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From Cities and Towns to Urban Networks in Germany – Intra Regional Competition versus Regional Co-operation and Inter Regional Competitiveness

1. Introduction

The discussion about urban networks has become more and more popular in Europe during the last decade. Urban networks are regarded not only as a description of the changing settlement systems but also as a new spatial development policy concept emphasising co-operation and competitiveness. They may be defined as forms of co-operation among municipalities in a region whereby partners voluntarily and on an equal rights basis concentrate and complement their capabilities and capacities to better accomplish their tasks. The concept of urban networks has considerably gained in importance on the European as well as the national levels within and outside of the European Union. According to the European Spatial Development Perspective (ESDP), urban networks form the backbone of a polycentric spatial development and contribute to a region's national and international competitiveness.

In Germany, the national government started to promote urban networks on a nationwide basis in the mid nineties. In the State of Saxony, urban networks are promoted as a special form of the central place system. Results of both »experiments« show that urban networks offer a wide range of new options for regional development.

2. From Central Places to Urban Networks

For many decades in the 20th century, individual cities and towns were regarded as constituent elements of national and international settlement systems. Individual cities and towns were regarded as the corner stones of establishing balanced system of society based on equity, innovation and development. In some countries, the central places theory and the hierarchy of central places originally developed by Christaller and later modified by Loesch, played a decisive role in spatial research and regional development policy as a guiding principle for steering urbanization and settlement patterns.

In Germany, the central places concept played a very important role from the beginning of modern spatial planning in the first half of this century. In West Germany, it was later mentioned in the first spatial development report of the federal government already in 1963, and in the first spatial planning law in 1965. With the establishing of spatial planning on the State (Laender) level, the concept became widespread. In 1968, the conference of federal and state ministers responsible for spatial planning in West Germany recommended to implement a four level central places concept

and elaborated a list of functions and institutions that should characterise a central place on each level. In East Germany, the central places concept also played a prominent role as part of the overall state planning system regulating the development of settlements.

However, in the 1980s it became more and more obvious that the concept's intended effects in balancing intra- and inter-regional disparities were not reached. Moreover, intra-regional competition among neighbouring municipalities as well as modern lifestyles and housing preferences gave rise to new settlement structures with rather disperse spatial patterns and intensive functional linkages between municipalities and their neighbouring communities.

Criticism of the central places concept concentrated on the following three aspects (cf. Fuerst, Ritter 1993, Mueller, Beyer 1999):

1. problems are attributed to the static character of the concept which diametrically contradicts the dynamic development of West Germany that took place in after world-war two Germany, and the rather weak attempts and capabilities of the federal and state governments to steer this process in one or the other direction.
2. some authors argue that the central places concept is orientated towards a »deconcentrated concentration«, i.e. a polycentric and decentralised spatial development pattern while economic development processes tend to foster centralisation of economic activities (vgl. Brake et al. 1997). While in theory the central places concept may have many advantages, in practice the economic forces will prevail.
3. it may be observed that the distribution of central places which is to a high degree led by aspects of supply of the population with goods and services, contradicts the spatial distribution of economic potentials. This has sometimes even led to counterproductive effects, e.g. in cases where the labour market could not provide for sufficiently qualified jobs needed in regard of the level of education facilities of a region. This may have contributed to out-migration and a weakening of peripheral areas.

Moreover, it has become obvious that functional patterns between cities and towns have fundamentally changed. It is no more the hierarchical pattern of vertical functional relationships between municipalities that is decisive for regional development and the well-being of the population in a region. Regional development is much more dependant on horizontal interlinkages as well as mutual functional completion and co-operation between municipalities. Networking is the catch-word of the 1990s.

3. The Rise of Urban Networks as a New Development Concept in Europe

The discussion about urban networks has gained considerably in importance in Europe during the 1990s. Urban networks do not only describe changing settlement systems but they also constitute a new spatial development policy concept emphasising co-operation and competitiveness. In practice, they may be defined as forms of co-operation among municipalities in a region whereby partners voluntarily and on an equal rights basis concentrate and complement their capabilities and capacities to better accomplish their tasks (Modell-

vorhaben Staedtenetze 1999). They are policy networks of »different players interacting around specific policies or projects« and they form a »cluster or complex of organizations connected to each other by resource dependencies and distinguished from other clusters or complexes by breaks in the structure of resource dependencies« (Benson 1982). Usually there are relatively close functional ties between the network members. However, networks may also be primarily based on joint strategic goals (cf. Kunzmann 1995, Ritter 1995).

The concept of urban networks has quickly spread around Europe. It was taken up by spatial planning on national and regional level in many countries within and outside of the European Union. According to the European Spatial Development Perspective (ESDP), urban networks are the backbone of a polycentric spatial development, and they contribute to a region's national and international competitiveness. The development of European cities and towns as well as the creation of a network between them are considered to be important preconditions for a well-balanced spatial structure in Europe.

From a theoretical point of view, networks form a special type of social organization. They consist of three main elements (Ritter 1995):

- Nodes, i.e. stakeholders: in our context this may comprise municipalities and/ or groups of decision-makers or other persons and institutions decisive for local or regional development.
- Strands, i.e. the connection between the nodes as the constituent element of a network: in our context this comprises all types and forms of interactions and communication between the stakeholders.
- Meshes, i.e. the space between the strands: in our context this comprises all stakeholders and fields of activities that do not form a part of the communicative structure of the network. Within a municipality it may comprise specific groups that are not linked to or oppose the network. From a regional perspective it may also comprise those areas that do not play an important role in the decision-making process of the stakeholders.

Based on these considerations, networks may be characterized (Fuerst 1994) as a set of interrelations between loosely linked stakeholders with similar interests who are dependent on each other. Co-operation is based on individual and subjectively perceived cost-benefit-considerations, joint values and mutual respect. Joint action is bargained within the group whereby the »relative autonomy« of each network member is respected. The individual stakeholders remain independent, and they are basically not restricted in their rights or capabilities of decision-making and action unless they restrict themselves voluntarily. Stakeholders may leave the network any time, new persons or institutions may become network members. There is no formal hierarchical structure within the network and the degree of institutionalization is low.

However, networks are not only a specific form of social organisation but recent research results about social development (e.g. Coleman, Fukuyama, Putnam, Ostrom, the overview of Habisch 1999) has taught us to understand networks and informal institutions as constituent elements of the social capital of a region. Networks may be considered as a specific form of capital like physical and human capital (e.g. in the form of infrastructure and education) as they allow local or regional initiatives to pursue their goals in a more effi-

cient way. The implementation of long-term co-operative structures may therefore contribute to lower transaction costs of regional development.

On this background, urban networking has become very popular. The majority of transnational urban networks is concentrated on specific topics (DIFU 1995), e.g. problems of overall urban development and urban renewal, social and economic development, transportation, communication technology and conversion (Quartiers en crise, I.D.E.E., EURADA, CCI, CAR, POLIS, ERNACT, DEMILITARISED), however there is also a growing number of networks where co-operation covers a wide variety of subjects (EUROCITIES, ICLEI). On the national level, examples like Randstad, the Urban Network of Switzerland, the Triangle Region of Denmark as well as networking experiments in France and Germany show that more and more European states count on anticipated positive effects of complementarity and synergy of inter-urban co-operation (European Spatial Planning 1996, 167f., Maier, Angermann 1996).

The popularity of urban networks in practice and research is not at all accidental. It may at least partially be attributed to the fact that urban networking activities coincide with structural changes in society which call for new forms of policy making. On the one hand, it has to be taken into account that cities, towns and urban networks play a decisive role in economic development processes on global, continental and regional scale (Castells 1993). The ongoing globalisation leads to an integration of markets with a high rate of networking between enterprises and other players. In this setting, cities and towns are nodes of international co-operation and gateways to national markets. On the other hand, cities are focal points of international economic development. In future it will be mainly regions with urban centres that will succeed in gaining additional functions of a European scale and in redirecting flows of finance. In this regard, the chances of urban centres that are embedded in well-functioning urban networks are more promising than those of single towns. A development strategy that is based on co-operation among cities and towns may therefore contribute to the enhancement of an individual region within the European setting as well as of the global competitiveness of Europe as a whole.

Urban networks are also attractive for spatial planning as they strengthen the forces that ask for a more action- and implementation-orientated planning system and they contribute to revitalising the discussion about the modernisation of out-dated planning instruments. In this respect it has to be noted that urban networks do not substitute the central places concept but they may make its application more dynamic. The new logic behind is to overcome the unrealistic concept of concentrating all supply functions in one or a few places and to promote ideas of competition, co-operation, share of responsibilities and the better use of synergies (European Spatial Planning 1996).

4. Urban Networks in Germany: Experiments in Inter-urban Co-operation

In Germany, the national government started to promote urban networks on a nationwide basis in the mid nineties. Moreover, in the State of Saxony, urban networks were regarded as a new planning instrument of the state government

in its application of the central places concept. Whereas the first was very much developed as a bottom-up concept based on voluntary co-operation among partners who formed their networks on their own initiative, the latter group of networks was to a high degree initiated from above, i.e. through the state government.

On the federal level, the formation of urban networks has been promoted by the Orientation Framework for Spatial Development Policy of 1993 (Raumordnungspolitischer Orientierungsrahmen) and the Action Framework for Spatial Development Policy (Raumordnungspolitischer Orientierungsrahmen) of 1995. And in the new German Spatial Planning Law of 1998, urban networks are mentioned as a new additional informal planning instrument. It is expected that they considerably contribute to the competitiveness of Germany and its regions in Europe and worldwide.

Between early 1995 and 1998 the federal government supported the conduction of 12 pilot projects from all parts of Germany, comprising 59 cities and towns (map 1) in order to develop suitable organizational structures and to demonstrate the endurance of the urban networks concept under the conditions of real-life co-operation (Modellvorhaben Staedtenetze 1999). The 12 pilot projects represented the whole spectrum of the German settlement structure. Large metropolitan areas and monocentric urban regions like Munich and Hanover were considered just as policentric areas and rural regions with smaller medium-sized towns like the Urban Quartett (Staedtequartett) in North-Western Germany, the SEHN network in Thuringia or the Prignitz network in North-Eastern Germany. Within the framework of a research project, a set of questions regarding the networking structures and processes was analysed.

In addition to the federal initiative, some states like Bavaria and Saxony initiated either projects or research about possibilities to foster urban networking on their own (Maier, Angermann 1996; Mueller, Beyer 1999). Most of them started from the assumption that inter-urban co-operation should only take place on a voluntary basis. However, the government of the Free State of Saxony in the Southern part of East Germany decided to use urban networks, so-called urban co-operative central places (UCCP), also as a tool to initiate co-operation »from above«. Urban co-operative central places were for the first time mentioned in the State Spatial Development Plan of Saxony in 1994 (LEP 1994).

Urban co-operative central places (UCCP) are defined as a special form of central places which jointly fulfill their function for their area of influence if their physical structure and the existing or expected functional cohesion make co-operation easily possible or even do require it. The aim is to establish a more efficient and economically effective supply of the population with goods and services (LEP 1.4.6, Z-15). Inter-municipal co-operation stays to be a question to be decided about by local politics. However, the State Spatial Development Plan (LEP) offers a systematic support to co-operation between specifically assigned municipalities on the basis of the central places concept.

The State Spatial Development Plan shows one upper level urban co-operative central place consisting of the three cities of Bautzen, Goerlitz and Hoyerswerda in Eastern Saxony. It has to be mentioned that Eastern Saxony is the region of the state with the most severe problems of economic and social

transition. In this area, joint action of all stakeholders in regional development is an absolute requirement from the perspective of the state government, however, it had not been thought of before the state government's initiative.

Moreover, there are three medium level and a number of lower level urban co-operative central places. The three medium level UCCPs are mainly located in Western Saxony where municipalities have developed like strings along the valleys of the mountains and where it is sometimes hard to distinguish the border between different municipalities. In such cases, from a state perspective it makes much sense to strongly encourage or to force municipalities to co-operate with each other, e.g. in the provision of public and private goods and services – irrespective of whether the municipalities are in favour of it themselves or not.

However, it is not difficult to imagine that »forced« co-operation between municipalities that is initiated by the state government is not an easy undertaking, and that it may require a lot of accompanying measures. Therefore, the state government asked several research institutes to assist the UCCPs during the initial phase of co-operation and to monitor their successes and failures. Moreover, the state government was interested in answers to the question whether the concept of establishing urban co-operative central places as a specific form of both urban networks and the central places concept should be followed on an even broader base in the future or whether it should be dropped.

5. Experience in Urban Networking: From Competition to Co-operation and Competitiveness

Urban networking offers a wide range of new options for regional development. However, it is not easily achievable. The German experiments of urban networking undertaken during the last few years, have shown many advantages and bottlenecks of the new concept. It would be rather ambitious to name them all. Therefore, only the most important experiences may be mentioned here (for further details Modellvorhaben Staedtenetze 1999 and Mueller, Beyer 1999).

1. Urban networks may vary considerably from each other and until now it is difficult to describe common features other than co-operative structures: The number, size and structure of partners is not of primary importance for the establishing of urban networks as long as there is a common objective and partnership among the network members on an equal rights basis. There is evidence that in this respect there is no difference between networks in rural areas and in agglomerations. The co-operation may be primarily service or development orientated. However, development orientation usually prevails. Therefore, networks should especially be open for private partners.
2. Urban networks are motors of inter-municipal co-operation and they increase the efficiency of regional policy: Urban networks put much emphasis on problems and solutions of regional development. They usually do not restrict themselves on supply functions but also strongly promote development functions. This is in practice also true for the urban co-operative central places. Therefore, urban networking plays a very important role in regional policy. It may be regarded as an additional instrument of

regional policy that enables the partners to carry out projects which exceed the capacities of each individual partner. Moreover, it contributes to strengthening the capabilities of all network partners by an improved information exchange and an increase in know-how, and it enhances the identification of the network partners with their region and the regional interests.

3. Urban networks are orientated towards outward competition based on internal consensus: Urban networks are a counter model to hierarchical decision-making and implementation structures. Therefore, in urban networks all partners are to be treated equally. There is a big demand for flexible organizational structures and decision-making procedures based on consensus principles. However, this does not mean that different capabilities are equalized. Outwardly urban networks are always orientated towards increased competitiveness.
4. Urban networking is a learning process: Due to the bottlenecks of establishing profound co-operation urban networks usually cannot be constituted in one quick step. They need time to develop and they require constant feedback on the executive and the working level. Continuity of personnel plays an important role in creating confidence among the partners. This is one of the reasons why urban networks may be successful in reducing potentials for conflicts. Although they usually lack instruments to solve basic and crucial conflicts among different parties, the experience of co-operation and trust strongly promotes an atmosphere of mutual understanding. Moreover, due to an improved communication structure there is a better chance to identify, minimize and manage conflicts at an earlier stage.
5. Co-operation in urban networks will – once established – continue: It can be observed that co-operation has a self-perpetuating effect as soon as positive results are achieved. In this case, urban networks mobilise participation, and they may support even broader and general inter-municipal co-operation of other institutions. However, also urban networks without any results may continue to exist if the »costs of exit« become too high for the individual members. In this case, networks may age and become coalitions of hindrance.
6. In generalizing the experience with individual urban networks one has to be aware of a number of bottlenecks (cf. ARL 1998):
7. Urban networks are characterized by high transaction costs: Their stability and long-term effectiveness is doubtful. Moreover, on the one side co-operation costs – in terms of money, time, personnel, efforts etc. – occur immediately even before co-operation is established. On the other side, the success of co-operation is relatively vague, and it can be expected primarily in the long run.
8. Due to the fact that any partner may leave a network anytime, urban networking theoretically is a risky undertaking. Moreover, it is to be considered that urban networks have a very limited capacity to solve conflicts, and that their legitimisation is weak.
9. One of the main bottlenecks of urban networking is the fact that co-operation among independent and legally autonomous players is a very scarce resource. There is no doubt that there is a high demand for more co-operation among municipalities, e.g. with regard to service functions, land use policy and inter-regional competitiveness, but it is also obvious that there are many reasons for the

fact that co-operation is often perceived as the least wishful option (Winkel 1997):

- This may be due to a lack of sensitivity for the need of co-operation, an overestimation of individual capacities and potentials and a misinterpretation of the advantages of networking.
 - Moreover it may be attributed to a lack of knowledge and a failing perception of the real fields of competition and the main competitors, as well as the apprehension of an unequal distribution of costs and benefits among the co-operation partners.
 - Finally, the uncertainty about the best organizational and financial arrangements of co-operation and their effects on the individual partners is a restriction that should not be underestimated.
10. With regard to spatial development planning it has to be kept in mind, that the influence of planning institutions on decision-making about inter-urban co-operation is generally rather limited, and that their capacity to promote urban networking depends very much on their influence on regional policy. It is extremely weak if planning does not succeed in communicating its role as a facilitator to the public and especially to the municipalities.

Urban networks have, however, strengths which have already been mentioned above. They especially may be very successful if they are built upon »win-win-situations«, i.e. if all stakeholders are able to directly or indirectly profit from co-operation in their respective way.

There are many factors which may contribute to making urban networking a success. However, the following ones seem to be of utmost importance:

- a motivating vision and a convincing concept about the future perspectives of co-operation and its potential results jointly developed by all stakeholders,
- project orientation and successful projects of high public visibility at an early stage in order to be able to prove the usefulness of co-operation,
- the readiness of the main stakeholders in regional development to co-operate,
- promoters and dynamic players who never get tired to emphasise the need and the advantages of co-operation,
- moderators who build up confidence among the partners, assist in overcoming co-operation barriers and solve conflicts if they occur,
- the formation of expert networks, comprising specialists of all respective partners who establish viable working structures.

In more general terms, there are proofs for the fact that urban networks are viable solutions for overcoming out-dated hierarchical planning and decision-making patterns. Moreover, they may lead the way out of the often experienced sharp and counterproductive competition between municipalities within a region to more and better co-operation of all regional partners involved and a more effective competitiveness of urban networks on the national and European levels.

6. Conclusion: Urban Networks as a Chance and Challenge for Spatial Planning in Europe

Urban networks complement the set of spatial planning instruments in Europe. In contrast to regulatory planning instru-

ments urban networks are based on project orientation, bottom-up approaches and dialogue. They reformulate the common regional interest from a municipal perspective and therefore they may contribute to the countercurrent principle of spatial planning. Moreover, through their action orientation they may support the implementation of regional and local physical plans and make planning in general terms more effective.

Taking these aspects into consideration it becomes clear that the promotion of urban networks by spatial planning is a paying investment. This will, however, require some adjustments of planning in the future:

1. Spatial planning should more intensively create a framework for the establishing of urban networks or initiate co-operation where it is desirable from an overall development perspective. In this regard regional planning plays an important role in identifying problems that could be solved by a more intensive co-operation between municipalities.
2. Spatial planning should restrict itself to an initiatory role and it should withdraw from the networking process as early as possible. One very important task, however, is to encourage the establishment of functioning and open feed-back and monitoring systems regarding the success and failure of co-operation as well as its consequences. This may help to prevent aging of networks that may become obstacles to regional development.
3. Regional planning should be prepared to accompany the urban networking process and to give positive impulses to co-operation where necessary. Thus, the fostering of inter-municipal co-operation becomes a vital task of regional planning. In this respect, regional planners are becoming more and more moderators, mediators and »co-operation brokers« of a region.
4. The new functions of spatial planners regarding urban networking and fostering inter-municipal co-operation requires them to work together with municipal managers even closer than before because also in this context trust and confidence built on personal relations is a major success factor.

At the same time, this requires openness towards learning processes. Just like urban networking has to be understood as a learning process (Vartiainen 1998), the raising the effectiveness of spatial planning and its transformation into a spatial development policy can only be accomplished through a transnational learning process in the sense of an evolving formation of systems (Beck 1997).

In this sense, urban networks may become attractive fields of joint action and pillars of a harmonized common planning and development approach within Europe. Moreover, they are a background experience for the transformation of the European planning systems. Urban networks therefore have a pilot function for transnational spatial development strategies in Europe.

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Figures:

Map 1: Pilot Projects of Urban Networks in Germany

Map 2: Urban Co-operative Central Places in the Free State of Saxony

For references and literature turn to page 42

Vesna PETREŠIN

European Transformations Between the Real and Virtual

1. Europe – the reality of change

Political, economic and social changes in the Eastern European territory echoed even in the West and caused the establishment of new vectors and power centres. Regions and fronts erased by former block divisions are re-emerging, former metropolis are being revitalised. De-industrialisation and the information revolution are stimulating economic and cultural transformation. The heart of the city is stronger and gaining in gravity.

The old hearts of Europe are not experiencing general renewal, but rather particular operative interventions: transplants, bypasses, insertions of magnets and implants, imported by the planning and architectural terminology from clinical medicine, as well as body art of the nineties. The rhythm of new urban structures and communication bypasses revitalises and redirects the frail pulse and creates quality habitats within city spaces. New motives are stimulating flows, animating users and directing attention to the hearts of cities, also increasing their economic and architectural attraction. For European cities, similar to European history, continuity is of utmost importance. If the nineteenth century city boasted palaces, opera houses and theatres, boulevards, railway stations, parks and army barracks, for the modern city the challenges are the architecture of hotels, museums, cinemas, clubs, offices, banks, subway stations and parking lots.

Revitalisation of city parts and new definition of industrial and military zones within city centres is creating power stations, emphasising urban energy. In the sense of dense capillary growth the city is expanding inwards.

2. Urban transformations in European cities

Several years ago Wim Wenders was talking to the architect Kolhoff about the gap between the past and the future, and poetically stated his belief: »Every city lives also from contradiction, from the remains of surfaces – not only the planned – they preserve memory. Without memory, there is no future«.

It seems that this quotation could serve Barcelona as a motto, after all, it became the ideal of successful urbanisation with solutions to infrastructure issues and the over congested tight old part. The urban organism received fresh air, especially because of well thought out political moves. The new circumferential highway acts as a bypass, new public buildings, such as the Museum of modern arts create revitalising implants in urban limbs. The Olympic harbour with terraces by the water acts as a magnet for visitors. It is also satisfying to note, that the average income in the city is increasing and unemployment diminishing. Beneficial effects of the environment and raised living standard have placed the region in the position of an »European California«.

Until recently Bilbao was a centre of heavy industry, in the post-industrial era it changed into a rusting ruin, whose dilapidated buildings attracted only terrorist groups. During hi-