

**Regional transformation processes  
in Central and Eastern Europe**  
Contributions of the TRANSFOR(U)M network members

34

edited by  
Helga Jonuschat and Michael Knoll

ISBN 3-928635-35-2

© 2008 Sekretariat für Zukunftsforschung,  
Berlin

**Bibliografische Information der Deutschen Bibliothek**

Die Deutsche Bibliothek verzeichnet diese Publikation in der Deutschen  
Nationalbibliografie; detaillierte bibliografische Daten sind im Internet über  
<http://dnb.ddb.de> abrufbar.

**Bibliographic information published by the Deutsche Nationalbibliothek**

The Deutsche Nationalbibliothek lists this publication in the Deutsche Nationalbibliografie; detailed bibliographic data are available on the Internet at <http://dnb.ddb.de> .

© 2007 by Sekretariat für Zukunftsforschung, Berlin

Alle Rechte, insbesondere das Recht der Vervielfältigung und Verbreitung sowie Übersetzung, vorbehalten. Kein Teil des Werkes darf in irgendeiner Form ( durch Fotokopie, Mikrofilm oder ein anderes Verfahren) ohne schriftliche Genehmigung des Verlages reproduziert oder unter Verwendung elektronischer Systeme verarbeitet, vervielfältigt oder verbreitet werden.

All rights, specifically the right to copy, distribute and translate, are reserved. No part of this work may be reproduced in any form (by photocopying, microfilm or any other procedure) or processed, copied or distributed through the use of electronic systems without the prior written consent of the publisher.

Printed in Germany

Index:

Abstract	3
1 Introduction – The TRANSFOR(U)M network	4
2 The concept of cohesion	5
2.1 The discrepancy between competitiveness and cohesion: Is economic growth always accompanied by growing disparities?	7
2.2 Intraregional cohesion in metropolitan regions – a challenge for regional policy	14
2.3 Shaping the polycentric development of Poland	19
3 Regional impacts of structural changes	22
3.1 60:40 – Why should we preserve the rural population in the EU?	23
3.2 Industrial transformation in Central European space: Continuity and change	27
3.3 Brownfields in the Czech Republic	30
3.4 Information and communication technologies and regional development	40
3.5 Urban transformation processes and energy systems planning	43
4 Governance in transforming regions	48
4.1 Participation	50
4.2 Strengthening public and civil institutions as a success factor for regional development in shrinking regions	52
4.3 Cultural inclusion in the European City – Praxis-oriented urban research into migration and integration	55
4.4 Regionalism and Europeanisation of the regions as sources of regionalisation	58
5 Authors	63
6 TRANSFOR(U)M network partner institutes	69

**Figures and Tables:****◆ Figures**

Figure 1: Change in disparities at regional and national level (EU25). Data source: Eurostat (2005), own calculations.....	8
Figure 2: Regional growth in GDP per capita, 1995 – 2004. Source: EC (2007) .....	8
Figure 3: Change in disparities within selected developed and cohesion countries. Data source: Eurostat (2005), own calculations .....	9
Figure 4: Change in disparities within accession countries. Data source: Eurostat (2005).....	10
Table 1: Concentration of FDI in selected EU15 and accession countries. Source: European Commission (2004) .....	11
Figure 5: Correlation between economic growth and disparities within the member states of the EU25. Data source: Eurostat (2005), own calculations .....	11
Figure 6: Interregional disparities in GDP per capita and productivity in selected metropolitan regions in 2003 [indicator for metropolitan area* / indicator for the rest of metropolitan region** x 100%] .....	16
Table 2: Significance of capital regions in CEEs member states countries. Data source: Eurostat.	17
Figure 7: GDP change in CEECs from 1995-2003, * for Romania from 1998 to 2003. Data source: Eurostat 2005 .....	18
Figure 8: The share of industry in total employment in Central Europe, 2003–2004 (%) .....	27
Figure 9: Three basic groups of brownfields.....	30
Figure 13: Districts in the Central Bohemian region.....	35
Table 3: Towns of Votice and Kladno .....	35
Table 4: Brownfields in Votice and Kladno.....	36
Table 5: Data on the district of Votice.....	36
Figure 14: Histogram of sizes.....	37
Figure 15: Origin of brownfield sites .....	38
Figure 16: Redevelopment potential in Votice district .....	38
Figure 17: ESPON 1.2.3. Information Society Index. Source: ESPON project 1.2.3, Final Report p. 14 .....	40
Figure 18: Percentage of companies providing their e-mail and www address in the yellow pages directory. Source: ESPON project 1.2.3, Final Report, APPENDIX II G, p. 21. ....	41
Figure 19: Spatial concentration of IT enterprises in Poland. Source: Grzegorz Micek, Sektor IT w liczbach, Innowacyjny start, grudzien 2005. ....	42
Figure 20: Main steps for the urban energy model .....	45

**Tables**

<a href="#">Table 1: Concentration of FDI in selected EU15 and accession countries</a> .....	11
<a href="#">Table 2: Significance of capital regions in CEE member state countries</a> .....	17
<a href="#">Table 3: Towns of Votice and Kladno</a> .....	35
<a href="#">Table 4: Brownfields in Votice and Kladno</a> .....	36
<a href="#">Table 5: Data on the district of Votice</a> .....	36

## Abstract

Dieser Werkstattbericht dient dazu, einen Überblick über die verschiedenen Interessen und Kompetenzen der Personen und Institutionen zu erhalten, die das TRANSFOR(U)M Netzwerk bilden. Das TRANSFOR(U)M<sup>1</sup> Netzwerk wurde gegründet, um Forschungsinstitute in Mittel- und Osteuropa zusammen zu bringen, die sich mit sozial-räumlichen und sozial-ökologischen Transformationsprozessen auf der regionalen Ebene beschäftigen. Die Teilnehmerinnen und Teilnehmer des Netzwerks kommen aus Deutschland, Polen, der Tschechischen Republik, der Slowakischen Republik, Ungarn und Österreich. Innerhalb von TRANSFOR(U)M trägt dabei jeder Partner zwar seine eigenen spezifischen Forschungsschwerpunkt zur Diskussion bei. Allen Partnern ist jedoch gemeinsam, dass sie ein besonderes Interesse an innovativen und alternativen Strategien und Ansichten zu den komplexen Transformationsprozessen teilen, die für Europas Regionen heute und in Zukunft eine große Herausforderung darstellen.

Europas Regionen stehen aufgrund sich räumlich niederschlagender komplexer und tief greifender ökonomischer, sozialer und kultureller vor enormen Herausforderungen. Die Krise vieler Regionen manifestiert sich hauptsächlich in Schrumpfungsprozessen – sinnfällig in Form rückläufiger Beschäftigung, sinkender Kaufkraft, defizitären öffentlichen Haushalten, Bevölkerungsverlusten, Industriebrachen, Wohnungsleerständen und verödeter Stadtlandschaften. Die beschriebenen Transformationsprozesse führen dazu, dass in Bezug auf die lokalen Lebensbedingungen große Disparitäten zwischen strukturschwachen und prosperierenden Regionen entstehen können. Die damit zusammenhängenden Transformationsprozesse und die daraus resultierenden neuen sozial-ökologischen Fragestellungen und Problemkonstellationen konzentrieren sich vor allem in den vom Strukturwandel betroffenen Regionen Europas. Aus diesem Grund vollziehen sich diese Prozesse in Mittelost- und Südosteuropäischen Ländern besonders rasant.

Regionale Transformationsprozesse sind dabei stets im Zusammenhang mit den gesellschaftlichen Rahmenbedingungen zu betrachten, die sie prägen und beeinflussen, wie Globalisierungsprozesse, der Demographische Wandel, aktuelle Strategien der Stadt- und Regionalentwicklung oder bestehende Infrastrukturen. Eine nachhaltige Regionalentwicklung bedarf jedoch innovativer Ideen und Strategien mit einem langfristigen Zeithorizont, um den Herausforderungen zu begegnen, die sich aus den Transformationsprozessen ergeben. Die Beiträge in diesem Werkstattbericht greifen daher verschiedene Aspekte und Probleme auf, die in diesem Zusammenhang für Wissenschaft und Politik vor allem auf lange Sicht relevant sein werden. Dabei werden die folgenden drei Interessensbereiche thematisiert:

- Das Konzept der Kohäsion,
- Strukturelle Umbrüche sowie
- Governance in den vom Wandel betroffenen Regionen.

Das Anliegen des Werkstattberichts ist es, die Diskussion um zentrale Fragen anzuregen, die sich innerhalb des breiten Felds regionaler Transformationsprozesse ergeben und somit dazu beizutragen, Alternativen zu derzeitigen Praktiken und Strategien der Regionalentwicklung aufzuzeigen. Die Beiträge repräsentieren daher eine Vielfalt an Problembereichen und interessanten Forschungsfragen, die zukünftig Thema wissenschaftlicher Arbeiten sein sollten. Darüber hinaus stellen sie gleichfalls die breite Expertise dar, die im TRANSFOR(U)M Netzwerk vertreten ist und die in zukünftigen gemeinsamen Forschungsaktivitäten weiter vertieft wird.

---

<sup>1</sup> Die Gründung des TRANSFOR(U)M Netzwerks wurde von 2005-2008 vom BMBF – Bundesministerium für Bildung und Forschung im Rahmen des Programms Sozial-Ökologische Forschung gefördert.

## 1 Introduction – The TRANSFOR(U)M network

This report represents the diverse range of competences and interests of the TRANSFOR(U)M network members. TRANSFOR(U)M<sup>2</sup> was founded as a European network of research institutions that study socio-spatial and social-ecologic transformation processes on the regional level. The participating institutions of the network come from Germany, Poland, the Czech Republic, the Slovakian Republic, Hungary and Austria. Within TRANSFOR(U)M, each institute contributes its own specific research focus to the network, while all members share a common interest in developing alternative views on the complex transformation processes confronting European regions today and in the future.

Europe is currently facing enormous social and economic challenges resulting in growing regional disparities regarding job opportunities, public infrastructure and access to cultural opportunities. In disadvantaged regions, these tendencies are aggregating into the phenomenon known as shrinking, characterised by decreasing employment opportunities, decline in population, vacant buildings etc. However, simultaneous growth processes, particular in urban centres, have resulted in more differentiated features on a regional level, marked by population changes, economic concentrations, unequal provision of infrastructure etc. Disparities between regions experiencing the phenomena of growth and of shrinking are particularly concentrated in areas facing a structural change from industrial production to a service or information economy. Thus, the transformation processes in post-socialist Central and East European countries (CEECs) are proceeding much faster than in North or West European countries.

Regional transformation processes are embedded in a multitude of broader economic and social trends and framework conditions, such as globalisation, demographic change, urban and regional policies or existing infrastructure systems. According to the Guidelines for Sustainable Development, regional solutions and strategies require a long-term view and innovative ideas. In this context, the articles in this book deal with different aspects and problems that have been shown to be important for research and politics in future, covering the following fields of interest:

- The concept of cohesion,
- Structural changes and
- Governance in transforming regions.

The intention of this book is to initiate a discussion on crucial questions connected to the broad field of regional transformation processes and to identify alternatives to current practices and policies. The articles thus address a variety of problems and interesting research questions that are worth considering in future research activities. In addition, they illustrate the broad expertise that is represented within the TRANSFOR(U)M network, which will continue to be applied and further specialised in future common research projects.

---

<sup>2</sup> The establishment of the TRANSFOR(U)M network was funded from 2005-2008 by the German Ministry of Education and Research as part of the Social-Ecological Research programme.

## 1 The concept of cohesion

*“In order to promote its overall harmonious development, the Community shall develop and pursue its actions leading to the strengthening of its economic and social cohesion. In particular, the Community shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favored regions, including rural areas.”*

(Article 130a of the Treaty on European Union, European Commission 1996, p. 13)

In its First Report on Economic and Social Cohesion, the European Commission emphasised the geographical dimension of a “harmonious development” of the European Community (cp. EC 1996, p. 13). According to the report, the term “community” requires a reduction of disparities between regions regarding their economic and social situation. In order to fulfil this goal, the European Commission defines solidarity and mutual support as the universal strategy to promote the “convergence of basic incomes through higher GDP growth, of competitiveness and of employment” (ibid.) by means of the promotion of a social market economy that is based on the concept of a liberal market combined with support for vulnerable people. According to the European Commission, consequences for backward regions defined in this sense are a lack of quality of life and life-chances for the citizens, as well as unused potentials for the local, national or even European economy. However, within the first report on cohesion, the European Commission points out that an economic development “is not an end in itself, but the means to an end” (ibid, p. 15) and should therefore not result in short-sighted strategies that e.g. promote certain groups by creating disadvantages for others, or are based on the unsustainable exploitation of natural resources. The Commission also points out that cohesion is not synonymous with uniformity, claiming that diversity and cohesion should complement each other.

While the first report still relates to the European Community as a whole, the second report also integrates a more differentiated view on the territorial or spatial dimension of cohesion based on the European Spatial Development Perspective (ESDP) that was elaborated at a meeting of ministers responsible for regional development in Potsdam, Germany, in 1999. Within the ESDP, the ministers define the following as guidelines for territorial cohesion (EC 2001, ch. 1.3):

- “polycentric urban development and
- a new relationship between urban and rural areas;
- equal access for all European regions to infrastructure and know-how and
- prudent management of the natural and cultural heritage.”

Within the Third Report on Cohesion, the concept of territorial cohesion is emphasised by the statement that it “extends beyond the notion of economic and social cohesion by both adding to this and reinforcing it” (EC 2004, p. 27). For the promotion of a balanced development, the third report highlighted four spatial problem fields: Territorial imbalances in the distribution of towns and cities; intra-regional imbalances; regions with geographical handicaps and more equal access to services of general economic interest (EC 2005, pp. 25). Regarding cohesion strategies, the third report is dedicated to defining strategies fulfilling the Lisbon summit goal of “becoming the most competitive and dynamic knowledge-based economy in the world” (EC 2005, p. 36). Thus, regional strategies should secure basic local conditions for economic development such as a skilled and trained working population or an adequate infrastructure. In parallel, regions should develop their economic competitiveness within a knowledge-based global society, promoting innovation and technological-economic structural change (EC 2004, pp. 36).

The Fourth Report on Cohesion continues this approach. Evaluating European cohesion policies so far, the EC comes to the conclusion that previous concentrations of GDP diminished, while national disparities in economic performances grew. Regarding residential mobility, the fourth report points out an ongoing trend of suburbanisation and population loss in rural areas (EC 2007, pp. xii). The European Commission moreover emphasises the following challenges as threats to territorial cohesion, since they tend to increase economic and social disparities (EC 2007, pp. xvii):

- Global pressure to restructure and modernise
- Climate change
- Increased energy prices
- Emerging demographic imbalances and social tensions.

In this context, multi-level governance integrating the different spatial policies from the EU to the local level should respond to the various requirements deriving from these challenges. Comparison of all four reports shows that since the Lisbon summit, territorial cohesion has increasingly been connected to competitiveness, based on the assumption that investments promote economic development and economic development promotes convergence.

The following articles pick up different aspects related to the concept of cohesion. First, Hans Kramar takes a critical look at the discrepancy between competitiveness and cohesion, claiming that national and regional governments cannot be let off the hook regarding their responsibilities in overcoming existing regional inequalities. Next, Maciej Smetkowski analyses intraregional disparities, particularly in the case of capital regions, that derive from the principle of competitiveness. Specific regional policies are required, including the development of traditional transport links which may foster economic interaction between a capital city and its surrounding region, the development of a polycentric settlement structure and changes in the institutional pattern. Finally, Grazyna Korzeniak addresses the polycentric development that the European Commission has explicitly defined as a regional development guideline for territorial cohesion. In the case of the Polish settlement system that is traditionally characterised by a polycentric structure, she analyses different social and economic transformation processes that both support and restrict conditions for polycentric development.



### *1.1 The discrepancy between competitiveness and cohesion: Is economic growth always accompanied by growing disparities?*

*Hans Kramar*

#### ◆ The conflicting goals of competitiveness and cohesion

All political bodies act in the dichotomy between the conflicting goals of competitiveness and cohesion. It is not easy to meet the requirements of both at the same time, since public efforts in economically lagging regions, aimed at reducing disparities, tend to be less effective than in highly developed areas. Due to different regional conditions (for example, qualification of labour, infrastructure supply, productivity, economic structures), competitiveness and economic growth can be achieved more easily by promoting projects in urban agglomerations than by supporting the lagging areas. At European level, this conflict becomes evident even in the basic treaties of the European Union: according to Article 2 of the EC Treaty, the Community strives to promote “a high degree of competitiveness and convergence of economic performance”. Article 3 states that the activities of the Community shall include “the strengthening of economic and social cohesion” as well as “the strengthening of the competitiveness of Community industry” (EC 2002). Yet the Lisbon Strategy, which aims primarily at making the European Union the most competitive economy in the world, is often considered to have partly overruled the idea of cohesion. This conflict between contradictory policy objectives leads to the question of whether growing markets and changing political conditions in Europe have mainly enhanced the concept of competitiveness or rather supported the idea of territorial cohesion. The answer is not trivial and needs closer examination of the changing disparities at different spatial levels: Generally speaking, competitiveness is attained by public investment in highly developed centres, while territorial cohesion requires the financial support of lagging regions. Nevertheless, activities intended to encourage regional cohesion at European level may increase disparities within a state or a region at the same time. With this in mind, it may be highly instructive to examine the interrelation between disparities and economic growth: there is some evidence that rapid economic growth in the less developed member states is often accompanied by growing disparities within these countries.

#### ◆ Regional and national disparities in the European Union

An analysis of economic disparities within the European Union depends to a large extent on the regional level considered. As far as national differences in GDP per capita are concerned, the gap between the rich and the poor member states of the EU15 has clearly decreased over the past two decades. Between 1988 and 2001, the “old” cohesion countries have significantly converged to the European average (see European Communities 2004): GDP per capita in Portugal has increased from 58.9% to 70.7% of the EU15 average, Greece from 58.1% to 67.1%, Spain from 74.0% to 84.2% and Ireland has even become one of the richest countries, almost doubling its economic performance in comparison to the EU15 from 65.9% to 117.6%. At the same time, the catching up process of the accession countries in Central and Eastern Europe, which began long before they joined the EU in 2004, has also developed very rapidly over the past few years: recent data published in the Fourth Report on Cohesion (European Communities 2007) indicates that with the exception of the Czech Republic (2.2%) the average annual economic growth rate in these countries between 1995 and 2004 was

significantly above the EU27 average of 2.3% (Estonia: 6.8%, Latvia: 6.4%, Lithuania: 6.0%, Hungary: 4.5%, Poland: 4.3%, Slovenia: 3.9%, Slovakia: 3.8%). At the same time, the wealthier countries were able to maintain their competitive edge to a large extent without improving their privileged position. These different developments have induced a reduction of national disparities, which is displayed by a decreasing standard deviation of national GDP per capita between 1995 and 2002:<sup>3</sup>

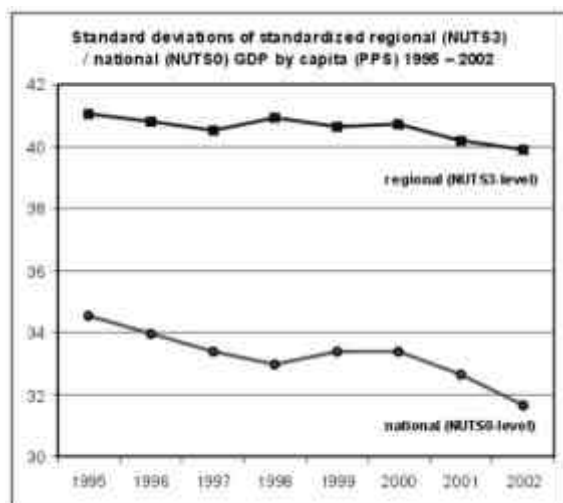


Figure 1: Change in disparities at regional and national level (EU25). Data source: Eurostat (2005), own calculations<sup>4</sup>

While the economic gap between the member states has clearly narrowed since 1995, regional disparities have developed differently. As shown in Fig. 2, the highest growth rates between 1995 and 2000 were in the richest NUTS2 regions.

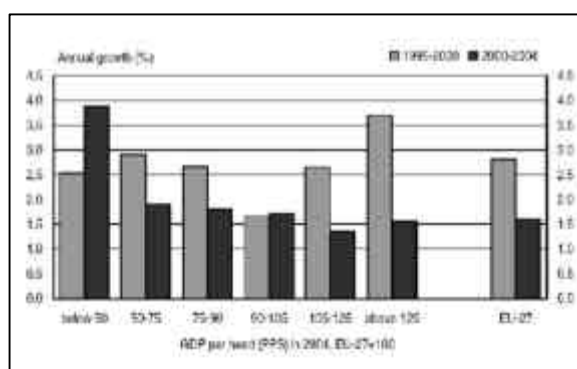


Figure 2: Regional growth in GDP per capita, 1995 – 2004. Source: EC (2007)

From 2000 to 2004, however, this clear trend of growing inequalities completely turned around: In this period, the poorest regions showed the most dynamic development, which could be interpreted as a slight tendency towards regional convergence. Nevertheless, the observation period is too short to take these figures as a clear sign of a turnaround. In order to throw light on these controversial results, the change in regional disparities was

<sup>3</sup> The big differences in country size pose the problem of comparability and make interpretation of national disparities difficult. Consequently the three smallest countries (Luxembourg, Malta and Cyprus) were not considered in the analysis.

<sup>4</sup> The regional function only considers NUTS3 regions with complete data for the whole period and therefore does not include Portugal, Malta and parts of Poland. The national function does not include Luxembourg, Malta and Cyprus.

also examined in a more complex way and at a lower spatial level: similarly to the analysis of national disparities, standard deviation of GDP per capita for the NUTS3 regions was calculated for the period between 1995 and 2002. The results shown in Fig. 1 indicate that unlike the inequalities between the member states, regional disparities at NUTS3 level did not significantly decrease in that period. Therefore, even when considering the problem of comparability of spatial units, it can be stated that the reduction of national disparities in the European Union is not in fact accompanied by growing cohesion at regional level. The reason for these contradictory findings at different spatial levels can be found in the increasing disparities within several member states: Due to the uneven distribution of economic conditions (for example, highly-skilled labour, infrastructure, private investment, research and development), the gap between urban centres and the rural periphery tends to widen particularly in growing economies. While regional disparities within the majority of highly developed countries in Central and Western Europe did not change significantly (in Germany and Italy the gaps even decreased), the cohesion countries are facing growing inequalities: the growth rates of Spain (3.7%) Portugal (2.6%) and Greece (3.8%) between 1995 and 2004 were backed up by the dynamic development in the capital regions of Madrid (4.2%), Lisbon (2.8%) and Attiki (4.0%) (see European Communities 2007). This uneven distribution of economic growth, which mainly concentrates on the main urban centres, can be seen particularly at NUTS3 level. As can be seen from the results in Fig. 3, the standard deviation of GDP per capita of the NUTS3 regions has grown between 1995 and 2002 within each of the “old” cohesion countries.

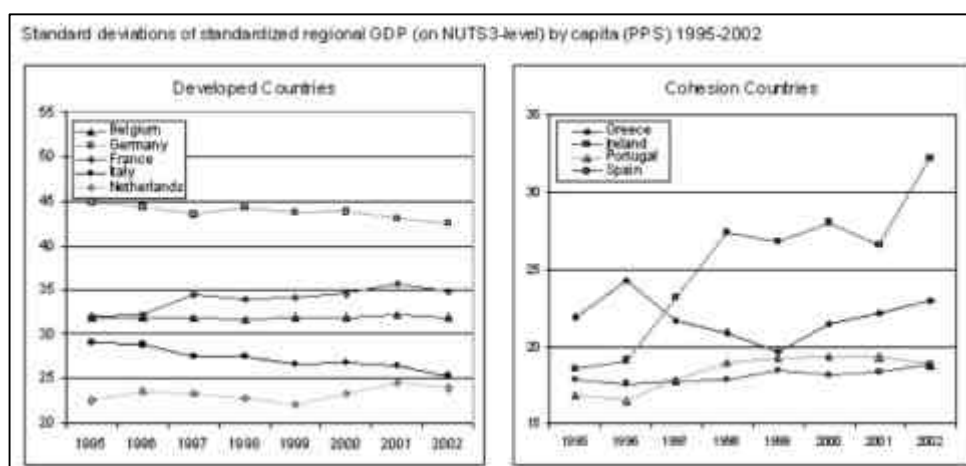


Figure 3: Change in disparities within selected developed and cohesion countries. Data source: Eurostat (2005), own calculations

The same phenomenon is even more obvious in the Central and Eastern European accession countries that joined the Union in 2004. With the exception of Poland, which is characterised by a rather polycentric settlement structure, these countries are economically dominated by their capital cities. Due to better economic and social conditions, the capitals have consolidated their leading position by growth rates that greatly exceed the respective national average: Prague, for example, had an average growth rate of 3.8% between 1995 and 2004, while the economic output of the Czech Republic only increased 2.2% per year. The same is true for Hungary, where the high economic growth rate of 4.5% was mainly determined by the development of the Közép-Magyarország region (+5.0%). (See European Communities 2007.) The growing concentration of economic development in a few national centres is impressively illustrated by Fig. 4, which shows that

the standard deviation of regional GDP per capita (at NUTS3 level) has increased in each of these eight new member states since 1995. This trend, which has continued over the past 10 years definitely poses a dangerous threat to cohesion within economically lagging countries in their catching up process. Increasing disparities within these growing economies can largely be explained by the accelerating competition between regions, which has been introduced by the integration of the accession countries into the European market and could hardly be influenced or controlled by national policies. As mentioned above, the reason for this trend towards intrastate divergence is to be found in different production conditions between urban centres and rural peripheries. In lagging countries, only a few locations are able to meet the new challenges of European or even global competition. Thus, research and development activities, educational programmes and infrastructure investments are highly concentrated in selected urban areas, while the remainder of the country is largely neglected. This kind of economic policy amplifies the economic trend, initiated by growing competition, and consequently reinforces the competitive edge of a small number of urban agglomerations in terms of labour force, physical and social infrastructure (particularly with regard to transport and communication networks) and innovative power.

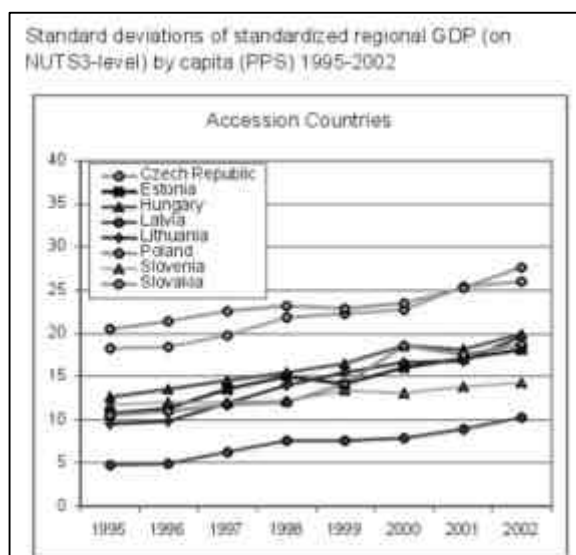


Figure 4: Change in disparities within accession countries. Data source: Eurostat (2005)

#### ◆ Disparities and economic growth

These conditions, which are crucial location factors for production, are responsible for making the big urban centres more competitive and attractive to foreign investors. As shown in Table 1, the spatial concentration of foreign direct investment (FDI) is much more pronounced in the less developed countries. Although in Germany and Italy FDI is significantly greater in the more highly developed parts (western and northern respectively) of the countries, a reasonable number of the other provinces are also able to attract foreign investment, whereas in Spain the two dominating cities Madrid and Barcelona account for more than 80% of all FDI. This phenomenon is also evident in the accession countries (as demonstrated for the Czech Republic, Hungary and Slovakia), where it has become a serious problem in achieving balanced economic development.

Germany	1998-2000	Spain	1999-2001	Italy	2000
Nordrhein-Westfalen	37.5	Madrid	69.5	Lombardia	43.5
Hessen	21.6	Cataluña	13.5	Piemonte	14.9
Baden-Württemberg	11.7	País Vasco	5.5	Lazio	8.4
Bayern	9.0	Com. Valenciana	2.7	Emilia-Romagna	7.8
Czech Republic	2001	Hungary	2001	Slovakia	2001
Praha	49.3	Közép-Magyarország	67.7	Bratislavský	63.2
Střední Čechy	10.7	Közép-Dunántúl	9.4	Východné Slovensko	18.8
Jihozápad	7.6	Nyugat-Dunántúl	7.5	Západné Slovensko	10.3
Severozápad	8.2	Észak-Magyarország	6.2	Stredné Slovensko	7.7

Table 1: Concentration of FDI in selected EU15 and accession countries. Source: European Commission (2004)

These findings give rise to the assumption that there is a correlation between total economic growth and the change in disparities within the member states. While the more highly developed countries show modest but constant growth rates in most regions, the dynamic economic development of the lagging states largely concentrates on a few locations. Due to the growing international competition between regions, it seems that in these developing countries only the large urban agglomerations are able to compete with highly developed regions in Central and Western Europe, whereas smaller regional and local centres and particularly rural areas constantly lose economic attractiveness and productivity. These results suggest that the catching up process of the lagging countries seems to be intrinsically tied to growing disparities on a national scale. Fig. 5 reveals a significant positive correlation ( $R = 0.795$ ) between national economic growth and the change in intranational disparities for the member states of the EU25.

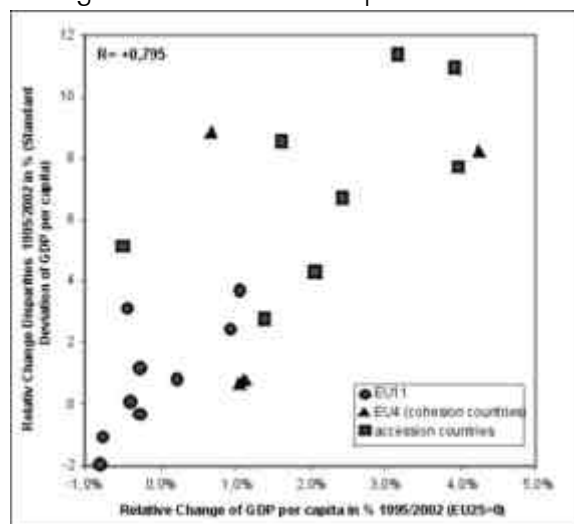


Figure 5: Correlation between economic growth and disparities within the member states of the EU25. Data source: Eurostat (2005), own calculations

These clear results indicate that the political bodies in these countries were unable to deal with the negative cohesion effects of growing competition. The most recent data presented in the fourth cohesion report (European Commission 2007), however, point out that the uneven distribution of economic growth seems to have slightly decreased over the last few years, which could mean that the lagging regions will finally start participating in the economic boom.

### ◆ Conclusions: Challenges for national policies

The results of the empirical analysis suggest that strategies which aim at enhancing national competitiveness put the goal of regional convergence at risk. This is especially true for the lagging member states, where fast economic growth is mostly accompanied by growing regional disparities within their national territories. EU policies, however, are mainly directed at reducing disparities on a European scale (see Kramar 2006). Assuming that the efficiency of public funding rises with the quality of specific location factors, they focus on selected locations instead of granting relief all over the country. Thus, EU cohesion policies combine the idea of redistribution with the efficient application of funds and therefore give consideration to overall economic growth as well as to regional cohesion from a European perspective. At the same time, however, they abet the problem of intranational and intraregional disparities.

Particularly the economically lagging countries, which receive the major share of subsidies, are increasingly confronted with growing inequalities between a few prospering urban regions and a majority of provincial areas. Nevertheless, according to the principle of subsidiarity, this trend cannot be considered as a failure of EU cohesion policies. Empirical data demonstrating that the lagging countries have reduced their handicaps prove that the European Union has been successful in this respect over the past few decades. It is highly plausible that this development has been supported by the effective use of subsidies by focusing them on national and regional centres. At the same time, this strategy has certainly aggravated the problem of increasing economic disparities within the less developed member states. Since solving this problem is certainly not the task of the European Union, the political bodies in the member states have to face these facts and meet the challenge of enhancing cohesion within their territories.

Consequently, national and regional governments cannot be let off the hook regarding their responsibility for existing regional inequalities. In order to allow all regions to benefit from the economic boom in the centres, they would be well advised to adapt their national policies to the European strategies. On the one hand, the regional and structural programmes of the member states must be directed at improving general conditions in the rural and underdeveloped regions, making use of endogenous potentials. On the other hand, national transport planning departments have to provide an adequate secondary road and rail infrastructure supplementing the high-level Trans-European Networks, so that the growth effects induced in the regional centres can spread to the surrounding areas (see Kramar 2002). Considering the fact that growing international competition has accelerated the spatial concentration of investment and economic growth, the accession countries in particular will have to meet this challenge in order to guarantee a balanced development and to prevent further decay of the underdeveloped regions.

## ◆ Bibliography:

- EC - European Communities, *Unity, solidarity, diversity for Europe, its people and its territory: Second report on economic and social cohesion*, (Luxembourg, Office for Official Publications of the European Communities, 2001).
- EC, *Treaty establishing the European Community*, (Luxembourg, Office for Official Publications of the European Communities, 2002).
- EC, *A new partnership for cohesion: Third report on economic and social cohesion*, (Luxembourg, Office for Official Publications of the European Communities, 2004).
- EC, *Growing Regions, Growing Europe – Fourth report on economic and social cohesion*, (Luxembourg, Office for Official Publications of the European Communities, 2007).
- Eurostat, 'General and Regional Statistics: Gross Domestic Product (GDP) at market prices at NUTS level 3', Available: [http://epp.eurostat.ec.eu.int/portal/page?\\_pageid=0,1136162,0\\_45572076&\\_dad=portal&\\_schema=PORTAL](http://epp.eurostat.ec.eu.int/portal/page?_pageid=0,1136162,0_45572076&_dad=portal&_schema=PORTAL) (2005)
- Kramar, H, 'Zum Ausbau des hochrangigen europäischen Verkehrssystems: Zentralisierung der Wirtschaftskraft versus Erschließung der peripheren Regionen'. In: Faller, P, Gürtlich, G H, (ed.) *EU-Verkehrspolitik für bessere Transportsysteme. ÖVG Spezial*, Vol. 56a, (2002), pp. 161-172.
- Kramar, H, 'Economic Convergence on Different Spatial Levels: The Conflict between Cohesion and Growth', In, *Raumforschung und Raumordnung*, 1/2006, (Carl Heymanns Verlag: Bonn, 2006), pp. 18-27.

## 1.2 *Intraregional cohesion in metropolitan regions – a challenge for regional policy* Maciej Smetkowski

The new development paradigm has led to a new specialisation of specific territorial entities and thus has influenced the correlation between them. In particular, these changes have influenced the relations between the metropolis and its hinterland. In the contemporary metropolis there is a concentration of innovative activities that have led to the development of flows within the network of metropolises. As a result, its ties with the regional surroundings that provide mainly 'simple' resources have become relatively weaker.

The contemporary development paradigm is based on the growing role of information, which is increasingly becoming a primary production factor. In this model, information performs the function of a raw material; new technologies are shaping the face of society; interrelations between economic development actors are becoming network-based; the economy is organised in a flexible way and characterised by strong interactions between different technologies that make up one integrated system (Castells 1998, pp. 61-62). For this reason, the competitiveness of enterprises is more and more frequently based on minimising the costs related to traditional production factors. However, owing to the fact that not all enterprises can apply this model in order to consolidate their market position, the process of segmentation of the global economy is taking place. Two segments are emerging, the 'high' one which has a competitive advantage owing to its capability to create innovations, and the 'low' one which competes with prices and strives to gain a comparative advantage (cf. Porter 2001). Locations able to generate innovation and offer attractive conditions for the high segment will draw the mobile capital and highly qualified specialists; in this way, they will be winners in the global competition race. According to many authors, the process of generating innovation, which constitutes one of the foundations of the information economy, is taking place in certain locations referred to as 'islands of innovation' or in 'industrial clusters'<sup>5</sup>. Factors other than strictly economic ones that stimulate innovation include social factors such as: trust between different actors, ability to learn from one another and also networking. The presence of these factors may lead to the achievement of both social and economic success (cf. Cooke, Morgan 1997). Among the most innovative European regions and those that are most technologically and scientifically advanced (high profitability, number of patents, scientific publications), Longhi and Keeble (2000) distinguish the following four basic types: industrial regions that have successfully undergone restructuring; university regions; technopolises and metropolitan regions. The latter are developing as a result of factors such as: expanding linkages between cities making up the global network of metropolises; availability of highly qualified human resources; a well-developed business services sector (including financial services) and the presence of many academic and research institutions. (See, for example, Fridemann 1986, Sassen 1991, Taylor 2001 and Gorzelak, Smetkowski 2005.)

Today, relations between the metropolis and the region have become relatively weaker. Other assets and resources, ones not found in the regional environment, have become

---

<sup>5</sup> Using the example of Hartfordshire, Simmie (1998) explains why innovations are generated in 'metropolitan islands of innovation'. The author verifies different hypotheses explaining the reasons underlying this phenomenon. In light of his research, specific features of a given territorial system are of crucial significance (such as the quality of human resources, accessibility of venture capital that fosters the generation of innovation); secondly, the ability to simultaneously create and consume innovation in a given territorial system (the army, healthcare services, etc.).



indispensable for the development of the metropolis. Therefore, the role of the hinterland has been limited to the provision of qualified labour (most frequently people educated and/or trained in the city itself) in the form of weekly shuttle migration or permanent migration, as well as environmental assets: potable water, recreational space, etc. On the other hand, the region has become the recipient of increasingly stronger negative stimuli generated by the metropolis. Cheaper and more remotely located areas have become attractive locations for the development of a technical infrastructure that is not desirable in the city (e.g. waste disposal sites), for transport and transmission infrastructure (which often leads to the fragmentation of the regional space), for distribution centres, traditional labour - and resource-intensive production sectors, as well as residential and recreational housing (frequently in the form of gated communities). Nonetheless, the significance of the regional environment for the metropolis, which has developed more vigorous contacts with other huge cities, has diminished. Resources previously provided to the city by the region have begun to be supplied from other sources (e.g. foods) or have lost their significance (e.g. raw materials). This does not mean that the processes of exploiting the region by the metropolis have entirely terminated, but that their significance for the metropolis has diminished.

A rapid development of the metropolis, if its spatial range and impact is limited, is bound to lead to the marginalisation of its regional environment. In an information economy, cities compete for capital and innovative sectors of economic activity. They struggle to create an attractive environment for the operation of huge transnational conglomerates. In this respect, quality-related location factors play a larger role, e.g. qualified labour, opportunities for cooperation in production and a reliable infrastructure. Metropolises, endeavouring to increase their competitiveness on the international scene using the existing indigenous potential, pursue a policy of developing global or continental functions at the expense of other functions (e.g. by providing support to scientific and research institutes and strengthening hubs in the transport systems). They strive to develop both "hard" and "soft" location factors. On the one hand, cities enhance their accessibility and improve infrastructure standards in an effort to attract international institutions and investors. On the other hand, municipal authorities initiate large investment projects in order to improve the city's aesthetic assets and sponsor events designed to draw world famous guests (Kunzmann, 1998). Thus, they demonstrate their cultural achievements and attract qualified labour. If those initiatives prove to be successful, the city becomes a metropolis – a hub focusing global information and capital flows (including human capital). In an information economy, the concentration of such flows (often having an intangible nature) has become more important than the material exchange of goods and attracting mass-scale labour (factors that played a crucial part in the development of urban and industrial agglomerations). These processes lead to a breaking of ties between a metropolis and the surrounding region.

Empirical research conducted in Poland (Gorzelać, Smółkowski 2007) revealed inter alia that the regional surroundings do not play any important part in the metropolitan development processes and do not constitute any significant supplies or sales markets; the regional surroundings have a greater significance in the provision of simple resources to the metropolis: low-processed goods, low-skilled workforce, services not requiring skilled staff or generally accessible information rather than processed resources; the development of the metropolis is largely based on local human resources subject to local deconcentration occurring as part of the suburbanisation process. On the other hand, the non-local inflow results in the draining of human capital, mainly from the regional

surroundings. To a large extent, the results are similar to studies conducted at other European metropolises (see Simmie et al. 2002, 2003). These studies also reveal a difference between metropolises based to some extent on their position in a network of large cities. This is particularly important in the case of capital cities that are far better connected on a worldwide scale (i.e. London, Paris and Amsterdam) than other regional cities (i.e. Stuttgart and Milan). In general, the higher the position of the city, the less significant are the ties with the regional surroundings for the development processes of the metropolis.

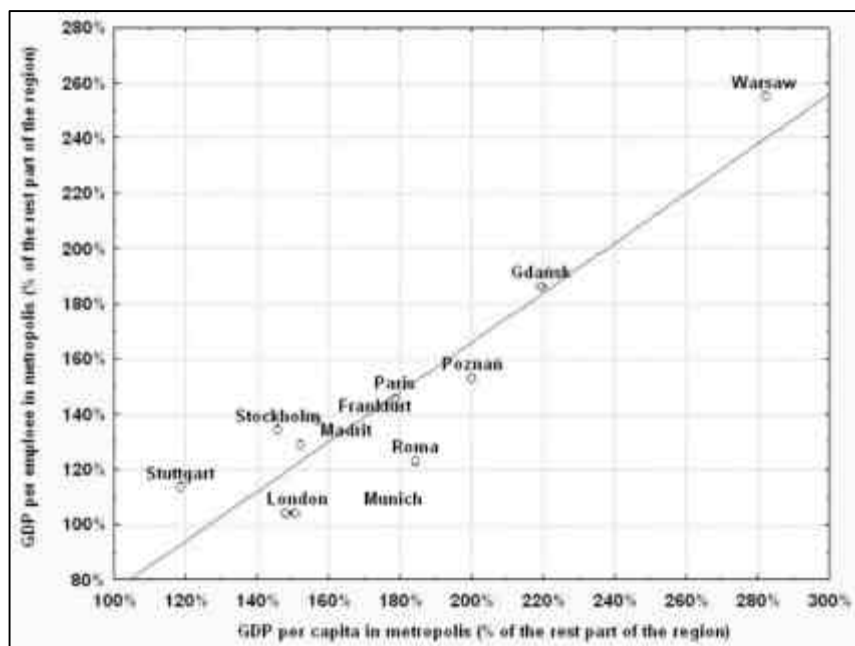


Figure 6: Interregional disparities in GDP per capita and productivity in selected metropolitan regions in 2003 [indicator for metropolitan area\* / indicator for the rest of metropolitan region\*\* x 100%]<sup>6</sup>

Consequently, intraregional disparities in metropolitan regions (especially in the case of capital cities) are normally higher than in other regions made up of smaller cities. Furthermore, the disparities in metropolitan regions such as these are normally more significant in CEECs (see the Polish example in Fig. 6) than in the EU15. Therefore, attention should be focused on CEECs in particular, taking into account that their capital metropolises often concentrate a large share of the total population (Table 2) ranging from 7.9% in Poland to 47% in Latvia as well as GDPs ranging from 15.8% to 67.9% respectively.

<sup>6</sup> \* metropolitan area = city + surrounding municipalities \*\* metropolitan region = metropolitan area + municipalities under metropolis influence. Source: prepared by author

	Population	of which capital metropolis	in %	GDP in milion EUR	of which capital metropolis	in %
Bulgaria	7 781 141	1 478 547	19,0%	19 595	6 484	33,1%
Czech	10 206 877	2 305 943	22,6%	87 205	29 871	34,3%
Estonia	1 359 568	523 810	38,5%	9 375	5 663	60,4%
Hungary	10 107 084	2 835 328	28,1%	82 302	36 664	44,5%
Lithuania	3 435 986	848 573	24,7%	18 126	6 422	35,4%
Latvia	2 312 871	1 098 186	47,5%	11 157	7 573	67,9%
Poland	38 179 987	3 023 884	7,9%	203 951	32 206	15,8%
Romania	21 673 014	2 207 795	10,2%	60 818	11 763	19,3%
Slovakia	5 382 348	600 449	11,2%	33 863	8 611	25,4%
Slovenia	1 997 271	495 954	24,8%	26 232	9 304	35,5%
Total	102 436 147	15 418 470	15,1%	552 625	154 560	28,0%

Table 2: Significance of capital regions in CEEs member states countries. Data source: Eurostat

It may be expected that these disparities will grow in the future. The analysis of GDP growth at subregional level (NUTS3) in CEECs (Fig. 7) from 1995 to 2003 allows us to formulate the following conclusions: Capital regions normally develop more rapidly than other regions in almost all countries (except Latvia and Slovakia). There are only a few other regions that have developed at a similar pace – and these are also often made up of large cities (i.e. Poznan in Poland, Burgas in Bulgaria, Timisoara in Romania). The surrounding regions of the capital metropolises normally develop more slowly than the national average, which is particularly noticeable in Bulgaria, Estonia, Hungary, Lithuania and Romania. This applies, at least to some extent, to a limited number of regions in smaller countries.

Obviously this situation requires a specific regional policy towards strengthening the intraregional cohesion of large metropolitan regions, particularly in the case of capital regions. This policy may take various forms. On the one hand, the development of traditional transport links may foster economic interactions between a capital city and its surrounding region. On the other hand, the development of a polycentric settlement structure along with changes in the institutional pattern may also be a good solution. Therefore, further studies should concentrate on:

- comparative analysis of metropolitan regions' governance in CEECs and the EU15, including legal and institutional patterns;
- the impact of Structural Funds and state aid on intraregional cohesion in metropolitan regions;
- the impact of intraregional disparities on regional competitiveness;
- the role of spatial structure in the development of metropolitan regions.

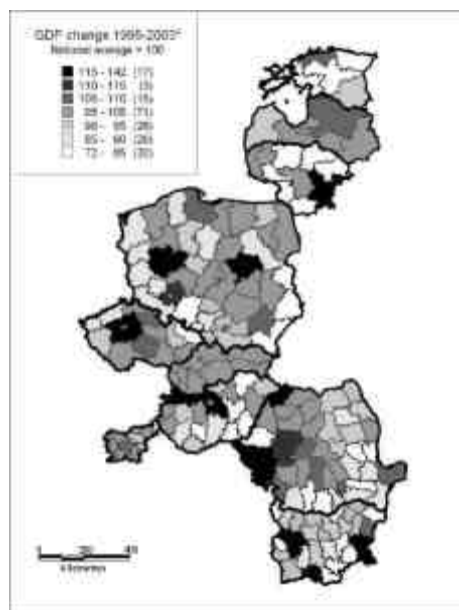


Figure 7: GDP change in CEECs from 1995-2003, \* for Romania from 1998 to 2003. Data source: Eurostat 2005

#### Bibliography:

- Castells M, *The Information Age: Economy, Society and Culture – The Rise of Network Society*, Volume 2, (Blackwell, Oxford, 1998).
- Cooke P, Morgan K, *The Associational Economy: Firms, Regions, and Innovation*, (Oxford University Press, 1997).
- Friedmann J, *The World City Hypothesis*, *Development and Change* No. 17(1), 1986.
- Gorzelak G, Smetkowski M, *Metropolia i jej region w gospodarce informacyjnej*, Wyd. Nauk. Scholar, (Warsaw, 2005).
- Gorzelak G, Smetkowski M, *Metropolis and its Region – New Relations in the Information Economy*, *European Planning Studies*, Routledge, (forthcoming).
- Kunzmann K R, 'World city regions in Europe: Structural Change and Future Challenges', [in:] Lo F, Yeung Y (ed), *Globalisation and the World Large Cities*, (UN University Press, Tokyo, New York, Paris, 1998).
- Longhi C, Keeble D, 'High-Technology Clusters and Evolutionary Trends in the 1990s' [in:] Keeble D, Wilkinson F, *High-Technology Clusters, Networking and Collective Learning in Europe*, (Ashgate; 2000).
- Porter M, *Porter o konkurencji*, PWE, (Warsaw, 2001).
- Sassen S, *The Global City*, (Princeton University Press; 1991).
- Simmie J, 'Reason for the Development of Islands of Innovation: Evidence from Hartfordshire', *Urban Studies* No. 8. (1998).
- Simmie J, Sennett J, Wood P, Hart D, 'Innovation in Europe: a Tale of Networks, Knowledge and Trade in five Cities', *Reg. Studies* Vol. 36, No. 1, (2002), pp. 47–64.
- Simmie J, 'Innovation and Urban Regions as National and International Nodes for the Transfer and Sharing of Knowledge', *Reg. Studies* Vol. 37 No. 6/7, (2003), pp. 607–620.
- Taylor P J, 'Specification of the World City Network', *Geographical Analysis* 33, 2001, pp. 181-194.

### 1.3 *Shaping the polycentric development of Poland*

*Grazyna Korzeniak*

#### ◆ Introduction

From 2005 to 2007, the Strategy for a Regional Polycentric Urban System in the Central-Eastern Europe Economic Integrating Zone (RePUS project) was conducted as part of INTERREG III B CADSES. The project concentrates on Central and Eastern European countries, in the context of the European settlement system. Its goal is to develop a strategy for the construction of a polycentric urban system. The project leader is the Emilia Romana region. Its partners are the Institute of Urban Development, Krakow, Poland; the Faculty of Architecture of the Czech Technical University in Prague; the Ministry of the Environment and Spatial Planning, Spatial Planning Directorate, Slovenia; the OIR Austrian Institute for Regional Studies and Spatial Planning, and the VATI Hungarian Public Non-profit Company for Regional Development and Town Planning. The analytical studies conducted during the RePUS project allowed us to provide an evaluation of the potential for a polycentric development of Poland and indicate its strengths and weaknesses.

#### ◆ What is the meaning of "Construction of a Polycentric Urban System" in accordance with the assumed RePUS objectives?

The following assumptions form the basis for evaluating the potential for the regional polycentric development of Poland:

1. The regional development is based not only on the most dynamically developing metropolitan cities, but also on other settlement system components.
2. In addition to the regional capital cities, other centres are developing in the regions.
3. Each city and town is important and it develops in line with its characteristics, the aspirations of the local community, its location and the role of its urban settlement structures.
4. Urban and rural centres create networks. Their relationships are shaped by the following:
  - improvement of transport links,
  - implementation of joint capital investments,
  - creation of complementary, non-local spatial systems, balancing job markets and places of residence, education, leisure facilities and service provision.

#### ◆ Evaluation of the polycentric development potential of Poland

The Polish settlement system is characterised by the high level of polycentricity of its historically shaped urban network which is close to the Christaller model. However, processes that occurred in the recent past and that are developing currently during a period of transformation of our social and economic systems, reflected in the use of space, have both positive and negative effects on the conditions for polycentric development.

#### *Administrative division*

A three-level administrative division, with strong regions and wide-ranging local governments' competences, is one factor that favours polycentric development. One weakness of the system is insufficient cooperation between the various administrative units both vertically and horizontally.

#### *Spatial distribution and dynamics of the population*

The distribution and the dynamics of the population vary in different regions of Poland. One beneficial factor is the occurrence of population concentrations in each of the sixteen Polish regions. However, several regions are characterised by a much lower population density and poor population dynamics. Nevertheless, these regions are also characterised by high environmental values and agricultural potential. At local level, there were significant differences and various spatial distributions in areas of population increase and decrease from 1995 to 2003. Some administrative districts saw a decrease in population of over 50 percent, while others witnessed a more than threefold increase in population. Strengths of the Polish spatial system are an occurrence of administrative districts where there is an increase in population within each of the regions, a decrease in the population of administrative districts in agricultural regions, and an increase in population concentration in urban centres, which points to population outflows from the agriculture sector. Weaknesses are depopulation processes that cover considerable areas of several regions and a concentration of administrative districts that face a decrease in population.

#### *Polycentricity of towns*

Poland is marked by the polycentric, historically developed structure of its urban network. In 2003, there were 884 administrative units that had the status of a city or town, including five cities with a population exceeding 500,000 residents, and 44 cities with a population exceeding 100,000 residents. The strengths of the city network are as follows:

- a developed network of cities and towns within the whole country;
- a complex hierarchical structure of cities and towns;
- the existence of five cities with a population of over 500,000 with their developed metropolitan areas of complex settlement structures;
- a relatively high proportion of the population living outside the main cities and towns in particular regions;
- the existence of bipolar clusters of large cities that may act to reinforce and group the population and labour potential that is of considerable significance on the European scale.

Weaknesses include an uneven concentration of cities and towns, with a high concentration of the urban network in the southern part of Poland and a much lower concentration in the eastern part, where there are no larger cities.

#### *Spatial distribution of jobs; sectors and dynamics of employment*

A characteristic feature of Polish space is a relatively low concentration of jobs in the region around the country's capital city, and, at the same time, in the majority of the regions there are developed, strong regional centres beyond the capital of the region. One advantage of the current processes is the reduction of employment in inefficient and obsolete industries, although such processes have required a great deal of effort associated with finding new concepts for the development of some regions and towns. Another negative aspect is an inadequate increase in jobs that would compensate for the recent liquidation of a large number of jobs, with a concentration of problem areas in several regions.

#### *Diversification of the economic level*

One significant economic problem in Poland is a low GNP per capita indicator in comparison to that of other European countries. A clear improvement of this indicator has been identified. However, this improvement does not apply to all regions to the same extent.

*Local economic situation*

Variances in revenues of administrative districts per capita are considerable, with high revenues for large city districts exceeding budget revenues obtained by other districts more than 30 times over. However, there are also districts with high budget revenues per capita which are not large cities. One beneficial feature of the Polish territory is the existence of districts in each region with high budget revenues. Weaknesses of spatial structure are large differences in revenues of various districts' budgets and differences between the eastern and other parts of the country in revenues of the districts' budgets originating from taxes paid by residents.

*Human potential*

An important basis of the polycentric development of the regions is the educational potential that shapes the human potential. This function is performed, among others, by several strong university centres. Some of them are located in the eastern parts of the country, and also in Silesia, which is the most heavily industrialised area in Poland. Universities and colleges are located not only in the largest cities, but also in smaller centres, thus providing good bases for local growth. Negative aspects of the human potential are large regional differences, including a poor level of education in the industrial region of Silesia.

*Accessibility*

Strengths in terms of accessibility in Poland are historical traditions of international and domestic transport links, the location of Poland on four major European transport routes, and decisions concerning the routes of main roads that have been made.

Weaknesses are delayed road construction and modernisation projects, financial limitations and restricted availability of land, a lack of clear hierarchisation of the road system and a shortage of fast railway connections.

*Cohesion of the settlement system*

The cohesion of the settlement system in a morphological approach expresses the location of Functional Urban Areas in relation to each other, and their spatial communication or isolation. A characteristic feature of the settlement system in Poland is the high cohesion of the settlement system in the southern part of the country, including the significance of this cohesion for shaping transborder structures, bipolar and multipolar clusters of large cities and the high cohesion of the settlement system in the vicinity of large cities.

◆ **Conclusions**

The potential for a polycentric development of Poland is high, but it is necessary to avoid existing threats. The main opportunities of Poland in this respect are as follows:

- Strengthening regions as subjects of regional management while simultaneously increasing cooperation between those subjects both horizontally and vertically, and increasing effectiveness in the utilization of financial resources through the coordination of development policies.
- Halting depopulation processes through the improvement of local endogenic development conditions and by creating non-agricultural jobs in agricultural regions.
- Growing the service sector in small towns, improving the provision of services to rural areas.
- Establishing regional and local cooperation networks and clusters.
- Increasing trans-border cooperation with EU countries and also with Ukraine, Belorussia and Russia, which may stimulate the growth of the eastern parts of Poland.
- Developing the transport system and improving accessibility which enhances investment attractiveness.
- Intra- and interregional integration, with development of the cooperation network.

## 2 Regional impacts of structural changes

All industrial nations have faced structural changes during the last decades that are characterised by a shift from an agricultural and industrial to a service society. This shift particularly relates to the distribution of employment as well as to the share of the gross added value of the relevant sector. While the number of jobs in agriculture already declined in the industrial era one century ago, the decrease in industrial jobs largely began in the Western countries during the 1970s and in the East European countries after the system change twenty years later. The first phase of decline in industrial employment has particularly affected branches that are labour-intensive such as heavy industry, but also agricultural work. However, during the last years, branches fuelled by research and development (e.g. the chemical industry, mechanical and electrical engineering) have also followed this trend. In total, the gross added value and jobs in the service sector amount to an average share of about 70 % in Europe today.

Many regions experience structural change as loss of employment in traditional sectors, changes within the structure of branches or in new training requirements for employees. However, structural change also causes direct spatial impacts in terms of modified land use or the requirement for modernisation and re-use of existing buildings and infrastructures. Thus, regional and local strategies to adapt to the structural change currently represent one of the main challenges that local and regional authorities are facing today.

The following articles illustrate the various impacts for regions resulting from structural changes. In her essay, Erszebet Beliczay highlights the interdependences between service dominated metropolises and their agricultural hinterland. She believes that a "rural renaissance" is feasible and should be taken into consideration as an option for counteracting current economic and environmental problems. Next, Gabor Lux analyses the role of industrial transformation within regional development. In his article, he argues that compared to Western European history, industrial transformation in Central European countries follows different paths and leads to different problems, which regions must manage in order to be competitive in the global economic system. In the case of industries that are not able to cope with these challenges, an economic decline can have direct spatial impacts, visible as vacant industrial areas or factories. In this context, Jan Votocek focuses on brownfields as relicts from the industrial era, showing that this subject still needs further consideration and research particularly in Central European countries.

Subsequently, Adam Ploszaj presents the role of information and communication technologies (ICT) as one of the main driving forces in regional economies today. His analysis of spatial patterns of ICT use and production reveals disparities between regions that should be subjected to further research. Finally, Bärbel Schwaiger discusses different aspects of energy systems planning in the context of structural changes that represent a challenge for regions, since the adaptation of infrastructures to future needs requires the development of innovative tools and long-term strategies.



## 2.1 60:40 – Why should we preserve the rural population in the EU?

*Erszebet Beliczay*

For many years, farmers have been demonstrating in the heart of Budapest about the bad conditions and lack of future for small farms. But they have not earned much sympathy from the city dwellers. Price-conscious consumers are not angry about “junk food” (soup powders with 2-3% natural ingredients, “milk-like” preparations, artificial mish-mashes of so-called meat), but about the farmers fighting for their earnings. But the countryside should not be the private issue of a few farmers. It is an important factor in the development of the whole country and indeed of the whole CEE region. Here, 60% of the population live in urban areas while nearly 40% still live in a rural environment. (In Hungary the ratio is already 65:35.) But the trend is moving towards urbanisation everywhere. In this region there are big differences between urban and rural areas not only with respect to the technical infrastructure but also with respect to society, culture, way of life and approach to life. We are not sure that rapid urbanisation is the best way to meet the common objectives of the EU, namely to mitigate regional and social inequalities. In the more industrialised regions of the EU, 80% of the population live in urban areas, i.e. in settlements with expensive high-tech infrastructures, dense road networks etc. The only way for the people to satisfy their needs is by paying for all these products and services. In this part of Europe there are no big differences between rural and urban living conditions. Hardly 2-3% of the inhabitants work as farmers. Nearly all households have additional incomes from non-agricultural activities. In Switzerland, which has a population of 7 million, only 200,000 people work in agriculture while producing three fifths of the food consumed – in contrast, about 240,000 work in the banking sector.

Modern agriculture is capital and energy intensive but requires less and less labour. While it is financially extraordinary effective for the investors, the negative social and environmental effects are largely neglected. In the UK, only 2% of the population live on 50% of the territory and huge parts of the land are in a poor state because of the lack of flourishing farming. This may have a positive effect on nature but the impact of energy and material consumption, massive transport needs and urban sprawl on the densely populated parts is ultimately much more harmful for the global environment. The demand of the consumer society for natural resources is rapidly growing in spite of enormous progress in technical development. For example, the amount of primary energy used in households is not more than 40 years ago although the living standard is much higher. But growth is still the driving force of the economy, so all efforts such as clean technologies and efficiency cannot prevent too much energy being wasted. A huge amount of direct and hidden subsidies are given to road and air transport. Transport is responsible for 30% of the greenhouse gases in the EU. Transport has been growing 2.4 times quicker in the new member states during the last 10 years than in the EU15. Not only the road builders and car manufacturers are the beneficiaries of artificially low costs of transport, the big shopping chains and food and package producers are too. These sectors scare politicians with threats of job losses, weakened competition or the collapse of the whole economy. All the big road networks are financed from taxpayer’s money, while the whole of society is paying for the negative effects – accidents, noise and air-pollution, corrosion etc. The huge metropolitan areas in the US and the similar but smaller conurbations in the EU would never have been built without cheap petrol and publicly financed road structures.

The growing number of shopping malls, the increasing volume of commercial transport and the concentration of commerce are evidence of the lack of proper regulation.

The consequences of "industrialisation" and "intensification" of agriculture are no less threatening than the loss of land and the overconsumption of energy in urban areas. The vertical chains of the agribusinesses (farming + food industry, pharmacy and commerce) are complying with the numerous EU directives – at least formally. But many people believe that the exaggerated hunt for efficiency has led to Asian bird flu and also BSE. The astounding measures of concentration and international cooperation cannot be justified financially when the social and environmental costs of transport are taken into account. The growing political influence of the environmentalists and the global recognition of climate change have so far been reflected merely cosmetically in the objectives of the various EU policies. The EU White Book on Transport reads rather like a menu: both the car industry and the environmentalists can find there their favourite dishes there. A real breakthrough will only occur when efficiency is no longer measured by short term financial indicators only. The importance of agriculture will no longer be evaluated only through its share in the GDP<sup>7</sup> when the economic, social, cultural and environmental costs are equally taken into account. At first sight it would appear to jeopardize the EU's competitiveness but in reality the opposite is the case. This can be achieved only by international consensus and at inter-sectoral level.

Why is it so important for the new member states to be aware of all of this? Because we cannot blame the Soviet pressure for our misfortunes any more; no more heavy industry cooperatives or perverted ideologies are forced on us by means of weapons. Just after the transition, many people were under the illusion that the West would embrace us and all our troubles would come to an instant end. But the previous 18 years have not seen a solution to our problems, although the old ones have paled in view of those which have newly emerged. It turns out that the Westerners are neither knights in shining armour nor members of the Salvation Army. On the contrary, the fall of the iron curtain made them more selfish towards each other and the newcomers.

In the uneasy atmosphere of numerous recommendations, direct and hidden threats and advice of the World Bank and other institutions, one has to learn to choose the right objectives and instruments for the sake of the country, the region and, in the long term, for the whole of Europe. We have to be aware that all our material and spiritual values are worth preserving. Not only parts of society should be the winners of the transition but the whole country must have a bright future scenario. We have to pay attention to the relevant time factors and prioritise the tasks required.

During the discussions about EU regulations, our Western colleagues often warn us not to copy their patterns too slavishly. They have destroyed many things already. Not only factors such as the ageing of society, but also the rapid loss of biodiversity are distressing. The fact that the EU is financing the preservation of urban sparrows in Wales on the one hand while financing motorways through the richest natural areas of the CEE countries on the other sounds like a bad joke but is unfortunately true. There is still hope for a rural renaissance. More than 3.5 million people are supplied with fresh vegetables and meat from small farms and private gardens. If this did not exist people would be living in even greater poverty.

According to a survey by a Munich institute, household spending in the CEE region is one fifth of that of our Alpine neighbours, and a huge proportion of the money is spent on

---

<sup>7</sup> the share of agriculture in Hungary is 6% of the GDP

food. This survey was from 2003 and since then, the VAT on food has risen to 20% in Hungary. The purchasing power of the city dwellers could be a determining factor in preserving the livelihood of small farmers. However, only a small minority buys local healthy fresh vegetables, dairy products or meat, while the majority go to the hypermarkets to buy imported food products with high levels of preservatives and other chemicals as well as excess packaging. Beside the threats of obesity, food allergies and other nutrition-related illnesses, the disappearance of farming near the bigger cities, especially around the Budapest conurbation results in the loss of the green areas, the "lungs" of the cities. The compensation for the land nationalised (confiscated) in the communist era was originally well-intended. But it led to big real estate speculations and to the unbelievable enrichment of the few. The compensation took place in parallel with the loss of one third of jobs in Hungary (1.5 million). Many of the jobless families had to sell their properties instantly for low prices just to be able to nourish themselves or to educate their children. Those who bought up these fields had no intention of cultivating them but started lobbying to rezone the sites into development areas. In the Budapest area, the price differences between the agrizones and those for development were often 1:100. The beneficiaries of the price differences were only private entities the new landowners and the politicians and officials responsible for the zoning. The regulation is still unsatisfactory. The soil protection fees are ridiculous: the price for rezoning arable land into a development area is one year's income from wheat production.

The other reason for the rapid loss of natural areas lies in the approval process of the settlement's land use plans. The right to approve the local building regulations is held by the representatives of the settlement (in Budapest the 23 district boards). This system makes fun of the subsidiary. The local representatives - a bunch of non-professionals - can decide about matters with a much broader impact. Bribery and false decisions neglecting the common interest are the order of the day.

Some of the city dwellers wonder why it should be a problem that the orchards and the traditional gardeners' families are disappearing from the urban neighbourhoods. Do not the cultivated gardens of the newcomers, the golf courses and the health farms also supply the cities with fresh air? Those who now move out of the cities do not have to give up the urban comfort they are used to. Many of the small settlements around Budapest have much better, modern infrastructures and supply systems than the old border districts. But the previous occupiers of these settlements - miners, farmers and members of the co-operatives - are either unemployed or have much lower incomes. They cannot afford the new expensive infrastructures and shops and move away to poorer regions or into the city. "They come back only to take care of the family graves" - commented a mayor of a gentrified fashionable settlement in the Buda hills. There is no data in Hungary about how much the sprawl created by those fleeing from the cities costs. According to EU data, the community has to add four cents of public money to every cent of the private developers. The never-ending shortage and low efficiency of the new infrastructures outside the cities suck the resources from maintenance and development of the existing ones.

The financial situation of our country does not allow for billions to be spent on new infrastructures - sewage water treatment, new roads, schools etc. as well as simultaneously allocating enough money to R+D, health, education, social security and maintenance. Moreover, the building of new infrastructures originally dedicated for densely populated areas is irrational not only in the investment phase but also in operation. The poor all over the country have to bear the burden of these uncontrolled sprawls. It would be much more reasonable to support other technical solutions: self-supply, decentralised infrastructures,

autonomic energy systems etc. There are good examples in the EU15 for the sustainable – economically, environmentally and socially feasible – development of rural areas. But the concrete lobbies have more influence on the decision makers than common sense and the common interest.

It is not yet too late in our region for sustainable reforms. In Poland 3.5 - 4 million farmers are affected while in Hungary it is 0.5 - 0.7 million. Our challenge is to develop the countries while maintaining the 60:40 ratio of the urban and rural populations. The people in the villages also have the right to be winners of the transition. It is up to us to find our own solution.

## 2.2 Industrial transformation in Central European space: Continuity and change

Gabor Lux

Increasing regional differentiation in Central Europe has been a ubiquitous phenomenon since the political transformation. The effect of socialist development policies in central European states has been to generate convergent economic structures, which are simultaneously increasingly divergent from their western counterparts. These differences have been increasingly marked on both a national and regional basis. Here, my focus is on the role of industry in transforming economies; from crisis and restructuring to the integration of Central European industry into global production networks.

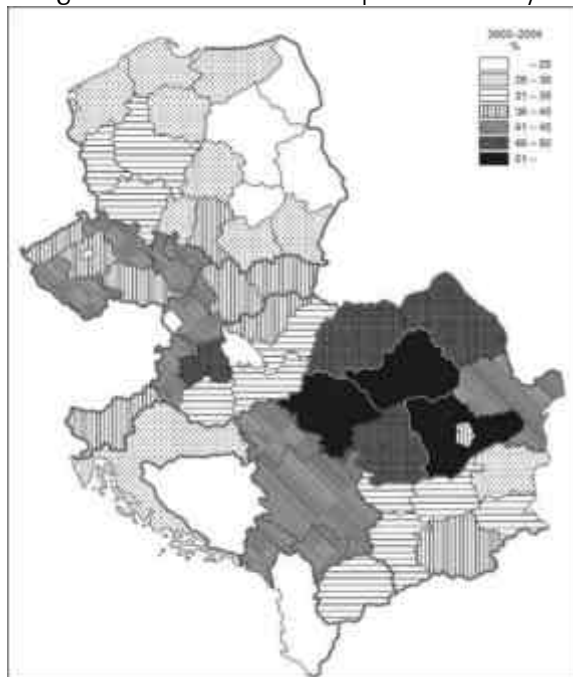


Figure 8: The share of industry in total employment in Central Europe, 2003–2004 (%)

The decline of old industrial regions (past recipients of large-scale state investment), has been considered a showcase of socialism's failures and has undoubtedly contributed to the image problem suffered by many CEE states. Nevertheless, if we examine the symptoms (market loss, plant closures, rising unemployment, damage to the natural and urban environment etc) and roots (the inability of rigid regional structures to adapt to changing economic circumstances) of this process, clear parallels can be drawn with Western European regions which experienced the same problems two decades earlier. The difference in this case is primarily one of delay, also characteristic of other regional processes, and of severity, which may also have been caused by certain features of the socialist model. It is my contention that there have been three distinct crisis components specific to CEE industrial regions:

- Dysfunctional spatial policies under socialism: planning and attempts to remedy historical underdevelopment were unable to initiate full-scale regional modernisation. Old problems were simply preserved intact under more advanced structures and then resurfaced as the latter started to decay. Even states experimenting with regional policy were only able to make small corrections to this pattern.
- Damaged adaptation mechanisms (caused by the economic isolation of CEE states, both from the world economy and from one another) and the dominance of non-

market (e.g. political, military) rationalism hindered adaptation and structural changes. Meanwhile, at a regional level, dependency on large companies for jobs and services would make this adaptation impossible without social catastrophe.

- Finally, immediately after transformation, governments were confronted by multiple crises in a period of institutional instability, with insufficient funds to effectively manage this situation.
- Consequently, industrial crisis in Central Europe happened on a wider scale and with more adverse results than in the market economies of the 1970s. Structural change was predominantly passive and characterised by spontaneous processes rather than active intervention. Even so, adaptation paths resemble western ones, with both successful and unsuccessful outcomes being visible.

The most relevant force in the transformation of CEE industry has arguably been FDI inflow. Both multinational and transnational companies are better equipped to have an influence on regional economies than relatively undercapitalised domestic entrepreneurs. TNCs have influenced areas according to their own location preferences. The argument has been made that TNCs seek out new industrial regions instead of old ones, but evidence suggests that continuity plays a larger role than anticipated. Location patterns in the automotive industry demonstrate that centres established pre-1990 continue to dominate, and that even new sites are built in regions with strong industrial traditions. We can therefore draw the policy implication that maintaining and developing regional industrial milieux – labour markets, education, research and development, etc. – should be of equal importance (as regional policy objectives) as providing physical infrastructure. Between these two processes, we can see the results of post-transformation industrial development (Figure 8) and its effects in terms of producing regional variations. Central regions, which had been major manufacturing centres in the socialist period, have seen strong de-industrialisation, their development driven instead by advanced tertiary and administrative functions. As a note of caution, it has to be remembered that they continue to have a strong presence in the most knowledge-intensive industries, as well as in terms of research and decision-making. Industry continues to be a galvanising force in non-metropolitan regions showing strong economic development. Although western border regions are typically cited as examples of this category, old industrial regions which have been successful in their adaptation by diversification or innovative restructuring of their traditional branches can also benefit from the same processes. Services, although they play a role, do not have nearly the same effect on growth.

Peripheral regions are still coping with inherited under-industrialisation, or the loss and erosion of their previous capacities. Some old industrial regions have fallen into this trap with the downgrading of their human capital: here, re-industrialisation must be preceded by social regeneration. Not all peripheral industry is experiencing the same problem: in certain branches and regions where cost advantages are still significant, we have seen the re-emergence of traditional light industries, which increasingly serve the needs of international supply networks. Industrial differentiation in Central Europe has resulted in a dichotomous arrangement: a high share of industrial employment is no longer a decisive factor in development rankings. In fact, the previous west-east gradient has been reversed to some extent: regions in Romania are now more industrialised than those in the Czech Republic, Poland, Hungary and Slovakia. Poland is an exception to the rule: here, the historical southwest-northeast gradient continues to dominate. On the other hand, within individual countries, highly industrialised regions continue to occupy advantageous positions: examples include Western Slovakia, Western and Central Transdanubia in

Hungary, as well as Southwest, Central and Southeastern Romania. Comparisons of industrial employment and per-capita GDP rankings reinforce this finding. Today, probably the most important dilemma facing Central European industry is the sustainability of its competitive advantages. Researchers and policymakers have drawn attention to the dangers of de-localisation as cost advantages decrease while competitors further to the east start to offer the type of incentives their Central European companions did a decade before. Questions of de-skilling and low embeddedness have also been raised and although these threats should not be discounted, it appears that new competitive advantages can counteract the loss of old ones.

The availability or lack of a skilled workforce is increasingly becoming a decisive factor, especially where industry moves beyond simple assembly. It is also becoming apparent that, while the national regulatory environment was instrumental in competition for investments in the 1990s, the role of regional factors has been increasingly important since that time. Promotion within global value chains (and the location of higher value-added activities) is closely related to the emergence of local production networks (e.g. supplier relations) and regional innovation systems. Public policy can facilitate this process by encouraging institution-building and the growth of more complex economic structures. Today, Central Europe's regions are mostly under-equipped to fulfil these functions. There is neither competence nor resources, even where their activities have been demonstrated to be beneficial. Decentralisation, which has been lagging behind all over CEE (except perhaps Poland), must once again gather momentum with an aim towards subsidiarity, increased flexibility and competitiveness.

## 2.3 Brownfields in the Czech Republic

Jan Votořek

### ◆ Introduction

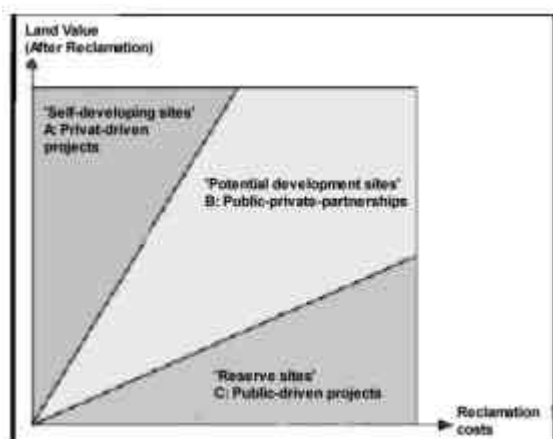
Our broadest philosophy is that any initiative supporting reuse of land, e.g. redevelopment of brownfield sites, or in other words bringing vacant, abandoned or underused sites back to fully beneficial use means saving green land. An investment which would probably go into a greenfield (clarifies the term brownfield) is used to recycle an old site instead. But there is much more to it than this. Reusing brownfields is one way of decreasing urban sprawl and keeping our cities free of ghost streets and old factories which can put investors off the whole surrounding area. It also makes more effective use of our existing infrastructure, because brownfields are connected to it already and public transportation services and the internet, for example, may already be available. Greenfields outside of towns on the other hand require new infrastructures and increased private transport.

The CABERNET (Concerted Action on Brownfield and Economic Regeneration Network) defines brownfields as sites which:

- 1) have been affected by former uses of the site or surrounding land;
- 2) are derelict or underused;
- 3) are mainly in fully or partly developed urban areas;
- 4) require intervention to bring them back to beneficial use; and
- 5) may have real or perceived contamination problems

These brownfield sites can then be divided into three basic groups according to two fundamental factors: the price of land and the cost of reclamation. The two axes can also represent location and ownership status for sites which are clean.

The basic classification is presented by the A, B, C model (source: CABERNET network). The axes of each of the groups can change. Some 'C' sites can become 'B' sites when appropriate financial or non-financial assistance is delivered. There can also be a shift from 'B' sites to 'A' sites if a project is successfully realised in the area. This can be a new building, a new underground station, a green space or it can be a measure taken by the local government to promote redevelopment of the area.



Source: [www.cabernet.org.uk](http://www.cabernet.org.uk)

Figure 9: Three basic groups of brownfields

Generally, 'A' sites belong to the private sector. 'C' sites on the other hand are often located in urban areas with less than 2000 inhabitants and have no chance of feasible use whatsoever. They belong to the public sector.



Such 'C' sites need immediate assistance when they:

- pose an environmental risk
- could fall and injure pedestrians
- create a bad image of an area and block investors from coming

In the first case, the problem is usually dealt with by the Ministry of the Environment but the other two require research, pilot projects, design of programmes and then wide-scale application.

One of the most frequent misunderstandings concerning brownfield sites is that they are an environmental problem and that they are always large industrial sites. It is not an environmental problem, as many solutions and innovative remediation technologies are available (see [www.eurodemo.info](http://www.eurodemo.info) for more information), and when it comes to reuse, the contamination itself is only rarely the problem. Concerning their size and origin, brownfields are the consequence of structural and political changes in many countries. The shift to light industry and services and demographic changes mean that much of the land has become underused or unused. Inventories of national scale have proved that even in the most industrial Czech regions the majority of brownfields are not of industrial origin but are ranked as follows: residential, agricultural, transport-related (railway) and military. Analyses of the data indicate that only 10 to 15% of these sites can be reused for production purposes, while the remainder require a change of use or are superfluous to the market. There are also many specific cases of brownfield sites, for example unfinished projects or surplus infrastructure (schools, kindergartens, castles, churches etc.).

Brownfields are a problem of urban management, of urban planning and of our urban thinking. In a wider context they belong to the issue of integrated urban regeneration, which is much needed in most of our cities. But as the European Union considers the urban agenda to be a national matter, the topic is not included in the accession chapters for new EU members and is not specifically covered by European funds. This means that brownfields lack a top-down approach and countries have not had the technical assistance which was available for other chapters of the accession negotiations. The governments have not been pressed to change many aspects (e.g. laws, regulations, liability issues, expropriation instruments), which block redevelopment of brownfields nor have they been motivated by wisely tailored financial schemes.

As a result, brownfields suffer from a sectoral approach. Each Ministry considers them from its own point of view. In the Czech Republic, there is no institution dedicated solely to brownfields yet. At least, however, a national survey has been done and we have a general idea about how many sites we have and of their origin. The national brownfield strategy has been delayed for more than a year but is due in autumn 2007.

Research is required to shed light onto the following topics:

- What is the cost of having a brownfield site in the city, town, or village? Is there any translation of underused land into taxes, value of surrounding property, repellance of investors?
- What is the real cost of greenfield development taking into account that brownfield sites are available?
- What is the impact of brownfield sites on the region? Is there any percentage of unused land which can be seen as critical?
- What are the effects (indirect, secondary effects) of structural funds used for brownfield sites on the regions?
- How can a 'B' site be turned to an 'A' site?

- How can brownfields be integrated into urban planning?
- Which brownfield sites should be considered in strategical development plans? Which sites should be considered in integrated regeneration plans?
- What is the impact of redeveloped brownfields on their surroundings? What are the key factors in successful redevelopment? What kind of sites need attention first, which sites can initiate redevelopment of others?
- What should be done with 'C' sites. What type of demolition and greening programmes do we need?
- How can our public administration be educated about brownfields?

The text below describes a detailed survey which had a close look at brownfields on a regional basis. It gives a very interesting assessment of small (less than 0.5 ha, e.g. 5000 sqm) and very small sites (less than 0.1 ha, e.g. 1000 sqm).

#### ◆ Brownfields in Czekia

Czechs have taken part in a number of research projects and have redeveloped many sites. Awareness has risen but still remains largely within these pilot and pioneer activities. In 2006, the Ministry of Regional Development funded the project 'Revitalization of Brownfields for Public Administration'. Local data was collected and extrapolated to regional scale. In certain districts the distribution of origins turns out to be quite unexpected (61% agricultural, 21% residential, 10% infrastructure, 6% educational and only 1% industrial and 1% military) and an overwhelming 50% of sites were smaller than half a hectare. The project introduced new brownfield indicators which enable comparison between cities and districts based on commonly available data and cheap, basic site surveying. The indicators compare what share of a city is brownfield land, how much new construction land would be spared if development went on brownfields and how long it would take to eliminate brownfields considering annual construction activity.

In Czekia, a handful of conferences and workshops on the topic of brownfields take place annually and a number of universities, institutions and ministries have been participating in international projects and networks. Czech knowledge and experience has improved significantly. The 2004 project called 'Integrated Strategy for Brownfields Redevelopment in the Czech Republic' delivered the very first report on the size and origin of brownfields throughout the country.<sup>8</sup> Many other network projects have contributed assessments, databases, and education packages (for example LEPOB).<sup>9</sup> Recent developments in the Czech Republic are described in the paper 'Towards Integrated Regeneration Policies and Brownfield Advocacy in the Czech Republic'.<sup>10</sup>

There are many brownfields reuse projects that have been implemented either through a change in use or with mixed use. In terms of the Cabernet 'ABC model'<sup>11</sup> there are certainly hundreds of redeveloped 'A' and 'B' sites. For instance, Buergermeisterova gives examples of 16 redeveloped 'B' sites. But the projects remain individual, separate and do not become mainstreamed or 'copied'. Thus the impact is too small to change the general attitude in the country. The author spent weeks travelling through the regions with a camera and laptop collecting the data from owners and public sector representatives. Despite all the

<sup>8</sup> [www.regenerace.org](http://www.regenerace.org) accessed on 17th February 2007

<sup>9</sup> [www.fast.vsb.cz/lepob](http://www.fast.vsb.cz/lepob) accessed on 17th February 2007

<sup>10</sup> Cabernet 2007, Session 8: Legal Aspects and Policy Development, Gabrielle Hermann, Institute for Transportation and Development Policy Europe, Berlin (D)

<sup>11</sup> <http://www.cabernet.org.uk> accessed on 17th February 2007

events mentioned above, the author found that the majority of stakeholders in the regions are uneducated and do not have any tools to work with. Many have never even heard of the term 'brownfield'. But all of them know the sites by heart.

There are several definitions and terms for brownfields in Czekia. The author of the paper uses the CABERNET definition.<sup>12</sup>

#### ◆ Need for indicators

Experience with benchmarking processes in Czech cities is relatively good. The Association of Towns and Villages and the network of 75 Healthy Cities of the Czech Republic compare public transport availability, distances to schools, parks etc. Many cities have joined international benchmarking schemes comparing quality of life, etc. However, there is a complete lack of comparable indicators for brownfields and the use of urban space. No figure is available at all for annual green land consumption. The author took part in basic site identification for two projects. The projects took different approaches to brownfields, but both extrapolated the results to a regional or national scale.

#### ◆ National investment approach

The project called 'Integrated Strategy for Brownfields Redevelopment in the Czech Republic' from the year 2004 delivered the very first data on the scale and nature of brownfields in Czekia. It is not an objective of this paper to talk about the results of this project, but it provides important background information for the project described below, which first introduced the regional approach to the country. The national project continued in 2006, when the sites larger than 2ha and another group of sites with a minimum of 500 sqm were selected from the database for more detailed investigation. The goal of this phase was mainly to choose suitable sites, especially along motorways, national roads and interesting locations for later parts of the project including pilot redevelopment projects. An unexpected redevelopment rate of sites was found in some places. In Ustí nad Labem, the capital of the North Bohemian region, out of 22 brownfield sites found in 2004, 9 were not brownfields any more in 2006, which gives a 41% redevelopment rate figure. The state agency Czechinvest (under the auspices of the Ministry of Finance) plays a major role in this project.<sup>13</sup> Its objective is to attract foreign investment into the country and the project thus focuses on rather large, post-industrial sites, which is excellent as long as it is not the only representation of the brownfields issue in the country.

#### ◆ Regional approach

The Ministry of Regional Development funded a project called 'Revitalization of Brownfields for Public Administration' in 2006.<sup>14</sup> The main goal was to enhance the ability of local governments to redevelop brownfields.

Three extended administrative districts from the Central Bohemian region were chosen because of their different backgrounds and locations. Pilot skims showed the size, origin and nature of brownfields there and gave an outlook on the whole region.

Each site was described on two A4 pages:

- Basic description, GIS location
- Technical conditions, environmental risk category

---

<sup>12</sup> [www.czso.cz](http://www.czso.cz) accessed on 10<sup>th</sup> February 2007

<sup>13</sup> [www.czechinvest.cz](http://www.czechinvest.cz) accessed on 17<sup>th</sup> February 2007

<sup>14</sup> [www.brownfieldsinfo.cz](http://www.brownfieldsinfo.cz) accessed on 17<sup>th</sup> February 2007

- Origin
- Ownerships, location, interest
- Pictures, map

The project focused on sites of 0.5 hectare and larger. The author also collected smaller sites for research and advocacy purposes.

### The indicators

The research of the Ministry of Regional Development introduced the indicators listed below. They are drawn from two sets of data. The first is based on physical research in a particular administrative district. The second set consists of data from master and land use plans (open documents) and from the sum of areas in building permits:

- Sum of areas of brownfield sites
- Total built-up area
- Prospective development area
- Annual construction need

The corresponding indicators are:

- Area of brownfield sites in proportion to total urban (built-up) area
- Area of brownfield sites in proportion to prospective development areas
- Area of brownfield sites in proportion to annual construction need.

The first indicator shows the share of brownfields in relation to the total city surface. 2-3 % is a natural rate unless it represents sites in the heart of town. It can be compared to unemployment for example.<sup>15</sup> But if it amounts to 8-10% or more, it constitutes a problem. The unofficial figure for Ostrava is about 30-35%. The second indicator shows how much new construction could be directed onto brownfield sites thereby saving green land outside of town. The third indicator shows how many years it would take to solve the brownfields problem. It describes a model situation in which all development takes place on brownfields and no new brownfield sites appear. There are towns in Czekia which would need 50 or even 100 years to meet this goal.

### ◆ The indicators on the Internet

One very good result of the Ministry of Regional Development's project is the [www.brownfieldsinfo.cz](http://www.brownfieldsinfo.cz) web page. The database is accessible with password only. The password is supplied on inquiry by DHV Brno.<sup>16</sup> This part of the web page is intended as a comparative tool for towns and local administrative bodies to find out about the nature of their sites and the chances their brownfields and towns have in comparison to the sites in other administrative districts.

The website is not very user friendly but is simple enough to work with after a few hours practice. The representatives of local government can fill in a general questionnaire (demographic, economic and geographical features) and then type in the information about their sites one by one. The first 200 sites were filled in by professionals. Next, the web page gives graphical and charted representation of the sites and their 'chances for redevelopment' compared to other sites already submitted by other municipalities.

If the required data (b, c, d) is provided, the indicators are also shown. This applies mainly to towns as collecting urban development data from the whole administrative district would

<sup>15</sup> Paul Nathanail, Brownfield Conference Prague, 2006

<sup>16</sup> DHV s.r.o., Karel Barinka, Karel.Barinka@brn.dhv.cz

mean visiting more offices and as this is not required by any law (not even while preparing new master or local development plans) nobody has the time for this. The website of the first project [www.regenerace.org](http://www.regenerace.org) provides a database also accessible with a password, which can be obtained from Czechinvest. The comparative tool is not available but the indicators can be calculated with a bit of work using the database and urban data available for example on the server of the Czech statistical office.

◆ Districts of Votice and Kladno



Figure 13: Districts in the Central Bohemian region

The extended administrative district of Votice was chosen as one of the above-mentioned pilot districts. It has a mainly agricultural character and is in quite an interesting location. It is 70 km from Prague, and 35 km from the Czech main motorway from Prague to Brno. The national road from Prague to Austria (Linz, Salzburg) goes through the town of Votice itself as does the mail electric railway to the south. The planned motorway to Austria cuts through the district. An identical survey was conducted in the district of Kladno. The town is badly marked by its history of heavy industry and suffers from massive commuting to Prague which is only 20km away. The following table lists the most relevant data for both districts:

Feature	Votice	Kladno
Inhabitants	4462	71132
Demographic trends 1991 -2001	Stagnating	Decreasing
Unemployment [%]	2	10
Population Density	53	152

Table 3: Towns of Votice and Kladno

The town hall of Votice provided the information needed for the indicators. The results are as follows: Only 3.6% of the town is a brownfield, and there are no brownfield sites in the very centre of the town. But no less than one quarter of green land could be saved if the planners considered redevelopment and not only new development. If all investment went on brownfields, the sites would be used up within 5 years, which is a very short time in comparison to other towns.

The results in the town of Kladno are much less optimistic, even though most of the sites are 5km from the motorway and 16km from the biggest Czech airport. Due to the inability

of the local public administration to prepare and implement a long-term strategy (most of the sites are still coloured as industrial on the master plan for example), and complicated ownerships of the sites, there has been no real progress and what is worse, some small parts are being redeveloped separately which may hinder thoroughgoing redevelopment of the area in the future. The following table illustrates the differences between Votice and Kladno regarding their

Feature	Votice	Kladno
Sum of areas of brownfields [ha]	5	153
Total build up area [ha]	139	1720
Prospective development area[ha]	18	60
Annual construction need [ha]	1	6
Area of brownfield sites in relation to total build up area [%]	3.6	8.9
Area of brownfield sites in relation to prospective development areas [%]	27.8	255
Area of brownfield sites to annual construction need [years]	5	25,5

brownfield sites:

Table 4: Brownfields in Votice and Klad

### Results in the district of Votice

The term brownfields is unknown to most local representatives, but all of them are very well aware of the sites, their history and the promises of their various owners. There is a complete lack of education and literature available in the Czech language. The owners are either open, if they want to sell their property, formal if they think they have to take part in the Ministry's project or disinterested for various reasons. Local governments would very much like the sites to be redeveloped. The following tables summarises relevant data for Votice:

Feature	Value
Inhabitants	11908
Area [ha]	28878
Villages	15
Demographic trends 1991 -2001 [%]	-5
Unemployment [%]	4.7
Working outside the district [%]	44
Economic subjects	2700
of which selfemployed	2398
of which with no employees	1921
of which with more than 20 employees	31

Table 5: Data on the district of Votice

It was very interesting not to adhere to the original 0.5 ha limit and register all the sites (a football field has about 0.7 ha). The results are striking. Half of the sites are smaller than 0.5 ha. If the sites involve buildings on the main street or on the square of a village or small town, they have a significant impact on the whole social environment and should surely be taken into account.

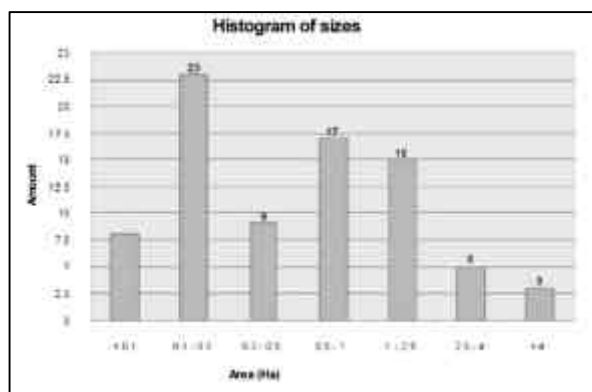


Figure 14: Histogram of sizes

#### ◆ Origin of sites

Most of the sites in the district of Votice were originally agricultural. These are of two kinds. Either they are traditional square farmyards, which are located in the centres of villages and are well-integrated into the urban tissue or they are former communist giant agricultural cooperatives standing rather apart in the vicinity of the villages. Brownfield sites are present despite the fact that this is a very active farming district. More than 80% of the agricultural real estate is in use by SMEs.

The second most frequent group, including few-acre sites, are the residential brownfields. Sometimes these are 4-5 houses in the centre of a village or a town which have a fractional chance of redevelopment but still have a major impact on the environment. The average area of these sites is only 0.1 ha. In many villages half the houses are used only for weekends and as summerhouses. The third group consists of diverse public infrastructure sites from shops to pubs as well as castles and office buildings. These sites have almost zero chance of redevelopment. The fourth group represents vacant schools in public ownerships, which have not been turned to offices or flats. The quantity of industrial brownfields is so low due to the nature of the district and the good location and state of these industrial sites which enabled their redevelopment as factories and warehouses.

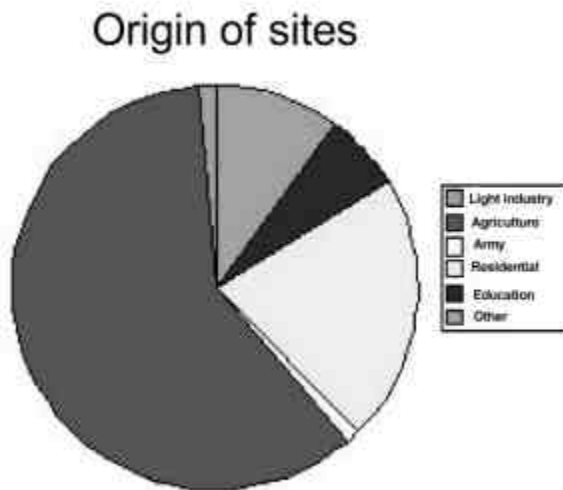


Figure 15: Origin of brownfield sites

◆ Development of potential of sites

The research also assessed the sites in terms of the following categories:

- Clear ownership
- Chances of quick and trouble-free redevelopment
- Attractiveness of location
- Political interest in regeneration
- Interested persons or companies

The following chart includes all the sites regardless of origin in the district of Votice (excluding the town itself):

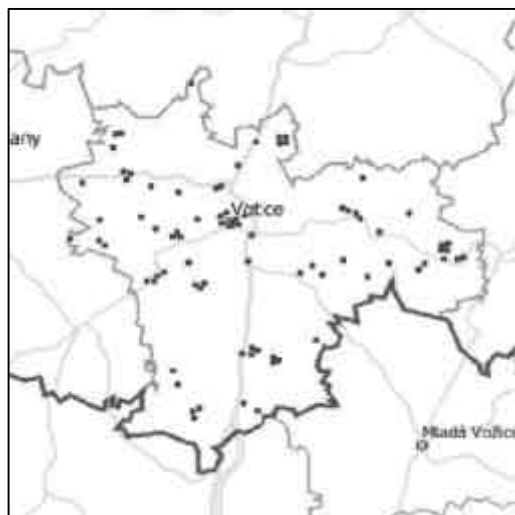


Figure 16: Redevelopment potential in Votice district



### ◆ Conclusions and outlook

The sites which have become the most troubling brownfields are hardly accessible or completely over-dimensioned. A certain number of sites were bought up for speculative reasons. The chances for redevelopment of many residential sites are slim, because they are badly located and are densely built-up, not leaving much free space for new buildings. The research does not register successfully redeveloped sites. It would be extremely beneficial to repeat the research in order to observe actual trends and changes. The 0.5 hectare limit is useful, but research carried out only on this scale misses too many sites or types of sites, which still have a significant impact on their surroundings. The comparativeness of the data also depends on the researchers' definition of brownfields, which is subjective to a certain degree. In summary, there is an urgent need to raise awareness of and to deepen the knowledge on brownfields in order to use their potentials for urban and regional development.

## 2.4 Information and communication technologies and regional development

Adam Ploszaj

Information and Communication Technologies (ICT) are the driving force of economic as well as scientific and technological development. It is difficult to imagine many areas of modern science without ICT (e.g. genetics or biotechnology – analysis of the 40 thousand genes contained in the human genome would have been extremely difficult, perhaps impossible, without computers). Computer networks, including the Internet, allow for worldwide economic integration. The possibility of quick, cheap and relatively safe data transmission is one of the prerequisites of globalisation. Moreover, it seems that ICT will enable unprecedentedly rapid progress in science and technology. The world without ICT would be a very different place. The same applies on the regional level. Obviously, in some regions the presence of ICT is hard to miss; there are also vast areas of digital divide.

The importance of ICT for today's world is so large that it is assumed to be constitutive for a new model of economy and society. This gives rise to the concept of the knowledge-based economy or information society. A synthetic view of the state of the information society in Europe at the regional level is given by the results of studies conducted within ESPON 1.2.3 Information Society. The project included construction of an indicator of the regional development of the information society, taking into account three developmental stages of such a society:

- IS readiness – Resources and skills for ICT use (households' disposable income, human resources in science and technology, households with a fixed phone line)
- IS growth – Availability and use of ICT (households with a PC, households with at least one mobile phone, households with Internet access, households with broadband Internet access, access to fibre backbones, firms with Internet access, firms with websites)
- IS impact – Economic implications of IS (high-tech employment, ICT patents)

An indicator constructed in this way allows a map of the state of the information society in European regions to be drawn up.

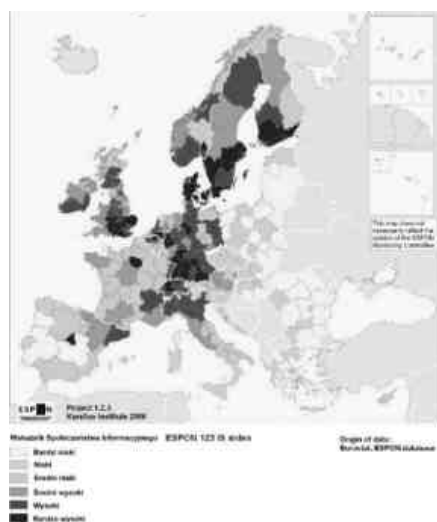


Figure 17: ESPON 1.2.3. Information Society Index. Source: ESPON project 1.2.3, Final Report p. 14

The most interesting conclusions to be drawn from this map concern the large disparities between regions, connected largely with the value of regional GDP per capita. It is also easy to see the existence of a centre-peripheries configuration in Europe (the exceptions are the northern parts of Europe, which despite their peripheral geographical location, belong to the core of Europe in many socio-economic respects). Also noticeable is the more advanced development of the information society in metropolitan regions (for example around Paris, Madrid, Vienna or Budapest – which more or less clearly stand out from the neighbouring regions with a lower value in the information society index). Polish regions are characterised by a very low (kujawsko-pomorskie, lubelskie, lubuskie, łódzkie, małopolskie, opolskie, podkarpackie, podlaskie, swietokrzyskie, zachodniopomorskie) or low (dolnoslaskie, mazowieckie, pomorskie, malopolskie, wielkopolskie) value in the information society index. No Polish region is classified as “middle-low” or higher. Therefore, we can see that even the most developed Polish regions lag far behind the European leaders, and that they belong to the European IT peripheries (together with Central and Eastern Europe, the Balkans, Southern Italy, and a significant part of the Iberian Peninsula).

#### ◆ Production and use

When analysing the importance of ICT for the modern economy one should differentiate between production and use. ICT may be used practically everywhere, in any place and for any type of activity. However, its importance for particular types of activity varies. For some types of activity, IT technologies are crucial and strategic (e.g. media, banking), while for others their importance is lower, though IT is still an important element (information technologies are not a necessary condition for running a restaurant, however they may be used for promotion purposes, to order supplies, make reservations, or in the office etc. – in such cases they will not have strategic importance, but may still improve efficiency).

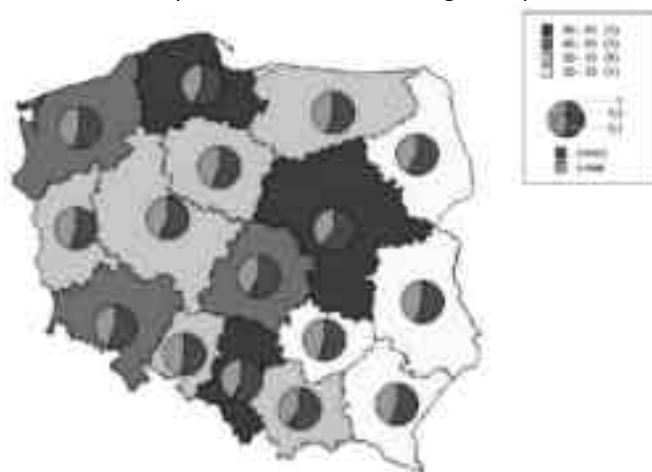


Figure 18: Percentage of companies providing their e-mail and www address in the yellow pages directory.  
Source: ESPON project 1.2.3, Final Report, APPENDIX II G, p. 21.

Regional disparities in ICT use in Polish companies are presented in Fig. 18. Use of a very simple index based on publication of e-mail address and website in *Polskie Książki Telefoniczne* (the Polish Yellow Pages), which of course is not synonymous with having an e-mail address and website or not, but rather with the weight attached to these means of communication with potential clients, gives a picture of ICT penetration among Polish companies. The dominant position is held by voivodships (administrative regions) with

strong city centres; another visible disparity is that between the eastern and western parts of the country, with the position of the eastern border regions of Poland being especially weak. Therefore, despite the fact that ICT can potentially be used practically everywhere, there are still clearly visible spatial disparities. This is related mostly to the general economic development level.

The design and creation of new solutions, both hardware and software, is a very knowledge-demanding and innovative activity and is concentrated in particular regions of the best developed countries. A standard example of this phenomenon is Silicon Valley located between Palo Alto and San José in California (United States), which has been a world information technology centre since the second half of the 20th century. A similar concentration of operation may also be seen in other countries, e.g. Telecom City in the Blekinge region of Sweden, and DSP Valley (DSP - digital signal processing) in the Leuven–Eindhoven–Aachen triangle. The current processes of relocation confirm the existence of this trend - e.g. in India the IT sector is concentrated in the Bangalore region. The significance of the creation of information and communication technologies for economic development is significant and is still rising. In developed economies the share of “ICT creation” (i.e. manufacture of equipment and services) in GDP constitutes about 5-6% of GDP (USA, Japan, EU-25).<sup>17</sup> In respect of the average annual growth of revenue, IT-related services were the fastest growing business within the services sector in the European Union in 2000-2005, and their average annual increase amounted to over 5%.<sup>18</sup>

In the case of Poland, the spatial concentration of IT enterprises is also noticeable (see Fig. 19). First of all, one can see the clear domination of large (but also medium-sized) cities, and secondly, the disparities between the east and west of the country are also apparent.

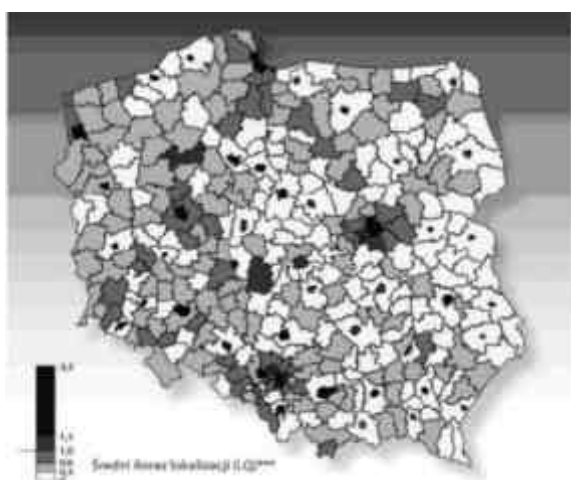


Figure 19: Spatial concentration of IT enterprises in Poland. Source: Grzegorz Micek, Sektor IT w liczbach, Innowacyjny start, grudzien 2005.

<sup>17</sup> Achieving the Lisbon Agenda: the contribution of ICT, Indepen and Ovum, 2005.

<sup>18</sup> Key figures on Europe - Statistical Pocketbook 2006, European Commission 2006.

## 2.5 *Urban transformation processes and energy systems planning*

*Bärbel Schwaiger*

### ◆ Introduction

Regions and cities in Eastern Europe are subjected to considerable transformation processes due to complex economic and social changes. This leads to transformations in society, institutions and the economy, and a need for new concepts for spatial and infrastructure development. Cities and regions want to attract foreign investment by offering good conditions for companies and therefore try to define a new identity for themselves. This primarily requires adequate infrastructure systems. As the importance of environmental and social issues grows, cities have to consider long term perspectives and offer a livable environment for the population, especially if they want to attract high qualified people.

Traditionally, technical infrastructure systems are characterised by high investment and running costs as well as long life-times. For decades, the development and planning patterns for infrastructure systems were characterised by growing cities and growing demand. A paradigm shift in planning procedures and technical solutions is now necessary to react to the different urban transition processes, particularly due to economic considerations. Many cities are already trapped by the running costs of oversized or unadapted infrastructure systems.

A reliable energy supply is a key factor for the successful development of a city – relating to all aspects of sustainability. Energy issues have a close connection to other urban infrastructures and services such as mobility, water supply, waste-water treatment, waste disposal, housing etc. In the situation of transition processes and a future where prognoses are highly uncertain, the assumptions made during the planning phase have to take different scenarios into account and develop flexible strategies to react to extreme scenarios like urban shrinkage or growth processes. Therefore an adaptive staged development plan assessing different strategies (e.g. centralized or decentralized energy supply) for different urban development scenarios can be an answer. Basically, the strategic planning goals for future energy systems should follow three main areas of activity:

- reduction – demand side management – “use less energy”
- efficiency – supply side management – “optimisation of energy supply”
- change – transition management – “use renewable energy sources as much as possible”

Future supply structures should take the urban patterns and spatial demand requirements into account as well as the optimization potential within the urban structures.

### ◆ Cities and energy: interdependencies

Knowledge about the complex system and influence factors of urban transformation processes is essential for an effective and economically reasonable development of future energy supply systems. The main energy consuming sectors in the urban and regional context are industry, transport and buildings. All urban transformation processes like deindustrialisation, population decline, aging population, empty housing stock, change of consumer behaviour, modernisation of buildings and new building technology directly influence energy consumption and the efficient use of primary energy. These parallel

processes are changing the basic conditions for energy supply in an increasingly faster and different dynamic.

The interaction between urban transition processes and energy use can be direct or indirect and it is not always a simple relationship. Demographic change like a shrinking population leads to vacancy in housing – but not necessarily to less energy use in this sector. Changes in lifestyle or comfort are very often responsible for higher energy consumption per inhabitant. On the other hand, the closing down of an industrial company can have a direct and enormous influence on energy consumption at city level. Different potential urban development scenarios have to be defined to assess the energy systems planning.

Spatial issues are also becoming increasingly important. The fact that decentralisation and functional segregation without adequate public transport lead to the growing use of private cars – and related pollution – is not new and well known. But new and efficient technical solutions in energy supply are calling for a more integrated approach: small combined heat and power plants are directly connected to spatial issues, and the use of many renewable energy sources (solar, geothermal, wind, etc.) is also directly connected to spatial conditions. An even more complicated issue especially in Eastern Europe is the large building stock of prefabricated slab buildings. They are mostly supplied by very inefficient big remote heating systems and the buildings themselves are badly or not at all insulated. To implement demand side management measures in an efficient way and plan for an efficient supply structure it is necessary to know about the future of the city and these neighborhoods.

#### ◆ A method: Advanced local energy planning for cities and regions

The Advanced Local Energy Planning (ALEP) methodology is a strategic and integrated energy systems planning approach. It assists in finding pathways towards an economic and ecological sustainable local energy system while taking into account limited financial and human resources as well as incomplete insight into the future development of economic, technical and social conditions.

To achieve these goals, the approach follows four basic principles:

- Combination of integrated long-term strategic planning of the whole energy system (based on a comprehensive analysis) with detailed planning of specific subsystems (industry, transportation, housing).
- Application of system analysis methods and computerised energy system models (e.g. Modular Energy System Analysis and Planning - MESAP).
- Involvement of all relevant interest groups in the planning process (politicians, administrative staff from state and city administration; utilities, NGO's etc.).
- Set-up of a long term transition plan for continuous improvement and monitoring

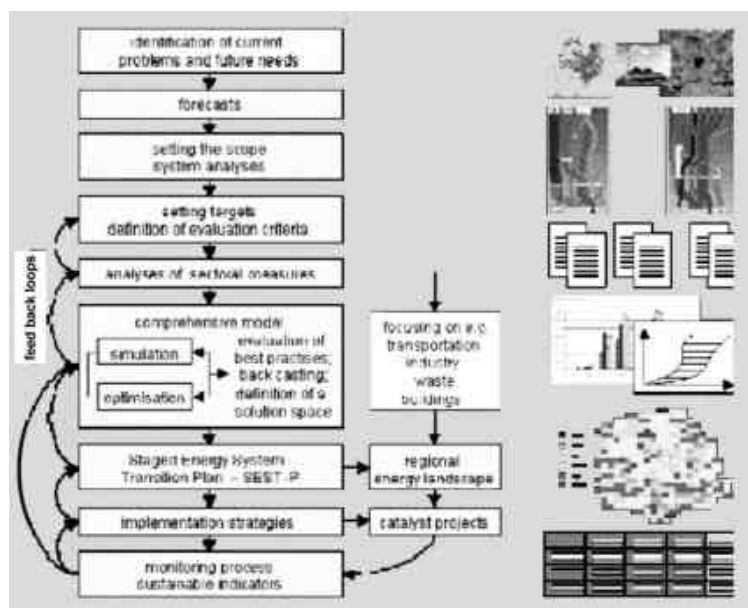


Figure 20: Main steps for the urban energy model

The main steps for the implementation of an potential urban energy model are shown in Figure 20. The targets for the future energy system will take into account the market share of renewable energy sources in the future energy mix and the mitigation of greenhouse gases. The evaluation criteria have to address sustainable indicators. The regional energy landscape should help to implement an integrated urban design regarding the potential of renewable energy and synergetic effects (e.g. lost heat from industry for heating and cooling). Catalyst projects with a huge potential for putting changes into operation can be defined on two levels: top-down (political and institutional level) and bottom-up (end-user level). Economic concepts, e.g. Private Public Partnerships should be checked for implementing the catalyst projects. A major challenge to be addressed is the basic data needed for building up the model (data about the existing energy supply systems, data about the existing energy demand - per sector, assumptions for future scenarios including technical changes etc.) and for monitoring the evolution of the system.

◆ Expected results

Using the ALEP approach, the following main results are expected to assist in the planning and development of strategies for the transition of the energy supply systems:

*An integrated urban energy system model*

The integrated energy system model will be the result of the analyses and will serve as the basis for the future scenario calculation. The model will

- show the current energy flows situation, with primary energy sources, conversion and end uses (for different neighbourhood modules);
- be a consistent data base for planning;
- allow spatial analysis of energy demand structure, the supply concept and distribution system.

*A staged energy system transition plan*

This transition plan will include

- strategies for energy-efficiency measures within the energy supply structure;

- a proposal to include new techniques for electricity production and energy supply (for transportation, water and wastewater treatment, waste, industry and housing);
- strategies for demand side management, adopted to the social capacity profile in the different neighbourhoods in the housing sector;
- economic concepts for strategy implementation and operation of the energy systems;
- potential scenarios for a new future energy mix, with regard to environmental impacts (emissions, land use, etc.), life-cycle costs and socio-economic impacts (such as prices, implication on employment, equity, energy consumption patterns).

#### *Implementation strategies*

For the implementation strategies, required initiatives have to be defined for various actors along the top-down and bottom-up approach e.g. national, provincial and municipal agencies, private sector, research institutions and NGOs. Along the intervention levels (reduce demand, optimise supply systems and increase the use of renewable energy sources) the characteristics of the neighbourhood modules will be the basis of the intervention measures and instruments. Beside the physical structures it is very important to adopt the measures to the social capacity and choose the right dissemination procedures and means.

These initiatives will be organised along the following axes:

- planning initiatives
- research and demonstration
- awareness & education
- legislation & enforcement
- financial & fiscal instruments

#### *Catalyst projects*

Catalyst projects, set up by the key actors concerned, can be identified and implemented. Within these projects, demand side management should be equally taken into account as well as efficient supply systems, preferably using renewable energy. The catalyst projects can be planned as integrated projects in the field of technical urban infrastructure, institutional change processes, building stock retrofitting etc.

#### *A monitoring system*

An adaptive management system helping to structure the energy planning should be developed and introduced. The monitoring process will take into account sustainable indicators as well as effects on different target groups and other urban subsystems. Feedback loops should be integrated in the process.

#### ◆ **Research topics**

The key question concerning energy planning is about future demand. As energy demand in Eastern European cities and regions will no longer be a growing function in the future – and it should not be a growing function – planning complexity is rising. More and more different influence factors which have to be assessed and new integrated solutions are increasing the complexity even more. The ALEP approach offers a method to cope with the highly complex urban energy system to define pathways for future development. But there are still many research questions to be answered to estimate the input factor, the



effectiveness of measures or the interdependencies with other urban systems (e.g. industry, buildings, transportation).

Many questions which need to be answered are directly linked to the transition process of cities and regions like: How can different urban development scenarios be developed and integrated? How many dwellings will be necessary? Where in the city will they be located? And what should be the standard – for families, or the elderly? Which industry will be in place – and for how long? To answer these questions we need to know about the economic development in a city, the demographic change and the spatial development.

It is also necessary to take into account energy efficiency programs like retrofitting buildings – how much will it reduce the energy demand? And where in the city is it worthwhile to retrofit buildings – will these neighborhoods survive the next 30 years? This is especially important to know for all neighborhoods built in prefabricated slab buildings – as they are often not very attractive. On the regional level, the potential to use renewable energy sources needs to be considered in spatial transition planning.

Other questions concern dealing with data input e.g.: Which data is really necessary and can be updated at reasonable cost and effort? Can remote sensing data integrated in a GIS provide a basis to cope with this problem in transforming regions? A GIS data base connected to the MESAP model can be used for building up the 'local energy landscape' to evaluate spatial impacts deriving from different energy supply structures and the potential to use renewable energy in a small scale local context. This is a new field and solutions have to be developed. At the same time, however, opportunities arise for innovation strategies and for the support of efficient, compact and sustainable economic systems and lifestyles – how can these be estimated?

Beside the influence factors connected to urban development, other issues need to be addressed like technical progression, resource scarcity and climate change issues.

Another level of complexity are the different actors. Effective energy planning in the future will need the input of many stakeholders responsible for different sectors in a city's development. For the development of new concepts and their implementation, new participation and decision-making processes for institutional, interdisciplinary as well as transdisciplinary cooperation need to be developed and established.

### 3 Governance in transforming regions

The EC's Fourth Report on Economic and Social Cohesion refers to multi-level governance as a means to dealing with the various challenges deriving from current trends counteracting a social, economic and territorial cohesion. The European Commission emphasises economic modernisation, climate change and energy prices as well as demographic imbalances and social tensions as important challenges that are particularly relevant to cohesion policy, since they may contribute to wider disparities between regions (EC 2007, pp. xvii).<sup>19</sup> Consequently, regional development strategies have to consider these economic, environmental and social challenges in order to promote sustainable development in the longterm.

Regarding the global pressure to restructure and convert their economic system, it is particularly the convergence regions that face the need to change and modernise their institutional structures and framework in order to react to the competition resulting from globalisation processes. In this context, the European Commission claims that is an "economic imperative" to actively promote modernisation processes particularly by developing the skills and scope of action of the regional workforce (EC 2007, pp. xviii). However, each region is marked by its historical and cultural background that influences both the shaping of strategies for modernisation as well as the acceptance within the population of policies promoting change processes. In this context, specific local factors and compositions of actors determine the success of development strategies by enhancing or restricting the possibilities of regions to develop.

With respect to the environmental dimension of sustainability, the European Commission particularly refers to climate change and increased energy prices as core problem fields for territorial cohesion. Climate change and rising costs for energy can both impair the local economy considerably. Whereas climate changes particularly have impacts on certain sectors like agriculture, fisheries and tourism as well as on the risk of natural hazards on the whole, higher energy prices result in higher transportation costs and consequently rather influence the accessibility of locations, which is especially essential for geographically peripheral areas. Moreover, these environmental challenges not only tend to widen economic disparities between regions, but also enhance social disparities, since problems related to natural hazards or so-called "energy poverty" also disproportionately affect low income groups. Strategies dealing with climate change and increasing energy prices are predominantly related to the support of eco-innovation, environmentally friendly industries, renewable energy and energy-efficiency.

Regarding the social dimension of sustainability, about a third of the European regions face a population decline. The Fourth Cohesion Report regards population decline resulting from demographic change and from migration processes as a threat for economic growth, while stating that growing "skill mismatches" could lead to general social tensions (EC 2007, pp. xvix). This argumentation is strongly reduced to the direct economic impact of social processes, while neglecting interrelationships and other endogenous regional development effects like the local quality of life and the image of a region. Moreover, it is far too shortsighted to explain social tension solely by skill mismatches resulting in wage differentials. Social justice and solidarity are not only achieved by financial means, but also by offering ample opportunities, access to participation for citizens etc. Thus, concentrating on dealing with social disparities appears to be one of the most challenging tasks, particularly for regions that will probably not experience economic growth in the near future.

---

<sup>19</sup> European Commission (2007): Growing Regions, growing Europe, Fourth Report on Economic and Social Cohesion, [http://ec.europa.eu/regional\\_policy/sources/docoffic/official/reports/cohesion4/index\\_en.htm](http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/cohesion4/index_en.htm) [10.08.07].

The following articles deal with different crucial aspects of governance in the context of transforming regions. While James Scott emphasises civil society participation, Karsten Lindloff addresses the strengthening of public and civil institutions as a means for regional development. Next, Hanns-Uve Schwedler deals with the question of cultural inclusion in the European City and finally, Filip Skawinski analyses regionalisation processes in Europe and their implications for governance.

### 3.1 Participation

*James Scott*

Within the wider European context of “cohesion” (and this both as a scientific concept and normative policy framework), issues of participation and governance have acquired great importance. Cohesion cannot be achieved by redistributive measures alone but depends as well on the capacities of cities and regions to define and successfully implement comprehensive development “projects”. One important aspect of local and regional governance within Europe is that of participatory mechanisms that allow greater citizen access and involvement in policy-making processes – this is particularly vital within the context of post-socialist change and the institutional and socio-cultural flux it entails. Accordingly, questions of cohesion and its achievement must also address the role of civil society actors in setting urban development agendas within the context of post-socialist transformation in Central and Eastern Europe (CEE).

Since 1989, CEE countries have experienced rapid and often traumatic shifts in almost all aspects of political, economic and social life. This transformation has been aptly defined by György Enyedi (1998, p. 6) as “a particularly significant stage of societal development in which more and more external and/or internal difficulties hinder the reproduction of the social and economic environment that forms the basis of society”. As a result, new rules and institutions develop within an environment of rapid change. This, on the one hand, has created a situation of flux, instability, insecurity and experimentation that has proven to be remarkably persistent. On the other hand, transformation involves attempts to structure a sense of societal coherence within new geoeconomic and geopolitical contexts. Such a desire for coherence is often accompanied by an extreme politicisation of policy issues as well as ideological polarisation. Both of these transformation processes make their mark on the urban environment as institutional change and struggles over urban development and planning policies are played out.

Systemic change has thus created new frameworks for democratic governance, re-established local autonomy for cities and, at the same time, submitted entire national societies to the economic imperatives of a liberal market economy, often with dramatic polarising effects on urban populations. These phenomena give reason to believe (or at least hope) that new actors are emerging in urban contexts that are able to articulate the interests of groups most negatively impacted by transformation.

It is here where debates on Cohesion might well focus on “civil society” - this social construct so often invoked in debates on democracy, governance and intercultural understanding. Civil society gives expression to the expectations of European citizens of more direct participation in debates on Europe’s future and the collective choices it entails. Importantly, this also involves the exercise of citizenship in contemporary political contexts and systems of government. Civil society, as an emerging (or consolidating?) political force is seen as a mirror reflection of an increasing lack of confidence in the capacity of traditional governance modes to address problems of modern societies. What is less clear are the modes by which civil society actors participate in local political arenas and the impacts they have on local development policies.

It is also important to investigate the types of civil society groups and actors involved in urban development policy-making and the issues they stress. In the case of post-socialist transformation, contexts for civil society participation are being negotiated within situations of institutional change subject to a considerable degree of flux. How do civil society actors deal with this situation? Finally, an important question is that of urban deprivation and its remediation: traditionally, civic organisations and civil society actors have been key elements

in combating social exclusion and poverty. What kinds of civil society-based strategies have emerged within post-socialist urban governance contexts?

The role of civil society in the post-1989 context of systemic change has been a complex one and remains closely related to processes of democratic consolidation, both in Hungary, Poland, Romania and other new member states of the EU and, perhaps more markedly, in Russia, Ukraine and other neighbouring countries. Despite differences in the post-socialist development trajectories of these states, Korkut (2006) has demonstrated that there are striking similarities in terms of the elitism that is widely embedded in political and civil spheres and patron-client forms of relationships between the state and the civil society organisations. Both of these factors have tended to limit the participation of civil society organisations in political debate and policy-making. However, in order to more properly comprehend the significance and potential of civil society transformation contexts we must also go beyond the assumed antagonism of the "State" and "Civil Society" and thus question ethnocentric interpretations and received notions of their respective roles (are there "Eastern" and "Western" understandings of civil society?).

With a comparative analysis of urban development policies we will attempt to understand – in Korkut's words – "the cultural formations of postcommunism". As Kennedy (2002, 117-118) argues, these involve 'new meanings and value, new practices, new relationships and kinds of relationships'. These in turn could contribute to the evolution of new governance cultures, institutional norms and values and civil society roles.

Urban governance is a spatially relevant cultural process – one through which meaning and signification are continuously inscribed into the urban fabric. Regionalist and other state-society discourses have, of course, reflected the general shift from "Fordism" to "Post-fordism". It would be incorrect, however, to view these paradigm shifts as "reactive". Gradual paradigm shifts have been expressive of ideological debates and political contests and therefore constitutive of urban and regional transformations. Jones and MacLeod (2004) contend that the debate about governance must focus more explicitly on territorial considerations and the embeddedness of locale. Indeed, context is more than locale, much more than the assemblage of material objects within a particular regional space. Local transformations reflect particular societal (i.e. national) interactions with the urban environment. Hence, cities and regions cannot be comprehended as socially disembedded "units". Similarly, governance emanates from political-ideological power based not solely on economic or other structural relations but on value systems and cultural signification. Despite the widespread and transnational diffusion of planning paradigms, governance ideologies and development discourses, the concrete practice of making places is one that is negotiated locally. This thus also begs the question of cultural diversity as a challenge to and an asset for cohesion.

#### Bibliography:

- Enyedi, György): 'Transformation in Central European Postsocialist Cities', *Discussion Papers of the Centre for Regional Studies*, Vol. 21, (Pécs, 1998).
- Korkut, Umut Entrenched Elitism in Trade Unions in Poland and Romania: An Explanation for An Explanation for the Lack of Union Strength and Success? In: *Economic and Industrial Democracy*; Vol. 27, No. 1, (2006) pp. 67-104.
- Kennedy, Michael D, *Cultural Formations of Postcommunism*, (Minneapolis, 2002).
- Jones, Martin & MacLeod, Gordon: 'Regional spaces, spaces of regionalism: territory, insurgent politics and the English question', *Transactions of the Institute of British Geographers* Vol. 29, No. 4, (2004), pp. 433-452.

### *3.2 Strengthening public and civil institutions as a success factor for regional development in shrinking regions*

*Karsten Lindloff*

In view of the changing strategies of structural support in Europe, the focus regarding development potential should be directed towards regions which will foreseeably be losers of increasing globalisation, the new adjustment of the markets and subsidies policy. In the new EU member states of Central Europe in particular, the regions on the new eastern border are designated as problem areas, while in Germany these are the new Länder (states) and in particular their peripheral regions, which suffer badly from weak economic development, unemployment and in particular from the migration of the mobile and well-qualified population. Even if there are huge differences regarding economic data and basic conditions between Germany and the new member states, parallels can nevertheless be drawn and knowledge deduced from the experiences specific to Germany, which should flow into the discussion about a new cohesion policy in Europe. It should be apparent that as well as supporting centres of growth, shrinking and peripheral regions should also be supported, local economies developed, and existing natural, cultural and tourist potentials should be exploited for economic development.

The focus of this short paper lies on the soft location factors which enable peripheral regions to pursue "endogenous regional development" and consequently bring - as far as possible - stability and quality of life to shrinking regions. The information provided is based on the experience of a research and development project for sustainable development in ten German states, as well as the activity of the author as a consultant for regional development processes and organiser of conferences and workshops in this field.

The problems of peripheral regions can be described, without claim to completeness, by the following keywords:

- low regional creation of value
- no survivable industrial cores
- deindustrialisation
- missing entrepreneur culture
- unconcluded transformation process
- changed conditions in agricultural production
- missing technical infrastructure
- bad accessibility / peripheral geographical position
- low or not conformist qualifications of the inhabitants

The qualifications of the people remaining in the region as well as their motivation for improving their living conditions are a decisive factor for successful regional development. On account of the lower life chances in these regions on the one hand and the growing mobility especially of the younger generations on the other, it is above all qualified and creative people who are leaving these regions. Recent studies in Eastern Germany have found that young women in particular are leaving peripheral regions and there is already a clear imbalance between men and women in certain age groups. In view of the undesirable social consequences of this phenomenon, the districts in question must aim to bind people as much as possible to their region, and to set up realistic future visions from which lines of development can be derived. Regions which can serve as a model here are, for example, the "Waldviertel" in Lower Austria or the Cham county in Upper Palatinate (Bavaria), which succeeded in radically improving their economic basis through

endogenous development. To avoid the "human capital" situation from deteriorating further, it must be an objective of subsidies policy to strengthen the region not only economically, but also to motivate the population to take active part in shaping their own future and the future of the region. Here, future-oriented concepts of participation culture and local governance concepts must be applied. Compliant and adaptable further training opportunities are another important requirement for offering people concrete perspectives and increasing the development potential in the region.

The experiences with subsidies programmes in Germany since 2000 have shown that the regions which are successful in attracting funding are those which can draw on experience in regional co-operation among the relevant actors. The requirements made of funding applicants are so great and so complicated that "newcomers" clearly have lower chances than experienced participants of former programmes. Thus, several regional development projects often seem to be launched simultaneously in one region, because the applicants are well-trained in self-presentation. Success factors in the application process are functioning regional co-operation, development proposals that are coordinated with a wide circle of actors, a focus on a few, promising objectives and regional leading projects. Other requirements are checkable targets and indices within the scope of evaluation and monitoring concepts and a plausible representation of the sustainability of the projects. It therefore follows that it is important to strengthen the institutional structures in the peripheral areas. Topics to be analysed are the establishment of regional and local institutions, strengthening of civil social organisation, co-operation processes among regional actors, strengthening of human capital, and the establishment of decentralised competence centers.

An essential element in sustainable regional development ultimately lies in building up know-how in the peripheral regions. This means improving basic know-how among the persons directly involved in regional development processes (regional managers, local politicians, project leaders) and setting up a network of subordinate facilities which provide instrumental support in specific questions of regional development. Models for this in Germany are (a few) regional competence centres for regional development which offer consultation on current procedures, as well as direct services such as assistance with presentations and concept writing. Here, research is required on which forms of subsidies are conceivable and financeable in the member states.

A current catchphrase in discussions on this subject in Germany is "regional value chains". The topics included here are, e.g., renewable raw materials, wood processing, regional marketing, decentralised energy production, processing of agricultural products, regional specialities, productions and services related to tourism.

These are just some of the aspects which are of significance for a policy of coherence for peripheral and underdeveloped regions. What are the general, essential objectives of regional development strategies in peripheral regions and which questions arise for transnational research? Irrespective of the particular chances or frameworks in a specific region, the following general objectives are prerequisite for successful regional development:

- securing public and private basic services
- strengthening regional identity
- promoting cultural identity and diversity
- identifying regional strengths and chances as well as regional weaknesses and deficits
- providing perspectives for the younger generations

- supporting employment through low level forms of business start-up support and conformist forms of microloans
- providing adaptable forms of continuing education offers and support
- supporting regional entrepreneurial spirit as a condition for promoting regional value added chains

◆ **Research questions**

The research objective of a transnational research project (or a transdisciplinary research and practical project) could be to compare the success factors for regional development in different member states on the basis of current subsidies policy. Research questions would be, e.g.:

- What are the conditions like in the relevant member states for setting up regional co-operations which include the civil population?
- Which good practices in the member states concerned can be identified, generalised and transferred to other regions?
- What obstacles are there in setting up local institutions which include the civil population?
- Which impulses at European and national level or which subsidies policy would be suitable to compensate recognised deficits?
- Which good practices from other member states can be applied in this country?
- Which principles and experience from the old member states (e.g. Austria, Germany) in endogenous regional development can be transferred to the new member states?
- Which experiences from the transformation process in the new Länder (the former GDR) can be profitably transferred to regions in the new member states?

This short paper has provided some arguments for supporting shrinking and peripheral regions as part as an integrated cohesion policy in Europe and especially in the new member states. It is of primary importance to encourage the people in these regions - inhabitants, companies and civil institutions - to stay there and to participate in development processes. Beside other (economical) strategies it is important to strengthen public and civil institutions as a success factor for regional development in shrinking regions. Transnational research projects are able to give new impulses from the experiences of the other (and older) member states and are an opportunity to transfer know-how in all directions.



### *3.3 Cultural inclusion in the European City – Praxis-oriented urban research into migration and integration*

*Hanns-Uve Schwedler*

Population mobility among EU member states and immigration to the EU from third countries present increasing challenges, but also provide opportunities for labour markets and societies. Many factors contribute, and will continue to contribute, to greater immigration to the EU and its member states: EU enlargement (and concomitant freedom of mobility), current demographic change and shrinking populations, the effects of globalisation and growing economic, ethnic and political conflicts in many regions of the world. The composition of the population in Europe will undergo far-reaching changes in the next few years. Although these changes are mainly the result of economic and social changes over the last few decades, they continue to impact upon European economic and social policies. In particular, towns and cities, where approximately 80 % of the population of Europe lives, will be confronted by new challenges.

As early as the year 2050, the average age of the population in Europe will be about 50 years, and therefore, for example, approximately 10 years older than that of the USA. In a parallel process, the populations of many European cities are shrinking and will continue to shrink (in some cases dramatically) without necessary immigration, whereas in other economic regions (in particular in newly industrialising countries, but also in the USA), it is expected that populations and cities will continue to grow. For example, even allowing for an active immigration policy, the UN has calculated that the population of Italy will have declined by more than 20 % by 2050; by the year 2100 the population will be about half what it is now. Without the necessary immigration this decline will be even more dramatic. Viewed from a purely economic perspective, this development will exacerbate problems related to globalisation, leaving Europe in danger of falling behind other regions in the world.

By 2010 it is predicted that there will already be shortages in the labour market in some member states. Negative effects on labour markets and on social systems, on industry and on affluence will only be able to be compensated for or alleviated by means of an active population policy in member states, in the first instance by means of immigration. As a result of this process, however, cultural and ethnic diversity in Europe will increase. The proportion of non-native inhabitants in Europe will lie at around 30 % to 40 % as early as the middle of this century (in some cities considerably above this figure). By 2010 in a number of European metropolises the indigenous population will already be in the minority.

While migration has been a topic of scientific research in Europe for at least 30 years, it has only appeared on the EU political agenda within the last decade largely and initially as a vector of asylum policy and border protection. In this period, several important documents have been published by the European Commission. Without repeating what has been referred to in the EF tender document, it can be summarised that all these documents and approaches since 2000 focus on issues in the Lisbon Agenda (whenever these will be fulfilled), on labour market(s), on demographic change and immigration from third countries, and furthermore highlight the need for a long-term policy on migration. At the June 2005 Employment Council, EU ministers decided that there should be an EU-level framework, setting out common principles, and identified the need for synchronisation between immigration procedures and integration into society as one major unsolved issue. On this basis, the Commission (in December 2005) put forward a policy

plan on legal migration, proposing an action-plan for the next four years. This plan focuses on legislative and non-legislative issues and tools (exchange of information and experience for instance), on integration measures and on support of third countries (combating the brain drain, professional and linguistic training etc.).

While EU and national policies establish the framework for migration and population change, cities are places where integration (and non-integration, as has recently been demonstrated in France, the Netherlands and other countries) takes place and is experienced by inhabitants. Cities are also where conflicts become most visible and it is, in the main, local authorities which face new and overwhelming tasks regarding city management, segregation, urban infrastructures, traffic and transport, housing, urban resource supply and the urban fabric as a whole.

Parallel to the general European process to put migration and integration on the political agenda, some (mainly larger) European cities, city networks and associations (such as EUROCITIES) have themselves begun to focus on migration and integration issues. This is being achieved by encouraging the exchange of views and undertaking concrete steps to integrate migration issues into urban management and planning. One good example of this can be found in form of the 'Stuttgart Declaration' made at a congress on "Foreigners' integration and participation in European cities". This declaration was also augmented by follow-up activities by the City of Stuttgart and others. In several cases LA21 and neighbourhood management initiatives were 'starting points' for these urban processes. Several major European cities (Berlin, for example) have established a post of 'Commissioner for Integration', or similar, in order to institutionalise migration and integration policy within urban management.

In this context, both the formal nature and intrinsic elements of these efforts towards greater integration have undergone a change in the recent past. The seeming failure of the multi-cultural model (for example, in the Netherlands) and of the assimilation approach (in France), coupled with increasingly intense confrontation with Islam have led some countries to a heightened political and public discussion on immigration and integration. What is more, this debate is not always characterised by objectivity, but instead often by appeals to popular opinion (EPC 2006). This current debate, whenever conducted in a rational manner, clearly demonstrates the fact that previous integration models are now subject to re-examination.<sup>20</sup>

Exceptions exist of course, but generally speaking, the majority of European towns and cities are not presently prepared for the kind of population and migration developments described above. In particular, what they lack is a comparative insight into contemporary applications of urban integration policies and a broad exchange of experience on good and successful practice.<sup>21</sup>

Present theoretical approaches to analysing and describing the cultural situations and challenges in cities have clearly failed to be of political (and thus practical) relevance. It is obviously difficult to frame complex socio-economic reality into theoretical concepts that translate well into practice. As Barth puts it, we can thus "...assume no simple one-to-one

---

<sup>20</sup> In view of the intermingling of ethnic-cultural, social and economic factors in the origins of inner-city conflicts, a number of politicians and academics are warning against hasty abandonment of previous integration models (cf. for example, Häußermann 2006). An overview of developments within migration, as well as of various integration approaches and policies is provided in: Neill/ Schwedler (2007).

<sup>21</sup> Cf. for instance, the results of an EU expert group on future research and training needs in the urban environment (EA.UE 2005); in addition, the group stressed that the possible advantages / opportunities of multi-cultural societies in Europe have scarcely been studied.

relationship between ethnic units and cultural similarities and differences" (Barth 1969, p. 14). He further elaborates by pointing out that "the features that are taken into account are not the sum of 'objective' differences, but only those which the actors themselves regard as significant" (ibid). And here power relations – and thus migration and integration policy itself – cannot be forgotten. Some groups are in a stronger position to construct their identities and resist the external imposition of identification while others are not so lucky.

What urban integration policies and approaches can achieve against such a background has not been yet examined. Practice-oriented research is thus needed and may provide much needed answers to the following issues:

- collecting and assessing innovative policies and their successful implementation
- assessing the role of the private sector and respective stakeholders
- providing an assessment of current practice, initiatives and their transferability
- communication of best practice
- supporting the exchange of experiences
- 'feeding' the experience and output of the network into the European policy and decision- making processes.

In this way it is possible to make a vital contribution in a highly sensitive policy area, one which is formative for the future of Europe.

#### Bibliography:

- EPC – Economic Policy Committee *Working Paper 23*, (Brussels, European Policy Centre, 2006)
- Häußermann, H, *Analysen zu gesellschaftlicher Integration und Desintegration - Politische Integration und Repräsentation in der fragmentierten Stadt* (Analyses on social integration and disintegration - political integration and representation in the fragmented city - courtesy translation), (Wiesbaden, 2006).
- Neill, W J V, Schwedler, H-U eds, *Migration and Cultural Inclusion in the European City*, (New York, 2007).
- EA.UE - European Academy of the Urban Environment, *Urban Environment Research and Training needs*, Brussels (European Commission, 2005)
- Barth, F, ed, *Ethnic Groups and Boundaries: Social Organization of Cultural Differences*, (London, 1969).

### 3.4 Regionalism and Europeanisation of the regions as sources of regionalisation Filip Skawinski

This paper is intended as the vehicle for a hypothesis concerning the growing significance of the regions as European economic and political entities. In this regard, the burgeoning significance of the regions has been facilitated by the European Union. Membership of the European Union is of crucial importance for the regions. Sometimes, this fact was the basis of an administrative separation of regions when European integration revealed itself as an important impetus for the decentralisation of a given state. Such influence is explained by legal and economic phenomena, in turn generating political phenomena as a result (Börzel 2002, pp. 18-26).

When considering this issue in strictly legal terms, it is necessary to emphasise that the European Union is not competent to intervene in internal territorial structures. European Community law may not assign to regional or local entities any authority not granted by national legislation. In reality, however, it was EC law (basically designed for the member states) which exerted a great influence on the operation of the regions. It is important that we realise two essential facts in this respect.

Firstly, the European Union is the provider of huge numbers of legal standards: early in 2005, there were about 17,000 legal acts originating from the Communities<sup>22</sup> and 3,000 international agreements signed by the Communities (on behalf of member states) with third countries (Maia 2005, p. 54). Each year, about 600 new regulations become effective<sup>23</sup> and we also need to remember that each new Community law overrides a local one.<sup>24</sup> Upon acceptance of this principle, member states are obliged to respect it at all levels of their internal organisations and this issue motivates states to organise an effective, usually regionally decentralized, administration (Hrbek 2003, p. 61).

Secondly, about three quarters of Community laws are either implemented at regional or local levels, or the laws refer to authorities at that level.<sup>25</sup> Legislation created within the Community concerns issues which were passed to subnational authorities in the member states, and that is why it has a direct financial effect on such authorities. Such legislation may generate additional administrative costs on the part of the authorities, as well as necessitating the revision of administrative structures. An important part is also played by indirect financial costs, including the commonly quoted consequences of monetary union (Committee of the Regions 2001, p. 29).<sup>26</sup> Despite, or in fact owing to, the existence of the internal market in the Community, globalisation also has an asymmetric influence on the European regions.<sup>27</sup>

---

<sup>22</sup> Including Euroatom regulations.

<sup>23</sup> Some of them are effective for one year only.

<sup>24</sup> This was decided by the European Court of Justice (CJCE *Costa c. Enel*, 6/64, Rec. 1964, p. 1160), and the member states have approved it by default (which does not prevent various politicians in many member states challenging the principle, a fact which legislators need to bear in mind).

<sup>25</sup> Sometimes, we hear evaluations referring to 70% or 80%, "three fourths" according to Feral (2003, p. 33), although the author also found this piece of information in other sources.

<sup>26</sup> Such consequences are not limited only to the "asymmetric shock" in the first period of the implementation of a common currency; see Dow/ Rodríguez-Fuentes (2003, pp. 969-980).

<sup>27</sup> [www.europa.eu/comm/regional\\_policy/themes/finper/finper1\\_en.htm](http://www.europa.eu/comm/regional_policy/themes/finper/finper1_en.htm).

Almost all Community policies influence, directly or indirectly, sub-national authorities.<sup>28</sup> Not only do they set requirements on such authorities, but they also create possibilities for obtaining large benefits. The first (and correct) association in this respect is the European Union's regional policy. Although the policy is meant primarily for those regions which are less affluent than the EU average (the so-called Goal 1), there is no piece of land in the EU which would be excluded from this policy as a rule.<sup>29</sup>

Consequently, the concept of "Europeanisation" was developed to enable states and regions to adapt to situations created by Community policies (Dieringer/ Sturm 2005, p. 280).<sup>30</sup> Such adaptation at the state level is expressed by this so-called regionalisation. Europeanisation affects all aspects of policy and policy formulation: administrative institutions and organisations, public discourse and policy standards, social relations and economy, and, last but not least, the process of forming interests, and representation.<sup>31</sup>

It is difficult to discuss regionalisation without also considering regionalism; the more so as both concepts are often used synonymously.<sup>32</sup> Let's start with analysis of the latter.

Regionalism can be considered as either an ideology or a political process. As an ideology it originated in the 19th century and indicated the aspiration to renew the cultural identity of a given region (Baranski/ Stolarczyk 2003, p. 82, after Osmanczyk 1974). According to Piotr Dobrowolski, regionalism is identified with such phenomena as: the activity of ethnic movements; "little motherland" awareness; or the activity of the regions in the form of establishing regional co-operation organisations (ibid, p. 85, after Dobrowolski/ Stolarczyk 2000). These are the foundations of the so-called "new regionalism" connected with the progression of European integration. Regionalism is not so much a doctrine, as it is a type of activity. It is expressed by the formulation of demands by regional authorities on central government in order to obtain greater control over political, economic, social and cultural matters of the region (Committee of the Regions 1999, p. 5). Regionalism is a type of bottom-up, or grass-roots activity. It occurs within a state which is, as we said, simultaneously dependent on an external factor; European integration. Integration contributes to the growth of internal sources of regionalism which are economic, political and cultural in nature (Keating 1998, p. 10). It is economic factors however, which take precedence (Hrbek 2003).

A natural consequence of expanding regionalism in democratic states is regionalisation. This is a top-down activity implemented by member states' governments with respect to their regions. The process is defined as a process of institutional recognition of sub-national authority interests by central government on social and economic grounds and expressed in political solutions (Marcou 1999, p. 37). This is also a phenomenon which,

---

<sup>28</sup> See Feral (1994, p. 54). This opinion is confirmed by many scholars. The author does not expand on the issue as it is not contentious. Interested readers may find a detailed discussion on that issue in Gawlikowska-Hueckel (2002).

<sup>29</sup> Each EU region is covered by one of the three regional policy goals (in the programming period 2000-2006) and each of the four Community initiatives: Interreg III, Urban II, Leader + and Equal. Of course, the financial incentives for prosperous regions are modest, and there is no guarantee that each such region would benefit considerably from regional policy.

<sup>30</sup> The concept of "Europeanisation" appeared for the first time in the context of the transformation of internal state policies in various areas into Community policies Institut Européen des Questions de Minorités (1999, p. 56).

<sup>31</sup> Based on Krzysztof Szczerski's lecture entitled 'Public Administration for the Benefit of Regional and European Coherence'.

<sup>32</sup> E.g. *Leksykon politologii* (Antoszewski/ Herbut, 1997) defines regionalism in a manner which is closer to what the majority of authors consider to be regionalisation.

once commenced, has a tendency to perpetuate because it stimulates interests and coalitions dedicated to further regionalisation (Le Galès/ Lequesne 1997, p. 54).

The reasons for this process (in addition to the regionalism already mentioned) are, within the European context which concerns us, economic and political integration within the EU.<sup>33</sup> In other words, regionalisation is caused by internal regionalism and the Europeanisation of the regions, and is a result of external influences (Gualini 2004). It must be added that there is a general conviction that decentralisation improves the effectiveness of public resource management. Decentralisation is also compared to the improvement of effectiveness brought about by the privatisation of state-owned assets (Pyszkowski 2000, p. 75).

For the past thirty years, we have observed a clear trend towards regionalisation (Bitsch 2003, p. 21-24). Italy, Spain, France, Belgium and the United Kingdom were countries which remodelled their territorial structures towards an expansion of regional competences or the development of new regions (Banas 2004, p. 7, the author also includes Germany and Austria on the list). This is a general trend, which affects almost all the EU member states<sup>34</sup> and does not depend on territorial structures (Hailbronner 1994). Its strength is rather dependent upon the size and the historical traditions of a given state (Marcou 1999, p. 37) and thus, in small and traditionally centralised countries, this trend is obviously weaker. When regionalisation is motivated by linguistic and ethnic divisions, it is much more potent as has been seen in the cases of both Belgium and Spain.<sup>35</sup> The type of decentralisation which was completed in France or Poland<sup>36</sup> (with respect to the optimisation of structures and their effective operation under the conditions created by the European Communities) is considered at least "adequate" in the opinion of experts. The countries which joined the EU in 2004, with the exception of the smaller ones, have proven that the prospect of membership was decisive not only for the initiation of decentralisation, but that it also indicated the form this process would take. Although the European Commission was unable to suggest openly that so-called new members should establish regional units corresponding to the NUTS 2<sup>37</sup> category, the Commission did imply something along these lines in its reports (Dieringer/ Sturm 2005, p. 281). The fact that Poland and Hungary<sup>38</sup> followed such indications<sup>39</sup> should not be a surprise, since we know that the prospect of using the benefits of the Community's regional policies was a strong factor behind the impetus for decentralisation. It was also apparent that the

---

<sup>33</sup> It seems that there is one more tacit reason for regionalisation: the situation where central government imposes difficult problems on local governments, without the transfer of adequate financial resources, *ibidem*, p. 52. This observation however was inspired by decentralisation in France; however our rural municipalities also often voiced dissatisfaction with such practices.

<sup>34</sup> The exceptions are very small countries such as Malta, Luxembourg and Cyprus.

<sup>35</sup> With a slight simplification, this is the case where regionalisation is caused by strong regionalism which can also lead to negative consequences, e.g. the strengthening of inequalities between the regions or separatism. Gawlikowska-Hueckel 2002, p. 120.

<sup>36</sup> According to Dieringer/ Sturm (2005, p. 288) decentralisation in France was carried out under the pressure of Europeanisation, see also Czernielewska/ Paraskevopoulos/ Szlachta 2004.

<sup>37</sup> The basic level of structural fund implementation.

<sup>38</sup> In Hungary, the NUTS 2 regions take the form of Statistical and Development Regions and are not municipalities.

<sup>39</sup> Of course, it would be risky to say that countries did so under the influence of the European Commission. However, the fact that the Commission made a statement (at least implicitly on such a delicate matter which belongs completely to the member states' jurisdiction) was significant.

development of territorial structures failing to match the NUTS 2 units would cause considerable complications in policy implementation processes.<sup>40</sup>

On the one hand, we are dealing with the aforementioned diversity of administrative structures in particular countries, and, on the other, with a general trend towards regionalisation. On this basis, Gerard Marcou proved that regionalisation did not always occur after basic reform (consisting in the creation of a new regional level of administration), but also after adjustments to existing systems. Therefore, the conclusion is that it is not so much the region's status that is essential, but rather the development of regionalisation; not the institution, but rather the political process itself (Marcou 1999, p. 10).<sup>41</sup>

It must be accepted however, that European integration may not always be favourable to decentralisation. Available literature on this subject describes the so-called centralising effect (*effet centralisateur*) which affects those regions with the most extensive competences, Germany in particular. Article 30 of the German Constitution contains the implicit principle that the execution of state prerogatives belongs to the *Länder*, unless other Articles stipulate otherwise (based on Bassot 1993, p. 730). This obviously grants a broad competence to the German regional authorities. On the other hand, the Treaty (and crucially, its interpretation by the European Court of Justice), introduced the category of shared competences. This means a sharing of competence between the Community and the member states. As a result, the *Länder* partially lose control over legislation despite the fact that they should develop such legislation under the German national system. One such area is, paradoxically, regional policy (Delcamp/ Loughlin 2002, p. 13). This indicates that wide regional competences are threatened by expanding Community competences, even if, as we said before, the European Union has no right to intervene in internal territorial structures (Portelli 1993, p. 212). Equally painful for Germany was the Bundesrat's loss of control over the execution of federal competences by the government, once such competences were transferred to Community level (Börzel 2002, p. 53). Despite the amendments of the Treaty, intended to guarantee the regions' influence on the development of Community legislation, and despite the existence of such guarantees within national laws,<sup>42</sup> as well as independent lobbying in support of it, the regions may not yet feel fully satisfied (Dieringer, Sturm 2005, p. 288).

This situation creates the need to defend the interests of the regions, which hold broad authority within national legal systems. Other regions have also joined this movement, their motivation having been already discussed in this paper. Alternatively, this motivation may become apparent from the previous discussion: concomitant with the necessity to implement community legislation, regionalism will have a say in the community's decision-making process.

---

<sup>40</sup> The opinion of Manfred Beschel, the manager responsible for contacts with Poland in the DG Regional Policy, made in private communication with the author of this paper on 19 June 2006.

<sup>41</sup> Although the process has common features in various countries, it is also characteristic that it does not become a uniform process, but rather the opposite: diversity is deepening. Le Galès/ Lequesne, 1997, p. 52.

<sup>42</sup> Especially expanded in the German system.

## Bibliography:

- Antoszewski, A, Herbut, R, eds, *Leksykon politologii*, (Wrocław, 1997).
- Banas, R, 'Europa z regionami' and 'konstytucji Unii Europejskiej', *Przegląd Prawa Europejskiego*, no. 4 (18), (2004).
- Baranski M, Stolarczyk M, eds, *Władze lokalne i regionalne w warunkach globalizacji*, (Wydawnictwo Uniwersytetu Śląskiego, Katowice, 2003).
- Bassot, E, 'Le Comité des régions. Régions françaises et Länder allemand face à un nouvel organe communautaire', *Revue du Marche commun et de l'Union Européenne*, no. 371, September-October, (1993).
- Bitsch, M-T, ed, *Le fait régional et la construction européenne*, (Etablissements Emile Bruylant, Bruxelles, 2003).
- Börzel, T A, *States and Regions in the European Union, Institutional Adaptation in Germany and Spain*, (Cambridge University Press, Cambridge, 2002).
- Committee of the Regions, *Regional and Local Government in the European Union / La démocratie régionale et locale dans l'Union européenne*, (Office for Official Publications of the European Communities, Brussels, 2001).
- Committee of the Regions, *Regional and Local Government in the European Union*, *La démocratie régionale et locale dans l'Union européenne*, (Office des publications officielles des Communautés européennes, Brussels, 1999).
- Czernielewska, M, Paraskevopoulos, C, Szlachta, J, 'The Regionalisation Process in Poland: An Example of "Shallow" Europeanisation?', in *Regional and Federal Studies*, vol. 14, no. 3, Autumn 2004.
- Delcamp A, Loughlin J, eds, *La décentralisation dans les Etats de l'Union européenne*, (La documentation française, Paris, 2002).
- Dieringer J, Sturm R, 'The Europeanisation of Regions in Eastern and Western Europe: Theoretical Perspectives', *Regional and Federal Studies*, vol. 15, no. 3, 2005.
- Dobrowolski, P, Stolarczyk, M, *Polityka: przedmiot badań i formy jej przejawiania się*, (Katowice, 2000).
- Dow, P, Rodríguez-Fuentes, C, 'EMU and the Regional Impact of Monetary Policy', *Regional Studies*, vol. 37, no. 9, December 2003.
- Feral, P-A, *Les incidences de l'intégration communautaire sur les collectivités territoriales françaises*, (RMCUE, 1994).
- Gawlikowska-Hueckel, K, *Procesy rozwoju regionalnego w Unii Europejskiej*, (Wydawnictwo Uniwersytetu Gdańskiego, Gdansk, 2002).
- Gualini, E, 'The rescaling of territorial-policy making in Germany', *International Journal of Urban and Regional Research*, no. 2, 2004.
- Portelli, H, ed, *La décentralisation française et l'Europe*, (Pouvoirs Locaux, Paris, 1993), p. 212.
- Hailbronner, K, ed, *L'Europe de l'avenir, modèles centralisés et décentralisés*, (Bundesanzeiger, Köln 1994).
- Hrbek R, 'The Role of the Regions in the EU and the Principle of Subsidiarity', *The International Spectator*, no. 2, 2003.
- Institut Européen des Questions de Minorités, *Autonomies insulaires*, (Albiana, Ajaccio, 1999):
- Maïa, J, 'La contrainte européenne sur la loi', *Pouvoirs*, no. 114, 3/2005.
- Keating M, *The new regionalism in Western Europe: territorial restructuring and political change*, (Edward Elgar Publishing Ltd, Cheltenham, 1998).
- Le Galès P, Lequesne Ch, eds, *Les paradoxes des régions en Europe*, (La Découverte, Paris, 1997).
- Marcou G, ed, *La régionalisation en Europe – Document de travail du Parlement européen*, (Parlement européen, Luxembourg, 1999).
- Osmanczyk, E, *Encyklopedia spraw międzynarodowych i ONZ*, (1974)
- Pyszkowski, A, 'Polityka regionalna – balast czy czynnik rozwoju?' *Studia Regionalne i Lokalne*, no. 1 (1), 2000.
- R. Hrbek, 'The role of the Regions in the EU and the Principle of Subsidiarity', *The International Spectator*, no. 2, 2003.
- Szczerski, K, 'Public Administration for the Benefit of Regional and European Coherence', lecture presented at the International Conference, 'Regional Policy: Experiences and Prospects', Krakow, 19-20 June 2006.



## 4 Authors

## 5 Authors



### Helga Jonuschat

Helga Jonuschat (architect and urban planner) has been part of the IZT team since 2000 and of the SFZ since 2002. She participates in national and international projects in the field of housing, sustainable regional and urban development, sustainable services, housing markets, as well as the social and environmental impact of ICT. Mrs Jonuschat furthermore coordinates the Central and East European network on regional transformation processes TRANSFOR(U)M.

Dip.-Ing. Helga Jonuschat  
 SFZ – Secretariat for Futures Studies gemeinnützige GmbH  
 Marienstr. 19/ 20, 10117 Berlin, Germany  
 Phone: +49 30 284 82 313  
 E-mail: [jonuschat@sfz.de](mailto:jonuschat@sfz.de)  
 Web : [www.sfz.de](http://www.sfz.de)



### Michael Knoll

Michael Knoll is a political scientist and has had several years of experience in industry, before he joined the IZT – Institute for Futures Studies in 1989 and the SFZ – Secretariat for Futures Studies in 1996. He is coordinating regional studies at the IZT and represents the institute in several scientific networks on regional research. His main research areas are: Urban sustainability and development; Housing and Building; Energy management.

Dipl.-Pol. Michael Knoll  
 IZT – Institute for Futures Studies and Technology Assessment gemeinnützige GmbH  
 Schopenhauerstr. 26, 14129 Berlin, Germany  
 Phone: +49 30 80 30 88-18  
 Email: [m.knoll@izt.de](mailto:m.knoll@izt.de)  
 Web: [www.izt.de](http://www.izt.de)



### ◆ Hans Kramar

Hans Kramar is assistant professor at the Regional Science Centre of the Department of Spatial Development at the Vienna University of Technology. His research and teaching is theoretically and methodically based on Regional Science and Economic Geography. His recent publications dealt with economic convergence and cohesion policy on a European scale, spatial effects of transport infrastructure and the spatial dimension of innovation.

Dipl.-Ing. Dr. Hans Kramar  
 Department of Spatial Development, Infrastructure and Environmental Planning  
 Centre of Regional Science, Vienna University of Technology  
 Operngasse 11, 1040 Wien, Austria  
 Phone: +43 1 58801 26622  
 Email: [hans.kramar@tuwien.ac.at](mailto:hans.kramar@tuwien.ac.at)  
 Web: <http://www.srf.tuwien.ac.at/kramar>


**Maciej Smetkowski**

Maciej Smetkowski – Ph.D. in earth sciences, speciality economic geography, lecturer at the Centre for European Regional and Local Studies (EUROREG), University of Warsaw, has participated in number of research projects on metropolisation processes, instruments of regional policy, transborder co-operation and evaluation of pre-accession aids and structural funds of the EU. The projects were founded within framework of ESPON programme, EU Framework Programmes and Polish Ministry of Science and Higher Education programmes. He is member of the Board of the Polish Section of the Regional Studies Association. Published several articles as well as two books “Metropolis and its region in information economy” and “Cross-border Co-operation of Poland after Enlargement: Focus on Eastern Border”.

Prof. Dr. Maciej Smetkowski  
 EUROREG - Centre for European Regional and Local Studies  
 Ul. Krakowskie Przedmieście 30, 00-927 Warszawa/ POLAND  
 Email: msmetkowski@uw.edu.pl  
 Web: www.uw.edu.pl


**Grazyna Korzeniak**

Grazyna Korzeniak (Ph.D. in Geography at the Jagiellonian University in Cracow, M.A. in Forestry at the Agricultural University in Cracow, post-graduate studies in spatial planning at the Cracow University of Technology) is head of the Department of Methodology of Spatial Planning, at the Institute of Urban Development. Main interests: Spatial plans and spatial analysis for local authorities, analysis for regional plans, research for regional development and methodology of spatial planning, preparing environmental impact assessments of the master plans. She has participated in European Projects: INTERREG III C, INTERMETREX, concerning planning for metropolitan areas and INTERREG IIIB, REPUS, related to polycentric regional development. She has published many articles on spatial planning methodology.

Grazyna Korzeniak  
 IRM - Institute of Urban Development/ Instytut Rozwoju Miast  
 ul. Cieszyńska 2, 30-015 Krakow, Poland  
 Email: gk@irm.krakow.pl  
 Web: www.irm.krakow.pl


**Erszebet Beliczay**

Erszebet Beliczay is vice-president of the Clean Air Action Group National Environmental Association, one of the most influential Umbrella NGO and environmental think-tank in Hungary. Her recent publications dealt with climate-protection, land use, built environment and public participation on national scale. She is working as a free lancer environmental expert.

Dipl. -Arch. Erszebet Beliczay  
 Clean Air Action Group  
 P.Box: 1 676, H-1465 Budapest, Hungary  
 Phone: + 36 1 411 0509  
 Email: beli@zpok.hu  
 Web: www.levego.hu



### **Gábor Lux**

Gábor Lux is a Junior Research Fellow at the Centre for Regional Studies, Transdanubian Research Institute. His training is in economics and regional studies, and currently works on his PhD dissertation. Research interests include industrial transformation in post-socialist economies, planning and economic policy, and recently the institutional-societal backgrounds of regional growth or decline. In addition to his personal research area, he participates in multiple common CRS programmes.

Gabor Lux

Hungarian Academy of Sciences, Centre for Regional Studies, Transdanubian Research Institute

Papnövelde Str. 22., 7621 Pécs, Hungary

E-Mail: [lux@rkk.hu](mailto:lux@rkk.hu)

Web: <http://www.dti.rkk.hu/>



### **Jan Votoček**

Jan Votoček is a junior researcher of the IURS – Institute for sustainable urban development. He graduated at Czech technical University in Prague as environmental engineer. His diploma thesis provided a city of Hradec Králové with Brownfields Catalogue of which 5 large sites were redeveloped within 3 following years. He is a licensed brownfields teacher and has joined various Czech and international research projects. Currently he is doing his PhD at Technical University Ostrava in the field of Integrated Urban Redevelopment.

Jan Votoček

IURS- Institute for Sustainable Urban Form, Institut pro Udržitelný Rozvoj Sídel o.s.

Minská 6, 101 00 Praha 10/ CZECH REPUBLIC

Email: [janvotocek@o2.pl](mailto:janvotocek@o2.pl)

Web: [www.brownfields.cz](http://www.brownfields.cz)



### **Adam Płoszaj**

Adam Płoszaj (M.A. in Spatial Economy) is scientific assistant at the Centre for European Regional and Local Studies (EUROREG) at University of Warsaw. He has participated in number of national and international research projects on local and regional development, regional innovation systems and strategies, sustainable development, information society. His main research area is spatial dimension of innovation and new technologies.

Adam Płoszaj

EUROREG - Centre for European Regional and Local Studies

Ul. Krakowskie Przedmieście 30, 00-927 Warszawa

Email: [aploszaj@gmail.com](mailto:aploszaj@gmail.com)

Web: [www.uw.edu.pl](http://www.uw.edu.pl)



### **Bärbel Schwaiger**

Bärbel Schwaiger is an architect and urban planner and has several years of experience in planning and research. Her main research area is sustainable urban development and integrated infrastructure in Europe and developing countries. Since October she coordinates a bilateral project for the German "Gesellschaft für Technische Zusammenarbeit" (GTZ) in the Ukraine on energy efficiency in buildings and communities.

Prof. Dr. Bärbel Schwaiger

GTZ – Deutsche Gesellschaft für Technische Zusammenarbeit

Email: [baerbel.schwaiger@gtz.de](mailto:baerbel.schwaiger@gtz.de)

Web: [www.gtz.de](http://www.gtz.de)



### **James Wesley Scott**

James Wesley Scott was born in Oakland, Kalifornien (USA) in 1956. He studied Biology at the Berkeley University of California and finished his bachelor in 1979. In 1980, he moved to Berlin in order to study Geography at the Free University. In 1986 he finished his studies with a diploma and got his PhD thesis in 1990. After working as a free-lancer, he joined the IRS in April 1992. James Scott has been lecturing in Guadalajara/ Mexiko in 1998 und 1999 and in Tampere/ Finland in 2000 and is still university lecturer at the Free University in Berlin. His research interests focus on political geography (particularly border regions), regional development and regionalisation processes in Europe, metropolitan regions and urban regional governance.

PD Dr. James Scott

IRS - Leibniz-Institute for Institute for Regional Development and Structural Planning e.V.

Flakenstraße 28-31, 15537 Erkner/ GERMANY

Email: [ScottJ@irs-net.de](mailto:ScottJ@irs-net.de)

Web: [www.irs-net.de](http://www.irs-net.de)



### **Karsten Lindloff**

Karsten Lindloff (Ph. D. and diploma in urban planning) works currently at the local government of Essen and lead the department of environmental planning. Main topics are energy-efficiency, noise-mapping and air-protection. Before he coordinate several research-projects at the university of paderborn (1997-2000: agenda 21, sustainable regional development) and the SFZ (since 2002; sustainable economical development). As Consultant (Karsten Lindloff Communication, since 2001) he works in the field of regional development und communication processes.

Dr. Karsten Lindloff

Karsten Lindloff Communications

Am Tremoniapark 53, 44137 Dortmund/ GERMANY

Email: [info@karsten-lindloff.com](mailto:info@karsten-lindloff.com)

Web: [www.karsten-lindloff.com](http://www.karsten-lindloff.com)


**Hanns-Uve Schwedler**

Hanns-Uve Schwedler, Professor Dr., is Managing Director of the European Academy of the Urban Environment, Berlin. He is author of several books on migration and integration, urban planning and Local Agenda 21. His research has dealt in particular with socio-spatial integration and urban planning in CEE. He is editor of over 50 Academy publications and is member of several national and EU expert and advisory groups.

Prof. Dr. Hanns-Uve Schwedler, Managing Director  
EA.UE – European Academy of the Urban Environment  
Bismarckallee 46-48, 14193 Berlin/ Germany  
Email [hs@eaue.de](mailto:hs@eaue.de)  
Web: [www.eaue.de](http://www.eaue.de)


**Filip Skawinski**

Filip Skawinski (Ph. D. and M.A. in Political Science at the Jagiellonian University Krakow and in European Community Law at the Université Rennes) is currently Research Fellow at the Institute of Urban Development (in Krakow) and Junior Lecturer at the Jagiellonian University. In 2003, he was awarded study grant of French Government and fulfilled five months of traineeship in the EU Committee of the Regions in 2005. He has published several articles focused on the participation of the subnational governments in the process of European integration and devoted a book to the representation of regional interests in the EU.

Dr. Filip Skawinski  
IRM - Institute of Urban Development/ Instytut Rozwoju Miast  
ul. Cieszyńska 2, 30-015 Krakow/ POLAND  
Email: [zmpu.fs@irm.krakow.pl](mailto:zmpu.fs@irm.krakow.pl)  
Web: [www.irm.krakow.pl](http://www.irm.krakow.pl)

## 6 TRANSFOR(U)M network partner institutes

### ◆ Secretariat for Futures Studies (SFZ), Berlin

"Shaping the future" – this has been the SFZ's motto for more than 10 years. According to this goal, we aim to identify relevant future developments, provide orientation information and open up scopes for actively shaping the future. Our interdisciplinary scientific team delivers fundamental as well as practical research results and advises key actors from politics, economy and society. In order to reach the public, the SFZ disseminates its results in events, lectures and publications. Scientists at the SFZ generally form interdisciplinary research teams in order to optimally cope with the complex challenges that face our society today. Our research areas focus on urban and regional development, information and communication technologies, sustainable economy and, last but not least, futures studies. We predominantly work with futures study methods such as future labs, scenario techniques or trend analyses, as well as with traditional qualitative and quantitative methods of economic, environmental and social sciences. Furthermore, the SFZ develops new methodologies such as the vision lab, which combines elements of the future lab and the Delphi survey.

SFZ – Secretariat for Futures Studies

Marienstr. 19/ 20, 10117 Berlin/ GERMANY, [www.sfz.de](http://www.sfz.de), [jonuschat@sfz.de](mailto:jonuschat@sfz.de)

### ◆ Institute for Futures Studies and Technology Assessment (IZT), Berlin

The Institute for Futures Studies and Technology Assessment (IZT) is a non-profit research institute, founded in 1981. Its main tasks are the realisation of research projects, delivering expert opinions, and advising political and industrial decision makers. The IZT is an independent non-profit organisation. Most scientific work concentrates upon research relevant to the future, the analysis of developments and implementation of new technologies and the assessment and evaluation of their influence on economy, politics, ecology and social issues. Furthermore, the IZT develops strategies and 'tools' in relation to future technologies as well as ecological and social structural changes in the economy and society.

The IZT sees its goal in projecting a 'liveable' future and its work as a contribution to international future research. The topics relate to the global challenges of our civilisation. The core of research and development are ecological, social and economically feasible problem-solving strategies to foster innovation in society. Further, the aim is to work towards a farsighted, responsible and creative design for the future. This requires an interdisciplinary view of the global context, while future concepts for the regions are designed to enable local action.

IZT – Institute for Futures Studies and Technology Assessment

Schopenhauerstr. 26, 14129 Berlin, [www.izt.de](http://www.izt.de), [m.knoll@izt.de](mailto:m.knoll@izt.de)

### ◆ Leibniz Institute for Regional Development and Structural Planning (IRS), Erkner

The IRS - Institute for Regional Development and Structural Planning is a registered association under private law. It is scientifically independent and is one of the non-university research institutes in the Leibniz Association (WGL). For almost 10 years, the IRS has been researching social, economic and spatial urban and regional development and

its governance. With its research projects the institute devises objectives and strategies for the development and stabilisation of European sub-regions. Its interdisciplinary basic research is practice-oriented and focuses on generating knowledge in the following four fields: Regionalisation and economic spaces, regional institutional change, knowledge milieus and settlement structures and regeneration in shrinking towns and regions. The research area presently encompasses the new federal states, the federal republic of Germany as a whole, Eastern Central Europe and other EU countries. The staff consists of 42 persons.

IRS - Leibniz-Institut für Regionalentwicklung und Strukturplanung e.V.  
Flakenstraße 28-31, 15537 Erkner/ GERMANY, [www.irs-net.de](http://www.irs-net.de), [Buerkner@irs-net.de](mailto:Buerkner@irs-net.de)

◆ **European Academy of the Urban Environment (EA.UE), Berlin**

The EA.UE - European Academy of the Urban Environment was set up in 1992 by the Berlin Senate and the European Parliament, in order to facilitate both the transition towards sustainable development and cooperation between the capital cities of Central Europe as well as between other European cities. The Academy is part of the European Academy Berlin, but is managed and budgeted independently, as a non-profit organisation. The main goal of the European Academy of the Urban Environment (EA.UE) is to promote the exchange of experience and ideas amongst local government decision makers in all spheres of sustainable urban development. In order to achieve these aims, the Academy (EA.UE) organises education and training programs oriented towards Europe by means of conferences, seminars and workshops, as well as through its publications.

EA.UE – European Academy of the Urban Environment  
Bismarckallee.46-48, 14193 Berlin/ GERMANY, [www.eaue.de](http://www.eaue.de), [hs@eaue.de](mailto:hs@eaue.de)

◆ **Federal Office for Building and Regional Planning (BBR), Berlin/Bonn**

The BBR - Federal Office for Building and Regional Planning was founded in 1998 and is based in Bonn. It is a superior federal authority in the operational division of the Federal Ministry of Transport, Building and Urban Affairs (BMVBS). With its staff of currently around 1100 employees, the BBR supports the federal government with sectoral scientific consultation in the political areas of spatial planning, urban development, housing and building. For this purpose, relevant basic information is provided and expertise, analyses and reports are developed. The expert support of the ministry also covers administrative tasks, including representation of the ministry or the federation in national and international committees.

BBR- Bundesamt für Bauwesen und Raumordnung  
Deichmanns Ave 31-37, 53179 Bonn/ GERMANY, [www.bbr.bund.de](http://www.bbr.bund.de),  
[jens.kurnol@bbr.bund.de](mailto:jens.kurnol@bbr.bund.de)

◆ **University of Dortmund, Department for European Structure Planning, Dortmund**

The Department of Spatial Planning in Europe at the University of Dortmund, was established in November 1993 as a Jean Monnet Chair. It undertakes both teaching and research work within the sphere of European spatial planning. It focuses on monitoring, analysis and prognosis of conditions and processes affecting spatial development in



Europe, as well as European networks of infrastructure, communication and cities. Additionally it compares spatial developments, strategies and planning systems in European countries.

Fachgebiet Europäische Raumplanung, University Dortmund  
 August-Schmidt-Str. 10, 44221 Dortmund/ GERMANY, [www.uni-dortmund.de](http://www.uni-dortmund.de),  
[armin.ruecker@uni-dortmund.de](mailto:armin.ruecker@uni-dortmund.de)

#### ◆ Eifer – European Institute for Energy Research, Karlsruhe

The Eifer - European Institute for Energy Research is an European Economic Interest Group (EEIG). It was founded in Karlsruhe, Germany, on the 28th of September 2001 by the French utility Electricité de France and Karlsruhe University. It opened on the 1st of January 2002. Eifer aims at developing or improving innovative clean energy technologies and tools and approaches for the sustainable development of territories and industries. To fulfill its mission, Eifer tackles energy and sustainability issues by treating seven scales of activity sectors and characterizing their interactions. These scales are: Distributed resources, buildings, neighbourhoods and industrial sites, cities, multinational markets, regions and megacities. It consolidates its technical and environmental approaches through economical and social studies. For this purpose, many projects are carried out all over the world, with 54 persons working in four main research groups: Energy Environment Economics, Group Distributed Resources, Regional Sustainable Energy and Energy in Urban Context.

Eifer - European Institute for Energy Research  
 Emmy-Noether-Str. 11, 76131 Karlsruhe/GERMANY, [www.eifer.org](http://www.eifer.org),  
[joanna.skok@eifer.org](mailto:joanna.skok@eifer.org)

#### ◆ Technical University of Vienna

The Department of Urban and Regional Studies at the Technical University Vienna deals with planning related research on settlement patterns and processes. Researchers at the Department of Urban and Regional Studies are aware of the limits of natural resources and environmental capacities and aim to promote equal opportunities for all inhabitants. Within their research, they apply relevant theories and methods from the disciplines of economy, sociology, geography as well as engineering and planning sciences. The main tasks of the Department are :

- to systematically elaborate the theoretical and methodological basics of the spatial sciences and to teach them at university lectures and courses,
- to analyse urban and regional structures and processes in order to establish a basis for local, regional and national planning authorities, and
- to consult decision-makers in the field of spatial and infrastructure policies.

Department of Spatial Development, Infrastructure and Environmental Planning  
 Centre of Regional Science, Vienna University of Technology  
 Operngasse 11, 1040 Wien, AUSTRIA, [www.srf.tuwien.ac.at](http://www.srf.tuwien.ac.at), [hans.kramar@tuwien.ac.at](mailto:hans.kramar@tuwien.ac.at)

◆ **Institute for Urban Development (IRM), Krakow**

The IRM - Institute of Urban Development (Instytut Rozwoju Miast) was established in November 2002 through the joined resources of the Krakow branch of the Institute of Physical Planning and Municipal Economy (IGPiK O/Krakow) and the Housing Research Institute (IGM) in Warsaw. The interdisciplinary research and technical staff of IRM currently comprises 79 employees. The results of their research are used by the Polish Ministry of Infrastructure and other government agencies, parliament committees and regional and local governments and are published in own publications and regular scientific and professional journals. The main research fields of the IRM are: Spatial planning, land management, environment shaping and protection, municipal and housing economies, building and real-estate management. The scientific team also works out self-developed and tested methods and techniques for the resolution of specific spatial problems.

IRM - Institute of Urban Development IRM - Instytut Rozwoju Miast  
ul. Cieszyńska 2, 30-015 Krakow/ POLAND, [www.irm.krakow.pl](http://www.irm.krakow.pl),  
[jadamski@irm.krakow.pl](mailto:jadamski@irm.krakow.pl)

◆ **Centre for European Regional and Local Studies (EUROREG), Warsaw**

EUROREG was created at the University of Warsaw in 1991, on the basis of the former Institute of Space Economy. The European Institute of Regional and Local Development is directly subordinated to the Rector of the University of Warsaw. In 1994 the UNESCO Chair of Sustainable Development was established at the University of Warsaw. The Chair is staffed by its faculty, as well as by a few representatives of other University departments. In October 1997 the Institute will begin the MA programme in spatial economy. In 2002 the Institute became part of the newly established Institute of America and Europe as a Centre for European Regional and Local Studies.

The Centre for European Regional and Local Studies (EUROREG) is an interdisciplinary research and educational institution specialising in regional and local studies and policies. The Institute also carries out research on the transformation processes in Central and Eastern European countries and conducts comparative studies on the development of science and technology. EUROREG co-ordinates grants financed by the Polish Committee for Scientific Research (KBN), and participates in foreign research projects. EUROREG assists local and regional governments in developing their strategic plans. It also prepares studies and analyses for the government, the European Commission, the World Bank and OECD. Its employees act as consultants to various government agencies and local authorities both in Poland and abroad.

EUROREG - Centre for European Regional and Local Studies  
Ul. Krakowskie Przedmieście 30, 00-927 Warszawa, [www.uw.edu.pl](http://www.uw.edu.pl),  
[mismetkowski@uw.edu.pl](mailto:mismetkowski@uw.edu.pl)

◆ **Centre for Regional Studies (CfRS), Hungarian Academy of Science, Pécs**

The Centre for Regional Studies (CfRS) was established in 1983 as a network based research institution of the Hungarian Academy of Sciences (HAS) with the task of carrying out multi-disciplinary research on urban and regional issues. The new political-economic

situation after 1989 and emerging aspirations for EU-membership reinforced the need to study spatial processes and Hungary's position within a reshaping Europe. The CfRS aims at satisfying this need by engaging in different types of activities. Besides carrying out academic research, staff with specialised expertise are involved in independent contract research projects commissioned by various public and private bodies. Consultancy areas include regional, urban and rural development, public service provision and environmental management.

The Centre also serves as a base for high quality training in urban and regional issues by encouraging staff to assume a role in various graduate, postgraduate and PhD programmes across a wide range of related disciplines. These activities all benefit from the Centre's strong national and international links. Finally, in order to popularise academic knowledge and disseminate research findings among professionals, the CfRS initiated the foundation of the Hungarian Regional Science Association. Various seminars and conferences are organised to foster exchange between researchers, practitioners and the lay public.

CRS – Centre for Regional Studies, MTA Regionális Kutatások Központja  
Papnövelde u. 22, 7621 Pécs/ HUNGARY, [www.rkk.hu](http://www.rkk.hu), [horvath@rkk.hu](mailto:horvath@rkk.hu)

#### ◆ Institute for Sustainable Urban Form (IURS), Prague

IURS is a professional research and advocacy organisation devoted to the advancement of more sustainable spatial form in Central European cities. Registered as a civic association in Prague, it has been active in building broad coalitions for restraining sprawl and facilitating the reuse of derelict and underused urban land (brownfields) in the Czech Republic, while promoting similar activities in Poland, Hungary, and Slovakia and Serbia. Initially IURS worked closely with the Institute for Transport and Development Policy ([www.ITDP.org](http://www.ITDP.org): based in New York and Berlin), which sponsored the organisation's first two years of operation. During this period, the two organisations' joint efforts focused on the issue of brownfields, identified as a critical topic in the Central European context, where the spatial legacy of the previous regime left extensive amounts of underused urban land, while the transition to a market economy left administrations and market forces ill equipped to assimilate or even identify these.

IURS- Institute for Sustainable Urban Form, Institut pro Udržitelný Rozvoj Sídél o.s.  
Minská 6, 101 00 Praha 10/ CZECH REPUBLIC, [www.brownfields.cz](http://www.brownfields.cz), [jjackson@volny.cz](mailto:jjackson@volny.cz)

#### ◆ Agency for the Support of Regional Development (ARR), Košice

The Agency for the Support of Regional Development Košice is a non-profit organisation, established by the Košice self-governing region. Our main purpose is to assist and support public services as well as supporting regional development and employment. The mission of the agency is to contribute to more effective and more dynamic sustainable development of the Košice region by creating conditions and mechanisms in the region, which will make it possible to deal with priority problems, and to implement future goals, according to the approved short-term and long-term strategic development documents. The activities of the ARR are targeted mainly at solving the problem of the unbalanced and low dynamic socio-economic development in the region, the causes of which are the following:

- lack of information and ineffective communication
- lack of qualified human capacities needed for effective regional development
- unutilised partnership potential
- alternatives for development of the region are not elaborated sufficiently
- lack of well developed sophisticated projects
- discrepancy in priorities of a region and it's sub regions

Agency for the support of Regional Development

Strojarenska 3, 040 01 Kosice/ SLOVAKIA, [www.arr.sk](http://www.arr.sk), [legen@arr.sk](mailto:legen@arr.sk)

#### ◆ Clean Air Action Group, Budapest

The Clean Air Action Group (CAAG) is one of the best-known environmental NGOs in Hungary. Founded in 1988 by three local green groups, it is now a national federation of 126 NGOs. Its Board of Experts consists of more than 100 specialists of various professions. It is open to anyone who wants to help clean up the environment. Our main fields of activities are the following:

- greening the state budget
- sustainable transport
- sustainable energy policy
- sustainable urban development
- protection of green areas in cities

CAAG is a member organization of the European Environmental Bureau (EEB), the European Federation for Transport and Environment (T&E) and Climate Action Network Europe (CAN-Europe). We cooperate with other international environmental organizations, like World Wide Fund for Nature (WWF), Greenpeace, CEE Bankwatch Network and World Carfree Network, as well as with a number of national NGOs in various countries.

Clean Air Action Group,

Károly körút 3/a. III. emelet 2. 1075 Budapest/ HUNGARY, [www.levego.hu](http://www.levego.hu),  
[beli@zpok.hu](mailto:beli@zpok.hu)

#### ◆ Karsten Lindloff Communications, Dortmund

Karsten Lindloff Communications is an agency for local and regional development processes. Established in 2001, the agency deals with the conception, control and support of local and regional development processes. The main research and consulting topics of the agency are: Sustainable and regional development, Agenda21 processes, civil society and networking. Karsten Lindloff Communications aims to support development processes in many ways: By consulting, coaching, moderation of discussion groups, scientific companionship, evaluations and controlling of projects, or building up a quality management.

Karsten Lindloff Communications

Am Tremoniapark 53, 44137 Dortmund/ GERMANY, [www.karsten-lindloff.com](http://www.karsten-lindloff.com),  
[info@karsten-lindloff.com](mailto:info@karsten-lindloff.com)

◆ VÁTI – Directorate of Spatial Policy and Information Service, Budapest

The activity of VÁTI, a non-profit company, covers the full scope of research, planning and consultation activities related to regional development, and the protection and reshaping of the built environment. The company is responsible for the implementation of regional development Phare programs and participates as a cooperating organisation in the realisation of the Regional Development Operative Program and of the INTERREG Community Initiative programs. VÁTI operates a specialised portal called Térport (terport.hu) as well as the Regional Information System (TeIR). The company manages national level regional and community development, architectural-technical documentation centre as well. Another strength of the company - especially in respect of the implementation of the EU programs - is the unique national network consisting of 12 regional representation offices. Experience of over fifty years, extended national and international contacts, the role played in the preparation for European integration in recent years, the uniquely rich information data base and the highly qualified staff ensure that VÁTI performs its non-profit tasks properly and always meets the requirements of its clients - government organs, regional development councils, local governments of settlements and of counties.

VÁTI - Directorate of Spatial Policy and Information Service

Területpolitikai, Urbanisztikai és Értékelési Iroda/ Unit of spatial policy, town planning and evaluation

Gellérthegy u. 30-32, 1016 Budapest/ HUNGARY, [www.vati.hu](http://www.vati.hu), ARadvanszki@vati.hu