"URBAN":

A Critical Case Study of the Formulation

and Operationalisation of a

Community Initiative

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Abstract

The objective of this research is to produce a critical case study of the European Union's modus operandi in approaching urban issues through an analysis of the formulation and operationalisation of its Structural Fund Initiative for deprived neighbourhoods, URBAN (1994-1999). The key actors and major events in the decision-making process, together with their methods of determining URBAN's main objectives, are the focus of the empirical study. The member states' strategies to operationalise the Community guidelines are illustrated by four local URBAN projects in London (Park Royal), Merseyside, Berlin and Duisburg-Marxloh. The central research question addresses the decisions regarding URBAN at EU, national and local case study level. More specifically, the study investigates the inputs and processes of the URBAN Initiative by applying the theoretical framework of policy networks and multi-level governance to EU decision making at the conceptual level. The investigation was undertaken by means of qualitative "elite" interviews with EU representatives, central and local government officials, and local project staff in the UK and Germany.

By intensive analysis grounded in the empirical accounts, the study aims to identify three main issues: i) do professional elites and policy networks determine the EU's structural funding framework; ii) do policy networks evolve and operate conditionally to European, national and local circumstances; and iii) are the nature and characteristics of policy networks and multi-level governance related to the policy output? In the analytical framework, the concept of Multi-level Governance is understood to comprise the three notions of <u>Participation</u>, defined as Network Actor, <u>Partnership</u>, perceived as Network Interaction, and <u>Multi-dimensionality</u>, considered as Network Range. Hence, the study illustrates the conceptualisation process of the URBAN programme at EU level, as well as the national and local variations in the URBAN projects' formulation and operationalisation. These are a function of the

specific constellation of and interplay between Participation, Partnership and Multi-dimensionality. The outcome of this study is a critical analysis of EU decision-making processes and policy performance related to urban governance, a governance which advances, albeit in a limited way, the EU's cohesion policy. Additionally, existing bodies of literature for the European, national and local level were drawn together into one multi-layered analytical framework of policy making and policy implementation.

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Glossary of Abbreviations

AER	Assembly of European Regions
ALA	Association of London Authorities
ALG	Association of London Government
ASSE	Amt für Statistik, Stadtforschung und Europaangelegenheiten, Duisburg: Duisburg Office for Statistic, Urban Research and European Affairs
B.&S.U.	Beratungs- & Servicegesellschaft Umwelt: environmental consultancy
Berliner Ausländer-beauftragte	Senate Commissioner for Foreigners
BMBau	Bundesministerium für Raumordung, Bauwesen und Städtebau: Federal Ministry for regional planning, construction and urban development
BMWi	Bundeswirtschaftsministerium: Federal Ministry for the Economy
Bulletin	The European Community's official gazette (engl. Official Journal)
Bundesrat	Germany's Upper House, representing the federal states (Länder)
CEC	Commission of the European Communities
CEE	Central and Eastern Europe
CEMR	Council of European Municipalities and Regions
CI(s)	Community Initiative(s)
Cohesion Fund	Financial support, alongside the Structural Funds for Greece, Portugal, Spain and Ireland to help finance projects for environmental protection and trans-European transport networks
CoR	Committee of the Regions
CSF	Community Support Framework
DETR	Department of the Environment, Transport and the Regions
Development Objectives	Reduction of regional disparities with six Development Objectives under the Structural Funds: Objective 1, 2, 3, 4, 5a, 5b, 6
DG	Directorate General (of the European Commission)
DGV	Directorate General for Employment, Industrial Relations and Social Affairs
DGXI	Directorate General for Environment, Nuclear Safety and Civil

	Protection
DGXVI	Directorate General for Regional Policies and Cohesion
DoE	Department of the Environment
DSSW	Deutsches Seminar für Städtebau und Wirtschaft: German Seminar for urban development and economy
EAGGF-G	European Agricultural Guidance and Guarantee Fund: support for adaptation of agricultural structures and rural development
EC	European Commission
ECG	European Consulting Group - Development and Financing
ECOS	Innovative Initiative to facilitate co-operation between local and regional authorities within the EU, and between the EU and CEE
ECU	European Currency Unit
EFILWC	European Foundation for the Improvement of Living and Working Conditions
EGM	Entwicklungsgesellschaft Marxloh: Development Agency Marxloh
EMPLOYMENT	Community Initiative for the development of human resources, consisting of: NOW: Promotion of equal opportunity for women in the labour market HORIZON: Labour market opportunities for handicapped, disabled groups YOUTHSTART: Promotion of labour market integration of young people under 20, especially those without basic qualification or training INTEGRA: Activities for people threatened with social exclusion
EP	European Parliament
ERDF	European Regional Development Fund: development of infrastructure and support for productive investment in less prosperous regions
ESF	European Social Fund: promotion of employment, notably through professional training and employment aid
ESPD	European Spatial Development Perspective
EU	European Union
FIFG	Financial Instrument for Fisheries Guidance: support for structural adaptation in the fishery sector
FUR	Functional Urban Region: metropolitan areas with boundaries determined on the basis of economic relationships rather than history or political and administrative divisions
GOL	Government Office for London
GOM	Government Office for Merseyside
IBA Emscherpark	Internationale Bauausstellung Emscherpark: International Building Exhibition Emscherpark
ICG	Intergovernmental Conference
Initiative Report	A report, also called own-initiative report, authorised to be pro-

	duced by an EP committee at its own initiative
Inter-Institutional Agreements	Pseudo-constitutional agreements between two or more Community institutions become of increasing importance to the Community's inter-institutional relations
INTERREG I, II	Community Initiative for cross-border co-operation (Part A), energy networks (Part B), co-operation in the area for regional planning, especially water supply management (Part C) in 1989-1994 and 1994-1999
ISI	International Statistical Institute
IULA	International Union of Local Authorities
KONVER	Community Initiative for the economic diversification in regions heavily dependent on the defence sector
Land / Länder	German federal state / states
LBA	London Boroughs Association
LEADER I, II	Community Initiative for rural development in 1989-1994 and 1994-1999
Liegenschaftsamt	Public Property Office
MEP	Member of European Parliament
MEP BC	Member of European Parliament Budgets Committee
MEP RC&SC	Member of European Parliament Regional Affairs Committee and Social Affairs and Employment Committee
MEP RC	Member of European Parliament Regional Affairs Committee
MSKS	Ministerium für Stadtentwicklung, Kultur und Sport des Landes Nord-Rhein Westfalen: Ministry for Urban Development, Culture and Sports of the federal state North-Rhine Westphalia
N.U.R.E.C	Network on Urban Research in the European Community (now European Union)
NRW	German Land of North-Rhine Westphalia
NUTS	Nomenclature of Territorial Units for Statistics: standard framework for analysing socio-economic developments in the Union's regions to determine Structural Fund eligibility
NUTS I	Regions or large federal states (e.g. Belgium, Germany), autonomous regions (e.g. Spain) or groups of smaller regions (e.g. Italy)
NUTS II	Provinces (e.g. Belgium, The Netherlands), smaller regions (e.g. France, Italy), groups of countries (e.g. the UK)
NUTS III	Départements (France), planning regions (Ireland), provinces (Spain) and counties/local authority areas (UK)
Objective 1	Economic adjustment for regions whose development is lagging behind
Objective 2	Economic conversion of declining industrial areas
Objective 3	Combating long-term unemployment & facilitating integration into working life of young people & persons exposed to labour market exclusion

Objective 4	Facilitating the adaptation of workers to industrial changes & to changes in production systems
Objective 5a	Adjustment of the processing & marketing structures for agriculture and fisheries production
Objective 5b	Economic diversification of rural areas
Objective 6	Economic adjustment of regions with outstandingly low population density
OECD	Organisation for Economic Co-operation and Development
OJ	Official Journal: The European Community's official gazette (dt.: Bulletin)
OP	Operational Programme: Formal programme description and regulation, negotiated between EU, national and local programme actors
Opinion	a) The EP must give its opinion under the consultation process b) More than one standing committee might be requested to draft opinions on a report for the responsible committee
OVERTURE	Innovative Initiative to establish networking links between the EU and democratic sub-national governments of former communist countries in the CEE
PACTE	Innovative Initiative for the Exchange of Experience between local authorities, administered on behalf of the Commission by CEMR and AER
Poverty 3	"Community Programme to Foster the Economic and Social Integration of the Least Privileged Groups": Community Initiative to combat social exclusion and promote socio-economic cohesion (1989-1994)
Rapporteur	The author of a parliamentary report; both rapporteur and reports play a crucial role in the work of the EP
RECITE	Regions and Cities of Europe: Network funded by DGXVI for inter-regional co-operation projects within an Innovative Initiative framework
Resolution	The EP's paramount form of (written) expression, element of parliamentary reports, providing separate statements or recommendations.
RETI	Association des Régions Européennes de Technologie Industrielle: Network of regions with mainly traditional heavy industries
SEA	Single European Act
SenArbeit	Senatsverwaltung für Arbeit, Berufliche Bildung und Frauen: Senate Administration for Employment, Vocational Training and Women
SenGesundheit	Senatsverwaltung für Gesundheit und Soziales: Senate Administration for Health and Social Affairs
SenInneres	Senatsverwaltung für Inneres: Senate Administration for the Interior
SenSchule	Senatsverwaltung für Schule, Jugend und Sport: Senate Administration for Schools, Youth and Sport

SenStadtUm	Senatsverwaltung für Stadtentwicklung, Umweltschutz und Technologie: Senate Administration for Urban Development, Environmental Protection and Technology
SenWi	Senatsverwaltung für Wirtschaft und Betriebe: Senate Administration for the Economy and Public Utilities
SME	Community Initiative to strengthen the competitiveness of small and medium-sized enterprises
SPD	Single Programming Document: formal programme description and regulation for a European mainstream programme
SPD	Single Programming Document
Stadtteilprojekt-Marxloh	Community Project Marxloh
Structural Funds	Funds to reduce developmental disparities between regions of the EU: ERDF, ESF, EAGGF-G and FIFG
TECs	Training and Enterprise Councils
UAP	URBAN Action Plan
UMC	URBAN Management Committee
UNCHS (Habitat)	United Nation Centre for Human Settlements
UNSTAT	United Nation Statistical Division
UPGs	URBAN Partnership Groups: local URBAN operationalisation groups
UPPs	Urban Pilot Projects: Innovative Initiatives under the Article 10 ERDF Framework Regulations
URBAN	Community Initiative for the regeneration of crisis-struck areas in medium-sized and large towns

Introduction

Euromean cities comprise a variety of images. One the one hand, cities represent engines of economic growth, productivity and competitiveness. Given the economic transition from industrial to post-industrial society, characterised by the availability of new information and communication technologies, new transport networks, and the removal of barriers to international capital and trade flows as a result of globalisation, a new logic of location is emerging. Responding to globalisation, international information networks and, thus, the growing insignificance of geographical location, cities increasingly promote their locality by offering land, labour and subsidies to potential employers in exchange for jobs and tax incomes in an entrepreneurial fashion. In their competition with other regional, national and international locations, cities specialise functionally as international finance and services centres, modern production complexes and/or distribution centres, research and development hubs, or as specialised conference and exhibition centres. Given the growth- and market-oriented economic principles pursued by most European countries and the European Union, competition between cities has intensified as a result of European integration, creating successful and unsuccessful cities.

One the other hand, cities reflect the spatial manifestation of the most pressing problems of modern society, that is, high levels of unemployment, socio-economic exclusion, a deteriorating social fabric, political indifference, crime and environmental pollution. The negative impact of economic restructuring and increased competition is particularly experienced by less competitive cities, which encounter fiscal stress due to public sector deficits, and face growing responsibilities as a result of administrative decentralisation processes. As cities become increasingly unable to provide expensive support services for less affluent population groups, the urban fabric deteriorates, infrastructural renovation becomes unfeasible, and economic activity declines in the worst affected urban areas. Spatial segregation and polarisation, how-

ever, not only emerge between cities, but equally within cities, where so-called 'pockets of poverty' or 'quartiers en crise' exist next to areas of great wealth. Given its spatial connotation, urban deprivation is, however, further intensified through spatial concentration, rendering certain urban areas subject to multiple deprivation.

This ambivalence of European cities creates a particular problem for the European Union, as its two principal objectives of stimulating growth in the competition for global markets, and promoting an equitable and sustainable Europe, stand in conflict. Originating from an economic community between sovereign Member States, urban issues were not considered a justified or viable policy domain in the pursuit of the Community's primary goals, that is, the creation of the European Monetary Union, European integration and socio-economic cohesion within a clear regional perspective. Consequently, urban policy has not received a formal institutionalisation in the Treaties. However, urban issues gained increasing political importance within and for the European Union, as the great majority of the European population lives in urban areas amid the spatial concentration of the key problems of European society. Furthermore, existing EU policies such as transport, environment, research and technology, the internal market and socio-economic cohesion have a de facto urban impact. Additionally, a growing perception emerges among European societies for the need for an integrated cross-sectoral response to socio-spatial problems. Therefore, in line with the principle of subsidiarity, the pursuit of policy effectiveness, and the preservation of the European social model, a Community urban intervention emerged as a viable, yet equally necessary means to address socio-economic exclusion and multiple deprivation in European cities.

As a new policy area, urban issues entered the European political agenda through the Commission's innovative actions and co-operative networks during 1989-1994. Past Community urban engagement was dominated by an economically-centred infrastructural, transport and environmental focus, while social exclusion and deteriorating living conditions in urban areas were addressed separately. Approaching the spatial and social problems of cities within a single-dimensional perspective and uncoordinated initiatives, past urban actions lacked an integrated, multi-dimensional framework and holistic urban perception. These past activities were launched either in the form of national programmes, metropolitan networks, or Community pro-

grammes, drawn up at national and regional level through the Community Support Frameworks or through Community-wide Innovative Measures. In an attempt to extend and improve co-ordination of these measures, the European Commission conceptualised the URBAN Community Initiative for the second reformed Structural Fund period between 1994-1999. With the launch of the Initiative in 1994, the European Union formally acknowledged that some of the most pressing problems, associated with the lack of economic opportunity, low income levels and a poor quality of life, are increasingly found in an urban setting, which further contributes to their reinforcement. Given an explicit socio-spatial focus, the URBAN Initiative, designed for the regeneration of urban areas in crisis in medium-sized and large cities, was formulated to address the multiplicity of problems experienced by the most disadvantaged groups through a locally tailored, integrated and partnership-based framework.

This thesis investigates the decision-making processes behind the *formulation* and *operationalisation* of the URBAN Initiative within a *policy network* and *multi-level governance* perspective. In its analysis of the inputs and processes of the URBAN Initiative, the study identifies the theoretical framework of policy networks and multi-level governance as a viable explanation for EU decision- and policy-making processes. It equally characterises policy networks and multi-level governance as one of the driving forces behind EU decision- and policy-making, where the Initiative was launched in 1994 without an explicit urban policy mandate in the Treaties, and against the background of initial Community-wide objection towards an EU intervention in urban areas. Identifying local variations in the formulation and operationalisation of the URBAN Initiative - a collective response to commonly shared urban problems - the thesis elaborates an explanatory framework, which is centred on the three concepts of Participation, Partnership and Multi-dimensionality. Aggregated to form key components of Multi-level Governance, the three concepts determine the dynamic and individual decision-making processes of URBAN's formulation and operationalisation at macro, meso and micro level. Within conventional decision- and policy-making frameworks, including the EU's approach to urban issues, complex problems are made manageable by dividing them into narrower frames of reference with a clear determination of management style and structure. To achieve sustainability, however, an integrated approach is required, comprising the participation

of all concerned actors, co-operative partnerships, as well as the horizontal and verti-
cal integration of policy departments and policy levels. Through a *critical case study*
of the particular development, specific conceptualisation, and subsequent launching
of the URBAN Initiative at European, national and local level, the study illustrates
that the traditional EU decision-making procedures and institutional structures were
unable to provide the necessary conditions for the realisation of URBAN's envisaged
participatory, integrated and partnership-based approach to socio-spatial regenera-
tion.

Accordingly, the study focuses on three hypotheses. Firstly, policy networks and
professional elites determine the EU structural programming framework. For this
purpose, a policy network is considered a non-hierarchical forum for intra- and inter-
organisational decision and policy-making where different actors can communicate,
exchange information and exercise influence prior and during decision and/or policy-
making. Professional elites are perceived as European, national and/or local govern-
ment officials, representatives of non-governmental organisations, members of lobby
groups or consultancies, as well as academic researchers who are working in a
professional and functional manner towards the attainment of certain goals, individ-
ual or political agendas. The EU structural programming framework comprises a set
of institutional regulations, programming criteria and funding conditions, employed
for the formulation and operationalisation of EU cohesion policy initiatives. It is,
thus, hypothesised that policy networks and professional elites have a decisive influ-
ence on the formulation and operationalisation of Community structural programmes
due to their knowledge of EU structural programming, their experience with EU
policies and politics, and their pursuit of particular agendas.

Secondly, policy networks evolve and operate conditional on European, national and
local circumstances. While the European, national and local circumstances refer to
the institutional and structural differences which exist at European, national and local
level, it is hypothesised that policy networks do not emerge unrelated to their institu-
tional and/or structural context, but are a clear dependent product. Thirdly, the nature
and characteristics of policy networks and multi-level governance are related to the
policy output. While the nature of a policy network is defined as the structure of the
network in terms of involved actors and policy levels, the characteristics of the pol-

icy network are understood as the degree of interaction between network actors within and across policy levels. Given that policy networks are considered a new form of governance, multi-level governance is regarded as an innovative and integrated approach to decision-making via the interaction of supranational, national and subnational actors in a multi-layered polity. The policy output is defined as an intermediary product of URBAN's formulation and operationalisation, that is, the specific design and conceptualisation within the given context, as well as the devised structures and strategies to translate the URBAN philosophy, its framework and guidelines into practice.

Furthermore, the study refers to Europe as the territory of the European Communities, while the European arena stands for the polity of the European Union. The term 'socio-spatial' represents an integrated approach, addressing physical, infrastructural and urban planning issues of urban regeneration issues as well as social, economic, political and environmental aspects of urban regeneration. The study further defines a key actor as a person who was actively involved in the formulation and/or operationalisation of the URBAN programme at the EU or macro level, the national or meso level, and local or micro level. Operationalisation is defined as the preparation of structures and systems for a later implementation, where the former refers to intermediary outputs and the latter implies the prominence of conclusive results. It should be noted that 'Community' in title case refers to the European Community at the macro level, while 'community' in sentence case stands for the local urban community at the micro level, comprising local residents, community organisations and/or voluntary groups. Furthermore, the study refers to the 'URBAN programme' at macro and meso level, while the term 'URBAN project' denotes the local projects in London, Merseyside, Berlin and Duisburg. Within the EU terminology, 'sub-programme' is used to refer to the individual, borough-specific design and operation of the London and Merseyside projects. The term 'sub-project', however, denotes the individual activities and community schemes realised within the course of each URBAN project at local level. To distinguish between references to primary and secondary data, it should be noted that primary data collected is referenced via the devised numerical transcript classification, that is, a capital 'T' linked to a transcript number from 1 to 75. Moreover, the study prefers the terminology 'EU urban dimension' over the term 'EU urban policy', as the latter implies an institutionalised,

comprehensive and consolidated approach to urban issues by the EU. It remains to be seen whether future urban developments expand the current urban *dimension* through a more integrated co-ordination of existing Community polices, or whether a new Community urban *policy* will emerge. Within the present setting, the EU urban policy dimension still has to clarify some of its strategies, aims and objectives in respect to the EU's policy goals, its competences regarding the principle of subsidiarity and multi-level governance, and its position within the EU legislation.

The study is guided by a central research question: What are the decision-making processes regarding the formulation and operationalisation of the URBAN Community Initiative at the EU or macro level, the national or meso level, and the local or micro level? Further explanations have derived from the questions of: how is the URBAN Community Initiative formulated and operationalised the macro, meso and micro level? Which factors guide and/or determine the above processes and who are the key actors? How far are European, national and local circumstances a factor to be considered for EU structural policy making and realisation through Community-wide action programmes like URBAN? What differences exist in the URBAN formulation and operationalisation at the local, national and European level, and how can they be explained? How can the decision-making processes behind the URBAN formulation and operationalisation best be characterised at macro, meso, and micro level?

The study is organised in three parts. Part I concentrates on multi-level governance networking and urban Europe. Chapter 1 discusses socio-spatial issues in urban Europe. Starting with an illustration of urban theories and European urban development, the chapter displays the structural changes within the urban system in Europe, indicates the consequences of urban change, illustrates the concept of social exclusion and concludes with a discussion on socio-spatial exclusion. Chapter 2 concentrates on policy networking and multi-level governance. Following a theoretical conceptualisation, the chapter applies policy networks to the context of the European Union, where the potential of networking at the European arena is discussed and the role of policy networks within EU policies and politics is debated. Chapter 3 concentrates on the research methodology. In the illustration of the research design and tools, the decision for the case-study design is explained alongside the choice for the case selection. The chapter proceeds with an account of the preparation of the data

collection, the sampling of respondents, and data collection in the field. Employing the qualitative software package Atlas/ti for the data analysis, the choice for this approach is illustrated alongside the applied code framework and visual network facility.

Part II focuses on the European Union's road to the Community Initiative URBAN. Chapter 4 elaborates the European Union's role in socio-spatial Europe by illustrating the setting of the European urban agenda. The chapter commences with an illustration of the European Union's investigation of urban problems, where an overview over European urban issues is provided, and the outset of a Community urban policy dimension, and a Community-wide territorial development perspective are presented. Following the identification of separate social and spatial Community activities within urban Europe, the chapter concludes with a discussion of an emerging urban governance perspective. Chapter 5 investigates the decision-making process behind the launch of the URBAN Initiative. Departing from an illustration of the 1993 Structural Fund Framework Regulations, the consultation procedure for the Green Paper on the future Community Initiatives is examined both in its draft and final form. The chapter continues with a discussion of the URBAN programme and concludes with the analysis of URBAN at macro level by indicating the participation of the network actors, their partnership or network interaction and the multi-dimensionality of the network range.

Part III concentrates on the formulation and operationalisation of the URBAN Initiative within the specific cases of the UK and Germany. Chapter 6 investigates the decision-making process behind the formulation of the URBAN Initiative in the UK and Germany. Starting with the illustration of the URBAN programme formulation at the meso level in the UK and Germany, the chapter continues with the elaboration of the URBAN project formulation at the micro level in London (Park Royal), Merseyside, Berlin and Duisburg-Marxloh. Thus, the modus operandi in approaching the URBAN Initiative is illustrated, followed by a presentation of the selection procedures and the approval processes at both, the meso and micro level individually. The chapter concludes each level with a respective, comparative analysis of the participating network actors, their partnership or network interaction within the multi-dimensional network range. Chapter 7 displays the operationalisation of the

URBAN Initiative in the UK and Germany in the four case studies of London (Park Royal), Merseyside, Berlin and Duisburg-Marxloh. Following an illustration of the URBAN project contents, the chapter elaborates the different operational management structures and addresses the operationalisation processes. A comparative analysis of the participation of the particular network actors, partnership or network interactions, and the multi-dimensionality of the respective network range concludes the chapter.

Chapter 8 presents a conceptualisation of the URBAN policy process. The chapter starts with a review of the main issues emanating from the empirical research across the cases and policy levels. Grounded in empirical findings, the chapter elaborates a theoretical conceptualisation of policy networking and multi-level governance through the three notions of Participation, defined as Network Actor, Partnership, perceived as Network Interaction, and Multi-dimensionality, considered as Network Range. Within a dynamic process perspective, distinct dimensions of the three concepts are identified. Moreover, the different constellations of Participation/Network Actor, Partnership/Network Interaction, and Multi-dimensionality/Network Range are conceptualised to indicate different idealtypes of decision-making. Thus, selective, hierarchical, and integrated decision-making are perceived as analytical dimensions of multi-level governance or network decision-making. This theoretical framework is then re-applied to the case studies at macro, meso and micro level, presenting an analytical examination of the decision-making processes behind the URBAN formulation and operationalisation across the different cases and policy levels. Finally, the further conceptualisation of the three concepts to Multi-level Governance is presented. The chapter concludes with an overall resume of the urban policy dimension of the European Union and, secondarily, provides an agenda for future research.

Part I:

MULTI-LEVEL GOVERNANCE
NETWORKING IN URBAN EUROPE

Over the last decades, the promotion of urban management and the impact of demographic and social changes have had decisive impacts upon the European urban system. Today nation-states are more interdependent than they are independent. Structural change is seen as cause and consequence of internationalisation, the substitution of labour through capital and the rising importance of the service sector, which alongside social and environmental aspects, constitutes urban change (OECD, 1983, Vol. I, p. 68f). The process of globalisation, the transformation of Eastern Europe, the macro-economic shift towards the information sector and the impact of technological developments are identified as the main forces shaping the future urban Europe (Hall, 1993). Within the European Union (EU), the particular challenges of political integration, socio-economic cohesion, environmental sustainability and innovative decision-making have fundamental implication for the European territory, the urban system and European urban governance. Particularly within the context of EU decision-making, governance has to be understood within a multi-level framework, where supra-national, national and sub-national actors share the responsibility for policy-making. Political control is variable across policy arenas, and policy actors are engaged in a "set of overarching, multi-level policy networks" (Marks et al., 1997, p. 41). As a response to a change in political reality (Kenis and Schneider, 1989, p. 6ff), the term 'network'

> "(...) merely denotes (...) the fact, that policy-making includes a large number of public and private actors from different levels and functional areas of government and society." (Hanf, 1978, p. 12)

Supported by the empirical data, the study will illustrate that policy networks play a significant role within the context of the EU, both as an analytical tool for the theoretical

study of EU policy processes, and as an empirical phenomenon of EU policy conceptualisation and realisation, that is, via EU governance.

The following part provides a contextual analysis of EU urban policy. Chapter 1 illustrates the main socio-spatial issues in Europe. Following a theoretical debate of policy networks and multi-level governance, the two concepts are discussed within the policy-making context of the European Union in Chapter 2. Chapter 3 illustrates the employed research methodology prior to the presentation of the empirical findings in Part II and Part III.

Chapter 1 *SOCIO-SPATIAL ISSUES IN URBAN EUROPE*

A s the locations for economic innovation, cities are increasingly recognised for their central role in the economic competitiveness of their surrounding region, country and the European Union as a whole. However, with the spatial concentration of the negative effects of structural change in their severest form, cities are equally the location for the most critical problems facing the European Union. Whilst competitiveness and success are implicit in the "entrepreneurial city", the spatial effects of social polarisation and socio-economic exclusion are visible in the "dual city" or the "divided cities". Thus, as social issues are increasingly acknowledged as influential factors in the development of the European urban system, and the spatial dimension of socio-economic exclusion enjoys greater recognition, socio-spatial exclusion and the main issues in urban Europe are illustrated below.

1.1 Urban Theories and Urban Development in Europe

Within the academic literature, the theoretical argument of urban political sciences consists of a wide range of different perceptions of the nature, the purpose and the structure of urban government and governance. The most significant perspectives for this study are illustrated below. The comprehensive overview, provided by Judge and colleagues (1995), identifies the question of power relations as one of the central aspects of urban political sciences in general and of the pluralist theory, elitist theory and the regime theory in particular. Known as the classic "community-debate" of the 1960s and 1970s, contemporary pluralist and elitist theories have emerged from their respective criticism and counter-criticism on the nature, extent and scope of urban power relation, local decision-making and municipal governance (Harding, 1995, p. 39ff). Following Judge (1995, p. 13ff), pluralist theories perceive power as dispersed among several political players and, thus, subject to the idea of power stratification.

After Harding (1995, p. 35ff), elitist theories regard power to be concentrated among a few socio-economic elites with entrepreneurial interests and urban management methods, thus, opposed to pluralism. Of particular relevance for the context of EU urban politics and multi-level urban government and governance within the Community Member States, is the fact that elitist theories have illustrated the profound subnational effects of macro-economic change upon urban-regional economies (Harding, 1995, p. 46). This enhanced their significance, and simultaneously made traditional, national economic instruments obsolete in responding to global restructuring.

> *"Almost by default, decisions made at subnational level are becoming more important and urban redevelopment efforts are taking on added significance for local and national decision-makers in public and private sectors."* (Harding, 1995, p. 46)

However, given their theoretical deficiencies, pluralist and elitist theories have been supplemented by a new theoretical conception on urban interest coalitions via the urban regime theory. Stoker (1995, p. 69) defines a regime as a relative stable form of governance combining public and private interests, substituting the narrow focus of power by the notions of systematic power and social production, whereby actors channel resources, skills and interests into this long-term coalition. The impact of Marxist theory on urban political sciences in general and the pluralist, elitist and regime theory in particular is highlighted by Judge and colleagues (1995, p. 10) as having encouraged the consideration of the wider socio-economic and political context of urban policies and politics, and a focus on systematic power and the relationship between economic forces and political action. Painter (1995, p. 276) illustrates a variant of the Marxist theory, the regulation theories, which regard the role of the economy as their main focal point within urban politics and therefore highlight the relationship between Fordist - or more recently - Post-fordist production and the institutional settings of local government and urban service provision. Furthermore, the scope, the nature and the distribution of democracy constitutes a further key element of urban politics and Community urban issues. Jones (1995, p. 72ff) illustrates urban theories analysing non-elected urban bureaucrats and the question on "who controls" and "who benefits", while Stone (1995, p. 96ff) illustrates the nature of democratic political leadership. Considering cross-country analyses of urban politics, Judge and colleagues (1995, p. 11) conceptualise highly generalised theories as so-called macro-theories, that is, state-capital related theories, local autonomy and governance.

Smaller-scale theories, or micro-theories, stress the behavioural dimension within a specific country-context, such as urban growth machines, regime theory and urban social movements, or highlight specific institutional setting via theories on urban leadership and bureaucratic control (Judge et al., 1995, p. 11).

Within the urban development literature, the cyclical progress of succeeding centralising and decentralising phases, based on absolute population changes in urban regions and relative shifts of population within the urban space, constitutes the predominant urban development perspective. Identifying urban development as a systematic process, Hall and Hay (1980, p. 180ff) interpret six different urban development stages in a more linear sequence of centralisation and decentralisation of population change. Van den Berg (1982, p. 69ff), however, expands this process to a model of urban development stages by introducing a dynamic and cyclical perspective. His fourfold urban lifecycle incorporates the phases of urbanisation, sub-urbanisation, de-suburbanisation and reconcentration. The process of urbanisation emerged in European countries through the rural-urban migration of the workforce, substituting former agricultural occupations with industrial labour positions as a result of the Industrial Revolution. Progressing into the industrial era amid the overall growth of the urban space, the subsequent stage of sub-urbanisation, defined as ex-urbanisation (Clark, 1996, p. 53ff), replaced core growth with the out-migration of population, followed by the reallocation of economic activity to the periphery, and shifting urban growth factors to the suburban fringes. The third phase is characterised by de-suburbanisation and inter-urban decentralisation, which consists of an overall loss of population, both within the urban centre as well as the suburban periphery. This stage is also referred to as counter-urbanisation (Clark, 1996, p. 53ff), ex-urbanisation (Cheshire and Hay, 1989, p. 3; Symes, 1995, p. 21) or de-urbanisation (Parkinson et al., 1992, p. 71f). Due to the negative consequences of sub-urbanisation, such as traffic congestion, air pollution and overstrained infrastructure, the urban population leaves the metropolis and moves to smaller towns. In the last stage of urban development, however, the urban core is revitalised and the urban population moves back into the urban centre (van den Berg, 1982, p. 25ff). These development stages are particularly important for this study in respect to their effects on urban employment. Symes (1995, p. 24f) illustrates, that the physical concentration of unemployment, associated with sub-urbanisation and ex-urbanisation, has negative

effects on the informal networks commonly used to obtain information on employment opportunities. Hence,

> *"(...) residential segregation of lower income groups can reinforce unemployment within an area of the city even if the number of jobs available in the city as a whole, and the demand for different types of labour have remained unchanged." (Symes, 1995, p. 25)*

Cheshire and Hay (1989, p. 33) identify urban development stages in terms of centralisation and decentralisation, articulated through urban growth and decline. Grounded on the analysis by Hall and Hay (1980), the model of the Functional Urban Regions (FURs) is introduced, which includes population migration, a commuting index, the unemployment rate and index in relation to the European average, and the mean GDP per capita for the decade 1974-84. Through the usage of FURs, Cheshire and Hay (1989, p. 15) define metropolitan boundaries as a spatial unit which consists of an urban core and its hinterland, the former defined by its employment concentration, and the latter by its commuting relationship. With this abstraction of the FUR index and their classification in three different groups regarding their size, a fairly consistent definition is obtained, which accounts for useful comparisons and meaningful analyses across EC countries. Opposed to Hall and Hay's (1980) definition of FURs, where the smallest and most appropriate spatial units vary from country to country, Cheshire and Hay (1989) define FURs as equal in size and self-contained in nature for all Community Member States. In an analysis of urban change via the FUR classification, Cheshire and Hay (1989) identified the interaction between decentralisation and de-industrialisation as a casual force for urban change, confirming the cyclical sequence of centralising and decentralising urban development stages. Referring to the decreasing role of many mono-industrial urban regions in the North of Europe, urban decline problems were, thus, associated with the processes of economic de-industrialisation and demographic decentralisation (Cheshire and Hay, 1989, p. 36f). While the urban study commissioned by the European Community and conducted by Parkinson and colleagues (1992) illustrates the urban development process in Europe between 1960 and 1990 through demographic and migratory developments reflecting economic trends, Clark (1996, p. 52ff) diversifies van den Berg's model by introducing absolute and relative centralisation and decentralisation within the cyclical development process of urban growth and decline.

Different academic disciplines analyse urban areas either in regard to their geographical location, physical fabric and infrastructural potential, or as places of political and cultural evolution and/or the origin of modern democracy and citizenship. While a fragmented uni-dimensional examination of urban space, however, is considered artificial and counterproductive for comprehensive urban analyses, Harvey (1973, p. 10f) argues for an integrated geographical as well as sociological urban perspective. Hence, the interrelation between spatial forms and social processes is recognised as an imperative for successful urban policy-making and implementation, providing the basis for the URBAN Initiative investigated here. Spatial forms are, thus, not considered

> *"(...) inanimate objects within which the spatial process unfolds, but as things which*
> *"contain" social processes in the same manner that social processes are spatial."*
> *(Harvey, 1973, p. 10f)*

Clark (1996, p. 100) equally acknowledges the dichotomy of the urban space by identifying urban space as both a mere physical spatial concentration, and a synonym for civilisation, socio-economic and political processes and the source for cultural development.

> *"'Urban' is a descriptive label which is used to describe both a particular type of*
> *place and a set of distinctive patterns of association, values and behaviour." (Clark,*
> *1996, p. 100)*

While commonly shared interests might be based on, exercised in, and perpetuated within a spatial dimension, the commonality can be equally transported to an abstract dimension, that is, beliefs, characteristics and/or rights. The relationship between the individual and the community is, thus, characterised by a "joint participation in a shared good" (Berry, 1989, p. 106). Hence, urbanism and the urban development mirror a body of lifestyles, which is generated by the city through its impact on society. Especially in Western countries, the impact of urban institutions and values upon socio-economic circumstances has been more influential than in less urbanised countries of the Third World and developing countries at large (Clark, 1996, p. 101). Thus, the particular structure of the urban space reflects the historic and present economic, political, social and cultural context in which the city is embedded (Parkinson et al., 1992, p. 43).

1.2 Structural Changes within the European Urban System: The "Entrepreneurial City"?

As mentioned earlier, macro-economic restructuring had significant effects upon European cities and their functions within the urban system in particular. The sectoral shifts from an industrial, manufacturing role towards a post-industrial function, increasingly dominated by service sector industries and modern technologies, made urban growth or decline a dependent variable of a city's economic and social adaptability to the spatially disentangled, global "information society". As Clark (1996, p. 10) points out, society has become divorced from space. The membership of and the role within society are mere functions of participation and are no longer so related to the notion of place. As the location of key individuals, institutions and organisations which manage, navigate and determine the development and reproduction of capitalism across the world, entrepreneurial and global cities have successfully adapted to the economic changes of globalisation. Local economic performance is determined by its regional and/or urban context, with a metropolis as the potential device for the attraction of international capital and the prospect of global influence. In line with the economic renaissance, and the re-gained attractiveness of the city as an integrated place to work, to live and to visit, the European city of the late 1980 witnessed an urban revival (Harding et al., 1994, p. 195ff). This development found further stimulus in the insufficiency of nation-state regional policies, ongoing political decentralisation to the local and municipal level, as well as the exposure to the expanding competition between cities over global investment and trade (Parkinson et al., 1992, p. 163ff).

The main focus of urban economic redevelopment has been to modernise and diversify the city's base economy by creating unique characteristics for the city and, thus, enhancing its potential for the increasing competition between cities over scarce international capital and urban status (van den Berg and Klaasen, 1989, p. 57). Between the 1970s and 1990s, metropolitan governance practices changed fundamentally from managerialism to entrepreneurialism (Harvey, 1989, p. 295f). During the late 1980s, the notion of the "entrepreneurial city" emerged, which Lavoie (1991, p. 36) sees as partly cause and partly consequence of culture, grounded in the definition of entrepreneurship as an "innovative and value-adding economic activity" (Berger, 1991, p. 8). One way to trace the origins of entrepreneurship, is to look at Max

Weber's attempt to explain the emergence of capitalism in reference to the ability of early Calvinism to release, control, and navigate modern entrepreneurial energies. In his seminal work, "Die protestantische Ethik und der Geist des Kapitalismus"[1] (1972), Weber attributes the reason for the conception of specific modern institutions to the increase of "instrumental rationality" - the characteristic notion reflecting modern entrepreneurship (Berger, 1991, p. 23). Within the political thought of liberalism and free choice within the market-system, entrepreneurship is considered as taking the initiative, being alert, and exploiting advantages which lead to success, without reference to the implicit creation of winners and losers and socio-economic consequences. Thus, Lavoie defines

> *"(...) entrepreneurial action as maximising an objective function according to given constraints. To act entrepreneurially is simply to take advantage of concrete profit opportunities neglected by others." (Lavoie, 1991, p. 35)*

Within the urban sphere, entrepreneurial city management found expression in business-orientated strategies such as marketing the assets of the city, directing its qualities, and planning its future progress. Through innovative institutional strategies, for example, public-private partnership schemes, diversification, specialisation and niche positioning within the urban system, entrepreneurial cities portray new images of centres for high potential economic developments, cores of macro-economic decision-making, and/or the heart of regional, national and international commerce (van den Berg et al., 1989, p. 88). Therefore, in the late 1980s, entrepreneurial urban management was increasingly advocated as an appropriate means to further people's welfare and to consolidate municipal finance capacity. Furthermore, van den Berg and colleagues (198,9, p. 57) and Parkinson and colleagues (1992, p. 173) proclaim strategic urban management and efficient urban planning as essential policy instruments to address urban problems, respond to the increasing need for city marketing, promote the living environment, and improve access to cities as well as connections between cities.

> *"Market analysis and city marketing are henceforth indispensable instruments for the development and implementation of urban policy." (van den Berg and Klaasen, 1989, p. 58)*

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[1] The Protestant Ethic and the Spirit of Capitalism (Weber, 1972).

This new form of urbanism, however, was considered a conceptional change to the more integral and multi-dimensional understanding of urban areas, incorporating integrated economic reactivation objectives into the city concept (Borja and Subiros, 1989, p. 13f). Subsequently, competitive tendering for private and public activities, and the philosophy of cost-efficiency have entered political decision-making, with the emergence of interest groups on behalf of the urban manager and the citizen-consumer as a logical consequence. Especially within the context of the EU, the role of pressure groups has steadily increased due to their substantial lobbying capacity at local, national and supra-national level (van den Berg and Klaasen, 1989, p. 57).

Operating on a cosmopolitan scale, the so-called "global city" aggregates high-level functions of the world market, consolidates the control of global finance, and constitutes the origin of new products and new markets within the global urban system (Sassen, 1991, p. 5ff; Clark, 1996, p. 9 & p. 138). Clark (1996, p. 10ff) argues further, that the city of the world and the world of the city seem to constitute the future development of the global economy and society, as the world became an urban place. Seen as the decision-making body for the world economy, the global city provides services for the world market beyond domestic consumption, and constitutes the core of political authority and cultural prestige (Clark, 1996, p. 138). While Sassen (1991, p. 138) regards the concentration of headquarters of global corporations and local elites as well as the location for international government and administration in world cities as their "key elements" of the international urban system, Clark (1996, p. 137) highlights their infrastructural key function within the European context, that is, provision of major airports, traffic junctions as well as interconnection with the European high-speed train system. Parkinson and colleagues (1992, p. 44) classify London and Paris as global cities within the European urban system, yet equally reflect upon other European cities, which "must essentially live with the consequences of decisions made elsewhere" (Parkinson et al., 1992, p. 44). Clark (1996, p. 38f), however, highlights the controversial empirical evidence of the world-city concept, questions the world-wide role of the relatively small number of global cities, dominating and representing the remaining urban system, and equally considers the concept of the global economy inappropriate with such a substantial number of countries beyond its reach. Apart from global economic restructuring, decentralised production and a global service sector, the European urban system is considered to be equally

affected by changes such as the decentralisation on the political and administrative level within nation states as well as by the growing recognition of the inadequacy of traditional policies to equalise the consequences of the liberal market structure (Newman and Thornley, 1996, p. 9f; Clark, 1996, p. 79f).

Hence, investigating the future European urban system, several, partly contradictory, hypotheses become apparent. Following Kunzmann and colleagues (1996, p. 3f), the decentralisation perspective sees investment move to regions with lower production costs and less congestion as a result of increasing economic agglomeration in the core. Highlighting the increasing significance of specialised synergies between cities, the hypothesis of urban networks connects economic success to functional, physical and personal networks between cities (Kunzmann, 1996, p. 4). As the hypotheses of urban hierarchies and concentration are particularly relevant within the context of the EU urban agenda, a more detailed illustration follows below, while urban networks were given a separate paragraph in chapter 2 reflecting the specific role of networking in and across urban Europe.

At national level, urban hierarchies illustrate the relative attractiveness of different European cities for commercial inward investment, while locally, a city's ranking position constitutes a planning criteria for urban managers and decision-makers to maintain a city's competitive edge and to develop future planning and marketing strategies (Newman and Thornley, 1996, p. 16). At European level, cities are incorporated into the Community's regional socio-economic cohesion perspective and its so-called Development Objective classification under the Structural Funds. The ranking of European cities, thus, illustrates the complexity, diversity and interdependence within the urban system, identifies the cross-national dimension of urban problems as well as justifies an integrated framework for territorial planning with the supranational intervention of the EU (EC/DGXVI, Europe 2000+, p. 4 & p. 23). However, the Community's classification of cities advanced from an initial quantitative ranking based on economic performance and league tables (Cheshire et al., 1988) to a qualitative, case-study based categorisation of European cities focusing on the political system in which the European city is located (Parkinson et al., 1992). Thus, considering their historical role, past functions and recent developments, cities are understood to represent the socio-economic, cultural and political characteristics

of metropolitan integrity. Perceived within their surrounding region and embedded in the national planning structure, Parkinson and colleagues (1992, p. 43ff) regard cities incorporated into a variety of overlapping urban hierarchies. A single hierarchy, defined by indicators such as size, contribution to gross domestic product, economic performance across sectors and unemployment levels, however, is unable to reflect a city's heterogeneous nature, mirror its dynamic development, and/or identify the essential socio-economic and political changes which take place within the international or European urban context. Thus, European cities are ranked according to their specialised function and sphere of influence, for example: manufacturing, services, distribution and transport, public administration, innovative technologies, culture, leisure and tourism.

Considering geographical location as a determinant for the functions of cities within the European urban system, the hypothesis of concentration focuses on the centre-periphery considerations. As structural changes have had an uneven economic impact upon the European regions, wealthy areas and less prosperous regions emerged, resulting in connotations of "core" and "peripheral" regions. Given the fact, that these spatial disparities were partly cause and partly consequence of the processes of European integration and the Single European Market, the Community acknowledged the need for direct intervention through Structural Fund assistance. During the early 1980s, the political science (Marxist) "core-periphery theory" was substituted by "convergence and divergence theories" rooted in economics. The latter were considered more able to reflect actual developments within and between the Community's regions (Leonardi, 1995, p. 54).

> *"Core-periphery definitions provide a reasonable guide to the historical pattern of industrialisation in Europe, but their relevance to the geography of post-industrial development has increasingly been questioned." (Harding et al., 1994, p. 5)*

According to the convergence theory, EU funds stimulated socio-economic cohesion and are in fact responsible for its acceleration (Leonardi, 1995). Critics, however, question the increase in convergence. Resources available for the promotion of cohesion seemed to be directed more by the institutional and political factors of the EU bureaucracy than by "any assessments of real needs to meet stated aims" (Symes, 1997, p. 221).

The future enlargement of the European Union will change the European urban map, shifting the economic and political weight towards Central Europe. The future of the European urban system, however, can not be predicted, as best practise strategies for future urban developments are yet to be explored, refined and tested.

> *"Whatever the metaphor, the pattern of urbanisation emerging is far from random. It is the consistent expression of spatial division of labour dictated by a powerful principle: competition." (Kunzmann, 1996, p. 4)*

1.3 Consequences of Urban Change in Europe

As successful European cities prosper at the competitive edge, less successful cities in Northern Europe face severe problems of urban decline, while Southern European cities are confronted with problems of urban growth. In the early 1980s, the OECD (1983, Vol. I, p. 70) highlighted the disproportionately negative effects which structural change has on declining urban areas in Northern Europe, given their spatial concentration of old and out-mode industrial plants, mono-industrial economies, a high proportion of manufacturing production and labour intensive local employment. Based on the OECD report (1983, Vol. I, p. 51f), Cheshire and colleagues (1986, p. 7) define urban decline as

> *"(...) spatial concentration in large cities of social, economic and environmental problems such as high levels of unemployment and poverty, housing deterioration and decay of the urban infrastructure." (Cheshire et al., 1986, p. 7)*

Contrary to North Europe, rural-urban migration and rapid population growth are the predominant problems of Southern European cities (Cheshire and Hay, 1989, p. 36), alongside average low income and a poor quality of social capital, associated with the still persistent urban development process of urbanisation. Considering the growing polarisation between successful and unsuccessful cities,

> *"(...) urban problems are best viewed as the symptoms of adjustment to changes in the functions and supply-side conditions of particular cities, interacting with the adaptive capacity of their local economy and their social structure." (Cheshire, 1990, p. 331)*

A holistic urban perspective, however, implies the integration of economic, physical and/or infrastructural policies with the promotion of social and economic cohesion and the adaptation of the city to meet the need of its inhabitants (Borja and Subiros, 1989, p. 17). Yet, the economic "development-at-all-costs" approach displays a wide range of negative environmental and particularly social effects, revealing increasing parts of society unable to benefit from current macro-economic changes. Thus,

Harding and colleagues (1994, p. 204f) further identify the groups of immigrants and ethnic minority communities as a constitutive element of the less fortunate social strata, while other scholars would include the (long-term) unemployed, single parent families, large families, the handicapped as well as elderly people in the group of the most disadvantaged (Room, 1990, p. 95ff; CEC, COM(92) 542 final, 1992c, p. 8ff).

Castells (1989, p. 206) regards the emergence of socio-spatial disparities not as a mere juxtaposition of rich and poor strata, but rather as a result of the simultaneous process of industrial growth and decline. Linking structural changes directly to the expansion of the informational economy, a new form of urban dualism emerges, reflected in an increased labour polarisation within the so-called "dual city". A new managerial, professional class evolves, which is spatially organised and segregated from the low-skill strata of society. Higher cultural and scientific levels of labour emerged through the adaptation of the educational system and enhanced structural conditions (Castells, 1989, p. 224). Thus, the post-industrial society is characterised by a mismatch between labour elements being phased out and the requirements of new labour. Therefore Castells (1989, p. 228) regards spatial restructuring, which simultaneously includes and excludes certain labour segments, as the contemporary meaning of the "dual city", and defines its essence as

> *"(...) an urban form that articulates the rise of the new socially dominant category in the informational mode of development, while disarticulating and opposing the fragments of destructured labour as well as the components of the new labour incorporated into the emerging economic structure." (Castells, 1989, p. 228)*

Clark (1996, p. 139f) follows this argument by highlighting the dual character of global cities, which can be identified by both, wealth, prosperity, and socio-economic inclusion, and equally by disadvantages, deprivation and socio-economic exclusion. Mollenkopf and Castells (1991, p. 401) however, argue, that the heterogeneity of the urban society can not be reduced to a mere dichotomy regarding the income distribution of two extreme social strata. Thus, considered unable to explain the more complex nature of social stratification and the diverse structure of urban space, the social polarisation hypothesis with its spatial manifestation in the "dual city" was increasingly rejected in favour of growing inequality, social stratification, social segregation and, more specifically, socio-spatial exclusion, thus with a focus on the city at large. While Harding and colleagues (1994, p. 204f) view economic

growth as a contributory factor in the generation of social and environmental prob-
lems, for instance, growing income inequality, persistent unemployment and deep-
ening social segregation or increased waste production, traffic congestion and
pollution, Logan and colleagues (1992, p. 139f) see a clear spatial pattern to inequal-
ity, which is articulated in the spatial concentration of disadvantage, deprivation and
poverty. Harloe and colleagues (1992, p. 253ff) argue for the undoubted evidence for
both growing socio-economic inequalities in terms of gender and ethnic origin, and
the process of increasing polarisation of the city at large, thus not only of the me-
tropolis or global city. Fainstein and colleagues (1992, p. 6ff) argue for the growing
spatial manifestation of social division, which becomes apparent as income groups
become increasingly segregated on the labour and housing market. The creation of
the dual labour market has contributed to the generation of divided cities. This
approach is particularly useful for this study, where socio-spatial exclusion in spe-
cific urban areas characterised the four local case studies under investigation.

> *"The growing trend towards inner city gentrification, whilst it brings more affluent
> groups back into the city, has been paralleled by the growing geographical and eco-
> nomic marginalisation of the most dependent social groups at a time when social
> welfare provision has often been cut back." (Harding et al., 1994, p. 11)*

1.4 Social Exclusion: What are the Issues?

The notion of social exclusion originated in Lenoir's (1974/1989) description of the
social effects of French economic and welfare policies in the early 1970s. Following
conceptualisations of social disadvantage via the notions of marginalisation, depri-
vation, stigmatisation and "new poverty" during the 1970s and 1980s, the concept of
social exclusion encapsulated the multi-dimensional consequences of structural
change during the 1990s. Since the late 1980s, the European Union has become a
major figure in debates on the causes of, and adequate intervention strategies against
poverty, deprivation and marginalisation. Grounding the Community's key concept
for its social policy framework in the concept of social exclusion, the European
Commission was one of the mayor engines in the development and the promotion of
social exclusion (Room, 1995, p. 3). As a multi-dimensional concept, as well

> *"(...) as a persuasive call for public action, "social exclusion" has acquired various
> meanings. In Western Europe, those meanings are embedded in the emergence of the
> term in French political rhetoric and the specific institutional history of the European
> Union." (Gore et al., 1995, p. 1)*

Gore and colleagues (1995, p. 3) and Silver (1995, p. 60) illustrate social exclusion is frequently perceived as, for instance, exclusion from livelihood, the labour market, property, from consumer goods, welfare state services, from education and skills, from humanity, citizenship and legal equality, from geographical space and/or housing. Although the multiple interpretations of social exclusion are frequently criticised, they do not refer to the weakness of the concept, but rather illustrate its overall significance for the social sciences.

> *"Interest in social exclusion has grown in Western Europe in relation to rising rates of unemployment, increasing international migration, and the dismantling, or cutting back, of welfare states. The emergence of the term reflects an attempt to reconceptualise social disadvantage in the face of major economic and social transformations."*
> *(Gore et al., 1995, p. 3)*

A key concept amongst analysts and policy-makers in Western Europe, social exclusion has entered the political and academic vocabulary like the concepts of poverty and unemployment, discussed in different ways by different strands of thoughts in different countries. Thus, its causes, characteristics and responsibilities have been attributed to different interpretations based on contrasting social science paradigms and different political, social and cultural ideologies. This is particularly relevant for this cross-country comparative study of the United Kingdom and Germany, given the conceptual divide regarding social disadvantage. While the Continental debate about social policy is characterised by the notions of "solidarity", "integration" and "cohesion", the Anglo-Saxon liberalism discusses social disadvantage in terms of "dependency", leaving solutions to the individual via connotations of "self-reliance", "enterprise" and "opportunity" (Silver, 1994, p. 531; Silver and Wilkinson, 1995, p. 13; Room, 1995, p. 5ff; Bruto da Costa et al., 1994, p. 3; R. Walker, 1995, p. 102f).

> *"If it is the liberal vision of society that inspires the Anglo-Saxon concern with poverty, it is the conservative vision of society (using the term in Esping-Anderson's sense) that inspires the continental concern with social exclusion." (Room, 1995, p. 6)*

While poverty is generally associated with a material dimension and, thus, perceived as income inequality, social exclusion is regarded as the denial of power and rights (Berghman, 1995, p. 16ff). Following Townsend's (1970, 1979, 1987) classical concept of poverty as "relative deprivation", poverty attracts a non-monetary dimension via the notions of power and citizenship and, thus, can be regarded as the exclusion from the societal way of life, its activities and roles. Implying the concept of citizenship, Townsend (1970, 1979, 1987) regards deprivation as the denial of power and,

thus, as the limitation of full citizen status in a society. Given this incorporation of citizenship, Close (1995, p. 53), Gore and colleagues (1995, p. 6) and Room (1995, p. 6), however, regard the distinction between social exclusion and poverty -when considered as relative deprivation- as merely analytical.

However, within the literature on the conceptualisation of social disadvantage, poverty is associated with an outcome, while social exclusion refers to a process (R. Walker, 1995, p. 102ff; Buhr and Leibfried, 1995, p. 129ff). Whelan and Whelan (1995, p. 46) investigate the multidimensionality of social exclusion, Kristensen (1995, p. 146ff) emphasises its spatial dimension, Golding (1995, p. 212) advocates the shift from the notion of poverty to the concept of social exclusion as conceptually necessary and politically desirable. Oliver (1992, p. 39f) further calls for the need to "link poverty with social exclusion through the notion of human rights" (Oliver, 1992, p. 39 f). Thus the comprehensive concept of social exclusion

> *"(...) refers to a breakdown or malfunctioning of the major social systems that should guarantee full citizenship. Poverty, then, is part of - a specific form of- social exclusion. (...) In theory, relative deprivation is in line with the social exclusion concept; in practice, however, its operationalisation has generally rendered it a broader version of the poverty concept." (Berghman, 1995, p. 20)*

Berghman (1995, p. 21) identifies static versus dynamic dimensions as well as multidimensional versus income-based notions. The income-based concept of poverty is defined as a static outcome, while impoverishment refers to a dynamic process. Within a multi-dimensional perspective, deprivation denotes a static outcome, while the concept of impoverishment represents a dynamic process. A conceptual typology, which is shared by this study, is presented below.

Illustration 1.1: Concepts: Poverty and Social Exclusion

	Static Outcome	Dynamic Process
Income	Poverty	Impoverishment
Multidimensionality	Deprivation	Social Exclusion

Source: Berghman (1995, p. 21)

Gore and colleagues (1995, p. 6f) highlight the specific relevance of the social exclusion concept for European social policy analyses with its potential to reconceptualise

social disadvantage, illustrated through its descriptive, normative and particular analytical advantages over earlier notion such as "marginalisation", "deprivation" and/or "poverty". Descriptively, social exclusion is a dynamic concept, referring to both, processes, and subsequent outcomes of processes. It refers not only to individuals, but equally to societal interaction (Berghman, 1995, p. 16; Whelan and Whelan, 1995, p. 29; Atkinson, 1998, p. 7). Furthermore, the EU (EC/EU, Cohesion Report, 1996, p. 127) argues that social exclusion encapsulates the complex socio-economic and political interrelations between macro-economic transformation, socio-political and spatial change. By acknowledging the structural nature of social exclusion, the causes as well as symptoms of economic restructuring become apparent. By equally incorporating the dimension of social rights and citizenship, the interdependence of the various factors, different actors, and divers policy levels becomes visible, highlighting the multi-dimensionality of the social exclusion concept and its operationalisation (Gore et al., 1995, p. 6).

Normatively, social exclusion imposes a far greater socio-political imperative to act upon the structural causes of social disadvantage, grounded in the idea of solidarity and equality, which Silver (1995), borrowing Sen's (1992, p. 129) argument of the question of "equality of what?", highlights through her question of "social justice based on what?" Furthermore, the extraordinary analytical relevance of the social exclusion concept lies in its potential to help understand the various linkages and complex relationships between the different historical, socio-economic, political and cultural perspectives and definitions, where the "inverse of exclusion is thus "integration" and the process of attaining it, "insertion"." (Silver, 1995, p. 66f). Hence, through the building of barriers and the limitation of access to opportunities and resources, insiders can maximise their rewards, while outsiders are restricted through their non-membership of the group. Given the intrinsic duality of barriers, where "every level distinguishes and every distinction levels" (Silver, 1995, p. 69f), every barrier, through its very nature, generates inter-class inequality *between* its boundaries, while equally creating intra-class cohesion *within* its boundaries. Focusing on the socio-economic power relations within industrialised societies, Jordan (1996, p. 8) exemplifies this by using Buchanan's (1965) notion of "clubs", based on Max Weber's concept of "closure", while the EU acknowledges this ambiguity of insider

and outsider as the persistent "trade-off between internal and external solidarity" (Delors, 1992, p. 48).

Through a global and inter-sectoral analysis, taking the interrelation and the overlap of categories of social disadvantage into account, social exclusion is perceived as the accumulation of different factors, or as the diverse aspects of social disadvantage (Silver, 1995, p. 75). This study perceives the particular significance of Silver's (1994, 1995) conceptualisation of social exclusion not only in its potential to illustrate the various aspects and understandings of the concept at a single theoretical, political or national level, but also in its account for a more trans-national perspective, particularly relevant within the context of the European Union. Hence, the social exclusion concept not only allows a comparison between the different perspectives of poverty and/or citizenship in the Member States, but also illustrates the development of the EU's position, both as an institutional mediator and as an autonomous trans-national institution.

Illustrating the increasing currency of the social exclusion concept among European academics and political actors, Room (1995, p. 3) highlights the launch of the European Community's Third Poverty Programme[2] in 1989 as the Community's official acknowledgement and conceptual preference of social exclusion over the income-concentrated poverty concept, and its rejection of the value-laden notion of "underclass". However, according to Close (1995, p. 41ff), the Community's shift from the traditional poverty concept -as used up to the Second European Poverty Programme- to that of social exclusion originated not from the need of conceptual accuracy, but rather from the Member States' pressure for political correctness. While the Commission officially advocated social exclusion "as a practical alternative to the old poverty concept" (Berghman, 1995, p. 16), the real reason for this conceptualisation stemmed from the veto of some national governments against the official usage of the term "poverty" for the Third European Anti-Poverty Programme,

> "(...) as the member states (who have a guaranteed minimum income deemed sufficient to cover basic needs) expressed reservations about the word poverty when applied to their respective countries. "Social exclusion" would then be a more adequate

[2] European Community Programme to Foster Economic and Social Integration of the Least Privileged Groups (1989-1994).

and less accusing expression to designate to the existing problems and definitions."
(Berghman, 1995, p. 16)

Through the official title *"European Community Programme to Foster Economic and Social Integration of the Least Privileged Groups"*, the term "poverty" was avoided, and social disadvantage was circumscribed with the politically acceptable terminology of "the lack of privilege", making the degree of polarisation between rich and poor less apparent (Room, 1995, p. 9; Scott, 1994, p. 150ff). This hostility of some Member States towards the language of poverty and its substitution with social exclusion was further continued in the heavily disputed fourth European anti-poverty programme. Proposed by the Commission as *"Medium-Term Action Programme to Combat Exclusion and Promote Solidarity (1994-1999)"*, the programme was rejected after intensive vetoing by the UK and Germany. It was seen as an unnecessary programme within their national context, and an inadequate and inefficient European measure (EAPN Network News, October 1996).

1.5 Socio-Spatial Exclusion in Urban Europe

While the supra-national and national levels are engaged in policy formulation and implementation, Johansen (1992, p. 21) stresses that regional and local authorities maintain the closest relationship with the disadvantaged groups and, thus, have to play an equal and active role in the fight against social exclusion.

"We must use citizenship as an instrument in the struggle against social exclusion. A poor or excluded person is less of a citizen than others. (...) If we can make all Europeans feel real citizens, we will have already made a start in combating social exclusion." (Liverani, 1992, p. 26)

The concept of citizenship has re-enter the political agenda of European, national and increasingly local decision- and policy-making, confronted with the challenges of European integration, solidarity and cohesion, EU external relations, future enlargement, legal and political status of EU- and non-EU migrant workers living within Community boundaries (Room, 1995; Silver, 1995; Jordan, 1996; Hill, 1994; Lowndes, 1995). Furthermore, the EU advocates Union Citizenship, granting "free movement of people, political rights and greater democratic participation" (EC/EU, Cohesion Report, 1996, p. 47), as the key for equal opportunities and the reduction of the "democratic deficit", while equally considering it a comprehensive and effective approach to combat social exclusion and promote socio-economic cohesion in Europe (EC/DGXVI, Europe 2000+, 1994, p. 19; EC/EU, Cohesion Report, 1996, p.

46ff). While recognising citizenship as a component of ethnical, regional and national identities, the Community identifies citizenship per se, and the institutionalised Union Citizenship evolving since 1992 in particular, as crucial elements for the future institutional development of the EU, its politics and policies. Citizenship is, thus, considered to symbolise the "preservation of the European model of society" via a "compassionate societal response" and "higher levels of neighbourly solidarity between citizens" (Delors, 1992, p. 48ff).

> "The only true foundation for integration in Europe is a sense of common purpose and solidarity on the part of all its people. Any notion of European cohesion is inevitably intertwined with that of citizenship, democracy and solidarity." (EC/EU, Cohesion Report, 1996 p. 47)

Citizenship and social exclusion are perceived as mirror images of societal membership or as positive and negative forces of socio-spatial integration by this study. While the positive connotation of citizenship refers to the inclusion of insiders, the negative notion of poverty and social exclusion reflect the exclusion of outsiders, that is, those *beyond* the citizenship boundaries. However, the concept of citizenship itself holds an integral ambiguity between insiders and outsiders (Hill, 1994, p. 11). Thus, implicit from its origin in the Greek *polis*, the Aristotelian citizenship perspective, and from Marshall's (1950) perception, the idea and the practice of citizenship simultaneously include and exclude some groups from the community, and "citizenship is itself becoming the architect of social inequality" (Marshall, 1950, p. 62).

> "Citizenship is not, however, primarily grounded on the "active citizen" of volunteerism or the multiple interests of liberal pluralism. Citizenship is about power and its distribution, about the framework of public and thus collective decisions, and accountability for these decisions." (Hill, 1994, p. 4)

Leibfried (1992, p. 256), however, criticises the EU's citizenship concept for its selectiveness to employment and civil rights status, creating a separation of the economic and socio-political dimensions, visible in the final version of the Social Charter of Basic Social Rights, where "the 'worker' and the 'citizen' are treated as distinct social categories" (Leibfried and Pierson, 1992, p. 358). If certain groups of people are therefore denied unrestricted access to full citizenship due to unaddressed structural changes, inadequate reinsertion programmes and/or income protection schemes, the risk of a materialisation of exclusion rises sharply, specifically for the most vulnerable members of society.

> *"The high level of inequality within the Community, combined with increased mobility, is contributing to the development of pockets of visible poverty, often with a preponderance of ethnic minorities." (Leibfried and Pierson, 1992, p. 352)*

At the national level divergent understandings and practices of citizenship exist among the Member States. Using an analytical typology, the Continental perspective of citizenship emphasises the concept of solidarity and social exclusion, while the Anglo-Saxon tradition - grounded on Marshall's (1950) *classical* citizenship concept - stresses the civil, political and social rights, and obligations and duties of citizenship, thus, associated more with the concepts of poverty and relative deprivation. Likewise, the crucial element of Townsend's (1970, 1979, 1987) classical definition of poverty as "relative deprivation" is the idea of the existence of socially institutionalised living standards, social expectations and, thus, perceptions of citizenship, which identify a poor person as being "deprived of the conditions of life, which ordinarily define membership of society" (Townsend, 1979, p. 915).

> *"(...) insofar as the principle moral rights and obligations that shape social relations are those of an egalitarian citizenship, rather than traditional hierarchies, it is ((...) using the term in Esping-Andersen's sense) the social democratic vision that shapes the debate on social exclusion." (Room, 1995, p.6)*

At the local level, Foucault (1992, p. 12) points out, that the ability to practice the political, economical and social rights in an unrestricted way, transforms passive consumers of social benefits into active participants of society. While the traditional "triangular set of relationships between individuals, communities and municipal institutions appears fragile" (Lowndes, 1995, p. 171), Lowndes (1995, p. 178) identifies the revival of the citizenship debate as a response to the loss of community significance, the loss of interest in individual involvement in civic life and/or local politics, and equally to the inaccessibility of political decision-making.

While Silver (1995, p. 302) defines the urban sphere as the appropriate framework for the active involvement of urban citizens through citizenship, Jordan (1996, p. 18) argues, that 'community' constitutes an "unconditional inclusion", where its shared values and practices are of particular importance for the analysis of poverty and social exclusion. Community, thus, represents a potential tool and "possible focus for counter-exclusionary collective action" (Jordan, 1996, p. 18), as it comprises

> *"(...) different aspects of the relations between institutions and locality, including geographically defined populations, collectivities of people sharing values, ideas or*

lifestyles, and social interaction. (...) People interact in the course of their everyday social and economic lives; therefore, their experience of community is both spatial and social." (Hill, 1994, p. 33f)

In the way, that city administration have been increasingly pressurised by the growing costs of public service provision and social demands, the social consequences of economic globalisation -expressed by the notion of poverty, deprivation and social exclusion- have taken a spatial shape. "Pockets of poverty" and the formation of underprivileged groups are increasingly created within a spatial dimension.

"(...) the notion of spatial exclusion has been launched, referring not so much to spaces where there are poor persons but to "poor spaces" themselves. As the Poverty 3 programme has shown, such a space may be a poor region, a poor "island" surrounded by a developed region, an urban ghetto or a shanty town." (Berghman, 1995, p. 15)

Different perceptions exist in the search for explanations for socio-spatial manifestations of multiple disadvantage and the persistent and increasing social exclusion within an otherwise affluent urban society. While the Anglo-American liberal tradition and especially the New Right perspective, interpreted this paradoxon with the concepts of, for example, "dependency culture", "undeserving poor" and/or "underclass", the European perception rejects this terminology in favour of the notion of "severely deprived groups" (A. Walker, 1996, p. 66f; also R. Walker, 1995, p. 119f; Dean and Taylor-Gooby, 1992, p. 26ff; Hill, 1994, p. 73ff; P. Peterson, 1990, p. 3f). The latter is the terminology taken up here. Acknowledging the worsening of the socio-spatial poverty or deprivation, an ideological connection to the development of a sub-class, counterproductive to the mainstream society, however, is not made in Europe, where related concepts are perceived as a mere politicised non-reality, created by cultural determinism, moralism and right wing policy conclusions. A conceptual change, however, equally occurred within the American sociological literature. The disproportionate effects of macro-economic changes upon inner cities and its communities are increasingly analysed through the concepts of the "ghetto poor" (Wilson, 1987, 1996), and the "new social inequality - the gap between the expanding have-nots and the haves" (Wilson, 1998).

"Our research reveals that the beliefs of inner-city residents bear little resemblance to the blanket media reports asserting that values have plummeted in impoverished inner-city neighborhoods of that people in the inner city have an entirely different value system." (Wilson, 1996, p. 179)

While the concept of relative deprivation is gradually substituted by the multi-dimensional notion of social exclusion, both notions are important within the context of spatial segregation and social polarisation (Goodwin, 1995, p. 67; Jordan, 1996, p. 33). Goodwin (1995, p. 79f), however, points to the dangers of the "poor spaces" approach. While poverty becomes reduced to the mono-causal explanation of a "geographical version of blaming the poverty of a poor person on his or her inherent failings" (McComick and Philo, 1995, p.6f), the structural changes within the macro-economic and socio-political conditions of society remain ignored. Given the social construction of urban poverty, Goodwin (1995, p. 80) illustrates the degradation of the inner-city concept per se to an "ideological category heavily loaded with political and moral symbolism" (Goodwin, 1995, p. 80). A less sensational and polemic concept, social exclusion provides a viable tool to bring and maintain social disadvantage on the political agenda, if the concept

> *"(...) is not reified as a new social problem, adding to the catalogue of woes besetting the continent, but rather treated as an analytical approach to understanding existing socio-economic trends and problems." (Gore, 1995, p. 115)*

Within an integrated, multidimensional perception of socio-economic, political, cultural and environmental urban problems, the concept of socio-spatial exclusion is increasingly recognised at the European agenda. Within the European Union, socio-spatial exclusion is mainly discussed within a labour market focus. The Continental European debate, however, is associated with the concepts of democracy, power, citizenship, participation and access to democratic decision-making (Hirtz et al., 1992, p. 335; Johansen, 1992, p. 21), which is the approach taken up here. The combating of socio-spatial exclusion in European cities has thus to be directed towards *all* policy levels, that is, the European, national and local level. The study considers partnership-based approaches, local participation and a multi-dimensional policy range as the crucial elements for sustainable urban development - attainable if the challenge of networking and multi-level governance is met.

Chapter 2   *POLICY NETWORKING AND*

EUROPEAN GOVERNANCE

A s the European Union (EU) has increased its role and influence in the area of European public policy over the last years, a growing volume of literature in political science has focused closer on the study of European integration and the EU policy process. However, political research into this field has been problematic due to the lack of a coherent theoretical framework for explanations of EU policy making. A major reason widely recognised among scholars is that the traditional theories are inadequate to the task of understanding the current processes of European integration. Based on the state-centric model, the intergovernmental theory perceives the independent role of the sovereign state enhanced by European integration, while European integration within the neo-functionalistic perspective and its supranational model contributes to an erosion of state sovereignty and the shift of power to a supranational body (Hooghe, 1995, p. 2ff; Marks et al., 1997, p. 41). However the contrasting views of the state-centric and the supranational models are increasingly questioned by scholars. They suggest a more appropriate explanation of European integration, arguing that the "EU's institutional complexity and density make it unique as a system of governance" (Peterson, 1995, p. 395).

Elaborating further, Weiler and colleagues (1995, p. 25) identify three forms of governance, the so-called "international", "supranational" and "infranational" governance, which represent both an analytical tool as well as the reality of European policy processes. In international governance, the states are the key players, the governments the principal actors and the Union is perceived as a mere intergovernmental arena. In supranational governance, states are principal players alongside the Union, rendering state governments and Community institutions the privileged actors (Weiler et al., 1995, p. 25 ff). However distinct from these two, the infranational ap-

proach downplays the Member States and the Community as the primary players. Instead, the Union is perceived as a framework, in which actors operate at both Community and Member State level administration, public-private associations and interest groups (Weiler et al., 1995, p. 25). Weiler and colleagues (1995) argue that in some domains, Union governance is equally international, supranational and yet infranational, and, thus, a combination of all the approaches helps to mirror the current EU policy process identified in terms of "multi-level governance" (Marks, 1993).

"Critical in building this picture is to understand not only the different modes of empowerment of, and desert to, various actors according to the mode of governance but also the fluidity and hence dynamics of allocation of issues to the different forms of decision making. The stakes as to arena, where (in this scheme) issues get decided, is as important as what gets decided – since the where impacts, indeed determines the what." (Weiler et al., 1995, p. 29)

Within the multi-level governance perspective, the EU is conceptualised as a single, multi-level polity characterised by overlapping competencies among several policy levels, and multi-level interaction among national and sub-national actors who "participate in diverse policy networks dealing directly with supranational actors" (Marks et al., 1996, p. 42). Thus, the notion of multi-level governance seems to be able to overcome the shortcomings of traditional political science explanations, if perceived as a

"(...) non-hierarchical system of political negotiation, regulation and administration which have moved beyond the traditional understanding of the hierarchical and sovereign state as the ultimate arena for decision-making and conflict-resolution." (Christiansen, 1996, p. 13)

By combining elements from intergovernmentalism and neo-functionalism, a so-called Euro-polity has emerged where supranational institutions have independent influence on European policy-making. While state actors remain national executives within their respective national arena, decision-making competence is no longer their monopoly, but is shared among various actors (Hooghe, 1995, p. 3f; Marks, 1996, p. 417).

"(...) multi-level governance amounts to a multi-layered polity, where there is no centre of accumulated authority but where changing combinations of supranational, national and sub-national governments engage in collaboration. (...) The European level is one of them, where state executives, but also European institutions and a widening array of mobilised interests contend." (Hooghe, 1995, p. 4)

As Hooghe (1995, p. 7; 1996, p. 18) argues further, the multi-level governance model enables sub-national units to feature as important governmental levels next to the national or European arenas, thus allowing regional and local actors to gain access to the European arena and vice versa.

> *"Subnational mobilisation does not erode but complements the aggregating role of member states. Hierarchical relationships are weak but interdependence is high. Actors are linked through networks which span several levels and in which each actor brings in valuable resources. " (Hooghe, 1995, p. 7)*

The fact, that the notion of policy networks within the multi-level governance conception embodies the capacity to overcome both horizontal and vertical hierarchies, and equally carries the competence for cross-national comparative research is particularly useful for this study, as it makes policy network analysis applicable to, and useful for different policy sectors and/or different countries. The multi-level governance concept, however, does not anticipate a uniformly open arena for interest mobilisation, as only actors with valuable resources are likely to participate (Hooghe, 1995, p. 8). But given that

> *"(...) sub-national actors are better endowed than others, and within each bureaucrats and political executives are usually better bestowed than opposition forces, collective action groups and movements, or private actors. " (Hooghe, 1995, p. 8)*

a highly uneven pattern of interest mobilisation, decision-making participation and policy networking interaction within and across sectors and countries has evolved. Accordingly, this thesis investigates the extent of and reason for variations of policy inputs and processes across the selected cases by characterising the effects of policy networks on policy formulation and operationalisation in regard to the URBAN Community Initiative.

By arguing that national, regional and/or local conditions do play a decisive role in the way EU policy programmes are formulated and operationalised at different policy levels, the aim of the thesis is to reveal to what extent the nature and characteristics of policy networks constitute crucial factors for the logic and degree of interaction between the network members, determining the policy process, operationalisation and finally outcomes of EU policy-making. Thus, by systematically linking the nature and condition of policy networks to the inputs and processes of the European policy process, the study will illustrate the relevance of policy networks for public policy-making in general and European governance in particular. Although the "most

analytically powerful approach on offer" (Peterson, 1995, p. 389), the policy network model still needs further refinement and testing at the EU level.

2.1 Policy Processes and Policy Networks

Policy network analysis represents the generic term for the conceptualisation of the different political science approaches studying the policy process. Despite its popularity, policy process analysis has become ambiguous and increasingly controversial, as scholars with different values and perceptions applied different concepts throughout different scientific disciplines without explicit definition or further conceptualisation. Therefore, it seems the network concept has become "the new paradigm for the architecture of complexity" (Kenis and Schneider, 1991, p. 25). However, the policy network concept combines the different analytical approaches and theoretical elements of rational choice, institutionalism, and symbolic-interactionism successfully with policy analysis, and, thus, constitutes a valuable concept of the analysis of the policy process.

The traditional analysis of policy processes was originally conceptualised by Lasswell (1951) in regard to "policy science of democracy" with a specific focus on knowledge, considered essential to improve the practice of democracy (Lasswell, 1951, p. 15). Conditioned by factors such as political institutions, public opinion and political culture, Lasswell (1951) and Easton (1965) identified five different functional and consecutive phases of the policy process: *problem definition*, *agenda stetting*, *policy formulation*, *implementation* and *policy evaluation*, where different policy actors decide upon different issues in different institutions. The central contribution of this phase-centred policy model was its focus on the effects of policy, where political institutions could actually implement their policy aims into practical action. A further benefit was its recognition of policy-making as a process spanning across and beyond various political institutions. It was also particularly attractive to bureaucratic institutions, perceiving their role and division of labour legitimised through the model's separation of the legislative from the executive (Sabatier, 1993, p. 117 f).

The phase-centred policy process model was, however, increasingly criticised for its weaknesses in mirroring the internal and external dynamics of complex policy proc-

esses. The model was, thus, considered ill equipped to reflect upon the interrelations within the political system, explain policy progress, and overcome the democracy deficit. It was further regarded unsuitable to account for change within and macro effects on the socio-economic and political system, and accommodate the growing international interdependence of increasing transnational organisations and/or supranational bodies (Mayntz, 1983, p. 14, Scharpf, 1991, p. 621ff, Sabatier, 1993, p. 118). Unable to accommodate empirical findings of an interaction of various policy cycles across different political levels and across time, the implicit single cycle phase-centred model further lacked key attributes of modern perspectives of policy processes, for instance policy learning via so-called "feedback loops" from the stages of policy evaluation to those of problem definition or policy formulation (Sabatier, 1993, p. 118f). Therefore, regarded as a too simplistic and too mechanistic view of political and governmental activity, policy analysis was increasingly seen unfit to grasp the non-linear development of the policy-making process (Heritiér, 1993a, p. 15; Jenkins, 1993, p. 41f), as it

> "(...) virtually blends the political life out of the policy making process, leaving little room for the dilemmas, contradictions, and paradoxes that characterizes the interesting and difficult political problems. " (Fischer, 1989, p. 944)

However, it was exactly this criticism and lack of clarity which contributed to its conceptualisation. Analytical modifications followed through the incorporation of additional concepts such as *the garbage can model* (Cohen et al., 1972), *policy networks* (Scharpf, 1985; Marin and Mayntz, 1991; Windhoff-Heritiér, 1987), *advocacy coalitions* (Sabatier, 1988), the integration of *ideas* into the political process (Majone, 1989), as well as the recognition of *international and intersectional interdependence* of policy processes (Hjern and Hull, 1982; Scharpf, 1991; Tsebelis 1990).

One of the crucial concepts for contemporary understanding of the complex policy process are the so-called *"garbage can model"* by Cohen and colleagues (1972), and the revised version as *"policy streams"* by Kingdon (1984). Paraphrased as "an ideas whose time has come" (Kingdon, 1984, p. 1), Kingdon (1984) illustrates the reasons for policy emergence by focusing on the agenda-setting stage within the policy process via his three streams of *"problems"*, *"policies"* and *"politics"*. While these streams flow independently along each other until certain conditions induce their

convergence and hence decisions are taken, Kingdon (1984, p. 17) highlights the importance of ideas over the traditional notions of pressure or influence, because

> *"(...) the contents of ideas themselves, far from being mere smokescreen or rationalizations are integral parts of decision making in and around government. As officials and those close to them encounter ideas and proposals, they evaluate them, argue with one another, marshal evidence and argument in support or opposition, persuade one another, solve intellectual puzzles, and become entrapped in intellectual dilemmas." (Kingdon, 1984, p. 131f)*

Kingdon's first stream "problems" contains information about the effects of previous action and about policy areas, requiring immediate action. The second stream "policies" is composed of the actors of the policy community, that is researcher, policy advocates and/or specialists, all formulating the problem and its solution. The third stream "politics" comprises political events such as elections or lobbying activities (Kingdon, 1984, pp 17ff). In this model, so-called "policy windows" influence the convergence of the three streams. Thus, political decisions are made when policy windows are opened by the appearance of problems and/or events in the political stream, and the policy community suggests a proposal, which is financially and technically feasible and equally appears opportune for the respective political actors. This is a particularly useful approach for this study, where the formulation of the URBAN Initiative is attributed to a 'window of opportunity', as will be illustrated by the primary data collected. As neither random nor unstructured, the political policy process is, thus, associated with the notion, that policy problems and ideas attract coalitions of actors. Disaggregating complex policy processes into several sub-systems, Sabatier (1988) argues, that

> *"(...) actors can be aggregated into a number of advocacy coalitions composed of people from various organisations who share a set of normative and casual beliefs and who often act in concert. At any particular point in time, each coalition adopts a strategy(s) envisaging one or more institutional innovations which it feels will further its objective." (Sabatier, 1988, p. 133).*

By incorporating the notion of belief systems, on which basis politics are held together, "advocacy coalitions" provide an explanation for policy development and, thus, policy change via the notion of policy-learning across an extended time frame. So-called "policy brokers" mediate between different advocacy coalitions contributing to the policy progress, while guaranteeing system stability via compromise and majority support (Sabatier, 1993, p. 121). This is a particularly useful approach for this study of multi-actor decision-making. Furthermore, Majone (1989) highlights

the crucial role of "ideas" within the policy process and particularly within political systems, which constantly require a justification of their political action. Hence, Majone (1993) suggests that policy analysis ought to approach policy change less in its traditional sequential focus of changing economic or institutional conditions. Instead, policy development and conceptual development should be seen as parallel processes, and policy making understood not only in terms of power and interests, but also in regard to debate and argument. Additionally, the explicit focus on ideas and belief systems within the policy process contribute to the expansion of its time frame, while policy analysis is shifted away from short-term piecemeal action to long-term policy intervention, accounting for the dynamic character of the policy process and progressive policy developments. In regard to the choice of a methodological approach, some scholars practise the grounded theory, others advocate the application of a multi-method approach (Dunn, 1981),

> *"(...) when it is not clear which of several options for question generation or method choice is 'correct', all of them should be selected so as to 'triangulate' on the most useful or the most likely to be true (...) Social science is concerned, not with guaranteeing truth or utility, but with offering defensible interpretations of what is in the outside world (...)." (Cook, 1985, p. 38 & p. 45)*

The particular benefit of the *policy network approach* (Scharpf, 1985, Marin/Mayntz, 1991, Windhoff-Heritiér, 1987) lies in its capacity to illustrate a public-private sector interaction beyond the hierarchical, sectoral and national understanding of the policy process (Heritiér, 1993, p. 16). Thus, allowing for varying degrees of autonomy for policy actors, policy networks can be regarded as

> *"(...) a set of relatively stable relationships which are of non-hierarchical and interdependent nature between a variety of corporate actors, i.e. organisations of public and private character who share common interests and/or common norms with regard to a policy who exchange to pursue this shared interests acknowledging that co-operation is the best way to pursue their interests." (Börzel, 1997, p. 5)*

As policy analysis became increasingly value-dependent and criticised for its pure quantitative focus, the policy analysis approach has been further developed both analytically and methodologically to the so-called "participatory policy analysis", where those affected by policy activity are integrated into the policy process. Employing the bottom-up concept "backward mapping" by Elmore (1979), Heritiér (1993, p. 16) illustrates, that "participatory policy analysis" allows public and private actors to formulate appropriate policy action according to their perception of the problem. This input can then be incorporated into the necessary top-down imple-

mentation structures (Hjern and Hull, 1982). Furthermore, policy network analysis highlights interaction and coalition building as crucial for policy development across national or sectoral boundaries and beyond the formal division between public and private actors (Heritiér, 1993, p. 446). Peterson (1995, p. 403) however, points towards the negative repercussions of selective actor participation.

> *"When powerful actors are excluded from policy formulation, they are more likely to sabotage policy at the implementation stage and thus frustrate its ambitions. Again, policy networks are playing fields for positive sum games: they get 'resource-rich actors on board' so that policies can achieve their intended aims." (Peterson, 1995, p. 403)*

Focusing on the interdependence of the policy process via spillover effects, Grande and Schneider (1991) illustrate that the destiny of a particular policy is dependent on the presence -or absence- of other policy proposals in other policy sectors. Hence, the interdependence of policies, as well as the type and the intensity of the interlinkage across policy sectors determine whether a problem reaches the agenda and which respective solutions are available (Grande and Schneider, 1991, p. 461). Tsebelis (1990) captures this complex interlinkage and intense interaction of the policy process with his concept of "nested games". While Scharpf (1993) looks at policy interlinkages at a cross-sectoral and cross-national level, the so-called "arena concept" (Blanke and Heinelt, 1987, p. 647ff; Jordan and Richardson, 1987) further emphasises the multi-level and multi-actor interlinkages of policy processes.

Influenced by the organisational sociology approach of "interactive relations between companies", "policy networks" advanced in the field of policy research and account for the macro level as they exist at the policy development as well as implementation stage (Mayntz, 1993, p. 40). Using the term "policy networks" as the generic concept, Börzel (1997) provides a categorisation of the different policy network approaches. Thus, the author distinguishes between a quantitative or qualitative policy network approach, between the perception of networks as analytical tools or as a theoretical approach, and finally between the understanding of policy networks as a typology of interest intermediation or as a specific form of governance:

Illustration 2.1: Policy Network Conceptualisation

Quantitative Network Concept		Qualitative Network Concept
	Interest Intermediation School	Governance School
Policy networks as analytical tool	Policy networks as a typology of state/society relations	Policy networks as a model to analyse non-hierarchical forms of interactions between public and private actors in policy-making
Policy networks as theoretical approach	Structure of policy networks as a determinant of policy process and policy outcome	Policy networks as a specific form of governance

Source: Börzel, 1997, p. 20

The quantitative policy network approach analyses the structure of interaction between public and private actors via hierarchical classification, while the qualitative network approach concentrates more on the contents of these interactions, using in-depth interviews as well as content and discourse analysis (Börzel, 1997, p. 6). This will be the approach taken up here. Furthermore, the interest intermediation school sees policy networks as a "generic concept", applicable to "*all kinds* of relations between public and private actors" (Börzel, 1997, p. 6). For the governance school, however, policy networks are regarded as a "specific form of public-private interaction in public policy" (Börzel, 1997, p. 6), thus perceived as "new forms of political governance" (Kenis and Schneider, 1991, p. 41). According to Börzel (1997), the Anglo-Saxon literature on policy networks is mainly focused on the interest intermediation school's perception of policy networks, while the German policy network literature is based on the governance school of thought.

Theoretically, interest intermediation emerged from pluralism via neocorporatism and various descriptions of state/group relations, such as "pressure group pluralism", "societal corporatism", "iron triangles" and "clientelism", to the current interest intermediation concept, which combines pluralistic and corporatist ideas. Interpreted as typologies, networks are regarded as power dependency relationships between government and interest groups, in which resources are exchanged (Börzel, 1997, p. 7). The debate about corporatism often associated with EU policy-making will be illustrated in the second section of this chapter.

As an alternative to notion of "iron triangles", Heclo (1978) developed the concept of "issue networks". Iron triangles are characterised by closure, segmentation, and a small and stable set of participants, who control narrow public programmes lying in their economic interest. As an open and fragmented network, issue networks, however, comprise informal and unstable relations with an unlimited number of participants, who are equally functioning as interest representatives and experts in a rather unorganised technocracy (Heclo, 1978, p. 102). Mainly analysing intergovernmental relations, Rhodes (1986, 1988, 1995) arranges his five types of networks on a continuum according to the degree of integration of members, type of members, and resource distribution ranging from highly integrated policy communities via professional networks, intergovernmental networks, and producer networks to loosely integrated issue networks. Similarly, the network typology of van Waarden (1992, p. 32ff) comprises seven dimensions with the number and type of actors, function of networks, and power relations as the most crucial network characteristics, alongside structure, institutionalisation, rules of conduct and actor strategies. Through this typology, policy networks obtain an empirical element allowing for local, national and supranational variations of network nature and characteristics, which is of particular relevance for this study. Observing variations between domestic British and German networks, Anderson (1990, p. 445) advocates EU policies to recognise local variations, while Conzelmann (1995, p. 167) illustrates the decisive role country-specific variables play for EU regional policy impact, processes and outcomes. This is the approach taken up by the study. Marks (1996) further highlights, that policy conceptualisation and realisation constitute "territorial endeavours [reflecting] the political circumstances of the regions and countries in which they take place" (Marks, 1996, p. 388).

Börzel (1997, p. 9f) points to a further essential distinction between heterogeneous and homogeneous networks in regard to the relationship between network actors. While actors in heterogeneous networks are interdependent upon each other due to the need to mediate their different interests and exchange their different resources, actors in homogeneous networks share similar interests and resources, for instance in professional networks or "epistemic communities" (Haas, 1992). As an almost inherent condition of the policy-making process, Haas (1992) explains increasing expert consultation by policy makers with his concept whereby

"An epistemic community is a network of professionals with recognised expertise and competence in a particular domain and an authoritative claim to policy-relevant knowledge within that domain or issue-area." (Haas, 1992, p. 3)

Mainly applied to sectoral policy-making, the interest intermediation perspective assumes that policy networks have an influence on policy outcomes, while a focus on the different types of networks, argued by Lembruch (1991), Marin and Mayntz (1991), and Marsh and Rhodes (1992), highlights that

"(...) the structure of a network has a major influence on the logic of interaction between the members of the networks thus affecting both policy process and policy outcome." (Börzel, 1997, p. 10)

Within the perspective of the governance school, however, a policy network is perceived as

"(...) a mechanism to mobilise political resources in situations where these resources are widely dispersed between public and private actors." (Börzel, 1997, p. 6)

Coherent with the interest intermediation school, the actor-centred and analytical strand of the governance school perceives policy network analysis as an analytical tool to describe the interactive behaviour of policy actors, while the motivation for action and the action per se remain unaccounted for (Börzel, 1997, p. 12). Mayntz (1993, p. 40) however argues, that the policy network concept is not "a new analytical perspective but rather signals a real change in the structure of the polity". The centre of analysis is, thus, shifted away from the mirco-level of the individual actor's behaviour to an examination of a "set of interrelations that constitute interorganisational networks" (Börzel, 1997, p. 12).

"The pattern of linkages and the interaction as a whole should be taken as the unit of analysis (...) [while] the concept of networks as interorganisational relationships focuses on the structure and processes through which joint policy-making is organised, i.e. on governance." (Börzel, 1997, p. 12)

The perspective of policy networks as a new form of governance further overcomes the dichotomy between "hierarchy" and "market", inherent in traditional governance approaches (Williamson, 1975). While some scholars locate policy networks in the middle of a hierarchy-market continuum (Kenis and Schneider, 1991), others combine the plurality of independent marketers with the strategic conduct of hierarchies (Mayntz, 1993), and yet others perceive policy networks as a supplement to markets and hierarchies (Benz, 1992). Consensus, however, exists concerning the capacity of policy networks to overcome co-ordination problems, such as institutional deadlock

captured by Scharpf's (1988) "joint-decision-trap", due to their unique attributes of negotiating via communication and trust, their potential for multi-network membership, and their competence for informal interaction (Börzel, 1997, p. 15f). Policy network, thus, provide a forum for intra- and inter-organisational decision and policy-making outside of hierarchical restrictions.

> *"A policy network includes all actors involved in the formulation and implementation of a policy in a policy sector. They are characterised by predominantly informal interactions between* public and private *actors with distinctive, but interdependent interests, who strive to solve problems of collective action on a central, non-hierarchical level. " (Börzel, 1997, p. 13)*

Authors like Windhoff-Heritiér (1987) have long argued the conceptual relevance of policy networks within the context of policy-making, yet their application to European policy-making has not yet been systematic. While scholars identified a lack of empirical evidence for the specific relevance and influence of policy networks on policy-making, together with the question of which conditions allow policy networks to make a positive or negative contribution to the policy-making process (Börzel, 1997, p. 29f),

> *"(...) no hypotheses have yet been formulated about the impact of policy networks on the formulation, implementation and change of policies. " (Börzel, 1997, p. 30)*

Thus, following the theoretical discussion of the different concepts within the policy analysis approach, the discussion on how policy processes can be analysed in regard to the EU policy arena is illustrated below.

2.2 Policy Networks within the Context of the European Union

Equal to the existence of different views of and research strands on policy network analysis, different perspectives exist regarding which concept best captures the multi-level policy process of the EU arena. We follow Richardson's (1996a, 1996b) suggestion to pursue a multi-concept approach, as the focus on a single model would inhibit and restrict an appropriate analysis thereafter. Thus, as well as inter-linking the concepts of policy networks, advocacy coalitions, ideas, epistemic communities across different policy-making levels and countries, the study will illustrate the EU policy process in regard to the formulation and operationalisation of the Community Initiative URBAN. However, as the process concepts examined above can be equally applied to the context of the EU, the following discussion is limited to the context of EU governance.

2.2.1 Networking at the EU Arena?

Within the literature on interest representation, the recent growth of EU lobbying, and the emerging linkages between organised interests and Commission and/or EP officials are studied as both, a reaction towards the developments of the EU, and as a driving force for European integration. Despite the renewed debate about European interest representation, which some scholars understand as patterns of "corporatist governance", where public-private co-operative decision-taking constitutes one of several modes of governance (Falkner, 1997, p. 2), there exists, however,

> *"(...) no single, definitive characterisation of the nature of the relationship between the Commission bureaucracy, interest groups, and other policy actors." (Mazey and Richardson, 1997, p. 180)*

Detecting a transformation from "national corporatism to transnational pluralism", Schmitter and Streek (1991) highlight, that interest representation within the European policy context has always been

> *"(...) much more "pluralist" than it was corporatist; more organizationally fragmented, less hierarchically integrated, more internally competitive, and with a lot less control vested in peak associations over its affiliates or in associations over its members." (Schmitter and Streek, 1991, p. 136)*

Following the replacement of the initially envisaged, Community-wide corporatism with a "highly pluralistic, competitive, multi-level system of networks" (Wessels, 1997, p. 36), the future emergence of a corporatist or neo-corporatist system is considered unlikely given the specific characteristics of the European polity (Schmitter and Streek, 1991, p. 142ff; Kohler-Koch, 1997, p. 4; Wessels, 1997, p. 36ff).

> *"In such a fragmented, multi-level system in which binding decisions are dependent on intergovernmental negotiations as much as on inter-institutional bargaining there is no "strong state" on which any corporatist system is based. (...) (Neo)corporatism as well as pluralism are concepts rooted in an understanding of state-society relation that are intricately linked to the nation state. The European Union is no such state (...)." (Kohler-Koch, 1997, p. 4)*

Declining the perception of the EU as an emerging state or an international regime, Keohane and Hoffmann (1991, p. 13) understand the EU itself as a "network that involves the pooling and sharing of sovereignty". However, given that the policy network model has not yet been systematically applied to the European governance context (Peterson, 1995, p. 389ff),

> *"(...) the most fruitful approach to analysing the EU policy process is to focus on sets
> of actors as stakeholders in the policy process, alongside a recognition of the impor-
> tance of knowledge and ideas in the policy process."* (Richardson, 1996a, p. 1)

Heritiér (1993, p. 432) stresses the specific characteristics of policy networks at the
European level as, for instance, inconsistency between policy networks and the cen-
tral position of the European Commission, alongside a high fluctuation of network
actors which are frequently intergovernmental and often possess diverging aims. The
author further illustrates the high potential for opting-out, and the strong competition
proceeding the decision-making stage. However, given their "key variables" or "in-
ternal characteristics" (Peterson, 1995, p. 389ff) as the means to explain policy out-
comes, policy networks increasingly emerge as an apt and useful analytical tool for
the study of European governance. Furthermore, Peterson (1995) argues, as a reply
to Kassim's (1994) scepticism of the model's applicability to the EU context, that

> *"(...) the EU is a 'hot house' for policy networks precisely because its processes are
> so fluid and policy-outcomes depend – more than in other systems of governance – on
> informal bargaining."* (Peterson, 1995, p. 390)

While Kassim (1994) criticises the policy network model for being unable to appre-
hend the dynamics of EU policy-making processes, the institutional complexity of
the EU system, and the difficulties to identify boundaries of stable EU policy net-
works, Peterson (1995) counter argues, that

> *"(...) policy networks are rife in the EU because they facilitate informal bargaining
> amid fluid policy processes, that networks provide order amid extreme institutional
> complexity and frequent change, and that the hard work to identify EU policy net-
> works is worth the effort."* (Peterson, 1995, p. 389)

Additionally, Peterson (1995) specifies the capacity of policy networks to illustrate
the multi-level characteristics of the EU policy process by identifying "when and at
what 'tier' of governance" (Peterson, 1995, p. 399) decisions are taken, and by
whom they are controlled. Elaborating further, Keohane and Hoffmann (1991, p.
13ff) emphasise that the EU policy process does not function in a market-oriented or
hierarchical manner. Instead, a series of interacting policy-making "units" or an
"elaborate set of networks, closely linked in some ways, particularly decomposed in
others" (Keohane and Hoffmann, 1991, p. 15) characterise the EU policy process.
Thus, policy outcomes are conditional on the dominant political style. Arguing
within a multi-level governance perspective, Richardson (1996a, 1996b) highlights,
that

> *"The EU policy process may be best characterised as episodic, with all policy actors having to adjust to a process where multiple arenas and venues are the norm."*
> *(Richardson, 1996a, p. 1)*

Pointing to the increasing importance of expert consultation within the EU policy process, Richardson (1996a, 1996b) further argues for a linkage between the policy network approach and the concept of epistemic communities, where

> *"The advantage of combining these two approaches is that they also enable us to focus on a phenomenon now recognised as central to any understanding of the policy process – the role of knowledge and ideas in bringing about policy change at both national and international levels." (Richardson, 1996a, p. 3)*

Interest groups information and expert knowledge are particularly important for the small bureaucracy of the European Commission. Covering numerous and highly complex legislative tasks, officials are unable to have the required in-depth technical expertise on all Member States, rendering the Commission "heavily dependent upon outside expertise" (Mazey and Richardson, 1997, p. 188). Particularly important at the agenda setting stage, Schattschneider (1960) highlights, that "some issues are organized into politics while others are organized out", arguing that "organization is the mobilisation of bias" (Schattschneider, 1960, p. 71). In his interpretation of the EU policy process, Kingdon (1984) further illustrates, that

> *"(...) many ideas are possible in principle and float around in a "primeval soup" in which specialist try out their ideas in a variety of ways (...) proposals are floated, come into contact with one another are revised and combined with one another and float again (...) the proposals that survive to the status of serious consideration meet several criteria, including their technical feasibility, their fit with dominant values and the current national mood, their budgeting workability, and the political support or opposition they might experience. Thus the selection system narrows the set of conceivable proposals and selects from that large set a short list of proposals that is actually available for serious consideration." (Kingdon, 1984, p. 21)*

A further tool to mirror the EU policy processes constitutes the concept of "advocacy coalition" (Sabatier, 1988). Breaking with Max Weber's traditional role model of the neutral civil servant, advocacy coalition allows for a more realistic understanding of EU officials, subjected to national and/or sectoral influences (Sabatier, 1993, p. 117ff). Furthermore, Sabatier's (1988, p. 156) argument, that policy decision are increasingly reached through multi-governance negotiations in so-called fora, is of particular relevance for the EU policy processes, where various coalitions of actors for example epistemic communities, governmental and non-governmental representatives, public and/or private actors, or interest groups gather at an issue-specific forum.

"Policy-orientated learning across belief systems is most likely when there exists a forum which is a) ambiguous enough to force professionals from different coalitions to participate and b) dominated by professional norms." (Sabatier, 1988, p. 156)

While the policy network model is regarded to explain best so-called "policy shaping" decisions taken at the early policy stages, for instance, agenda setting or policy formulation, it seems less suitable to explain "decisions which 'set' policy at the legislative stage" (Peterson, 1995, p. 400). Given the distinction between "macro-level" theories of European integration and "meso-level" theories of European governance, Peterson (1995, p. 400) argues, that integration theories still explain "history-making" decisions of the EU, while policy networks are more suitable for the study of "every-day" decisions of sectoral policy-making. Although policy networks perform different functions in the different stages of the policy process, Peterson (1995) highlights their role for the formulation stage, characterised by

"(...) informal bargaining between policy-concerned actors whose power are derived primarily from the resources they possess. (...) In effect, they act as 'funnels', to narrow the range of choices before policies are 'set'. The internal characteristics of a policy network in a given sector will go far towards determining the tightness of grip they are able to maintain over the policy agenda." (Peterson, 1995, p. 402)

Combined with new institutionalist models, the policy network approach explains policy outcome as being shaped by the internal characteristics of policy networks, and policy network change as successive to institutional change (Peterson, 1995, p. 401ff). Elaborating on network impacts on policy outcomes and policy change, Mayntz and Scharpf (1995) conceptualised the concept of the actor-centred institutionalism within the perspective of policy networks as a new form of governance, where institutions represent regulatory structures which both enable and restrict interaction of rational actors, while networks are

"(...) conceptualised as informal institutions - not-formally organised, reciprocal (non-hierarchical), relatively permanent relations and forms of interaction between actors who strive to realise common gains." (Scharpf, 1993, p. 72)

Criticised by supporters of cognitive approaches for its focus on strategic bargaining and the neglect of ideas, beliefs, values and communication, rational institutionalism has been challenged by concepts such as advocacy coalitions and epistemic communities. In sum, the policy process of the European Union, as a "collective enterprise" (Richardson, 1996b, p. 19), seems to be "closer to the garbage can model than to any rational policy process" (Richardson, 1996b, p. 20), requiring a multi-model approach. Hence, Richardson (1996b, p. 5) emphasises that different policy stages call

for different conceptual tools. The author promotes the epistemic communities approach for the agenda setting stage, policy community or policy networks for the policy formulation, institutional analysis for the stage of policy decision, and finally the inter-organisational/behaviour and implementation analysis for the policy implementation stage.

2.2.2 The Role of Policy Networks within European Union Policies and Politics: the EU as an Urban "Policy Broker"?

Networks are of strategic value for the Member States to initiate new political debate about urban problems, for the Community to broaden its urban competence and widen its influence, as well as for lobby groups to gain access to EU decision-making and successfully promote their interests. In regard to the urban policy dimension, the particular difficulties confronting the Community to navigate between restricting institutional legislation and increasingly demanded socio-political responsibility is most visible.

> *"An open question is still whether the EC is willing and able to perform the role of network incubator, or if it can play only the more limited role of supporter of specific projects by already existing networks." (Cappellin, 1993, p. 5)*

As the question of mutual influence of networks and the EU emerges, this relation should not be regarded as merely one-sided. On the contrary, the capacity to guide and direct is characterised by reciprocity. The interaction between relevant networks and the EU, where both sides are primarily concerned with pursuing their own interests and achieving their goals successfully, is contributing to the development of future policy interventions. As an optional choice of co-operation between, for example, various towns and cities, networks in general represent a gateway for the channelling of future policies, not yet officially recognised by the Community. Established as a strategic alliance of a few members, clients or professionals, networks have the advantage to expand, to explore and to operate within the EU territory beyond compulsory, Community-wide binding policy frameworks. Networks can exercise and develop their interests without full Member States compliance, which is generally required for Community-wide programmes and interventions. Occasionally supported by Community funding, urban networks contribute - even if only in a selective manner - to combat urban problems in Europe by investigating new and inno-

vative policy measures. Thus, they support the Commission in exploring potential policy interventions and preparing future Community programmes, while equally

> *"(...) the Commission may be able to build coalitions in favour of its own notions of desirable policy change. By assisting the formation of networks of 'relevant' state and non-state actors, or by 'massaging' the way the these network operate, the Commission can maintain its position as an 'independent' policy-making institution and can increase its leverage with the Council of Ministers and the European Parliament."*
> *(Richardson, 1996b, p. 15)*

Nevertheless, a certain inconsistency in the way the EU is interacting with networks can be identified, which makes it difficult to understand the Union's modus operandi in regard to networks. On the one hand, the Commission's increasing consultation of experts and networking with interest groups is said to have produced "symbiotic relationships" (Mazey and Richardson, 1997, p. 179) between the Commission and interests groups and/or networks. On the other hand, some Commission officials have gradually developed "a *de facto* policy role" for themselves, most notably in "those sectors where the Commission has no specific Treaty mandate to initiate EC policies" (Mazey and Richardson, 1997, p. 184).

> *"The Commission is at the centre of an extremely complex and varied network of relationships and can act as a 'bourse' where problems, policies, and interests are traded. (...) In carrying out their role, officials have somehow to accommodate the diverse and often conflicting demands of national governments and sectoral interests (...) Commission officials are necessarily 'brokers of interests' trying to mobilise transnational coalitions of interest and institutions in favour of policy change."*
> *(Mazey and Richardson, 1997, p. 180f)*

Thus, the Commission's rationale for network support could be either interpreted as controlled influence of the network's focus, objectives and development for the pursuit of a specific Commission agenda, or seen as a means to mediate between diverging national and/or sub-national interests for the attainment of Community cohesion.

> *"Not only would the Commission disclaim any such interest in navigating the networks in a particular direction, it would insist that the disinterested funding of networks was part of the processes of political pluralism which guide the European Communities in their decision-making."* *(Mazey and Richardson, 1993, p. 191f)*

The Commission would claim that the networks' existence does contribute to the richness of the socio-political debate within the Union, while equally advancing the goal of transparency. The latter is understood as the accessibility and openness of the Commission to lobbies, mutual co-operation in decision-making as well as the visibility of the sum and substance of EU decisions, programmes and legislation, as opposed to imperceptible acronyms (Mazey and Richardson, 1993, p. 192).

Within the EU context, the term "network", however, is frequently used to describe a variety of institutionalised, professionally financed and strategically staffed lobby groups, associations and/or strategic alliances operating at the European arena for an organised interest representation. Established to find new avenues to promote the cities' economic, political and cultural performance during the 1980s, informal alliances progressed to more sophisticated groups or institutionalised "networks", to identify an integrated, multi-dimensional approach to the complex diversity of urban problems and to diminish inter-city competition via increased co-operation. Hence some urban alliances are established to protect the interest of European cities, or to act as a forum for the exchange of experience, knowledge and best practice about current regional and urban issues. Equally urban networks may intend to stimulate particular regional and urban policies, projects and technological innovation by lobbying at national and/or EU level. Furthermore they may act as catalysts for the economic co-operation between the towns and cities involved. While, some networks have specialised in lobbying or representation, others combine these objectives to a larger or lesser extend (Harvey, 1995, p. 93f).

Additionally, networks can be categorised according to their formal recognition by the EU, decisive in funding prospects by the Community. Only those strategic alliances which lead to specific projects, where partners are involved and concrete programmes are elaborated, qualify as a "network" under the EU co-funding criteria, alongside the Community's own established networks. The Community's role in financing these networks is, however, of dual character. On the one hand, Community involvement can restrict the nature of the network and/or hinder its freedom to operate. On the other hand, support through the Commission can boost the network's viability and, thus, serve as a catalyst for future activity and development.

As one of the EU's priority areas, the Trans- European networks (TENs) covering the fields of transport, energy and information, constitutes probably the most prominent example of a EU network. Following the objectives of vision, competitiveness, sustainability and partnership in public policy at national and EU level, TENs have established their own complex pattern and administrative infrastructure of consultants, groups and lobbyists. Equally, with a new dimension to the TENs' core concerns, Trinnaman (1995) suggests, that

"Given moves to an urban dimension to Structural Funds, the progress of the Euro Cities network and the shifting spatial pattern and functional roles of Europe's cities (...)(...) perhaps TENS can be embellished to (...) contribute to urban regeneration in European cities (...) [and to] recognise the cultural significance of cities as gateways to cosmopolitan opportunities rather than as repositories of disadvantage." (Trinnaman, 1995, p. 7)

As a further EU network, the initiative "Regions and Cities for Europe" (RECITE) was introduced by the Community in July 1991, following Commission pilot funding of twelve European-wide networks in 1990. Contributing to socio-economic cohesion, the programme supports about 40 networks between 200 regions and cities forming collective projects via trans-national partnerships (EU/EC 1997, p. 21).

So-called umbrella groups, such as the Association of Traditional Industrial Regions (RETI), consist of more homogeneous towns, cities and regions. They focus on campaigning for specific policies and resources in order to approach topics, which are of relevance to their members. Other examples include "The P.O.L.I.S. Network", a co-operation between European cities benefiting from joint research regarding traffic management solutions in association with the EU's DRIVE programme, and the "Quartiers en Crise" (QeC) network which focuses on social exclusion and revitalisation of urban areas (Parkinson et al., 1992, p. 97; CEC, DGXVI, 1991a, p. 144). Initiated between 10 North European cities in 1989, QeC was extended towards South Europe following criticism from Southern Member States regarding the network's selectiveness in favour of the industrialised cities and thus the Commission's imbalanced financial support for North European cities. The network explores innovate approaches to urban deprivation, social segregation and socio-economic exclusion through integrated co-operation. QeC promotes the exchange of experience, information and best practice, while highlighting the need for strategic policy responses to urban decline (Harvey, 1995, p. 60). Funded by the DG for Employment[1] and the DG for Regional Policy[2], QeC is considered a particularly successful initiative "at the cutting edge of European thinking on urban regeneration and social exclusion" (Harvey, 1995, p. 60).

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[1] Directorate General for Employment, Industrial Relations and Social Affairs.
[2] Directorate General for Regional Policies and Cohesion.

Other examples of cities grouped together to establish complementary interests and collective action include the "Union of Capital Cities of the EC" and "Eurocities". Founded in 1986, Eurocities constitutes a network of large non-capital cities, which co-operate to exchange experience, enhance economic alliances between them, and to influence the development of the EU urban policy dimension. Funded by its members, the umbrella organisation Eurocities operates on a wide range of regional and urban issues in order to meet the different needs and interests of its heterogeneous clientele. Representing the so-called second cities of the EU, Eurocities actively pursues the development of a European urban policy through lobbying for, and voicing interests of the major European cities (Parkinson et al., 1992, p. 97).

The particular relevance of the QeC and Eurocities network for the development of the EU urban policy perspective and the conceptualisation of the URBAN Community Initiative will be illustrated in later chapters.

In conclusion, perceiving urban success dependent on a city's potential for specialisation, the Community regards urban networks as a catalyst for economic and technological co-operation between cities, and as a means to foster cohesion between cities and regions in the Community (CEC, DGXVI, 1991a, p. 149; Parkinson et al., 1992, p. 96ff). Considering the lack of an urban mandate in the Treaties, EU officials, most notably from the Commission and the EP, and networks and/or interest groups engage in mutual relationships for the exchange of information, expert knowledge and policy innovation (Mazey and Richardson, 1997, p. 178ff; Kohler-Koch, 1997, p. 3ff).

2.3 Policy Networks and Participation, Partnership and Multi-dimensionality

Participation, Partnership and Multi-dimensionality represent some of the core principles for EU structural fund programming. As the key principles of the European "Community Programme to Foster the Economic and Social Integration of the Least Privileged Groups (Poverty 3)", the concepts of Participation, Partnership and Multi-dimensionality are increasingly acknowledged as essential elements of, and necessary requirement for sustainable urban governance. As seen from the above conceptualisation, a policy network can be characterised by its actors, interaction, and

range. The study combines the two conceptual frameworks by linking the network approach with the EU's structural programming principles. Both frameworks are perceived to influence or even determine the policy inputs and processes, visible in the horizontal and vertical variations of these inputs and processes. The different concepts will be defined, conceptualised and further illustrated below.

The notion of Network Actors is defined as the type and variety of actors engaged in the network. Thus, referring to the category and range of network actors on the horizontal and vertical policy level, multi-actor participation and diversity are placed opposite to selectiveness and exclusiveness on a continuum. The concept Network Interaction is defined as the extent of engagement in the network. Representing the level and degree of interaction between the different actors, interactive partnership and non-co-operation stand on opposite ends of a continuum. Finally, Network Range is defined as the policy focus of the network. Referring to horizontal policy sectors and respective institutional policy departments, a continuum places cross-departmental linkages and sectoral compartmentalism on opposite ends.

The concept of Participation is defined as the range of actors. While referring to the type and variety of actors across different policy levels, a diverse actor spectrum lies opposite a selective or exclusive actor base on a continuum. Partnership is defined as the extent of the interaction. Representing the extent and degree of interaction between the actors within and across policy levels, commitment and integrated co-operation stands opposite non-commitment and counter-production on a continuum. Finally, Multi-dimensionality is defined as the range of policy sectors. Referring to the involved institutional units and policy departments, a continuum places inter-institutional and inter-departmental structures on the opposite end of selective concentration and departmentalism.

As seen from the above definitions, similarities, interconnections and overlapping terminologies exist between the employed network framework and the EU structural programming principles. Hence, I devised a conceptualisation, where the above approaches become interlinked without losing terminological: the concepts of Network Actors and Participation are thus connected through the notion of "participating actors", Network Interaction and Partnership through the idea of "interactive part-

nership", while Network Range and Multi-dimensionality are linked through the notion of "multi-dimensional range".

Summarising the terminology, the notion of Participation and Network Actors refers to the type and variety of actors involved in the decision-making processes. The concept of Partnership and Network Interaction refers to the extent and degree of actors working together. The notion of Multi-dimensionality and Network Range refers to the integration of different policy areas and respective policy structures.

Furthermore, the three sets of concepts, Participation/Network Actors, Partnership/Network Interaction, and Multi-dimensionality/Network Range, are not only linked individually, but are equally interconnected between each other. Conceptualised as mutually dependent, the three sets of concepts exist to different degrees in varying constellations to each other. These configurations are further perceived to have substantial impacts on policy inputs and policy processes. Applying this conceptualisation to the context of EU structural programming, Participation/Network Actors, Partnership/Network Interaction, and Multi-dimensionality/Network Range are considered determinant factors within EU programme formulation and operationalisation. Thus, they are perceived to account for variations of decision-making processes within and across EU, national and local levels. This triangular interdependence of Participation/Network Actors, Partnership/Network Interaction, and Multi-dimensionality/Network Range within the EU policy context is depicted by the following illustration:

Illustration 2.2: Triangle of Interdependence

Partnership
Network Interaction

European Union
Member States
Local Projects

Participation   Multi-Dimensionality
Network Actor   Network Range
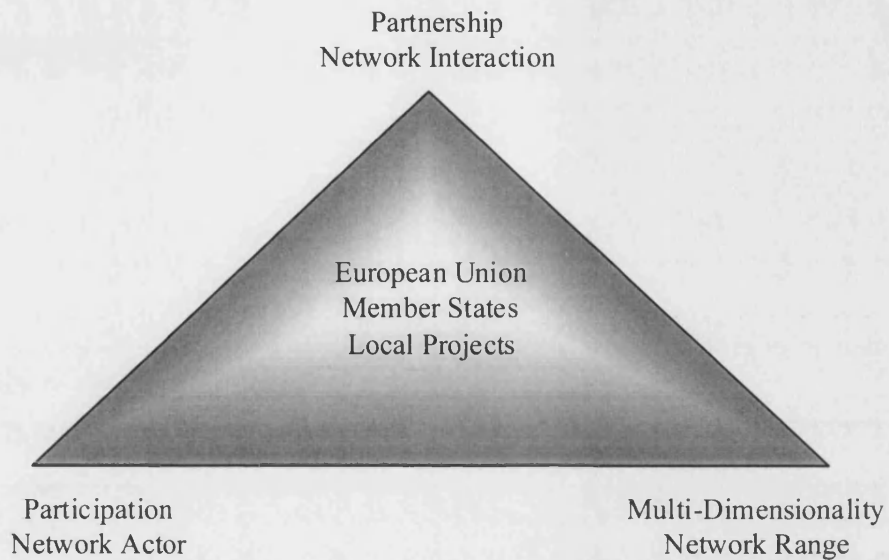
The empirical findings regarding the decision-making processes behind the formu-
lation and operationalisation of the URBAN Initiative in the UK and Germany will
further provide a more detailed illustration, following the presentation of the em-
ployed research methodology in the next chapter.

Chapter 3   *METHODOLOGY*

Τhe investigation of European Union (EU) policy- and decision-making in regard to the formulation and operationalisation of the URBAN Community Initiative was undertaken by means of in-depth, face-to-face interviews with those "elite" actors who are responsible for the decision-making. While Herzog (1996, p. 172) points to the required "flexibility in the research process", Hertz and colleagues (1995, p. viii) illustrate, that "one strategy in the study of elites is to expose the reach of power in the hope of clarifying it for those who are subject to it", leaving Ostrander (1996, p. 150) to conclude, that "much more of it needs to be done". Therefore, interviews were conducted at the macro level with EU officials, at the meso level with central government actors in the UK and Germany as well as at the micro level with local authorities and representatives of the respective local communities in the four local URBAN projects.

Influenced by the grounded theory approach originally developed by Glaser and Strauss (1967), this study of EU decision-making regarding URBAN's formulation and operationalisation was explored, and "what is relevant to that area is allowed to emerge" (Strauss and Corbin, 1990, p. 23). Thus,

> *"A grounded theory is one that is inductively derived from the study of the phenomenon it represents. That is, it is discovered, developed, and provisionally verified through systematic data collection and analysis of data pertaining to that phenomenon. Therefore, data collection, analysis, and theory stand in reciprocal relationship with each other." (Strauss and Corbin, 1990, p. 23)*

3.1 Research Design and Tools

The research design consists of the triangulation of primary data analysis via qualitative in-depth elite interviews, and secondary research of essential theoretical and empirical material. An initial literature review of the relevant academic literature and documentation on policy networking and multi-level governance within a European socio-spatial perspective is provided, alongside material from the EU, the British as well as the German governments, while the four local case studies are further supplemented by interviews with local actors. The documentary material consist mainly of formal reports, administrative documents such as internal EU, governmental, and URBAN project documents, or local URBAN project Operational Programmes, written documentation of events, conferences and/or meetings, plus communicative documents such as letters or memoranda. Furthermore, archival records were employed, again from the EU, the national and local level, mainly in form of organisational records, lists of membership and/or key actors, survey data of the four local URBAN project sites, plus geographical maps and personal records. Additional to the secondary data, empirical data was collected via qualitative, in-depth and semi-structured interviews. Given the general problems of data collection via interviews, for example bias or reflexivity, the interviews were tape recorded, transcribed verbatim, and further substantiated and validated with information obtained from the documentary and archival sources. The following section will further illustrate the choices of the research design, the individual cases and the research tools.

3.1.1 Choice of the Case Study Design

Yin (1994) defines case studies, and specifically explanatory case studies, as being

> *"(...) the preferred strategy when "how" or "why" questions are being posed, when the investigator has little control over the events, and when the focus is on a contemporary phenomenon within some real-life context." (Yin, 1994, p. 1)*

Investigating URBAN's formulation and operationalisation with a policy networking and multi-level governance perspective, the selected research design needed to reflect the EU's multi-tier interactive decision-making processes. Thus, while a case study or multiple case design permits examination of the interrelations between the interacting EU, national and local policy levels, it equally facilitates the retention of the "holistic and meaningful characteristics of real life events" (Yin, 1994, p. 3). Al-

though Yin (1994) concedes that the limitations of case studies are their lack of generalisability, nonetheless their value is

"(...) generalizable to theoretical propositions and not to populations or universes. In this sense, the case study, like the experiment, does not represent a "sample", and the investigator's goal it to expand and generalize theories (analytical generalization) and not to enumerate frequencies (statistical generalization)." (Yin, 1994, p. 10)

In its comparison between the UK and Germany, the research study uses the notion of a "cross-country" comparison due to its capacity to portray the UK and Germany as distinct Member States of and yet integral components in the trans-national framework of the EU, while equally acknowledging the countries' sub-national layers, and, thus, allowing the comparison of the local level cases in London, Merseyside, Berlin and Duisburg. Given that the term "cross-national" carries a somewhat similar meaning, an unjustified or possibly misleading emphasis on the national level, however, has been criticised. While some authors might use the terms "cross-societal, cross-cultural, cross-systematic and cross-institutions" (Hantrais and Mangen, 1996, p. 2), some substitute "cross" with "trans", and "yet others use the various terms as if they were synonymous" (Hantrais and Mangen, 1996, p. 2). This study of multi-level decision-making, however, prefers the notion of a "cross-country" comparison due to its more explicit multi-level governance connotation of individual countries interacting as equal partners within the common framework of the EU policy arena.

Samuel (1985) emphases the need for comparative data to be "focussed on time and space variables of observed similarities and differences between different social phenomena" (Samuel, 1985, p. 9). Hantrais and Mangen (1996), however, elaborate further by arguing, that an investigation qualifies as a cross-country comparison,

"(...) if one or more units in two or more societies, cultures or countries are compared in respect of the same concepts and concerning the systematic analysis of phenomena, usually with the intention of explaining them and generalising from them. The expectation is that the researchers gather data about the object of study within different contexts and, by making comparisons, gain greater awareness and a deeper understanding of social reality." (Hantrais and Mangen, 1996, p 1f)

In addition, the above benefits of cross-country research, according to Cseh-Szombathy (1985), stem from the specific importance of the country variable by highlighting that

"It gives us the opportunity to take not only selected variables into account but, in addition, to look at the whole context in which variables interact, and that is one of the

> *greatest advantages of doing cross-national research. (...) A cross-national study*
> *helps us to discover the importance of a greater number of factors and makes it clear*
> *that their effect depends on their interaction. " (Cseh-Szombathy, 1985, p. 61)*

3.1.2 The Selection of the Cases

The choice of the "case" of the URBAN Community Initiative (1994-1999) was in-
fluenced by contextual factors of EU structural fund programming in combination
with personal research experience. URBAN's predecessors, the Innovative Initiatives
"Urban Pilot Projects (UPPs)" and the Community Initiative "Poverty 3"[1], developed
the conceptual as well as operational framework during 1989-1994. While the UPPs
set the political agenda for URBAN as the EU's first official urban intervention by
elaborating on the idea of "black spots" and/or "pockets of poverty", and calling for
further EU action, Poverty 3 advanced the EU's integrated partnership approach and
promoted an urban agenda in respect to social exclusion. Through a case study-based
evaluation of Poverty 3 in the UK and Germany as part of a dissertation[2], further
methodological as well as EU-political research experience had been gained, pro-
viding a useful background for the analysis of the URBAN Initiative amid a chal-
lenging account of EU governance in socio-spatial Europe.

Furthermore, the choice for the cross-country comparison between the EU Member
States United Kingdom and Germany was based on personal experience, language
skills, and academic circumstances, as well as on the country-specific characteristics.
As major powers in Western Europe, the UK and Germany both represent advanced
welfare states with an equally advanced urban policy framework tailored to urban ar-
eas of industrial decline. However, different political, economical and social tradi-
tions result in the pursuit of diverging national as well as European interests. Thus,
following Hantrais and colleagues (1985),

> *"Intra-European comparisons are considered to cover social units and cases which*
> *are relatively comparable in respect of a larger number of important characteristics,*
> *but which differ in respect of the variables to be compared." (Hantrais, et al, 1985, p.*
> *46)*

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[1] Community Initiative for the Social and Economic Integration of the Least Privileged Groups.
[2] *"Poverty in Europe: An Evaluative Comparison between the UK and Germany"*, Department of
Sociology, Ludwig-Maximilians-Universität Munich, 1994.

Accompanying the EU and national context, a local case study framework had been selected for its capacity to illustrate the URBAN project formulation and operationalisation. URBAN project proposals were formulated at the *local* level, and, after their national and Commission approval, operationalised amid the specific conditions on the ground. Therefore, four case studies of specific URBAN projects -two per country- were selected: two large industrial areas: Merseyside and Duisburg-Marxloh; and the two capitals, London (Park Royal) and Berlin.

The choice of these specific local projects was based on a set of both, national and local, as well as EU indicators regarding the comparability of similarities and differences. Hence, the national and local indicators consisted of the cities' economic characteristics in tandem with geographical and infrastructural implications, their population size as well as the cities' attributes within the wider national context. The EU related indicators referred to their EU Structural Fund status, their affiliation with other EU programmes, as well as their local URBAN project focus. Given that parts of cities shared the socio-spatial problems of a poor urban fabric, extensive urban decay and deprivation as well as socio-economic exclusion as an imperative for their URBAN eligibility, it was central to the study to investigate whether the URBAN projects were selected according to socio-spatial need or to what extent political factors played a role in their URBAN funding success.

As a starting point, all URBAN projects were analysed according to the above set of indicators. Individual city profiles were produced with the information displayed by the URBAN Operational Programmes and the Internet Page[3] of the Commission's Directorate General for Regional Policy and Cohesion (DG for Regional Policy). After an extensive review, two URBAN case studies in larger urban conurbations with striking manifestations of industrial decline and socio-economic exclusion were selected. Two further case studies in wealthier cities were chosen, portraying the concept of "pockets of poverty" in prosperous cities. Merseyside and Duisburg-Marxloh were selected for their comparability of characteristics as port cities, as larger conurbations with a high density of declining heavy industries, namely shipbuilding, iron

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[3] Official DG for Regional Policy Internet Page <http://inforegio.cec.eu.int>, correct at time of submission.

and steel production, their high concentration of socio-economically excluded population, their past EU structural funding success and, thus, experience with EU involvement. Differences existed regarding the cities' EU structural fund status: Merseyside is a designated Objective 1 area, while Duisburg-Marxloh is funded under an Objective 2 status. Berlin and London (Park Royal) were chosen for their political status as the countries' capitals, their declining chemical, textile and electronic industries, and their equally socio-economically excluded population. While Berlin had past funding experience under its Objective 1 status, London (Park Royal) was a novice in relation to EU structural funding given its Non-Objective status.

3.1.3 The Research Tools - Elite Interviews and Topic Guide

In order to provide an accurate account of EU decision-making in regard to the URBAN Initiative, the respective key actors within this process are identified as the focal point of the empirical research. Thus, this study defines a key actor as a person who actively takes decisions while decisively contributing to the formulation and/or operationalisation of the URBAN programme at EU, national and local level, and who is equally identified as a key actors by other (key) actors. Interview respondents were identified as "professional elites", operating *within* as well as *across* policy levels, policy sectors and national boundaries.

However, reflecting the dynamic character of URBAN's decision-making process, the role of elite key actors has been also identified as subject to change over time. A person may be a key actor in one stage of the decision-making process, while he or she might be less influential in other decision stages. Therefore, the study accounts for URBAN's process character by distinguishing between elite key actors in its formulation and/or operationalisation at different policy levels and different time intervals. The following illustration will provide some contextual overview:

Illustration 3.1: Chronology of URBAN's Decision-Making Process

Macro Level	URBAN Programme Formulation: 1980s-1994	URBAN Programme Operationalisation: 1994-1999	
Meso Level		URBAN Project Formulation: 1994/95	URBAN Project Operationali-sation: 1995/96-1999
Micro Level		URBAN Project Formulation: 1994/95	URBAN Project Operationali-sation: 1995/96-1999

⇑   ⇑
Official Launch 1ˢᵗ July 1994   Individual launch dates

Following the chronology of the URBAN decision-making process, decisive powers shifted from the macro to the meso and the micro levels, highlighting URBAN's dynamic decision-making character. In the first instance, EU key actors created the general URBAN framework by designing the programme during its formulation stage at macro level. With its launch in July 1994, the programme moved into its operationalisation phase (1994-1999), relegating EU key actor influence to a more administrative role of overall programme management and local project monitoring, as national and local actors take over the decisive roles at meso and particularly at micro level.

It is essential to note that the local URBAN *projects* were formulated and operationalised individually in the different Member States during the overall URBAN *programme* operationalisation stage. Thus, apart from the URBAN programme launch on 1ˢᵗ July 1994, the above policy stages should not be seen as fixed points in time. Instead, they should be seen as open phases in a dynamic process, where each URBAN project has its individual launch date, project characteristics and local conditions – indicated by the rippled lines in the above illustration.

Once the URBAN programme had entered into its operationalisation stage in July 1994, the elite key actors at the meso level oversaw the URBAN project preparation, managed their selection at national level, and negotiated their approval with the European Commission. Their role, however, became reduced to project monitoring during the further operationalisation at local level. Given that the elite key actors at the micro level prepared the URBAN project proposals, their role is increased after the project approval and launch, as they constitute the local operational key actors.

National project monitoring and local operationalisation continued until the official end of the overall URBAN programme in December 1999.

Accounting for URBAN's process character, its multi-dimensional decision-making processes, and the changing roles of its elite key actors, a methodological data collection tool was chosen, which allowed for the necessary in-depth, open, and yet structured approach, that is, the topic guide, thereby

> *"(...) not approaching interviews with elites with an expectation of following what is to the researcher a logical progression of fixed questions. A checklist of issues to be covered is more appropriate (...)." (Ostrander, 1995, p. 146)*

However, to fully investigate the decision-making processes, the topic guide needed to consist of three slightly different versions, each adapted to the specific policy level as well as the different URBAN development stages. Additionally, German translations complemented the English versions for easier operation of interviews conducted in German. Consequently, the topic guide for the EU level looks more at the background preparation of URBAN, its actual conceptualisation, and its launch at European level. Less emphasis is put on operationalisation, as that is undertaken at the national and particularly the local level. The topic guide for the national level refers closest to the Member States' first contact with URBAN, the national selection procedures of the local project proposals, their approval proceedings as well as the set up for their local operationalisation. For the local level, the topic guide looks mainly at the preparation of the local project proposals, the organisation and set up of their operationalisation, and the organisation and management of funding and co-financing issues. Examples for topic guides are contained in Appendix A-2.

In order to finalise the preliminary topic guide versions and, more general, the methodology, the study followed Ostrander's (1995) suggestion of "doing preparatory background work with people "in the know" before attempting to enter the field" (Ostrander, 1995, p. 135). Hence, six pilot interviews were conducted - five in person, and one per telephone where the respective location could not be visited prior to the fieldwork. At the level of the EU, two academic experts, commissioned to support the European Commission in its formulation of URBAN's framework, were interviewed in London and Paris. Additionally, four representatives of each of the case studies were interviewed in personal visits prior to the fieldwork in London

(Park Royal), Merseyside and Berlin, while the pilot interview in Duisburg-Marxloh was carried out by telephone. These pilot interviews not only helped to refine the topic guide, the methods, and the research approach, but also gave an essential insight into the field prior to the actual fieldwork.

In addition, 15 contextual interviews were conducted: six with Commission officials and five with Members of the European Parliament (MEPs) in Brussels; one at the British central government level in London, and three at the local case study level in London, Berlin and Duisburg-Marxloh. Given their pure contextual purpose, these additional interviews were not incorporated into the subsequent empirical analysis via transcription, coding and analytical conceptualisation, but supported the validation of the information obtained in the core interviews.

3.2 Data Collection

The empirical data was collected at the macro level of the EU, the meso level of the UK and Germany and at the micro level of the four URBAN projects in London (Park Royal), Merseyside, Berlin and Duisburg-Marxloh. Given that a more in-depth knowledge of the examined countries was required, together with the need to examine the obtained findings within their wider social context, the data collection was replicated across all policy levels, countries and cases. Although is was attempted to control problems of interview reflexivity and/or bias via the selection of a wide range of interviewees at macro, meso and micro level,

> "(...) data collection is inescapably a selective process. (...) Informants themselves are selective, too, sometimes deliberately, sometimes unwittingly." (Miles and Huberman, 1994, p 55f)

3.2.1 Preparing the Data Collection - Sampling of Respondents

The sampling of the interview data took place between 1996 and 1997. The process of identifying the respective key actors was twofold: the initial point of reference was via publicly available information regarding the potential respondents' job positions and responsibilities in the organisations. This was then cross-referenced and validated via the pilot and contextual interviews employing the "snowballing technique". Thus, during the interview, each respondent was asked to identify the key actors in the URBAN formulation and operationalisation process, while their personal key contacts within and across the various policy levels were equally inquired.

Cross-referencing was crucial for several reasons. On the one hand, a potential snowballing bias was avoided, for instance, a respondent's *perception* of key players, or his/her partiality towards certain main actors given the highly political environment in which URBAN was formulated and operationalised. On the other hand, organisational restructuring and fluctuations in personnel made it necessary to cross-reference the identified key actors. Thus, several key players in URBAN's decision-making processes, who had since moved on professionally, but who could be traced and were willing to contribute to the study, were interviewed in their former professional capacity and responsibility. Subsequently, an "incremental-progressive research process" was employed, where information, documents and interview contacts constantly served as the basis for consecutive information collection, key actor identification and interviewing. An in-depth account of the sampling of interview respondents can be found in Appendix A-3.

While the perceived difficulties of gaining access to elites have often been exaggerated, "well thought out strategies for access [and] luck and a willingness to take advantage of opportunities as they arise" (Ostrander, 1995, p. 135) are, however, considered essential. The identified key actors were, thus, contacted via standardised, yet personal and case-specific letters. This approach was chosen to clarify the exact goals and conditions of both, the research study as well as the proposed interview, while equally affirming authenticity and genuineness. Followed up by personal telephone calls, the receipt of the contact letter was enquired in concert with the interest in and availability for a potential interview. Furthermore, exact interview dates and times were arranged, while other URBAN key actors at different policy stages and levels were cross-referenced and validated. Although not all possible key actors in the Initiative's formulation and operationalisation could be interviewed, the response rate was nonetheless very high. Almost all positively identified key actors, who were approached for contribution in the study, agreed to an interview, leaving the rate of refusal or unavailability[4] at about 5%.

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[4] Unavailability is defined as positively identified key actors whose time schedule made an interview impossible, who could not be traced after a change of job position, or who have passed away.

In conclusion, the identification of key actors at EU, national and local level was characterised by progressive snowballing and continuous cross-referencing to aim for comprehensiveness and accuracy, both, *within* as well as *across* the policy levels at macro, meso and micro level; yet not in any case are completeness and correctness acclaimed, unfeasible for social science and public policy studies on political decision-making. Hence, the close interrelation between the different actors at the different URBAN decision-making levels became apparent at this very early stage of the fieldwork preparation.

3.2.2 Collection of Data in the Field

The actual collection of the empirical data was designed as personal visits to the interview sites in Brussels, the UK and Germany between July 1997 and April 1998. Several short trips of about three days were organised to collect data in Brussels, while single field visits of about seven to ten days were undertaken in the UK and Germany[5]. The chosen length of the fieldtrips ensured that all pre-arranged interviews could be conducted, cancelled interviews could be rearranged, and additional interviews could be scheduled, while equally allowing personal walks through the local URBAN project areas in London (Park Royal), Merseyside, Berlin and Duisburg-Marxloh.

All respondents were interviewed in respect to their degree of involvement and influence, as well as their perspective regarding URBAN's formulation process and operationalisation set-up. All interviews were tape recorded and later fully transcribed. The individual tapes are stored for future record. The interview length varied between around 40 minutes to around 90 minutes; the average interview lasted around 60 minutes. While most of the shorter interviews were carried out with representatives of the European Parliament, the interviews with Commission officials, national and particularly local actors lasted for about one hour, and up to 90 minutes in some single cases. As all interviews took place in an office setting, a professional and interview-focused environment could be established. Employing topic guides,

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[5] Given the time schedules of EU officials, four short fieldtrips to Brussels were undertaken in July 1997, January, March and April 1998, while the fieldtrip to Berlin was undertaken in November 1997. Duisburg-Marxloh was visited in February 1998 where interviews with German central government actors could be obtained in Bonn. The fieldtrip to Merseyside was organised in April 1998,

open yet structured interviews were conducted, and the essential replication of the experimental design could be realised throughout the data collection.

Given that the Commission is known as a politicised bureaucracy, and URBAN's formulation and operationalisation was often politically driven - considering the debate about subsidiarity and sovereignty, and the EU's lack of a legal mandate for urban intervention - it was crucial for this study to be able to ask pointed questions; this is

> *"(...) an issue especially when studying elites because they may wish to protect their position and have the power to do so." (Ostrander, 1995, p. 149)*

This advances the importance of information obtained from independent sources prior to the interview in order to "query or challenge elites' knowledge or point of view" (Ostrander, 1995, p. 147). Useful information can, however, be equally obtained from elites when directly confronted with "criticism that others may have made about their actions" (Ostrander, 1995, p. 147).

In total 75 key actor-based interviews were conducted. Thus, 29 interviews were carried out at the macro level of the EU, five at the meso level in the UK and Germany, and 35 at the micro level of the URBAN projects in London (Park Royal), Merseyside, Berlin and Duisburg-Marxloh. Six further interviews were conducted at a "mediating level" of overlapping local, regional, national as well as European engagement. Four interviews were carried out with the Brussels-based Liaison Offices of Merseyside and North-Rhine Westphalia, London and Berlin, where regional and local government officials respectively acted as voices of and for their specific region or city. Additionally, two international interest groups based in Brussels were interviewed, which played a key role in URBAN's formulation through their representation of local urban interests. Thus, given their mediating status, these actors were interviewed less in terms of specific details on the individual URBAN project formulation and operationalisation, but more in policy-terms regarding their political mediating capacity between local, national and EU players at the European stage. Although a rigid interview categorisation into distinct policy levels seemed unsuit-

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while the London (Park Royal) data collection was an ongoing process between November 1997 and April 1998. British Central government officials were interviewed between March and April 1998.

able amid the EU's inter- and intra-level decision-making characteristics, an analytical classification was considered necessary, displayed below.

Illustration 3.2: Interview Categorisation per Policy Level, Organisation and Country

Policy Level	Organisation / Body	Department / Unit	No. of Interviews	TOTAL
Macro: EU	➤European Commission	DGXVI, DGV, DGXI, FSU.	19	
	➤Academic Experts	LSE, John Moores University Liverpool, University of Dortmund.	3	
	➤European Parliament	Regional / Social / Budgets Committees.	7	**=29**
Meso: National	➤Central Government Departments	UK: DoE/DETR. Germany: BMWi, BMBau, DSSW.	2 3	**=5**
Micro: Local	➤Project Operationali sation Bodies:			
	▪ London (Park Royal)	GOL, Local Authorities, Partnership Groups, Voluntary Organisation and Local Community Representatives.	10	
	▪ Merseyside	GOM, Local Authorities, Partnership Groups, Voluntary Organisation and Local Community Representatives.	8 (10)*	
	▪ Berlin	Senate Administrations, Implementation Agency, Local Authority.	9 (11)*	
	▪ Duisburg-Marxloh	MSKS of the federal state NRW, City Council, Implementation Agencies.	8 (10)*	**=35 (41)***
Mediating Level	➤Liaison Offices in Brussels	ALG, Merseyside, Berlin, NRW.	4	
	➤European Interest Groups	Eurocities, Quartiers en Crise.	2	**=6**
TOTAL Number of Conducted Interviews: 75 (81)*				

*Figures in ( ) indicate the actual number of respondents, given that 6 interviews were conducted in pairs of two respondents per interview.

At the macro level, 19 interviews were conducted with Commission representatives, including seven former Commission officials. In the DG for Regional Policy[6] (DGXVI), 13 interviews were carried out in the conceptual and geographical units. In the DG for Employment[7] (DGV), three representatives were interviewed, two in their URBAN co-ordinating capacity with the DG for Regional Policy, and one in re-

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[6] Directorate General for Regional Policy and Cohesion.
[7] Directorate General for Employment, Industrial Relations and Social Affairs.

gard to social-spatial exclusion. One official in the Commission's Forward Study Unit (FSU) was interviewed, while two respondents in the DG for Environment[8] (DGXI) answered within the context of the urban environment. Additionally, three academic experts supporting the DG for Regional Policy in the development of an URBAN framework were consulted. In the European Parliament, a total of seven Members of the European Parliament (MEPs) were interviewed, one Budgets Committee member, and six members of the Committee on Regional Affairs including one MEP affiliated to the Committee on Social Affairs and Employment. Again, given Committee membership changes, particularly after the 1994 EP elections, the interviewed MEPs responded in their respective roles and capacity at the time of URBAN's formulation and/or operationalisation.

At the meso level, interviews were conducted with central and federal government officials. As the ERDF and, thus, URBAN were initially managed by the Department of the Environment (DoE), now the Department of the Environment, Transport and the Regions (DETR) in the UK, two key actors were interviewed in respect to URBAN's formulation and operationalisation. Given that URBAN falls under the responsibility of the ERDF managing Bundeswirtschaftsministerium[9] (BMWi), while its policy context addresses the Bundesministerium für Raumordnung, Bauwesen und Städtebau[10] (BMBau), two federal government representatives were interviewed in Germany. Additionally, an interview was conducted with the Deutsches Seminar für Städtebau und Wirtschaft[11] (DSSW) regarding its assistance in the URBAN project selection and management.

At the micro level, interviews were conducted with the principal URBAN project actors in London (Park Royal), Merseyside, Berlin and Duisburg-Marxloh. Given their local URBAN project operation, the Government Office for London (GOL), the Government Office for Merseyside (GOM), and the Ministerium für Stadtentwicklung, Kultur und Sport des Landes Nord-Rhein Westfalen[12] (MSKS) were counted into the micro level. The necessity to consider regional actors as micro level opera-

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[8] Directorate General for Environment, Nuclear Safety and Civil Protection.
[9] Federal Ministry for the Economy.
[10] Federal Ministry for Regional Planning, Construction and Urban Development.
[11] German Seminar for Urban Development and Economy.
[12] Ministry for Urban Development, Culture and Sports of the federal state North-Rhine Westphalia.

tors becomes, however, even more apparent in the case of Berlin, where the Berlin Senate formulated and operationalises the URBAN project via its simultaneous federal state and city function. Thus, for analytical reasons, the micro level incorporates local, and to a certain extent, also regional and national players. However, all micro level actors were interviewed with regard to the respective local URBAN case study.

To maintain the elite interview framework, interviews were confined to members of the designated local operationalisation bodies. Hence, ten interviews were conducted in London (Park Royal) with key actors in GOL, the Association of London Government (ALG), with council officials in Brent, Hammersmith/Fulham and Westminster in tandem with the respective community representatives. In Merseyside, eight interviews were conducted with ten identified key actors, where two GOM representatives, and two Knowsley council officials each were interviewed in pairs. Further interviews were conducted with Sefton and Liverpool council representatives, the voluntary sector, and the respective community representatives. In Berlin, nine interviews were carried out with eleven identified key actors: two representatives of the two URBAN managing Senate Administrations were interviewed together, as was a community representative from an URBAN sub-project with the responsible Senate official. Key actors were also interviewed in four other Senate Administrations, a district administration, and the designated URBAN implementation agency. In Duisburg-Marxloh, eight interviews were conducted with ten identified key actors: two Duisburg city council officials, as well as one official of Duisburg's three URBAN implementation agencies and a community representative of an URBAN sub-project were each interviewed together. Further interviews were conducted with key actors in the IBA Emscherpark[13], and the remaining two Duisburg URBAN implementation agencies.

Given that cross-referencing was employed as a paramount tool in the identification and interviewing of EU, national and local level key actors, the respondents confirmed the key role of the respective other major players, thus, validating and substantiating the empirical data as far as possible.

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[13] Internationale Bauausstellung Emscherpark: International Building Exhibition Emscherpark.

3.3 Data Analysis

Qualitative data processing and analysis was carried out with the qualitative software package ATLAS/ti. For this purpose, all interviews were transcribed verbatim and coded. ATLAS/ti facilitated the textual analysis by generating the code modes.

3.3.1 Choice of the Qualitative Software Package Atlas/ti

In the choice of the analysis tools, the utilisation of a qualitative computer package was considered a prospective option. Following Kelle (1995), the advantages of computer aided qualitative data analysis lay in its capacity to render qualitative data analysis "more systematic and transparent, thus enhancing its trustworthiness" (Kelle, 1995, p. 9). Nevertheless, there equally exists a danger that the researcher becomes alienated from the data "by a machine which had shifted from being an aid in doing qualitative analysis to its definition" (Kelle, 1995, p. 9). However, given the extent of the qualitative data together with the study's imperative to illustrate the interrelations and multi-level interaction in URBAN's decision-making process, the utilisation of a qualitative software package with an in-built networking facility had been decided at an early stage in the research process. The choice of a computer software programme was supported by Weitzman and Miles (1995) who provided a clarification of the essential features of an employed computer package in regard to the intended qualitative data analysis. Pursuing an inductive approach, influenced by a grounded theory understanding of qualitative data, Weitzman and Miles (1995, p. 18) advocate a computer software programme that provides fast and powerful search and retrieval, on-screen coding and automated revision of codes as well as a good text and/or graphical display, (Weitzman and Miles, 1995, p. 13). As theory-building via visual networks was considered as extremely useful for URBAN's data analysis, the study followed Weitzman and Miles (1995), who identify the further advantages of so-called conceptual network-builders, such as ATLAS/ti.

> "You can see your variables shown as nodes (typically rectangles or eclipses), linked to other nodes by lines or arrows representing specific relationships (such as "belongs to", "leads to", "is kind of"). The networks are not just casually hand drawn, but are real "semantic networks" that develop from your data and your concepts (usually higher level codes), and the relationships you see among them." (Weitzman and Miles, 1995, p. 18)

Following different Atlas/ti presentations and workshops, alongside the comparison of alternative software packages, Atlas/ti was subsequently selected for its code-and

retrieve facilities, and its theory-building and network-display features, apart from its availability at the LSE. To avoid "distancing" from the data, it was considered essential to have continuous on-screen data access, editing and flexible coding facilities in addition to a visual network view.

3.3.2 Codes, References and Visual Networks

Following Glaser and Strauss (1967), codes were created in an inductive manner. Instead of pressing the data into a pre-established code-frame based on pre-fieldwork data perceptions, the code-frame was evolved directly from the empirical data through a context-sensitive approach in the analysis.

After five random interviews had served as code pilots with Atlas/ti, all transcripts were re-read several times to establish an overview over the recurring key themes. Starting from these identified main issues, which the author assigned with preliminary codes, the data categorisation followed the inductive coding techniques of the grounded theory approach; while some codes were altered and/or eliminated, others required a further categorisation into separate sub-codes (see also Miles and Huberman, 1994, p. 58ff). Through a line-by-line review of all interviews, the researcher highlighted different text segments and assigned them with code labels in the customised Atlas/ti margin area. The sometimes-problematic definition of the unit of analysis - as either word, sentence, line, or paragraph boundaries - proved less difficult, as Atlas/ti accepted material of varying size to be highlighted and coded (Miles and Huberman, 1994, p. 65). Thus, it was the data context which determined both the unit of analysis and the code labels, not a pre-defined framework or the software programme's facilities. All transcribed interviews were fully coded, whereby key elements, which were constantly mentioned throughout the data, served as 'in-vivo' codes - the marked passage was coded with itself, creating a code named with the marked piece of text. 'Open-coding' allowed the researcher to establish new codes. Thus, the class of phenomenon was attributed to the text passage in the case of descriptive codes, while new codes and sub-codes were created in the more interpretively handling of the data. Through the above coding modes, the data generated the growing code-list, which was stored and displayed by Atlas/ti. Finally, 'axial-coding' was employed, where text segments were assigned with already established codes from the evolving code-list.

Subsequently, all quotations belonging to a specific code were retrievable - by selecting the code in the displayed Atlas/ti code-list, the assigned quotations appeared highlighted in the transcript text within their context. Consequently, an empirically grounded, structured and yet evolving code frame was created, which reflected the research question, was context sensitive and close to the data.

> *"An operative coding scheme is not a catalogue of disjoint descriptors or a set of logically related units and subunits, but rather a conceptual web, including larger meanings and their constitutive characteristics." (Miles and Huberman, 1994, p. 63)*

After the collected information had been organised into operational segments, a detailed insight and understanding of the empirical data was achieved. In the subsequent stage, the transcripts were continuously scanned for individual codes through the flexible search and retrieval facilities provided by Atlas/ti. After all respective code-related text passages had been reviewed accordingly, a theme-related structure was achieved for the empirical data, from which the contextual arguments and overall conclusions could be directly developed. Additionally, the optional classification of transcripts into contextual categories of cases and policy levels equally allowed easy search and retrieval of codes and/or expressions within the selected transcript groups. The sort and filter facilities further allowed a structured and controlled search and retrieval of transcripts, codes and/or expressions.

Moreover, the programme's facility to encrypt each of the 75 transcript with a distinct number provided the identification of all interviews and respondents, guaranteeing confidentiality as well as academic accuracy. The interview material could, thus, be quoted by indicating the respondent's organisational affiliation, the interview date, the corresponding transcript and the respective transcript page number. If the interviewee worked for an organisation or body carrying a standard abbreviation[14], this was used in the reference; in all other cases, the respondent's function and/or organisational affiliation was written out in full. Hence, an interview referenced as, for example, DGXVI Official, 1998, T-46, p. 4, identifies the respondent as an official of the European Commission's Directorate General for Regional Policy and Cohesion (DGXVI), states 1998 as the interview date, identifies transcript T-46 as the respective interview, and indicates page four as the reference location on the

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[14] All abbreviations used can be found in the "Glossary of Abbreviations".

transcript print-out. It is important to note, that a reference derived from the primary data collected is marked with a capital 'T' -for 'transcript'- linked to its respective identification number between 1 to 75; a list of interviewees can be found in Appendix A-3. Citations from secondary literature are referenced by author, date and page number. Furthermore, not all respondents were native English speakers, therefore interview quotations, which are cited verbatim, might not fully comply with English grammar rules. German interview citations are subject to my own translation and, thus, are accompanied by the German original in a corresponding footnote.

Finally, the graphic and semantic connection of codes provided a visual analysis via Atlas/ti's network view. Hence, semantic networks were created by means of this graphical editor, where codes are visualised as nodes, which can be linked with each other through specifiable relations. Unlike trees with unnamed links, semantic networks allowed greater freedom to express more complex relations between the different codes - identified by Weitzman and Miles (1995) as a particular strength of the Atlas/ti software package. An example of an Atlas/ti network facilitating the theory building can be found in Appendix A-4. The results and conclusion drawn from this contextualised analysis are illustrated in the following chapters.

Part II:

THE EUROPEAN UNION'S ROAD TO THE URBAN COMMUNITY INITIATIVE (1994-1999)

The European City as the focus of EU policy intervention represents a rather new dimension of Community activity. In fact, until 1994, the "European urban areas" were not, at least not officially, considered a policy arena for EU politics and policies, nor as a, from the conventional regional focus, separate entity of investigation. This was partly due to the EU's conception, that European cities were not regarded as an essential instrument in the Community's pursuit of its primary goals, the creation of the European Monetary Union and the promotion of European integration and socio-economic cohesion. However, the scope and impact of urban change on the European population were subsequently recognised, as European urban studies identified 80% of the Western European population to live in urban areas, while 50% of EC citizens were concentrated in the largest urban agglomerations (Cheshire et al., 1988; Parkinson et al., 1992).

Thus, during the 1980s, greater significance was placed on the role of metropolitan areas in Europe, as global economic restructuring increasingly changed the function of the urban system, while the European integration process was recognised to produce the spatial distribution of economic advantage and disadvantage. The negative growth effects, the social and environmental costs of economic transformation, and the Community's equity-efficiency trade-off regarding Community action in general and socio-spatial intervention in particular were increasingly acknowledged, and initiated an international and European debate, questioning the political urban agenda of the late 1980s. In the early 1990s, the significance and role of European cities have been stressed further and by the mid-1990s, cities had reached the political

agenda of the European Union. Urban issues were discussed particularly in regard to the Community's integration, cohesion and solidarity policies, while the EU territory was recognised as the most urbanised region in the world (EC/DGXVI, Europe 2000+, 1994a, p. 95ff).

However, the weak position of the city within the EU polity can be principally explained with the lack of an urban policy mandate the Treaties, thus leaving the Community without an explicit legal ground to act. Despite this deficiency of competence, a Commission urban dimension emerged incrementally. This was based on the Community's expansion of EU legislation, which allowed the Commission a more flexible, and in this case, a more urban-orientated interpretation of Community law without immediate objections of Member States governments and/or local municipalities. The fact, that the Commission's new urban policy dimension is incorporated within the Directorate-General for Regional Policies and Cohesion (DG for Regional Policy) does not merely follow the geographic and/or administrative logic. More importantly, it is the result of a multi-actor and multi-level political bargaining process, characterised by powerful lobbying for Commission policy priorities and competence boundaries.

The European urban agenda was set incrementally through a variety of key documents, publications, conferences, as well as via horizontal and vertical interaction between a variety of policy actors and policy levels during the late 1980s and early 1990s. Chapter 4 presents an overview of the preparation and setting of the European urban agenda. Subsequently, Chapter 5 illustrates the most decisive stage in the European Union decision-making process behind the launch of the URBAN Community Initiative during 1993 and 1994. The chapter concludes with an analysis of the European decision-making process at the macro level. Supported by secondary literature, both chapters are grounded in primary data collected at European, national and local level. Empirical evidence was directly drawn from the in-depth interviews. It is important, however, to distinguish between references derived from primary and secondary data according to the specifications illustrated in the methodology chapter.

Chapter 4

THE EUROPEAN UNION'S

ROLE IN SOCIO-SPATIAL

EUROPE: SETTING THE

AGENDA

The fact, that there was an urgent need to combat the apparent problems of inner cities and peripheral areas, has been a much discussed issue in the academic literature since the 1970s, as was illustrated in chapter 1. European Community debate and intervention, however, has been modest and concentrated primarily on environmental and transport issues. Given the increasing financial constraints of municipalities, in tandem with the limitations of nationally focused, often selective and single-dimensional urban policies, alternative avenues for effective urban policy interventions had to be identified. Specific emphasis was posed on the role of supra-national and international organisations and institutions. Arguing for large European cities, van den Berg (1989, p. 117f) considered European-wide intervention an imperative for the European Union, able to provide the essential integrated and comprehensive European approach, beyond nationalistic interests.

> *"An explicit urban dimension in the European Community's regional policy is a necessary condition for the successful reduction of regional welfare differences within Europe and the prevention of new problem regions developing. (...) The need for an explicit urban policy on the level of the European Community is reinforced by the effects of European integration on welfare growth in Europe."* (van den Berg, 1989, p. 59)

However, imperceptive of the complexity and multi-dimensionality of the causes and consequences of urban problems, the reaction of the European Community towards extensive socio-spatial problems was very modest and its role within the fight against problems of social exclusion and urban decay was rather insignificant. In fact, the Community only started its engagement in urban issues after other actors

had initiated the discussion. Thus, during the 1970s and 1980s, the international public and especially supra-national bodies and governmental agencies, for example, the OECD, recognised the negative effects of structural change upon the urban system. More specifically, the OECD identified urban problems as a cause and consequence of local fiscal problems, leading to de-concentration of population as well as housing and environmental deterioration (OECD, 1983, Vol. I, p 72f). Thus, taking the wider context of structural change into account, effective policies were considered to require the co-ordinated integration of an area-based and target group-focused approach (OECD, 1983, Vol. I, p. 95). Furthermore, the Council of Europe articulated its long-standing interest in urban policies through the publication of two reports on urban inhabitants in South and North Europe in 1983, and established a Standing Conference of Local and Regional Authorities of Europe working on urban problems in 1986. In 1987, the Council published a resolution on the fourth environmental action programme, which required the European Commission to submit a report about the situation, problems and rehabilitation of urban areas in Europe. Equally, in its promotion of urban interests, the European Parliament (EP) shaped the Community's urban perspective, which is illustrated below.

4.1 Community Investigation in Urban Problems in Europe

The scope of the European Communities' activities is defined in the Treaties of Rome of 1958, in the Single European Act of 1985, the Treaty of Maastricht of 1993, and the Treaty of Amsterdam of 1997. Urban intervention on environmental and transport issues are institutionalised under the Environmental Impact Assessment since 1985, while the Single European Act in 1986 gave the European Union a legal ground and explicit competence to act upon environmental issues within its territory. Various conferences, studies and reports enhanced the Community's commitment towards sustainability - expressed in the corresponding report "Towards Sustainability" on the EU's Fifth Action Programme on the Environment, 1992-2000 (CEC, 1992b). Recognising the need to elaborate bottom-up approaches in the pursuit of sustainable development, the report constituted a key publication for operationalising environmental objectives. However, without an explicit mandate for urban issues in the Treaty, the Commission acts indirectly through the Structural Fund Objective 2 measures for declining industrial areas. Hereby the regeneration of the physical fabric of cities, and environmental and transport issues are approached directly, while

the social problems of cities such as unemployment, quality of life, and social exclusion are addressed indirectly. Thus, non-environmental and non-transport related urban problems remained neglected until the launch of the URBAN Community Initiative in 1994. Although the EU's engagement in urban issues emerged slowly during the early 1980s, the Community's urban approach changed fundamentally at the beginning of the 1990s. After several studies and pilot projects on regional and metropolitan development across Europe, the Community adopted a more global vision of its territory, increasingly recognising the city as an emerging actor.

4.1.1 Basic Analysis of Urban Areas in the EU: What are the Issues?

Within the Community, the European Parliament (EP) promoted the interest of urban areas most strongly. Soon after its first direct election in 1979, the EP continuously highlighted the seriousness of urban problems, and the spatial concentration of socio-economic and environmental problems in urban areas. Hence, after the problem of urban concentration in the Community was highlighted in 1983[1], the EP organised the first Conference of the Regions in January 1984 followed up by a second in November 1990. The EP further called for urgent action to reverse the deterioration of the quality of life in urban areas within an urban environment perspective[2], stressed environmental pollution and industrial waste in urban areas[3], focussed on the problems and prospects for conurbations[4], and argued for the establishment of a specific Community fund to address inner-city problems in its reply to the key publication "Europe 2000" (CEC/DGXVI, 1991a)[5], to name but a few examples. Furthermore,

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[1] EP Working Paper (1-1001/82): "On the Problem of Urban Concentration in the Community", Rapporteur Mr. Griffiths.

[2] EP Working Paper (B2-757/87): "Les problèmes d'environemnt qui se posent dans les zones urbaines", Rapporteur Mr. Collins; EP Motion for resolution on the urban environment (B3-0624/93) by Mr. Ken Collins; EP Session Document (A3-0194/93): "Report of the Committee on the Environment, Public Health and Consumer Protection on the Urban Environment", Rapporteur Mrs. Pollack, 16/06/93.

[3] EP Motion for resolution on the setting up of Community funds conditional upon the implementation of projects to reduce environmental pollution in urban centres (B3-1484/90) by Mr. Kostopoulos; EP Motion for resolution on aid to promote special programmes to transfer industrial plants and cottage industries away from urban centres (B3-1081/91) by Mr. Kostopoulos.

[4] EP Motion for resolution on the problems of and prospects for conurbations (B3-1388/90) by Mr. Waechter; EP Session Document (A3-0385/93): "Report, of the Committee on Regional Policy, Regional Planning and Relations with Regional and Local Authorities, on the problems of and prospects for conurbations", Rapporteur Mrs. Pack, 01/12/93.

[5] EP Session Document (A3-0253/92): "Report of the Committee on Regional Policy, Regional Planning and Relations with Regional and Local Authorities, on a Community Policy for Regional Planning: Europe 2000 (COM(91)0452-C3-0051/92)", Rapporteur Mrs. Maibaum, 10/07/92.

Members of the European Parliament (MEPs) attended numerous conferences, seminar and workshops on urban-related issues, interacting with representatives of the Commission, the Member States, regional and local authorities, and urban interest groups (MEP RC, 1998, T-70, p. 1f). Thus, based on long-standing urban interest and direct connection with the European electorate, the EP exercised increasing pressure on the Commission to pro-actively address urban problems, which particularly intensified in the late 1980s and early 1990s (MEP RC, 1998, T-70, p. 10).

The Commission supported a series of studies of urban problems in Europe during 1983-1989 (Cheshire et al. 1986; 1988; 1989). The first report, published as "Urban Problems in Europe: A Review and Synthesis of Recent Literature" (1986), was designed to provide a background analysis on urban problems alongside an investigation of the Community's role in dealing with urban decline problems. However, after urban growth problems were equally recognised, a second phase was launched in early 1985 to supplement the analysis and the study report was published in 1986. Producing a basic yet comprehensive body of knowledge, the study had six main objectives: to provide a review of previous national and international analyses on urban decay, to investigate the nature and causes of urban problems at Community level focusing specifically on economic factors and potential links between industrial and urban decay, to further examine urban-regional implications of urban decay alongside Member States' national approaches, to provide recommendations and criteria for potential Community intervention, and finally, to elaborate appropriate measures to address urban problems through the Community amid a clearly defined role for EU structural instruments (Cheshire et al., 1988, p. 1). Using the OECD report "Managing urban change" (1983) as a point of reference, the study offered a comprehensive analysis of European urban problems by identifying different urban development stages, causes and consequences of urban growth and decline, and by providing an assessment of past urban policy intervention. Although Cheshire and colleagues (1986, p. 22) disagreed with the OECD report regarding the categorisation of urban policy, the influence of the macro-economic context, and the feasibility of effective urban policy intervention at supra-national level, this first Community study of European urban problems was strongly based on and very much in line with OECD conclusions and recommendations.

The study's significance for the EU's approach to urban issues is further revealed in its second extension into a third evolutionary phase. With the accession of the Member States Spain and Portugal, urban growth problems were equally analysed, while testing and updating the prior classification of European urban problems. The report "Urban Problems and Regional Policy in the European Community" (Cheshire et al., 1988), however, expressed criticism regarding the Community's commitment to tackle these issues. Given the narrow range of available data and limited study resources, the anticipated Community-wide comparison was restricted and the methodological analysis was limited to a qualitative evaluation. As the 1986 Statistical Year Book of Eurostat did not supply any urban area statistics, but instead focused heavily on regional data, Cheshire and colleagues (1988) argued, that it was the responsibility and obligation of the Community not only to provide European-wide urban data facilities for comprehensive analysis, but also for its credibility to the European citizens. However,

> "(...) the pattern of spending within the Community's budget is reflected accurately in the availability of data. (...) Yet there is not a single published official statistic available for consistently defined urban areas in Europe. It is imperative that if the Community is to give any serious attention to the problems of its urban areas, official statistics must be provided on a consistent basis." (Cheshire et al., 1988, p. 3)

The penultimate publication within this series, "Urban Problems in Western Europe" (Cheshire and Hay, 1989) constitutes a more general conclusion and synthesis of the Commission's investigation of urban development and urban problems. Illustrating historical processes, demographic changes and policy implication for national and Community intervention in a broad framework, the publication provides a summary of the six-year empirical research process in form of a comprehensive analysis with policy assessments and recommendations for an European urban policy. The final publication of the urban study series by the Commission and Cheshire and colleagues, "Explaining the Recent Performance of the European Community's Major Urban Regions" (1990) provides an up-date of the data for the major Functional Urban Regions (FURs) from 1984 as well as the development of long-term indicators of the so-called comparative structural problems. Thus, the reports presents an extended and improved data base, where the applied methodology was revised, the statistical validity refined, and a new set of indices created reflecting the long-term structural problems (Cheshire, 1990, p. 331). Arguing in favour of quantitative indices and league tables as viable tools to portray urban problems and to provide a

comprehensive analysis for urban policy-makers, the report represented a turning point in the engagement in Community intervention, taking a more critical position towards the Commission's approach to urban issues (Cheshire, 1990, p. 332).

> *"Although most of urban performance seems to be determined by factors over which policy can have no influence, there still remains a small but substantial differential element in comparative urban performance that can be closely related to qualitative information on urban policy."* *(Cheshire, 1990, p. 322)*

However, the findings of the first urban study series (Cheshire et al., 1986; 1988) were not fully exploited, as the necessary political climate within the Community for an explicit urban policy dimension had yet to be established. The study recommendations were not translated into actions, as "no political conclusion could be drawn from the study" (DGXVI Official, 1998, T-54, p. 7).

Additionally, the European Foundation for the Improvement of Living and Working Conditions (EFILWC)[6] launched a review on housing and living conditions in urban areas of Europe during 1984-1985 under the auspices of the social partners, the OECD, the United Nation's European Commission for Europe, the Council of Europe, and the European Commission. Analysing current trends in demography and family life cycle, labour markets, housing provision, living conditions as well as community involvement, the EFILWC examines both, the impact of economic and social changes on the structure of urban areas and on the quality of life in urban Europe. With a specific focus on the processes of marginalisation and social exclusion, which create and enhance socio-spatial inequalities, the study identified the complex problems of both urban decline and growth - the former striking many industrial urban centres in the North of Europe, while the latter is found in many cities located in Southern Europe (EFILWC, 1987). Hence recognising the negative impact of structural change upon the urban society as early as 1986, the EFILWC identified the socio-spatial effects, that is, polarisation, marginalisation and social exclusion - alongside the existing geographical and economical perspective - as an imperative for urban policy in the mid-1980s.

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[6] Established by the European Community via the Council Regulation (EEC) No. 1365/75 of 26 May 1975, Art. 2.

Thus, a fair amount of intelligence on urban problems had been gathered in the late 1980s. Critical changes in this period enabled a gradual policy advance. Thus, in late 1988, the institutional basis for EU intervention in urban issues started to be expanded through the Structural Fund reform of 1988/98 and 1993 respectively, streamlining the Community's structural funding instruments. Thus, four principles form the basis of Community assistance through the Structural Funds emerged: *concentration* on the six "Development Objectives"[7], *partnership*, which demands the close co-operation between the players at all levels, *additionality* which requires national finances to be complementary to Community funding, and finally, *programming* which forms a coherent set of measures over a specific period of time. These funding principles introduced a common, European-wide vision to the problems of European regions, allowing the Union to act upon regional disparities via operational programmes and pilot projects.

As a response to the acknowledgement of the need for European-wide activities, but in strict line with institutional settings, the Community created a legislative basis within the ERDF for the support of innovative actions in the form of pilot projects and studies[8]. However, the potential impact of such innovative activities had to stay minimal, as the funding contribution only accounted for between 9% to 11% of the total Structural Fund budget. Apart from the necessary critical assessment of these activities, these innovative actions should equally be evaluated according to their catalytic potential for enriching debates on policy development, as well as a means to keep urban problems on the European political agenda. The European Regional Development Fund (ERDF), established in 1975, is the principal financial instrument of the Community to pursue the objective of economic and social cohesion within the European Union. Its main focus is on productive investment, infrastructure projects and SME development in the "least-favoured" regions. The majority of the Structural

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[7] Regional objectives: Objective 1: Structural adjustment of regions whose development is lagging behind (ERDF, ESF, EAGGF Guidance Section) / Objective 2: economic and social conversion of areas affected by industrial decline (ERDF, ESF) / Objective 5b: economic diversification of fragile rural areas (EAGGF Guidance Section, ESF, ERDF). Objectives covering the whole Community: Objective 3: combating long-term unemployment and integration into working life of young people and those threatened with labour market exclusion (ESF) / Objective 4: adaptation of workers to industrial change and changes in production systems (ESF) / Objective 5a: adjustment of agricultural and fisheries structures (EAGGF Guidance Section, FIFG) / Objective 6 (Finland, Sweden): structural adjustment of regions with low population density (EU/DGXVI, Inforegio, Fact Sheet 14.04.1995).
[8] Regulation (EEC) No 2052/88, OJ. No L374, 31.12.1988.

Fund budget - around 90% - is used to support individual measures undertaken at the initiative of the Member States through the Community Support Frameworks (CSFs) or Single Programming Documents (SPDs). For instance, in 1994 almost 170 SPDs and 14 CSFs were launched in all Member States accounting for one third of the total Community budget or 1,2 % of GDP from the total Structural Fund budget (1994-1999) of ECU 154.5 billion (EC/SF, 8th Annual Report, 1997). Innovative measures are equally initiated at Community level. During the second Structural Fund programming period, Community Initiatives were financed with a 9% Structural Fund budget allocation of ECU 13.9 billion (at 1994 prices), while Innovative Initiatives received a 1% share of the total Structural Fund budget. The latter comprise studies and pilot projects under the Article 10 of the ERDF Regulations[9], which allowed a spatial planning dimension at the EU policy level through the

> *"(...) pilot schemes, which (...) encourage the pooling of experience and development co-operation between different Community regions, and innovative measures." (OJ. No L193, 31.07.1993, p. 38)*

Institutionally, this new provision enabled the Commission to encroach upon its limited scope of action in spatial development, cross-border co-operation and inter-regional co-operation. In addition, an internal re-organisation within the Directorate-General (DG) for Regional Policy further facilitated the application of this new provision, as the Conceptual Unit, responsible for policy formulation, was separated from the Geographical Units, which manages policy implementation; this institutional break between formulation and implementation, however, seriously impaired the Community Initiative operation (Hooghe, 1996, p. 106). Politically, a specific interpretation of the newly added "innovative measures" established the possibility of Community engagement in urban areas without undermining the entire logic of its newly defined Objective 2 criteria,

> *"(...) among which was the URBAN Initiative and the Urban Pilot Projects. Although the word urban was never mentioned in Article 10." (former DGXVI Official, 1998, T-54, p. 2)*

However, given the fact, that the DG for Regional Policy is responsible for the Community's regional policy, the urban dimension and its concept of "isolated pockets or poverty" or so-called "black spots", was considered outside the Service's responsibilities.

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[9] (CEE) No 2083/93 of the Council, modifying Regulation No 2052/88, OJ. No L193 of 31.07.1993.

"Urban issues were always said to be a taboo in regional policy (...) because it was (...) the idea of black spots and we were against that in regional policy in the sense that, these are black spots in rich areas or rich Member States, they have do with that. We are dealing with regional policy in general. So there is no need to go there." (former DGXVI Official, 1998, T-54, p. 2)

Thus, responding to the mounting pressure from various urban areas, initially in London and Marseilles, together with the emergence of urban interest groups and the increasing significance of the sub-national level at the European arena, the DG for Regional Policy designed the Urban Pilot Projects (UPPs), despite the lack of a legal mandate for Community urban intervention, and the ineligibility of these two cities for Objective 1, 2 or 5b funding assistance.

"(...) since we had this little opening saying: Innovative Actions, the argument which was put forward in order to justify the possibility of financing these Urban Pilot Projects was the fact that it was Innovative Action, that never before it was tried this idea doing some urban action. (...) So there was a new movement, and there were real problems in cities." (former DGXVI Official, 1998, T-54, p. 3)

Hence, the possibility of Community urban engagement became formally recognised with the realisation of the first UPPs in London and Marseilles. Constituting small-scale actions, the UPPs were decided on a "case-by-case basis without a scheme, a real established procedure" (DGXVI-Conceptual-Unit Official, 1997, T-47, p. 2). During 1989 and 1993, a total of 32 UPPs were launched, reflecting the large interest in, and wide-spread demand for Community urban engagement by cities across Europe existing at the beginning of the 1990s. In parallel, the Community created the framework for future urban policy intervention by means of a Green Paper, which was the result of a different strand of consultations, workshops and conferences during 1989 and 1990.

4.1.2 The Green Paper on the Urban Environment

The general methodology of producing and launching innovative Community policy is expressed in the Community's Green and White Paper strategy. As legally non-binding instruments, Green and White Papers are designed to concentrate on Community policy development within a policy area for which the EU has not yet legislated, but might do so in the future. The preparation of a Green and White Paper is characterised by a procedure of extensive consultation and information between the Commission and interested parties in the Member States. This transcendental process is a particular feature of the open decision-making process of the EU. After the iden-

tification of problems in a particular policy sector and the collection of information and empirical data about current trends, a recommendation for action and best practice is published by the Commission by means of a Green Paper. In case of a White Paper, several policy sectors as well as the EU policy framework as a whole are discussed, while the Commission publishes essential guidelines for future action. While advice for future Community intervention is given in both cases, the former is the less binding. The preparation of the Green Paper on the Urban Environment was particularly characterised by its horizontal approach. Treating each aspect of the urban environment equally, the DG for Environment[10] (DGXI) produced a comprehensive and integrated perspective of the dangers to the urban environment (CEC/DGXI, 1990a, p. 14). The Green Paper on the Urban Environment was drafted in early 1990 and was adopted by the Commission by mid-1990 in the form of a communication to the Council and the Parliament.

While this document illustrated the Commission's interest in the urban environment, a resolution of the Council of Europe, however, had also urged the Commission to investigate urban problems. Thus, faced with the requirement to publish a report on the situation of cities in Europe, the Commission initiated several conferences and international seminars between mid 1989 to early 1990 to establish a body of intelligence[11]. The findings of these conferences and studies were published under the Commission's report "Urban Environment: Experts Contributions" in 1990, which proceeded the Commission's "Green Paper on the Urban Environment" (CEC/DGXI, 1990a).

Calling for a more detailed analysis of urban sustainability, the Green Paper investigated the future of the urban environment via analyses of urbanisation, urban environmental problems and causes of urban degradation, whilst discussing a European strategy for the urban environment within the context of "encouragement" by the

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[10] Directorate General for Environment, Nuclear Safety and Civil Protection.

[11] "Decline of industrial areas" was discussed in a conference in Brussels in mid-1989, "The Periphery: An Exploratory Study" brought experts together in Leven, a conference in Rome focused on "Green Areas and Urban Design", and "The Steel Towns in Europe" were debated in the Terni Conference in late 1989. Additional studies on urban health, urban environment and the evolution of certain European cities were launched, while two conferences on "Environment and Urban Development" were held -in Avignon in late 1989 and in Bremen in early 1990- which not only enriched the Commission's report, but particularly gave rise to the idea of producing a respective Green Paper.

Community. However, in absence of a mandate on urban issues in the Treaties, the Green Paper argued in strict line with the principle of subsidiarity, while the Community's role is defined as supportive and consultative, limited to facilitating the exchange of experience between all levels involved (CEC/DGXI, 1990a, p. 5). Restricted to the physical structures of cities and their contribution the global pollution, the Green Paper on the Urban Environment strongly emphasised the encouragement and support of environmental pilot projects. The Green Paper principally recommended the mixed use of urban areas, the promotion of the city's identity, channelling of urban growth towards the sensible use of derelict land, the alleviation of the impact of private transport, the maintenance of the quality of open space, the incorporation of environmental issues in urban management policies, and the assurance of the participation of city dwellers in the urban decision-making process (CEC/DGXI, 1990a, p. 21f). The Green Paper further identified large cities as major causes of environmental problems, with knock-on effects on surrounding areas in terms of traffic congestion, general pollution and the disposal of waste. Further, in the line with these environmental aspects of the city, transport issues were discussed as both a cause and solution to these urban problems, thus, recognising an efficient infrastructure and public transport system as indispensable for the future of urban areas.

> *"The urban Green Paper touches on, but is less explicit about, some of the social and economic problems facing modern cities: poverty and deprivation, inequality, poor housing conditions, disenchantment and alienation, lack of - and diminution of - cultural identities, and, related to all of these problems, law and order." (Burchell, 1992, p. 21)*

In form of guidelines, the Green Paper on the Urban Environment intended to generate innovative policy thinking on urban problems in Europe. In character, somewhat of a preliminary document with a number of pointers to future action, rather than an actual working tool, this document initiated further debate, discussion and proposals by the EP, the Member States, consultants and other advisory bodies to the Commission.

> *"(...) we wanted to trigger a debate, a clash, a controversy (...). The EP gave us immediate audience and a strong political backing. (...) That was in between the end of 1989, 1990 and had its peak in early 1992. We had in Madrid a conference (...) and we were in a kind of Evangeline role. [Yet] there was no breakthrough, because no legal basis exits in the Treaties, no money resources (...)." (former DGXI Official, 1998, T-61, p. 2)*

Thus, as the aspects of urban planning and management required additional examination and consultation at local level, the Commission instructed the Council of European Municipalities and Regions (CEMR) to organise the Member State consultation process during late 1990 and early 1991, synthesised in the 1991 Madrid conference on "The Future of the Urban Environment in Europe". An edited summary of the Conference's statements and debates was published by the Commission under the document "City and Environment" in 1994 (CEC, 1994a). Despite the clarification of Community-Member States competence, extensive debates about the causes and scope of urban problems and, thus, an effective urban policy intervention emerged, and respective Commission engagement was seen critically (CEC, 1994a, p. 29). Perceiving the city as the cradle of civilisation and democracy, a group of discussants emphasised the economic, social and cultural significance of cities, identified the lack of a holistic perception of the city, and considered increasing spatial segregation, gentrification, exclusion and poverty to create the city of two speeds. It was further argued that Europe seemed to pay little attention to the values of urban equality, urban identity and the essential urban vision to transcendent short-term imperatives (CEC, 1994a, p. 39ff).

In conclusion, the Community's interest in urban issues and its commitment to act upon urban problems emerged only in the late 1980s, after international political pressure from the OECD, the Council of Europe, and the EP, alongside impetus from individual Member States and some Commission officials had initially set the agenda (DGXVI-UK-Expert, 1998, T-72, p. 2f; see also Cheshire and Hay, 1989, p. 1).

4.1.3 Territorial Development: A Global Vision of Europe

As part of the Commission's Regional Development Studies, the study "Urbanisation and the Function of the Cities in the European Community" (Parkinson et al., 1992) was launched in 1990 to assess the role of cities within the Community as well as their contribution the changing Europe. This study constituted not only the first document published by the Commission putting urban areas in perspective to other Community policies, but equally marked a turning point in the Community's approach to urban issues. In contrast to the Commission's previous investigations, the

methodological approach changed from a quantitative, urban analysis focus to a qualitative, urban policy orientation, where with a

> *"(...) more general qualitative type of approach you can always find something in it that supports a particular argument (...) which is favoured by the political process. (...) there was some utility having such a study with more focus on the urban policy."*
> *(DGXVI-UK-Expert, 1998, T-72, p. 4)*

Furthermore, the selection of certain cities and an in-depth case study-based analysis of their dynamic socio-economic and environmental transformation process was designed to provide an evaluation of the urban impact of structural change, an indication of future metropolitan developments, and an assessment of urban policy implications. Acknowledging the cultural and political identity, as well as the socio-economic impact of metropolitan areas, the study identified the future of Europe as fundamentally determined by that of its cities. Given the continuous socio-economic and political integration in Europe, cities were regarded as "crucial players in a dynamic European economic space" (Parkinson et al., 1992, p. 12). Advocating cities for the Union's future agenda, the study examined the patterns of European urbanisation, trans-national urban issues, and challenges of urban change. The study further provided case study-based city analyses and concrete policy recommendations for future national and European urban interventions, advocating a diversified urban economic base, functioning public-private sector networks, an urban development strategy and entrepreneurial-driven responses to economic change. Parkinson and colleagues (1992, p. 43ff) characterised the causes of urban problems as factors of economic condition and geographical location. Rejecting the concept of one European urban hierarchy in favour of a set of overlapping urban hierarchies, the study defined three economic categories of Europe as the "old" core, characteristic of traditional industrial areas of Northern Europe, the "new" core, comprising the beneficiaries of the global changes and the evolution of modern, advanced industry sectors, and finally the European periphery, characterised by poor infrastructure, technologically underdeveloped enterprises and limited inward investment capacity located at the fringe of the EU territory.

Calling for an increase in Community intervention at metropolitan level, the study criticised the Community's urban approach and policy interventions for its primary focus on European regions and for its administrative fragmentation within the Com-

mission, which discourages cities to apply for Community assistance and/or to pursue co-ordinated urban strategies in tandem with multi-dimensional Community initiatives (Parkinson et al., 1992, p 23). In order to overcome the limited scope of European urban intervention, the report recommended the incorporation of urban issues as a new policy dimension into the Community's institutionalised regional policy.

As an accompaniment, a further series of studies were launched to explore and define the emerging spatial planning developments of the European map. Funded under Article 10 of the ERDF Regulations, the results of these informal studies were published in the report "Europe 2000: Outlook for the development of the Community's territory" (CEC/DGXVI, 1991a) in 1991. This was one of the first Community publications which explicitly called for an EU competence in spatial planning and urban policy. In the pursuit of further European integration, the perspective of the Community regions was fundamentally changed through the comprehensive regional vision of Europe 2000, regarding the Community territory now as one European-wide area within a Community-wide regional planning framework[12] (CEC/DGXVI, 1991a). Primarily investigating the development prospects for the Community territory as a whole, Europe 2000 promoted a more global approach to European spatial planning, while offering regional and local authorities a series of guiding standards for their sub-national projects and activities. However, given the diversity of national spatial planning perspectives, the role and function of the spatial planning dimension at European level needed to be clearly determined. This initial lack of an institutional definition, however, was used by the Commission to organise several informal meetings in order to expand the European spatial planning dimension without the Member States' interference. Thus, the requirement for the essential bottom-up approach was achieved through this report (former DGXVI Official, 1998, T-54, p. 5f).

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[12] Europe 2000 (CEC/DGXVI, 1991a) also had a significant impact upon the Community's regional policy dimension. Regional policies, such as the primary issue of cross-border co-operation, followed by interregional co-operation, spatial and land-use planning, and lastly urban policies, only entered the mainstream policy attention with the Europe 2000 document in 1991. Consequently, the significant role of the cities was recognised and the need to intervene with appropriate policy instruments had finally been acknowledged (McGove, 1995, p. 179ff). Thus, trans-national studies promoting spatial planning at European level followed and the overall awareness of the spatial impacts of the European integration process emerged.

Consequently, the Commission submitted a petition to the Intergovernmental Conference on Political Union at the Maastricht Summit in 1992, which proposed amendments to the Treaty of Rome to include "urban areas in decline" into the objectives of the Structural Funds (ALA and LBA, 1992, p. 2).

> *"DGXVI was always interested in urban problems and indeed at one stage there was an attempt by the Commission (...) to have a specific mention in the Treaty of urban problems." (former DGXVI Official, 1998, T-45, p. 1)*

This petition failed on the grounds of the principle of subsidiarity and national sovereignty, and the approach to European spatial planning had to be altered to respect intergovernmental preferences, with, nonetheless, horizontal and vertical co-operation at all levels being furthered. Subsequently, the development of European spatial planning and urban policy, advocated by the Commission at the time, had to be channelled back into the common EU framework of subsidiarity, governance diffusion and politicised bureaucracy of slow pace, characteristic of Community policy-making.

The global vision of the Community territory, however, remained on the European agenda, and, for instance, shaped the guidelines set out in the Delors White Paper on "Growth, Competitiveness and Employment" (CEC, 1993a) at the end of 1993. Considered an essential tool for the reduction of regional disparities and territorial unemployment, the development of Trans-European Networks (TENs) was promoted to guarantee socio-economic integration and enhance the Union's overall competitiveness.

However, restricted by institutional settings, the next Community report on spatial planning, "Europe 2000+: Cooperation for European territorial development" (EC/DGXVI, 1994a), took a different, rather opposite approach. Advocating European spatial planning now principally in terms of an essential co-operation between the Community and the Member States, and a necessary co-ordination of responsibilities of all involved levels, the report illustrated a political shift back from the supra-national to the national level.

Reviewing the formulation process of Europe 2000 (CEC/DGXVI, 1991a) and Europe 2000+ (EC/DGXVI, 1994a), it becomes apparent that the studies for these

documents were not conducted under the normal procedure, which involves consultation with the Member States. Instead, this informal study series was produced without Member State engagement, pointing towards a hidden Community agenda. Within the same period, a Committee on Spatial Development alongside informal meetings of spatial planning and regional policy ministers have been established. Reflecting a political extension of Europe 2000+ (EC/DGXVI, 1994a), the Committee on Spatial Development elaborated the European Spatial Development Perspective (ESDP), which was designed to outline a strategy to improve the urban balance within the Union by contributing to the diversification of urban economics and urban growth in disadvantaged areas. Furthermore, the ESDP was devised to promote urban networks, control urban diffusion, enhance national-regional partnerships, and clarify the role and responsibilities of all involved actors involved, while tailored to the regional context.

Europe 2000+ (EC/DGXVI, 1994a) emphasised the need for a European-wide spatial planning perception, but changed its course and intensity of argumentation fundamentally. Albeit restricted by legal grounding and institutionalised competence, the Commission argued for a European spatial planning on the basis of principle and engagement regarding the process of European integration and cohesion. Stressing the need for co-operation at all levels and with strict conformity to the principle of subsidiarity, Europe 2000+ (EC/DGXVI, 1994a) takes a less vigorous approach.

> *"The major contribution of Community or inter-state spatial planning will be to lay down a set of principles which, by the virtue of its moral force, will eventually be accepted by all players in the various sectors and at the various levels." (OJ. No C301, 1995: 95/C301/04, p. 2)*

A similar conclusion for equal reasons can be drawn from a comparison between the fourth and fifth periodic report of the DG for Regional Policy, where the Community illustrates further engagement in tackling urban problems (CEC/DGXVI, 1991b and EC/DGXVI, 1994b). Provided for in the Structural Fund reform in 1988/89[13] and in pursuit of Article 130d of the EEC Treaty, the two periodic reports provided information on the socio-economic situation and development of the Community regions in the early to mid-1990s. The fourth periodic report of 1991, "The Regions in the

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[13] Art. 8 of Regulation (EEC) No 4254/88 of 19.12.1988 on the reform of the ERDF (OJ. L374, 31.12.1988).

1990s" (CEC/DGXVI, 1991b) provided a comprehensive analysis of the socio-economic implication and operationalisation of the changes of the 1988/89 Structural Fund reform, while recognising the negative aspect of structural change during the 1980s. Despite the expectations of the Structural Fund reform to narrow the gap between weaker and stronger regions, thus, diminishing the considerable differences in employment opportunities and standards of living within the Community, the Commission had to acknowledge an increase of regional disparities as partly cause and partly consequence of the uneven economic impact across the Community territory. While the report alluded to economic integration and future enlargement towards Central and Eastern Europe, it primarily reflected upon the employment aspects of industrial areas funded with the Structural Fund Objective 2 status, yet without explicit reference to metropolitan regions or urban areas.

The changed perception and function of cities, however, was reflected in the fifth periodic report on the socio-economic situation and development of the regions, "Competitiveness and cohesion trends in the regions" (EC/DGXVI, 1994b), which identified most of the Objective 2 areas as highly urbanised. The report further promoted the Community Initiative URBAN as a new generation of regional development programmes and a new departure for future Community policies. Hence, the comparison between the two documents reflected the fundamental changes which occurred within only 3 years and which altered the role of urban policies in regard to the European future. While urban areas were being recognised institutionally (NUTs III level[14]), and the necessity to address the pressing problems of many European cities was commonly acknowledged, the commitment to operationalise a European urban policy dimension remained controversial. Although the URBAN Community Initiative is briefly mentioned in the introduction of the fifth periodic report, it is only referred to as "initiative for urban problems" (EC/DGXVI, 1994b, p 138) in the later section on Community regional policies for 1994 to 1999. The reason, why all other new Community Initiatives are presented under their official name, except

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[14] The Nomenclature of Territorial Units for Statistics (NUTS): a standard framework to analysing socio-economic developments in the Union's regions for the determination of Structural Fund eligibility. NUTS III comprises Départements (France), planning regions (Ireland), provinces (Spain) and counties/local authority areas (UK).

URBAN, is not evident, given the fact, that all Community Initiatives were adopted simultaneously in the Guide to the Community Initiatives in 1994 (EC/SF, 1994).

In conclusion, the European spatial and urban planning dimension was spurred by the Commission's Green Paper on the Urban Environment in 1990, several studies, especially Europe 2000 (CEC/DGXVI, 1991a) and Europe 2000+ (EC/DGXVI, 1994a) during the 1990s. It was further promoted through a number of Articles in the Treaties and various sections in the White Paper on "Growth, Competitiveness and Employment" (CEC, 1993a). Following the political reactions of Europe 2000 and Europe 2000+, the Member States promoted spatial planning at the national level through a series of activities, while the Commission took on more responsibilities and proposed concrete action through its Community measures.

4.2 Community Assistance for Urban Europe

A complex bargaining process between the Member States and the Community decides whether a cohesion policy area is addressed at national level profiting from a substantial resource base, or realised at Community level suffering from resource constraints, yet benefiting from a European profile and potential future EU engagement.

At national level, Member States and the EU agree upon individual Community assistance through the Single Programming Documents (SPDs) and/or Community Support Frameworks (CSFs). Once adopted by the Commission, these Development Programmes are implemented by the appropriate national or regional authorities and part-financed under the respective Development Objective (EC/DGXVI, 1996a). Community assistance for Member States covers a variety of subjects such as cross-border or inter-regional co-operation, infrastructure development, enterprise aid, education and training, environment, R&D, tourism as well as local, rural and urban development, of which 36 have been selected to feature within the Commission's Regional Success Stories (EC/DGXVI, 1996b).

At European level, the Union provides assistance through Community-devised programmes, that is, Community Initiatives and Innovative Initiatives (EC/DGXVI, 1996a). The following sections illustrate past Community interventions, which

elaborated the social and spatial concepts within urban Europe during 1989 to 1994, on which the URBAN Community Initiative was based during 1994 to 1999.

4.2.1 Community-Wide Intervention on Social Problems in urban Europe

During the first Structural Fund period (1989-1994), the Community has initiated a variety of Community Initiatives to explore innovative strategies to foster cohesion and combat social exclusion, poverty and marginalisation within a target-group framework. Although Initiatives such as Employment with its interrelated programmes "Now", "Horizon", "Youthstart", and the Community's "Third Anti-Poverty Programme (Poverty 3)" were not specifically designed within a spatial focus, they were particularly successful within an urban context. The most influential programme for the later URBAN Community Initiative, however, was the "Community Programme to Foster the Economic and Social Integration of the Least Privileged Groups (Poverty 3)". Developed from two previous Community poverty programmes during 1975-1980 and 1985-1989, Poverty 3 was designed to address the complex socio-economic and political problems through demonstrative local projects during 1989-1994. Duffy (1997, p. 70ff) identified the strength of the programme in its validation of its three principles: Multi-dimensionality, Partnership, Participation, where

> *"The benefits of partnership are usually thought to be the added value possible through the scope for negotiation and policy integration; the strength of participation is the scope for the priorities of the least advantaged to be heard and taken on board (...)." (Duffy, 1997, p. 70)*

As part of "analytical constraints" (Conroy, 1994, p. 19), the Poverty 3 programme witnessed several problems ranging from programme specific difficulties, such as inexperience of project staff and unsuccessful monitoring and/or auto-evaluation, to problems inherent in Community structural programming, for instance, the lack of an integrated concept and comprehensive approach, adequate resource allocation, defective programming structures, and an efficient exploitation of previous experiences, best practice and tested methodologies. Consequently, Poverty 3's actual impact was very modest, given the complexity and size of Europe's poverty problem, and the programme's budget of a mere ECU 55 million. Furthermore, the operationalisation of the principle of additionality and the realisation of the concept of partnership proved difficult, while the implementation of Community guidelines witnessed a tendency of "policy bending" by the Member States. Additionally, the dis-

tribution of the Poverty 3 projects across the Community was criticised for its predominant concentration on urban areas in Northern Europe. As urban projects proved more effective than rural ones, the equity-efficiency trade off was once again identified as a major Community deficiency. While realistic evaluations of political programmes reflect upon their efficiency and impact in a slightly different way than had been initially envisaged, the practical difficulties are often justified with the programme's theoretical significance and political impact for future intervention - if only to legitimise past resource allocation, or to guarantee future support. Thus, although partly effective at local level, moderately influential at national level, yet mostly ineffective at European level, Poverty 3 was perceived as an important and valuable measure to keep the concept of "poverty" on the European political agenda (Conroy, 1994, p. 3ff; Bruto Da Costa et al., 1994, p. 5ff; Duffy, 1997, p. 70ff; Becker and Sellin, 1994, p. 137 & p. 143). Alongside the recognition of the multi-dimensionality of poverty requiring integrated strategies, elevating the concept of social exclusion to the European policy agenda,

> "(...) one of the main results of the Poverty Programme was in fact the urban dimension. (...) the Poverty Programme has certainly in those last four years produced a lot of results which have been very beneficial, [and] the Poverty Programme has contributed a lot to the urban thinking of DGXVI (...)." (former DGV Official, 1998, T-58, p. 6f).

4.2.2 Community-Wide Activities for Spatial Problems in Europe

Within the framework of Innovative Initiatives[15], the Community provided assistance to urban areas through the Urban Pilot Projects (UPPs). In the same way as the experiences with cross-border co-operation have developed into one of the main Community Initiatives (Interreg), the UPPs can be seen as a "source of inspiration for the development of the new programmes under the URBAN initiative" (CEC/DGXVI, 1994c, p. 4), thus, expanding the Community's urban policy dimension. For the period 1989-1993, the ERDF co-financed a total of 32 UPPs with around ECU 100 million, involving an overall budget of ECU 200 million (EC/DGXVI, 1994c, p. 1). Addressing urban themes which are of common interest to the Community, the UPPs

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[15] In the first Structural Fund programming phase (1989-1993), Innovative Initiatives comprised four main topics: spatial planning producing the document "Europe 2000" (CEC DGXVI, 1991a), cross-border co-operation, co-operation networks between towns and regions, creating projects such as Pacte, Recite, Ecos and Ouverture, and finally, issues relating to urban problems.

were designed to identify and explore innovative ideas for approaching urban problems (EC/DGXVI, 1994c, p. 1). While the acquired experiences and best practice were to be transferred to other European cities,

> *"Urban pilot projects are not intended as a comprehensive means of tackling these wide-ranging problems. The Commission does not consider that it should tackle all the problems and issues of urban areas and that most actions are more appropriately carried out by the Member States and cities themselves, in line with the principle of subsidiarity." (EC/DGXVI, 1994c, p. 1)*

Initially, the first 22 UPPs were concentrated on three main topics, primarily on economic development in areas experiencing social problems, secondly on the revitalisation of the cities' historic centres, and thirdly on environmental actions linked to economic goals. In line with its experimental character of innovative action, a fourth theme was established during the course of the programme, that is the exploitation of the technological assets of cities, through which a further ten cities joined the UPPs by the end of 1993 (CEC/DGXVI, 1991c, p. 2; EU/DGXVI, Inforegio 31.10.1995).

Constituting the Community's first explicit urban intervention, the UPPs (1989-1994) delivered invaluable practical experience and best practice. While their success helped to elevate urban issues on the European political agenda, the UPP experience, however, equally revealed the need for the improvement and further co-ordination of employed actions, and the establishment of public-private partnerships for project sustainability (EU/DGXVI, Inforegio No. 18, July 1995, Annexe, page 1). Thus, in the same way as the two Community documents "Europe 2000" (CEC/DGXVI, 1991a) and "Europe 2000+" (EC/DGXVI, 1994a) had created the framework of a European-wide spatial planning perspective, the UPP's (1989-1994) elaborated the basis for subsequent Community urban approaches beyond the conventionally compulsory institutional framework. Commonly recognised as indispensable predecessor for the URBAN Community Initiative, the UPPs acted as a catalyst for the future European urban policy debate.

4.3 Prospects for a Community Socio-Spatial Policy Intervention?

During the 1980s and early 1990s, the Community's socio-spatial approach was characterised by its relative late start, in comparison with other national and international urban policy engagement, and by its rather modest and selective commitment, subject of frequent criticism.

"Since the European Community is in duty bound to foster welfare in Europe, it must give the city its own explicit place in the policy plans. So far, that has not been done, a situation that must be remedied fast." (van den Berg, 1989, p. 59)

Arguing at the socio-political level for the necessity to solve the pressing socio-spatial problems of many European cities, Community activities prior to the launch of the URBAN Community Initiative in 1994, however, took a very modest shape, crystallising to negligible impact and insignificant outcomes. The lack of a more integrated and comprehensive European approach towards the complexity of socio-spatial problems, however, was attributed to the EU's institutional constraints, bureaucratic procedures, and the principle of subsidiarity. Yet, given the increase in scope and severity of socio-spatial problems alongside the growing fiscal stress encountered by municipalities restraining the provision of necessary urban services and facilities, the need for a European urban framework was increasingly recognised and demanded.

However, despite the increasing pressure for legitimisation, accountability and responsibility entering the European debate, the reason why the Community had launched an integrated socio-spatial programme under the second generation of Community Initiatives particularly in 1994, although - according to respondents - an operational urban programme proposal had already existed in 1989, seems to be connected more to extensive bargaining and political networking, than to a well-elaborated, consolidated urban policy approach (DGXVI-UK-Expert, 1998, T-72, p. 3). The following chapter will provide a more detailed insight into the decision-making process behind the URBAN Community Initiative at EU level.

Chapter 5

THE EUROPEAN UNION'S DECISION-MAKING PROCESS AND LAUNCH OF THE URBAN INITIATIVE

A s I have argued, the European urban agenda gathered momentum in the early to mid-1990s. The most decisive period for the subsequent formulation of the URBAN Community Initiative was, thus, identified between 1993 and 1994. Although urban issues had failed to obtain a formal mention in the Maastricht Treaty in 1992, the financial perspective for 1993-1999 proposed under the so-called "Delors II Package"[1] provided further scope for the elaboration of a European urban dimension. The subsequent Structural Fund Revision in 1993 further consolidated the European urban agenda and together with the comprehensive debates on the 1994 EU budget contributed to the conception of the URBAN Community Initiative. Due to the sheer complexity of this incremental multi-level governance formulation process, only a small and certainly not incontestable account can be provided below.

5.1 The 1993 Reform of the Structural Fund Framework Regulations

Strengthening the four principles underlying the 1988 Structural Fund Reform, that is, the concentration of measures, multi-annual programming, partnership and additionally, the Structural Fund Reform enlarged the urban dimension by adapting the Development Objectives to change. Thus, a sixth Objective was created, programming arrangements were amended, and new types of measures for Community co-funding introduced (CEC, SF, August, 1994, p. 7). With regard to the principle of Concentration, the Directorate-General (DG) for Regional Policy introduced a new

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[1] CEC (1992c): "From the Single European Act to Maastricht and Beyond - The Means to Match our Ambitions", (COM(92) 2000).

provision for the Objective 2 designation into Article 9 of the 1993 Structural Fund Framework Regulations[2], referring to "areas, especially urban areas with severe problems linked to the regeneration of derelict industrial sites"(OJ. No. L 193, 31.7.1993, p.12) in order to

> *"(...) specifically recognise, that some urban areas, which otherwise wouldn't be eligible, do have a lot of urban problems and a lot of it is connected with dereliction from old industry etc. So that was an attempt to move things a little bit forward."*
> *(former DGXVI Official, 1998, T-45, p. 1)*

Synthesising the former Objective 3 and 4, the new Objective 3 aimed to facilitate the integration of those threatened from labour market exclusion, while the novel Objective 4 supported workers in their adaptation to industrial and production system changes, all having obvious implications for the urban population. Objective 2 and 5b placed greater weight on the partnership approach during decision-making processes (CEC, SF Revisions, 1994, p. 11), extended to include

> *"(...) competent authorities and bodies - including (...) the economic and social partners, designed by the Member State. (...) the partnership will be conducted in full compliance with the respective institutional, legal and financial powers of each of the partners."* *(CEC, SF Revisions, 1994, p. 19)*

The revised legislation extended the Programming duration to a new six-year period between 1994 and 1999. It required development plans to present measurable objectives, an environmental focus within sustainable development evaluations, as well as an indicative financial table outlining Community and national resources (CEC, SF Revisions, 1994, p. 22). The 1993 Structural Fund Reform further emphasised the compliance with the Additionality principle, requiring each Member State to retain programming expenditure at the 1989-1994 ceiling, extended the eligibility for Objective 1 areas[3] as well as the scope of the two key funds for this study, ERDF and ESF[4]. Greater attention to the environment was provided by the introduction of the principle of sustainable development, while the promotion of equal opportunities

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[2] Council Regulation (EEC) No 2081/93 of 20 July 1993.

[3] Eligible for Objective 1 became the five New Länder in German including East Berlin, Merseyside, the Highlands and Islands Enterprise Area in the UK, Hainaut in Belgium, the arrondissements of Valenciennes, Douai and Avesnes in France, Cantabria in Spain, and Flevoland in the Netherlands (CEC, SF Revisions, 1994, p. 12).

[4] The revised ERDF and ESF regulations included research and development in Objective 1, 2, and 5b regions, the new ESF framework covered training schemes for Objective 1, and education schemes for Objective 1, 2 and 5b regions, while Trans-European Networks and investments in education and health in Objective 1 areas were incorporated under the revised ERDF framework (CEC, SF Revisions, 1994, p. 24).

between men and women became an aim common to all Structural Funds (CEC, SF Revisions, 1994, p. 29).

The new Structural Fund budget allocation, however, became subject to the "longest discussion and where the hardest political decisions had to be taken" (MEP, EP-Debates, OJ. No. 3-437, 26.10.93, p. 56). The final agreement for the Community Initiative budget provided a total of 13.465 billion ECU (at 1994 prices)[5] or 9% of the Structural Fund budget, surpassing the envisaged envelope of 15% by the European Parliament (EP) (MEP, EP-Debates, OJ. No. 3-437, 28.10.93, p. 275). For regionally-based initiatives, like URBAN, Structural Fund spending became equally eligible beyond Objective 1, 2, and 5b areas. Additionally, 1.6 billion ECU or 12% were placed in reserve to provide for the necessary flexibility for new developments and/or unforeseen events during the 1994-1999 implementation (CEC, SF Revisions, 1994, p. 27; EC/SF, 1994, p. 9).

Furthermore, greater EP involvement in the implementation of Community structural measures was provided by

> *"(...) forwarding to Parliament lists of the areas concerned in respect of Objectives 2 and 5b (...), notifying Parliament of the Community initiatives before their adoption (...), providing regular and detailed information on the implementation of the Funds."*
> *(CEC, SF Revisions, 1994, p. 33)*

The EP could, nevertheless, always exercise some, if yet very limited, influence on Community policies via its budgetary powers, which it employed to raise the Structural Fund budget in general and to create an urban funding provision in particular. While the majority of the Union budget is allocated to the so-called compulsory expenditure, that is, to expenditure resulting from the Treaties, agricultural expenditure, Member States refunds, and inter-institutional expenditure with third countries, the small non-compulsory expenditure accounts for the remaining Union expenditure including the Structural Funds (EP, DG Research, 1993, p. 22ff). Given that the EP has little power in the former, but the last word in amendments and, thus, direction of Union expenditure in the latter, increases in Structural Fund expenditure always

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[5] EC, COM(94)46 final, p. 9.

constituted one of the EP's consistent policy aims (Westlake, 1994a, p. 123ff; Wallace and Wallace, 1997, p. 87; Nugent, 1999, p. 410; MEP BC, 1998, T-64, p. 3). Previously, an increase in the non-compulsory expenditure and a doubling of the Structural Funds by 1992 had been set out by the so-called 1988 Inter-Institutional Agreement between the Council of Ministers, the EP and the Commission[6], designed to implement budgetary discipline, improve the functioning of the annual budgetary procedures as well as inter-institutional co-operation on budgetary matters between 1988 and 1992 (Westlake, 1994a, p. 125; Wallace and Wallace, 1997, p. 80). While the new Inter-Institutional Agreement for the financial perspective 1993-1999 was hoped to be concluded by the end of 1992, the EP

> *"(...) reserved its position on the Edinburgh decisions[7] and did not finally give its agreement until October 1993 (coinciding with the first reading of the 1994 budget, which could thus be, and was adopted under the new inter-institutional agreement)."*
> *(Westlake, 1994b, p. 102)*

Signed in October 1993, the 1993 Inter-Institutional Agreement[8] (para.5) highlights the financial perspective 1993-1999 as being an integral part of this agreement, which provided the basis and legal framework for the 1994 budgetary procedure and was, thus, seen as the "basic political element for the 1994 budget" (MEP, EP-Debates, OJ. No. 3-437, 28.10.1993, p. 74; EP, DG Research, 1993, p. 26). Hence, during the first parliamentary reading of the 1994 budget, a reference to the proposed new Community Initiatives highlights the achievement of more democratic control by the EP, thus

> *"(...) greater transparency, that Parliament now has a real role in determining the Community initiatives (...)." (MEP, EP-Debates, OJ. No. 3-437, 26.10.93, p. 56)*

5.2 The Consultation Procedure for the Green Paper on the Future of the Community Initiatives

As stated earlier, the priorities for future Community structural policies are elaborated through Community-wide consultation via "Green Papers", followed by the

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[6] The 1988 Inter-Institutional Agreement on Budgetary Discipline and Improvement of the Budgetary Procedure (in Westlake, 1994a, 125ff).

[7] *"Parliament expresses three categories of objection: the figures themselves, the period (1993-1999) envisaged, and, linked to this, the possibility of revision (in case, most notably, of new enlargements). EP-Debates, OJ. No 3-425, 15.12.1992, pp. 68-90"* (quoted from Westlake, 1994b, p. 102).

[8] The 1993 Inter-Institutional Agreement on Budgetary Discipline and Improvement of the Budgetary Procedure (in Westlake, 1994b, 153ff).

development and publication of respective Commission guidelines, the submission of project proposals by the Member States, their joint finalisation between Commission and national officials, and their subsequent adoption as Community Initiative Operational Programmes (OPs). The Commission's Green Paper was, thus, debated by the EP, the Economic and Social Committee (ESC), the Committee of the Regions (CoR), the Member States, the regional and local actors, and the interested economic and social partners, able to respond in a number of fora, such as the consultative committee for the regions eligible under Objective 1 and 2, and/or the informal Council of ministers' meeting in Liege in November 1993 (COM(94) 46, p. 1ff; EC/SF, 1994, p. 7; DGXVI-Conceptual-Unit Official, 1998, T-47, p. 1). Thus, within the framework of discussing the new set of Community Initiatives (1994-1999), "there was a lot of pressure for urban issues" (former DGXVI Official, 1998, T-54, p. 4).

5.2.1 The Commission's Draft Green Paper

Within the framework of the Delors II Package and the 1993 Revision of the Structural Funds, the Commission proposed the new Community Initiatives via its "Green Paper on the Future of Community Initiatives under the Structural Funds"[9] (hereafter referred to as Green Paper), in June 1993 under the five themes of cross-border, transnational and inter-regional co-operation and networks; rural development; outermost regions; employment and the development of human resources; and the management of industrial change[10] (CEC, COM(93) 282, 1993b, p. 14ff).

As the most influential body in the Consultation process, the EP could ensure that the Commission took its views into consideration, where its

> *"(...) representational claims are one source of influence. The quality of its arguments and its suggestions are another." (Nugent, 1999, p. 363)*

Amid a long-standing and well-documented interest in urban issues, two EP reports - the Romeos Report (A3-0279/93)[11], the EP's formal response to the Commission's

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[9] CEC, COM(93) 282, 1993b, 1993.
[10] Proposed Community Initiatives: INTERREG II, REGEN II, LEADER II, REGIS II, NOW, HORIZON, EUROFORM, RECHAR, RESIDER, RETEX, KONVER, and for Objective 1 STRIDE, PRISMA, and TELEMATIQUE.
[11] EP Session Document (A3-0279/93): "Report, of the Committee on Regional Policy, Regional Planning and Relations with Regional and Local Authorities, on the future of Community Initiatives under the Structural Funds (COM(93)282 final–C3-0299/93)", Rapporteur Mr. Romeos, 11/10/93.

Green Paper, and the Pack Report (A3-0385/93)[12], initiated by the EP to explore problems of large conurbations - played a decisive role in the formulation of the URBAN Initiative. The Romeos Report advocated increased attention to the principle of partnership, requested an additional Community Initiative for an improved integration of women in working life, more specific measures for the fisheries sector, and argued, that

> "(...) emphasis must be given for the population of urban areas with problems of social and economic marginalization (...)." (Romeos Report A3-0279/93, p. 8)

Illustrating his claim for a greater socio-economic urban focus within the future Community Initiatives, the Romeos Report identified the proposed measures to combat high unemployment and social exclusion in the Commission's "employment and human resource" theme as too general in nature, thus, generating the

> "(...) need for a specific Integrated Urban Development Programme aimed at those of the Community's major urban areas where unemployment, and particularly long-term unemployment, is abnormally high; the object of such an initiative would be to stimulate local economic development by facilitating the emergence and harnessing the efforts of the local actors whose experience, expertise and commitment is essential to the regeneration of neglected and run-down areas and to provide ready access to the type of services and systems necessary to support local entrepreneurial activity;" (Romeos Report A3-0279/93, p. 8)

Given this very detailed and elaborated proposal, including concrete ideas about the aim and the scope of action, and the nature of involvement, questions may be raised whether the EP was merely responding to an identified weakness within the suggested Community Initiative themes, or whether a hidden agenda on the part of the EP finally emerged into an open debate, generated through the 1993 Structural Fund Reform and the Green Paper Consultation Process between mid-1993 and early 1994. The closeness of the EP's suggestion and the subsequent guidelines of the Commission-formulated URBAN Initiative may argue for such a blueprint, yet could equally stem from a Community-wide established body of knowledge, which the EP made explicit through its institutionalised political power for programme suggestion within the Green Paper Consultation framework. While some voices consider the Commission as the principal origin of the URBAN Initiative where "all these things were initiated and pushed through by DGXVI" (former DGXVI Official, 1998, T-45,

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[12] EP Session Document (A3-0385/93): "Report, of the Committee on Regional Policy, Regional Planning and Relations with Regional and Local Authorities, on the problems of and prospects for conurbations", Rapporteur Mrs. Pack, 01/12/93.

p. 4), others argue that URBAN "was an idea of the Parliament" (MEP RC, 1998, T-70, p. 2), initiated through its creation of the urban budget line (MEP RC, 1998, T-67, p. 1). Again, others point to a joint development, where the Commission and the EP drew up the idea and the later guidelines in close collaboration. Hence, facilitated through the Green Paper Consultation process, the EP was able to propose a Community urban programme - according to several respondents - as part of this formal decision-making process, which the Commission could subsequently accept as an official Green Paper amendment by the EP, which "was perfect" (former DGXVI Official, 1998, T-54, p. 8; also MEP BC, 1998, T-64, p. 5). Therefore,

> *"It was thanks to the pressure from the EP (...) that the Commission decided to have another Initiative: URBAN." (DGXVI-Conceptual-Unit Official, 1997, T-47, p. 1)*

The URBAN Initiative was a product of an incremental multi-level governance process, and therefore its definite provenance is impossible. In the subsequent EP-wide debate[13] and voting on the Romeos Report, the EP congratulated the Commission for its Green Paper consultation approach, which encouraged broad participation of all concerned actors and raised transparency. It equally welcomed the selection of specific thematic areas, and emphasised that

> *"(...) the question of social exclusion in cities should be given greater emphasis: urban policy should thus be another priority under the initiatives, with a view to combating social exclusion and promoting economic and social cohesion." (MEP, EP-Debates, OJ. No. 3-437, 28.10.1993, p. 275)*

Encouraging a swift drafting of respective guidelines following the Green Paper's formal approval, the EP safeguarded its influence on the scope and design of an urban programme by reminding the Commission to consider its opinion on each Initiative before its adoption, "so that we can put forward our ideas" (MEP, EP-Debates, OJ. No. 3-437, 28.10.1993, p. 275). Hence, given the changes of the EP budgetary procedures from a "fund allocation" to a "thematic allocation" (CEC (1994b), COM (94) 46, Annex I, p. 4), amid the simultaneous 1994 budget debate and Green Paper Consultation process, the EP was able to created the specific budget line[14] for the 1994 Community budget, where

> *"This item is intended to cover the financing of Community initiative programmes making contribution connected with urban policy." (OJ. No. L 34, 7.2.1994, p. 686f)*

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[13] OJ. No 3-437: Debates of the EP 1993/1994 Session, Report of proceedings from 25-29 October 1993, Strasbourg.
[14] "B2-1405 Urban Policy" under the section B2-14 "Community Initiative Programmes".

Despite critical arguments against the establishment of budgetary lines involving insignificant sums, potentially undermining the credibility of the Union budget, the budget, nevertheless, reflected the Community's political competencies and priorities, and "must essentially be seen, as a political signal for the other institutions" (MEP, EP-Debates, OJ. No 3-437, 26.10.1993, p. 79). Hence, implicitly valid for Community Initiatives, which address the Union's identified priority issues,

> "(...) Parliament has used its budgetary powers to redirect resources in favour of its preferred activities." (Westlake, 1994b, p. 75)

The second most influential EP document was the Pack Report (A3-0385/93). As a so-called own-initiative report by the EP, the Pack Report was not part of the institutionalised Green Paper Consultation process. While the Commission was not officially required to take this Report into account, it nevertheless consolidated the urban agenda argumentation by constituting one of several EP methods of "participating indirectly in the process of initiating legislation" (EP, DG Research, 1993, p. 18; also former DGXVI Official, 1998, T-54, p. 8). Its origin stems back to 1990, where the Parliamentary Committee on Regional Policy decided to draw up an own-initiative report on the problems of, and prospects for conurbations. Elaborated with the inclusion of several motions of resolution proposed in other EP reports, the Pack Report was discussed in several draft versions by the Committee between late-1991 and late-1993, and, after unanimous adoption, was published in December 1993 (EP A3-0385/93, p. 3). This own-initiative Report was not bound to a concrete deadline, but to an

> "(...) increased interest of sometimes an MEP or a groups of MEPs, that this problem now suddenly emerges somewhere on the agenda." (MEP RC, 1998, T-70, p. 4)[15]

Gathering essential information since 1990, the Pack Report not only highlighted the pressing European urban problems and advocated Community action, but equally supported the formulation of the EP's argument for an urban initiative. Thus, it marked a crucial step for the formal recognition of European urban problems. The Report reiterated regret about the lack of a specific provision for a Community urban policy within the Treaty on European Union, despite the implicit influence of Community policies on the urban population (MEP RC, 1998, T-70, p. 1; Pack Report

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[15] "(...) gesteigerten Interesses auch manchmal eines Abgeordneten oder einer Abgeordnetengruppe, daß dieses Problem jetzt plötzlich irgendwo in der Tagesordnung figuriert." (MEP, 1998, T-70, p. 4).

A3-0385/93, p. 5). Acknowledging the principle of subsidiarity, where decision-making for urban affairs is granted to the respective regional and local authorities, and further regarding national authorities in partnership with regional and social partners as primarily responsible for project contents and priorities, the document remarked that

> *"(...) the Community, in pursuing policies within its competence, has an obligation to consider consequences for urban communities;" (Pack Report A3-0385/93, p. 6)*

As a means of collecting intelligence for the Report, the Committee on Regional Policy held a parliamentary hearing on large conurbations in late 1992. European mayors, academic experts and the then Commissioner for Regional Policy debated the general feasibility and potential design of a Community urban policy, expanding on the conclusions of the Commission study "Urbanisation and the Function of Cities" (Parkinson et al., 1992). Agreement existed on the need for a coherent urban policy, complementary to national and European policies and compliant with the principle of subsidiarity. Furthermore, the need for new approaches and more information on the determining factors of urban development and urban change, as well as their mutual interaction was identified. The role of the Community was seen in the analysis of a connection between urban development and socio-economic as well as environmental policies (Pack Report A3-0385/93, p. 13f). Having consulted national and regional city organisations, experts and several urban interest groups, among them "Quartiers en Crise" and "Eurocities", the Pack Report was equally prepared in close co-operation with the then Commissioner for Regional Policy and his cabinet (MEP RC, 1998, T-70, p. 3f). Hence, EP representatives and Commission officials continuously exchanged ideas in several conferences, workshops, hearings and meetings, and, thus,

> *"(...) added fire to the affair and might have brought dormant ideas to life. (...) In that sense I think the Parliament played a very important mediation role and opening-up role and maybe also for ideas, which already existed. (...) And that is in many cases actually the Parliament's task, as we don't have a separate right for initiative." (MEP RC, 1998, T-70 p. 5f)[16]*

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[16] "(...) Feuer in die Sache gebracht, und haben vielleicht schlummernde Ideen zum Leben gerufen.(...) Insofern, ich denke spielte einfach das Parlament ein sehr wichtige Mittler-Rolle und Öffner-Rolle und vielleicht auch für Ideen, die schon da sind. (...) Und das ist in vielen Fällen ja Aufgabe des Parlamentes, weil wir ja keine eigenes Initiativrecht haben." (MEP, 1998, T-70 p. 5f)

Alongside the EP, the Economic and Social Committee (ESC) constituted the second EU institution to respond formally to the Commission's Green Paper proposal. In December 1993, the Regional Development and Town and Country Planning section of the ESC was instructed to draw up the Committee's formal opinion, which was adopted in June 1994. Advocating Community Initiatives in terms of their ability to respond quickly to emerging problems, their capacity to establish best practice schemes, and their potential to pioneer innovative and exploratory policies with Community-wide application and value, the ESC supported the proposed Community Initiatives. Deploring the lack of evaluation results from the first generation of Initiatives, the Committee further expressed concern about the addition of two new Initiatives within the limited financial envelope and was sceptical about a flexible interpretation of the principle of concentration beyond the traditionally eligible areas (ESC, OJ. No. C295, 1994, p. 3ff). Further concerned about the limited timetable given to Member States for proposal formulation, the ESC, however, particularly deplored the fact, that in regard to the implementation process, "generally the economic and social partners are not involved in the process" (ESC, OJ. No. C295/19, 1994, p. 5).

In parallel to the parliamentary efforts for an urban initiative, the Commission's Forward Study Unit (FSU), an independent think-tank established by the former Commission President Jacques Delors in 1989, organised two city conferences, the so-called "Carrefours des Villes", at the President's initiation in November 1993 and February 1994 (FSU Official, 1998, T-63, p. 2). The FSU elaborates on contemporary issues of potential Community interest, mediates between the different Commission Services engaged in parallel activities, and provides expertise as well as links to experts. In this respect, the FSU invited a panel of multi-disciplinary experts, European politicians and Community officials to exchange views on urban issues from an equally economic, social and politico-institutional perspective and to discuss the Community role in urban Europe. As seminars of the expert community, the Carrefours helped consolidate the Commission's urban approach and its subsequent formulation of the URBAN Initiative (DGXVI-Conceptual-Unit Official, 1997, T-53, p. 17; FSU Official, 1998, T-63, p. 8f).

"So we try to anticipate (...) studying things that are not already done, but may add something to what the others do. (...) And so on cities, the question is that first, even if

> *lots of people are interested in cities, nothing much is done (...) we have no financial budget to manage, so it is much more easier to gather people to say: Well, what do you think of that, we can take it on board, or not. We can translate it also in political action and political recommendation, but after that of course the political action is taken by the other Directorate-Generals." (FSU Official, 1998, T-63, p. 13)*

Following his open support for urban areas during 1993 and early 1994, the Commission President declared his readiness to respond to potential urban actor demands in the second Carrefour. Based on the "preservation of the European model of society" (Delors, 1992, p. 48), Delors announced a proposal by the DG for Regional Policy for an urban Community Initiative, intended "mainly as a symbol" (Delors, FSU, 1994, p. 6). He further compared the Community Poverty programme with the proposed urban Initiative, which also, although small in scale, served as an important symbolic message, where

> *"We want nevertheless to illustrate with this gesture the existence of a social conflict, an obsessive reality, and that one can not remain indifferent towards that." (Delors, FSU, 1994, p. 6)[17]*

Apart from its contextual value, the particular significance of the Carrefours constituted their localising urban issues with the Community agenda, thus, sending a political signal for urban actors within and beyond the Community institutions (FSU Official, 1998, T-63, p. 5f; former DGXVI Official, 1998, T-54, p. 10f).

During the same period, pressure was maintained by the supplementary activity of various urban interest groups and sub-national actors, which increased their lobbying efforts towards the Commission and the EP by means of publications, conferences and meetings. Aware of the fact that Commission officials and/or MEPs often take up fruitful ideas of interest groups and use their know-how (MEP RC, 1998, T-70, p. 3), "Eurocities" for example, exchanged views with Commission representatives on urban issues, that is, the development of a Community socio-spatial policy, the 1993 Reform of the Structural Funds, the Funds' impact on cities, and the conceptualisation of the Community Initiatives for 1994-1999 (Eurocities News, No. 16, 1993, p. 2; DGXVI-Conceptual-Unit-Official, 1997, T-53, p. 1). In parallel, Eurocities approached a variety of mayors, both members of its association and representatives of CoR or the EP (Eurocities Official, 1998, T-74, p. 6; MEP RC&SC, 1998, T-66, p.

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[17] "Nous voulons quand même par ce geste montrer qu'il y a là, un lieu de conflict social, une réalité obsédante et que l'on ne peut pas rester indifférents à cela." (Delors, FSU, 1994, p. 6)

6f). Not an institutional part of the Consultation process, yet "at the invitation of the [DGXVI] Commissioner" (Eurocities News, No. 16, 1993, p. 21), Eurocities provided a political response to the Green Paper on the future Community Initiative in September 1993.

> *"(...) we can unofficially send our comments to them, and I can tell you that they read it. (...) Unofficially there were various contacts and lobbying activities to the Commission for making something; they proposed (...) the Green Paper, we react to the Green Paper, we try to negotiate and change things." (Eurocities Official, 1998, T-74, p. 5)*

The association pointed to the lack of the crucial interrelation between the industrial, sectorally-defined Initiatives and the social, target-group focused Initiatives, which it regarded as essential for an integrated and effective approach to combat social exclusion and increasing inequality between and within cities and regions (Eurocities, 1993, p. 2). It insisted that for an effective tackling of deprivation problems of so-called "pockets of poverty", local communities need to be involved in a partnership-based, bottom-up approach. While Eurocities proclaimed a greater urban dimension within the five proposed Initiative themes, the association proposed an additional, sixth Community Initiative theme "urban development", where a specific urban Initiative could support cities to tackle urban black spots through the fostering of economic growth, combating of social exclusion, restoration of derelict land and environmental improvements (Eurocities, 1993, p. 8f).

On a less political, more conceptual level, Quartiers en Crise (QeC) also fulfilled a complementary role for the subsequent launch of the URBAN Initiative. Having increased the Community's awareness of deprived areas within prosperous cities, QeC substantiated the concept of "pockets of poverty", the multi-dimensional integrated approach, as well as the cross-sectoral territorial approach. The network further highlighted the role of practitioners and local citizens, and increased the profile of deprived areas and cities within European programmes (QeC Official, 1998, T-75, p. 1; Jacquier, 1998, p. 3). During the negotiations of its second programme (1991-1993), QeC had argued for the consideration of deprived urban areas as "regions in conversion" eligible under Objective 1, which corresponded to the ambitions of some officials from the DG for Regional Policy trying to advance the urban agenda at a time when the Commission had substantiated its attempts to extend its competence to cities (Jacquier, 1998, p. 4). Thus, as a think-tank in line with Commission and EP

representatives, regions, cities and practitioners, QeC helped to clarify the socio-spatial problematic, the innovative approaches, methods and tools, which were in part to be found in the URBAN Initiative guidelines.

5.2.2 The Final Green Paper on the Future of Community Initiatives

In parallel to the external consultation process, extensive debates on the future Community Initiatives took place across the Commission within the "clash of competence" (former DGXI Official, 1998, T-61, p. 4). The Community Initiative budget allocations raised a lot of demand, and

> *"(...) there was tremendous discussion and competition within the Commission on getting (...) a bit of the money (...). So you've got within the Commission, although it's the ERDF, the ESF is involved as well, is the responsibility of one Commissioner, all these things involve the interests of other Commissioners, (...) in that sense, there's a lot of political discussion within the Commission." (former DGXVI Official, 1998, T-45, p. 3f)*

According to several respondents, complex negotiations between the different Commission Services on the exclusive management of the future Community urban programme - factually "contradictory to the holistic approach of urban matters" (former DGV Official, 1998, T-58, p. 2) - emerged. Eventually, the DG for Regional Policy secured the operation of the URBAN Initiative "through the UPPs and by accident if you like; DGXVI had the money and we moved ahead" (former DGXVI Official, 1998, T-54, p. 14).

Equally within the DG for Regional Policy the question of a Community urban intervention emerged in policy terms. The debate was centred around the conventional idea of "regions" versus the new concept of "pockets" (DGXVI-UK-Desk Official, 1997, T-48, p. 2). As was stated by interviewees, one school of thought followed the traditional perception of a Community regional policy in a wider sense, while the other considered urban areas an equally viable and integral part of the Community regional and cohesion policy. Advocates of the regional perspective regarded an urban focus beyond the DG's responsibility and capacity, especially as urban problems were already addressed through mainstream Objective 2 funding, and, thus, no added-value was seen in the URBAN Initiative. Equally, given the scale of the urban problem and the number of cities "in crisis", a Community urban policy was seen as unrealisable due to EU budget and staff limitations. Furthermore, as urban problems

are often related to housing issues, where no legal mandate exists for the EU, the Community could not address the full scale of urban difficulties. Finally, as regional policy is geared to address problems of poor regions, it automatically covers cities within them, disregarding their wealth or lack thereof, yet leaves the problems of poor cities within affluent regions unrecognised (DGXVI-UK/German-Desk Official, 1998, T-46, p. 1ff; DGXVI-UK Expert, 1998, T-73, p. 17). Thus, one group in the DG for Regional Policy considered the Community regional policy not sufficiently equipped to address urban problems alongside the perception that,

> "(...) there's very little that we're doing in URBAN, that we couldn't do through the mainline programmes. And if (...) we divert resources from the less well-off regions to the less well-off quarters of rich cities, then I believe that we've made a mistake in policy (...) because you have islands of poverty in seas of richness, they shouldn't be eligible [whereas if] you have islands of richness in seas of poverty (...), it's nonsense to think that these islands of richness (...) can generate enough resources to actually overcome the effect of the sea of poverty." (DGXVI-UK/German-Desk Official, 1998, T-46, p. 6f)

Advocates of the urban agenda, however, backed their argument for a Community urban programme with practical experiences from the Urban Pilot Projects (UPPs) as well as data collected through academic studies[18], serving as a "justification, which we used in order to get it through the Commission Services" (former DGXVI Official, 1998, T-54, p. 7). Against the background of the lack of a Treaty mandate and the opposition from within the Commission Services as well as some Member States concerned with a loss of national sovereignty, urban issues, however, entered the final Green Paper[19] as a result of the Consultation Process (former DGXVI Official, 1998, T-54, p. 7). In a review, the Commission noted, that numerous bodies, including the EP via its formal opinion to the Green Paper[20] and the Northern Member States, had identified the difficulties of urban areas as particularly severe, especially regarding unemployment and socio-economic exclusion, and highlighted that

> "They pressed the case for an additional theme (...) which would tackle the special problems in these urban areas." (CEC, COM (94) 46, 1994b, p. 1)

Conceptualising new Initiatives as a response to recent socio-economic changes, different Community structural assistance needs, and specific requests during the Green

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[18] Particularly the Commission study: "Urbanisation and the function of cities" (Parkinson at al., 1992).
[19] CEC, COM(94) 46, 1994b.
[20] Romeos Report A3-0279/93.

Paper Consultation procedure, the Commission continued successful Initiatives and suspended less promising ones, while the idea for an urban Community Initiative

"(...) was a bit of a breakthrough and I think it was because everybody actually wanted it, they'd moved to actually wanting this to be included among the list of new Community Initiatives." (former DGXVI Official, 1998, T-45, p. 2)

With over 500 responses submitted by local, regional, national and European bodies and organisations, the Commission viewed the Green Paper Consultation process a success and an indication of the broad interest in Community Initiatives (former DGXVI Official, EP-Debates, OJ. No. 3-437, 28.10.1993, p. 283). Subsequently, the Commission finalised and adopted the new set of Initiative guidelines in March 1994, and submitted the new guidelines for formal opinions to the EP, ESC and CoR. With regard to the URBAN Initiative, the EP provided a formal opinion through the so-called Karellis Report (A3-0264/94)[21], highlighting that

"(...) Parliament, through its reports, its budgetary powers and its influence over the Commission has played a decisive role in bringing this initiative in to being;" (Karellis Report A3-0264/94, p. 5)

The EP warmly welcomed the Commission's choice of a specific urban programme, perceiving it a "modest but significant extension of the European Union's activities in favour of urban areas" (Karellis Report A3-0264/94, p. 5) with the potential for expansion in the future. Furthermore, the financial envelope was considered in need of extension, a small degree of geographical flexibility beyond Objective 1 and 2 appropriate, and a flexible application of the "unemployment" selection criteria necessary. The Karellis Report (A3-0264/94) regarded the Commission's proposed limitation to 50 URBAN projects inadequate, as no previous experience was available in terms of the "type of projects that will be submitted or the scale of funding required" (Karellis Report A3-0264/94, p. 6f). Welcoming the Commission's grounding of URBAN measures in UPP-tested actions, the Report highlights that urban deprivation comprises both social and economic problems, and that deprived urban areas "can often be isolated pockets within cities which are relatively prosperous" (Karellis Report A3-0264/94, p. 8). While more emphasis should be given to specific issues of women, regarding the safety of urban areas, and the provision of

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[21] EP Session Document (A3-0264/94): "Report on a draft communication from the Commission to the Member States on Urban Areas (URBAN), (COM(94)0061–C3-0137/94)", Committee on Regional Policy, Regional Planning and Relations with Regional and Local Authorities, Rapporteur Mr. Emmanouil Karellis, 19/04/94.

services and infrastructure to help women combine work and family life, the Commission was equally advised to provide more specifications on the financial contribution of each fund in the proposed ERDF/ESF "multi-fund approach". Furthermore, the Karellis Report (A3-0264/94) agreed with the proposed emphasis on the exchange of experience and best practice, as well as the creation of European urban networks between Structural Fund eligible and non-eligible cities. However, as a complete realisation could not be guaranteed within the cities' every day decision-making, the Commission was urged to monitor networks and examine increased policy applications of the exchange of experience and best practice (Karellis Report A3-0264/94, p. 8). Ensuring efficiency, transparency and additionality, the Karellis Report regarded local administration of urban aid by the cities, urban communities or local authorities an imperative, and

> *"Believes that the citizens who will be affected by any urban programme financed under the Initiative should be consulted either directly or through their locally elected representatives; considers that many of the worst planning errors of the past could have been avoided if real consultation had taken place;" (Karellis Report A3-0264/94, p. 10)*

Following its consultation by the Commission in March 1994, the Committee of the Regions (CoR) adopted its opinion of the URBAN Community Initiative in May 1994. Particularly welcoming the innovative character of the URBAN Community Initiative, CoR complimented the Commission on grounding URBAN's eligible measures on the experience of the Urban Pilot Projects. However, given the scope of socio-spatial problems, the Committee requested a significant increase in resources as well as Community assistance for urban areas with less than 100,000 inhabitants, while proclaiming the exploitation of existing partnership arrangements, cross-national networking, and the exchange of information and experience (CoR, OJ. No. C217/3, 1994, p. 3ff). The Committee further demanded that urban and local authorities "play an active and democratic part" (CoR, OJ. No. C217/3, 1994, p. 2) in the formulation and implementation of Community structural policies and the new Community Initiatives, in line with the subsidiarity principle, the partnership principle and the need for a reduction of the democratic deficit (CoR, OJ. No. C217/3, 1994, p. 1f). Moreover,

> *"(...) the target population of any project (...) should be consulted, either directly or via its elected local representatives, in order to avoid mistakes in planning or measures which offer no scope for partnership arrangements." (CoR, OJ. No. C217/3, 1994, p. 5)*

In its opinion of June 1994, the Economic and Social Committee (ESC) equally wel-
comed the Commission's recognition of urban problems through the URBAN Ini-
tiative. However, perceiving regions rather than urban areas as the focus for socio-
economic cohesion policies, the ESC expressed concern about the potential encour-
agement of rural-urban migration via an urban aid incentive (ESC, OJ. No. C295,
1994/19, p. 11). For its part, "Eurocities" congratulated the Commission for its de-
velopment of the URBAN Community Initiative, yet was disappointed about the
programme's small budget. The association further deplored the prohibition of direct
communication between the cities and the Commission through the project determi-
nation by the national level, and highlighted the existence of urban deprivation and
black spots beyond URBAN's focus on Objective 1 and Objective 2 areas (Euroci-
ties, 1994, p. 1f).

As a result of the URBAN consultation process, the Commission adopted the final
version of the Community Initiatives guidelines for 1994-1999 in June 1994, which
were published in the Official Journal of the European Communities on 1st July
1994[22]. In conclusion, the launch of the URBAN Community Initiative was the prod-
uct of several favourable coalescing conditions, commonly referred to as a window
of opportunity during 1993 and 1994 by a consensus of respondents (former DGV
Official, 1998, T-58, p. 7f; MEP RC&SC, 1998, T-66, p. 5). These include an in-
creasing recognition of socio-spatial problems, the EP's active promotion of urban
interests, the success of the UPPs, the favourable provisions in the 1993 Structural
Fund revisions, intensifying European-wide calls for an integrated Community urban
approach, and the incremental changes in policy perceptions towards increasing ur-
ban support by the Commission. Hence,

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[22] The seven themes include: cross-border, trans-national and inter-regional co-operation and networks
via INTERREG II and REGEN II; rural development via LEADER II; assistance to the most remote
regions through REGIS II; employment and development of human resources via EMPLOYMENT
comprising NOW, HORIZON and YOUTHSTART for youth unemployment, and ADAPT for in-
dustrial change/employment; industrial change through RECHAR II in coal-mining areas, RESIDER
II in steel areas, KONVER for defence industry conversion, and RETEX in textile areas; encouraging
small and medium-sized firms via SMEs; providing aid to the fishery sector through PESCA; sup-
porting urban areas in crisis via URBAN (CEC, COM(94) 46, 1994b, p. 2ff; EC/DGXVI, Inforegio
News No. 5, June 1994). Changes made after the Community Initiatives' launch in 1994: Following
the addition of INTEGRA focusing on social exclusion in 1997, HORIZON concentrates exclusively
on helping the disabled, while PHARE, also linked to INTERREG II, establishes co-operation be-
tween the EU and Central and Eastern European Countries (EU, Cohesion Report, 1996, p. 109ff).

> *"(...) the urban thing started gradually in DGXVI and the ideology changed. (...) All this is a gradual thing. (...) Then you had the lobbies. And then you have the EP. And all these things gradually built up to something." (former DGXVI Official, 1998, T-54, p. 17)*

5.3 The URBAN Community Initiative

With the launch of the URBAN Community Initiative, the Commission acknowledged territoriality as a factor in socio-economic exclusion and recognised its aggravation through spatial concentration in urban areas. Synthesising the imperative for a social dimension within a successful urban regeneration approach with that for a spatial focus in the combating of multiple social exclusion, the URBAN Community Initiative (1994-1999) constituted both an extended and improved co-ordination of previous urban-related mainstream programmes. While unemployment levels, education attainment, crime rates, standard of housing, percentage of welfare benefit recipients, socio-ethnic mix, environmental decay, deteriorating public transport and poor local facilities were identified as some of the indicators of multiple deprivation (OJ. C180/02, 1.7.1994, p. 6), the emerging tension within European society became visible in

> *"(...) the serious level of social exclusion in an increasing number of inner city or peripheral urban areas. (...) These deprived areas can also be within generally prosperous cities, or in cities which are the most prosperous parts of a less developed region." (OJ. C180/02, 1.7.1994, p. 6)*

Therefore, the scope and objective of the URBAN Initiative was to help find solutions to the serious urban problems by supporting socio-economic revitalisation via the combined effort of ERDF and ESF and other complementary resources. Admittedly unable to match in scale the complexity and multi-dimensionality of socio-spatial deprivation problems, the URBAN Initiative aimed

> *"(...) instead to act as a catalyst in a broad-based approach, by undertaking key schemes to help deprived urban areas achieve a lasting improvement in living standards for their inhabitants." (OJ. C180, 1.7. 1994, p. 6)*

Following the UPP experience, the Commission provided an indication of eligible measures under four main themes, that is, launching of new economic activities; ensuring employment for local people; improvement of social, health and security provisions; improvement of infrastructures and environmental conditions linked to the above measures (OJ. C180/20, 1.7.1994, p. 8). Urban areas within cities and urban agglomerations with a minimum of 100000 inhabitants were eligible, while target

areas could comprise geographically identifiable urban neighbourhoods, for example, administrative units, or smaller densely populated entities with a minimum size of population, suffering from high levels of unemployment, decaying urban fabric, bad housing conditions and the lack of social amenities.

The Commission envisaged part-financing of about 50 integrated urban development projects with an overall contribution of 600 MECU, of which 400 MECU were to be allocated to Objective 1 areas, distributing the remainder to other areas with an Objective 2 area preference. Aiming for Community-wide added value and demonstration effects, priority was given to innovative projects forming part of longer-term urban integration strategies. Drawn up by local partnerships, projects had to comprise a balanced and coherent set of economic development, social integration and environmental measures. Synergy and multiplier effects of public input on private and collective efforts were to compensate the Structural Funds' limitation in regard to housing policy. The consolidation of European networks for mutual co-operation and exchange of information and best practice within or beyond ERDF funding eligibility was encouraged (OJ. C180/20, 1.7.1994, p. 7). Alongside the participation of local and other authorities as well as social partners in the project preparation, proposals were to be submitted within a four-months deadline and were required to illustrate the local situation, objectives to be attained, timetable, and the criteria for implementation, monitoring and assessment (OJ. C180/20, 1.7.1994, p. 9).

After individual consultations with the Commission, the URBAN projects were approved separately, resulting in different start dates, ranging from February 1995 for two URBAN projects in Northern Ireland to November 1996 for four URBAN projects in the UK. Given the overwhelming interest in this new Initiative, the number of URBAN I funded actions rose to a total of 85 projects. Following changes in circumstances, that is, the accession of three new Member States Austria, Finland and Sweden, the new PEACE Initiative in Northern Ireland, and the approaching reserve allocation of 1716 MECU (1995 prices), some Community Initiative guidelines were amended in May 1996[23]. Reinforcing the URBAN rational, the new guidelines, pub-

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[23] Through the 1996 reserve allocation, the Commission focused particularly on employment, equal opportunities, the reduction of socio-economic exclusion, the information society, urban policy, spatial planning, and the trans-national nature of Community Initiatives. The industrial conversion Ini-

lished in July 1996, extend the eligible measures to equally include combating long-term unemployment, equal opportunities for women, the urban environment, and medium-sized conurbations. Given the supplementary resources, which could either be used to finance new projects or supplement existing ones, the Commission invited the Member to propose about 20 URBAN II projects for 1997-1999 within a six-months deadline. Due to the high demand, 33 additional URBAN II projects were subsequently launched, and the new Member States Finland and Sweden equally joined the URBAN Initiative in July 1996 and December 1996 respectively (OJ. 94/C180/02, 1.7.1994, p. 6ff; OJ. 96/C200/04, 10.7.1996, p. 4ff; EC/SF, 1996b, p. 9ff; EU/DGXVI, Inforegio No. 14, March 1995; No. 32, September 1996; No. 35, December 1996).

5.4 Analysis of the URBAN Initiative at the Macro Level

Critically, several Commission Services had approached urban issues from their respective policy priorities. While the Directorate-General (DG) for Transport (DGVII) had indirectly addressed the urban question, the DG for the Environment (DGXI) elevated urban issues to the political agenda of the EU through its "Green Paper on the Urban Environment" (1990). Marking the "real beginning of urban issues but from the point of view of urban environment" (former DGXI Official, 1998, T-54, p. 13), the DG's limiting competence on environmental issues, however, impeded its further urban policy development and a potential URBAN programme operation (former DGXI Official, 1998, T-61, p. 5). Equally, despite its administration of the Community Poverty Programmes, where the possibility of a later URBAN management rested "on the basis of poverty, unemployment and social exclusion" (former DGXVI Official, 1998, T-54, p. 14), the DG for Employment (DGV) could not provide URBAN's essential spatial perspective, as stated by respondents. Equipped with the experience of the Urban Pilot Projects (UPPs) and an operational urban policy perspective, the financially strong DG for Regional Policy (DGXVI), however - according to interviewees - had both the means and the capacity to subse-

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tiatives RECHAR II, RESIDER II, RETEX and KONVER were thus extended until 1999, urban areas entered the LEADER Initiative, the PESCA Initiative was extended to the deteriorating fishery sector, and the guidelines for EMPLOYMENT ('Integra'), ADAPT ('Bis' strand), INTERREG II C, and URBAN were amended in May 1996 (EC/SF, 8th Annual Report, 1997, p. 135ff).

quently realise the management of the URBAN Initiative, despite initial reservations (DGXVI-UK Expert, 1998, T-73, p. 5 & p. 16f).

> *"(...) DGXVI was very negative with urban issues. (...) No mandate and (...) it was the regional policy in general, no black spots, no urban problems, this is: We are a DG of regional policy, we have nothing to do with urban issues. (...) This is a regional policy, economic development, we give money for SMEs, we give the big infrastructures where necessary, and this is it. (...) And this was (...) the main ideology of DGXVI." (former DGXVI Official, 1998, T-54, p. 13)*

Equally, despite a study series examining both European urban problems and the Community's role herein between 1986 and 1989 (Cheshire et al, 1986, 1988, 1989), the study results were not translated into Community activities. According to several respondents, they provided little scope and support for political action needed at the time, while equally "the context was not ripe" (former DGXVI Official, 1998, T-54, p. 15; also DGXVI-UK Expert, 1998, T-73, p. 7f). However, some scope for urban issues was provided through the introduction of the so-called Innovative Actions into the Structural Fund Regulations in 1988/89, and via the new policy angle of

> *"Aménagement du territoire, which was a French idea, linked to the Europe without borders etc., that's why it entered into the regulations, cross-border co-operation (...) interregional co-operation with the local authorities which started to move." (former DGXVI Official, 1998, T-54, p. 14)*

Equally, although Article 130c of the Treaty on European Union (TEU) constitutes the legal reference for the ERDF and Objective 2, urban areas were not explicitly mentioned. Despite a growing recognition of the need to consider urban issues as a means of addressing social cohesion and achieving prosperity within the EU, urban issues had to find their way to the political agenda, where

> *"The problem was the lack of a specific reference in the Treaty. (...) In fact, the URBAN Community Initiative, you could argue, is not actually covered by any reference in the Treaty." (former DGXVI Official, 1998, T-45, p.2)*

Therefore, the URBAN guidelines had to be designed within an Objective 2 perspective applicable to the conversion of declining industrial areas, "but it was a bit artificial" (former DGXVI Official, 1998, T-45, p. 2). Thus, manoeuvring between Treaty restrictions and an imperative to address the increasing socio-spatial problems, the Commission - as stated by interviewees - based the URBAN Initiative on the TEU provision (Title XIV, Articles 130a to 130e) regarding socio-economic cohesion. This also promoted greater local participation in the decision-making process without

infringement of the subsidiarity principle and Member State objections (former DGXVI Official, 1998, T-54, p. 24).

"(...) the idea was to try to impose on Member States the things which were supposed to be correct (...) that the integrated approach is a good one, that the local level has to be involved (...)." (former DGXVI Official, 1998, T-54, p. 19)

However, despite an expected Member State veto during the Community Initiative consultation established through the 1993 Structural Fund regulations, URBAN was the sole Initiative which was approved without any Member State amendments (former DGXVI Official, 1998, T-54, p. 19).

"Now, the interesting thing about this was, that despite the Member States' reluctance to specifically recognise urban problems in terms of the Treaty or the regulations, once we'd announced that we were interested in having an urban Community Initiative, the Member States became very enthusiastic about it [and URBAN] was very heavily over-subscribed. So the Member States had actually moved quite a long way (...)." (former DGXVI Official, 1998, T-45, p. 2)

The result of "classic European politics" (MEP RC, 1998, T-67, p. 5), the URBAN Community Initiative emerged through the combination of "political saliency and also the pressure from society" (DGXVI-Conceptual-Unit Official, 1997, T-53, p. 5) at a period, where

"(...) the intellectual basis was there, there was sufficient experience, there was a certain political mood. (...) we knew, at Commission level, fairly well why urban policies would be important and I think the Member States knew it as well, but they were afraid that it would lead to new competencies (...) at a level in their countries in which they didn't want Europe to link up with. (...) And I think only at the European level can you understand what the importance of a good functioning urban system for the Internal Market will be. (...) And I don't think any of the Member States had such a complete, comprehensive view." (former DGV Official, 1998, T-58, p. 8)

While the bottom-up approach and innovative ways of governing gathered increasing momentum during 1993 and 1994, the URBAN Initiative envisaged a horizontal synthesis of sectoral policies, and via its territorial framework offered a new, more integrated and progressive approach within the cohesion perspective, as was stated by respondents. Equally, as the continuation of the Community Poverty programme was vetoed by the Member States, the Commission saw the URBAN Initiative as an alternative to the Poverty 4 Initiative, where the politically unattractive social exclusion concept could be realised through a territorial approach (former DGV Official, 1998, T-58, p. 1; FSU Official, 1998, T-63, p. 11ff). Hence, a product of extensive networking within and across Community institutions, European organisations, Member States and local authorities, as well as the result of "a variety of events,

many different thoughts and of many different people supporting it" (MEP RC, 1998, T-70, p. 1f), the conception of the URBAN Initiative was attributed to

> *"(...) a window of opportunity. Not only as something positive, but also negative when I said that Poverty 3 went down (...) this window of opportunity opened, because others have been closed." (FSU Official, 1998, T-63, p. 14)*

Political leadership was regarded by several respondents as a further decisive factor for the formulation of URBAN. Leadership is particularly significant when windows of opportunity emerge out of temporary convergence of national and supra-national interests providing scope for bargaining and manoeuvring. Having increased the political profile of the Commission President by creating a supranational political leadership, "Delors was quite central in pushing for this Initiative" (DGXVI-Conceptual-Unit Official, 1997, T-53, p.), especially given the perception, that the "political leadership factor now seemed more relevant to understanding events than ever before" (Drake, 1995, p. 143).

> *"Well I think, we had caught exactly the right moment and also the right Commissioner (...) And I actually had the impression from very early on back then, that we forced an open door here, and they actually just waited to have something to be able to say: Now we are moving ahead." (MEP RC, 1998, T-70, p. 7)[24]*

In addition to the call for Community recognition of socio-spatial problems by city representatives, urban interest groups and the EP, the URBAN formulation was equally a result of

> *"(...) a movement inside the Commission itself, which (...) is quite a considerable movement. And one of the reason why things happen when they happen, is that the Commission itself, the forces of advance, if you like, became greater or found better arguments in terms of the forces, and (...) also at that time, more money became available." (DGXVI-UK/German-Desk Official, 1998, T-46, p. 4)*

However, during the Member States' application process, fundamental problems occurred, where the Commission's innovative URBAN concept appeared "not yet fully developed and there existed uncertainties within the Commission" (former DGXVI-Duisburg-Desk Official, T-56, p. 2f). More explicitly, the URBAN guidelines contained "eligibility statements, which strictly speaking were not eligible" (DGXVI-German-Desk Official, T-50, p. 2). According to some respondents, the Conceptual

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[24] "Also ich denke, wir haben justament den richtigen Augenblick erwischt und auch den richtigen Kommissar (...) Und ich hatte damals wirklich schon sehr früh den Eindruck, daß wir hier offene Türen einrennen und sie eigentlich nur drauf warten daß sie was haben, wo sie sagen können: Und jetzt legen wir los." (MEP, 1998, T-70, p. 7)

Unit of the DG for Regional Policy had designed URBAN in a broad way covering a variety of different policy measures, while its geographical units struggled to operationalise the proposed concepts in compliance with Structural Fund eligibility, concluding that "it wasn't the best piece of co-ordination inside the Commission Services" (DGXVI-UK/German-Desk Official, 1998, T-46, p. 3; also former DGXVI-UK-Desk Official, T-56, p. 3; DGXVI-German-Desk Official, 1998, T-50, p. 1). Further criticism emerged as various mainstream Objective 2 financed areas equally enjoyed URBAN funding, yet Objective 2 ineligible areas remained excluded from URBAN funding (DGXVI-UK/German-Desk Official, 1998, T-46, p. 5). For more clarification, the DG for Regional Policy published an URBAN communication in September 1994 to refine URBAN's eligibility and objectives, priorities and procedures, while equally supplying additional guidance for the development of an Operational Programme (EC/DGXVI, Leitfaden URBAN, 1994d).

As stated by the majority of respondents, the Initiative, as eventually realised, was impeded by ambiguities between Structural Fund regulations and URBAN guidelines, an innovative philosophy, and the over-subscription by the Member States. As a result, the URBAN decision-making process became subject to extensive delays with substantial repercussions for the local project operationalisation. A mid-term review of URBAN's impact can be found in Appendix A-5. The following section will illustrate the URBAN programme formulation at macro level as a conditionality between the involved actors, their specific interaction and the respective policy range.

5.4.1 Participation – Network Actors

The notion of participation and network actors refers to the type and variety of involved actors, where interactive networking and multi-level co-operation across the European arena characterised the decision-making process behind the formulation of the URBAN Initiative at macro level. Comprising a variety of actors, key players consisted of Commission officials in the DG for Regional Policy (DGXVI) formulating the URBAN Initiative in its Conceptual Unit, while the DG for Employment (DGV) provided some conceptual contribution, after the DG for Environment (DGXI) had prepared the European urban agenda. Academic experts provided comprehensive information and essential knowledge on European urban issues, which the

expert community in concert with representatives of the Commission, the European Parliament (EP), and individual cities further elaborated in a series of urban seminars of, among others, the Commission's Forwarding Studies Unit (FSU). Key actors in the EP's Regional Committee equally induced the conception of the URBAN Initiative through the consolidated promotion of urban interests. Various urban lobbies and interest groups played a less decisive, yet equally contributive role, as did the Economic and Social Committee (ESC), and the subsequently established Committee of the Regions (CoR) through their provision of formal opinions to the Commission.

5.4.2 Partnership – Network Interaction

Referring to the extent and degree of actors working together, the concept of partnership and network interaction played a paramount role in the URBAN formulation process at macro level. The DG for Regional Policy co-operated closely with academic experts and/or the expert community in the preparation of the European urban agenda and the consolidation of an argument for a Community urban programme, as was stated by several interviewees. While the DG for Environment and the DG for Employment contributed to URBAN's innovative philosophy, the DG for Regional Policy solely conceptualised the URBAN design, yet co-operates with the DG for Employment in URBAN's operationalisation. This cross-departmental interaction, according to respondents, remained however confined to the joint financial management and the occasional exchange of information on request. As stated by several respondents, strategic networking and interactive co-operation characterised the relation of lobbies and urban interest groups to the DG for Regional Policy, and particularly to the EP. While the Economic and Social Committee (ESC) and the subsequently established Committee of the Regions (CoR) contributed to the Green Paper Consultation process, the DG for Regional Policy and the EP orchestrated and pursued their own strategic networking relationship and interactive co-operation to successfully promote the conception of the URBAN Initiative during this institutionalised consultation process, according to a number of respondents to this study.

From a multi-level perspective, strategic networking characterised the macro and micro level relationship, as stated by a large number of interviewees. Commission and EP representatives interacted with individual city officials and/or local experts through a variety of channels, while the relation between the macro and the meso

level remained confined to the institutionally determined framework of Community Initiative decision-making.

5.4.3 Multi-dimensionality – Network Range

The notion of multi-dimensionality and network range refers to the integration of different policy areas and respective policy structures. Under the management of the DG for Regional Policy and ERDF funding, economic development constitutes one of URBAN's primary goals, alongside its social exclusion perspective, co-financed through the ESF, as well as its environmental orientation.

Considering the institutional integration, the compartmentalised structure of the Commission policy services impeded a cross-departmental URBAN programme formulation at macro level, according to several respondents. While the individual Commission departments prepared the conception of a Community urban programme within their specific policy focus, the DG for Regional Policy subsequently secured the unique URBAN programme elaboration and management. Institutional integration was, however, achieved at some degree through the Green Paper Consultation process between the Commission and the EP, the ESC and CoR. Limited cross-departmental interaction existed between the DG for Regional Policy and the DG for Employment in regard to URBAN's ERDF/ESF multi-fund management amid otherwise distinct administrative structures.

The URBAN Initiative, thus, proved to be not only very innovative, but equally very challenging for the involved actors at EU, national and local level. The following chapters will illustrate the formulation and operationalisation of the URBAN Initiative in the UK and Germany.

"I think, that the reason why it is becoming main line in the way in which it is, is that everybody feels it meets the need, (...) in the sense that there is a need in urban areas, that (...) the European Union has got to say something about this aspect in the European society, and that it's not a problem, which can be ignored any longer, and that we can make a difference, we can actually do things, (...) we have ways of improving the living conditions and life qualities of people in these areas. And that's what counts in the end. (...) the test in the end is, if you go in the streets, are you making any difference?" (DGXVI-UK/German-Desk Official, 1998, T-46, p. 12)

Part III:

URBAN's FORMULATION AND OPERATIONALISATION: THE SPECIFIC CASE OF THE UK AND GERMANY

The following chapters are exclusively grounded in the primary data collected at European, national and local level, where in-depth interviews with national and local representatives of the URBAN projects in London (Park Royal), Merseyside, Berlin and Duisburg-Marxloh have generated the extensive intelligence base. As stated previously, the empirical data was transcribed verbatim and analysed via the software programme Atlas/ti that provided the reference mode for the primary data citation.

Chapter 6 illustrates the formulation process of the URBAN Initiative in the UK and Germany through a cross-country comparison. The first part portrays the decision-making processes at national level, indicating this level's first approach towards the Initiative, the national selection processes of URBAN projects, and the respective programme approval, to produce a comparative analysis at meso level. The second part illustrates the URBAN project formulation at the local level in London (Park Royal), Merseyside, Berlin and Duisburg-Marxloh. Comparing their modus operandi in approaching the URBAN Initiative, their individual selection processes, and final approvals, the chapter concludes with a cross-case comparative analysis at the micro level.

As EU structural programmes are implemented by the local level, Chapter 7 concentrates on the local URBAN project operationalisation. Following an indication of

the project contents, the management structures are illustrated and graphically presented. The operationalisation processes are portrayed and a cross-case comparative analysis at the micro level concludes the chapter. Chapter 8 discusses the empirical findings across all cases and all policy level, and elaborates a conceptual framework for networking and multilevel governance.

Chapter 6

THE FORMULATION OF THE

URBAN INITIATIVE IN THE UK

AND GERMANY

A fter the launch of the URBAN Initiative by the DG for Regional Policy, the different Member States pursued their country-specific procedures for Community Initiative funding application and management. As URBAN addressed a new clientele of regional and local actors lacking previous EU structural programming expertise, the Initiative was open to interpretation, disagreement, and criticism. Contextual changes to the classic decision-making procedures were introduced for EU project development and operation, which serve to highlight differences in the processes of formulating policy at the national and local level of the UK and Germany (see also Keating, 1993, p. 95ff & p. 294ff). The chapter will illustrate these processes by means of empirical data analysed via Atlas/ti. The four case studies in London (Park Royal), Merseyside, Berlin and Duisburg-Marxloh will, thus, provide further insights into the Member States' strategies to operationalise the EU guidelines for the URBAN Initiative.

6.1 The Formulation of the URBAN Programmes in the UK and Germany

Under the operation of the DG for Regional Policy and European Regional Development Fund (ERDF) co-financing, the management of URBAN at national level was transferred to the then Department of the Environment (DoE), which held responsibility for both urban regeneration and ERDF management in the UK. In Germany, however, the Bundesministerium für Wirtschaft[1] (BMWi) manages ERDF-

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[1] Federal Ministry for the Economy.

funded programmes, whereas urban development falls within the responsibilities of the Bundesministerium für Raumordung, Bauwesen und Städtebau[2] (BMBau). While the UK URBAN programme formulation was primarily characterised by divergent perceptions of the problematic, and complex negotiations between UK representatives and Commission officials, co-ordination and co-operation amid hierarchical boundaries of the federal system marked the German URBAN programme formulation.

Given the different policy approaches, the Member States' Liaison Offices in Brussels played a variegated role. During the late 1980s and early 1990s, the governments of the UK and Germany established delegations in Brussels, providing the two Member States with a very high presence in the EU capital. As channels of communication between the European, national, regional and/or local level, these Brussels representations provide initial information, establish essential contacts and voice sub-national interests through lobbying and networking (Marks et al., 1996, p. 40; Nugent, 1999, p. 482; Keating, 1993, p. 379f). Thus, they act as "virtual antennas of EU policy-making" (former SenStadtUm Official, 1997, T-5, p. 1). The following section will illustrate the specific decision-making processes for the formulation of the URBAN Initiative in the UK and Germany.

6.1.1 The First Approach

After the former DoE, now Department of the Environment, Transport and the Regions (DETR), had received communications about the launch of the URBAN Initiative shortly after the Commission's announcement in March 1994, UK government officials decided upon the modus operandi for this new Initiative by July 1994. Despite initial objections based on the principles of subsidiarity and sovereignty, where experienced regeneration officials saw "no reason why Europe should be involved" (former DoE Official, 1998, T-39, p. 5), government representatives opted for participation in view of the additional EU funding for deprived urban areas. Following the UK's resource allocation for the URBAN Initiative by the Commission, the domestic distribution between England, Scotland, Wales and Northern Ireland required national agreement. Based on its large urban population size, England secured the

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[2] Federal Ministry for Regional Planning, Construction and Urban Development.

majority of the URBAN budget. In the subsequent decision-making stage, Central Government invited its Government Offices to nominate their respective URBAN candidates. Commissioned to pre-selected the URBAN proposals, Government Offices drafted individual shortlists by means of a guidance note based on the Commission's guidelines, and the UK's 1991 Index of Local Conditions identifying areas of urban deprivation (DETR Official, 1998, T-40, p. 3). The DoE for Northern Ireland submitted its two biggest cities, the capital Belfast and Londonderry, for the URBAN Initiative as a supplement to its local urban renewal schemes, while the Scottish Office proposed two URBAN projects for its Objective 2 designated cities of Glasgow and Paisley. Choosing between the bids of Cardiff and Swansea, the Welsh Office gave its single URBAN funding approval to the city of Swansea as a complement to the domestic public resource focus on the Welsh capital (MEP RC, 1998, T-68, p. 1).

The German URBAN programme formulation commenced with the Commission's publication of the URBAN guidelines in July 1994. After an introductory meeting with Länder representatives and a subsequent clarification of URBAN guidelines with the DG for Regional Policy, the BMWi proposed to all 16 Länder to draft initial URBAN project proposals according to their preferences and specific conditions (BMWi Official, 1998, T-36, p. 2f). However, initial reservation towards the URBAN Initiative existed at national level, according to respondents. Owing to the principles of subsidiarity and sovereignty, and the EU's intervention in Germany's long-standing urban regeneration policy without an explicit mandate in the Treaties, some federal and Länder respondents perceived URBAN less in the light of Community urban support, as in patronage by EU officials lacking urban regeneration expertise (MSKS Official, 1998, T-13 p. 3). Nevertheless, German authorities decided to participate in the funding proposition of the DG for Regional Policy on the grounds of Germany's net contribution to the overall EU budget, where the URBAN resources constituted a small, yet extra rebate (DSSW Official, 1998, T-38 p. 2f). Due to the time-consuming preparation of an Operational Programme (OP), however, there was agreement for an "opt-out" on the part of the more prosperous Länder, for example, Bavaria, given their slim chances of obtaining funding (BMWi Official, 1998, T-36, p. 3). Subsequently, a variety of cities prepared URBAN draft proposals, which were then submitted to their Länder governments for selection.

6.1.2 The Selection Process

In the subsequent selection process, the DoE compared the initial 32 URBAN project drafts with their statistical ranking in the Index of Local Conditions (1991), their unemployment figures as well as their priority listing by the Government Offices, and finally selected 12 URBAN project candidates for England in September 1994. This draft programme constituted the Merseyside Objective 1 area, the seven Objective 2 areas of London Hackney/Tower Hamlets (South East), Manchester (North West), Birmingham (West Midlands), Nottingham (East Midlands), Sheffield (Yorkshire and Humberside), Coventry (West Midlands) and Tyneside (North), as well as the four Non-Objective areas of Leeds (Yorkshire and Humberside), Bristol (South West), London Park Royal and Brighton (both in the South East) (DETR Official, 1998, T-40, p. 2ff). Thus, departing from the Commission's proposed concentration on Objective 1 and/or Objective 2 areas, the DoE - according to respondents - viewed the URBAN Initiative as a general opportunity for deprived urban areas to apply for EU funding. Thus, without pre-selection or exclusion of certain cities from possible URBAN funding, the DoE selected the URBAN candidates primarily according to their potential and capacity to deliver, rather than their Objective 1 and/or Objective 2 status (DETR Official, 1998, T-40, p. 4ff).

> *"(...) that was quite important for us to make sure we could operate it wherever we needed to operate it, as long as these areas matched the Commission's overall criteria and were parts of areas, as well as domestically we acknowledged them." (DETR Official, 1998, T-40, p. 2).*

Furthermore, Belfast and Londonderry in Northern Ireland, Glasgow and Paisley in Scotland, as well as Swansea in Wales joined the UK URBAN programme proposal. Subsequently in November 1994, the UK submitted an overall URBAN package of 17 proposals together with a national URBAN administration framework to the Commission (DETR Official, 1998, T-40, p. 4f).

> *"(...) the advantages (...) for us were that we could target areas that weren't currently eligible areas. And we can sort of spread out benefits of European funding and that definitely was a plus that areas that had historically felt they were being shunted out of European funding were part of it. (...) So it was a chance for us to incorporate more areas." (DETR Official, 1998, T-40, p. 13)*

However, given URBAN's initial ceiling of about 50 URBAN I projects and its overall budget of 600 MECU, the DG for Regional Policy could not accept the British URBAN application on the grounds of respective project size and funding ratios for

the EU in general and for the UK in particular. While the UK's proposal would have exceeded its allocated share of the overall URBAN programme in respect to other Member States, the British proposal would have equally produced rather small projects. According to respondents, the latter were considered less effective by the Commission, given the specifications of the DG for Regional Policy for project size and funding minimum, and the UK's fixed URBAN I funding allocation of 75.6 MECU[3] (former DGXVI-UK-Desk Official, 1998, T-57, p. 2f; DGXVI-UK-Desk Official, 1998, T-48, p. 1f).

The UK was required to reduce the proposed English areas to reach the 6 MECU funding minimum per project. Consequently, the DoE decided to select URBAN projects by means of a project presentation and final ministerial decision. Thus, except for the Objective 1 Merseyside project - as one of the prominent URBAN candidates accompanied by Commission support - the remaining 11 English proposals were asked to bid for the limited URBAN funding. As was stated by interviewees, this final round of the URBAN project selection followed the approach of both open competition and geographical balance, characteristic for British urban regeneration programmes (DETR Official, 1998, T-40, p. 5f; former DoE Official, 1998, T-39, p. 4).

The principal selection criteria, according to respondents, was the ability to present a comprehensive, well-elaborated project with coherent management arrangements, clear objectives, problem-oriented strategies and realistic outputs within a targeted area. Focusing on the proposals' quality in terms of deliverability, successful projects had to be cost-effective, output-driven and measurable, while equally accounting for representative community involvement and genuine partnerships in practice (former DoE Official, 1998, T-39, p. 3f; DETR Official, 1998, T-40 p. 5f; GOL Official, 1998, T-27 p. 2f). In the oral presentation, former DoE urban regeneration ministers assessed the delegations' members -an indicator of project partnership, participation and local representation-, their expertise, as well as their general approach to the URBAN funding application, in order to discard project drafting by

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[3] EU/DGXVI, Inforegio, 15.2.1996, p. 19.

contracted consultancies (former DoE Official, 1998, T-39, p. 2; former Hammersmith/Fulham-Council Official, 1997, T-21, p. 4).

> *"I just wanted to make sure they hadn't hired somebody. But by this time there was a lot of expertise in presentation and people were getting slicker and slicker at presenting, because they've had City Challenge, SRB, and enormous numbers of competitive programmes at which they were actually getting quite good at bidding." (former DoE Official, 1998, T-39 p. 3).*

As stated by interviewees, promising written proposals appeared less convincing after their oral presentation, while others turned the URBAN funding decision to their favour after their personal debate with the DoE ministers. However, disregarding the outcome, the competing projects felt that, as they had actively participated in the decision-making process, they were given a chance to explain their case before the DoE and to bid - successfully or unsuccessfully - for URBAN funding (former DoE Official, 1998, T-39 p. 4; MEP BC, 1998, T-64, p. 7).

Although not a prerequisite for selection, past experience of pre-existing partnerships with domestic programmes, such as the UK's national urban regeneration programme, the Single Regeneration Budget (SRB), was supportive. Thus, given the similarities in management and geographical distribution of SRB and URBAN, questions emerged, according to respondents, whether there existed a conceptual and/or territorial connection between the two programmes. While SRB-funded URBAN candidates were able to provide the necessary matched funding, they also constituted an integrated urban regeneration approach into the wider UK urban policy context. Despite the fact, that many approved URBAN projects are located in SRB-funded urban areas,

> *"(...) there wasn't a formal link as such. What there was, (...) the methodology of SRB was as far as possible applied to URBAN. The criteria we brought to URBAN were instinctively the criteria that would come from the SRB." (former DoE Official, 1998, T-39 p. 5)*

In Germany, BMWi, BMBau and Länder representatives discussed the prospective URBAN projects, while the Deutsches Seminar für Städtebau und Wirtschaft[4] (DSSW) was commissioned by the BMWi to draw up a short-list of priority cities for further consideration as potential URBAN candidates (BMWi Official, 1998, T-36 p. 1ff). Established by the BMWi in 1993 for the management of economic regenera-

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[4] German Seminar for Urban Development and the Economy.

tion of city centres in the New Länder, the DSSW addresses socio-spatial development issues in former East Germany, thus, providing an integrated urban regeneration approach for the New Länder. Co-financed by the BMWi, the DSSW was subsequently chosen to assist with the URBAN project selection at national level, while supplying technical support for the Operational Programme (OP) development at local level. As stated by respondents, the DSSW's independent office in Brussels provided essential insights into EU politics, enabling the less familiar German authorities to steer a course through the Brussels bureaucracy of structural fund programming (DSSW Official, 1998, T-38, p. 1; BMBau Official, 1998, T-37, p. 4).

The DSSW reviewed about 25 initial URBAN project proposals against a set of criteria, where the proposal contents were compared with the Commission's suggestions and URBAN guidelines. One of the most decisive factors - according to respondents - was the projects' capacity to present an integrated approach, where economic elements were clearly incorporated with urban development aspects. Characteristics examined were the proposals' strategies, objectives and their suitability to address the indicated problems within the given time and funding allocations. Additionally, the co-funding arrangements were analysed together with the projects' integration into the wider city and/or Land socio-spatial regeneration context (DSSW Official, 1998, T-38, p. 3ff; BMWi Official, 1998, T-36 p. 4). Considering that the Old Länder had a clear advantage over the New Länder in formulating concise and integrated OPs due to their previous EU funding experience, an interesting concept outweighed a proposal's conformity with EU funding standards. Thus, where a clear urban need and URBAN funding eligibility was given, the DSSW provided technical support for continuous proposal improvement, until the OPs satisfied the EU's URBAN guidelines and eligibility criteria. In some cases, Länder representatives directly asked the DSSW for project selection advice, thus, alleviating some of the political pressures generally associated with EU funding allocation (DSSW Official, 1998, T-38 p. 3ff & p. 8).

The subsequent DSSW short list consisted of 17 potential URBAN projects, categorised into two groups by means of funding priority and budget availability. The first group of proposals with a high priority classification contained a list of 10 cities – the seven Objective 1 cities of Berlin (Berlin), Brandenburg (Brandenburg),

Chemnitz (Saxony), Erfurt-Ost (Thuringia), Magdeburg and Halle (Saxony-Anhalt) and Rostock (Mecklenburg-Pommerania), as well as the three Objective 2 cities of Bremen (Bremen), Duisburg (North-Rhine Westphalia) and Saarbrücken (Saarland). However, given the large amount of project proposals and the limited funding provisions, a second, lower priority group was drawn up, which was to be considered for URBAN II funding via the reserve budget allocation in 1996. This group consisted of a further seven cities in hierarchical order: Zwickau (Saxony) and Gera (Thuringia) for Objective 1, as well as Kiel (Schleswig-Holstein), Kassel (Hessen), Peine and Wilhelmshaven (Lower Saxony), and lastly Hamburg (Hamburg) for Objective 2 (BMWi Official, 1998, T-36, p. 3).

During URBAN's discussions in the Bundesrat, Germany's upper house in Parliament, BMBau officials informally attended the debate and, given URBAN's context, decided to positively engage in the URBAN project development, despite the lack of an explicit mandate.

"(...) it might be the case, that it [URBAN] comes from the ERDF and ESF, and, thus, is managed by the Federal Minister for Economy. But then I looked at it and thought: The context is urban development, therefore I will get involved." (BMBau Official, 1998, T-37 p. 1)[5]

Diverging from Germany's departmentalism, successful co-operation between the urban development experts in the BMBau, and the ERDF administrators in the BMWi, was established, according to several interviewees, thus bridging the institutional divide, which the URBAN Initiative had created for Germany. Although BMBau officials entered URBAN's decision-making process through particular interest and personal commitment after the pre-selection of potential URBAN projects, essential influence was exercised for the final project selection as well as the project contents. Given its expertise as well as URBAN's context, the BMBau was able to include the urban development ministries of the Länder into the URBAN formulation process, alongside the prevailing economic Länder ministries exclusively responsible for the ERDF and URBAN management (BMBau Official, 1998, T-37, p. 2f & p. 9f). The project administration of the Duisburg-Marxloh URBAN project was, thus,

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[5] "(...) denn das mag sein, daß es [URBAN] aus ERFE und ESF kommt, und deswegen beim Bundeswirtschaftsminister läuft. Aber dann habe ich mir das angesehen und gesagt: Inhalt ist Städtebau, also kümmere ich mich drum." (BMBau Official, 1998, T-37 p. 1).

assigned to the Ministerium für Stadtentwicklung, Kultur und Sport des Landes Nord-Rhein Westfalen[6] (MSKS).

Hence, the final candidates for URBAN funding were selected through close co-operation between BMWi and BMBau officials as well as Länder and city representatives, according to interveiwees. Emphasis was clearly allocated to Objective 1 urban areas with the intention to select one URBAN project per new federal state (Land). With the option to veto the decision, the final list of 17 URBAN project candidates was sent to the Länder representatives for approval and later submitted to the Commission (BMWi, 1998, T-36, p. 12).

6.1.3 The URBAN Programme Approvals

Although the DoE had reduced the English URBAN proposals to six Non-Objective 1 areas, comprising Birmingham, London Hackney/Tower Hamlets, London Park Royal, Manchester, Nottingham and Sheffield by March 1995, the finalisation of the UK URBAN programme approval was subject to further delays. At national level, the budgetary settlement was protracted until October 1995, as the Scottish and the Welsh Office re-opened the negotiations about URBAN's regional funding distribution despite their previous URBAN project agreement with the Commission (DGXVI-UK-Desk Official, 1998, T-48, p. 4; MEP RC&SC, 1998, T-66 p. 4). At the supra-national level, complex negotiations and political debates between the DoE and the Commission emerged, constituting the principal reason for the overall URBAN programme delay. The focal point of the controversy was the administrative arrangement for URBAN's operation in the UK, illustrating the divergent interpretations of the DoE and the DG for Regional Policy regarding the URBAN concept. Based on the subsidiarity principle as well as the UK's urban regeneration tradition, the DoE called for a government-controlled URBAN project management and a centralised administration through a national URBAN monitoring committee (DETR Official, 1998, T-40, p. 12f). Referring to the URBAN guidelines, the Commission, however, argued for a local authority-led and regionalised URBAN project operation through individual URBAN management committees, serving as sub-committees to the respective Objective 1 or Objective 2 monitoring committees, thus, allowing the

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[6] Ministry for Urban Development, Culture and Sport of the Land North-Rhine Westphalia.

necessary "capacity building for the URBAN Action Plans [and] partnerships" (DGXVI-UK-Desk Official, 1998, T-48, p. 3 & p. 6; former DGXVI-UK-Desk Official, 1998, T-57, p. 6).

> *"The gap is at the policy level. We all know what we think URBAN is; what we think URBAN is, is the same as what DGXVI thinks URBAN is, but Central Government keeps saying: It's a Structural Fund, we treat it as a Structural Fund (...) there are outputs that say: Jobs, training places, number of roads improved, number of areas of derelict land reclaimed." (CVS Official, 1998, T-35, p. 16f)*

Consequently, political negotiations between the DoE and the DG for Regional Policy continued over several months, as stated by respondents. The DoE bargained with the Commission to "streamline the decision-making processes to make them analogous to our own scheme" (former DoE Official, 1998, T-39 p. 5). Rejecting the idea of a "classical bidding challenge [yet acknowledging] the originality of URBAN in the UK" (DGXVI-UK-Desk Official, 1998, T-48, p. 3), the UK-Desk of the DG for Regional Policy, however, intended to advance the UK's Objective 2 Community Economic Development (CED) approach via local partnerships and evolving Action Plans by using

> *"(...) URBAN as a test bed. (...) we were trying to invent, within the framework of the Structural Funds, a system that would work, be more flexible, be more integrated, more bottom-up and more devolved. (...) DoE (...) was trying at the same time to make URBAN as much like the SRB project as possible. We were trying, I think, to do something a bit more exciting." (former DGXVI-UK-Desk Official, 1998, T-57, p. 5)*

During mid-1996, however, the negotiation gridlock was overcome, and the Commission approved eight URBAN I proposals – three Objective 1 projects in Belfast, Londonderry, and the Merseyside project, as well as five Objective 2 projects in Glasgow, Paisley, Manchester, Nottingham and Sheffield in July 1996. By November 1996, the three Objective 2 projects in Birmingham, London Hackney/Tower Hamlets and Swansea, together with the Non-Objective project in London Park Royal joined the UK's total package of 12 URBAN I projects with more than a two-year delay (DETR Official, 1998, T-40, p. 10ff; EC/SF, 8th Annual Report, 1997, p. 292). In 1996, the reserve allocation extended the UK URBAN budget by 24.96 MECU under URBAN II (EC/SF, 8th Annual Report, 1997, p. 52). In order to overcome domestic funding disputes, the DoE decided to opt for the majority of the newly available resources to run additional URBAN projects (DETR Official, 1998, T-40, p. 10). Accounting for changes in circumstances of the projects and/or the different Government Offices, the DoE re-employed its URBAN selection process

and selected five further URBAN II projects: Leasow for the Merseyside Objective 1 area, Coventry for the Objective 2 area, and three Non-Objective projects in Leeds, Brighton and Bristol. Hence, the DoE incorporated the next four priority listed projects from its original shortlist and realised 10 out of its proposed 11 projects, excluding Tyneside (DETR Official, 1998, T-40, p. 10f). Despite their small budget of 4.5 MECU per project (EU/DGXVI, Inforegio News, August 1997, p. 1), the DoE insisted on their realisation throughout the negotiations with the DG for Regional Policy. Subsequently, with an EU contribution of 121.43 MECU at 1997 prices[7], the Commission financed 17 URBAN projects in the UK, covering 12.5% of the UK's population (EU/DGXVI, Inforegio Fact-Sheet, 15.11.1998, p. 2).

In Germany, the finalisation of the URBAN programme approval also witnessed delays, as disagreement with the DSSW shortlist emerged at national level. Facing the loss of URBAN funding, some unsuccessful project candidates initiated a debate on the grounds of the subsidiarity principle, while others requested compensatory funding from other Community Initiatives. Berlin - unable, for instance, to benefit from the INTERREG Initiative due to its lack of external borders - insisted on supplementary EU resources from URBAN (SenWi Official, 1997, T-8, p. 1; DSSW Official, 1998, T-38, p. 6). Therefore, as stated by respondents, a domestic discord between Länder representatives over the regional allotment of new Community Initiatives, and the final resource allocation per individual Initiative project delayed the overall decision-making process for over six months. URBAN I funding was subsequently allocated to the first 10 high priority cities of Berlin, Brandenburg, Chemnitz, Erfurt-Ost, Halle, Magdeburg, and Rostock for Objective 1, and Bremen, Duisburg and Saarbrücken for Objective 2, comprising a total of 96.8 MECU (EC/SF, 8th Annual Report, 1997, p. 52). However, due to the necessary re-shuffling of national URBAN resources within Germany's fixed URBAN budget, the selected URBAN projects needed to adapt their financial outlays and redraft their individual OPs. Although the DG for Regional Policy enquired about the low ESF contribution for Erfurt-Ost, and Sachsen-Anhalt's unbalanced EU funding allocation between Magdeburg and Halle, the DG's German-Unit generally accepted the German URBAN programme proposition, being "less interventionist than others [Units]"

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[7] EC/SF, 9th Annual Report, 1998, p. 41.

(former DGXVI Official, 1998, T-54, p. 23; also EGM Official, 1998, T-14, p. 11; BMWi, 1998, T-36, p. 5; DSSW Official, 1998, T-38, p. 6).

The overall response towards the URBAN selection process at national level, however, was positive according to interviewees. The decision-making process was generally characterised by multi-level co-ordination and co-operation between the multiple actors in the BMWi, the DSSW, the BMBau, the Länder and the cities. Thus, non-funding was consequently recognised as the necessary product of the prioritisation of urban need and EU funding eligibility by the unsuccessful candidates. Additional resources of 17.03 MECU (EC/SF, 8th Annual Report, 1997, p. 52) became available through the reserve allocation in 1996. The next two high priority listed cities in the Objective 1 and the Objective 2 category were incorporated into URBAN II, validating Germany's prioritisation approach as an objective selection method according to the majority of interviewees (BMWi Official, 1998, T-36 p. 6; DGXVI-German-Desk Official, 1998, T-50, p. 2 & p. 8). Hence the personal commitment and close co-operation between the URBAN key actors on an informal basis overcame the often paralysing departmentalism typical for Germany's policy making at vertical and horizontal policy level (BMBau Official, 1998, T-37, p. 1f & p. 5).

However, due to the initial lack of clear guidelines on this novel Initiative, uncertainties about URBAN's scope and funding eligibility, the Commission's OP expectations, and the general realisation of the URBAN philosophy emerged among the Länder and city representatives. Equally, as the URBAN guidelines contained some funding propositions, which in principle were ineligible under the Structural Fund regulations, as was stated by several respondents, further internal co-ordination between the URBAN Conceptual Unit of the DG for Regional Policy and its actual implementers in the country desks was required (DGXVI-German-Desk Official, 1998, T-50 p. 2; DGXVI-Berlin-Desk Official, 1998, T-49, p. 3). Thus, to highlight URBAN's integrated approach, additionality principle, strategy requirements and Structural Fund compliance, the German Desk of the DG for Regional Policy organised a seminar with representatives of the German URBAN projects, the Federal Government and the Länder in Erfurt in April 1995. This served to

> *"(...) achieve some order and to design the measures at least in such a way, that they would become somewhat compatible." (DGXVI-German-Desk Official, 1998, T-50 p. 2)*[8]

Hence, subsequent negotiations approved the first two URBAN I projects in Magdeburg and Erfurt-Ost in July 1995, followed by Chemnitz in September, Berlin, Brandenburg and Bremen in November, and Duisburg-Marxloh in December 1995. Facing further delays, Saarbrücken received URBAN funding only in November 1996, while Halle and Rostock joined Germany's URBAN programme in December 1996. The reserve allocation in 1996 added a further two priority listed cities under URBAN II, namely, Zwickau for the Objective 1, and Kiel for the Objective 2 category. Therefore, with the exception of its five lower priority projects in Gera, Kassel, Peine, Wilhelmshaven, and Hamburg, Germany was able to realise the first 12 high priority listed URBAN candidates, covering 7.5% of Germany's population with an EU contribution of 115.21 MECU at 1997 prices[9] between 1994 and 1999 (EU/DGXVVI, Inforegio Fact-Sheet, 15.11.1998, p. 2; EC/SF, 7th Annual Report, 1996b, p. 159; EC/SF, 8th Annual Report, 1997, p. 191).

6.1.4 Comparative Analysis of the URBAN Programmes at the Meso level

The URBAN programme formulation at meso level was particularly influenced by the implications which URBAN's innovative guidelines and novel philosophy posed for Member State sovereignty and subsidiarity. Given the Commission's lack of an urban mandate and consolidated regeneration experience, both Member States - despite collaboration with it - perceived URBAN as strictly an illegitimate EU intervention into national policy areas (DETR Official, 1998, T-40, p. 14; BMBau Official, 1998, T-37, p. 9). This *"imperialism of Brussels"* (former DoE Official, 1998, T-39, p.12) was particularly encountered by the meso level in the UK, where the URBAN programme conception witnessed an intervention by the UK-Desk of the DG for Regional Policy, which

> *"(...) would go far, much further than anyone else in Germany. Nobody would dare try to do this in Germany." (former DGXVI Official, 1998, T-57, p. 6)*

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[8] "(...) um da so ein bißchen Ordnung rein zu bringen, und die Maßnahmen zumindest so zu gestalten, daß sie halbwegs verträglich sind." (DGXVI Official German Desk, 1998, T-50, p. 2).

[9] EC/SF, 9th Annual Report, 1998, p. 41.

Furthermore, respondents for the UK and Germany generally considered URBAN's bureaucratic demands unjustified for its limited scope and budget, and particularly regarded the realisation of the ERDF/ESF multi-fund approach as problematic. Both Member States, therefore, criticised the programme for its operation under the Community Initiative approach instead of the flexible mainstream Structural Fund framework. According to interviewees, URBAN's innovative approach and integrated management structures posed problems for the meso level. Member States, thus, required further clarification on eligibility criteria, ERDF/ESF multi-fund procedures and general URBAN programme management.

> *"(...) some programmes in their first draft were rather uni-dimensionnal, (...) stress one specific aspect of the programme, probably because they were made by one specific department and were not working across the board with different measures that were needed." (DGXVI-Conceptual-Unit Official, 1997, T-53, p. 2f)*

Consequently, as we have seen, the URBAN programme formulation became subject to time-pressures, as the submitted Operational Programmes (OPs) required further elaboration to comply with URBAN guidelines and Commission quality standards, that is, clear project structures grounded in a reasonable analysis from which the project aims and subsequently measures are developed (DGXVI-Berlin-Desk Official, 1998, T-49 p. 10). Thus, both Member States, but especially the UK, witnessed substantial delays in their URBAN approval negotiations and subsequent project launches.

> *"(...) the biggest disadvantage was just in terms of the delays at the start of the programme. Because that just meant that we haven't achieved as much as we would want to; it's hard now to say that it's been a success or not a success because not enough has really happened." (DETR Official, 1998, T-40, p. 13f)*

Equally, while the UK followed an increasingly competition-based programme approach with high local community involvement and partnership structures, the EU, and for that matter Germany, pursued a more traditional, state-interventionist approach in their Structural Fund programmes including URBAN. Especially in regard to the subsidiarity principle, it was stated by respondents, Germany remained more entrenched in traditional values where problems were considered soluble by a strong financial backing and long-term policy perspective of the state and market (former DoE Official, 1998, T-39, p. 6; IBA Official, 1998, T-11, p. 14; DGXVI-German Expert, 1998, T-71, p. 14). According to several interviewees, the UK URBAN policy approach diverged from the Commission's URBAN framework towards a more

flexible Structural Fund management style, where resource allocation and programme management remain under Member State control. After the rejection of the UK's initial proposal, DoE representatives employed bidding processes and ministerial decision-making to determine URBAN funding success according to the domestic approach of open competition and geographical distribution under national regeneration criteria, considered an adequate approach by the majority of respondents.

> *"We wanted fairly open competition in terms of selection of areas. We didn't just want to impose, we didn't just want to decide on the areas." (DETR Official, 1998, T-40, p. 14)*

In Germany, the Initiative was met with initial reluctance at meso level. While the programme's philosophy generally represented a welcomed approach, it simultaneously created a constitutional conflict for the actual implementation - a discrepancy which directed the German URBAN policy approach. According to respondents, the Initiative stood in conflict with the funding concept of Germany's federal system, both on the horizontal level due to the constitutionally prescribed principle of departmentalism, but equally on the vertical level, where a Commission-district relationship clashes with the principle of subsidiarity (BMBau Official, 1998, T-37, p 6). Therefore, the URBAN project determination followed the federal approach of regional re-distribution, implicit co-ordination and essential co-operation, where EU funding eligibility and socio-spatial development need directed the project selection. Thus, via the EU's territorial development indicators - Objective 1 and Objective 2 -, and the prioritisation of the URBAN proposals, German authorities avoided political difficulties in their project selection. Viewed as an adequate modus operandi by the German respondents, a more positive outlook towards URBAN's policy innovation and long-term benefits progressively emerged at meso level (BMWi Official, 1998, T-36, p. 3ff).

Hence, different perspectives of and, thus, approaches to socio-spatial regeneration in general and URBAN in particular characterised the programme formulation. In sum, variations regarding principle actors, their respective interaction, and the programmes' policy range existed at meso level.

6.1.4.1 Participation – Network Actors

As the main key actor for the URBAN project formulation at national level, the DoE co-ordinated the project selection, its submission to the DG for Regional Policy, as well as the project launch. The Central Government ministry responsible for budgetary control, the Department for Trade and Industry (DTI), supervised the financial arrangements, while the Department for Education and Employment (DfEE) assisted with the ESF management, yet in a less decisive role. The UK Desk in the DG for Regional Policy provided general conceptual assistance for the UK URBAN programme formulation, while the UK Liaison Offices in Brussels supplied essential information in the early formulation stage.

The federal state governments represented the principal actors within the decision-making process of the URBAN programme formulation in Germany. As stated earlier, the Federal Government ministry responsible for ERDF management, the BMWi[10], took the supervisory role, co-ordinating the 16 Länder Governments in their application for URBAN funding. While the Federal ministry for urban development, the BMBau[11], provided further contextual support, the ESF-managing Bundesministerium für Arbeit[12] (BMA), however, was not decisively involved. While the German Desk of the DG for Regional Policy contributed to the clarification of Structural Fund programming issues, the German Liaison Offices in Brussels supplied URBAN information to the Länder.

6.1.4.2 Partnership – Network Interaction

Horizontal interaction in respect of URBAN proposal selection was less visible at the meso level, especially with regard to the reserve allocation, where the DoE dominated in the regional URBAN II project allocation. Although Central Government co-ordinated the URBAN project selection with its Government Offices, ultimate decisions remained with Central Government officials. In Germany, co-operative networking between representatives from the BMWi, the BMBau, and the Länder helped overcome Germany's constitutional conflict with URBAN and the traditional defensiveness in cross-departmental communication and co-ordination. In fact, as the

[10] Federal Ministry for the Economy.
[11] Federal Ministry for Regional Planning, Construction and Urban Development.
[12] Federal Ministry for Employment.

German Structural Fund management structure created a dilemma for the BMWi managing the ERDF and, thus, URBAN, while urban development expertise was held by the BMBau, cross-departmental co-operation at meso level became an implicit imperative according to respondents.

Considering a multi-level partnership perspective, co-operation between URBAN actors and representatives from the UK Liaison Offices in Brussels, able to directly represent individual cities as well as regions, supported the UK's programme conception. Providing early information about the scope, objectives and launch of the Commission's URBAN Initiative, UK actors – as was stated by respondents - generally held comparative advantages in their policy approach preparations over their German colleagues, who received the specific URBAN programme information through the Commission's Official Journal. Furthermore, as German Liaison Offices in Brussels generally represent the regional interests of the federal state governments, with the exception of the local city-state Liaison Offices, a less direct involvement in the German programme formulation emerged.

Meso and micro level interaction remained confined to an indirect relationship via the Government Offices in the UK, and the Länder in Germany. UK-Desk officials from the DG for Regional Policy were directly involved in the UK' programme formulation. Divergent URBAN management perceptions, however, frequently paralysed decision-making and constituted the primary obstacle to an interactive co-operation between meso and macro level actors. The German-Desk of the DG for Regional Policy, on the other hand, took a less active role in the programme conception by operating formally within the traditional subsidiarity framework for Community Initiative programme development.

6.1.4.3 Multi-dimensionality – Network Range

Albeit a multi-dimensional policy spectrum, the UK programme emphasised economic development as well as employment and employability through capacity building and training access. This was further underlined by UK-Desk officials from the DG for Regional Policy in their URBAN orientation towards the UK's Community Economic Development (CED) Objective 2 framework. In the UK, the meso level referred to URBAN's integrated approach in terms of competitiveness and so-

cial inclusion, highlighting the lack of its integration with national and/or Structural Fund programmes, where greater flexibility and financial resources are available at UK government discretion. Equally enjoying a multi-dimensional policy focus, the German programme highlighted economic development and social integration with a strong environmental orientation. Focused on URBAN's objectives and guidelines, German-Desk officials from the DG for Regional Policy shared the meso level perception of URBAN's integrated approach, that is, the combination of regeneration efforts through a cross-departmental input of economic, social and environmental policy approaches, and financial resources. Hence, subject to the respective policy approach and interpretation of EU programming guidelines, differences in the involvement of, and interaction between the key actors directed the network range within the programme formulation at meso level.

In regard to the institutional integration, URBAN constituted a clear challenge for conventional programming perspectives and policy arrangements. As the nationally designated Structural Fund programming departments organised the programme's formulation within their traditional perspectives and budget administration, a certain tendency towards compartmentalism or concentration on selective policy departments was detected, which the respective approach towards the ERDF/ESF multi-fund framework consolidated. Although the ERDF/ESF multi-fund approach implied an inter-departmental project conception between ERDF and ESF managing departments, both the DfEE and the BMA took a less decisive role, according to respondents. While ERDF management and urban regeneration lay under DoE/DETR responsibility in the UK, these policy areas are constitutionally divided between the BMWi and BMBau in Germany, rendering institutional integration under URBAN a beneficial yet difficult constellation.

6.2 The Formulation of the URBAN Projects in London (Park Royal), Merseyside, Berlin and Duisburg-Marxloh

Following the national overview, further insights into the decision-making process regarding the URBAN project formulation in London (Park Royal), Merseyside, Berlin and Duisburg-Marxloh are provided by the case studies.

6.2.1 The First Approach

(a) London (Park Royal)

Pioneering the European urban policy dimension with Marseilles in the first Urban Pilot Projects (UPPs) (1989-1994), London actively contributed to the setting of the Community's urban agenda by elaborating potential concepts, objectives and methodologies. On the national level, a consolidated UK urban regeneration tradition had pioneered an integrated approach within a competitive tendering perspective via City Challenge and SRB programmes. Locally, however, London's resource allocation remained dictated by fragmented and short-term funding prospects due to the capital's lack of a strategic authority.

> *"So rather than saying this meets London's needs best, it's looked at from a different perspective of what will be more likely to win the contest (...) So basically London has become really a city which chases funding regimes, rather than deciding what the economic priorities are, each authority will say: Well we can put this bid together which best fits the criteria. As I say, emphasis has been subject to a beauty contest (...)." (ALG Official, 1997, T-24, p. 2)*

Thus, in the absence of a city-wide government, the Association of London Government (ALG) provided a coherent political voice for the 33 London authorities at local, national and supra-national level. In their first petition (ALA and LBA, 1992), the former Association of London Authorities (ALA) and the London Boroughs Association (LBA) argued for a direct Community urban intervention. In their second publication (ALA, 1993), the so-called London Lobby with representatives from the ALA, LBA, Training and Enterprise Councils (TECs) and London Members of Parliament (MEPs) highlighted the non-recognition of London's severe unemployment problems through the Commission's unemployment indicators, based on industrial decline and manufacturing unemployment. However, given London's declining industrial base, with a mere 17% manufacturing employment compared to 80% in the service sector, the capital's actual unemployment problems remained unrecognised by EU standards (ALG Official, 1998, T-24, p. 5; ALA, 1993, p. 13).

Subsequently, the ALG continued to lobby for London's Objective 2 recognition throughout the 1993 Structural Fund Reform negotiations at national and supra-national level. An Objective 2 designation was finally allocated to parts of East London. Following the Commission's announcement of the URBAN Initiative, the

non-Objective 2 areas Park Royal, Brighton and Bristol were incorporated into the UK candidate list, where the government "put them in as a conciliation prize" (former DGXVI-UK-Desk Official, 1998, T-57, p. 3), after political debates with the Commission over their Objective 2 designation had been unsuccessful (ALG Official, 1997, T-24, p. 14; Brent-Council Official, 1998, T-25, p 5; MEP RC, 1998, T-67, p. 2).

(b) Merseyside

Conceptually, the Merseyside urban conurbation approached the URBAN Initiative with the long-standing experience of a variety of local, national as well as European regeneration programmes. As part of England's traditional industrial heartland, the Merseyside region suffers from severe structural decline of its manufacturing and port-based industries due to the overall change in port-related trading patterns, the introduction of containerisation methods, as well as the global integration of production and distribution systems. Addressing persistently high structural unemployment levels, severe population losses and low levels of educational attainment and professional qualification, several domestic programmes, for example SRB and City Challenge, are serving the region at national level, while the 1994-1999 Objective 1 designation allows for comprehensive mainstream programming with a 816 MECU Structural Fund contribution at European level (EC/SF, Mersyside SPD, 1995b, p. 20; Merseyside-URBAN OP, 1996, p. 4ff, p. 25ff, p. 55ff).

> *"(...) in many ways, you're preaching to the converted already. Merseyside Objective 1 Programme has a very substantial (...) Community Economic Development. It's called Pathways, Pathways to Integration. And that for an Objective 1 programme, (...) it's one of the most integrated Objective 1 programmes in Europe. So in a sense, a lot of the learning curve in Merseyside has already been climbed in the Objective 1 programme; and the people, I think they know the game." (DGXVI-Merseyside-Desk Official, 1997, T-52, p. 1f).*

Established in 1995, the Pathways Objective 1 concentrates on combating socio-economic exclusion through the elaboration of routes to employment by combining demand and supply elements in an integrated, multi-agency local partnership approach under an ESF and ERDF funding provision (EC/SF, Mersyside SPD, 1995b, p. 31). Since 1996, the 38 Pathways Partnerships have been engaged in the Merseyside Pathways Network to foster community participation in regional and/or local decision-making through capacity building, best practice and networking. Therefore, the Pathways programme empowered local residents to establish community partner-

ships and to participate in local decision-making, while providing insights into EU programming (North Huyton-community Representative, 1998, T-28, p. 1ff; Liverpool-community Representative, 1998, T-30, p. 9f; Netherton-community Representative, 1998, T-29, p. 3).

Subsequently, equipped with the Objective 1 background and, in particular, the Pathways experience, Merseyside approached the URBAN Initiative with pre-existing regeneration knowledge, EU programming practice and local partnership, which facilitated the application and management (DGXVI-Merseyside-Desk Official, 1997, T-52, p. 3; GOM Official II, 1998, T-31, p. 1; North Huyton-Community Represetative, 1998, T-28, p. 3). Hence, Merseyside's actors were

> *"(...) more used to that type of action, certainly, and it gave them a certain amount of experience and they had a bit of headway in terms of the types of projects." (DETR Official, 1998, T-40, p. 9)*

Furthermore, at the centre of the URBAN rational, the Merseyside project featured as one of the most qualified candidates, both by UK as well as EU standard (DETR Official, 1998, T-40, p. 6; MEP BC, 1998, T-64, p. 8; CVS Official, 1998, T-35, p. 3f). Equally, as the UK's single Objective 1 area eligible for funding, combined with URBAN's Objective 1 focus, a Merseyside project was undisputed,

> *"(...) because Merseyside was already ear-marked, as were Belfast and Derry, because there had to be an Objective 1 envelope (...) within the UK, and that was split down the middle - half way to Merseyside, half way to Northern Ireland. The Northern Ireland Office decided on Belfast and Derry. So Merseyside and (...) Northern Ireland weren't actually in the decision." (former DGXVI-UK-Desk Official, 1998, T-57, p. 4)*

(c) Berlin

At the conceptual level, Berlin has contributed to URBAN's concept since the late 1980s. In 1987, an urban development study in Neuköln, "where we developed aspects, which you find in other URBAN projects, today" (former SenStadtUm Official, 1997, T-5 p. 2)[13], has been translated into Berlin's consecutive Structural Fund mainstream programmes for Environmental Development (UFPs) since 1988, among other programmes, for example the Ecological Redevelopment Programme (ÖSP),

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[13] "(...) wo wir Elemente entwickelt haben, die sie in anderen URBAN Programmen finden, heute (...)" (former SenStadtUm Official, 1997, T-5, p. 2).

the Berlin Labour Market Framework Programme, the Future-Initiative for Ecological Management (ZÖW) as well as job creation and urban renewal schemes.

On the organisational level, the Berlin Senate under the lead of the ERDF-managing Senatsverwaltung für Wirtschaft und Betriebe[14] (SenWi) participated in the Commission's Green Paper Consultation for the future Community Initiatives by submitting a formal opinion to the Bundesrat[15] and the Berlin Representation in Brussels in October 1993. Based on the Commission's acknowledgement of the need as well as the scope for Community urban action in its publication "Europe 2000" (1992), the Berlin Senate argued for increased attention to the problems of urban conurbations (SenWi, 21.10.1993, p. 1). Suffering from a high concentration of socio-economic and environmental problems amid the particular difficulties of the East-West integration, the Berlin Senate highlighted the city's need for additional, tailor-made funding, which traditional local, national and/or European schemes could not provide. Therefore, when Germany's overall Structural Fund budget for 1994-1999 allocated 14 MECU for the New Länder, which was inclusive of the subsequent 9% deduction for the new Community Initiatives, Berlin was concerned with its limited eligibility and funding prospects under the Commission's Green Paper proposal. Eligible solely for Community Initiative funding under KONVER and SME, the Berlin Senate lobbied for a Berlin-specific Initiative, ideally addressing the city's problems in context with its hinterland in Brandenburg (SenWi Official, 1997, T-8, p. 1f & p. 7f).

After the Community Initiative budget allocation, it became apparent, that Germany could undertake 10 URBAN projects, of which each New Land would receive at least one scheme. As the biggest city within Germany's Objective 1 area, it was evident, that Berlin was an indisputable candidate for URBAN funding (SenWi Official, 1997, T-8 p. 2f, & p. 7f; former SenStadtUm Official, 1997, T-5, p. 6; DGXVI-Berlin-Desk Official, 1998, T-49, p. 5). Thus, informally aware of a potential urban programme, the Berlin Senate was able to respond quickly to URBAN's announcement, stressing that

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[14] Senate Administration for the Economy and Public Utilities.
[15] Germany's Upper House, representing the federal states (Länder).

"If one stays in touch and keeps contacts, then one is informed about which pro-grammes are in the making." (former SenStadtUm Official, 1997, T-5, p. 7)[16]

Hence, operating on all available political channels with the Federal Government, and particularly the BMWi, the Länder governments as well as the Berlin Liaison Office in Brussels, the Berlin Senate was able to secure a substantial share of the URBAN budget (SenWi Official, 1997, T-8, p. 2f).

(d) Duisburg-Marxloh

Finally, the Land Nordrhein-Westfalen[17] (NRW) also approached the URBAN Initiative with conceptual experience from several national and local regeneration programmes. Suffering an 80% loss of employment in its declining coal, steel and impending mechanical engineering sectors between 1961-1993, Duisburg witnessed a sharp decline of its employment base, high unemployment rates, severe population losses, budget deficits, and a subsequent detachment from Germany's economic development (Duisburg-Marxloh-URBAN OP, 1995, p. 8). Facing structural decline and multiple deprivation, NRW pioneered the integrated urban regeneration approach in the district Duisburg-Bruckhausen, rendering the synthesis of urban renewal and labour market policies a tradition there since the 1980s (EGM Official, 1998, T-14, p. 1). Equally, the NRW structural programme, Internationale Bauausstellung (IBA) Emscherpark[18], aimed to create a new image for the heavily industrialised Rhine/Rhur agglomeration by focusing on landscape improvement and socio-cultural innovation through 90 projects in 17 cities between 1989-1999 (IBA Official, 1998, T-11, p. 1; Projekt Marxloh, June 1997, p. 30).

In response to Duisburg's steel crisis, the programme "Duisburg 2000"[19] was launched in 1988 as a long-term employment perspective focusing on the integration of infrastructural, socio-environmental and cultural policies, local business innovation and labour force qualification (Duisburg-Marxloh-URBAN OP, 1995, p. 10). In 1989, the non-profit Network on Urban Research in the European Community (N.U.R.E.C.) was established, where its Large Cities Statistics Project developed a

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[16] "Wenn man herum geht und Kontakte hält, dann erfährt man, welche Programme im Entstehen sind." (former SenStadtUm Official, 1997, T-5, p.7).
[17] North-Rhine Westphalia.
[18] International Building Exhibition Emscherpark.
[19] "Duisburg 2000 - Perspectives for new economical development".

global database of over 3600 cities through the international co-operation between UNCHS Habitat[20], UNSTAT[21], ISI[22], IULA[23], and N.U.R.E.C, further consolidating Duisburg's urban networking activities (ASSE Official II, 1998, T-17, p. 20f).

Acknowledging the particular urban concentration of multiple deprivation and socio-economic exclusion, together with the associated multiplier effects for individual neighbourhoods and specific communities, NRW officials, among them representatives of the Ministerium für Stadtentwicklung, Kultur und Sport des Landes Nord-Rhein Westfalen[24] (MSKS), launched a national action programme for urban districts in particular need of renewal[25] in May 1993. Tailored to local problems, the programme was designed to stimulate innovation, create synergy and foster interactive participation of community, regional as well as national actors. With its integrated, multi-sectoral approach, the programme operates in 26 districts (1997 figures) and addresses a wide variety of policy areas, that is, employment and structural policies, urban regeneration, socio-economic, cultural and ecological development, education and health policies, crime prevention and district marketing through co-operative networking within and across policy levels (MSKS Official, 1998, T-13, p. 2; MSKS (NRW-initiativ), 1998, p. 6f).

> *"This inter-departmental programme was designed to directively gather not only the funding resources from the individual policy sectors in this district, but also to stimulate concerted action in the districts within the cities themselves. By inter-departmental I mainly refer to the urban development ministry, the ministry for housing, the employment, health, social, internal affairs and finance ministry, economic ministry, but also education and justice." (MSKS Official, 1998, T-13, p. 1)[26]*

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[20] United Nation Centre for Human Settlements (Habitat).

[21] United Nation Statistical Division.

[22] International Statistical Institute.

[23] International Union of Local Authorities.

[24] Ministry for Urban Development, Culture and Sport of the Land North-Rhine Westphalia

[25] "Handlungsprogramm für Stadtteile mit besonderem Erneuerungsbedarf" – "action programme for districts in particular need for renewal".

[26] "Dieses ressortübergreifende Programm ist damals aufgelegt worden, um nun zielgenau nicht nur Fördermittel in diesen Stadtteil zusammenzuführen aus den einzelnen Ressorts, sondern auch in den Städten selber ein konzertiertes Arbeiten in den Stadtteilen anzuregen. Wenn ich jetzt sage, ressort-übergreifend, so sind hauptsächlich betroffen das Städtebauministerium, das Wohnungsbauministerium, das Arbeit Gesundheit Soziales, Innen und Finanzministerium, Wirtschaftsministerium, aber auch Schule und Justiz." (MSKS Official, 1998, T-13, p. 1).

6.2.2 The Selection Process

(a) London (Park Royal)

After London had consolidated its European profile through a Brussels Office of the Association for London Government (ALG) in 1994, ALG representatives lobbied for a Community urban programme and a subsequent London URBAN participation at European level. Its London headquarters strengthened a co-ordinated URBAN funding approach at local level. Equally, the Committee of the Regions (CoR), instituted in 1994, offered further local authority and ALG representation at supra-national level (ALG-Brussels Official, 1998, T-44, p. 5).

Following the announcement of the Government Office for London (GOL) to pre-select two London areas for the regional URBAN funding competition, ALG representatives opposed the government's proposition and argued for a transparent selection framework with URBAN bidding open to all London authorities. After complex negotiations between central and local government, GOL conceded with the ALG selection approach and agreed to determine the potential URBAN candidates from a range of submitted local proposals. Subsequently, ALG representatives informed the local authorities about the specific URBAN funding criteria by illustrating Structural Fund programming regulations, the identification of need, and the drafting of a coherent OP (ALG Official, 1997, T-24, p. 3; former Hammersmith/Fulham-Council Official, 1997, T-21, p. 1; GOL Official, 1998, T-27, p. 1).

As West London's economic focus with links to the Heathrow economy, Park Royal was marketed as an area of growth and sustainable investment capacities, while SRB funding further improved the area's image. Equally, as Park Royal carries a high regeneration potential as one of West London's most deprived areas, council representatives tried to

> *"(...) bring that within this umbrella of Park Royal which the government was very positive about and wanted to give money to. So this was the basic thinking behind URBAN was that try to find a way to give it a Park Royal name (...) it was helping to fit in the government profile (...)." (former Hammersmith/Fulham-Council Official, 1997, T-21, p. 2)*

Hence, representatives from the boroughs of Hammersmith/Fulham, Brent and Westminster decided to prepare a joint URBAN proposal under a Park Royal frame-

work. As a fairly prosperous borough with isolated pockets of deprivation, the Labour borough of Hammersmith/Fulham decided to team up with its Conservatives neighbours of Brent and Westminster to enhance chances of URBAN funding. Equally, the concept of "pockets of poverty" further contributed to the Park Royal URBAN project selection, where both the UK government as well as the Commission could experiment with indicators targeting poverty beyond EU designated funding areas (ALG Official, 1997, T-24, p. 14). Hence, backed by government interests, a Park Royal proposal was associated with high URBAN funding prospects by regional, national and European perceptions (Hammersmith/Fulham-Council Official, 1997, T-23, p. 3; former Hammersmith/Fulham-Council Official, 1997, T-21, p. 2; Westminster-Council Official, 1998, T-20, p. 1; DETR Official, 1998, T-40, p. 2). Thus, representatives of the three local councils jointly drafted the London (Park Royal) URBAN OP,

> "(...) partly because of the political make-up of the government, (...) the greatest chance of success was to go (...) with the Brent and Westminster group, particularly with Brent, they were the neighbouring borough and they were already in partnership with the SRB in Westminster. So (...) they wanted us as well, because there seemed to be a bit more cohesion for the two areas, and then we could actually claim it as part of Park Royal." (former Hammersmith/Fulham-Council Official, 1997, T-21, p. 1)

However, given the protracted UK URBAN approval negotiations, the local project formulation became subject to severe time pressures, where local authorities received the formal invitation to submit an URBAN bid with a mere one-week's notice during the domestic SRB bidding process (GOL Official, 1998, T-27, p. 3f; former Hammersmith/Fulham-Council Official, 1997, T-21, p. 5ff).

> "(...) well we know in some cases they merely cancelled out SRB and put URBAN over the top. So some of them had bids which were ready-made, because really you couldn't expect them to do totally new bids in that space of time." (GOL Official, 1998, T-27, p. 7)

Guided solely by the Commission's specifications, GOL representatives decided to examine the London URBAN proposals principally through their internal criteria of unemployment and deprivation. While the quality of the proposal was measured in respect to its deliverability, the proposal's value-for-money, targeted focus and compatibility with domestic funding schemes (namely SRB) were equally decisive for a successful URBAN application (GOL Official, 1998, T-27, p. 1f). However, given merely one week to examine the London URBAN proposals, GOL officials con-

sidered it "quite difficult to assess them in any depth" (GOL Official, 1998, T-27, p. 3).

After the UK's successful negotiations with DGXVI officials over the proposal of non-eligible areas, GOL officials produced a regional shortlist of four London candidates, which a preliminary ministerial selection reduced to two (ALG Official, 1997, T-24, p. 2f). Hence, given the government's interest in the Park Royal concept, the Non-Objective London (Park Royal) and the Objective 2 designated London-Hackney/Tower Hamlets proposals were chosen as the "best schemes" (former DoE Official, 1998, T-39, p. 3); although

> "(...) it was almost a civil servant's perception of the best proposal – GOL (...) civil servants picked the best two - not based on the criteria which were the best ones, but which were the best thing for London." (ALG Official, 1997, T-24, p. 2).

Following the Commission's decline of the initial UK URBAN programme proposal in January 1995, calling for a maximum of 6 English URBAN projects, the two London candidates together with their English competitors were invited to present their URBAN bids before two former DoE ministers in March 1995. However, without further information and project elaboration since their initial submission, the London applicants struggled with the one-week notice for the DoE presentation (former Hammersmith/Fulham-Council Official, 1997, T-21, p. 7). As mentioned earlier, the DoE selection criteria comprised the proposal's quality regarding its deliverability, management arrangements, tailored strategies, output-oriented objectives, community representation and existing partnerships, while regeneration experience featured as an extra benefit. Based on the UK's regeneration principles of open competition and geographical balance, the former DoE ministers examined the submitted proposals together with the presentation of the respective project teams. Hence, alongside Birmingham, Manchester, Nottingham and Sheffield, DoE ministers selected the two London proposals, that is, London-Hackney/Tower Hamlets and London (Park Royal), as the final URBAN beneficiaries in England (former DoE Official, 1998, T-39, p. 3f; DETR Official, 1998, T-40 p. 5f; GOL Official, 1998, T-27 p. 2f).

Perceived as a promising URBAN project, Hackney/Tower Hamlets not only reflected a multi-dimensional deprivation focus, but equally profited from previous EU

programming experience and local partnership structures. Park Royal, however, lacked EU funding recognition, Structural Fund experience, and pre-existing community partnerships. Yet given its multiple deprivation, SRB co-funding capacity, the local business Park Royal Partnership, and its cross-borough co-operative proposal, the synthesised London (Park Royal) project featured as a prospective candidate (former DoE minister, 1998, T-39, p. 8; GOL Official, 1998, T-27, p. 3). Hence, while Hackney/Tower Hamlets was chosen on the grounds of urban need, Park Royal's selection was the product of government support, lobbying efforts as well as multi-level networking of local actors with direct Community engagement (former Hammersmith/Fulham-Council Official, 1997, T-21, p. 3f & p. 6; Brent-Council Official, 1998, T-25, p 5 & p. 15). Thus, the London (Park Royal) URBAN project was considered as

> *"(...) an interesting pilot in an area where there's no real major European funds to see what a difference a relatively small amount of money can make. So I think that was quite a persuasive argument (...)." (former Hammersmith/Fulham-Council Official, 1997, T-21, p. 3)*

At district level, however, "Park Royal" is primarily associated with the Park Royal industrial estate and not perceived as one comprehensive local community. Instead, comprising three different communities, the project strategy constituted an "administrative solution" (Westminster-Council Official, 1998, T-20, p. 2) within a very diverse area (CoR Official, 1998, T-19, p. 3). Consequently, the three boroughs chose to operate URBAN individually, as too many partners were involved, but equally because "working across boroughs is still something that is not very usual" (Brent-Council Official, 1998, T-25, p. 13).

> *"So the three boroughs did come together and it's meant to be one programme - the reality is, it doesn't, it operates three different areas (...)." (Westminster-Council Official, 1998, T-20, p. 3)*

(b) Merseyside

After an initial URBAN funding prioritisation for Liverpool, the Government Office for Merseyside (GOM) subsequently ceded to the criticism and lobbying efforts of the excluded borough of Knowsley, Sefton, Wirral and St. Helens and opened the URBAN application process to all five Merseyside authorities. Backed by the Objective 1 URBAN funding benefit, all five Merseyside boroughs, thus, claimed a stake in funding participation and drafted URBAN proposals by September 1994 for

their submission to the DG for Regional Policy in November 1994. The URBAN districts were selected by the local authorities, assessing URBAN as a potential addition to the existing SRB and/or Pathways partnership operations and structures (Sefton-Council Official, 1998, T-33, p. 5; Knowsley-Council Official, 1998, T-32, p. 2; Liverpool-Council Official, 1998, T-34, p. 7). In the event, the Commission declined Merseyside's five-borough-application in view of the UK's limited URBAN Objective 1 funding ceiling and given Merseyside's

> *"(...) five local authorities, the politics have meant, that there was a pressure to have two or three or more URBAN sub-programmes." (Sefton-Council Official, 1998, T-33, p. 13)*

Consequently, officials from the DG for Regional Policy accredited URBAN funding to a maximum of three Merseyside authorities in order to guarantee local concentration and impact. Equally, given the domestic political impetus associated with an URBAN funding participation in concert with Central Government's tradition for equal resource allocation between the five Merseyside districts, both DoE and GOM officials were reluctant to determine the URBAN project area at the national level and transferred the final decision to the local borough level. Comprising electoral wards, the five competing Merseyside boroughs each bargained for the inclusion of their proposed areas, rendering the Merseyside URBAN area selection subject to complex debates throughout 1995 and early 1996 (DGXVI-UK-Desk Official, 1998, T-48, p. 5; former DGXVI-UK-Desk Official, 1998, T-57, p. 3; GOM Official II, 1998, T-31, p. 3; Sefton-Council Official, 1998, T-33, p. 7; CVS Official, 1998, T-35, p. 12).

Central to Merseyside's URBAN formulation process was the interactive networking capacity of the main actors, based on personal engagement and past co-operation at the district and local community level within the sub-programmes, which, however, receded on the Merseyside URBAN project level. Facing complete URBAN funding loss, the borough representative Merseyside Co-ordinating Committee eventually selected the URBAN project area according to the boroughs' prioritisation in the UK 1991 Census, where multiple deprivation ranked highest for Liverpool, followed by Knowsley, Sefton, Wirral and St. Helen's. Subsequently, to the exclusion of St. Helen's and Wirral, the URBAN resources were allocated to Liverpool, Knowsley and Sefton. Although Wirral's KONVER and St. Helen's RECHAR and RETEX re-

sources were regarded as somewhat of a compensation, the reserve allocation in 1996 was highlighted as a potential URBAN II funding opportunity (GOM Official II, 1998, T-31, p. 1f; CVS Official, 1998, T-35, p. 7f). Therefore, in the first round, URBAN funding was secured by the Liverpool City Council for Liverpool Central, by the Knowsley Borough for North Huyton, and by the Sefton Borough for Netherton, recognising Merseyside's particular situation of inner-city as well as outer council estate deprivation.

> *"So it was (...) a combination of the statistics of the economic and social deprivation and obviously a bit of the politics (...). I think each district chose a locality which they thought they would want to put forward for the URBAN status and by and large that was an area in each district that was either the most deprived in each district or the one that was most deprived but wasn't already getting some other kind of resource to help deal with it."* (Sefton-Council Official, 1998, T-33, p. 5)

Through continuous lobbying at local, national and supra-national level, Wirral subsequently secured URBAN II funding for the Leasow area in July 1996, succeeding over St. Helen's URBAN II funding aspirations and a budget extension for the existing three URBAN I beneficiaries. While St. Helen's URBAN I qualification was impeded by the Commission's initial 100.000 inhabitant minimum, its urban deprivation, although serious by EU standard, was considered ineligible for URBAN II funding by a Merseyside comparison (GOM Official II, 1998, T-31, p. 1f; former DGXVI-UK-Desk Official, 1998, T-57, p. 4).

The Liverpool URBAN area was determined by the Liverpool City Council with assistance of the Council for Voluntary Service (CVS) through the DoE Index for Local Conditions (1991) defining poverty at enumeration district level. Focusing specifically on unemployment, mortality ratios, and no-earner households with children, Liverpool selected the four central wards of Abercromby, Everton, Granby/Toxteth and Vauxhall, which enjoyed strong support from officials from the DG for Regional Policy (CVS Official, 1998, T-35, p. 5f). These dockland wards witnessed structural urban decline over the past fifty years, recording the highest deprivation and socio-economic exclusion rates within the Merseyside area. Successful in attracting European funding, Knowsley Council proposed North Huyton for URBAN funding as its most deprived area, identified by the 1991 UK Census and a 1993 Knowsley Council study on urban deprivation. The North Huyton URBAN area further benefits from full Pathways and almost complete SRB coverage, the latter comprising parts of

URBAN's co-financing and its initial delivery system (Knowsley-Council Official I, 1998, T-32, p. 4f & p. 12; GOM Official I, 1998, T-31, p. 5). Sefton Council "very purposely" (Sefton-Council Official, 1998, T-33, p. 5) selected the Netherton SRB area for URBAN programming based on its deprivation problems, eligibility factors, and co-financing capacity. Through this "political decision about meeting priorities" (Netherton-community Representative, 1998, T-29, p. 1f), URBAN could be incorporated both organisationally as well as conceptually into the past experience and best practice of the established SRB partnership at local community level.

As no consensus between the three local authorities could be reached on how to operate URBAN jointly, a compromise on local conditions and URBAN's funding concept was achieved by designing the Merseyside URBAN I project as a compilation of three separate sub-programmes, where individual district operation became integrated into a Merseyside URBAN project administration at local, national and supranational level (DETR Official, 1998, T-40, p. 8; GOM Official I, 1998, T-31, p. 10). Hence metropolitan borough representatives and GOM officials as the key actors in the Merseyside URBAN project formulation elaborated the local URBAN proposals into an aggregated Merseyside-URBAN OP document, which was submitted for formal approval to the Commission in February 1996. The exact format of the sub-programme operation and the final local budget allocation, however, remained the subject of controversial debates, and the negotiations between Commission and DoE officials proceeded well into 1996. Only after the reserve budget decision in favour of an additional Merseyside URBAN area in Leasow, Wirral, had been taken, was the final scope of the three URBAN I Merseyside sub-programmes determined (Sefton-Council Official, 1998, T-33, p. 7f; Liverpool-Council Official, 1988, T-34, p. 2; GOM Official I, 1998, T-31, p. 2).

(c) Berlin

In April 1994, shortly after URBAN's official announcement, the Senatsverwaltung für Wirtschaft und Betriebe[27] (SenWi) continued its organisational meetings with interested parties in the Senate Administration. While some Senate Administrations were dropped from the draft OP as their proposals were less compatible with the Ini-

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[27] Senate Administration for the Economy and Public Utilities.

tiative's objectives, others joined the Senate URBAN working group with new projects during later formulation stages, subsequently comprising representatives of the SenWi, Senatsverwaltung für Arbeit, Berufliche Bildung und Frauen[28] (SenArbeit), Senatsverwaltung für Stadtentwicklung, Umweltschutz und Technologie[29] (SenStadtUm), Senatsverwaltung für Gesundheit und Soziales[30] (SenGesundheit), Senatsverwaltung für Inneres[31] (SenInneres), Senatsverwaltung für Schule, Jugend und Sport[32] (SenSchule), and the Ausländerbeauftragte[33] (former SenStadtUm Official, 1997, T-5, p. 6ff; SenSchule Official, 1997, T-1, p. 1; Ausländerbeauftragte Official, 1997, T-3, p. 1). Initially unaware of its potential contribution, the Berlin Senate debated the URBAN project without SenInneres, which, however, after the mediation by Berlin's Brussels Representation, joined the working group. Thus, having accidentally discovered the URBAN Initiative via the Brussels detour, the SenInneres was able to incorporate its "KICK" project[34] shortly before the finalisation of the URBAN OP. Today, as one of URBAN's prominent projects, KICK enjoys an international reputation for its integrated socio-spatial regeneration approach (SenInneres Official 1997, T-7, p. 1ff & p. 16; SenWi Official, 1997, T-8, p. 4; former SenStadtUm Official, 1997, T-5, p. 8 & p. 11).

During the formulation process, however, disagreement between the Senate Administrations emerged regarding the definition of a homogeneous approach, a common set of goals, and a targeted project area. Debating departmental resource allocations, URBAN's contextual design and territorial emphasis, the Berlin Senate engaged in extensive discussions regarding the determination of the project area at state and at Community level. At the centre of Berlin's project formulation, the area selection comprised the initial choice between East-West Berlin, North-South Berlin, and later between the development of the peripheral district Buch in the Northeast versus the regeneration of the inner-city district Prenzlauer Berg.

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[28] Senate Administrations for Employment, Vocational Training and Women.
[29] Senate Administration for Urban Development, Environmental Protection & Technology.
[30] Senate Administration for Health and Social Affairs.
[31] Senate Administration for the Interior.
[32] Senate Administration for Schools, Youth and Sport.
[33] Senate Commissioner for Foreigners.
[34] KICK: Sport gegen Jugendelinquenz: "Combating juvenile delinquency with sport".

In search of a consensus, the SenStadUmwelt recommended that the private consultancy Beratungs- & Servicegesellschaft Umwelt[35] (B.&S.U.) mediate between the individual interests of the Senate Administrations and draft the Berlin-URBAN OP (SenWi Official, 1997, T-8, p. 4f; former SenStadtUm Official, 1997, T-5, p. 7; B.&S.U. Official I, 1997, T-4, p. 2). Contracted by the SenStadtUm to manage Berlin's Structural Fund programmes for Environmental Development (UFPs) since 1988, the B.&S.U was re-launched in 1991 with the responsibility to provide organisational and technical assistance for the implementation of Berlin's environmental programmes. Hence, given B.&S.U.'s expertise with European Structural Fund and environmental urban programming, the SenWi agreed to contract it for the URBAN project preparation, which the agency accepted with the prospect of future project operation (former SenStadtUm Official, 1997, T-5, p. 8; B.&S.U. Official II, 1997, T-9, p. 15). Given the high work-load of the SenWi and URBAN's multi-sectoral policy focus, implying cross-Senate co-ordination, the B.&S.U. was considered better equipped to network across Senate Administrations and to develop the Berlin-URBAN OP objectively (SenWi Official, 1997, T-8, p. 12; SenGesundheit Official, 1997, T-6, p. 10).

In subsequent discussions, the majority of the Senate Administrations chose the city-centre location for its capacity to best reflect URBAN's objectives and imperative for European transferability. With high unemployment rates, a poor housing stock, overall urban decay as well as Berlin's highest welfare dependency and lowest monthly net income rates, the densely populated district of Prenzlauer Berg was selected. An established SenGesundheit project for the de-hospitalisation of people with mental health problems, however, extended the URBAN project to parts of the Weißensee district (Berlin-URBAN OP, 1995, p. 11ff; former SenStadtUm Official, 1997, T-5, p. 7; B.&S.U. Official I, 1997, T-4, p. 3, SenGesundheit Official, 1997, T-6, p. 5).

By July 1994, an URBAN draft OP had been developed, covering over 130.000 inhabitants and a project area of 1700 ha (SenWi Official, 1997, T-8, p. 4). In August 1994, however, officials from the DG for Regional Policy objected to Berlin's

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[35] Environmental Consultancy.

URBAN proposal on the grounds of its size, exceeding both the Commission's geographical as well as its population ceiling. Granted a maximum of 65.000 inhabitants, the Berlin Senate needed to halve its proposed project, resulting in complex discussions among the involved Senate Administrations. The re-opening of negotiations on the project area, however, not only produced the inevitable withdrawal of some local projects, but also admitted new project proposals into the debate. Responding to a SenWi proposal to incorporate a severely deprived area adjacent to Prenzlauer Berg, the project area was extended south to integrate a church renovation project situated in the Friedrichshain district. However, given the Senate's preference for one coherent URBAN project area, the URBAN quota for Weißensee and specifically for Prenzlauer Berg had to be drastically reduced (B.&S.U. Official I, 1997, T-4, p. 3). Thus, maintaining both a justified URBAN area coverage while accommodating the pre-existing Senate projects, the final area selection became subject to complex political debates (SenWi Official, 1997, T-8, p. 4f; SenArbeit Official, 1997, T-8, p. 5; B.&S.U. Official II, 1997, T-9, p. 5f).

"Well it had been selected, the district Prenzlauer Berg, due to the unemployed and social criteria. The fact that the other districts were incorporated was strictly speaking not so much based on those criteria, but rather that there existed some projects which one wanted to see integrated. That was actually the decisive point." (B.&S.U. Official I, 1997, T-4, p. 3)[36]

By late August 1994, the Berlin Senate had selected the new URBAN project area covering 65.000 inhabitants. The object of accusation of arbitrary choice, the URBAN project area was frequently disputed from an urban planning and public policy perspective. Neglecting ward boundaries, the project area cuts across communities and neighbourhoods often by dividing streets and/or buildings irrationally from URBAN programming, rendering a co-ordinated socio-economic regeneration approach highly problematic (Ausländerbeauftragte Official, 1997, T-3, p. 10f). Finally, by incorporating parts of Weißensee and Friedrichshain at the expense of severely deprived areas of Prenzlauer Berg, the area selection became subject to a political compromise, challenging some of URBAN's objectives. However, typical for incremental decision-making,

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[36] "Also festgelegt wurde es, der Bezirk Prenzlauer Berg, aufgrund dieser Arbeitslosen und sozialen Kriterien. Daß die anderen Bezirke mit dazu kamen, war im Grunde genommen nicht so sehr diese Kriterien, sondern daß da Projekte feststanden, die man gerne mit integrieren wollte. Das war eigentlich das Ausschlaggebende". (B.&S.U. Official I, 1997, T-4, p. 3).

> *"It's just always the case, that such processes develop an internal dynamic. And it de-*
> *pends a bit on who has best presented himself and who can best dominate." (Sen-*
> *Schule Official, 1997, T-1, p. 5)*[37]

Following the Berlin-URBAN OP submission to the DG for Regional Policy in November 1994, the Berlin Senate issued a European-wide call for tender for project management, attracting several applications. Selection criteria comprised price and quality for project organisation, overall management, and co-operation with both civil servants and local communities. The B.&S.U. eventually secured the contract, having been selected for its expertise with EU structural programming and its presence in the URBAN project area through a local office. The consultancy's specific knowledge of the project and the target group due to its SenStadtUm assignment was, however, certainly advantageous (former SenStadtUm Official, 1997, T-5, p. 9; SenWi Official, 1998, T-8, p. 17f; B.&S.U Official II, 1997, T-9, p. 14; SenInneres Official, 1997, T-7, p. 5f).

(d) Duisburg-Marxloh

Discovered by the Amt für Statistik, Stadtforschung und Europaangelegenheiten[38] (ASSE) in its efforts to secure European funding for Duisburg shortly after URBAN's announcement in April 1994, the mid-term presentation of the Internationale Bauausstellung (IBA) Emscherpark[39] brought URBAN to the official attention of North-Rhine Westphalia (NRW) in May 1994. Following URBAN's illustration by the then Commissioner of the DG for Regional Policy at this international congress on the future of old industrial areas, representatives of the Ministerium für Stadtentwicklung, Kultur und Sport des Landes Nord-Rhein Westfalen[40] (MSKS) met with officials from the Conceptual-Unit of the DG for Regional Policy in June 1994. As the Commission further expanded on its URBAN plans to concentrate targeted funding in urban areas, similarities with NRW's national action programme emerged, which equally find expression in concepts such as "quartiers en crise", "pockets of poverty", and/or "Soziale Brennpunkte" across Europe (MSKS Official,

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[37] "Es ist einfach immer so, daß solche Prozesse eine Eigendynamik entwickeln. Und es geht ein bißchen danach, wer sich am besten verkauft hat und wer sich am besten durchsetzten kann." (Sen-Schule Official, 1997, T-1, p. 5).

[38] Office for Statistic, Urban Research & European Affairs.

[39] International Building Exhibition Emscherpark.

[40] Ministry for Urban Development, Culture and Sport of the Land North-Rhine Westphalia.

1998, T-13, p. 2; MSKS (NRW-initiativ), 1998, p. 5; Projekt Marxloh, June 1997, p. 7).

Given its structural conditions and Objective 2 priority status, "there was no way around North-Rhine Westphalia" (MSKS Official, 1998, T-13, p. 10) as one of Germany's most qualified URBAN candidates (former DGXVI-Duisburg-Desk Official, T-56, p. 1f). Thus, based on NRW's industrial background and state-wide regeneration tradition, the initial approach proposed URBAN funding for a compendium of seven severely deprived urban districts, namely Bottrop-Wehlheim, Dortmund-Scharnhorst, Duisburg-Bruckhausen, Duisburg-Marxloh, Essen-Katernberg, Gelsenkirchen-Bismark, and Herne-Hortshausen (MSKS Official, 1998, T-13, p. 4). Following the Commission's approach of employing the regional Structural Funds onto urban areas, NRW decided to reflect this regional policy focus, while combining it with its national action programme[41] (MSKS Official, 1998, T-13, p. 3).

> *"(...) the Ruhr area has a great tradition in respect to the issue of solidarity, in respect to jointly share and bear pleasure and sorrow and so forth, but also to make something out of it." (IBA Official, 1998, T-11, p. 1)[42]*

Following the official launch of the URBAN guidelines in July 1994, however, BMWi officials indicated the Commission's potential rejection of NRW's regional URBAN approach to representatives of the MSKS and the Ministerium für Wirtschaft, Technoligie und Verkehr[43] (MWTV), responsible for ERDF management. Given the correlation of its policy responsibilities with URBAN's objectives, the MSKS subsequently took sole responsibility for the URBAN project management, thus, departing from Germany's traditional Structural Fund operation (MSKS Official, 1998, T-13, p. 6). A further distinction of the Duisburg-Marxloh URBAN formulation process was the specific role of the MSKS as the actual URBAN project applicant, as opposed to the cities, as in other German Länder (BMWi Official, 1998, T-36, p. 11; EGM Official, 1998, T-14, p. 2, Stadtteilprojekt Official I, 1998, T-16, p. 1f).

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[41] "Stadtteile mit besonderem Erneuerungsbedarf" - "Districts in particular need for renewal".

[42] "(...) das Ruhrgebiet hat ja eine große Tradition, was das Thema Solidarität angeht, was das Thema gemeinsam Freud und Leid und so weiter teilen und tragen, aber auch was daraus machen." (IBA Official, 1998, T-11, p. 1).

[43] Ministry for the economy, technology and traffic.

Therefore, prior to the Commission's introduction of geographical and population ceilings, representatives of the MSKS orientated their URBAN proposal at the city-size index with its 100,000-inhabitant minimum. Thus, without further specifications in the URBAN guidelines, the MSKS pursued its regional approach for the Emscher region and submitted a draft URBAN OP in October 1994 (MSKS Official, 1998, T-13, p. 4). However, Commission officials rejected NRW's regional approach on the grounds of its departure from the programme's targeted urban approach, rendering the formulation process subject to complex debates between the DG for Regional Policy and MSKS representatives. Acknowledged as a justified approach for NRW, which nevertheless was ineligible for URBAN funding, the Commission later consolidated its position by introducing a 55.000 inhabitant ceiling to URBAN project areas (DGXVI-German-Desk Official, 1998, T-50, p. 5).

In search of a compromise, the MSKS consulted with the seven districts and analysed their proposals according to their multi-dimensional policy areas, city-wide concept and synergy effects, adequate existing organisational structures, and feasibility between 1994-1999 (MSKS Official, 1998, T-13, p. 4). After Gelsenkirchen-Bismark and Duisburg-Marxloh had been short-listed, MSKS officials selected the district Duisburg-Marxloh for URBAN funding because of the sheer magnitude of its industrial decline problems, but equally because

> *"(...) Marxloh was furthest advanced (...) and there existed, well, a comparability between what already existed in the proposition and what the EU had conceptualised with URBAN." (MSKS Official, 1998, T-13, p. 5)*[44]

Among the pioneers of the integrated approach in NRW, Marxloh provided substantial urban regeneration expertise and best practice (ASSE Official II, 1998, T-17, p. 4; BMBau Official, 1998, T-37, p. 4). Following the 1985 "urban renewal programme Marxloh", the Marxloh/Hamborn special regeneration programme under "Duisburg 2000" was launched in 1991, while Marxloh was incorporated into NRW's national action programme as a model-project[45] in 1993 (MSKS (NRW-initiativ), 1998, p. 25). Advancing the operationalisation of this model, Duisburg city

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[44] "(...) Marxloh am weitesten ist (...) und es gab eine, ich sag mal, eine Vergleichbarkeit dessen, was schon in der Vorstellung bestand und dem, was sich die EU mit URBAN vorgestellt hat." (MSKS Official, 1998, T-13, p. 5).

[45] "Model for inter-departmental action to improve the housing and employment situation in Marxloh".

council established the "Projekt Marxloh" in 1994, providing the operational set-tings, which subsequently contributed to the URBAN funding selection of Duisburg-Marxloh,

> "(...) as the site where one could add on to already existing programmes, which were already being implemented (...) and, thus, for the Land constituted a chance to ap-pend to already conceptualised approaches (...)." (EGM Official, 1998, T-14, p. 2)[46]

Two separate implementation agencies were commissioned with the management and operation of the "Projekt Marxloh", namely the Stadtteilprojekt-Marxloh[47] in No-vember 1993, and the Entwicklungsgesellschaft Marxloh (EGM)[48] in July 1994. A subsidiary of Duisburg's department for youth and education, the Stadtteilprojekt-Marxloh is responsible for employment and qualifications, while the private agency EGM concentrates on the project's urban renewal and business development objec-tives under the commission of Duisburg city council. Through their local offices within the district, both agencies target Marxloh's problems in co-operation with the local community, mediate between community, municipal and Land interests, and, thus, network within and across the involved policy levels. Active since June 1994, the "Projekt Marxloh" enjoyed a vital extension through the URBAN framework, where its existing project base could be expanded in both scope and volume.

Although Duisburg's urban renewal department envisaged URBAN's resources for infrastructural renewal projects in Marxloh, the city's social affairs department to-gether with urban regeneration experts argued for the equal integration of labour market policies. Subsequently, based on past experience and close co-operation be-tween community, municipal and Land actors, a multi-dimensional approach was conceptualised and translated into the Duisburg-Marxloh URBAN OP. This was drafted by the principal actors, that is, MSKS officials at national level, and EGM and Stadtteilprojekt-Marxloh representatives at local level. The city council's Liegenschaftsamt[49] provided co-ordination and support regarding financial issues and budgetary control, while the ASSE supplied the empirical data (MSKS Official,

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[46] "(...) als den Ort, in dem eben an vorhandene Programme, die in der Umsetzung schon waren, ja angeknüpft werden konnte (...) und für das Land dann natürlich die Chance war, an bereits konzi-pierte Ansätze anzuknüpfen (...)." (EGM Official, 1998, T-14, p. 2).
[47] Community Project Marxloh.
[48] Development Agency Marxloh.
[49] Public Property Office.

1998, T-13, p. 5 & p. 13; Stadtteilprojekt-Marxloh Official I, 1998, T-16, p. 3; EGM Official, 1998, T-11, p. 2). Thus, on the basis of the "Projekt Marxloh", MSKS, EGM and Stadtteilprojekt representatives elaborated supplementary measures, implementation capacities, annual specifications, and organisational structures for the Duisburg-Marxloh URBAN project in various round table discussions (EGM Official, 1998, T-14, p. 8; Liegenschaftsamt Official, 1998, T-12, p. 7).

During the preparation of the OP, however, a series of problems occurred. Due to the delay in Marxloh's consideration for URBAN, the OP had to be drafted within a very short time. Developed "unconventionally" (Stadtteilprojekt-Marxloh Official I, 1998, T-16, p. 3), the URBAN OP was finalised in informal ways and contained aspects which no longer apply to the operationalised URBAN project, as "some issues only appear during the course of the programme" (Stadtteilprojekt-Marxloh Official I, 1998, T-16, p. 3ff). Hence, the MSKS decided on a flexible URBAN OP approach to meet the programme's call for local community participation as well as the requirement for exact specification of measures and annual funding allocations as criteria for approval. While the framework of the measures was defined, the aims and exact details, however, were left open. This allowed a flexible sub-project elaboration, but equally enabled potential changes during the URBAN project realisation (Duisburg-Marxloh-URBAN OP, 1995, p. 61; EGM Official, 1998, T-14, p. 7; Stadtteilprojekt-Marxloh Official I, 1998, T-16, p. 4f; MSKS Official, 1998, T-13, p. 6f). Finally, in its advanced formulation process, the Duisburg-Marxloh URBAN OP was confronted by the EU's lack of mandate for housing policy, resulting in the subsequent elimination of all housing-related measures. Acknowledging it has proposed some problematic plans, project actors were puzzled by URBAN's ambitions and simultaneous Structural Fund restrictions, leaving the MSKS to conclude, that

> "*If one had known that earlier (...) if someone had emphasised that, one might have made other plans.*" (MSKS Official, 1998, T-13, p. 8) [50]

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[50] "Wenn man das vorher gewußt hätte (...) wenn man denn darauf hingewiesen hätte, hätte man sich vielleicht auch was anderes überlegt." (MSKS Official, 1998, T-13, p. 8).

6.2.3 The URBAN Project Approvals

(a) London (Park Royal)

The finalisation of the London (Park Royal) URBAN project formulation at local level remained paralysed by the political debates between Commission and UK officials over URBAN's administrative arrangements. As illustrated at the meso level, officials from the DG for Regional Policy envisaged elected URBAN Management Committee members under a local authority chair, while DoE/DETR representatives argued for a civil servant composition of the Committee under clear GOL authority. Thus, despite the protracted UK URBAN budget allocation in October 1995, and an assumed project launch for February 1996, the London (Park Royal) URBAN project finally received its formal approval in November 1996 (DETR Official, 1998, T-40, p. 14; DGXVI-UK-Desk Official, 1998, T-48, p. 3; MEP RC&SC, 1998, T-66, p. 4). Given the lengthy approval negotiations and the mounting time pressure for the project launch, local communities, however, were unable to participate at the formulation stage (South Kilburn-community Representative, 1998, T-26, p. 4; White City/Shepherd's Bush-community Representative, 1998, T-18, p. 1f; Queen's Park-community Representative, 1988, T-22, p. 3 & p. 6).

> *"(...) the programme we put together would have had a period where we can actually do all (...) the networking of organisations (...) and we would then have the 4 years after that to make it work and do the projects; we would have a lot of analysis of what the area needed and have the whole consultation process take place. But we weren't able to do that because we had no resources to actually put that in place. So we will have to have an 18 months programme which will not have an impact, we will have a diluted impact because of that." (ALG-Brussels Official, 1998, T-44, p. 6)*

(b) Merseyside

The Merseyside URBAN project received its formal Commission approval among the first UK URBAN projects in July 1996. Equally subject to delayed approval negotiations, although not as protracted as the London (Park Royal) case, the Merseyside-URBAN OP was formulated by local authority officials, again without local community contribution (Liverpool-community Representative, 1998, T-30, p. 1f; Netherton-community Representative, 1998, T-29, p. 2; North Huyton-community Representative, 1998, T-28, p. 2f). Hence, Merseyside's area-specific needs, objectives, actors and programming styles challenged the URBAN project formulation at local, national and European within the given time schedule.

> *"So there was a lack of advice and (...) contradictory signals, between the Commission, the UK government from the Centre out to the regions, out to the Government Offices and on to the local partnerships. That's what happened initially. Basically they were under-resourced, because of the political will of Central Government (...)."* (GOM Official II, 1998, T-31. p. 10f)

(c) Berlin

Despite its finalisation in May 1995, the Berlin OP obtained its formal Commission approval in November 1995, subjected to further negotiations at European level. Although the Berlin-URBAN OP reads homogeneously, each of the participating Senate administrations is reflected individually in the different document sections, while a district and local community involvement is missing (former SenStadtUm Official, 1997, T-5, p. 8, SenWi, 1997, T-8, p. 7; B.&S.U Official II, 1997, T-9, p. 15). As the sole district representation, the Prenzlauer Berg school department decided to attended the Senate meetings to gain further insights, having been notified about URBAN's formulation by SenSchule officials (Prenzlauer Berg-District Official, 1997, T-2, p. 1 & p. 5).

> *"As it's with all those projects, once you hear about it, you have to act immediately and make sure that you obtain an opportunity to receive information, in order to then be able to participate."* (Prenzlauer Berg-District Official, 1997, T-2, p. 1) [51]

Thus, while Prenzlauer Berg officials saw URBAN as a chance in its early formulation stage, Weißensee and Friedrichshain did less so; a perception which however is also influenced by the available district capacities following the structural re-organisation of the East-West integration (B.&S.U. Official I, 1997, T-4, p. 9).

(d) Duisburg-Marxloh

After the project finalisation in August 1995, the Duisburg-Marxloh URBAN project received its official Commission approval in December 1995. Despite its protracted approval negotiations, the Duisburg-Marxloh URBAN project was able to compensate for the subsequent delays through the "approval practice of the Land North-Rhine Westphalia, which is considered innovative" (EGM Official, 1998, T-14, p. 7) through its ERDF/ESF multi-fund integration of sub-project application, approval and realisation. Although the formulation of the Duisburg-Marxloh-URBAN OP re-

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[51] "Wie es bei all diesen Projekten ist, wenn man davon erfährt, muß man sofort tätig werden und sich darum kümmert, daß man eine Möglichkeit erhält, erst einmal die Informationen zu erhalten, um dann letzen Endes auch mitwirken zu können." (Prenzlauer Berg-District Official, 1997, T-2, p. 1).

mained restricted to civil servants and professionals at municipal and/or district level, indirect community participation was visible in the preparational work and networking activities preceding the URBAN project, where a "long history [and] a fixed location within the district" (Stadtteilprojekt-Marxloh Official II, T-15, p. 2) existed through the Marxloh community centre (Liegenschaftsamt Official, 1998, T-12, p. 7; Stadtteilprojekt-Marxloh Official II, T-15, p. 17). Therefore, as part of a wider NRW urban regeneration perspective, URBAN has a different significance within the Duisburg-Marxloh community.

> *"If we hadn't had the issue of the national programme here, (...) then it would have been absolutely terrible, following the motto: tremendously long application phase, and once you slowly begin to get started, you can already stop again." (IBA Official, 1998, T-10, p. 14)[52]*

6.2.4 Comparative Analysis of the URBAN Projects at the Micro Level

The URBAN project formulation at micro level was primarily influenced by the Commission's introduction of a new urban regeneration philosophy within the traditional Structural Fund framework to a new clientele at both local authority and local community level, as was stated by a consensus of respondents. Hence, URBAN's novel philosophy created difficulties for the formulation of respective Operational Programme (OP) documents, which proved particularly challenging for the London (Park Royal) project lacking previous EU programming experience. According to several interviewees, London (Park Royal) was subject to a bidding process, and was selected as a "demonstration project" (former Hammersmith/Fulham Official, 1997, T-21, p. 3) for the elaboration of new poverty indicators, carried by conceptual as well as political factors at local, national and European level. The project area was determined by the respective local authorities in the prospect of funding success (Hammersmith/Fulham-Council Official, 1997, T-23, p. 3; DETR Official, 1998, T-40, p. 2; Brent-Council Official, 1998, T-25, p. 13). Although equipped with consolidated urban regeneration and past EU programming experience, the Merseyside URBAN project formulation was impeded by the protracted local determination of project areas, according to respondents. These were subsequently decided by metro-

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[52] "Wenn wir hier jetzt nicht das Thema des Landesprogrammes gehabt hätten, dann wäre das sowieso, dann wäre das ganz fürchterlich geworden, nach dem Motto: Unwahrscheinlich lange Antragsphase, und wenn sie langsam mal gerade in die Schuhe gekommen sind, können sie schon wieder aufhören." (IBA Official, 1998, T-10, p. 14).

politan councillors on the basis of respective urban deprivation levels as well as lack of alternative EU funding provisions. As the UK's sole Objective 1 conurbation and ideal URBAN location, Merseyside constituted a predestined project candidate, benefiting from the region's Objective 1 and Pathways experience (former DGXVI Official, 1998, T-57; Sefton-Council Official, 1998, T-33; CVS Official, 1998, T-35, p. 12).

Berlin was selected as one of Germany large Objective 1 cities suffering from direct repercussions of the East-West integration. According to the majority of interviewees, the Senate decision for a former East-Berlin project location was guided by urban need as well as political preference of the involved Senate Administrations. Despite previous urban regeneration and EU programming experience, pre-established Senate projects guided the conception of a project-specific URBAN OP, which was welcomed for its precision by officials from the DG for Regional policy, yet proved difficult to realise given lengthy EU decision-making processes and bureaucratic Structural Fund regulations (B.&S.U. Official I, 1997, T-4, p. 4; SenWi Official, 1997, T-8, p. 4f; former SenStadtUm Official, 1997, T-5, p. 6). The Duisburg-Marxloh project formulation gained from URBAN's similar objectives and strategies with the pre-established North-Rhine Westphalia (NRW) action programme, as was stated by respondents. Marked by structural decline and reflective of URBAN's rational, the Objective 2 conurbation Duisburg-Marxloh also constituted an ideal candidate, where MSKS officials opted for the Duisburg-Marxloh location according to urban need as well as consolidated socio-spatial regeneration experience and pre-existing local structures (MSKS Official, 1998, T-13, p. 8; EGM Official, 1998, T-14, p. 2).

According to a consensus of respondents, the URBAN project formulation at micro level was characterised by complex discussions, political debates and a frequent mismatch of information and communication. Subsequent time pressures for the project approvals emerged among overall uncertainties over eligibility criteria, management procedures and budget allocations. Thus, given the respective organisational structures, urban policy perceptions and EU programming traditions, the URBAN project conception proved a difficult challenge, leaving major actors "interpreting what we understand Europe to be saying" (GOM Official I, 1998, T-31, p. 8). As indicated at

the meso level analysis, the London (Park Royal) and Merseyside project formulation suffered from the complex negotiations about URBAN's administrative arrangements between UK and Commission officials.

> *"(...) we thought participation was a way of invigorating our programmes, and making them mean something to people on the ground, rather than being full of just pet projects which local government officials had decided are the best thing for a local area. We really wanted to engage local communities in their own development. (...) Anyway, by the end, these guidelines had become a barrier to progress because we couldn't close the negotiations, (...) and they caused a serious delay in the starting of the programme. " (former DGXVI Official, 1998, T-57, p. 6f)*

While the Berlin project formulation suffered from Germany's protracted domestic budget allocation for the new Community Initiatives, the Duisburg-Marxloh project conception was further impeded by differing urban programming perspectives between Commission and Land officials. While respondents for the Commission considered NRW's URBAN policy style innovative, yet sometimes unconventional for Structural Fund eligibility criteria, interviewees for NRW perceived the URBAN regulations as too complex and overshadowed by bureaucratic EU policy-making (MSKS Official, 1998, T-13, p. 8; former DGXVI-Duisburg-Desk Official, 1998, T-56, p. 6; BMBau Official, 1998, T-37, p. 10), arguing that

> *"(...) the EU doesn't managed its own contradiction - to expect a district-focussed operational programme, which communicates in generalities. " (MSKS Official, 1998, T-13, p. 8)*[53]

The URBAN project formulation at micro level was further influenced by project-specific conditionalities of the involved project actors, their respective interaction and the projects' incorporated policy range.

6.2.4.1 Participation – Network Actors

The decision-making process behind the formulation of the London (Park Royal) project revealed an overall civil servant dominance and local authority lead. Key actors consisted of council representatives from the three boroughs of Westminster, Brent, and Hammersmith/Fulham in concert with multi-level networking support by ALG[54] officials at local, national and European level through their London and

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[53] "(...) die EU mit ihrem eigenem Widerspruch nicht klar kommt - ein auf ein Stadtteil bezogenes Operationelles Programme zu erwarten, daß sich in Allgemeinheiten verständigt." (MSKS Official, 1998, T-13, p. 8).
[54] Association of London Government.

Brussels Liaison Offices. Representatives from GOL[55] and the DoE[56] played a further key role at regional and/or national level, while the London (Park Royal) Desk Official of the DG for Regional Policy supported the project conception at supra-national level. In Merseyside, the project formulation process was characterised by an initial civil servant lead, which, however, subsided to an increasing local community impetus, albeit variations in the three project areas. Comprising the three areas of North Huyton, Netherton and Liverpool Central, the key players consisted of metropolitan borough representatives of Knowsley, Sefton and Liverpool. The Liverpool CVS[57] supported voluntary organisations in Liverpool and its surrounding neighbourhoods, while local communities enjoyed active participation through their respective community representatives, yet to varying degrees. GOM[58] officials provided further assistance at regional level, the DoE supported the project formulation at national level, while the Merseyside Desk Official of the DG for Regional Policy provided conceptual assistance at supra-national level.

In Berlin, the formulation process of the URBAN project revealed a clear civil servant prevalence and Senate dominance. Given Berlin's city-state position, principal players at Land and municipal level consisted of representatives of the SenWi[59], managing the ERDF and, thus, URBAN, and the SenArbeit[60], responsible for ESF management as URBAN's second lead department. Further key actor consised of representatives from the SenStadtUm[61], SenGesundheit[62], SenInneres[63], SenSchule[64], and the Ausländerbeauftragte[65]. At local level, key actors comprised the designated management agency, B.&S.U.[66], while officials from the Prenzlauer Berg School Department represented the local community level. The Berlin Liaison Office in Brussels supported the SenWi in its project application. The decision-making process behind the formulation of the Duisburg-Marxloh project was characterised by multi-level

[55] Government Office for London.

[56] Department of the Environment.

[57] Council of Social Services.

[58] Government Office for Merseyside.

[59] Senate Administration for the Economy and Public Utilities.

[60] Senate Administrations for Employment, Vocational Training and Women.

[61] Senate Administrations for Urban Development, Environmental Protection & Technology.

[62] Senate Administration for Health and Social Affairs.

[63] Senate Administration for the Interior.

[64] Senate Administration for Schools, Youth and Sport.

[65] Senate Commissioner for Foreigners.

[66] Environmental Consultancy.

co-operation with a strong federal state lead. Therefore, at the North-Rhine Westphalia (NRW) Land level, the principal actors consisted of MSKS[67] officials, while the IBA Emscherpark[68] provided additional project assistance. Local key players comprised Duisburg city council officials from the ASSE[69] and specifically the Liegenschaftsamt[70], co-ordinating Duisburg's urban renewal efforts in tandem with Stadtteilprojekt-Marxloh[71] and the EGM[72] representatives, while the Brussels Liaison Office for NRW took a supportive yet less decisive role in the Duisburg-Marxloh project formulation.

Thus, a review of the project formulation at micro level reveals a clear local authority dominance and an overall lack of local community participation as well as private sector engagement. According to a consensus of respondents, local communities were unable to take part in the area selection, the elaboration of project objectives and the conceptualisation of the respective management structures. The lack of local community consultation in setting the parameters for the project realisation through the respectively binding URBAN OP, however, was attributed by respondents to uncertainties about the local URBAN approach and the subsequent time pressures for the project application. Interviewees for the micro level highlighted the implicit paradox of community participation being both an end and a means of Structural Fund programming.

An indirect community participation, however, can be detected, if the UK's URBAN operation is taken into consideration. Following the domestic URBAN budget allocation in October 1995, local residents in London (Park Royal) started to enter the decision-making process through the gradual preparation of the respective URBAN Partnership Groups and URBAN Action Plans in parallel to the approval process. Equally in the Merseyside URBAN project, the Netherton community gradually prepared sub-project proposals with local councillors, while Liverpool-Central's local communities called for total sub-programme ownership prior to the project approval.

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[67] Ministry for Urban Development, Culture and Sport of the Land North-Rhine Westphalia.
[68] International Building Exhibition Emscherpark.
[69] Office for Statistic, Urban Research & European Affairs.
[70] Public Property Office.
[71] Community Project Marxloh.
[72] Development Agency Marxloh.

In North Huyton, local community participation could only be realised following capacity building projects within the Objective 1 framework, that is, after the URBAN project formulation. Local participation in the Berlin project formulation remained restricted to the personal engagement of single civil servants at district level and individual residents contributing to the sub-project conception for the Berlin-URBAN OP. In the Duisburg-Marxloh URBAN case, the Marxloh community centre constituted a forum for community participation and local project development, of which some projects were later incorporated into the Duisburg-Marxloh URBAN project.

6.2.4.2 Partnership - Network Interaction

Considering London's particular funding conditions and political circumstances, the explicit cross-borough partnership approach comprised one of the decisive factors for the London (Park Royal) project formulation, as was stated by the majority of respondents. Despite the conception of separate URBAN Partnership Groups to elaborate ward-specific operationalisation plans, co-operative networking was conceptualised through a joint URBAN Management Committee, which, however, proved difficult to operationalise. Given the individuality of the different project areas, the Merseyside project was formulated under a sub-programme design with separate URBAN Management Committees. After an envisaged Merseyside-wide URBAN participation was discarded due to funding restrictions, the Merseyside political leadership co-ordinated the final area determination, leaving co-operative interaction - according to respondents - confined within the individual sub-programme boundaries.

Following Berlin's contribution to the Commission's Green Paper Consultation for the 1994-1999 Community Initiatives and subsequent URBAN working group meetings, the Berlin project formulation enjoyed co-operative networking across the involved Senate Administrations. According to the majority of respondents, URBAN working group meetings provided the forum for a partnership-based approach and cross-Senate co-operation, while a contracted mediation agency co-ordinated the need-based yet equally politically-driven project area selection. The Duisburg-Marxloh formulation process was characterised by the interactive networking capacity of the involved key actors within and across city council departments based on

personal engagement, past co-operation, and interest and support by Duisburg's political leadership, according to several interviewees. After the partnership-based, regional URBAN approach was declared ineligible, NRW officials co-ordinated the Duisburg-Marxloh URBAN area selection, perceiving URBAN as a supplement to the regional perspective of the NRW action programme.

While GOL officials co-ordinated the pre-selection of the London (Park Royal) project for the final Central Government decision, representatives from GOM mediated between the sub-programme actors during the Merseyside project formulation. Although the relation of both GOL and GOM officials with URBAN project actors at micro level was considered as collaborative, some respondents perceived it as less co-operative from a local community viewpoint. As stated by interviewees, the Berlin Senate Administrations co-operated in the project formulation through their Land and municipal role, while representatives from NRW, Duisburg city council officials and local professionals networked during the Duisburg-Marxloh project formulation.

According to a consensus of respondents, micro level partnership and network interaction, however, was non-existent from a local community and private partner perspective, as local residents and private partners were unable to engage in the URBAN project formulation at micro level.

Considering partnership and network interaction across policy levels, co-operative networking was detected between the micro and macro level. The London (Park Royal) project formulation profited from the direct access to the EU arena via a local council official, while the Berlin project conception benefited from consolidated EU contacts through a Senate official. The Merseyside project formulation enjoyed particular Commission interest and support, while the direct EU access of NRW officials proved beneficial for the Duisburg-Marxloh project conception. Furthermore, as indicated in the meso level analysis, a direct involvement of the London (Park Royal), and particularly the Merseyside Desk Official of the DG for Regional Policy characterised the respective project conception, while their German colleagues took a less active role in the Berlin and Duisburg project formulation.

Additionally, the London (Park Royal) and Berlin project conceptions profited from co-operative interaction between local URBAN actors and their city-focused Liaison Offices in Brussels. According to respondents, these offices secured URBAN funding benefits through entrepreneurial city marketing, co-operative networking within and across domestic and European channels, as well as active lobbying at the EU arena. Considering that the Brussels Liaison Office of NRW represents regional Land interests, and NRW's initial regional project proposal featuring Duisburg-Marxloh as one of seven potential URBAN candidates, the Duisburg-Marxloh project formulation witnessed less direct networking support, while the Merseyside project had been approved prior to the establishment of the Merseyside Liaison Office in Brussels in autumn 1996.

6.2.4.3 Multi-dimensionality – Network Range

During the early URBAN project formulation, a multi-dimensional policy scope was envisaged at micro level, following the Commission's wide-reaching proposal of potential project contents in the URBAN guidelines. However, as mentioned earlier, URBAN policy contents were formulated according to local authority perceptions of local community and area needs given the lack of local community involvement.

Considering institutional integration amid the respective political system, meso level parameters naturally translated to the micro level. Thus, a certain compartmentalism or selective concentration impaired the conception of an integrated policy approach in the early formulation stages. According to several interviewees, local authorities approached the URBAN Initiative with traditional programming perspectives operating in distinct policy departments under tight budget provisions. As domestic Structural Fund programming structures delegated the project formulation to policy departments not necessarily familiar with an integrated, multi-dimensional project operation, URBAN budget provisions were frequently perceived as supplementary resources at the disposal of individual or selective local authorities. Hence, the ERDF/ESF multi-fund approach, implying an inter-departmental project conception, proved challenging at micro level. The formulation of a synthesised project was particularly difficult for the London (Park Royal) case, where distinct local authorities were confronted with URBAN's integrated approach and a joint project conception without previous EU programming experience. In the other three cases, past practice

of cross-departmental, multi-dimensional project formulation helped restrain compartmentalism and selective concentration on individual policy areas and departments, according to a number of respondents. The Merseyside sub-programme conception comprehensively integrated multi-dimensional policy areas, yet within borough-specific policy structures. Although confined to the Berlin Senate, cross-Senate networking equally accounted for the comprehensive integration of multi-dimensional policy areas, while the consolidated multi-dimensional urban regeneration tradition in Duisburg-Marxloh guided its integrated URBAN project formulation, where URBAN actors highlight, that

> *"(...) those bottom-up approaches are only possible through top-down initiative. So if the Land decides: we'll do a different programme and provide you with the financial resources, then it's for the others, who operate in various forms on the ground, equally (...) the indication that the Land takes the initiative to try to build up something from the ground - which we, however, wouldn't be able to achieve in the same way, if such an offer hadn't been already formulated from the top." (former MSKS Official, 1998, T-10, p. 6)*[73]

Given URBAN's novel philosophy and distinct ERDF/ESF multi-fund approach, comprehensive alterations of the draft programming documents, however, were required to achieve multi-dimensional, yet equally balanced URBAN OPs compatible with the Structural Funds. The subsequent project implementation put the URBAN concept to the test, illustrated in the following chapter on operationalisation.

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[73] "(...) daß diese bottom-up Ansätzen nur durch top-down Initiative möglich sind. Also wenn das Land beschließt: Wir machen ein anderes Programm und stellen euch auch Mittel zur Verfügung; dann ist es für die anderen, die sich unten in unterschiedlichere Weise bewegen, gleichzeitig (...) der Hinweis darauf, daß das Land die Initiative ergreift auch von unten versuchen was aufzubauen - was wir aber nicht in dem Umfang schaffen würden, wenn nicht von oben schon so ein Angebot formuliert worden wäre." (former MSKS Official, 1998, T-10, p. 6).

Chapter 7   *THE OPERATIONALISATION OF THE URBAN INITIATIVE IN THE UK AND GERMANY*

In contrast to the URBAN project formulation, the principal actors in the URBAN operationalisation phase are found at the local level. With the general parameters set, the national level takes a more administrative role of overseeing the monitoring and general implementation of the local projects, while the local project actors organise and manage the actual day-to-day project realisation on the ground. Given Germany's federal structure, the operationalisation of the URBAN Initiative was characterised by project-specific individuality and diversity, where the Länder role dominated over a decisive involvement by the Bundesministerium für Wirtschaft[1] (BMWi) and the Bundesministerium für Raumordung, Bauwesen und Städtebau[2] (BMBau). According to the empirical data, the Berlin Senate actively guided the Berlin project operationalisation through its Land and city function, while the Ministerium für Stadtentwicklung, Kultur und Sport des Landes Nord-Rhein Westfalen[3] (MSKS) closely co-operated and networked with the Duisburg-Marxloh project actors.

In the UK, the project operationalisation was organised on a national basis. As stated earlier, disagreement about URBAN's administrative arrangements generated complex negotiations and political debates between the Commission and the UK, in particular the former Department of Environment (DoE). Subsequently, the UK's URBAN project approval and implementation became subject to substantial delays.

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[1] Federal Ministry for the Economy.
[2] Federal Ministry for Regional Planning, Construction and Urban Development.
[3] Ministry for Urban Development, Culture and Sport of the federal state North-Rhine Westphalia.

In the final settlement, however, an URBAN Management Committee was assigned as a project's designated implementation body, serving as a sub-committee of the area's respective Objective 1 or Objective 2 Monitoring Committees under the chair of the different Government Offices. Apart from its project monitoring and evaluation role, the URBAN Management Committee was responsible for capacity building activities, the development of the URBAN Partnership Groups (UPGs), and the approval of the URBAN Action Plans (UAPs). As a voice of the local community, the URBAN Partnership Group elaborated the locally tailored URBAN Action Plan, and was responsible for securing matched funding. Given "access to the expertise and support necessary to fulfil its tasks effectively" (Merseyside-URBAN OP, 1996, p. 86), each URBAN Partnership Group had to ensure widespread support and involvement of the local community. In order to manage public funds, the Partnership Groups had to be constituted as legal entities, subject to audit controls. Operationalising the measures and strategies stated in the respective Operational Programme (OP), the multi-annual URBAN Action Plan had to supply an adequate description of the proposed multi-dimensional action, contribute to the area's sustainable economic development, provide output quantification, an indicative financial plan and clear attainable targets in line with URBAN's overall objectives (Merseyside-URBAN OP, 1996, p. 86f; DETR Official, 1998, T-40, p. 7f).

Conceptualised with a partnership-based approach and local community participation, actors in London (Park Royal) and Merseyside operationalised the projects ward-specifically with multiple URBAN Action Plans, compared to the OP-guided projects in Germany; Duisburg-Marxloh focused on one single district, while Berlin realised URBAN homogeneously in three different wards. Maps of the individual project areas can be found in Appendix A-6. Despite its ward-specific operation, the London (Park Royal) project was structured around common aims and measures. The Merseyside project operationalisation, however, was separated into three different URBAN sub-programmes. Hence, the projects

> "(...) are different in that way, and I suspect that's slightly political in terms of the areas that are involved. Because that wasn't the aim, but I mean they're free (...) to do it however they best can deliver and that's how they decided to do it." (DETR Official, 1998, T-40, p. 8)

As discussed earlier, the local case studies witnessed major problems, associated with socio-economic exclusion and urban deprivation, where an in-depths illustration of the specific socio-spatial conditions can be found in Appendix A-7.

7.1 The URBAN Project Contents

(a) London (Park Royal)

Covering parts of the Park Royal industrial estate, the London (Park Royal) URBAN project concentrated on the Carlton ward in the borough of Brent, the White City, Shepherd's Bush and Edward Woods[4] wards in Hammersmith/Fulham, and the Queen's Park ward in the borough of Westminster. The project received an overall budget of 16.326 MECU. The European Union (EU) contributed a total of 7.653 MECU, where 6.122 MECU stemmed from the ERDF and 1.531 MECU from the ESF. The UK government provided 7.653 MECU, while the private sector financed the project with 1.020 MECU. The project's spending allowance per inhabitant amounted to 636 ECU (EU/DGXVI-ERDF Programme No. 94.09.10.036, 1996, p. 2).

By complementing existing local initiatives in the Carlton, White City/Shepherd's Bush and Queen's Park wards, the London (Park Royal) URBAN project aimed to regenerate the area's socio-economic fabric, while providing access to employment through training and re-training. The project concentrated on five main priorities, that is, "strengthening the local economy", "enhancing the opportunities to access education, vocational training and employment", "improving the quality of life within the target area", "involving the community in the area regeneration", and "improving the local skill base". Accordingly, the London (Park Royal) project focused on population groups suffering from labour market exclusion, where young people, long-term unemployed, lone parents, ethnic minority groups, refugees, and those suffering from disability and ill-health were considered as particularly disadvantaged (London (Park Royal) URBAN OP, 1995, p. 14ff).

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[4] Hereafter referred to as White City/Shepherd's Bush.

Tailored to their area-specific needs, the three URBAN Partnership Groups (UPGs) developed individual URBAN Action Plans (UAPs) to operationalise their common project measures. Incorporated into the area's local regeneration strategy, the South Kilburn URBAN sub-programme pursued an integrated, multi-dimensional approach through community consultation and multi-actor partnership, according to respondents to this study. Aiming for the co-ordination, integration, and, thus, maximisation of its local resources, the Queen's Park URBAN sub-programme concentrated on the human potential and desire to improve local conditions in the area. The White City/Shepherd's Bush sub-programme focused on co-ordination and co-operation between the fragmented regeneration efforts and the different community groups operating within the area. However, given the substantial approval delay and the subsequent Action Plan finalisation processes, sub-project realisation was further protracted. According to several respondents, the Penton Arts sub-project in Queen's Park, and Hammersmith/Fulham's community enterprise opportunity centre housing an IT project comprised the most advanced sub-projects by early 1998, alongside a series of capacity building initiatives (South Kilburn UAP, 1997, p. 10ff; White City/Shepherd's Bush UAP, 1997, p 13ff; Queen's Park UAP, 1997, p. 7ff; Hammersmith/Fulham-Council Official, 1997, T-23, p. 8f; Queen's Park-community Representative, 1998, T-22, p. 15).

(b) Merseyside

The Merseyside URBAN project partly covered the Metropolitan Boroughs of Knowsley, Sefton, Liverpool and Wirral[5]. The URBAN I project concentrated on the three areas of North Huyton in Knowsley, Netherton in Sefton, and Liverpool-Central in Liverpool. The project's overall budget amounted to a total of 35.666 MECU. The EU contributed 17.296 MECU, or 7.596 MECU for Liverpool Central, 5.000 MECU for North Huyton, and 4.700 MECU for Netherton, of which 14.808 MECU stemmed from the ERDF and 2.488 MECU from the ESF. The UK Government financed the Merseyside project with 14.554 MECU, while the private sector provided a further 3.816 MECU. Therefore, 388 ECU were spent per inhabitant within the

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[5] To maintain the cross-country comparative framework, this study had to exclude the Wirral sub-programme from further analysis, added by the EU's URBAN II reserve allocation in mid-1996.

Merseyside URBAN project area (Merseyside-URBAN OP, 1996, p. 82; EU/DGXVI-ERDF Programme No. 94.09.10.008, 1996, p. 2).

Contrary to London's approach, the Merseyside project specified different priorities for each of its three areas. North Huyton concentrated on two key objectives, that is, to enhance the local community's labour market competitiveness, and to improve the quality of life of North Huyton's inhabitants. These goals were to be attained by increasing the community's abilities, self-confidence and socio-economic opportunities, and by reducing crime-related problems and levels of ill-health in North Huyton. The sub-programme developed the three core measures of "Community development and community based economic development", "Community safety and sustainable development linked to the local economy", and " Community integration: Action to facilitate integration of vulnerable groups". Young and especially long-term unemployed, single parent families and people with a low skill-base were considered as particularly disadvantaged (Merseyside-URBAN OP, 1996, p. 25ff; Knowsley-Council Official I, 1998, T-32, p. 9).

The Netherton URBAN sub-programme focused on the five strategic objectives of community engagement in regeneration through partnership, sustainable economic growth, equality of opportunity, reduction of social exclusion, and improvement of the quality of life by reducing crime and the fear of crime in Netherton. The sub-programme concentrated on four interrelated and mutually enhancing priorities: "Netherton people: increasing community based activity to reintegrate marginalised groups and empower communities", "Netherton business: encouraging sustainable and connected local business growth and community based economic development", "Netherton places: improving community safety and urban environmental conditions", as well as "Netherton skills: promoting social inclusion through skill development". Focus lay on single parents, families with young children, young and long-term unemployed as well as people suffering from disabilities and drug addiction (Merseyside-URBAN OP, 1996, p. 64ff). The Liverpool-Central sub-programme comprised the three key objectives, that is, enhancing local community skills though the elaboration of best practice models, motivating the community to benefit from education, training and employment opportunities, and finally, supporting young people in gaining skills and motivation necessary for future area development.

Hereby, the sub-programme focused on the three key measures of "Action for community partnerships", "Action for health, employment and environment" and "Action for young learning and young people". Attempting to address the severe urban deprivation and socio-economic exclusion in the Abercromby, Everton, Granby and Vauxhall wards, the Liverpool-Central URBAN sub-programme judged young unemployed and low-skilled population groups, single parents, and especially ethnic minorities as the most socio-economically disadvantaged population groups (Merseyside-URBAN OP, 1996, p. 11ff; Granby/Toxteth-community Representative, 1998, T-30, p. 2).

(c) Berlin

Coping with the particular problems of German re-unification, the Berlin URBAN project was located in the three boroughs of Prenzlauer Berg, Friedrichshain and Weißensee in East Berlin. The total budget of the project amounted to 31.048 MECU. The EU finances the project with a total of 16.100 MECU, where 12.706 MECU were provided by the ERDF and 3.394 MECU by the ESF. The national contribution, which in Berlin's case stemmed from the Berlin regional government level, accounted for 13.908 MECU, while the private sector supplies an additional 1.040 MECU. Given the project's population coverage, 477 ECU was spent per inhabitant (Berlin-URBAN OP, 1995, p. 38; EU/DGXVI-ERDF Programme No. 94.02.10.024, 1995, p. 2).

Aiming to enhance the endogenous development potential of three districts, the Berlin project worked towards the positive identification of local residents with their communities and neighbourhoods to increase community integration and solidarity. Within a project-based framework, the Berlin-URBAN OP elaborated the four development priorities of "creating and safeguarding local employment", "social and economic integration of disadvantaged population groups", "improving facilities in the educational and training sectors", and the "establishment of the model workshop eco-social infrastructure", constituting the project's main focus. By elaborating inter-related sub-measures, synergy effects, it was hoped, would allow for an integrated regeneration approach. The Berlin project identified children, youth and young unemployed, migrants and ethnic minorities, as well as handicapped and mentally ill

people as particularly disadvantaged within the target area (Berlin-URBAN OP, 1995, p. 19ff; B.&S.U. Official II, 1997, T-9, p. 11f).

Officials from the DG for Regional Policy welcomed the Berlin OP for its detailed project specification and elaboration (DGXVI-Berlin-Desk Official, 1998, T-49, p. 8). The broad sub-project spectrum included the de-hospitalisation of mentally ill people, integration of immigrant minorities, ecological renovation of school buildings as well as several initiatives under the so-called "eco-social infrastructure model". Aiming for broad community participation and full use of the areas' potentials, an "innovation workshop" was established, where further sub-projects were developed through co-operation and networking. According to several respondents, "KICK"[6] constituted one of Berlin's most prominent sub-project. It was initiated by the non-profit organisation Sportjugend Berlin e.V. and the Berlin police in 1991, and jointly managed with Senatsverwaltung für Inneres[7] (SenInneres). The sub-project aimed to motivate delinquent young people for physical activity, where leisure arrangements were to be stimulated via "soft" management structures through the voluntary and direct participation of young people in programme conception and realisation. Complemented by socio-pedagogic care and counselling, KICK attempted to increase young people's self-confidence, break down communication barriers, while equally offering mediation and referral for education, employment, accommodation and further youth support services (KICK Official, 1997, T-7, p. 6ff; SenInneres Official, 1997, T-7, p. 16; B.&S.U. Official II, 1997, T-9, p. 11f; Berlin-URBAN OP, 1995, p. 22ff).

(d) Duisburg-Marxloh

The Duisburg URBAN project was located in Marxloh, a district in the northern periphery of Duisburg, which forms part of the larger Rhein-Ruhr conurbation in the centre of the Land North-Rhine Westphalia. The Duisburg-Marxloh project received a total budget of 18.650 MECU, to which the EU contributed 8.100 MECU, that is, 6.811 MECU via the ERDF and 1.289 MECU via the ESF. The Federal Government financed the project with 6.480 MECU, while the regional government of North-

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[6] "KICK - Combating juvenile delinquency with sport", operating in the Kreuzberg, Prenzlauer Berg, Marzahn and Hohenschönhausen districts.

[7] Senate Administration for the Interior.

Rhine Westphalia supplied 1.620 MECU. The private sector provided an additional 2.450 MECU. The project, thus, spent 863 ECU per inhabitant (EU/DGXVI-ERDF Programme No. 94.02.10.050, 1995, p. 2).

Integrated into existing local regeneration efforts, the Duisburg-Marxloh URBAN project was operationalised both as a supplement to, and expansion of the "Projekt Marxloh". By adding economic, employment and educational activities to the established project base, the Duisburg-Marxloh URBAN project concentrated on the local economy, ethnic minorities and particularly on community participation by advancing existing local projects. Focus lay on the five priorities of "initiation of new economic activities", "safeguarding of local employment", "improvement of the social infrastructure", "environmental alleviation" and "urban renewal". Within an action-based framework, a variety of complementary sub-measures were developed for each of the priorities, where flexibility surpassed project rigidity, as was stated by interviewees. Responding to URBAN's short-term implementation framework and local partnership approach, project measures were developed for immediate realisation after the URBAN project launch, for medium-term elaboration and completion by 1999, and for post-URBAN implementation with full community integration into project conception and realisation (MSKS Official, 1998, T-13, p. 7; Liegenschaftsamt Official, 1998, T-12, p. 3; IBA Official, 1998, T-11, p. 4; DGXVI-Duisburg-Desk Official, 1997, T-55, p. 7; Duisburg-Marxloh-URBAN OP, 1995, p. 13ff).

The Duisburg-Marxloh project attempted to address severe urban deprivation and socio-economic exclusion in the district, where children, young unemployed, women, low-skilled population groups and the Turkish minority are particularly disadvantaged. Expanding the Projekt Marxloh framework, the renovation of the Schwelgern stadium constituted one of Duisburg's most prominent sub-projects, as was stated by respondents. Apart from the head office of the Entwicklungsgesellschaft-Marxloh[8] (EGM), the stadium provided office and training space, a children's play area, and a café. As a community and cultural activities centre, the café was constructed and is operated by the local community, providing direct employment and integration op-

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[8] Development Agency Marxloh.

portunities for local residents, especially for women from the Turkish community. A further prominent sub-project was the EGM affiliated Office for Local Business, established through URBAN in 1996. As community representatives, the Turkish and German business advisors aimed to improve the economic situation of local businesses through the development of new business and employment opportunities by supplying data, know-how and contacts between the Turkish and German business communities. Assisting the redevelopment of the Weseler high street through a façade restoration programme, the Office constituted a central contact point for local residents, businesses and institutions. Co-operation and integration between the Turkish and German communities were thus facilitated according to respondents to this study (Stadtteilprojekt-Marxloh Official I, 1998, T-16, p. 1; EGM Official, 1998, T-14, p. 2f; Marxloh-community Representative, 1998, T-14, p. 3f).

7.2 The Operational Management Structure

(a) London (Park Royal)

Following the UK's URBAN management framework, the London (Park Royal) project was structured around an URBAN Management Committee, which reported to a free-standing Monitoring Committee given Park Royal's lack of Objective 1 or Objective 2 status. Responsible for the administration, implementation and monitoring of the South Kilburn, White City/Shepherd's Bush, and Queen's Park sub-programmes, Management Committee members comprised representatives from the councils of Brent, Hammersmith/Fulham and Westminster, the North-West London Training and Enterprise Council (TEC) and Central London TEC, the police and health authorities, the further/higher education sector, and local voluntary and community groups. Further representatives included the private sector, Create Single Regeneration Budget (SRB) members, officials from the Government Office for London (GOL) providing the initial Management Committee chair, as well as the Commission through the London (Park Royal) Desk Official. In the local URBAN Partnership Groups, the local authority councillors assumed the role of sub-programme co-ordinators, responsible for sub-project development and realisation in close co-operation with the respective communities and Partnership Group members. Run separately, the Queen's Park URBAN Partnership Group, the South Kilburn Partnership Group, and the White City & Shepherds Bush URBAN Partnership

Group each appraised, approved and delivered sub-projects in their respective areas via individually drafted URBAN Action Plans (UAPs) (London Park Royal-URBAN OP, 1995, p. 21; GOL 1996, p. 5). A graphical project overview is provided in Appendix A-8a.

The Queen's Park URBAN Partnership Group included four Westminster City Councillors, five representatives from voluntary and community organisations, five residents from the Queen's Park ward, as well as one representative of the educational as well as business sectors. The South Kilburn Partnership Group comprised each four representatives from Brent Council, local community groups and the voluntary sector, two representatives from local residents, one from an environmental organisation, the business and further/higher education sectors, the police and health authorities, Create SRB and from the North-West London TEC. The White City/Shepherds Bush URBAN Partnership Group comprised two Hammersmith/Fulham borough councillors, three representative from voluntary and community organisations, and four White City/Shepherd's Bush residents as representative from the White City Residents Association, the Edward Woods Association and the Youth Forum. Further partners consisted of one business and three public agency representatives, such as the police, health and public sector school, and three additional Partnership Group members to allow for project flexibility and local change during later operationalisation stages. Despite their separate operationalisation through individual Action Plans, the three Partnership Groups shared the common London (Park Royal) URBAN project measures, that is, attempting to regenerate the area's socio-economic fabric and to increase the skill base through training and the provision of employment access (South Kilburn UAP, 1997, p. 17f; White City/Shepherd's Bush UAP, 1997, p 4; Queen's Park UAP, 1997, p. 15).

(b) Merseyside

The Merseyside URBAN project was equally headed by an URBAN Management Committee, which constituted a sub-committee of Merseyside's Objective 1 Monitoring Committee. It supervised the administration, implementation and monitoring of the North Huyton, Netherton and Liverpool-Central URBAN sub-programmes. Comprising the principal local partners, the Management Committee consisted of representatives of the Metropolitan Boroughs of Knowsley, Sefton and Liverpool,

the three URBAN Partnership Groups, the voluntary sector, the private sector, Merseyside TECs, representatives from the Government Office for Merseyside (GOM) and Central Government, as well as the Commission through the Merseyside-Desk Official. Chaired by GOM, local Councillors acted as URBAN sub-programme co-ordinators, responsible for project development, administration and implementation, while Merseyside community interests were represented by their respective Partnership Group. Each sub-programme was run separately by a local partnership board, that is, the Huyton Regeneration Partnership, the Netherton Partnership, and the Co-ordinating Group in Liverpool-Central, delegating responsibilities for project appraisal, approval and delivery through their individual URBAN Action Plans (UAPs) (Merseyside-URBAN OP, 1996, p. 85f). A graphical illustration can be found in Appendix A-8b.

Operationalising the North Huyton URBAN sub-programme, the Huyton Regeneration Partnership board included three Knowsley Councillors as well as three community representatives, plus a representative of the voluntary sector, the chamber of commerce, the private sector and the Merseyside TEC. As the accountable body, Knowsley Council was responsible for the URBAN resource and sub-programme management. Chairing the three issue-based working groups "Education, Training & Access to Jobs", "Physical Development & Job Creation" as well as "Community Development & Quality of Life", the community representatives co-operated with the designated working group Council Programme Managers in order to develop the Action Plan and appraise proposed projects. The Partnership Board takes joint decisions for individual project grant approval. The three working groups allowed direct community participation and were linked with the Huyton Community Forum/Pathways Open Forum, where community and voluntary groups enjoyed considerable input (North Huyton UAP, 1998, p. 45). The Netherton URBAN sub-programme was organised around the Netherton Partnership, comprising three Sefton Metropolitan Borough Councillors, five community representatives as the Community Executive Team, four Business Group representatives, as well as a member of Merseyside TEC and Sefton Health. Sefton Council constituted the accountable body and took the role of the URBAN fund and sub-programme manager. Community representatives chaired the six topic-related sub-groups of "Education, Training & Employment", "Housing; Community Safety & Crime Prevention", "Environ-

ment/Recreation & Leisure", "Community Support & Health", and "Youth". Integrating different local community organisations, the Netherton/Litherland Community Forum, equally linked to the Youth Forum, constituted one of the area's most proactive organisations in the promotion of local community interests (Merseyside-URBAN OP, 1996, p. 61ff).

The Liverpool-Central URBAN sub-programme was structured around an integrated partnership between the local community, local businesses as well as public agencies committed to address Liverpool Central's socio-economic regeneration. The operationalisation was managed by the Co-ordination Group, comprising one Liverpool City Councillor and three community representatives per ward under a ratio of 1:3, the Liverpool City Voluntary Sector (CVS) and Liverpool City Council, the latter two forming Liverpool City Challenge. Further members included representatives of GOM in observer status, Merseyside TEC, Liverpool Health Authority and Community College. As accountable body, Liverpool City Council was responsible for the URBAN resource and sup-programme management. The community representatives chaired the four local partnerships, that is, the North Liverpool Partnership in the Everton and Vauxhall wards, the Granby/Toxteth Partnership in Granby, and Abercromby's Dingle Partnership, and Duke Street/Cornwallis Partnership. Community representatives further chaired the three issue-based sub-groups which corresponded to the programme's measures of "Community Partnerships", "Health/Employment & Environment", and "Young People & Young Learning", while the further sub-group "Operations" provided programme co-ordination as well as personnel and financial management (Liverpool-Central, 1998, p. 2ff).

(c) Berlin

The Berlin URBAN project was operationalised under the project lead of the Senatsverwaltung für Wirtschaft und Betriebe[9] (SenWi) and the Senatsverwaltung für Arbeit, Berufliche Bildung und Frauen[10] (SenArbeit) by the designated implementation agency Beratungs- und Servicegesellschaft Umwelt[11] (B.&S.U.) in close co-operation with the involved Senate Administrations, district administrations and other local

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[9] Senate Administration for the Economy and Public Utilities.
[10] Senate Administrations for Employment, Vocational Training and Women.
[11] Environmental consultancy.

project partners, such as community organisations, local businesses and residents involved in sub-project operations. Providing a forum for the exchange of information, debate of sub-project proposals as well as for co-operation and networking for an integrated URBAN implementation, a Co-ordinating Committee was established. Committee members comprised representatives from the SenWi, SenArbeit, the Senatsverwaltung für Stadtentwicklung, Umweltschutz und Technologie[12] (SenStadtUm), Senatsverwaltung für Gesundheit und Soziales[13] (SenGesundheit), Senatsverwaltung für Inneres[14] (SenInneres), Senatsverwaltung für Schule, Jugend und Sport[15] (SenSchule) and the Ausländerbeauftragte[16] at Land and municipal level. At municipal level, Committee members consisted of the district administrations of Prenzlauer Berg, Friedrichshain and Weissensee, as well as the core implementation agency B.&S.U., linking the local community and Senate levels. Exclusively contracted to the SenArbeit, the European Consulting Group (ECG) provided additional implementation assistance for ESF project assessment and management. Final decision-making rested at Senate level, where the ERDF managing SenWi held overall URBAN project responsibility, shared with the SenArbeit in regard to URBAN's ESF management. The individual Senate Administrations managed and co-financed their respective sub-projects, while the B.&S.U. was responsible for sub-project assessment, development and implementation through technical assistance. The B.&S.U. further provided progress reports and publication material, organised the Co-ordinating Committee meetings, and mediated and networked between all involved URBAN actors at community, district and Senate level (SenWi Official, 1997, T-8, p. 12f; B.&S.U. Official II, 1997, T-9, p. 2f & p. 19; Ausländerbeauftragte Official, 1997, T-, p. 3f). A graphical illustration can be found in Appendix A-8c.

(d) Duisburg-Marxloh

The Duisburg-Marxloh URBAN project was operationalised under the overall project lead of the Ministerium für Stadtentwicklung, Kultur und Sport des Landes Nord-Rhein Westfalen[17] (MSKS) by the Stadtteilprojekt-Marxloh[18] and the Entwick-

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[12] Senate Administrations for Urban Development, Environmental Protection & Technology.
[13] Senate Administration for Health and Social Affairs.
[14] Senate Administration for the Interior.
[15] Senate Administration for Schools, Youth and Sport.
[16] Senate Commissioner for Foreigners.
[17] Ministry for Urban Development, Culture and Sports of the federal state North-Rhine Westphalia.
[18] Community Project Marxloh.

lungsgesellschaft Marxloh[19] (EGM), with further implementation assistance through the Liegenschaftsamt[20]. The project was further operationalised in close co-operation with the local project partners, such as voluntary organisations and community groups, institutions and associations, local businesses and Marxloh residents. Institutionalised and networked through the Projekt Marxloh, the EGM operated within URBAN's ERDF framework, while the Stadtteilprojekt-Marxloh worked within its ESF settings. As a private agency under full city council commission, the EGM was not subject to public sector regulations, capacity restrictions and/or political interests, but could operate flexibly in close co-operation with the Stadtteilprojekt-Marxloh - unfeasible within a pure public sector framework. According to a consensus of respondents, this allowed an integrated realisation of the project's five priorities. Incorporated into the operational structures of the Projekt Marxloh, the Duisburg-Marxloh URBAN project was partly implemented by EGM architects in the field of urban renewal engaged in community involvement, the improvement of the private housing environment, and the preservation of historical buildings through their conversion into socio-cultural facilities, while its economic specialists worked towards local business promotion. The EGM was supervised by an advisory board, where board members represented the political composition of Duisburg's city council. As an integral part of Duisburg's city administration, the Stadtteilprojekt-Marxloh concentrated on employment and qualification schemes, including the restoration of public facilities, the co-ordination of local community activities, and the provision of counselling and social services. Focusing on the integration between the Turkish and German communities, the Stadtteilprojekt-Marxloh aimed to improve Marxloh's social infrastructure through active community participation in project conception, management and implementation. To summarise the co-operation between the EGM and the Stadtteilprojekt-Marxloh, EGM architects drew up renovation plans for local buildings, which local companies and businesses executed through their employment by the Stadtteilprojekt-Marxloh. Furthermore, the Liegenschaftsamt obtained the sub-projects approval from regional government, responsible for financial control, after their assessment and allocation in respect to their OP compatibility and ERDF and/or ESF affiliation. Thus linking the Land and municipal levels through its co-

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[19] Development Agency Marxloh.
[20] Public Property Office.

ordination and financial management function, the Liegenschaftsamt provided the operational framework for the Duisburg-Marxloh URBAN project operationalisation (EGM Official, 1998, T-14, p. 2f; Marxloh-community Representative, 1998, T-14, p. 3f; Stadtteilprojekt-Marxloh Official II, 1998, T-15, p. 10f; Liegenschaftsamt Official, 1998, T-12, p. 4). A graphical illustration can be found in Appendix A-8d.

7.3 The Operationalisation Process

(a) London (Park Royal)

The London (Park Royal) URBAN project entered its operational phase in the environment of a substantially delayed project start in November 1996. Although preliminary capacity building initiatives and project conceptualisation efforts accompanied the protracted approval negotiations, the London (Park Royal) project operationalisation remained overshadowed by the extremely restricted implementation conditions. The URBAN Action Plan (UAP) elaboration, finalisation and approval, however, further protracted the actual project realisation. According to respondents, one of the project's major difficulties was the accommodation of the Commission's URBAN guidelines with the UK's URBAN management approach. As a result, "unclear lines of communication and lack of information" (Hammersmith/Fulham-Council Official, 1997, T-23, p. 2) existed at European, national and local level. According to the majority of respondents, this generated overall uncertainty about Action Plan frameworks, sub-project eligibility, ERDF/ESF funding procedures, and particularly about the general project management beyond the classic Objective 1 or Objective 2 approach.

> *"(...) if I'm going to tell people one thing and then (...) they put in some time (...) and then they find out the changes, you just lose, you lose any impetus." (Westminster-Council Official, 1998, T-20, p. 9)*

Following impending pressure for the project's start, GOL took the preliminary role of the London (Park Royal) accountable body, as overall lack of guidance - stated by respondents - had further delayed a conclusive clarification of accountability and financial control at local level. Subject to extensive debates in the URBAN Management Committee,

> *"(...) there was some very strong conflict initially between community sector, voluntary sector and local authorities (...) on establishment of control, who is making the*

decisions, what representation (...)." (DGXVI-London (Park Royal) Desk Official, 1998, T-51, p 2)

After an agreement between GOL and the URBAN Partnership Groups, the latter became accountable bodies in June 1998, able to deliver their Action Plans without Central Government accountability. Albeit an outcome from GOL's heavy workload and restricted resources, as well as URBAN's promotion of decentralisation, this scheme, however, also fostered the fragmentation and loss of synergy of the London (Park Royal) project. Furthermore, some respondents for the Partnership Groups considered this change not completely uncontroversial, given URBAN's limited scope, budget and yet administrative demands. Hence workload, capacity and competence as well as trust in the local Partnership Group actors to run the sub-projects were considered in need of attention for the further implementation by several respondents (Hammersmith/Fulham-Council Official, 1997, T-23, p. 4f; Westminster-Council Official, 1998, T-20, p. 13; Brent-Council Official, 1998, T-25, p. 6. & 12f; GOL Official, 1998, T-27, p. 12; Queen's Park-community Representative, 1998, T-22, p. 4ff; White City-community Representative, 1998, T-18, p. 1f). In conclusion, central to the London (Park Royal) URBAN operationalisation was the area's inexperience with EU funding processes, co-operative networking and innovative management procedures, where

"(...) it's enormous hard work, creating something out of nothing in an area, where there is nothing on the ground to actually evolve these things. (...) And I think that has been one of the huge difficulties in getting anywhere near spend, spending the money. Because there is so much capacity building that's had to go on." (CoR Official, 1998, T-19, p. 2)

A further obstacle proved the response to interim changes, where detailed insights into area-specific issues could only be gained in parallel to the project realisation. Unable to alter the Commission-approved Operational Programme (OP), the local URBAN Partnership Groups had to operate within an inflexible project framework but a highly dynamic local context. According to a number of respondents, the incremental project development constituted both the aim behind and yet impediment to the realisation of URBAN's philosophy. Matched funding proved a further problem, as co-financing arrangements were unsustainable until the final project approval. Thus, community groups had to provide new resources, mostly on a project-by-project basis subject to bidding procedures (Queen's Park-community Representative, 1998, T-22, p. 14f; Brent-Council Official, 1998, T-25, p. 9). Common

agreement, however, existed among respondents on the facilitation of the London (Park Royal) operationalisation through the change in British Government in May 1997.

The development of a viable dialogue between the different local project actors "without the "us-and-them" scenario" (Queen's Park-community Representative, 1998, T-22, p. 15), traditionally guiding council-community relations, was considered one of the project's strengths. Although initially unfamiliar with EU funding technicalities, local communities developed

> "(...) a professionalism now, where it says: We have the funds to raise, we have to look at external funding in order to survive and our professionalism has been increased by the URBAN programme. So that has got to be one of the positive conclusions of it." (Queen's Park-community Representative, 1998, T-22, p. 19)

Nonetheless, respondents for the local communities were in agreement that their impact on the URBAN realisation in London (Park Royal) was limited, as pre-determined structures and extremely rigid implementation schedules instantly weaken this achievement. Nevertheless, consensus existed regarding setting a standard for future local, national and/or European projects (Queen's Park-community Representative, 1998, T-22, p. 5f & p. 18; White City-community Representative, 1998, T-18, p. 1; South Kilburn-community Representative, 1998, T-26, p. 2). Ward-specifically, after Westminster councillors had drafted the initial URBAN Action Plan version without community involvement, consecutive staff changes allowed for greater community participation in later drafts. Benefiting from a strong voluntary sector, URBAN spurred wide-spread community interest in Queen's Park, where various local groups elaborated a series of sub-projects under presumed URBAN funding guarantee (Westminster-Council Official, 1998, T-20, p. 5; Queen's Park-community Representative, 1998, T-22, p. 1f; CoR Official, 1998, T-19, p. 3). However, unaware of the complexity of EU funding eligibility and URBAN's protracted approval negotiations at national and European level, respondents for the Queen's Park subprogramme were perplexed by the delayed and confining project completion, perceived as

> "(...) a combination of the Commission not being clear about what URBAN was about, but also the UK government, the officers at the time weren't experts on European funding. So they were interpreting, there wasn't enough resources at the government offices (...) you were getting different messages all the time and these were being fed down to the community, and that the messages were changing (...) and ex-

*pectations had been built up, nothing was happening (...) it was just like this boiling
pot (...)." (Westminster-Council Official, 1998, T-20, p. 5)*

Subsequently, the Voluntary Sector Forum was established to clarify European
funding issues, organise community participation, and allow for an integrated sub-
programme operationalisation. In the absence of an operational Partnership Group,
yet under pressure to start the project, meetings of the Voluntary Sector Forum sup-
ported Westminster council in its Action Plan elaboration. However, on the one
hand, the Action Plan was required to comply with the quality standards and funding
technicalities of the DG for Regional Policy. On the other hand, the document had to
serve as a comprehensible working tool for the local community. As a result, the
Queen's Park sub-programme was confronted with the operationalisation of the im-
pending dichotomy between URBAN's bottom-up approach and the Commission's
Structural Fund regulations, as stated by several interviewees (Westminster-Council
Official, 1998, T-20, p. 6ff; Queen's Park-community Representative, 1998, T-22, p.
5f).

Due to the diversity of the voluntary and community sectors, Hammersmith/Fulham
Council took a strong lead in the initial White City/Shepherd's Bush sub-programme
operation, given that

*"(...) there weren't actually the right conditions for URBAN, there wasn't an umbrella
partnership, there wasn't a voluntary serviced council, there was actually a lot of ca-
pacity building to do and a lot of the partnership ethos to try to bring in (...)."
(Hammersmith/Fulham-Council Official, 1997, T-23, p. 1)*

Through its focus on employment and employability, the White City/Shepherd's
Bush sub-programme aimed to break down community fragmentation by means of
capacity building and community participation, despite an extremely restricted im-
plementation schedule produced by the protracted approval negotiations (Hammer-
smith/Fulham-Council Official, 1997, T-23, p. 5; White City/Shepherd's Bush-com-
munity Representative, 1998, T-18, p. 1). In addition, traditional Structural Fund
management perspectives proved problematic for URBAN's community-focused
operationalisation. However, given the "strong political backing through one of their
councillors from CoR" (DGXVI-London (Park Royal) Desk Official, 1998, T-51, p.
2), the initial council dominance in the sub-project development and resource alloca-
tion declined to permit room for greater community participation in the later opera-
tionalisation (CoR Official, 1998, T-19, p. 3). Facilitating such involvement, coun-

cillors elaborated two versions of the Action Plan by complementing the local com-
munity version with a more technical document for government and Commission
officials (White City/Shepherd's Bush-community Representative, 1998, T-18, p. 2).
Although matched funding was provided through SRB coverage, different project
teams, management procedures and delivery styles caused confusion among the local
community. According to interviewees, the project delay created some scepticism
about actual intervention, given White City's "history of unfulfilled promises"
(Hammersmith/Fulham-Council Official, 1997, T-23, p.11).

> *"The reason, why it worked here, is because we have SRB money and people who
> have a vision (...). You need people who are committed to principles. (...) If they don't
> have a vision and if they don't understand the procedure and if there is adversity be-
> tween the council and the people, then nothing works." (White City-community Repre-
> sentative, 1998, T-18, p. 2)*

In the absence of an organised community infrastructure, Brent council took the lead
in the South Kilburn sub-programme management, confronted with the repercussions
of a late project start and an underdeveloped voluntary and community sector. As
was stated by respondents, a major difficulty for the South Kilburn sub-programme
operationalisation proved the lack of guidance and information amid lengthy and
often unclear communication channels between the European, national and local
level. Most strikingly, local actors had to operationalise the sub-programme without
actual URBAN guidelines, "all we were given, for everything we do, are Objective 2
guidance notes" (Brent-Council Official, 1998, T-25, p. 4). Hence, actors were puz-
zled by the discrepancies between URBAN's potential, indicated in the Commis-
sion's Official Journal, and the actual realisation capacity in the day-to-day imple-
mentation. According to respondents, the sub-programme thus encountered difficul-
ties with EU programming concerning bureaucracy, eligibility, ERDF/ESF proce-
dures, and sub-programme management beyond an Objective 1 or Objective 2 desig-
nation (Brent-Council Official, 1998, T-25, p. 10f). Despite increasing community
participation during URBAN's later operationalisation stages, the initial lack of an
organised voluntary and community sector remained a significant weakness, along-
side the project-by-project matched funding arrangements (Brent-Council Official,
1998, T-25, p. 9 & p. 12).

> *"People in South Kilburn weren't prepared for URBAN and all of a sudden it's here.
> So people had to get together and by the time they actually got used to the idea of
> URBAN and of what it can do, the money will be gone (...) We ought to have been*

> *more prepared (...). Now that we're into it, we are doing our best to grasp it. " (South Kilburn-community Representative, 1998, T-26, p. 2)*

After Brent Councillors had drafted the initial Action Plan with council perspectives of community needs, subsequent versions - as was stated by respondents - reflected South Kilburn's development towards greater community participation in local decision-making (South Kilburn-community Representative, 1998, T-26, p. 4; Brent-Council Official, 1998, T-25, p. 14; CoR Official, 1998, T-19, p. 3). Furthermore, setting the standard for future initiatives, the South Kilburn community perceived URBAN as an opportunity for community participation, subject to a learning process.

> *"In an area like this with low illiteracy rates, lots of deprivation etc. people have become very passive, very suspicious (...). Since URBAN has come in, the need for fora to get up has happened, people actually turn up to meetings, which they haven't before, people become involved in tenancy associations – so it's actually starting – very slowly, but effectively starting a motion in the area for people to get involved. It'll take more time for more people to get involved, but it's actually happening (...). " (South Kilburn-community Representative, 1998, T-26, p. 2)*

(b) Merseyside

Following its approval in July 1996, the Merseyside URBAN project entered its operational phase with substantial repercussion stemming from a delayed start, despite interim capacity building, partnership development and sub-programme elaboration efforts. The consequences of the protracted approval negotiations, however, continued to influence the Merseyside operationalisation in form of long communication channels and lack of information at all political level. As stated by a consensus of respondents, one of the project's main difficulties constituted the overall uncertainty about sub-project eligibility, sub-programme frameworks and ERDF/ESF funding management, highlighting

> *"(...) the lack of clear vision of what URBAN was all about - the Commission have one view of what URBAN was about, the UK government had another, GOM had another, we had another and the community had another. " (Knowsley-Council Official II, 1998, T-32, p. 17)*

Given URBAN's innovative approach, its new clientele and incorporation into the Objective 1 framework, operationalisation proved difficult, according to several interviewees, within traditional decision-making structures at local, regional and national level (CVS Official, 1998, T-35, p. 16; Knowsley-Council Official I, 1998, T-32, p. 10; Sefton-Council Official, 1998, T-33, p. 8). Uncertainties about a pro-

gramme- versus a project-management perspective constituted a particular problem for the finalisation of the local Action Plans. Hence, a series of drafts were produced subject to conditional approvals and final negotiations protracting until mid-1998. However, given the mounting pressure for Merseyside's project approval during 1996,

> *"(...) there was insufficient time to get it organised properly. (...) we really ought to have rewritten the programming document, but nobody wants to do that because the amount of time it takes. So they're doing it through the action plan process." (GOM Official I, 1998, T-31, p. 10)*

Thus, in late 1997, the Commission objected to Merseyside's project-orientated Action Plans. Instead, officials from the DG for Regional Policy assigned the presumably approved documents with conditionality and requirement for change into an action-focused, multi-annual framework (Knowsley-Council Official II, 1998, T-32, p. 12f; Netherton-community Representative, 1998, T-29, p. 3; Liverpool-Council Official, 1998, T-34, p. 2). As assumed by respondents, the Action Plans had been drafted in disregard of a previous UK-Commission guidance agreement, preserving the DG for Regional Policy's vision for URBAN as well as DETR's specific management framework, only because local actors "had never seen that guidance" (CVS Official, 1998, T-35, p. 12).

Furthermore, consensus existed among interviewees regarding the complex ERDF/ESF application and funding procedures, where the operationalisation of URBAN's innovative and outcome-orientated approach frequently collided with the strict Structural Fund regulations, and the UK's traditional output focus. The Merseyside project design proved equally problematic within this respect, as the final ERDF/ESF funding allocation for each sub-programme was conditional to the overall project completion, raising problems for sub-programmes progressing at different rates (Netherton-community Representative, 1998, T-29, p. 3; Knowsley-Council Official I, 1998, T-32, p 1). While the staff change of the Merseyside-Desk Official in the DG for Regional Policy in late 1996 was seen as a "loss of momentum" (Netherton-community Representative, 1998, T-29, p. 5) by the majority of interviewees, the change in British Government in May 1997 proved highly supportive (Granby/Toxteth-community Representative, 1998, T-30 p. 3; North Huyton-community Representative, 1998, T-28, p. 2f), especially as the project had started

"(...) working with a Government that was not very interested in social inclusion at all. Now, of course, it has changed quite radically but a bit late in the day in terms of delivering (...)." (Sefton-Council Official, 1998, T-33, p. 11)

From a sub-programme viewpoint, North Huyton's URBAN operationalisation was marked by an incremental development process. Given a strong council lead, Knowsley Borough representatives drafted the North Huyton Operational Pro-gramme (OP) and the subsequent Action Plan versions in the absence of a local community infrastructure. (North Huyton-community Representative, 1998, T-28, p. 3; North Huyton UAP, June 1998, p. 6; MEP BC, 1998, T-64, p. 8f). Despite an SRB-project design and local authority dominance, the necessary scope for an active community participation was, however, achieved through the incremental impact of Objective 1, where "Pathways had actually set up the community organisation" (GOM Official I, 1998, T-31, p. 4). Central to North Huyton's sub-programme op-erationalisation, according to a consensus of respondents, was the increase in com-munity participation during URBAN's later operational process, visible in greater community involvement in the final Action Plan version for North Huyton, an area

"(...) where community activism has been discouraged. It was central in establishing an empowerment of the people. (...) it has been a very difficult battle because (...) it was all done by professionals. (...) It is only recently (...) that we have been on the agenda. So major battles have been won." (North Huyton-community Representative, 1998, T-28, p. 2f)

Difficulties occurred, however, as the North Huyton sub-programme tried to respond to these interim project changes with the subsequently out-dated URBAN OP, whose inflexibility and limitations became apparent during the operationalisation process, as the principal actors were

"(...) getting a better feel for what the needs and the aspirations were out there. (...) well it's 2 years from when we started (...). And there's no point in going back and spending money on things that we thought were required, when now they're not." (Knowsley-Council Official I, 1998, T-32, p. 11f)

One of North Huyton's major difficulties, however, related to its ESF framework, where the Commission-authorised funding allocations proved too low for the actual project operationalisation. Elaborated under substantial time pressures, the ESF grant rate was set at a mere 15%, raising continuous problems for matched funding, sub-project operation and financial management (Knowsley-Council Official II, 1998, T-32, p. 9).

Equipped with consolidated community participation and regeneration experience, the Netherton URBAN sub-programme was able to convert objectives into an Action Plan shortly after its official approval. This was possible, as the Action Plan had been prepared in parallel to the protracted URBAN negotiations. Enjoying a good relationship with Sefton Councillors as partners in the Netherton Partnership Board, the local community participated actively – as was stated by respondents - in the drafting of the different Action Plan versions, while the URBAN sub-project conception and realisation was internalised into the Netherton Partnership structures. Therefore, Netherton's broad-based community involvement and active participation in the sub-programme operation was recognised as its particular strength by the majority of interviewees. (Netherton-community Representative, 1998, T-29, p. 2ff; Sefton-Council Official, 1998, T-33, p. 10; GOM Official I, 1998, T-31, p. 4).

> *"(...) it's been a top and bottom down approach where the community has been involved in putting forward ideas, the local authority and the officers have been putting forward the needs, the priorities of the wider community, and we both met somewhere in the middle with a very well balanced programme." (Netherton-community Representative, 1998, T-29, p. 1)*

However, overall uncertainties about funding eligibility and sub-programme framework marked Netherton's operationalisation process, where continuous Action Plan alterations inhibited the actual project realisation on the ground. Given the lack of clear guidance, the Netherton sub-programme departed from the traditional Objective 1 and SRB project-focused action planning approach. In addition to a two-year delayed URBAN approval, the sub-programme concept was later declared incompatible with the Commission's URBAN framework. After its cornerstone sub-project on domestic violence was declared ineligible according to UK criteria, the Netherton sub-programme faced a fundamental re-construction of its established sub-project base. The subsequent demotivating effects on the team and particularly the local community were seen as major deterrents to the further successful implementation by respondents (Netherton-community Representative, 1998, T-29, p. 3ff). Facing the consequences of its delayed approval, the Netherton URBAN sub-programme alluded to lost opportunities and lack of overall impact on the local community as particularly problematic.

> *"(...) because the discussions went on for so long, nothing ever got done. (...) people were walking away from the whole thing. And it has taken an awful lot to get people back on board, and I think that has been more about the fact that there has been personalities involved who said: Look we can not let this fail. And if those personalities*

would not have been there, it would have failed (...)." (Netherton-community Representative, 1998, T-29, p. 6)

Operationalisation in Liverpool-Central was supported by a long-standing urban regeneration experience based on an independent voluntary sector and a solid community infrastructure, particularly in the Granby/Toxteth ward. According to several interviewees, the sub-programme responded to the wide-spread community interest and broad local participation promoted by URBAN with networked management and integrated operationalisation structures (GOM Official I, 1998, T-31, p. 4; CVS Official, 1998, T-35, p. 1 & p. 4). Thus, the comprehensive community involvement was identified by various interviewees as the paramount objective and particular strength of the Liverpool-Central sub-programme. Objecting to a local authority-controlled Objective 1 operation, Liverpool community representatives called for a community-led URBAN management, arguing that

"For this one, given the size of the programme, as it's not a very large programme by Objective 1 terms, there's no reason why we shouldn't have complete community control." (Granby/Toxteth-community Representative, 1998, T-30, p. 1)

Under community ownership, the URBAN sub-projects were developed, appraised and approved by the local community, who managed the respective budget allocations (Granby/Toxteth-community Representative, 1998, T-30, p. 1ff; CVS Official, 1998, T-35, p. 10). As "a very advanced model of local decision-making" (Liverpool-Council Official, 1998, T-34, p. 6), the sub-programme provided extensive project documentation and community consultation. As stated by respondents, Liverpool-Central's community-led design helped foster community participation in North Huyton and Netherton. Further elaborating the networking approach, Liverpool community representatives established the UK URBAN Network in September 1997, translating best practice and exchange of experience from the 1997 URBAN Conference in The Hague into a British context (Granby/Toxteth-community Representative, 1998, T-30, p. 2ff). However, partly unfamiliar with the strict Structural Fund regulations of EU programming, the Liverpool-Central sub-programme, driven as it was by the input of the local community, faced difficulties with its project approval, as

"(...) it is in fact quite difficult to match together the sort of ideas that they're developing and the terminology that Europe expects to see in terms of appraising projects." (GOM Official I, 1998, T-31, p. 6)

Sub-programme co-ordination and delivery became equally problematic within URBAN's limited time frame and resource perspective. According to several respondents, the broad spectrum of actors stimulated bidding processes for the sub-project selection, and, hence, community competition over funding (GOM Official I, 1998, T-31, p. 5; Sefton-Council Official, 1998, T-33, p. 10; Knowsley-Council Official I, 1998, T-32, p. 15). Furthermore, Liverpool-Central, which was subject to diverging grounds of competence and eligibility at European and national level, had to reduce its project dimensions. Strict funding regulations by both the EU and the Department for Education and Employment (DfEE) discredited interventions in schools for children under the age of 14. The sub-programme was, thus, required to subsume its "Young People" and "Young Learning" actions into one single measure (Granby/Toxteth-community Representative, 1998, T-30, p. 2; CVS Official, 1998, T-35, p. 11; DGXVI-Merseyside-Desk Official, 1998, T-, p. 5; DETR Official, 1998, T-40, p. 10). According to several respondents, incomprehensibility was, thus, created by URBAN's bureaucratic technicalities within Merseyside's most socio-economically excluded communities, that

> "(...) are stuck with it because A) it's something they control and that has never happened to them before, B) they trust us, and C) they have such low expectations of the bureaucracy anyway that this seems merely a worse case of a fairly normal set of events. But yes it is demotivating, we've lost a lot of people (...)." (CVS Official, 1998, T-35, p. 17)

(c) Berlin

Entering the operational phase after its approval in November 1995, the Berlin URBAN project was also confronted with the consequences of a delayed project start. Unable to bridge the long approval negotiations by sustaining developed sub-project concepts, staff and co-matched funding, parts of Berlin's initially proposed sub-project base collapsed. However, given its project-specific character with a 90% project volume allocation, the Berlin project subsequently ran into difficulties to substitute its original sub-projects, which had been approved through the URBAN OP and, thus, needed to be implemented by Commission regulations (SenWi Official, 1997, T-8, p. 7; B.&S.U. Official II, 1997, T-9, p. 12).

According to a consensus of respondents, one of the biggest problems constituted the URBAN project area, where seemingly arbitrary boundaries raised confusion about

eligibility and caused justified incomprehensibility among the local communities. Excluded from the area selection, the local community "feels separated once more, a typical Berlin destiny, all goes right through the middle" (B.&S.U. Official II, 1997, T-9, p. 7). Albeit the Senate's flexible and co-operative approach towards the URBAN area boundaries (SenWi Official, 1997, T-8, p. 16f), ESF funding emerged as particularly problematic, where

> *"(...) the target area, as it is shaped now, sometimes poses difficulties for the project conception, which came to light only with the operationalisation; we didn't perceive this to that extent, when we arranged it back then, because many project operators, who actually could belong to the project area, then were located (...) on the other side of the street; and there exists a series of such projects, where because of that, the project can not be funded." (SenArbeit Official, 1997, T-8, p. 16)[21]*

As was stated by the majority of interviewees, the operationalisation of the ERDF/ESF multi-fund approach, thus, proved especially difficult. The categorisation of actions into ERDF or ESF measures, fund-specific application procedures and different funding allocation schedules were considered not only very complicated, but also time-consuming and extremely restrictive for the project operationalisation at all policy levels. A large number of respondents identified the complexity of the ESF framework as particularly problematic in respect to the sub-project management, where the realisation of and the "accounting for very small projects is frantically complicated" (Prenzlauer Berg-District Official, 1997, T-2, p. 2). Under constant threat of Berlin's state budget freezes and the collapse of matched funding, the project had to battle with bureaucratic technicalities and strict funding regulations in Berlin's most deprived urban areas (B.&S.U. Official II, 1997, T-9, p. 16 & p. 19; SenInneres Official, 1997, T-7, p. 12; Prenzlauer Berg-District Official, 1997, T-2, p. 2ff).

Working with private sector principles under public sector control, the realisation of the URBAN project was outsourced to the private consultancy B.&S.U.[22]. At least ostensibly, offering objective URBAN project management beyond political inter-

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[21] "(...) dieses Fördergebiet, wie es jetzt umrissen ist, manchmal auch Schwierigkeiten für die Projektgestaltung ergibt, das sieht man ja nun erst bei der Umsetzung; das haben wir damals als wir das so gezimmert haben, nicht so kraß mitgekriegt, weil viele Projektträger, die also praktisch in das Fördergebiet gehören könnten, dann (...) auf der anderen Straßenseite sind; und da gibt es also eine ganze Reihe von solchen Projekten wo also dadurch das Projekt nicht gefördert werden kann." (SenArbeit Official, 1997, T-8, p. 16).

[22] Environmental consultancy.

ests, the B.&S.U. was able to realise URBAN's multi-sectoral approach by co-ordinating the different Senate Administrations, while providing professional expertise in EU programming, urban regeneration and analytical documentation - tasks which the SenWi[23] considered beyond its time and workload capacities (SenWi Official, 1997, T-8, p. 12; B.&S.U. Official II, 1997, T-9, p. 16). Furthermore, the local B.&S.U. office within the project area provided direct contact with, and access for the local communities, where

> *"(...) we subsequently also take care that the citizens get to know more about it, as they had been left out -except of a few individuals, who accidentally have stood behind a project-, because the entire URBAN was totally new for them." (B.&S.U. Official II, 1997, T-9, p. 15)[24]*

However, some respondents disputed the benefits of the introduction of a further management level in form of the "service organisations" B.&S.U. and ECG[25], where additional administrative workload was generated, but "responsibilities are being pushed back and forth" (KICK Official, 1997, T-7, p. 9). While the majority of interviewees regarded the ECG as an additional complication for the already problematic ESF management, the B.&S.U. was implicated in slow response rates resulting in poor time management and implementation delays. In regard to the consultancy's commercial aspects, some interviewees perceived easy manageability and smooth deliverability under tight budget restrictions to influence the company's sub-project selection, rendering the more difficult, work-intensive sub-projects to challenging yet unlikely URBAN candidates (former SenStadtUm Official, 1997, T-5, p. 9ff; Ausländerbeauftragte Official, 1997, T-3, p. 6f).

Considering the variety of actors, co-operation and co-ordination of the Berlin URBAN project realisation was not always a straightforward tasks for the SenWi and/or the B.&S.U.. As a number of Senate Administrations were inexperienced with EU funding regulations and programming procedures, the conceptualisation and implementation of sub-projects, compliant to Structural Fund arrangements, sometimes proved a difficult challenge. Moreover, an administrative reform replaced the

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[23] Senate Administration for the Economy and Public Utilities.

[24] "(...) wir auch nachträglich dafür sorgen, daß die Bürger davon stärker erfahren, weil die waren ja noch ganz außen vor gelassen -bis auf ein paar einzelne, die jetzt zufällig auch für ein Projekt schon dahinter gestanden haben-, denn ganz URBAN war denen ja alle erst einmal fremd." (B.&S.U. Official II, 1997, T-9, p. 15).

[25] European Consulting Group.

SenStadtUm[26] URBAN key actors in early 1997. According to some respondents, Berlin's project base was subsequently altered, as the project measure "socio-ecological infrastructure" witnessed a shift of emphasis towards a greater ecological orientation. Smooth operationalisation was further prevented by Berlin's consecutive budgetary retrenchments, posing continuous threats, not only to the Senate Departments' co-financing capacities, but also to the entire URBAN project implementation. Used to operating under tight budget constraints, the Berlin Senate, however, managed to overcome those obstacles, illustrating – as was stated by several interviewees - a progressive and successful URBAN project realisation (SenWi Official, 1997, T-8, p. 9f; SenInneres Official, 1997, T-7, p. 13; B.&S.U. Official II, 1997, T-9, p. 12; Prenzlauer Berg-District Official, 1997, T-2, p. 5).

> "Berlin (...) has a lot of experience in the field of urban development projects, and hence, there exists a certain understanding on how to co-operate and co-ordinate, so that things work. " (DGXVI-Berlin-Desk Official, 1998, T-49, p. 12)[27]

(d) Duisburg-Marxloh

The Duisburg-Marxloh project enjoyed a quick and visible project realisation after its delayed approval in December 1995. This was achieved, according to several respondents, due to Marxloh's consolidated regeneration background, accompanied by personal commitment, interactive co-operation and multi-level networking experience of the principal actors. Hereby, URBAN's operationalisation was clearly placed within the context of

> "Decentralisation and integration of different fields, focused on Marxloh, with an orientation that equally integrates as many local forces as possible into the process. Naturally that doesn't happen over night (...) firstly, confidence needs to be established. " (former MSKS Official, 1998, T-11, p. 4)[28]

Thorough its integration into the Projekt Marxloh, the Duisburg-Marxloh URBAN project was able to demonstrate best practice at an early implementation stage, according to a consensus of respondents. Consequently in April 1997, Duisburg-

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[26] Senate Administrations for Urban Development, Environmental Protection & Technology.

[27] "Berlin (...) hat viel Erfahrung auf dem Gebiet der städtischen Entwicklungsprojekte, und insofern, ist ein gewisses Feeling vorhanden, wie man zusammenarbeiten und koordinieren muß, damit etwas klappt." (DGXVI-Berlin-Desk Official, 1998, T-49, p. 12).

[28] "Dezentralisierung und Integration von verschiedenen Feldern auf Marxloh bezogen, mit einer Orientierung, die möglichst viele Kräfte vor Ort auch in den Prozeß mit einbezieht. Das geht natürlich nicht von heute auf Morgen (...) es muß sich ja auch erst einmal Vertrauen bilden." (former MSKS Official, 1998, T-11, p. 4).

Marxloh was selected to host the URBAN Symposium[29], where sustainable urban development was discussed within the framework of the Projekt Marxloh, the Nordrhein Westfalen (NRW) action programme, the URBAN Initiative and the German URBAN Network. Local projects in Duisburg-Marxloh, London, Roubaix and Rotterdam provided concrete examples for the exchange of experience and best practice between members of the local communities, local and national governments as well as the European Commission (Stadtteilprojekt-Marxloh Official II, 1998, T-15, p. 15; Liegenschaftsamt Official, 1998, T-12, p. 6; Projekt Marxloh (1997)).

Central to Duisburg-Marxloh's URBAN operationalisation was the project's non-itemised ERDF/ESF budget approval. Based on previous EU funding experience, MSKS[30] officials decided against an individual ERDF or ESF project specification. Instead, the MSKS realised the URBAN multi-fund approach by proposing URBAN measures under a joint ERDF/ESF funding package,

> *"(...) in order to facilitate the procedure, and to allow the people, who care for the district, to actually care for the district, and not for some bureaucratic procedures. Because the bureaucratic expense is already big enough." (MSKS Official, 1998, T-13, p. 10)[31]*

The subsequent framework created the inherent advantage – as was stated by a consensus of interviewees - of substituting the bureaucratic procedure of individual project application under ERDF and/or ESF regulations with a single funding package application. Specific Structural Fund allocations were managed and co-ordinated by the MSKS and the Liegenschaftsamt[32]. Moreover, ERDF and ESF provisions were fully committed from the project start, which guaranteed the project's co-financing and, thus, sound implementation (MSKS Official, 1998, T-13, p.6 & p. 10f; DGXVI-German-Desk Official, 1998, T-50, p. 11; EGM Official, 1998, T-14, p. 7; Liegenschaftsamt Official, 1998, T-12, p. 10ff; Stadtteilprojekt-Marxloh Official II, 1998, T-15, p. 15).

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[29] URBAN Symposium: Employment promotion and integration of ethnic minorities - integrated projects in a European comparison, June 1997.
[30] Ministry for Urban Development, Culture and Sports of the federal state North-Rhine Westphalia
[31] "(...) um das Verfahren zu vereinfachen und um die Leute, die sich um den Stadtteil kümmern, auch um den Stadtteil kümmern lassen, und nicht um irgendwelche bürokratischen Verfahren. Denn der Aufwand an Bürokratie ist schon groß genug." (MSKS Official, 1998, T-13, p. 10).
[32] Public Property Office.

A distinctive element of the Duisburg-Marxloh URBAN operationalisation was its co-ordinated realisation through the EGM[33] and the Stadtteilprojekt-Marxloh[34] via the Projekt Marxloh. As illustrated earlier, the EGM, a private sector subsidiary of the city of Duisburg, was able to co-operate flexibly with the Stadtteilproject-Marxloh beyond public sector constraints. The EGM advisory board further accounted for an objective project operationalisation through its integral links to Duisburg's political authority, according to several respondents. Given its implicit connection to Duisburg's department for youth and education, the Stadtteilprojekt-Marxloh enjoyed direct co-operation between city council and project staff beyond administrative hierarchies. Individual project operation was supported by an independent budget, while the EGM provided further links to Duisburg's urban renewal department. Hence, according to several interviewees, the Stadtteilprojekt-Marxloh benefited from, and actively engaged in, cross-departmental co-operation as well as integrated project operation, where individual key actors held complementary positions at municipal and local project level. Due to project staff changes, however, previous networking capacities declined, which, according to some respondents, rendered the subsequent URBAN operationalisation subject to more traditional, mono-functional regeneration perspectives within parts of Duisburg's administration and political authority, issuing discussions of a possible city council reform (Stadtteilprojekt-Marxloh Official II, 1998, T-15, p. 10; Stadtteilprojekt-Marxloh Official I, 1998, T-16, p. 12; EGM Official, 1998, T-11, p. 2f & p. 6; former MSKS Official, 1998, T-11, p. 2).

Despite its integration into NRW's action programme, consensus among respondents existed regarding URBAN's limited time-frame, which posed a particular problem for ESF-supported measures. Requiring lead time, ESF-funded actions proved difficult to realise within the given short-term perspective, where project outcomes in respect to education and qualification attainment were difficult, if not impossible, to assess accordingly (Liegenschaftamt Official, 1998, T-12, p. 13f; Stadtteilprojekt-Marxloh Official II, 1998, T-15, p. 2f.) One respondent considered the Initiative's short-term perspective to impair the actual project realisation, as temporary staff had

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[33] Development Agency Marxloh.
[34] Community Project Marxloh.

to look for new employment opportunities during the project implementation (IBA Official, 1998, P-11, p. 7f).

Despite efforts to integrate the Turkish minority into the Marxloh community, the Duisburg-Marxloh URBAN project did not specifically address the socio-economic exclusion problems of its German residents (IBA Official, 1998, T-11, p. 5; Stadtteil-projekt-Marxloh Official I, 1998, T-16, p. 4). Although German language courses are provided for the Turkish community and particularly for Turkish children, existing language and communication barriers with the German community remained un-considered, according to some respondents, and highlighted a further problematic:

> *"In Marxloh, there are also Germans, who come from families and strata, where German is not spoken correctly. And some Turkish children speak better German than many Germans." (Stadtteilprojekt-Marxloh Official I, 1998, T-16, p. 4)*[35]

However, given the common Land and municipal interests to provide an integrated, holistic urban regeneration approach for Marxloh, a consensus among interviewees considered the operationalisation of the Duisburg-Marxloh project to enjoy a pro-gressive and sound realisation by national as well as European standard (DGXVI-Conceptual-Unit Official, 1997, T-53 p. 11f; BMBau Official, 1998, T-37, p. 4; Marxloh-community Representative, 1998, T-14, p. 4f).

7.4 Comparative Analysis of the URBAN Projects at the Micro Level

The URBAN project operationalisation at micro level was particularly influenced by the impending consequences of the delayed approvals of all four projects. Several interviewees criticised unsustainable co-financing arrangements and receding sub-project bases, which resulted in the re-conception of sub-projects and financial out-lays. The majority of respondents stated the loss of valuable implementation time and the demotivation of URBAN actors, especially within the local communities, as an inevitable result.

> *"And we lost all this time, and in time this community-led process has gone and we raised a huge amount of enthusiasm and interest for it, which has gone. And we missed the chance of actually doing some good pilot actions on the ground. And we*

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[35] "In Marxloh sind auch die Deutschen, weil die aus Familien und Schichten kommen, in denen auch nicht richtig Deutsch gesprochen wird. Und manche türkischen Kinder sprechen besser Deutsch als viele Deutsche." (Stadtteilprojekt-Marxloh Official I, 1998, T-16, p. 4).

would have been able to evaluated them by now, which we can't now (...)." (ALG-Brussels Representative, 1998, T-44, p. 4)

Although individual project start dates were designed to account for satisfactory project formulation, the fixed six-year programming period between 1994-1999 created severe implementation pressures, according to respondents. Although spending allocations are extended until the end of 2001, all four URBAN projects faced extreme implementation conditions, as the deadline for the financial commitment to sub-projects was set for the end of 1999. Apart from Merseyside and Duisburg-Marxloh, the London (Park Royal) project suffered particularly from the above problems due to its late approval (November 1996). The project base, which was partly collapsing, posed severe difficulties for the project-focused design of the Berlin project.

As stated by the respondents for the micro level, incompatibilities between URBAN's objectives and the Structural Fund regulations caused wide-spread confusion about sub-project eligibility, ERDF/ESF multi-fund operation and general project management. While the four URBAN projects valued the idea of a combined ERDF/ESF funding package, its actual realisation under the strict Structural Fund regulations, however, was regarded by a consensus of respondents as extremely complicated, impracticable and restrictive. The projects highlighted the ambiguity between URBAN's proclaimed integrated approach, and the Commission's lack of an equally synthesised funding provision. According to respondents, innovative and need-orientated strategies had been discouraged by rigid ERDF and ESF funding regulations (Stadtteilprojekt-Marxloh Official I, 1998, T-16, p. 2; Knowsley-Council Official I, 1998, T-32, p. 17). While the ERDF is financed in advance, the three-month ESF block application required local groups to fund in advance their own ESF costs, raising problems of capacity and financial management.

"Those were the nitty gritty logistics that were never thought of, and I think that is where the programme started to fail, because groups are panicking: They haven't had any money, the programme is delayed and all the Commission wants is monitoring – so if we fail on the monitoring, the money is clawed back. So (...) you are running around in circles (...)". (Queen's Park-community Representative, 1998, T-22, p. 13)

According to the majority of interviewees, lengthy and often unclear communication channels, lack of information and co-operation between all political levels further increased uncertainties about the URBAN project realisation at micro level. Al-

though respondents for the Berlin and Duisburg-Marxloh projects criticised the complex and protracted bureaucracy of Structural Fund programming, the projects in Merseyside and London (Park Royal) were particularly affected by "contradictory guidance" (Knowsley-Council Official I, 1998, T-32, p. 14). In comparison to the Berlin and Duisburg-Marxloh project operationalisation, guided by their Operational Programmes, the London (Park Royal) and Merseyside projects developed supplementary, locally-elaborated URBAN Action Plans. This, however, rendered their project realisation subject to further uncertainties about an action- versus a project-orientated Action Plan framework, and caused additional finalisation and approval delays. These complications, however, subsided as the projects' realisation progressed, once a decision was taken to opt for an action-based focus. In contrast, the Berlin project elaborated a project-specific Operational Programme, posing problems for the substitution of unsustainable sub-projects, which were, however, not encountered by the Duisburg-Marxloh project, as its integration into NRW's action programme assured an action-orientation.

Additionally, the level of previous experience with socio-spatial regeneration and EU structural programming further influenced the URBAN operationalisation processes at micro level. The Objective 1 designated areas in Merseyside and Berlin and the Objective 2 classified district Duisburg-Marxloh thus had visible advantages over the Non-Objective area of London (Park Royal). Furthermore, an area's perception of URBAN's potential and subsequent impact depended on its Structural Fund designation. As respondents for the Merseyside and Berlin projects saw URBAN integrated into the wider Objective 1 framework, URBAN's extensive administrative demands devalued its area-specific benefits. The Initiative's financial capacity was considered almost insignificant in comparison to EU mainstream funding resources[36]. Interviewees for the Duisburg-Marxloh URBAN project shared this view, where URBAN was operationalised as an important yet small part of the consolidated regional NRW action programme[37]. Despite its modest local impact, URBAN was seen as a positive

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[36] The EU contributes 17.296MECU to the Merseyside URBAN project against 816.000MECU for the Merseyside Objective 1 budget, and 16.100MECU to the Berlin URBAN project versus 744,600MECU for the East Berlin Objective 1 budget (EC SF, Merseyside Obj. 1, 1995, p. 133; EC SF, Germany Obj. 1, 1995, p. 126).
[37] The EU contributes 8.100MECU to the Duisburg-Marxloh URBAN project compared to 361.370MECU for the NRW Objective 2 budget (EU/DGXVI, Inforegio, May 1995, p. 12f).

signal by the majority of interviewees, since this EU-designed programme substantiated NRW's socio-spatial regeneration strategy. The URBAN Initiative, however, received high recognition by the Non-Objective London (Park Royal) project. A consensus of respondents valued the Initiative's capacity to empower and integrate local communities into the decision-making process, and to attract Structural Fund provisions, allowing an otherwise infeasible socio-spatial regeneration of the Park Royal project area.

The URBAN operationalisation at micro level was further influenced by project-specific conditionalities, depending on the involved project actors, their respective interaction and the projects' incorporated policy range.

7.4.1 Participation – Network Actors

The operationalisation of the London (Park Royal) project was characterised initially by a clear local authority lead, which, however, subsided to greater community participation during the Action Plan development in later operationalisation stages. Key actors comprised voluntary and community groups, councillors from the London Borough of Brent, Hammersmith and Fulham, and Westminster as well as GOL[38] officials. In Merseyside, the project operationalisation was marked by the involvement of a variety of regional and local actors and a strong community lead in Liverpool-Central and Netherton. An active community participation in North Huyton, however, was achieved through the Action Plan development in later operationalisation stages. Key actors consisted of voluntary organisations and community groups, Metropolitan Borough Councillors from Knowsley, Sefton and Liverpool as well as GOM[39] representative. Both projects were assisted with respective project administration and monitoring by representatives from the DETR[40] and the DfEE[41] at local and national level, which the respective DG for Regional Policy Desk Officials complemented at European level.

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[38] Government Office for London.
[39] Government Office for Merseyside.
[40] Department for the Environment, Transport and the Regions.
[41] Department for Education and Employment.

The Berlin project operationalisation was marked by a clear dominance of the Berlin Senate and the B.&S.U. [42], while the local community participated via sub-project development and implementation. Thus, key actors at Land and municipal level comprised representatives from the project managing SenWi[43], as well as the SenArbeit[44], SenStadtUm[45], SenGesundheit[46], SenInneres[47], SenSchule[48] and the Ausländerbeauftragte[49]. At local level key actors consisted of the core implementation agency B.&S.U. together with a further agency, the ECG[50], the district administrations of Prenzlauer Berg, Weißensee and Friedrichshain, and some local community and voluntary groups. Finally, the Duisburg-Marxloh project operationalisation was characterised by the involvement of actors at Land, municipal and district level, combined with an active community participation following a consolidated Duisburg-Marxloh urban regeneration tradition. Key actors at local level comprised the various community groups, the EGM[51] and the Stadtteilprojekt-Marxloh[52] as the designated implementation agencies, while the Liegenschaftsamt[53] provided further implementation assistance. At Land level, MSKS[54] officials contributed to project administration and monitoring. The respective Desk Officials of the DG for Regional Policy assisted both projects at European level.

Although the local community was not decisively involved in the initial URBAN project operationalisation, an incremental development of community participation was produced by the two British projects, according to respondents to this study. In London (Park Royal) and Merseyside, local capacity building increased the participation of the previously uninvolved communities to subsequent co-decision during later operationalisation stages. The active community sector in Netherton and particularly in Liverpool-Central entered the URBAN decision-making process fairly

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[42] Environmental Consultancy.
[43] Senate Administration for the Economy and Public Utilities.
[44] Senate Administrations for Employment, Vocational Training and Women.
[45] Senate Administrations for Urban Development, Environmental Protection & Technology.
[46] Senate Administration for Health and Social Affairs.
[47] Senate Administration for the Interior.
[48] Senate Administration for Schools, Youth and Sport.
[49] Senate Commissioner for Foreigners.
[50] European Consulting Group.
[51] Development Agency Marxloh.
[52] Community Project Marxloh.
[53] Public Property Office.
[54] Ministry for Urban Development, Culture and Sport of the federal state North-Rhine Westphalia.

quickly after the Merseyside URBAN project launch. North Huyton's community attained co-decision status after further local capacity building - an accomplishment also achieved by the London (Park Royal) URBAN communities in later operationalisation stages. The increase in community participation, however, further protracted the Action Plan finalisation and subsequent project operationalisation. The difficult integration of these local changes into the fixed OP framework further highlighted the confined EU structural programming regulations, which according to respondents acted as a restriction on innovation. Nevertheless, the Action Plans, initially drafted by local authority officials, were amended to accommodate the subsequent co-decision of local communities. This resulted in a delayed and maybe incomplete, yet more democratic URBAN project operationalisation in line with URBAN's proclaimed aim of community participation. Several respondents perceived local communities empowered for future socio-spatial regeneration activities.

The Berlin and Duisburg-Marxloh URBAN project operationalisation manifested a lower level of capacity building and community participation. Both projects used the Operational Programmes (OPs), pre-defined in the URBAN formulation process, as their operationalisation framework, where time pressures had marginalised any decisive community input. In particular, Berlin's project-focused OP limited community participation to the implementation of pre-determined sub-projects. Key actors were thus confined to the Berlin Senate, the involved districts and the implementation agency, alongside single community actors involved in the sub-project conceptualisation. Despite the absence of community participation in Duisburg-Marxloh's conceptual negotiations, the local community was able to enter the decision-making process shortly after the project launch, due to the action-orientated OP and flexible implementation framework. As the Duisburg-Marxloh project was integrated into NRW's action programme and accompanied by consolidated regeneration experiences, it allowed community contribution and subsequent co-decision in the actual sub-project conceptualisation during later operationalisation stages. Fully operational since their delayed approval, both German projects benefited from a limited, yet manageable implementation period, which, according to some respondents, produced visible local effects and a sound implementation progress. While the two projects seemed to attain their URBAN project objectives within the Commission's programming schedule, low levels of capacity building and community empowerment via the

specific URBAN framework, however, raise challenging questions for its local community impact and future benefit.

Private partners, on the other hand, were less involved in the URBAN project operationalisation at micro level. Despite their recognition as full project partners in the respective Management Committees and/or operationalisation teams, private partners played little a role in the elaboration of the respective operational project designs. Having entered the decision-making processes mainly after the finalisation of the operationalisation consultations, private partners primarily supported the realisation of pre-determined project structures according to respondents to this study.

7.4.2 Partnership – Network Interaction

Designed as a platform for co-operation and integrated project operation, the URBAN Management Committee took more the role of a sub-programme information exchange than an actual joint decision-making body, given the separate sub-programme operation of the London (Park Royal) project. Respondents from the local level considered the Management Committee meetings as rather time-consuming and unnecessary, confining project partnership and network interaction to information transparency amid modest mutual interests. Given Merseyside's sub-programme structure with individual Management Committees and separate budgets, cross-project partnership referred to sharing of information, although general interest in the activities of neighbouring sub-programmes existed. At sub-programme level, however, the Management Committee in Netherton and particularly in Liverpool-Central demonstrated interactive co-operation from the project start, while Committee members in North Huyton initially merely collaborated, although co-operation was achieved during the sub-programme operationalisation. According to respondents, the Co-ordinating Committee of the Berlin project provided an essential forum for the exchange of information and collective project monitoring for the Senate and district level. As the implementation agency was commissioned to facilitate Senate interaction, co-operation prevailed among the project actors at Senate level, while the district level was able to co-ordinate some sub-project activities. The Duisburg-Marxloh operationalisation through the Projekt Marxloh revealed integrated partnership structures and multi-actor networking across the local and Land level. Long-standing experience and co-operation between actors of the three implementation

agencies and the Land NRW secured comprehensive interaction and, thus, facilitated the project realisation according to respondents to this study.

Contrary to the community level, private partners enjoyed full partner status from the respective project start, but revealed lower levels of interest to engage in URBAN's operationalisation. Respondents identified their partnership role as mere collaboration during URBAN's project implementation.

As reflected by the Action Plan elaboration in the UK, local community partnership increased from mere collaboration to co-operation among project actors. According to respondents, local communities in London (Park Royal) and Merseyside subsequently gained full partner status. While the Netherton and particularly the Liverpool-Central communities interacted with other project actors from the beginning, the North Huyton community and the London (Park Royal) communities developed their full partnership status within the course of the project operationalisation. Operating with pre-defined OPs, partnership within the Berlin and Duisburg-Marxloh project operationalisation mainly referred to the communities' collaboration in the sub-project implementation, as was stated by respondents. This was particularly the case for the Berlin project, where its rigid OP did not provide further scope for community involvement. Due to its flexible operationalisation framework, the Duisburg-Marxloh project, however, accommodated leeway for incremental community engagement during subsequent operationalisation stages. The local community co-operated and networked with other URBAN actors in the later sub-project conception and realisation.

Illustrating the multi-level partnership between the micro level and URBAN actors at meso and macro level, all four projects recorded an institutionalised, indirect relationship with their respective Desk Officials in the DG for Regional Policy. Given the greater engagement in the local project conception by the UK Desk of the DG for Regional Policy, Desk Office changes were criticised by local community respondents in the London (Park Royal) and particularly the Merseyside project. Frequent Desk Office changes, however, played a less influential role for the Duisburg-Marxloh project operationalisation given its integration into the NRW national action programme. According to the respondents for London (Park Royal) and Merseyside,

the projects encountered highly complex and restrictive relations with UK government officials. Their German counterparts reported interactive co-operation between the local actors in Duisburg-Marxloh and NRW Land officials, while Berlin's special city-state status gathered URBAN's local and federal state actors in the Berlin Senate.

7.4.3 Multi-dimensionality – Network Range

Given the increased local community participation in the London (Park Royal) and Merseyside projects in later operationalisation stages and the subsequent Action Plan re-conception, the individual sub-programme contents reflected the areas' multi-dimensional needs and objectives. These were voiced through the involved local actors and realised through their respective co-operative interaction. Considering the Berlin Senate's project determination and management, project contents mirrored the policy focus of the respective Senate Administrations. Duisburg-Marxloh's integration into the Projekt Marxloh allowed the further expansion of a consolidated, multi-dimensional regeneration effort pursued by the Land NRW. Furthermore, the participation of and partnership between the different actors in the institutionalised URBAN operationalisation committees at micro level implicitly provided the necessary structures for a multi-dimensional URBAN programme management and realisation.

The operationalisation of URBAN's multi-dimensional integrated approach at micro level, however, proved challenging in the face of conventional management structures. A comprehensive and inter-departmental project realisation was frequently impaired, as different policy departments continued to operate within their selective departmental policy perspective. Further obstacles constituted the limited resource and policy-specific co-financing basis and the Initiative's ERDF/ESF multi-fund approach with separate accounting and management requirements. Hence, despite their broad project range, the London (Park Royal), Merseyside and Berlin projects followed an ERDF and/or ESF oriented and, thus, policy-specific operationalisation. The Duisburg-Marxloh project, however, operationalised URBAN's integrated approach through its realisation of the ERDF/ESF multi-fund framework at micro level.

Equally, considering the number and variety of URBAN actors, not necessarily familiar with cross-departmental co-operation, the Initiative's multi-dimensional ap-

proach generated co-ordination difficulties within the project realisation, as was stated by respondents to this study. While past experience with and personal commitment towards inter-departmental co-operation at micro level counteracted compartmentalism and the selective concentration on individual policy areas and administrative departments, the target-area focus further obstructed a truly integrated, holistic and city-wide regeneration perspective. Placed within the wider Objective 1 and/or Objective 2 perspective, the projects in Merseyside, Berlin, and Duisburg-Marxloh, however, held comparable advantages over the London (Park Royal) case.

Translating URBAN's innovative concept into the specific local context amid the practical limitations of EU structural programming, the four projects developed a variety of different strategies and measures, where the further implementation will provide additional insights into the realisation of URBAN's philosophy. Unable at the time of the survey to comment on the Initiative's actual impact, several respondents at micro level, however, predicted limited results, highlighting that

> *"(...) the bureaucracy started it: they had this great idea (...), but somewhere they fell short in how they put this great programme into practice, that you could benefit from (...) dangling the carrot is one thing, but making us able to bite it, that's a whole other process." (Queen's Park-community Representative, 1998, T-22, p. 13)*

Chapter 8 *TOWARDS A CONCEPTUALISATION OF THE URBAN POLICY PROCESS*

As illustrated in the previous chapters, the formulation and operationalisation of the URBAN Initiative was influenced by a variety of factors at macro, meso and micro level. The Commission's introduction of URBAN's novel philosophy to a new and often inexperienced clientele proved a complicated undertaking given the traditional programming perspectives, EU regulations, and local, national and European government structures. Following an illustration of the main issues raised for discussion during this investigation, the chapter elaborates the URBAN policy process via a conceptual framework of networking and multi-level governance and concludes with a final resume.

8.1 Discussion of the Empirical Findings across Cases and Policy Levels

The URBAN Community Initiative was conceptualised to elaborate solutions to the socio-spatial problems encountered by urban areas in crisis through a catalogue of socio-economic, infrastructural and environmental measures. While URBAN demonstrated innovative approaches, issues in need of further elaboration and debate were equally identified.

The analysis has attempted to show how common problems emerged with regard to lengthy and often unclear information and communication channels within horizontal and across vertical policy levels, as well as overall uncertainties about eligibility and programme/project management. Thus, lack of information, communication and cooperation caused misunderstandings in the programme/project conception and realisation, resulting in time-consuming re-arrangements, loss of valuable implemen-

tation time and general demotivation among URBAN actors, particularly within the local communities.

For several respondents, the philosophy and conceptual aspirations of the Initiative were too ambitious for the practical reality of Structural Fund programming, and amounted to be a paramount obstacle.

> *"(...) it is actually quite difficult to take what URBAN says it's going to achieve, and then apply it within the Structural Fund guide. (...) URBAN is implying that you can do certain things with health and recreation and sport etc. and (...) you can't find any basis for agreeing those sorts of projects." (GOM Official I, 1998, T-31, p. 11)*

Inconsistencies emerged, as the initial URBAN approach without ERDF/ESF project specifications was altered, requiring detailed fund classifications within each Operational Programme (OP). This resulted in the time-consuming re-arrangements of the financial outlays, project measures and sub-project conceptions at micro level. The contradictory signals emanating from the Commission were attributed to the fact, that

> *"(...) as the responsibility went more from the conceptual unit to those who then actually have to operationalise the OPs with us (...) they obviously have other ideas, and they ultimately have to answer to their financial control body (...)." (SenWi Official, 1998, T-8, p. 6)[1]*

Hence, an implicit contradiction between the innovative approach to urban regeneration and the traditional Structural Fund operations emerged. This rendered the Initiative in principle incompatible with the latter regulations, as officials from the DG for Regional Policy tried to break new conceptual and policy ground in the area of multiple urban deprivation. Innovation was promoted by its founding basis in Article 10 of the ERDF Regulations.

> *"Article 10 is generally a very important article, as it's a playing field for innovative demonstration and pilot projects (...) and the URBAN Initiative was proceeded by different Article 10 pilot projects. And during the formulation of the Initiative, they continued to keep their playing field in mind, and, thus, less the eligibility criteria of the framework regulation (...). Well I think regarding the concept, it's [innovative],*

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[1] "(...) als die Verantwortung mehr von den konzeptionellen Köpfen auf die gegangen ist, die dann tatsächlich die OPs mit uns auch umsetzen müssen (...) die haben natürlich andere Vorstellungen, und die müssen sich letztlich auch verantworten gegenüber ihren Finanzkontrollgremien (...)." (SenWi Official, 1998, T-8, p. 6).

> *but it [URBAN] doesn't fit into the framework regulation, and should have been done under Article 10." (DGXVI-German-Desk Official, 1998, T-50, p, 7)*[2]

Managing the ESF with an individual administration and separate financial accountability, the DG for Employment was also confronted with URBAN's incompatibilities with the Structural Funds. The majority of respondents perceived this as a further complication for the URBAN operation within the highly complex Commission bureaucracy. Furthermore, while the collaboration between Commission Services was criticised as being "too departmentalised, compartmentalised" (MEP RC&SC, 1998, T-66, p. 3), it was equally seen as a direct contradiction to URBAN's proclamation of an integrated approach with cross-departmental interaction at meso and micro level. Hence, given the need for greater visibility, co-ordination and efficiency of urban programme operation, which were not feasible within the Commission's fragmented bureaucracy (former DGV Official, 1998, T-60, p. 20; also MEP RC, 1998, T-65, p. 3), several respondents stated, that

> *"(...) we might need to reconsider the setting of the Commission's bodies or structures, in order to be able to have much more improved, integrated activities, which are related to urban areas. (...) an Inter-Service Group is a little bit too late. (...) What might be needed is earlier and much more fundamental and higher level discussions in order to give very concrete mandates to the Services (...)." (DGXI Official, 1998, T-62, p. 9)*

Given that local communities in particular were confused by URBAN's indicated capacities on the one hand and restrictive Structural Funds regulations on the other, local actors welcomed the programme's rationale. The majority of respondents at micro level, however, regarded the Initiative's Structural Fund operation counterproductive and frequently considered its realisation as "just too difficult to put in place, and too hard to be successful" (Queen's Park-community Representative, 1998, T-22, p. 16). In an attempt to address these obstacles, cities with previous EU programming and socio-spatial regeneration experience had "obviously a very different start chance" (DSSW Official, 1998, T-38, p. 10), while it proved

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[2] "Artikel 10 ist an und für sich ein sehr wichtiger Artikel, weil es eine Spielwiese ist für innovative Demonstrations- und Pilotvorhaben (...) und der URBAN Initiative sind ja schon verschiedene Artikel 10 Pilotvorhaben vorweg gegangen. Und die haben natürlich bei der Formulierung der Initiative immer noch ihre Spielwiese im Hinterkopf gehabt und haben deshalb weniger auf die Fördertatbestände der Basisverordung (...) Also ich meine, das ist vom Ansatz her [innovative], nur da paßt es [URBAN] nicht in die Regelförderung, sondern hätte unter Artikel 10 gemacht werden müssen." (DGXVI German Desk Official, 1998, T-50, p. 7).

"Much more difficult in cities that have no tradition to handle these issues, because they start from scratch in building up the local capacity." (DGXV-Conceptual-Unit Official, 1997, T-53, p. 12)

Considering past experience as a decisive factor within the decision-making procedure, several respondents perceived the formulation of URBAN as the result of a "successful lobbying strategy" (MEP RC, 1998, T-65, p. 2). It was frequently characterised as "politically driven" (MEP RC&SC, 1998, T-66, p. 3) across all policy levels in regard to the recognition of need, budget allocation and project selection. Critically, apart from socio-spatial need, the strategic presentation of urban problems was vital for an URBAN funding allocation, something one respondent referred to as "a mobilisation of bias" (DGXVI-UK Expert, 1998, T-73, p. 21; also DGXVI-Conceptual-Unit Official, 1997, T-53, p. 10; MEP RC, 1998, T-67, p. 2).

"(...) many of the programmes in the URBAN programme at the end of the day were selected (...) because they belonged to the political party in power at that moment (...)." (former DGV Official, 1997, T-60, p. 14)

While for some respondents the identification of areas for assistance was perceived as "almost entirely politically-driven than analysis-driven" (DGXVI-UK Academic Expert, 1998, T-72, p. 6), the Initiative's target-area focus was considered too restrictive for socio-spatial regeneration actions in cities, where the local area forms part of the wider urban area. Thus, although the concept of "pockets of poverty" found Community recognition through URBAN, critical arguments were raised with regard to the effectiveness of locally-targeted unemployment strategies, for instance, training, given the structural changes of the labour force.

"So there is clear evidence that you have to differentiate between sort of helping people who are disadvantaged, and helping areas; essentially you cannot help areas, because any particular area within a large urban area is essentially an interactive part of that urban system. (...) because of the openness of the urban economy and urban societies and urban housing markets (...)." (DGXVI-UK Academic Expert, 1998, T-72, p. 7 & p. 16)

Area-based programmes, improving the life prospects of residents, may lead to out-migration and subsequent replacement by other socio-economically excluded population groups. On the other hand, URBAN's geographical area definition could be perceived as carrying the "danger of displacement of problems" (DGXVI-Conceptual-Unit Official, 1997, T-53, p. 4) from the target-area to the surrounding areas. However, given the concentration of high levels of socio-economic exclusion in some areas and other locally-related problems, the target-area approach was consid-

ered viable, essential and operational, if targeted interventions formed part of a wider strategic framework of urban development within a broader geographical perspective (DGXVI-Conceptual-Unit Official, 1997, T-53, p. 4; Smith, 1999, p. 34ff; Glennester et al., 1999, p. 32f; Power, 1999, p. 36ff). Hence,

> *"(...) there also needs to be a balance between geographical targeting and thematic targeting (...) because a thematic approach is never going to tackle spatial poverty, and spatial poverty is never going to address the fact that you've got a mobile labour market." (ALG Official, 1997, T-24, p. 13)*

In further conceptual discussions, critics argued that URBAN employed the concept of social exclusion in an operational rather than conceptual manner, which was "in very simple terms, if you compare it with the Poverty 3 programme" (DGV Official, 1998, T-59, p. 6). The EP, however, deplored the Commission's economically-centred interpretation of the social cohesion concept, calling instead for an approach in terms of

> *"(...) equality/inequality of access to resources and to services and participation of the population not only in the economy but also in society as a whole, access to (...) education and vocational training, and the exercise of not just economic but also social, cultural and democratic rights;" (Collado Report A4-0324/97, p. 8)[3]*

Moreover, URBAN initiated debates about the bottom-up approach and the local level perspective. Yet the "local level" has an ambivalent meaning. If, for example, participation is analysed from the Commission's local level perspective as local authorities, local participation in the URBAN formulation and operationalisation process was realised. If, however, the local level is perceived as the community level of local residents living in the deprived neighbourhoods, a different picture emerges, with such participation restricted to the implementation of project parameters, set by local government in its perception of local community needs and interests.

A further weakness of the Initiative was seen in the EU's lack of a housing policy mandate in the Treaties. The discrepancy was emphasised, as many deprived urban areas comprise residential areas, leaving housing-related deprivation problems unaccounted for and addressed with infrastructural improvement measures instead (DGXVI-UK-Expert, 1998, T-72, p. 6; DGV Official, 1998, T-59, p. 4f). Further-

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[3] EP Session Document (A4-0324/97): "Report on the First Triennial Report on economic and social cohesion (COM(96)0542–C4-0016/97) of the Committee on Regional Policy", Rapporteur Mr. Juan de Dios Izquierdo Collado, 21/10/97.

more, among Member States, the EU's lack of an explicit urban policy mandate in the Treaties and hence URBAN's unfounded infringement on national sovereignty and the subsidiarity principle were frequently highlighted, when EU guidelines conflicted with Member States' ideas surpassing the fact that "eligibility is a matter of European law, it's not a matter of Member State interpretation" (CVS Official, 1998, T-35, p. 13). While the subsidiarity principle was also used as an excuse for the lack of Community urban engagement at the European level, a different perspective, however, would raise questions about this argument, where the EU interacts with the local level in

> "(...) a bottom-up way, where it doesn't seek to impose, but it listens, it welcomes diversity and insists on principles like community involvement and participation, not (...) saying: This is for the Member States or the cities themselves, there is no European interests. [when] from the periodic report, from poverty reports, quite clearly poverty and social exclusion in towns and cities is a major major problem across Europe, and therefore it is criminal that Europe doesn't have a policy in order to deal with that." (MEP RC, 1998, T-67, p. 4)

Legally grounded in the commonly recognised urban dimension to socio-economic cohesion, the EU's urban intervention was welcomed among respondents in the local communities. It was considered an essential means of financial provision, as the EU operates beyond local political constellations, and provides the necessary structures within which Member States can operate – programming conditions not attainable by Member States alone.

> "(...) they tell us how to run it for the simple reason that they have got the knowledge. If you come back down to local government, it is too political (...) local authorities have tunnel vision, whereas the Commission has a very panoramic view and without any hidden agendas." (Queen's Park-community Representative, 1998, T-22, p. 13)

Overall agreement among respondents existed on URBAN's indisputable benefits, which the meso level identified as policy innovation per se and its national implementation in particular, further consolidating the Initiative's comprehensive political signals. Although URBAN's philosophy and innovative objectives had raised high expectations at the micro level, the complex EU programming regulations and protracted approval process diluted this initial prospect to an URBAN perception of missed opportunities through the bureaucratic limitations of the EU programming reality. Within a long-term perspective, local capacity building was regarded as a particular strength. The Initiative's paramount benefits were, however, universally seen in the exchange of experience and best practise of empirically tested policy

measures and institutional structures. According to respondents, new methodologies and concepts to target socio-spatial deprivation were elaborated within the approach that "you can actually learn from other regions in terms of what they have done" (Merseyside-Brussels Liaison Officer, 1998, T-43, p. 6). On a practical level, however, criticism regarding URBAN's lack of an explicit trans-national perspective emerged, as cross-national co-operation between individual projects was rarely operationalised (DGV Official, 1998, T-59, p. 7; MEP RC, 1998, T-70, p. 11f).

At community level, local actors unanimously considered themselves empowered to participate actively in decision-making processes and the promotion of local change. According to the respondents, their acquired knowledge and experiences equips them past the Initiative's life-span for "setting the standard" (South Kilburn-community Representative, 1998, T-26, p. 2) for future programming conditions within and beyond local boundaries.

> "(...) people will now be aware of what their strengths are - it is like the training process, we've now been trained into what is capable (...) because at least now you have got something to work on. (...) And that's the only way that we can benefit is that people use us a guinea pigs and research and say: Why did it fail and what can we learn from it? Somebody else will benefit from a Commission funded programme (...) the seeds have now been planted, you've got to let it grow!" (Queen's Park-community Representative, 1998, T-22, p. 18f)

However, the participation of the entire local community in general and in URBAN's case in particular was unattainable. Parts of that community were either unaware of its existence, other parts were not involved due to a general lack of interest, while yet others became de-motivated and disengaged due to the protracted formulation and operationalisation process. Within multiply deprived urban areas, subjected to previous regeneration initiatives, it is often difficult, yet crucial, to interest and engage local residents in project conception and realisation. Public sector efforts to assure project success, however, are equally indispensable. They are vital to counteract political alienation, and maintain local community interest and actual participation in current, and particularly future interventions, while also promoting public sector credibility, given that "It's all around trust and confidence" (Liverpool-Council Official, 1998, T-34, p. 15). Thus, time, energy and commitment of local community actors, who frequently develop projects in their spare time and on a voluntary basis have to be valued, and

"(...) it's really about whether you genuinely respect someone's opinion or not. (...) there are people (...) who talk a lot about community leadership and governance, but they don't genuinely respect local people." (Westminster-Council Official, 1998, T-20, p. 12)

However, participation and future motivation are frequently linked to immediately visible, quantifiable results. Yet, given URBAN's aim to combat socio-economic exclusion with particular emphasis on training and qualification, outcomes are difficult to measure per se and especially within the mere six-year programming period. Instead, the Initiative has to be perceived as reaching beyond its immediate programme boundaries for wider objectives, which do not appear as "hard visible outputs of a programme" (Netherton-community Representative, 1998, T-29, p. 3). A number of respondents considered URBAN to have opened up new ways of thinking and working at micro and meso level, where the national and local integration of policy innovation helped overcome domestic obstacles and traditional management structures. The Initiative was further regarded to have contributed to the progression of the European urban regeneration agenda at micro, meso and macro level (MSKS Official, 1998, T-13, p. 8).

"And with this URBAN example we can now show, that an integrated approach is yet a sensible one (...). That means, one can nevertheless advance modern approaches, which are politically not en vogue in Member States via the channel EU, and then also equipped with its funding, and (...) then transport them into national policies." (DSSW Official, 1998, T-38, p. 16f) [4]

The transportation of sub-national interests into the European arena, however, equally increased. This was visible in the expansion of Brussels-based local, regional and/or national Liaison Offices, representations and consultancies. Allowing the direct contact to, and targeted lobbying of EU decision- and policy-makers, the increased practice of a so-called "Brussels professionalism" emerged within an "Europe industry of personal networking between the bureaucracy and the respective countries" (DGXVI-German Expert, 1998, T-71, p. 13), where "lobbying is clientilistic and has become a new European style" (DGXVI-UK Expert, 1998, T-73, p. 21). Thus, knowledgeable of Commission preferences and Community regulations, "a

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[4] "Und durch dieses URBAN Beispiel können wir nun mal zeigen, dass ein integrierter Ansatz aber ein vernünftiger ist (...). Das heißt, man kann sehr wohl moderne Ansätze, die in Staaten halt eben nicht politisch en vogue sind, über den Transportweg EU, und dann aber auch mit deren Finanzierung versehen, voran bringen und (...) dann in die nationale Politik hinein tragen." (DSSW Official, 1998, T-38, p. 16f).

good consultant can make programmes palatable to the Commission" (DGXVI-German-Desk Official, 1998, T-50, p. 8). The apparent effectiveness and, thus, increasing relevance of strategic city marketing and interactive networking was further illustrated by the perceived superiority of British cities in this regard, which

> *"(...) are in starting position and can meet the deadlines very differently, than a German city, which gets officially informed through the Brussels bulletin (...), we are always second winners, because we receive the information much too late." (DGXVI-German Expert, 1998, T-71, p. 13)* [5]

Furthermore, critics regarded the formulation of Community Initiatives in general, and of URBAN in particular, as a process, which

> *"(...) is ad hoc: who gets to know about it and when and who gets to apply, there's no formal process, call for tenders take place. We all know that by the time that something is published in the Official Journal, it really is too late for anyone, who is serious about putting a project together, to do so." (MEP RC, 1998, T-67, p. 2)*

Thus, given that the Commission is characterised as "a system of decision-making by alliances and not so much by hierarchy" (former DGV Official, 1998, T-58, p. 2), the availability of information and the strategic application of knowledge within the policy-making and implementation processes become significant. Accordingly, as stated by several respondents, the role of independent and increasingly academic experts providing scientific knowledge through non-political studies grew in salience. In this way, an international expert community was emerging and growing in significance (Godard, 1996, p. 8; DGXVI-UK Expert, 1998, T-73, p. 3; former DGV Official, 1998, T-58, p. 3).

> *"This shift from the scientific field to the political arena is not a simple and transparent one. It implies a translation of experimental facts, models, theories, assumptions, and contingencies into the universe of concerns, interests and values [where] some actors or groups try to dress interests and strategies with scientific arguments to give them strength and authority of science; others suspect any scientific finding or assessment of sheltering hidden vested interests." (Godard, 1996, p. 7)*

As illustrated above, EU decision-making was characterised by strategic elite networking, confirming the study's first hypothesis, that professional elites and policy networks determine the EU's structural funding framework. Furthermore, although the "establishment of the internal market is not solely responsible" (MEP, EP-Debates, OJ. No 3-448, 3.5.1994, p. 52) for socio-economic deprivation in urban areas,

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[5] "(...) sind die in den Startlöchern und können die Termine ganz anders halten, als eine deutsche Stadt, die das offiziell über den Bulletin von Brüssel erfährt (...). (...) sind wir immer zweite Sieger, weil wir die Informationen viel zu spät bekommen." (DGXVI-German Expert, 1998, T-71, p. 13).

some respondents perceived the Initiative as an acknowledgement of its negative consequences, and more specifically as a "compensatory programme for the competition policy, creating those disparities" (DGXVI-German Expert, 1998, T-71, p. 7). Addressing the growing polarisation of the European society, URBAN not only targeted unemployment in severely deprived urban areas, but also acknowledged that geographical location constitutes one of the factors for persistent youth-, long-term and, in severe cases, generational unemployment (DGXVI-UK/Germany-Desk Official, 1998, T-46, p. 9). A more pragmatic viewpoint, however, highlights,

> *"We shouldn't over-assess the possible outcome from it, as it certainly can not solve the problems of European cities. It can represent a good example and give some good lessons. (...) it really means an implication from local authorities and from people. Thus one can not have a good urban programme if it doesn't work at the ground level. So URBAN's idea was to make it work at the local level." (DGXVI-Conceptual-Unit Official, 1997, T-47, p. 7)*

As a result of the Initiative, urban issues have undeniably increased in profile on the European policy agenda, and received a further consolidation through a specific mentioning in the Agenda 2000 documentation (DGXVI-Conceptual-Unit Official, 1997, T-47, p. 5f). However, cities remain

> *"(...) difficult to define and they've made a lot of studies in the Commission about what are the cities. If you read Europe 2000, Europe 2000+, they keep on struggling over definitions and over competencies, which are different from Member State to Member State. (...) So it's a little bit of a complicated issue, (...) but it exists (...) no matter whether we like to discuss about it or not, we will have to discuss about it." (Eurocities Official, 1998, T-12)*

Apart from raising awareness of socio-spatial deprivation, the majority of respondents considered the Initiative to have illustrated the indisputable benefits of a participatory, partnership-based and multi-dimensional regeneration approach. By elaborating potential methods, policy concepts and institutional structures to address those problems, URBAN equally identified the formation and operation of policy networks to be dependent on their respective policy environment, thus validating the study's second hypothesis: policy networks evolve and operate conditionally to European, national and local circumstances. For instance, amid the traditional policy structures, and perspectives of national and EU programming, the role of individual actors was unanimously considered as decisive for the formulation and/or operationalisation of URBAN, as

> *"(...) politics, that I have learned in the many years of my work here, very much depends on actors, and how they work together, that's simply the, well, networks in*

politics, (...) the analysis of actors, also the implementation by actors, that is actually the key to how policies are made. " (BMBau Official, 1998, T-37, p. 1) [6]

Therefore, commitment to develop strategies and concrete measures against socio-spatial deprivation is "very much dependent on individuals, that's why this is a factor" (DGXVI-German-Desk Official, 1998, T-50, p. 8) for a project realisation. Referring to local expertise and engagement, there exists

"(...) a clear correlation between successful economic regeneration projects of all kinds with the quality of the personnel who are there with the programmes. " (MEP RC, 1998, T-68, p. 6)

Thus, networks, implying a set of policy actors instead of personalities as well as case-specific relationships, were considered decisive factors for URBAN's formulation and operationalisation, where given a "good co-ordinator, a good facilitator, it can work very well" (MEP RC&SC, 1998, T-66, p. 7; also former DGXVI Official, 1998, T-54, p. 22f). Considering the European policy process, where in terms of "decision-making and multi-level governance, it's quite important to look at Community Initiatives" (DGXVI-Conceptual-Unit Official, 1997, T-53, p. 1), policy innovation proves an incremental and dynamic process, where policy makers might

"(...) try to get it perfect, but then it never comes, and it's much better to start the process and then start learning and improving gradually, than wait five or seven years to define the perfect which does not exist, because it's impossible (...) the scenario will change (...) from theory, it is very difficult to define the perfect pattern at the first time. So it's a learning-improving progress, and there's no doubt that the urban areas need and deserve a much (...) more important consideration. " (DGXI Official, 1998, T-62, p. 5 & p. 8)

According to the data, the Initiative's novel philosophy demonstrated the feasibility of socio-spatial policy innovation at macro, meso and micro level; this, however, was perceived conditional on the multi-level participation of the concerned network actors and their partnership interaction across a multi-dimensional policy and network range - that is, conditional on multi-level governance. Given this conditionality, unanimity existed among respondents, that the type and modus operandi of policy networks influenced URBAN's formulation and operationalisation, thus confirming the

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[6] "(...) Politik, das habe ich in den vielen Jahren meiner Tätigkeit hier gelernt, sehr stark von handelnden Personen abhängt, und wie die zusammen arbeiten, das ist einfach diese, ja Netzwerke in der Politik, (...) also die Akteursanalysen, auch die Implementation durch die Akteure, das ist ja eigentlich das Entscheidende, wie Politik gemacht wird." (BMBau Official, 1998, T-37, p. 1).

study's final hypothesis: the nature and characteristics of policy networks and multi-level governance are related to the policy output.

> *"(...) policy innovation it's an interesting process. It doesn't just happen because people on the ground want things to happen. It happens often out of a dynamic tension between the different levels in the vertical partnership. And I think certainly with (...) URBAN (...), the Commission was very very open to new ideas." (former DGXVI Official, 1998, T-57, p. 10)*

While the URBAN Initiative intended to reduce the democracy deficit by fostering multi-level governance, formal recognition was provided through the EU's "Framework for Action for Sustainable Urban Development" (EU/DGXVI, 1999), where "Good urban governance promoting integrated approaches and partnerships for urban development" (EU/DGXVI, 1999, p. 32), constitutes a crucial factor "for increasing the quality of life in towns and cities" (EU/DGXVI, 1999, p. 21), and, thus, is "important for the effective implementation of EU policies" (EU/DGXVI, 1999, p. 5).

> *"In sum, meeting economic, social and environmental challenges which are complex and inter-related requires a strategic and institutionally integrated policy response in which all stakeholders share responsibility for formulating and implementing trans-sectoral solutions. Institutional flexibility and partnership working are essential. This is the challenge of urban governance." (EU/DGXVI, 1999, p. 37)*

8.2 Conceptual Framework of Networking and Multi-level Governance

The analysis of decision-making processes behind URBAN's formulation and operationalisation in the UK and Germany at macro, meso and micro level has identified variations in the participation of *network actors*, their respective partnership relations as *network interaction*, and the multi-dimensionality in terms of the *network range*. Conditional to the respective political system, regeneration tradition, EU programming perspective and past experience, these different manifestations denote separate dimensions within the dynamic policy process, which the following conceptualisation illustrates in greater detail.

The model below (Illustration 8.2.1) shows three individual, loosely linked boxes. Each box contains three differently shaded cells and a separated, hatched cell at the bottom. The differently shaded cells represent the dimensions of the three concepts of Participation (Network Actors), Partnership (Network Interaction) and Multi-dimensionality (Network Range). The hatched cells depict the three dimensions of the notion of Multi-level Governance as a mode of decision-making. The different di-

mensions denoted by these three boxes each generate an idealtype of Multi-level Governance or Network Decision-Making, indicated by the arrows in each box. Furthermore, the boxes are inter-linked via a dashed circle which represents the exchangeability of the individual dimensions of the different concepts. By means of this non-linear framework, the notions of change and dynamic decision-making are incorporated into the model, thus, helping to account for the empirical reality.

Illustration 8.2.1: Conceptualisation of Networking and Decision-Making
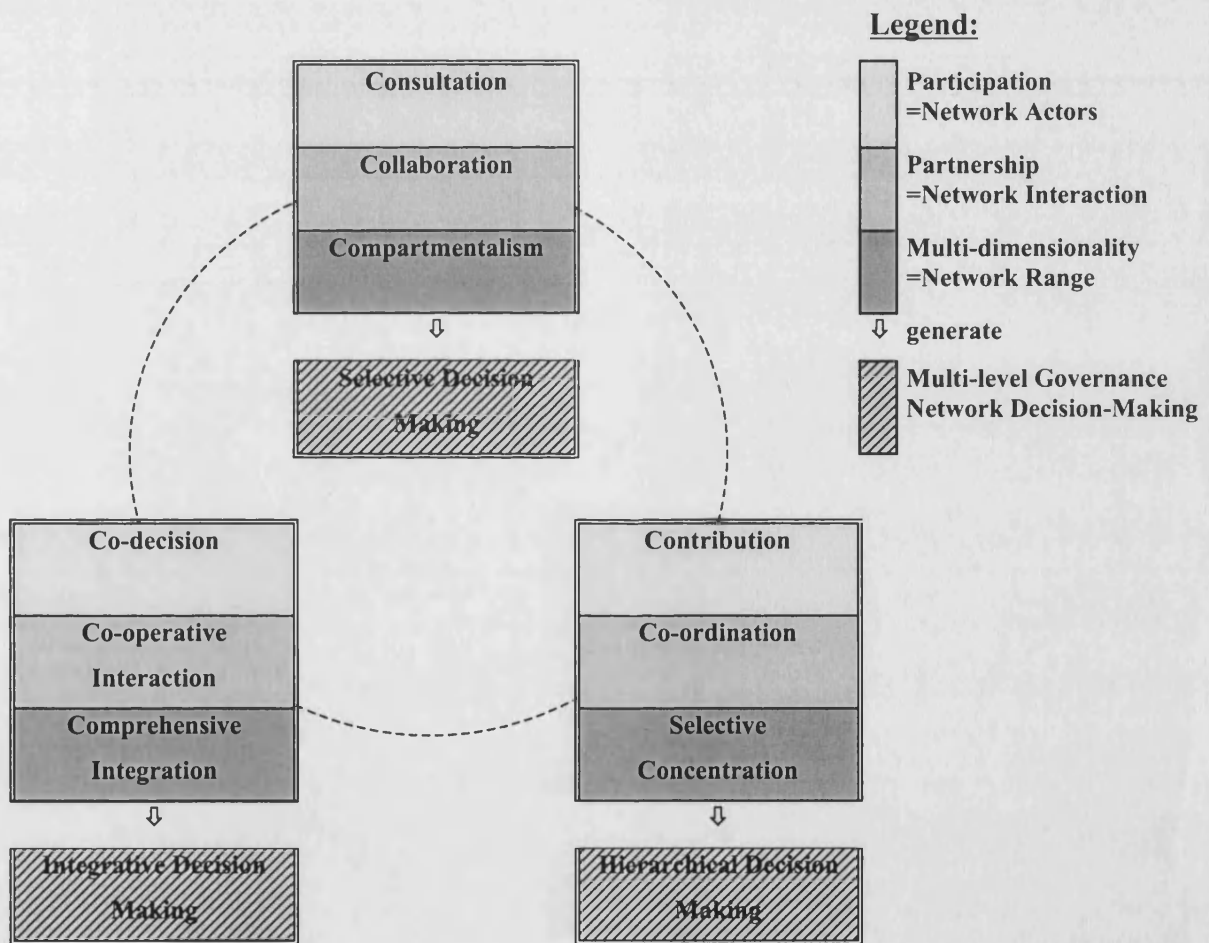
With the model now explained, the remainder of this section endeavours to first define the various concepts and dimensions within the differently shaded and hatched cells, before briefly illustrating the three idealtypes cited in the three boxes. As this conceptualisation has emerged from the empirical data, each of the ensuing paragraphs ends with empirical examples from the case studies at macro, meso and micro level. Of course, as an analytical simplification, an empirical attribution of the model can never be incontestable. Nor can it be exclusive or complete. Instead, the empiri-

cal cases at macro, meso and micro level comprise several facets of the above dimensions simultaneously. The interpretations are grounded in personal research experiences; different perspectives might produce other conclusions. Through this application of theory to practice and vice versa, the analytical conceptualisations can be tested and validated, while the concept of multi-level governance is further elaborated.

Interpreting the differently shaded cells, each of the conceptual elements connotes a potential, dynamic progress, clockwise from the top box via the right to the left box. In the light grey cells, the notion of Participation (Network Actors) comprises the different dimensions of Consultation, Contribution and Co-decision. Within the Consultation dimension, actors might be able to express their opinions, yet no imperative to act upon these opinions exists for the decision-making authorities. In the Contribution framework, a variety of actors are able to add aspects to the agenda, but ultimate decisions remain with the key players. As for Co-decision, however, an objective representation of all concerned actors, taking joint decisions, exists. In the latter case, decision-making is shared equally among all involved actors, as opposed to being left to just a selected few actors within the Consultation and Contribution dimensions.

As the empirical data has demonstrated, Consultation and Contribution marked the formulation of the URBAN Initiative at macro level. Furthermore, Contribution can be ascribed to the formulation of the UK URBAN programme at meso level, while Co-decision is associated with the German case. At micro level, the data identify the lack of local community participation in the formulation process. Co-decision among local authority actors characterised the URBAN project conception. Local communities, however, entered the different decision-making processes during the local operationalisation of URBAN. Subsequent Co-decision was achieved in the London (Park Royal), Merseyside, and Duisburg-Marxloh projects, although there were more noticeable variations in the British projects. The local community in Berlin attained Contribution in the realisation stage of the project.

The medium-grey cells of Collaboration, Co-ordination and Co-operative Interaction constitute the three dimensions of the concept of Partnership (Network Interaction).

Under the Collaboration dimension, different actors work together but no systemic imperative for the achievement of a common goal, mutual interaction, commitment and trust exists. While Co-ordination implies closer structured working relationships and consensus-oriented actions, mere communication tends to substitute for mutual interaction, commitment and trust between the involved actors. Within the framework of Co-operative Interaction, however, actors derived organisational benefits from mutually exchanged ideas and worked together in close and interactive relationships towards the achievement of a common goal.

According to the empirical data presented, the URBAN formulation at macro level constitutes an empirical example of Co-operative Interaction, which a variety of actors employed strategically to promote the URBAN Initiative across the European arena. The data indicate that the UK URBAN programme formulation at meso level is associated with Co-ordination at the project determination stage. The German counterpart can be linked to Co-operative Interaction in the project selection stage and in the formal relations with Commission officials, the latter not being detectable in the British case. As demonstrated by the empirical data, local communities were discounted as partners in the project formulation at micro level. Co-operative Interaction can, however, be attributed to the partnership relations among the decisive key actors in the London (Park Royal), Berlin and Duisburg-Marxloh URBAN projects, while Co-ordination was recorded in the case of Merseyside. In the operationalisation process, Co-operative Interaction was extended to the local communities and exercised at sub-programme level in London (Park Royal) and Merseyside. The URBAN project level, however, showed Collaboration for the British projects. While Co-operative Interaction was equally extended to include the local community in Duisburg-Marxloh, it remained confined to principal actors in Berlin, where Co-ordination marked the relations with the local communities.

The dark grey cells capture the notion of Multi-dimensionality (Network Range) in terms of the three dimensions of Compartmentalism, Selective Concentration and Comprehensive Integration. Under the dimension of Compartmentalism, distinct policy areas and policy departments work alongside each other without inter-connection, either because of unawareness of parallel activity, or unwillingness to co-operate. Within the framework of Selective Concentration, a few specific policy

areas and associated administrative departments work with each other, yet no further inter-linkage exists beyond these domains. Comprehensive Integration, however, allows the exchange of best practice and synchronises all concerned policy areas and administrative departments for effective networking and cross-sectoral synergy.

As the empirical data have demonstrated, the URBAN programme formulation at macro level was characterised by Compartmentalism within the Commission Services, and by Selective Concentration between the Commission and the European Parliament, with experts and urban interest groups. Given national Structural Fund traditions and URBAN's ERDF resource focus, Compartmentalism can be associated with programme formulation at the meso level, although the German case – given the institutional division of ERDF and urban policy responsibilities - indicated that Selective Concentration was the pattern in later formulation stages. According to the data, a project formulation at micro level was characterised by Selective Concentration regarding the borough-specific URBAN project conception in London (Park Royal) and Merseyside, as well as the Senate department-specific development of sub-projects for the URBAN project proposal in Berlin. Comprehensive Integration can, however, be attributed to the synthesised London (Park Royal) URBAN project application, the institutional integration at Merseyside's sub-programme level, and to the overall formulation process in Berlin. Moreover, Comprehensive Integration was particularly characteristic of the multi-dimensional URBAN project formulation in Duisburg-Marxloh. In interpreting the data, the operationalisation at the micro level can be ascribed to Selective Concentration in terms of the distinct ERDF and ESF management in the London (Park Royal), Merseyside and Berlin cases. Concerning institutional integration, the Berlin project and the Merseyside sub-programme level incorporated elements of Comprehensive Integration. The Duisburg-Marxloh case was characterised by Comprehensive Integration, both in terms of the institutional integration and synthesised ERDF/ESF operation.

Finally, the hatched cells represent the concept of Multi-level Governance (Network Decision-Making), comprising the analytical dimensions of Selective Decision-Making, Hierarchical Decision-Making, and Integrative Decision-Making. Selective Decision-Making refers to the notion of individuals or closed "clubs" taking decisions in a monopolistic manner. Although Hierarchical Decision-Making indicates a

more open method of decision-making, decisions are taken oligopolistically by a small number of actors in a top-down manner. Integrative Decision-Making, however, refers to the pooling and sharing of authority and decision-taking among all concerned actors for a joint vertical and horizontal decision-making process. Decentralisation and solidarity, thus, account for cohesion and consensus amid a democratic forum.

As suggested by the empirical data, Integrative Decision-Making can be ascribed to the formulation of the URBAN Initiative at macro level. Although the Consultation process of the "Green Paper on the Future of the Community Initiatives" provided broad, European-wide participation, ultimate decision-making within the Community Initiative framework lay with the Commission. Interpreting the data, Hierarchical Decision-Making can be attributed to the centralised and open competition-orientated UK programme formulation at meso level, while the federal, consensus-bound German counterpart demonstrated the Integrative Decision-Making dimension. Given the lack of local community participation and partnership as demonstrated by the empirical data, Selective Decision-Making can be ascribed to the project formulation at micro level. The increase in local community participation and partnership during the project operationalisation, however, translated into Integrative Decision-Making in London (Park Royal), Merseyside and Duisburg-Marxloh, while Hierarchical Decision-Making characterised the project realisation in Berlin.

Interpreting the three boxes, the different dimensions of Participation, Partnership and Multi-dimensionality produce different idealtypes of Multi-level Governance. Given the above illustration of concepts and dimensions, the different configurations show the following: Consultation, Collaboration and Compartmentalism generate Selective Decision-Making as the least representative and transparent form of Multi-level Governance. Contribution, Co-ordination and Selective Concentration produce the more open and partly representative Hierarchical Decision-Making. Co-decision, Co-operative Interaction and Comprehensive Integration generate Integrative Decision-Making, as the most representative, transparent and cohesion-oriented form of Multi-level Governance. However, given that Participation, Partnership and Multi-dimensionality and consequently Multi-level Governance are subject to dynamic processes and change in the empirical environment, different constellations and fa-

cets of the above concepts exist at macro, meso and micro level. This is illustrated by the following tabulated overview (Illustration 8.2.2):

Illustration 8.2.2: Empirical Networking and Decision-Making Application

		FORMULATION		OPERATIONALISATION	
M		**URBAN Programme**		**URBAN Programme**	
A		Consultation / Contribution			
C	**EU**	Co-operative Interaction		Micro	
R		Compartmentalism / Selective Concentration		Level	
O		*Integrative Decision-Making*			
M		**URBAN Programme**		**URBAN Programme**	
		Contribution			
E	**UK**	Co-ordination		Micro	
		Compartmentalism		Level	
		Hierarchical Decision-Making			
S		Co-decision			
	Ger-many	Co-operative Interaction		Micro	
O		Compartmentalism / Selective Concentration		Level	
		Integrative Decision-Making			
M		**London (PR) URBAN Project**	**Merseyside URBAN Project**	**London (PR) URBAN Project**	**Merseyside URBAN Project**
		No Participation / Co-decision	No Participation / Co-decision	Co-decision	Co-decision
I	**UK**	No Partnership / Co-operative Interaction	No Partnership / Co-ordination	Collaboration / Co-operative Interaction	Collaboration / Co-operative Interaction
		Selective Concentration / Comprehensive Integration	Selective Concentration / Comprehensive Integration	Selective Concentration	Selective Concentration / Comprehensive Integration
C		*Selective Decision-Making*	*Selective Decision-Making*	*Integrative Decision-Making*	*Integrative Decision-Making*
		Berlin URBAN Project	**Duisburg-Marxl. URBAN Project**	**Berlin URBAN Project**	**Duisburg-Marxl. URBAN Project**
R		No Participation / Co-decision	No Participation / Co-decision	Contribution	Co-decision
	Ger-	No Partnership / Co-operative Interaction	No Partnership / Co-operative Interaction	Co-ordination / Co-operative Interaction	Co-operative Interaction
	many	Selective Concentration / Comprehensive Integration	Comprehensive Integration	Selective Concentration / Comprehensive Integration	Comprehensive Integration
O		*Selective Decision-Making*	*Selective Decision-Making*	*Hierarchical Decision-Making*	*Integrative Decision-Making*

Participation Network Actor	Partnership Network Interaction	Multi-dimensionality Network Range	Multi-level Governance Network Decision-Making

According to the empirical data, formulation of the URBAN Initiative at macro level was characterised by the initial consultation with, and strategic contribution by, key actors during the preparation of a specific policy debate. Co-operative interaction was subsequently exercised to consolidate the respective agenda and to stimulate policy innovation within compartmentalised institutional structures. Furthermore, as indicated by the British case study data, selective actors participated in the formulation process through contribution under meso level co-ordination within a compartmentalised institutional structure. In interpreting the German case material, the programme formulation stage comprised co-decision among key actors interacting co-operatively within a compartmentalised, but frequently also selectively concentrated institutional system.

As the empirical data have demonstrated, the formulation process in London (Park Royal) excluded the local community from participation and, thus, partnership. Co-decision and co-operative interaction, however, existed among key actors within both selectively concentrated, yet also comprehensively integrated policy areas and departments during the sub-programme conception and URBAN project application processes. The data thus demonstrated a selective decision-making process. The subsequent operationalisation focussed on selectively concentrated policy areas and departments, where co-decision and co-operative interaction characterised the sub-programme level, while collaboration marked the URBAN project level. Interpreting the empirical data, decision-making advanced to an integrated process, despite variations between the sub-programme and URBAN project levels. As illustrated by the empirical data, the formulation process in Merseyside showed the lack of participation and partnership of local community actors, while co-ordination between key actors was identified. Although policy areas and departments were comprehensively integrated at sub-programme level, the URBAN project perspective, however, illustrated selective concentration. A selective decision-making process was, thus, recorded via the data material. During the operationalisation process, community participation advanced to co-decision, alongside co-operative interaction at sub-programme level. Collaboration characterised the URBAN project level. Although a borough-specific selective concentration of policy areas and departments is demonstrated at URBAN project level, the sub-programme perspective demonstrated comprehensive integration. According to the empirical data, an integrative decision-

making process was subsequently achieved amid URBAN project and sub-programme variations.

As indicated by the Berlin data, project formulation was characterised by co-decision and co-operative interaction among key actors at the expense of local community participation and partnership. Policy areas and departments were selectively concentrated during the sub-project development, yet comprehensively integrated in the overall formulation process. The empirical data, thus, demonstrated a selective decision-making process. Local community involvement, however, increased to contribution and co-ordinated partnership during the operationalisation process, accounting for a hierarchical decision-making process. Finally, according to the data, the Duisburg-Marxloh formulation was characterised by an absence of community participation and partnership, and co-operative interaction of decisive key actors within comprehensively integrated policy areas and departments. The empirical data identified decision-making as selective. In the subsequent operationalisation process, however, community participation advanced to co-decision, and co-operative interaction among all concerned actors, rendering decision-making an integrative process.

As can be seen from this discussion, the different constellations of Participation, Partnership and Multi-dimensionality exercised a decisive influence on the inputs and processes of the URBAN formulation and operationalisation at macro, meso and micro level. While this conceptualisation highlights the concepts' conditionality on each other, it also identifies them as key factors for operational decision-making regarding programme formulation and operationalisation. This, however, is impaired if the actor base is selective and/or the decisive key actors do not co-operate and interact with each other, and/or the policy sectors and structures are not institutionally integrated. Thus, even a combination of co-operative interaction and institutional integration equally cannot compensate for the lack of full participation of all the concerned actors. The URBAN formulation and operationalisation processes would be rendered top-down, prescribed policy solutions, based on mere perceptions of local need rather than necessarily identifying the core problems and/or addressing them appropriately. Furthermore, co-decisive participation of all concerned actors enjoying co-operative partnership relations cannot counteract institutional compartmentalism. The URBAN programme and its operationalisation would be left con-

fined to uni-dimensional policy interventions and regeneration perspectives. Finally, even co-decisive participation within a comprehensively integrated policy range cannot overcome the lack of co-operative interaction between the involved actors, impairing, paralysing and protracting decision-making concerning formulation and operationalisation.

Instead, all three concepts have to be fully operational. That is, all concerned actors have to participate and co-decide in co-operative interaction with each other within and across comprehensively integrated, multi-dimensional policy structures. Under these constellations, decision-making is equally - not selective nor hierarchically - integrated. Therefore, a subsequent aggregation reveals the further conceptual level of Multi-level Governance, constituting a function of Participation, Partnership and Multi-dimensionality, as illustrated in the following graphic (Illustration 8.2.3):

Illustration 8.2.3: Venn Diagram of Multi-level Governance
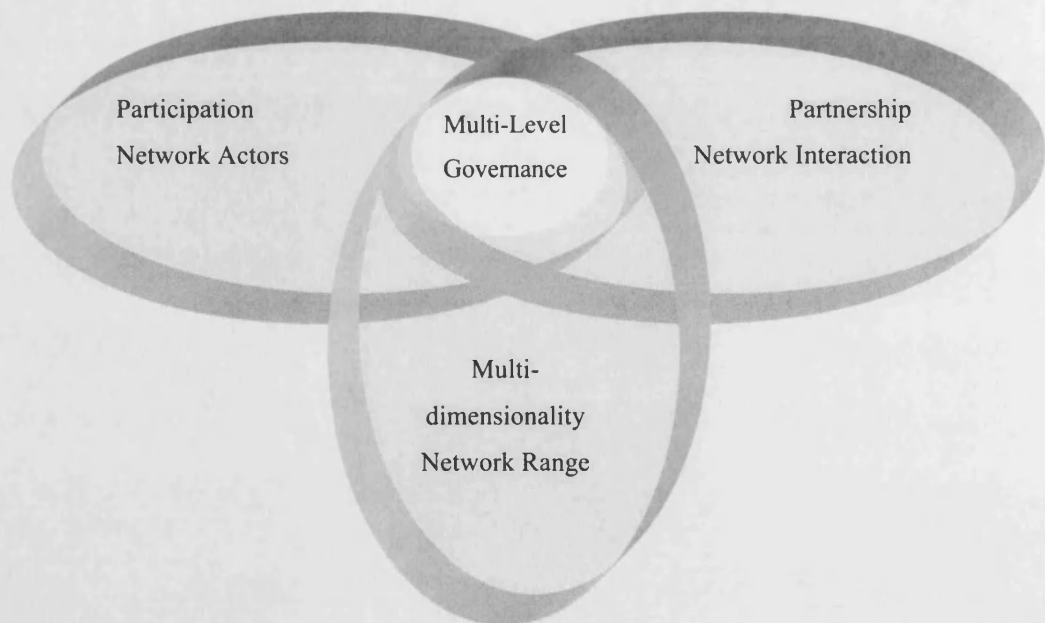
The above Venn Diagram illustrates Multi-level Governance in its interdependence on Participation, Partnership and Multi-dimensionality. However, alongside the complete realisation of these three concepts, Multi-level Governance can only be operational and useful within the framework of an integrated decision-making approach and balanced top-down and bottom-up structures.

8.3 Resume

Thus, drawing the empirical findings of URBAN's formulation and operationalisation together with the above-illustrated theoretical conceptualisation, multi-level governance emerges as a valid concept for, and operational approach to decision-making within the policy network approach, the urban policy framework, and the European Union decision- and policy making context.

> *"Clearly you have to have patterns of financial accountability as well as everything else; so you have to have some sort of system in place that actually monitors and evaluates that, but that doesn't have to be done at one level, that can be done at all three levels (...). So there can be an interaction, but one that has to be negotiated, it's not going to happen naturally, because people don't give up power naturally, it has to be worked on, and you can put in place the framework for that. And in any area, any community, there's going to be people who we call players and people who are sort of activists and people who have particular skills – the art is to bring all those together and actually using those particular skills to actually deliver programmes."*
> *(Granby/Toxteth-community Representative, 1998, T-30, p. 9)*

The URBAN Initiative (1994-1999) shaped the current Community urban agenda, influenced Europe's socio-spatial perceptions, and experimented with different actions, measures and strategies in a dynamic policy context. With a new philosophy, an integrated concept, and the incorporation of new actors, the URBAN Initiative represented an innovative Community approach to urban problems - ambitious, troubled, but equally challenging. The URBAN Initiative offers best practice, innovative approaches and elaborated methodologies, alongside misconceptions and pitfalls inherent in policy innovation and multi-level action programming. An evaluation of the URBAN Community Initiative is, thus, not only required to illustrate the programme's major impacts and results. More importantly, a comprehensive assessment has to serve as the basis for future EU socio-spatial engagements, where the incorporation of lessons learnt at local, national and European level into future policy formulation and implementation processes constitutes an imperative within a sustainable governance perspective.

In the realisation of a multi-dimensional, integrated urban dimension based on co-operative partnership and the participation of all concerned actors, future Community urban engagement needs to address a variety of open questions. While the local context of the city needs to be defined, both in regard to territorial boundaries, and institutional competence as well as the subsidiarity principle, the fundamental question of governance and local empowerment requires particular attention. The urban im-

pact of existing Community policies needs to be considered, not only in ex-post impact analyses, but more importantly as ex-ante conditionalities for the future conception of European policy interventions with a comprehensive and long-term urban development perspective. While the European urban agenda has to address the issues of urban productivity, competitiveness and employment, their crucial impact on and interrelation with their surrounding region requires further exploration. Approaching the question of equality and socio-economic cohesion in urban areas, effective and sustainable strategies have to be devised, while the quality of life and the quality of the environment constitute a further element of the European urban challenge.

In conclusion, the incremental development of a European urban agenda is visible in the increase in volume and significance of urban-related studies, conferences and action programmes, most notably the Urban Pilot Projects and the URBAN Community Initiative (1994-1999). At the policy level, several EU documents have given new impetus to the European debate on urban policies. The "Cohesion Report" (EU, 1996, p. 111f) characterised the URBAN Initiative, alongside INTERREG and LEADER, as successful in realising their envisaged objectives, adding value to the Community's cohesion policy and maintaining a distinct identity. The report by the Expert Group on the Urban Environment "European sustainable cities" (EC/DGXI, 1996, p. 40ff), identified the four principles of policy integration, ecosystem thinking, co-operation and partnership, and finally urban management perceived essential for urban governance, as core concepts of sustainable development.

A further key publication, the "Agenda 2000 - For a stronger and wider Union" (EC, 1997) outlined the broad perspectives for the development of the EU, its policies, future enlargement and the financial framework for 2000-2006. It also proposed Community assistance for "urban areas in difficulty" (EC, 1997, p. 23) under the new Objective 2 provision. The DG for Regional Policy further consolidated the Community's urban intervention in its publication "Europe's cities - Community measures in urban areas" (EU/EC, 1997, p. 4ff). The document identified the increasing socio-economic exclusion and environmental problems affecting over 280 million people in European cities not only as a challenge for cities, but also for the European Union as a whole. As one of the most comprehensive documents of the Commission's socio-spatial approach, the publication "Towards an urban agenda in

the European Union" (COM(97)197) illustrated the socio-economic, environmental and political challenges facing European cities, while summarising past, and outlining future Community engagement in European cities. Recognising cities as engines for regional, national and European economic progress, the Commission argued for an urban perspective within EU policies and highlighted the particular role of the Structural Funds and local authority participation in programme formulation and implementation. The document further emphasised the transfer and dissemination of best practice, and initiated the European-wide debate on urban issues, which concluded in the Urban Forum (November 1998). The publication "Sustainable urban development in the European Union - A framework for action" (EU/DGXVI, 1999, p. 7ff) accompanied the forum and identified four policy areas for future action: strengthening of economic prosperity and employment in towns and cities, promoting equality, social inclusion and regeneration in urban areas, protecting an improving the urban environment within the perspective of a local and global sustainability, and finally contributing to good urban governance and local empowerment.

At the structural programming level, the increasing urban perspective of Community policies finds equal expression through the continuation of the Urban Initiative until 2006, and the incorporation of urban areas into mainstream Objective 2 funding. Sustainable urban development is, thus, elevated to one of the Community's priorities for the Structural Fund programming period between 2000 and 2006. The future European urban agenda will be decided by the European Union's institutional development, enlargement, political integration as well as governance perspectives and practices, which have yet to be determined. This study sought to investigate the role which policy networks and multi-level governance played within the decision-making processes behind the formulation and operationalisation of the URBAN Initiative. Future research will have to elaborate on the precise impact of policy networks and multi-level governance on policy formulation, implementation and, particularly, policy innovation. Further empirical research is needed on sustainable urban governance, social-spatial exclusion, and integrated action programming within the multi-level and multi-actors context of European Union decision- and policy-making.

Appendix

A-1: Map of URBAN I Projects:

● **URBAN projects**

GUADELOUPE (

MARTINIQUE (F

GUYANE (FR)

RÉUNION (FR)

CANARIAS (ES)

AÇORES (PT)

MADEIRA (PT)

ISLAND

NORWEGIAN
SEA

FAEROERNE

NORGE

EESTI

RÜSSIJA

LATVIA

LIETUVA

NORTH
SEA

BALTIC
SEA

BELARUS

POLSKA

UKRAINA

CESKA REBUBLIKA

SLOVENSKA
REBUBLIKA

MOLDOVA

MAGYARORSZAG

ROMANIA

SCHWEIZ
SUISSE
SVIZZERA

SLOVENIJA

HRVATSKA

BOSNA I
HERGEGOVINA

JUGOSLAVIA

BLAC
SEA

BALGARIJA

PJRM

SHOIPÉRIA

TÜRK

ATLANTIC
OCEAN

MEDITERRANEAN
SEA

MALTA

0   100   500 KM
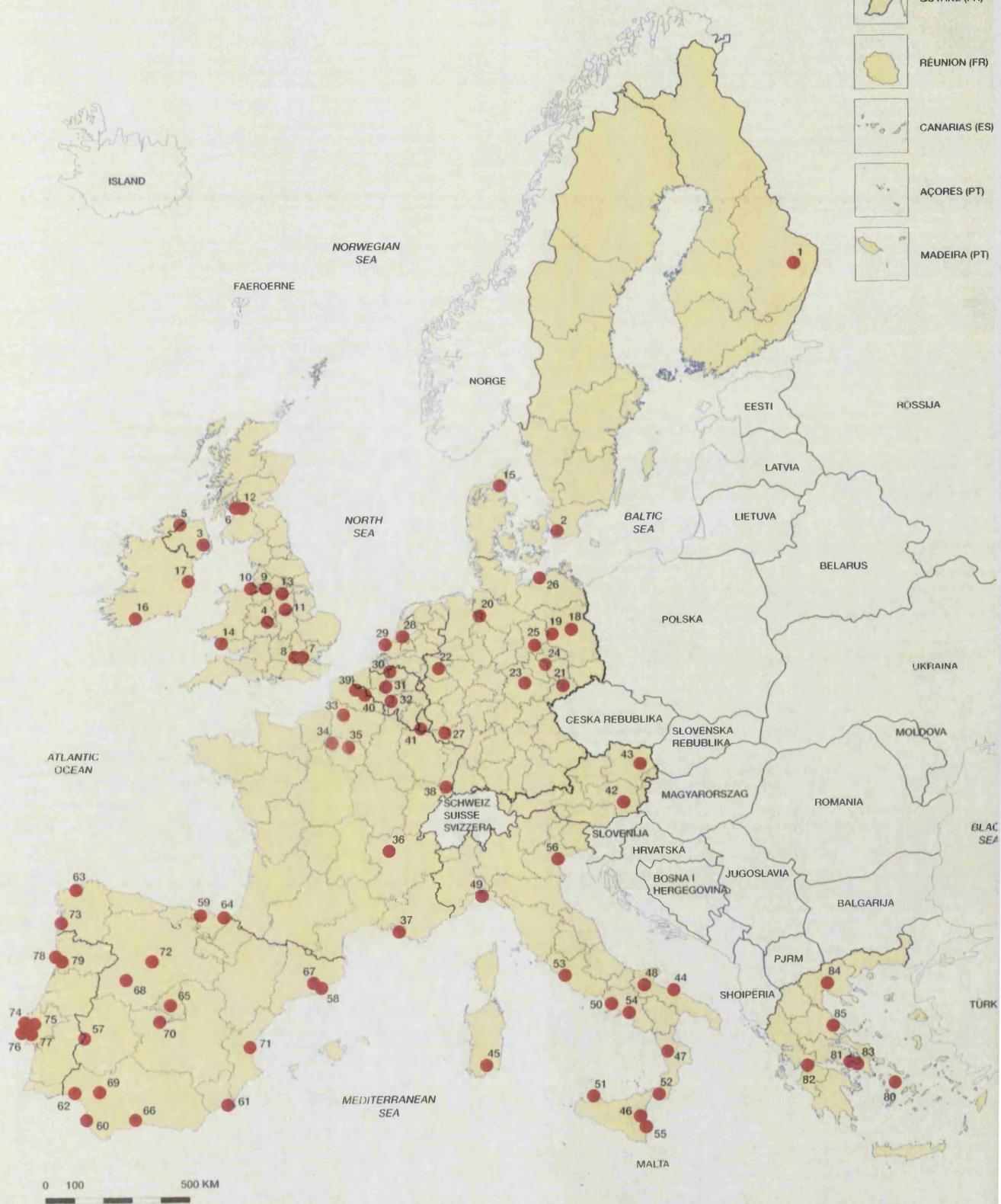
This map has no legal status. The territorial boundaries shown are those used for NUTS 2 purposes.
Source: EC-DG XVIGIS and GISCO, XVI-A-4. Edition 12/1996.

URBAN I Projects

1	Joensuu (Rantakylä & Penttilä)	44	Bari (Borgo Antico)
2	Malmö (Mölevangen, Sofielund, Augustenborg, Almhög, Nydala)	45	Cagliari (Pirri)
3	Belfast (Greater Shankill, Upper Springfield)	46	Catania (centro)
4	Birmingham (Sparbrook)	47	Cosenza (centro)
5	Londonderry (Creggan, Fountain & Bishop Street / Brandywell)	48	Foggia (Nord)
6	Glasgow (North)	49	Genova (Cornigliano & Sestri)
7	London (East: Hackney & Towers Hamlets	50	Napoli (Spagnoli & Sanità)
8	London (Park Royal)	51	Palermo (Tribunali & Castellammare)
9	Greater Manchester (Moss Side & Hulme)	52	Reggio Calabria (Nord)
10	Merseyside: North Huyton (Knowsley), Sefton (Netherton), Liverpool (Centre)	53	Roma (Tor Bella Monaca & Torre Angela)
11	Nottingham (Radford, Hyson Green & Forest Field)	54	Salerno (centro)
12	Paisley	55	Siracusa (Ortigia)
13	Sheffield (NW inner city area)	56	Venezia (Porto Marghera)
14	Swansea (Townhill)	57	Badajoz (centro)
15	Aalborg (Thistedvej, Nørresundby)	58	Badalona (Serra d'en Mena)
16	Cork (North)	59	Baracaldo (Galindo)
17	Dublin (North, Ballymun & West Tallaght / Clondalkin)	60	Cádiz (El Populo & Santa Maria)
18	Berlin (Bezirke Prenzlauer Berg, Weißensee & Friedrichshain)	61	Cartagena (centro)
19	Brandenburg (Bahnhofsvorstadt)	62	Huelva (Marismas del Odiel, Torrejón, Orden, Pérez Cubillas, San Sebastián)
20	Bremen (Lindenhof, Gröpelingen & Ohlenhof)	63	La Coruña (Sureste)
21	Chemnitz (Brühl-Nord)	64	Langreo (La Felguera-Lada)
22	Duisburg (Marxloh)	65	Madrid (Carabanchel)
23	Erfurt (Ost)	66	Málaga (centro)
24	Halle (Südost)	67	Sabadell (centro)
25	Magdeburg (Cracau area)	68	Salamanca (centro)
26	Rostock (Kröpeliner-Tor-Vorstadt)	69	Sevilla (centro)
27	Saarbrücken (Burbach & Malstatt)	70	Toledo (Santa Maria Bienquerencia)
28	Amsterdam (Bijlmermeer)	71	Valencia (Velluters)
29	Den Haag (Schilderswijk)	72	Valladolid (España, San Pedro Regalado)
30	Antwerpen (Noord-Oost)	73	Vigo (centro)
31	Bruxelles - Brussel (Molenbeek)	74	Lisboa (Amadora, Venda Nova / Damaia de Baixo)
32	Charleroi (Fourcault)	75	Lisboa (Casal Ventoso)
33	Amiens (Etouvie & Amiens-Nord)	76	Lisboa (Loures-Odivelas)
34	Aulnay-sous-Bois (Nord)	77	Lisboa (Oeiras-Outurela / Portela)
35	Paris (Les Mureaux)	78	Porto (S.Pedro Da Cova, Gondomar)
36	Lyon (Grand Est)	79	Porto (Vale de Campanhã)
37	Marseille (centre)	80	Syros (Ermoupolis)
38	Mulhouse (Les Côteaux)	81	Athina (Piraeus zone, Keratsini)
39	Roubaix-Tourcoing (périphérie)	82	Patras
40	Valenciennes (périphérie)	83	Athina (Peristeri)
41	Dudelange-Differdange	84	Thessaloniki (N-NW)
42	Graz (Gries)	85	Volos (Nea Ionia)
43	Wien (Gürtel)		

List correct at 31 January 1997 (Source: EC/EU: "Europe's Cities", 1997, p. 16f)

A-2: Methodological Research Tool: Topic Guides:

Topic Guide: EU Level

Processes prior and during URBAN's formulation at EU, national and local level

- Socio-economic and political situation of urban areas in early 1980s
- Political constellation regarding urban issues (networking, lobbying, interest groups)
- Key actors, events, publications leading to idea of an urban programme
- Procedure of policy- and decision-making, networking, etc.
- Influence by international bodies: OECD, Council of Europe, etc.
- Studies commissioned by European Community (role and influence)
- Position of Commission DGs on urban issues/programme in 1980s-1990s
- Role of European Parliament, Commission, Committee of Regions, national and sub-national governments in regard to an European urban programme
- Structural Fund programming issues

Processes during URBAN's operationalisation at EU, national and local level

- Criteria of eligibility for local projects, selection mode and process
- Key actors, events and major constraints during (set-up of) operationalisation
- Institutional and administrative (set-up of) operationalisation, procedures
- Launch of URBAN Initiative, and local projects
- Budgetary issues (Structural Funds, Development Objectives, project spending, etc.)
- Monitoring, evaluation

Institutional and political relationships

- EU and Member States, sub-national governments, interest groups and other actors involved prior to and during URBAN's formulation and operationalisation

Attitudes, perceptions and opinions

- Formulation processes and operationalisation procedures (general; in specific Member States; in UK and Germany)
- The programme URBAN
- URBAN's framework as a Community Initiative
- Strengths and weaknesses of URBAN Initiative
- EU modus operandi regarding urban issues
- EU policy- and decision-making within the context of Community Initiatives

Topic Guide: National Level

Processes prior and during URBAN's formulation at national level
- Socio-economic and political situation of urban issues prior to URBAN
- Political constellation (incl. networking, lobbying, interest groups)
- Key actors, events and major constraints (internal and external) leading to application for URBAN funding (consultations prior to application)
- Selection procedure for proposals (reasons for choice of cities and urban areas)
- Application procedure: influence on proposal preparation, policy- and decision-making/networking, proposal submission to Commission
- Successful selection by Commission: processes of approval by national government, operationalisation

Processes during URBAN's operationalisation
- Key actors, events, constraints during URBAN's operationalisation
- Management Committee, Monitoring Committee, Urban Partnership Groups: structure, objectives, role, function, representation, members, monitoring, other implications and relation to other operationalisation actors
- Project partners at national, regional and local level
- Start of project operationalisation, state-of-the-art
- Budgetary issues (Structural Funds, additionality, etc.)

Attitudes, perceptions and opinions at national
- Formulation processes and operationalisation procedures (national, local and European)
- The programme URBAN
- URBAN's framework as a Community Initiative
- Strengths and weaknesses of URBAN Initiative; of UK/German URBAN programmes versus other Member States; of UK/German URBAN projects versus others in other Member States
- EU modus operandi regarding urban issues
- EU policy- and decision-making within context of Community Initiative

Topic Guide: Local Level

Processes prior and during URBAN's formulation at local level
- Socio-economic and political situation of case study prior to URBAN funding
- Political constellation (incl. networking, lobbying, interest groups)
- Key actors, events, constraints leading to application for URBAN funding
- Process to meet Commission's eligibility criteria (consultations prior to application)
- Selection of URBAN project areas
- Application procedure: proposal preparation and development, policy- and decision-making, networking, proposal submission
- Successful selection by Commission: processes of approval by national government, operationalisation

Processes during URBAN's operationalisation
- Key actors, events, constraints during URBAN's operationalisation
- Management Committees/Operationalisation agencies: structure, objectives, role, function, representation, members, monitoring, other implications and relation to other operationalisation actors; Monitoring Committee
- Urban Partnership Groups: structure, objectives, role, function, representation, members, monitoring, other implications and relation to other operationalisation actors; URBAN Action Plans/Operational Programmes
- Project partners at national, regional/local and European level
- Start of project operationalisation, state-of-the-art
- Budgetary issues (Structural Funds, match funding, etc.)

Attitudes, perceptions and opinions
- Formulation processes and operationalisation procedures (local, national and European)
- The programme URBAN
- URBAN's framework as a Community Initiative
- Strengths and weaknesses of URBAN Initiative; of UK/German URBAN projects versus other Member States
- EU modus operandi regarding urban issues
- EU policy- and decision-making within context of Community Initiative

A-3: Sampling of Interview Respondents at the Macro, Meso and Micro Level:

As administrators of the URBAN Initiative, key actors in the Commission's DG for Regional Policy[1] (DGXVI) were identified through their role as URBAN contact persons via the EU's Interinstitutional Directory (EU, 1997), as well as through information material of the DG for Regional Policy, including its Internet Page. Subsequent snow-balling and cross-referencing of key actors through the pilot, contextual and main interviews substantiated existing information, and generated new material and interview contacts, such as key actors in the DG for Employment[2] (DGV), cooperating with the DG for Regional Policy in regard to the European Social Fund (ESF) management of URBAN, and officials from the DG for Environment[3] (DGXI), involved in the development of the "Green Paper on the Urban Environment (1990)", one of the key documents for the European urban agenda. In the European Parliament (EP), URBAN key actors were identified initially through the Romeos[4] and Pack[5] Reports, two key documents in respect to URBAN's formulation[6], as interview piloting had merely indicated the significance of the Parliament's Committee on Regional Affairs. Following the cross-reference and validation with officials from the DG for Regional Policy, experts, and contextual interviews, a number of Members of the European Parliament (MEPs) were identified as key actors for URBAN's formulation in the Parliament Committees on Regional Affairs, on Employment and Social Affairs, as well as on Budgets. Cross-referencing further identified the major players in the Brussels-based interest groups, while the national and local case study actors indicated the key actors in the Liaison Offices in Brussels.

At the national level, the major actors were determined via their position and responsibilities in the respective government department managing the URBAN projects

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[1] Directorate General for Regional Policy and Cohesion.
[2] Directorate General for Employment, Industrial Relations and Social Affairs.
[3] Directorate General for Environment, Nuclear Safety and Civil Protection.
[4] EP Session Document (A3-0279/93): "Report, of the Committee on Regional Policy, Regional Planning and Relations with Regional and Local Authorities, on the future of Community Initiatives under the Structural Funds (COM(93)282 final – C3-0299/93)", Rapporteur Mr. Georgios Romeos, 11/10/93.
[5] EP Session Document (A3-0385/93): "Report, of the Committee on Regional Policy, Regional Planning and Relations with Regional and Local Authorities, on the problems of and prospects for conurbations", Rapporteur Mrs. Doris Pack, 01/12/93.
[6] Identified through research on the Information Service Reuters and validated by EP and Commission officials.

nationally. Through information on URBAN by the DG for Regional Policy, key actors in the UK were identified in the Department of the Environment, Transport and the Regions (DoE/DETR). Key actors in Germany were located in the Bundeswirtschaftsministerium[7] (BMWi), the Bundesministerium für Raumordung, Bauwesen und Städtebau[8] (BMBau) and the Deutsches Seminar für Städtebau und Wirtschaft[9] (DSSW). Given the operational management of URBAN in the UK and Germany, sub-national key actors were identified in the Government Office for London (GOL), the Government Office for Merseyside (GOM), and in the German Länder Governments, that is, the Berlin Senatsverwaltung für Wirtschaft und Betriebe[10] (SenWi), and the Ministerium für Stadtentwicklung, Kultur und Sport des Landes Nord-Rhein Westfalen[11] (MSKS).

Key actors at the local case study level were identified through various channels. In addition to the information provided by the respective URBAN Operational Programmes, a compendium of German URBAN projects, compiled by the Deutsches Seminar für Städtebau und Wirtschaft (DSSW)[12], assisted in the determination of the local key actors in Berlin and Duisburg-Marxloh. In the UK, the local key actors were identified through information provided by the DG for Regional Policy and the respective Government Offices, characterised as local URBAN project managers by DETR officials and Commission Desk Officers. Thus, membership lists of the so-called URBAN Management Committees have been obtained. However, given the large amount and high fluctuation of Management Committee members without further specification of their individual roles and degree of involvement, extensive snow-balling and cross-referencing had to be employed to identify the respective main players. Subsequently, local key actors were identified as members of the URBAN Management Committees in the UK, and the URBAN operationalisation teams in Germany, comprising the respective local authorities, voluntary sector and community representatives, as well as other case-specific members of the operationalisation agencies.

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[7] Federal Ministry for the Economy.
[8] Federal Ministry for Regional Planning, Construction and Urban Development.
[9] German Seminar for Urban Development and Economy.
[10] Senate Administration for the Economy and Public Utilities.
[11] Ministry for Urban Development, Culture and Sports of the federal state North-Rhine Westphalia.
[12] German Seminar for Urban Development and Economy

List of Interviewees:

T-1: Official from the SenSchule (Senate Administration for Schools, Youth and
    Sport)

T-2: Official from the Prenzlauer Berg District

T-3: Official from the Ausländerbeauftragte (Senate Commissioner for Foreigners)

T-4: Official I from the B.&S.U. (Environmental Consultancy)

T-5: Official from the SenStadtUm (Senate Administration for Urban Development,
    Environmental Protection and Technology)

T-6: Official from the SenGesundheit (Senate Administration for Health and Social
    Affairs)

T-7: Official from the Senate Administration for the Interior, and Official from the
    KICK sub-project.

T-8: Official from the SenWi (Senate Administration for the Economy and Public
    Utilities), and Official from the SenArbeit (Senate Administration for
    Employment, Vocational Training and Women)

T-9: Official II from the B.&S.U.

T-10: Former Official from the MSKS (Ministry for Urban Development, Culture
    and Sports of the federal state North-Rhine Westphalia)

T-11: Official from the IBA (International Building Exhibition), Emscherpark

T-12: Official from the Liegenschaftsamt: Public Property Office, Duisburg

T-13: Official from the MSKS

T-14: Official from the EGM (Development Agency Marxloh), and Marxloh-
    community Representative

T-15: Official II from the Stadtteilprojekt-Marxloh (Community Project Marxloh)

T-16: Official I from the Stadtteilprojekt-Marxloh

T-17: Official I and II from the ASSW (Duisburg Office for Statistic, Urban
    Research and European Affairs)

T-18: White City-community Representative

T-19: Official from the Committee of the Regions

T-20: Official from Westminster Council

T-21: Former Official from Hammersmith and Fulham Council

T-22: Queen's Park-community Representative

T-23: Official for Hammersmith and Fulham Council

T-24: Official from the ALG (Association of London Government)

T-25: Official from Brent Council

T-26: South Kilburn-community Representative

T-27: Official from the Government Office for London

T-28: North Huyton-community Representative

T-29: Netherton-community Representative

T-30: Liverpool-community Representative

T-31: Officials I and II from the Government Office for Merseyside

T-32: Officials I and II from Knowsley Council

T-33: Official from Sefton Council

T-34: Official from Liverpool City Council

T-35: Official from the CVS (Council for Voluntary Services), Liverpool

T-36: Official from the BMWi (Federal Ministry for the Economy)

T-37: Official from the BMBau (German Seminar for urban development and
    economy)

T-38: Official from the DSSW (German Seminar for urban development and economy, Brussels)

T-39: Former Official from the DoE (Department of the Environment)

T-40: Official from the DETR (Department of the Environment, Transport and the Regions)

T-41: Official from the Berlin Liaison Office, Brussels

T-42: Official from the North-Rhine Westphalia Liaison Office, Brussels

T-43: Official from the Merseyside Liaison Office, Brussels

T-44: Official from the ALG, Brussels Office

T-45: Former Official from DGXVI: Directorate General (DG) for Regional Policy and Cohesion

T-46: UK/German Desk Official from DGXVI

T-47: Official from DGXVI, Conceptual Unit

T-48: UK-Desk Official from DGXVI

T-49: Desk Official from DGXVI, Berlin URBAN Project

T-50: German-Desk Official from DGXVI

T-51: Desk Official from DGXVI, London (Park Royal) URBAN Project

T-52: Desk Official from DGXVI, Merseyside URBAN Project

T-53: Official from DGXVI, Conceptual Unit

T-54: Former Official from DGXVI

T-55: Desk Official from DGXVI, Duisburg-Marxloh URBAN Project

T-56: Former Official from DGXVI

T-57: Former Official from DGXVI

T-58: Former Official from DGV (DG for Employment, Industrial Relations and Social Affairs)

T-59: Official from DGV

T-60: Official from DGV

T-61: Former Official from DGXI (DG for Environment, Nuclear Safety and Civil Protection)

T-62: Official from DGXI

T-63: Official from the Commission's Forward Studies Unit (FSU)

T-64: Member of the European Parliament (MEP), Budgets Committee

T-65: MEP, Regional Affairs Committee

T-66: MEP, Regional Affairs Committee and Social Affairs and Employment Committee

T-67: MEP, Regional Affairs Committee

T-68: MEP, Regional Affairs Committee

T-69: MEP, former President of the European Parliament

T-70: MEP, Regional Affairs Committee

T-71: German Expert for DGXVI: Universität Dortmund

T-72: UK Expert for DGXVI: London School of Economics and Political Science

T-73: UK Expert for DGXVI: Liverpool John Moores University

T-74: Official from Eurocities

T-75: Official from the Quartiers en Crise Network

A-4: Atlas/ti Network View of Multi-level Governance:

Focussed Network on: Multi-level Governance Networking
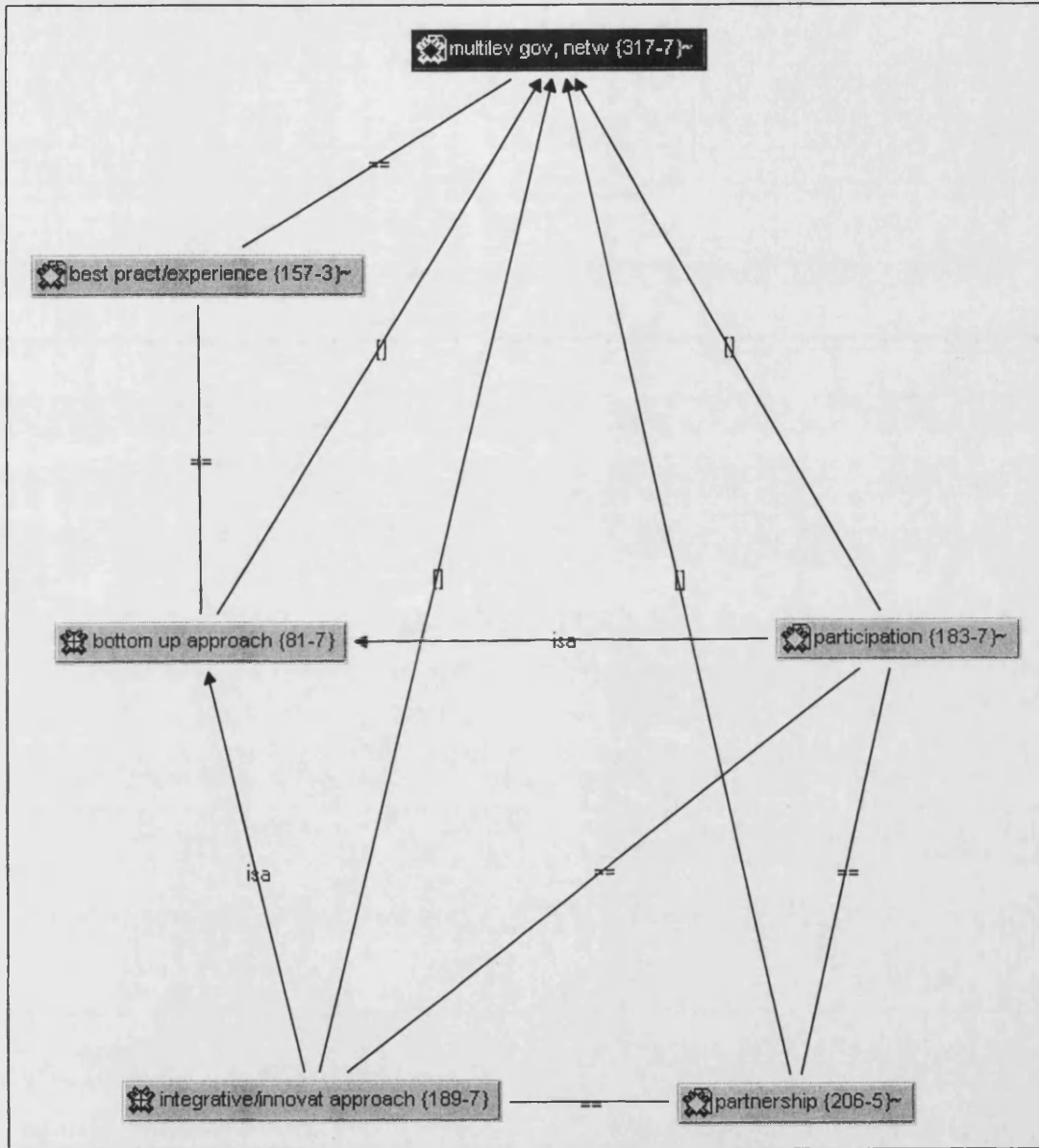
<u>**Legend for Display of Links between Nodes (=graphically depicted codes)**</u>

"[]": is part of

"= =": is associated with

"isa": constitutes

A-5: URBAN Mid-term Review:

One of the earliest approvals were given to two URBAN I projects in Northern Ireland in February 1995, followed by the Greek projects in March 1995, the Belgium, Portuguese, Spanish and two Eastern German projects in July 1995, the Dutch projects and a further East German project in September 1995. The remaining URBAN projects in Germany, Denmark and Luxembourg received approval in November 1995, followed by the New Member State Austria in December 1995, France between March, May and July 1996, Italy in April 1996 and Ireland in July 1996, while six British URBAN projects were finally approved in July 1996 and November 1996. Following the Reserve allocation in May 1996, a further 33 URBAN II projects were launched, including the new Member States Finland and Sweden in July 1996 and December 1996 respectively (Inforegio No. 14, March 1995; No. 23, December 1995; No. 26, March 1996; No. 32, September 1996; No. 35, December 1996).

In total, the URBAN Initiative co-financed 118 projects out of approximately 420 submitted proposals[13]. The overall EC budget amounted to approximately 891MECU (at 1996 prices) of which 82% accounted for the ERDF and 18% for the ESF. Further financial assistance was provided for by national, regional and local authorities, in concertation with the private sector and social organisations. The overall eligible URBAN investment was about 1.8 billion ECU. Facing particularly acute problems, Objective 1 designated cities were given funding priority, and accounted for 57% of URBAN projects, compared with 27% of projects located within Objective 2 areas (EU, Inforegio Fact Sheet, 15.11.1998, p. 4).

Covering approximately 3.2 million people, a breakdown of the URBAN population per Member State ranged from the higher rates of 16.7% for Spain, 15% for Italy and 12.5% for the UK, via 8.1% for Ireland and 7.5% for Germany, to the lower rates of 0.7% for Sweden and 0.1% for both Denmark and Luxembourg. URBAN's spatial focus was considered to maximise the impact of intervention and create synergy effects within and beyond the project area for the entire city, although different perceptions existed about the benefits of the target-area and the target-group approach.

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[13] EC/SF, 1996a, p. 11.

The majority of 43% of URBAN projects addressed inner-city problems, particularly in France, the UK and Spain, one third tackled problems in peripheral areas, especially the case for Germany, the Netherlands and the UK, while one fifth of URBAN projects targeted problems of historic city centres, most common in Italy and Spain. Reviewing their socio-economic activity, over 60% of URBAN projects addressed a mix of residential and commercial areas, over a quarter were implemented in predominantly residential areas, found in France and the UK, while about 12% of URBAN projects targeted abandoned industrial areas, mainly the case in Belgium, Denmark, Germany and Spain (EU, Inforegio Fact Sheet, 15.11.1998, p. 2).

The range of operationalised measures included the support of existing or new economic activities, technical assistance for small and medium-seize enterprises, and the improvement of communication infrastructure, networking and private sector investment conditions. Equally, through the provision of training, employment subsidy schemes, access to information, language courses and counselling were the problems of unemployment, and particularly youth- and long-term unemployment addressed. While security measures and the 'greening' of deprived urban neighbourhoods further helped to improve the quality of urban life, the exchange of past experiences and best practice helped elaborate sustainable urban development strategies. Consolidating the European urban agenda, the URBAN Initiative further highlighted the need for Community interventions to be multi-dimensional, "integrated and based on local partnerships that ensure the involvement of all stakeholders" (EU, Inforegio Fact Sheet, 15.11.1998, p. 4).

A-6: Maps of URBAN Project Areas

PARK ROYAL URBAN COMMUNITY AREA

STONEBRIDGE

HARLESDEN

MANOR

KILBURN

QUEENS PARK (Brent)

CARLTON

KENSAL RISE

QUEENS PARK (Westminster)

COLLEGE PARK & OLD OAK

WORMHOLT

WHITECITY & SHEPHERDS BUSH
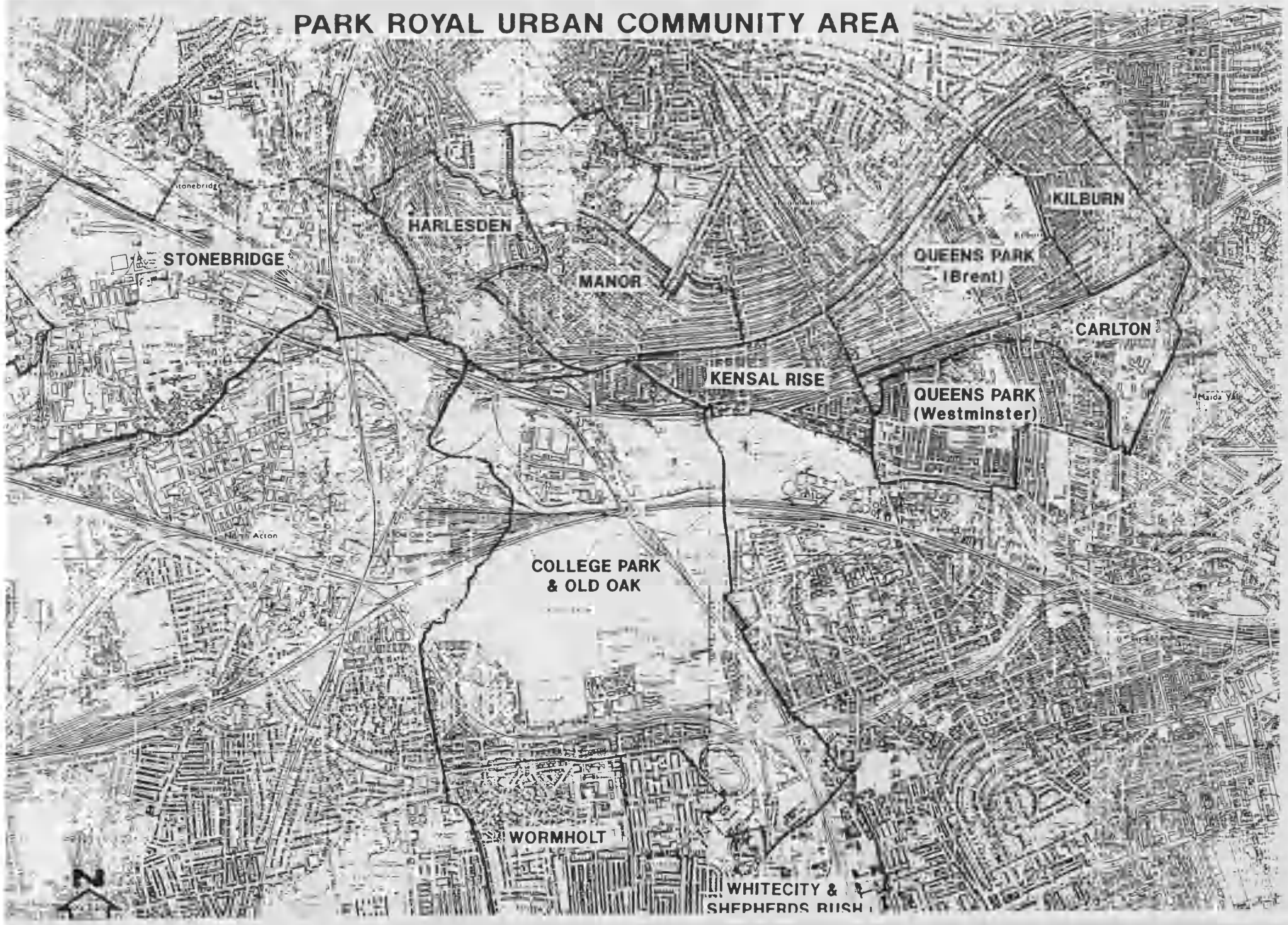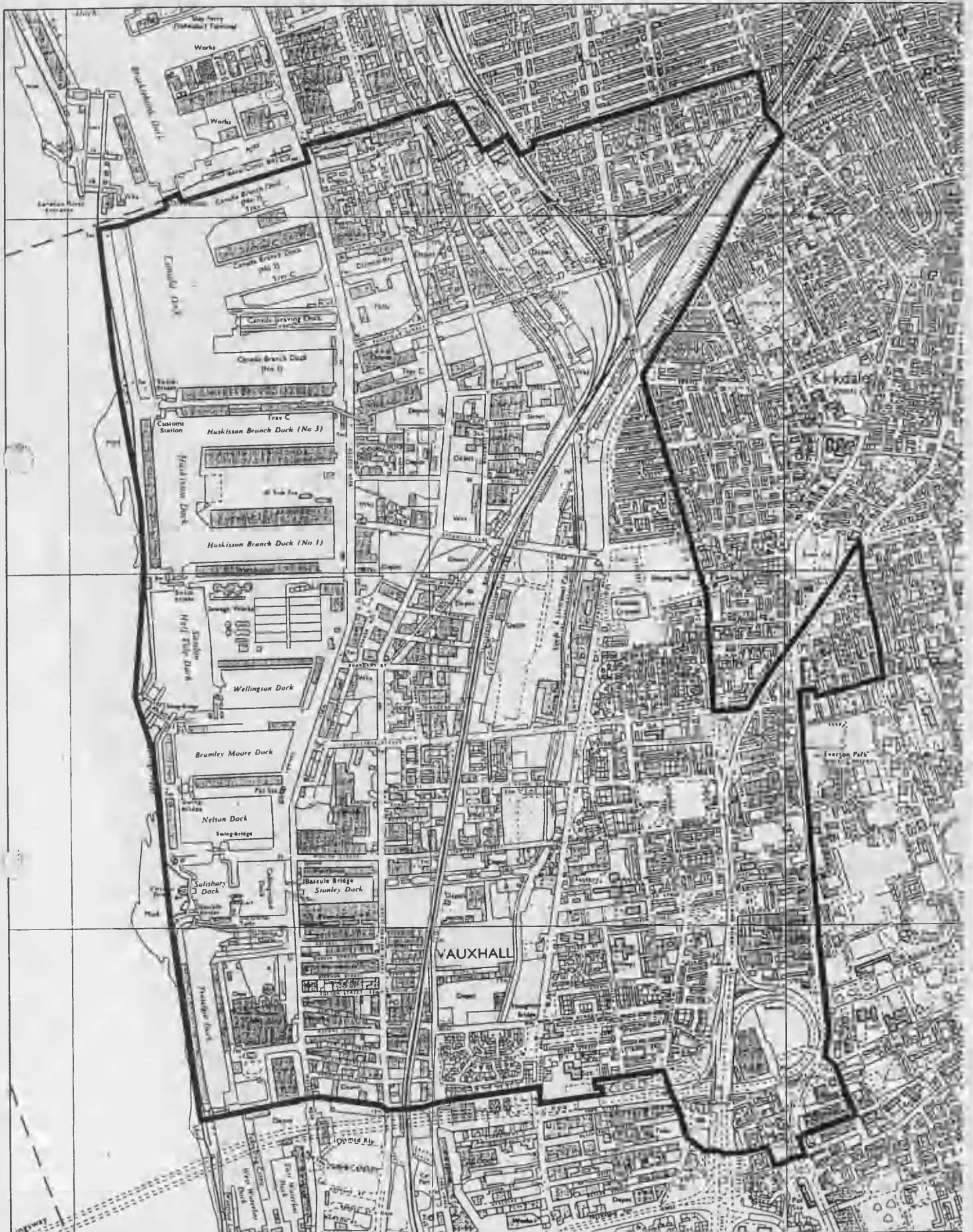
Vauxhall Ward

Everton Ward

Abercromby Ward
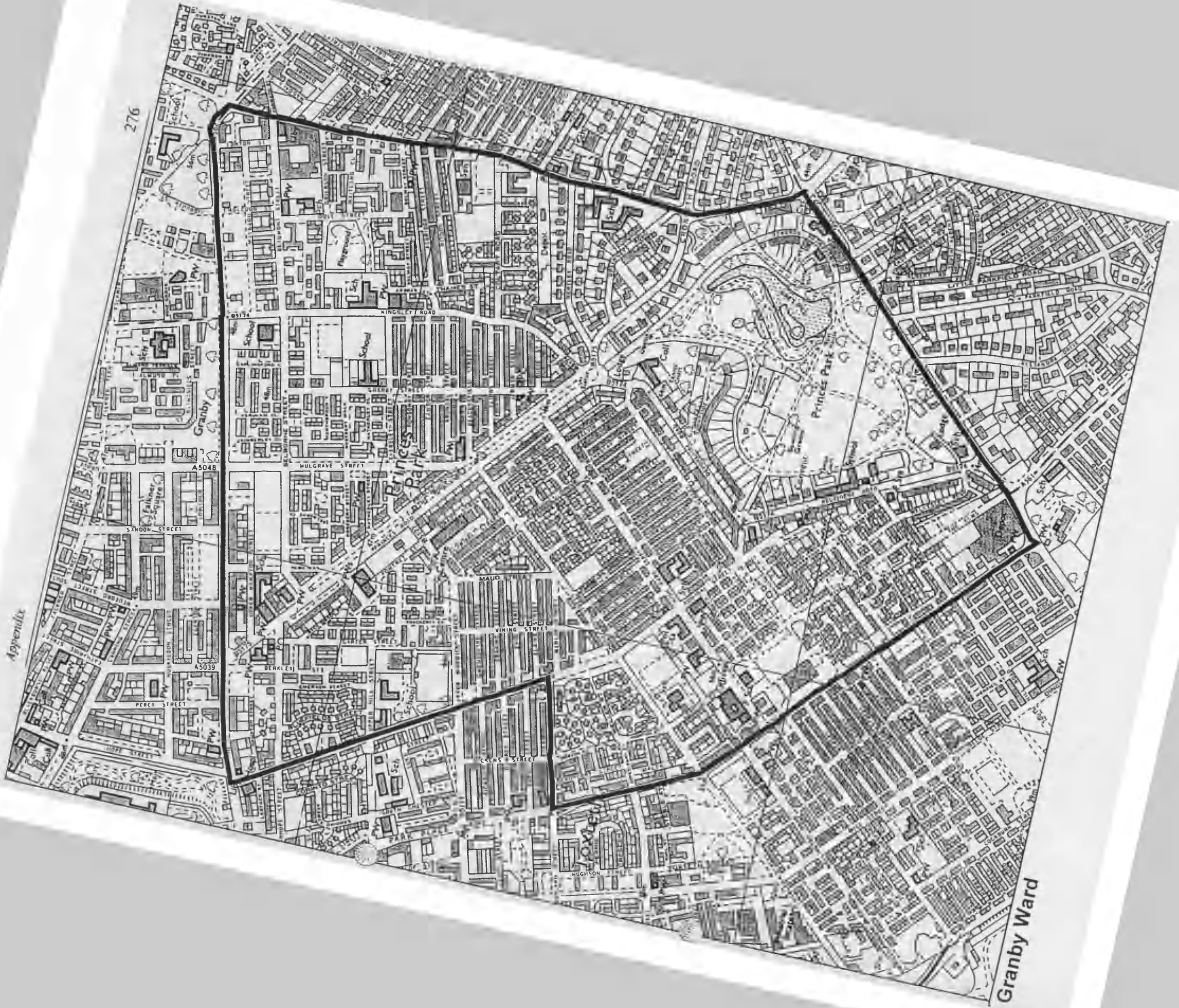
HUYTON SRB AREA

+ PATHWAYS

= URBAN

NETHERTON

'Z' BLOCKS - NETHERTON

LEEDS AND LIVERPOOL CANAL

NETHERTON ACTIVITY CENTRE

MARIAN SQUARE

Netherton

SIMON'S CROFT

A5036

A59

BOOTLE GOLF COURSE

RACECOURSE INDUSTRIAL ESTAT

PARK LANE HOUSING ESTATE

ATLANTIC INDUSTRIAL ESTATE

PARK LANE SITE

SOUTH SEFTON BUSINESS PARK

●NETHERTON

LIVERPOOL
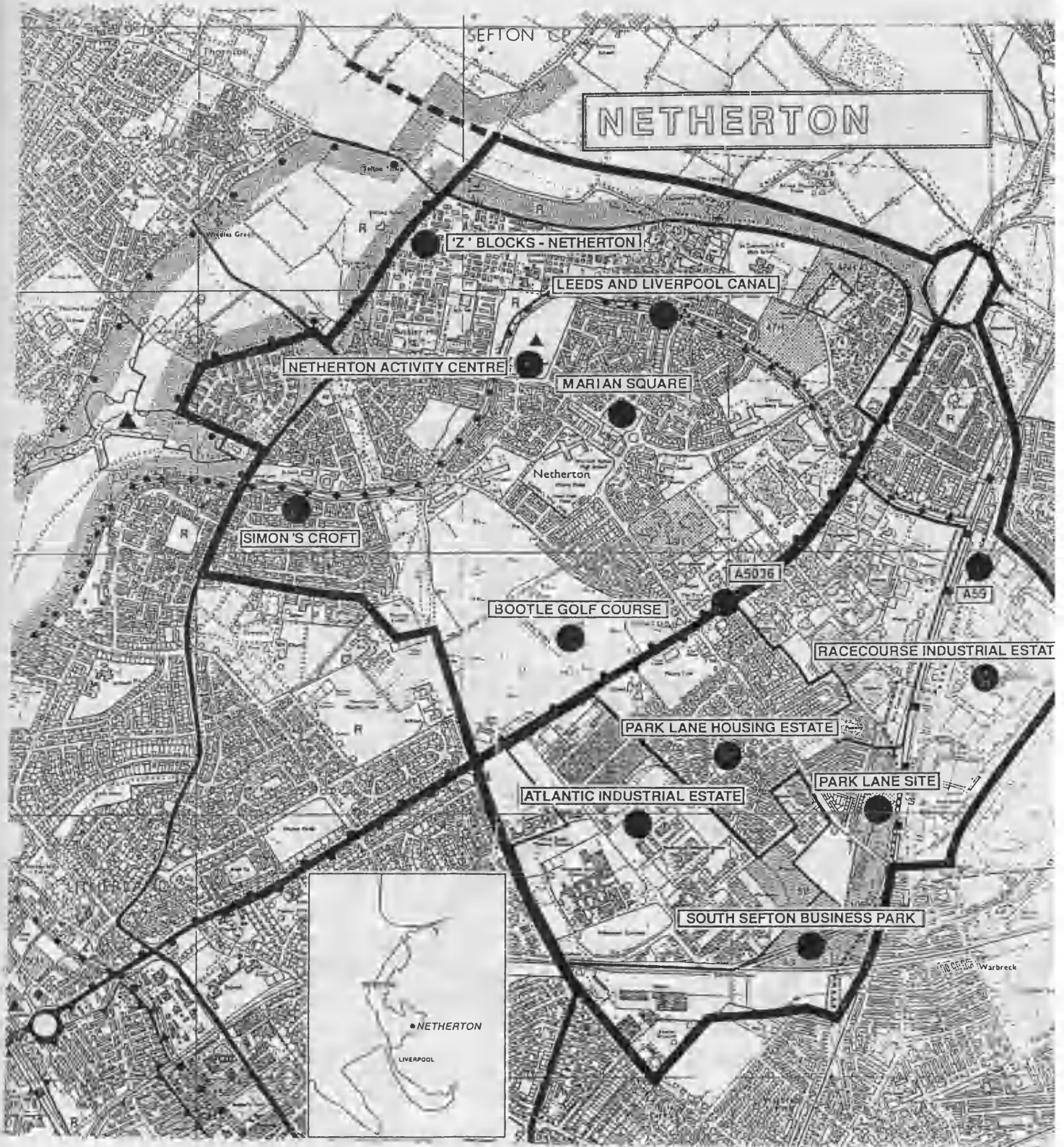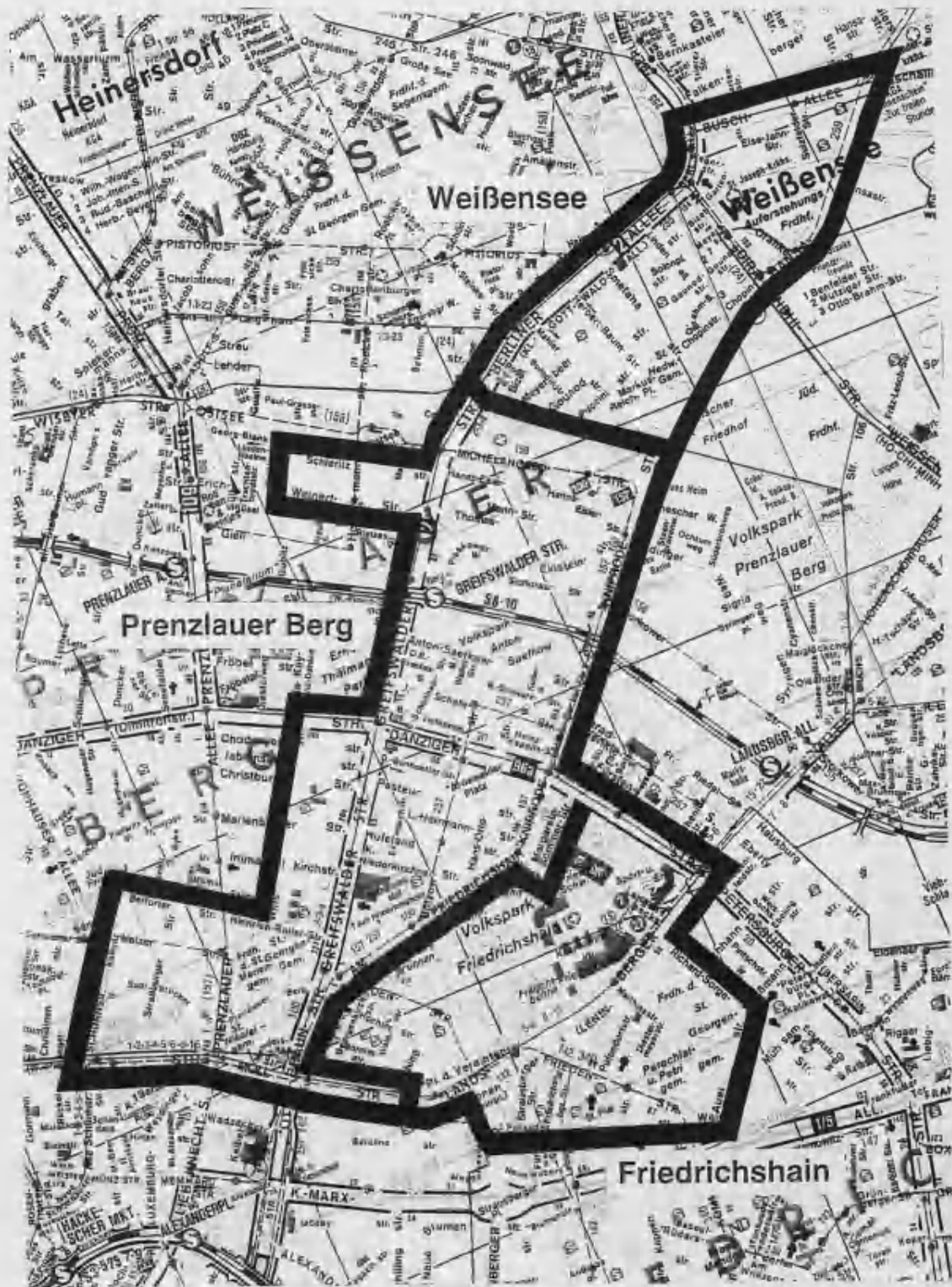
Project locations in Marxloh

Facilities of the Marxloh project
1. City area centre / Schwelgern / head office of EGM (Diesterwegstr. 44 / Wiesenstr.)
2. Marxloh City Area Project (Ottostr. / Mathildenstr., painters workshop)
3. „Nahtstelle" (Henrietten- / Hagedornstr.)
4. EGM / Office for Buinsess Development (Weseler Str. 39)
5. Marxloh City Area Project (Buschstr. 95, administration and workshops)

Construction measures of the project within the scope of the Urban Renewal Programme / Urban
A. Schwelgern city area centre (Diesterwegstr. 44 / Wiesenstr.)
B. Warbruckshof educational institution (Warbruckstr. 89)
C. Northern Regional Centre (Marienstr. 16a)
D. Internationales Jugend- und Kulturzentrum Kiebitz e.V. (Kiebitz international youth and cultural centre) (Marienstr. 16a)
E. Schwartzkopfstraße conversion work
houses Nos. 9 / 11 and 17 / 19 (supervised living)
house No. 13 / 15 (day nursery)

A-7: In-depth Illustration of the Socio-Spatial Conditions in the Local Case Studies:

(a) London (Park Royal)

Situated in one of the most deprived areas in West London, the London (Park Royal) URBAN project area covers 25.665 inhabitants, which accounts for about 4% of Greater London's population (London (Park Royal) URBAN OP, 1995, p. 3ff). The area is dominated mainly by large council estates with high levels of occupancy, but also comprises some older Victorian housing and cottages built prior to 1945, which often lack basic amenities. As the former economic centre of West London, the Park Royal industrial estate provided employment for up to 70,000 people during its peak in the 1930's. While only 32,000 people remain employed today, 70% of the workers still live in close vicinity to the Park Royal estate. The project area suffers from poor site access, land dereliction, and high levels of crime, which act as a contributive factor to the retreat of local employers from the area, while equally hindering the attraction of new investment into the area (London (Park Royal) URBAN OP, 1995, p. 3ff).

Overall unemployment in Park Royal is recorded with 22.2%, which rises to 40% for non-white population groups (1991 Census). At ward level, Queen's Park notes an unemployment rate of 17.8%, White City/Shepherd's Bush reports 24% and the Carlton ward observes 28.4% - compared to the national figure of 8.7% (1995 figures). While the long-term unemployment rate amounts to 43.5%[14] for the UK, the Park-Royal URBAN project area records long-term unemployment at 30%, with ward figures rising to 43.4% in Queen's Park and White City/Shepherd's Bush, and 47% in the Carlton ward (London (Park Royal) URBAN OP, 1995, p. 4 & p. 14). Partial or full housing benefit is received by 60% of council tenants in White City/Shepherd's Bush, by 65% in Queen's Park, and by 70.5% in the Carlton ward. The project area records 11.25% of its households headed by a single parent, and 34% of the population being of ethnic origin (London (Park Royal) URBAN OP, 1995, p. 4).

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[14] 1995 figure for percentage of unemployed (EC/DGV, 1997, p. 132).

(b) Merseyside

Concentrating on the three Merseyside URBAN I sub-programmes of North Huyton, Netherton and Liverpool-Central, the project area covers a total of 91.878 residents or about 6.6% of Merseyside's 1.38 Mio inhabitants. The UK's 10.5% rate of unemployment and 42.5%[15] long-term unemployment rates compared to 15.3% for overall unemployment and 45.5% for long-term unemployment in Merseyside (1993 figures) (Merseyside-URBAN OP, 1996, p. 4, p. 25, p. 51.12 & p. 55; EC Merseyside SPD, 1995, p. 9; EU DGXVI, Sixth Periodic Report, 1999, p. 240).

Located 10 km East of the Liverpool city centre, the North Huyton URBAN sub-programme covers 508 ha, representing 6% of the total borough of Knowsley. Public housing amounts to almost 70% of the North Huyton housing stock, versus to 26% in England. In comparison to a 15.3% unemployment rate in Merseyside, North Huyton records 25.6% total unemployment and 54% long-term unemployment (1993 figures). The area's youth unemployment stands at 44.7% versus a 25.8% rate for Merseyside, while in 59% of all North Huyton households, none of the household members is in employment (1991 Census). Additionally, 38% of households are headed by a single-parent, and the area witnessed a population loss of 31% since 1971, comprising mainly its skilled labour force (Merseyside-URBAN OP, 1996, p. 25f & p. 51.12). The Netherton URBAN sub-programme is spread over 709 ha, i.e. 5% of the total borough of Sefton, and has been classified as a principal urban regeneration area, given its mixture of residential and industrial development. Since 1971, the sub-programme area records a population decline of 22%. During the 1980s, the area has suffered from a severe employment loss in its port-based industries, and specifically regarding manufacturing, where 57% of jobs were lost by 1991. Unemployment accounts for 16%, which rises to a 30% rate for youth unemployment, while no adult is employed in 49% of Netherton's households (1991 Census). 30% of local children live in lone-parent households. Netherton further witnessed an extreme increase of its permanently sick population groups of 205% since 1981 (Merseyside-URBAN OP, 1996, p. 55f). The Liverpool-Central URBAN sub-programme focuses on the four wards of Abercromby, Everton, Granby and Vauxhall. The project area comprises Liverpool's retail and commercial centre as

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[15] 1993 figure for % of unemployed (EC/DGV, 1997, p. 132).

well as the surrounding residential neighbourhoods, where business activity stands in contrast to pockets of poverty. The sub-programme area suffers from multiple deprivation and socio-economic exclusion, reflected by a low skilled and/or low qualified labour force, and a 41% rate of unemployment, compared to a 22% rate for Liverpool or 14.7% for Merseyside (1991 Census). Unemployment within the black community amounts to 42%, while youth unemployment stands at 46%, rising to 50% among black youths. The Liverpool-Central area comprises 11% of lone parent households, and witnessed a population loss of 29% between 1981 and 1991 (Merseyside-URBAN OP, 1996, p. 2ff).

(c) Berlin

The Berlin URBAN project was located in the three boroughs of Prenzlauer Berg, Friedrichshain and Weißensee in East Berlin, where socio-economically deprived neighbourhoods and pockets of poverty stand in sharp contrast to West Berlin's areas of wealth and prosperity. The project area is spread over 800 ha in the north-eastern part of the city centre. As 65.000 inhabitants, or 2,0% of Berlin's total population, live in the project area, the population density amounts to 8,125 inhabitants per km², compared to 3,893 per km² in the rest of the city (Berlin-URBAN OP, 1995, p. 7).

The project area is characterised by very little open space and high levels of air pollution, as 84% of its available space is taken up by buildings, housing and roads, in comparison to a 55% rate for Berlin. Additionally, 83 % of the existing housing stock was built before 1945, where 29% of the accommodations have no bathroom and 11.5% no toilet. The project area contains more than one third of the 154,000 buildings in East Berlin requiring urgent renovation (Berlin-URBAN OP, 1995, p. 11). Among a 14.7% unemployment rate for East Berlin, unemployment rates in the three target boroughs vary between 11.2% in Weißensee, 15.4% in Prenzlauer Berg and 16,0% in Friedrichshain, compared to 13.9% for total Berlin or 7.6% for Germany (1993 figures). A further characteristic of the URBAN area is its relatively low percentage of ethnic minorities, which accounts for 4.1% in Prenzlauer Berg, 4.4% in Friedrichshain, and 6,4% in Weißensee, compared to 16.3% for West Berlin (Berlin-URBAN OP, 1995, p. 15; EU DGXVI Sixth Periodic report, 1999, p. 215).

(d) Duisburg-Marxloh

Built mainly between 1880 and 1910, Marxloh's urban structure evolved around the Pollmann Crossroads, which provided the necessary infrastructure for the development of the area's coal and steel industry. Albeit the pedestrianisation of the Crossroad's East-West passage during the 1970s, heavy traffic continues to pass through Marxloh's residential areas, cutting the district into two separate parts. Overshadowed by industrial installations towards the North, West and South, Marxloh suffers not only from industrial decline, but also from its peripheral location.

The Duisburg-Marxloh URBAN project area spreads over 400 ha and covers 21,600 inhabitants, which accounts for 4,0% of Duisburg's total population. Given its economic dependency on local coal and steel companies providing employment and accommodation, Marxloh's commercial and industrial land use accounts for about 46%, while 29% are taken up by roads and technical infrastructure. As green space accounts for only 15%, and a mere 9% of land is designated to housing, Marxloh has lost its residential appeal. The former trading centre in the North of the city has further witnessed a decline is purchasing power due to severe job losses in the coal and steel industry and dependent small and medium-sized enterprises (SMEs). Compared to Germany's 8.2% rate of unemployment, the Marxloh district records an unemployment rate of 25% (1995 figures). 15% of Marxloh's population is dependent on social welfare, 15% of young people leave school without a certificate, and 35% of the population are of ethnic origin (Duisburg-Marxloh-URBAN OP, 1995, p. 12).

Key data summary for the local case-study areas:

Background \ City	London Park Royal	Merseyside	Berlin	Duisburg-Marxloh
URBAN Project Inhabitants	25.665	91.878	65.000	21.600
% of total population[1]	4%	6,6%	2,0%	4,0%
Unemployment Total: -per ward/district:	22,2% (1995) Carlton: 25.9% White City: 22.3% Queen's Park: 17,8%	16-41% (1991)[2] Netherton: 16% N-Huyton: 26%[3] Liverpool-C.: 41%	14,7% (1993) Weißensee: 11,2% Prenzl. Berg: 15,4% Friedrichsh.: 16,0%	25% (1995) Marxloh: 25%
Single parent families	Carlton: 12.8% White City: 14% Queen's Park: 10%	Netherton: 30% N-Huyton: 38% Liverpool-C.: 11%	Weißensee: --- Prenzl. Berg: --- Friedrichsh.: ---	Marxloh: 20.7%
% of population of ethnic origin	Carlton: 30% White City: 36% Queen's Park: 39%	Netherton: --- N-Huyton: 0.8% Liverpool-C.: 24%[4]	Weißensee: 6.4% Prenzl. Berg: 4.1% Friedrichsh.: 4.4%	Marxloh: 35.3%
% of population in welfare receipt	Carlton: --- White City: 48% Queen's Park: ---	Netherton: --- N-Huyton: 5.2% Liverpool-C.: ---	Weißensee: 5.2% Prenzl. Berg: 10.3% Friedrichsh.: 5.4%	Marxloh: 15%
URBAN Funding Total (MECU)	16.326	35.666	31.048	18.650
EU Total (MECU) -ERDF -ESF	7.653 6.122 1.531	17.296 14.808 2.488	16.100 12.706 3.394	8.100 6.811 1.289
MS (MECU)	7.653	14.554	0*	6.480
Region (MECU)	0**	0**	13.908	1.620
Private (MECU)	1.020	3.816	1.040	2.450
URBAN Funding per Inhabitant (ECU)	636	388	477	863

1 City population
2 1991 (Census), unless stated otherwise
3 1993
4 Average from Abercromby and Granby
* Under the federal system of Germany, Berlin represents the national as well as the regional government level, thus no funding allocations were made under the heading MS
** As a centralised state, the regional level in the UK doesn't provide funding allocations

A-8: Organigrams of URBAN Project Management Structures

A-8a: London (Park Royal)

London Park Royal URBAN Management Structure

```
            ┌─────────────────────────────────────────┐
            │   Free-Standing Monitoring Committee     │
            └─────────────────────────────────────────┘
                              │
            ┌─────────────────────────────────────────┐
            │////  URBAN Management Committee  /////   │
            └─────────────────────────────────────────┘
```

Queen's Park Partnership Group	South Kilburn Partnership Group	White City and Shepherd's Bush Partnership Group

| Westminster City Councillors | Community/Voluntary Organisations Queen's Park Ward Residents | Private Sector Educational Sector | Brent Councillors | Community/Voluntary Groups Voluntary Organisations Residents/Tennants | Private Sector North West London TEC Create SRB Environment Organisation Health Authority Further/Higher Education Sector Metropolitan Police | Hammersmith and Fulham Councillors | Community/Voluntary Organisations White City Residents Association Edward Wood's Association Youth Forum | Private Sector Public Sector: Police, Health Authority, Public Sector School |

```
        ┌─────────────────────────────────────────┐
        │  achieve the regeneration of the socio-eco-nomic │
        │        fabric of the target estates      │
        └─────────────────────────────────────────┘

        ┌─────────────────────────────────────────┐
        │  pro-vide access to employment through training │
        │  and re-training in order to increase the skills base │
        └─────────────────────────────────────────┘
```

Legend:

///////	Overall project responsibility, direct interaction with macro level
▓▓▓	Project management, co-ordination, application formalities
░░░	Information exchange, networking, cross-departmental and sub-propject co-ordination
────────	Permanent participation
─ ─ ─ ─	Project contents / objectives

A-8b: Merseyside

Merseyside URBAN Management Structure

```
                          ┌─────────────────────────────┐
                          │  Obj. 1 Monitoring Committee │
                          └─────────────────────────────┘
                          ┌─────────────────────────────┐
                          │  URBAN Management Committee  │
                          └─────────────────────────────┘
```

North Huyton **Liverpool** **Netherton**

Huyton Regeneration Partnership Board		
Knowsley Metropolitan Borough Councillors	3 Community Representatives	Voluntary Sector Chamber of Commerce Private Sector Merseyside TEC

Huyton Community Forum/Pathways Open Forum

Programme Manager Education, Training and Access to Jobs	Working Group Education, Training and Access to Jobs
Programme Manager Physical Development and Job Creation	Working Group Physical Development and Job Creation
Programme Manager Community Development and Quality of Live	Working Group Community Development and Quality of Live

Co-ordinating Group		
Liverpool City Councillors	Community Representatives	GOM Liverpool City Council City Challenge (LCVS-LCC) Merseyside TEC Liverpool Health Liverpool Community College
Everton Vauxhaul Granby Abercromby	Everton Vauxhaul Granby Abercromby	

Chairs

North Liverpool Partnership	Granby-Toxteth Partnership	Dingle Partnership Duke Street/Cornwallis Partnership

Operations

Community Partnerships

Health / Employment and Environment

Young People and Young Learning

The Netherton Partnership Board		
Sefton Metropolitan Borough Councillors	Community Executive Team	Business Group Sefton Health Merseyside TEC

Netherton & Litherland Community Forum

Youth Forum

Education, Training, Employment

Housing

Community Safety, Crime Prevention

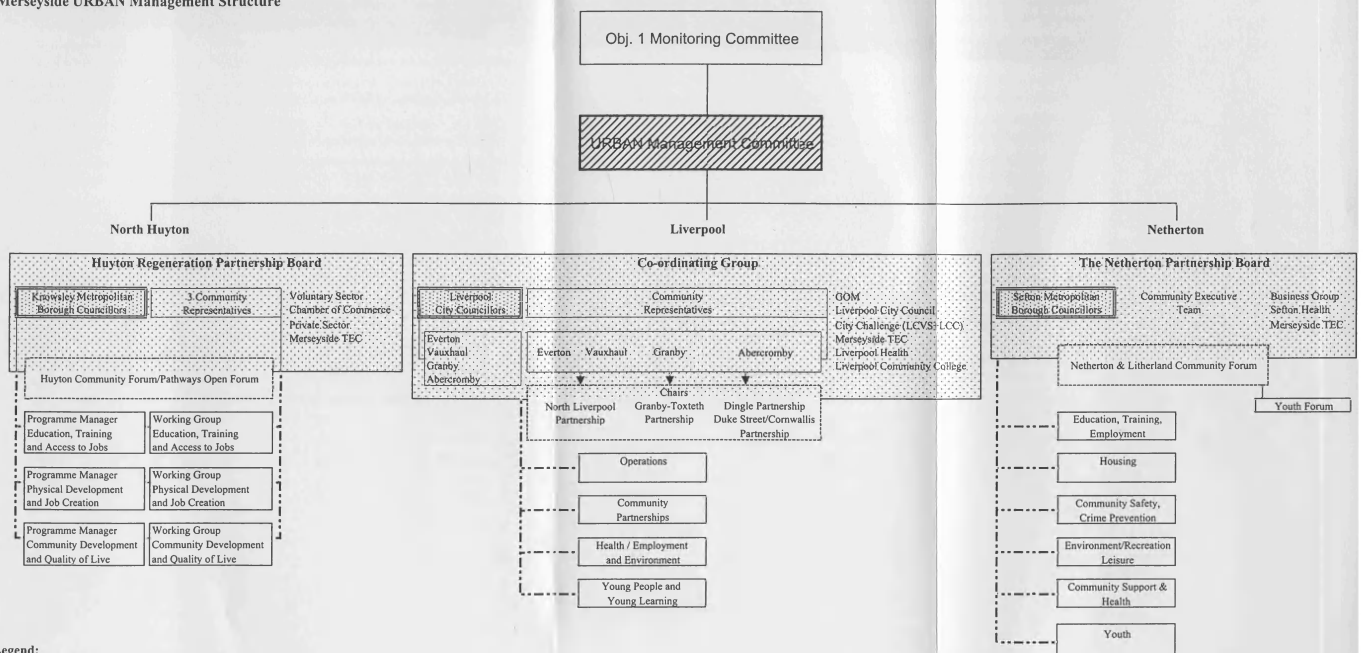Environment/Recreation Leisure

Community Support & Health

Youth

Legend:

Overall project responsibility, direct interaction with macro level

Project management, co-ordination, application formalities

Information exchange, networking, cross-departmental and sub-propject co-ordination

Permanent participation

Affiliation

Representation

Project contents / objectives

# A-8c: Berlin

Berlin URBAN Managegement Structure
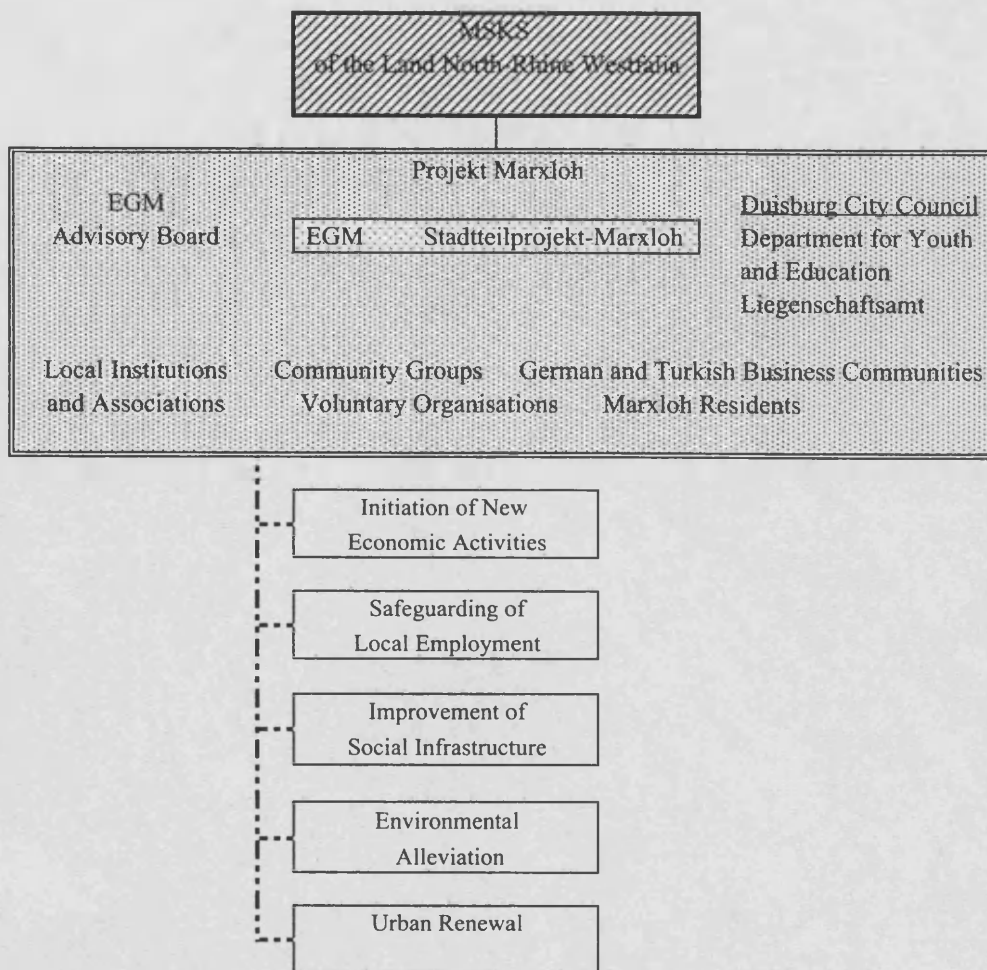
SenSA
ERDF Manager

Coordinating Committee

Senate Administrations
SenGesundheit
SenSchule
SenInneres
SenStadtUm
Ausländerbeauftragte
SenArbeit
ESF Manager

B.&S.U
Project Manager

District Administrations
Prenzlauer Berg
Friedrichshain
Weißensee

Community Groups
Voluntary Organisations
Local Residents

Institutions
Associations
Local Businesses

ECG

Creating and Safeguarding
Local Employment

Socio-economic Interaction
of Disadvantaged Groupps

Improving Educational and
Training Sector Facilities

Establishement of Model
Worksshop Eco-Social
Infrastructure

Legend:

Overall project responsibility, direct interaction with macro level

Project management, co-ordination, application formalities

Information exchange, networking, cross-departmental and sub-project co-ordination

Permanent participation

Project contents / objectives

A-8d: Duisburg-Marxloh

Duisburg-Marxloh URBAN Management Structure

```
                    MSKS
          of the Land North-Rhine Westfalia

                  Projekt Marxloh
   EGM                                        Duisburg City Council
 Advisory Board      EGM    Stadtteilprojekt-Marxloh    Department for Youth
                                              and Education
                                              Liegenschaftsamt

 Local Institutions    Community Groups    German and Turkish Business Communities
 and Associations      Voluntary Organisations    Marxloh Residents
```

| Initiation of New Economic Activities |
| Safeguarding of Local Employment |
| Improvement of Social Infrastructure |
| Environmental Alleviation |
| Urban Renewal |

Legend:

- Overall project responsibility, direct interaction with macro level
- Project management, co-ordination, application formalities
- Information exchange, networking, cross-departmental and sub-propject co-ordination
- Permanent participation
- Project contents / objectives

A-9: Map of Areas Eligible under the Regional Objectives of the Structural Funds (1994-1999)

Objective 1 (1994-99)	Objective 2 (1994-96)	Objective 5b (1994-99)	Objective 6 (1995-99)
Economic adjustment of regions whose development is lagging behind	*Economic conversion of declining industrial areas*	*Economic diversification of rural areas*	*Development of sparsely populated regions in Sweden and Finland*
	Areas partially eligible under Objective 2	Areas partially eligible under Objective 5b	

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