiences, they still plan to develop such co-operation and participate in new international networks and organisations, a smaller part didn't have such plans (14,8 %), a relatively high share (18,5 %) aren't informed about further co-operation, while 4,3 % didn't answer.

**Competitiveness between cities and basic reasons for comparative advantages**

44,4 % of respondents suggested Budapest and Zagreb as competitors, the capital cities of Hungary and Croatia, followed by three Central European cities, namely Vienna, Prague and Graz (22,2 %). The other cities mentioned as competitors were Trieste and the second Slovenian city, Maribor (22,2 %).

Estimates on which city is Ljubljana's main competitor were quite varied: Budapest and Graz (14,8 %), because of their image's, based on financial and business functions and concentration of international institutions, and Zagreb and Prague (11,5 %), because of their geographic positions and locations on major crossroads of different cultures and traditions and positions in contact zones of different European regions, making the cities interesting destinations for numerous international institutions.

## 5. Urban Problems – Trends and Expectations

### 5.1 Problems which influence quality of housing areas

The majority of respondents (29,6 %) estimated, that the greatest problem of housing estates were poorly maintained environments, i.e. poor quality of areas in particular area (tall buildings, to much concrete), maintenance and management of the built environment, open spaces, green surfaces and dull neighbourhoods.

The other problems were badly managed traffic (22,4 %) and accessibility to housing areas, i.e. lack of parking spaces, traffic congestion, poor management of traffic systems and accessibility to the city centre. 17,3 % respondents estimated, that communal services are inadequate, i.e. there is a lack of infrastructure objects, a good part of the communal network is obsolete, waste management is insufficient and badly organised, particular parts of the city, neighbouhoods, lack necessary recreational and sports facilities etc. An important problem is housing (14,3 %), a prevailing problem in Ljubljana, manifested as housing shortage, high prices and high population densities in certain city parts.

Amongst these problems concerning quality of housing areas, priority was given to traffic and accessibility (37,0 %), housing (18,5 %), urban, communal services 11,1 %), social problems (7,4 %) and institutional problems (7,4 %).

**Proposals of measures and activities for improving quality in housing areas**

The majority of proposals apply to traffic and accessibility, housing in general and ecological problems. The respondents also pointed out importance of measures concerning solving transport and mobility, urban growth and planning, provision of suitable housing and developing, as well as improving urban services in housing areas. The most often mentioned measure were proposals or rather demands for harmonising strategic planning of development and management of housing areas and open spaces, public transport and traffic management, as well as measures for stimulating housing construction and providing better accessibility to housing.

### 5.2 Problems which influence quality of urban services

29,1 % of respondents estimated that quality of urban services is influenced by problems in traffic management and the traffic system. Poor organisation of the traffic system within the urban area was emphasised, because it causes daily congestion, lack of an integrated traffic system and lack of parking spaces. The other reason for poor quality of urban services (24,1 %) are 'general' urban problems, such as: bureaucratisation and poor management in fields of urban activities, poor facilities in particular areas (especially suburban neighbourhoods), poor co-ordination of urban activities and agencies. Inefficient systems of physical planning and management (13,9 %) and ecological problems (10,1 %), were also mentioned.

The largest number of respondents estimated, that the main problems in this field were: poor management (organisation) of traffic (55,5 %) and general problems in organisation and execution of urban activities (14,8 %).

**Proposals of measures and activities for improving the quality of urban services**

Possibilities for solving the mentioned problems of urban services, as stated by respondents were in conducting measures and activities in traffic, solving general problems and in the field of physical planning. Special mention was placed on the following measures: provision of new parking spaces, preparing a suitable model of traffic within the urban area and public transport, as well as improving the system of strategic planning and better co-ordination between planning and execution of urban services.

Other proposals involve limiting individual traffic in specified areas (especially the city centre), introducing selective methods of payment for parking, promoting alternative traffic modes, improving management methods, more investment and greater concentration of urban services and functions in poorly equipped areas.

### 5.3 Problems which influence quality of the environment

As estimated by respondents (27,8 %), the quality of the environment is affected by poor or inadequate urban services, especially in waste management, maintenance of drainage and sewer systems and cleanliness of roads and open spaces, followed by air pollution (22,2 %) – a consequence of inadequate heating methods and urban traffic -, water pollution (15,3 %) and traffic congestion (12,5 %), especially in the city centre.

A smaller number of respondents (5,6 %) estimated that quality of the environment was influenced by noise and pollution of open spaces.

The largest number of respondents estimated, that the main problem, influencing environmental quality were: air pollution (37,0 %), poor urban services (14,8 %), water pollution (11,1 %), noise (7,4 %), traffic congestion and management (7,4 %), planning (7,4 %), etc.

**Proposals of measures and activities for improving environmental quality**

Most of the proposed measures and activities are oriented into introducing and/or improving alternative heating methods, introducing new technologies that have less influence on the environment, improvements in public transport, better traffic management and limiting traffic by motor cars in particular areas, implementing stricter environmental rules and sanctioning of offenders, developing individual consciousness for care of quality and image of the city, necessary strategic planning in development and management of urban areas (especially housing estates), building infrastructure and development of urban functions. Almost all the proposals emphasised need of a multi-sector approach and more active role of local self-government in solving the mentioned problems, as well as execution of the proposed measures and providing conditions for realising the concept of sustainable urban growth.

### 5.4 Problems which influence the quality of the business environment

The largest number of respondents (23,4 %) mentioned institutional problems, namely: inefficient urban administration and poor co-ordination between metropolitan services and agencies, insufficient support from local politicians in solving emerging problems and limitations in this field, as well as legal constraints. The second largest group (15,6 %) mentioned poor support in development of entrepreneurship and business activities and provision of other necessary conditions (12,5 %), such as: supply of building sites and office space. Accessibility and infrastructure were also mentioned (9,4 %), as well as inconsistency in local policies of economic development (7,8 %).

The largest number of respondents stated, that the most important problems affecting the quality of the business environment were: poor support for business activities (22,2 %), other support and provision of better conditions (18,5 %), institutional problems (14,8 %), general conditions for business's (3,7 %) and physical problems (3,7 %), etc.

**Proposals of measures and activities for improving the quality of the business environment**

The proposed measures and activities are predominantly oriented into provision of adequate supply of building sites and office space (greater volume and lower prices), improving the quality of tele-communications and improving the efficiency of the municipal administration, introducing and improving alternative heating systems, introducing modern technology, that has less influence on the environment, improving public transport, better traffic management and limiting individual motor car traffic in specific areas, enforcing stricter environmental rules and sanctioning offenders, developing individual consciousness on quality and image of the city, necessary strategic planning in development and management of urban areas (especially housing estates), building infrastructure and developing urban functions. Almost all the proposals emphasised need of a multi-sector approach and more active role of local self-government in solving the mentioned problems, as well as execution of the proposed measures and providing conditions for realising the concept of sustainable urban growth.

## 6. The Future of Ljubljana

### 6.1 Economic competitiveness

Most of the respondents believe that the new level of productivity will affect general competitiveness of local businesses and activities by the year 2020. 57,7 % feel, that it is possible, 23,1 %, that it will definitely happen, while 3,9 % stated that changes are not probable and 3,9 % feel, that it is not important.

Opinions on whether poor quality of the environment will influence economic competitiveness were divided. Most of the respondents (48,2 %) estimated that, it is not probable, 3,7 % that it will never happen, while 11,1 % feel that it is possible, 14,8 % believe that it is probable and 22,2 % didn't have an opinion.

Most respondents believe that businesses will have to be more innovative if they wish to maintain their share of the market, 70,4 % stated that it is probable, 18,5 % that it is possible, while 7,4 % stated that it is not possible.

Many agree that education and re-qualification will bridge the gap between supply and demand on the labour market in Ljubljana by year 2020 and that it is very important for achieving competitiveness. 29,6 % of respondents believe that it is probable or possible, 14,8 % that it is not possible, while 25,9 % couldn't decide.

77,0 % of respondents stated that joint investments between local businesses and international partners will be decisive for achieving competitiveness (38,5 % each, feel that it is probable or possible), 3,9 % feel that it is impossible, while 19,2 % couldn't decide.

Opinions on whether local businesses would need subsidies and aid from the public sector to achieve competitiveness by year 2020 were divided. 25,9 % each stated that it is probable or possible, 22.2 % couldn't decide, while 3,7 % answered that it is not important.

### 6.2 Infrastructure and the environment

Most respondents are optimistic about solving traffic problems in the city centre by year 2020. 29,6 % believe that it is possible, 33,3 % that it is probable and only 14,8 % that it is not possible or impossible (3,7 %).

Opinions on whether terminals on the fast train network will become the main nodes of the European business network by year 2020 are mixed. 29,6 % believe that it is possible, 18,5 % that it is probable, compared to 25,9 % and 3,7 % who believe that it is not possible or impossible respectively. Many (22,2 %) couldn't decide.

Opinions on whether tele-working would diminish the number of daily voyages to work by year 2020 were somewhat undivided. 33,3 % believe that it is possible, 18,5 % that it is probable. The remainder feel that it is not possible (11,1 %) or impossible (7,4 %), while 25,9 % couldn't answer.

Most respondents agree that the pollution level in Ljubljana will be much lower by year 2020. 55,6 % feel that it is possible, 11,1 that it is probable, 14,8 % seem to believe it impossible, while 18,5 % couldn't answer.

Concerning comprehensive recycling of communal waste by year 2020, the responses were varied. 25,9 % estimated that it is possible, 11,1 % that it is probable, 22,2 % find it not possible, 11,1 % impossible, while 29,6 % couldn't answer.

Opinions on whether pollution of derelict industrial locations would hinder recycling of urban land were also divided. 22,2 % each stated that it is not possible, possible or probable. 7.4 % feel that it is impossible, 14,8 couldn't answer, while 11,1 % find the problem unimportant.

### 6.3 Demographic growth and migration

Most respondents agree, that the common European market will stimulate greater population mobility between bigger European cities. 40,7 % estimate that it is possible, 29,6 % that it is probable, only 14,8 % believe that it is not possible,11,1 % couldn't answer, while 3,7 % believe the problem to be unimportant.

Most agree that immigration will increase, especially from countries outside the European Union. 48,2 % believe that it is possible, 11,1 % that it is probable, while 22,2 % feel that it is not possible, 3,7 % that it is impossible and 11,1 % couldn't answer.

Opinions on whether family values will again become a dominant integration factor in Ljubljana diverge. 23,1 % believe that it is not possible, 3,9 % believe it impossible, while 26,9 % and 7,7 % believe it possible or probable respectively. 38,5 % couldn't answer.

Opinions on whether the share of senior citizens would increase by more than 20 % by year 2020 prevail. 48,2 % fell that it is probable, 33,3 % that it is possible, 14, 8 % couldn't decide, while 3,5 % believe, that it cannot happen.

29,6 % of respondents doesn't believe that the birth rate will reach the level of the 60s, 44,4 % stated that it is impossible. A large share (25,9 %) couldn't answer.

48,2 % of respondents believe that processes of suburbanisation are the basic possible mode of population mobility, 7,4 % find it probable, 11,1 % not possible and 3,7 % impossible.

### 6.4 Social cohesion

Social polarisation between social groups will grow by year 2020, is the prevailing opinion. 44,4 % believe it possible, 40,7 % stated that it is probable, while 14,8 % couldn't answer.

Most agree that income differences will increase social stratification among the citizens of Ljubljana by year 2020. 48,2 % each believe it probable and possible, while 3,7 % couldn't answer.

Most respondents agree in the estimate, that social aid will not satisfy social needs. 33,3 % believe satisfaction not possible and 25,9 % impossible. Only 3,7 % stated that it is possible. A large share (37,0 %) couldn't answer.

Opinions on whether a common European market will strengthen racism and xenophobia in Ljubljana by year 2020 are varied. 40,7 % believe it possible, 11,1 % probable, 22,2 % not possible, while 11,1 % feel it impossible. Again a large share couldn't answer (14,7 %).

The majority of respondents (51,9 %) don't believe that the level of crime and vandalism in Ljubljana will drop by year 2020. 18,5 % consider it impossible. Only 11,1 % believe it possible. 18,5 % couldn't answer.

The majority of respondents (44,4 %) don't believe that the problems with shortage of housing and accessibility will be solved by year 2020. 22,2 % believe it impossible. Only 14,8 % feel that it is possible and 7,4 % believe it probable. 11,1 % couldn't answer.

## 7. Comparative or Competitive Advantages

In the preceding chapters different opinions and estimates were presented, mostly dealing with comparative advantages of Ljubljana. It has to be stated however, that there are also other comparative advantages, which haven't been sufficiently analysed and which aren't common knowledge. Although a research on the competitive advantages of Ljubljana (Marketing the city of Ljubljana) is underway, we decided to present a short definition of competitive advantages in this article and to present a few possible competitive advantages of Ljubljana. We also wanted to present other opinions on the significance of particular traditional comparative advantages or arguments for competing in the international arena. We hope, the confrontation will be fruitful and that it will benefit the formulation of a theoretical and practical framework for further discussion concerning development strategies of Ljubljana and its possibilities for competing in the international arena.

Classic comparative advantages (mainly natural resources and characteristics), mainly defined through location, are gradually disappearing because of the development of modern global economic, infrastructure, communicational and technological trends.

The key comparative advantage has become, so called 'flexible knowledge' (Svetličič, 1996). Dramatic drops in transport costs has enabled direct connections of knowledge and unqualified labour anywhere in the world, the significance of traditional comparative advantages has thus dropped extensively. Since the 80s, opinions on comparative advantages in expert literature have changed substantially, most authors today speak about competitive advantages. The wave of competitiveness and competitive conditions began with theories on competitive companies, followed by disciplines and concluded with competitive advantages of nations. To this chain we believe, issues on urban competitiveness can be added.

As compared to former traditional, natural comparative advantages, with which nations competed in the past, today advantages are created by knowledge, producing technology and products or proceeding information about knowledge of others. Created advantages are moving into the forefront, while natural advantages or geographic position are retreating. As put by Svetličič "... the geo-strategic position of a country, often interpreted as very important for Slovenia, does in fact have some influence, however competitiveness on the global market today depends more on the status, produced by creative work of a certain group. The economic dimensions of a strategic position are today much more important than the geographic position, i.e. what is 'God given'. Human resources can largely compensate lack of natural resources or a bad geographic position, as proven by development of many economies" (Svetličič, 1996).

The present economic structure cannot be the main factor of economic orientation. Such an open environment therefore dictates renewed identification of a country's position (in our opinion also of particular towns) in international economic relations (Svetličič, 1996). In the contemporary World, typical changes are occurring, some of which have bearing for Slovenia and of course Ljubljana as well: growth of services and mobility of production activities, massive technological changes, decrease in importance of labour and dematerialisation of production, relative drop in significance of natural advantages and increasing importance of created advantages. The basis for competitive advantages have changed, the position of smaller countries and economies have improved.

The mentioned trends and estimates, i.e. that under new conditions, smaller economies have certain advantages because of better adaptability and flexibility, are extremely important for Ljubljana, which has, as a small city, similar chances for stronger entrance into an international environment. At the same time an important fact is, that within the framework of a national development strategy (or city), it is necessary to provide conditions for stimulating internationalisation of the economy. After all, exports are not the only, neither the best way of strengthening competitiveness, nor of utilising competitive advantages (Svetličič, 1996). Put differently, development routes and successful competitiveness, of the country, cities or companies, are in stimulating direct foreign investment.

In addition, the basic conditions for successful development strategies, are constant monitoring of global trends, their identification (possibly anticipating them) and, most important, quick response and adaptation to new development conditions. Thus a city has to be rather independent and autonomous in relation to the central government, any unnecessary interventions and involvement could cause problems in realising development strategies and cause bad results in international competition between cities.
In conclusion we wish to mention a few more competitive advantages of Ljubljana, taken from proposals for the national development strategy and its estimate of competitive advantages.

Development strategies and competitiveness mustn't focus only on Europe, the closest region, and the region with which we have traditional economic links. Competitiveness should be achieved even in the Far-east Asian countries, which could identify Slovenia or Ljubljana as their logistic centre for a certain part of Europe.

Simultaneously East European countries shouldn't be forgotten, new ones and older ones, whose markets are sufficiently open and allow relatively easy access and positioning. Here, experiences of Slovenian companies, in dealing with former socialist countries, offer substantial competitive advantages, at least as a third partner together with Western companies (Svetličič, 1996).

Svetličič, and many other authors, point out the beautiful, preserved natural setting and well kept environment in Slovenia, as one of the most important competitive factors, in comparison with developed West European countries, as well as former socialist countries.

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***Explanation:***

*The participation of Ljubljana in the European Urban Observatory was the result of long term international scientific activities of the Urban Planning Institute, at first in the project Costs of urban growth (Centre for coordinating humanistic research in Vienna) and URBINNO – Urban innovations (Volkswagen fund) and subsequent actions in the FAST project (DG XII), Brussels. Explicit agreement on cooperation, although only in principal, was given by Mr. Marjan Bežan, when he took over as Secretary for urbanism and environmental protection of Ljubljana, at a conference organised in 1992 by the Faculty of Economics in Vienna and one of the main associates of all three mentioned projects, prof. Uwe Schubert.*

***Tables:***

***Table 1:*** *Adjustment of problems and municipal policies with measures*

***Table 2:*** *The image of Ljubljana: International features*

***Table 3:*** *Changes in the city's image*

***Table 4:*** *Estimate of effects of marketing measures*

***Table 5:*** *City features which should be improved*

*For sources and literature see page 28*