

NATIONS UNIES

COMMISSION ECONOMIQUE
POUR L'EUROPE

ОБЪЕДИНЕННЫЕ НАЦИИ

ЕВРОПЕЙСКАЯ ЭКОНОМИЧЕСКАЯ
КОМИССИЯ

UNITED NATIONS

ECONOMIC COMMISSION
FOR EUROPE

SEMINAIRE

СЕМИНАР

SEMINAR

COMMITTEE ON HUMAN SETTLEMENTS



Tenth Conference on Urban
and Regional Research

Bratislava (Slovakia), 22–23 May 2006

Distr.
GENERAL

ECE/HBP/SEM.54/3
2 March 2006

Original: ENGLISH

Discussion Paper for Topic 2

HOW CAN POLYCENTRICITY OF TERRITORIAL DEVELOPMENT IMPROVE FUNCTIONAL INTEGRATION?

Discussion paper prepared by Mr. Karel Maier (Czech Republic),
Mr. Joao Mourato (Portugal) and Ms. Judith Ryser (United Kingdom)

“Space is the expression of society. Since our societies are undergoing structural transformation, it is a reasonable hypothesis to suggest that new spatial forms and processes are currently emerging.”

Manuel Castells (1996)

Executive summary

This paper explores the concept of polycentricity and its expected contribution to more balanced territorial development and social inclusion at different spatial scales. The paper focuses on the influence of cities in facilitating competitiveness, innovation and growth by harnessing the synergy of polycentric networks of cooperation, coordination and complementarity. It discusses governance and partnerships and how they can best assist the implementation of polycentric development.

GE.06-21005

I. THE CONCEPT OF POLYCENTRICITY: LESSONS LEARNED

1. The definition and understanding of the concept of polycentricity are far from clear or consensual. This provides ample scope for imprecise application and occasional misuse of the term. Polycentricity tends to be opposed to hierarchic systems of cities. It has to be acknowledged that the meaning of polycentricity is wholly context-dependent – that is, it depends on countries' territorial and demographic characteristics, their urban development patterns, their institutional organization and so forth. In its wider scope, polycentricity can refer to the multiple spatial clustering of almost any human activity at any scale.

2. A working definition might be that polycentricity as the opposite of monocentricity is a spatial development model based on networks of cities that seeks the enhancement of territorial cohesion and addresses territorial disparities by rethinking the allocation of development and productive resources. It aims to reduce the negative effects of spatial over-concentration at any scale while tackling core-periphery disparities. It envisages integrated economic development inclusive of territories which current urban organization prevents from having a stake in wider growth and competitiveness.

3. In the real world, unbalanced urban systems and uneven urban and rural development are common. Land flight and urbanization have persisted, albeit at different times and paces and as diverse spatial manifestations. In many countries people have concentrated in capital cities, sometimes despite restrictive measures, thus creating national territorial disparities. Suburbanization and dispersal have become widespread, often increasing the economic and social polarization of urban agglomerations, debilitating city cores and generating self-selected gated communities deep in the countryside. Migrants from less developed regions seeking work in cities may have difficulty adapting to urban lifestyles. Their precarious and sometimes illegal settlements have often compounded urban poverty and added to the sprawl accommodating city dwellers who have moved out and are commuting back to work. More recent rebalancing strategies have tried to create viable conditions in the countryside to retain its inhabitants or, conversely, to alleviate urban congestion and the plight of urban migrants. Polycentric development policies are a further step in this direction.

4. The concept of polycentric urban development is not new. Arguably, on the urban scale, any multi-functional, spatially differentiated agglomeration is polycentric. A recent version of intra-urban polycentricity is Ebenezer Howard's concept of city clusters consisting of cores and satellites, or the modernist doctrine of spatially separated but interdependent functions laid down in the Athens Charter (see CIAM 1933). Contemporary urban renaissance advocating mixed development in compact cities is the latest version of intra-urban polycentricity.

5. On the regional scale, the self-contained, poly-functional "new towns" conceived to ease congestion in British and later French cities, or de Gaulle's "*métropoles d'équilibre*" in France, could be seen as a deliberate effort of post-Second World War regional polycentricity. Conversely, monofunctional housing areas stemming from private speculative suburban railway and road development in parts of Europe and North America could be construed as dysfunctional polycentricity. Societies have developed intra-urban and regional polycentric models throughout history to suit their multi-functional needs.

6. Recently, the notion of "polycentric balanced urban system" was incorporated into the "European Spatial Development Perspective" as a means to achieve economic and social cohesion

throughout the European Union and beyond. It advocates polycentric development to curb excessive concentration of population; economic, political and financial power; and the most competitive global functions. However, it makes an exception of Europe's only dynamic area of integration able to compete in the world economy, a swath ranging from London to Milan, where high-value-added global functions are densely concentrated.

7. Changing urbanization patterns have inspired a range of planning theories. To name but a few, the Chicago School of functionalism was followed by gravity models and their decay functions to explain urban sprawl. Christaller's settlement hexagons, tested in southern Germany, can be seen as an extension of settlement patterns based on traditional trade routes and market functions of cities. Many mathematical models of urban functions followed central place theory about hierarchies of settlements when planning wanted to become a science. Functional separation for health and safety reasons became less critical in societies with declining heavy industry. Urban research addressed the deficiencies of spatial segregation and advocated mixed development. Economic theory postulated economies of scale and specialization, which in turn led to concentration also in space. Social sciences dealt with social integration and equity in increasingly multi-cultural cities by focusing on universal physical as well as virtual access to knowledge-based urban economies. Polycentricity is but one new instrument attempting to accommodate these preoccupations.

8. An important feature of the modern world economy is its system of global industries that have influenced the reshaping of urban hierarchy throughout the world. Moving through stages of economic growth and change, many major cities in the world economy have tended to specialize in particular types of production, distribution, financial and other activities, while other cities accommodate complex combinations of different activities. In many UNECE countries, cities have become more exposed to competition between them. Alliances have been forged to increase cities' competitiveness in a globalizing economy, while indiscriminate competition has wasted scarce resources. Many cities have resorted to tighter networks of cooperation and complementarity, also across borders, to enhance their potential to mutual benefit. They have taken advantage of nationally or internationally assisted projects with a specific purpose, often transportation infrastructure. Even a-spatial links such as twinning can provide cities with cultural advantages.

9. The debate of this conference should go beyond the organization of residential systems and quality of life and focus on mobilizing development and productive resources. In particular, it should clarify the respective roles of governments, private stakeholders and research in the development of a polycentric urban pattern aimed at a more balanced UNECE region.

Questions for discussion

- (a) Which spontaneous development forces can be changed by urban policies to reduce urban dysfunctions? What can realistically be changed in the urban system, and by whom? How do pragmatic urban strategies developed in response to competition among cities relate to polycentricity?
- (b) How can urban strategies generate territorial as well as economic and social cohesion to contribute to the aim of polycentricity? Is development that is simultaneously economically competitive and socially equitable possible in a globalizing world?
- (c) What is the difference between a multifunctional urban agglomeration and a polycentric cluster? What distinguishes a complementary urban network from a hierarchy of multifunctional cities?

- (d) What influences the mindset of local politicians and the behaviour of local governments in assessing whether competition or cooperation should be their preferred strategy?
- (e) Can you give examples of polycentric development in your country and of cross-border cooperation to avoid disparities?

II. POLYCENTRICITY: SCALE AND IMPLEMENTATION

A. Global and continental scales

10. On the global scale, a-spatial polycentricity developed between world cities to compete in and increasingly dominate the world economy. Dominated by New York, London and Tokyo, the global world city network may soon be joined by cities like Bangalore and Shanghai.

11. In Canada, uneven polycentric development can be related to the country's dual-cultural history. Weak factors of production (education and skills) are afflicting Atlantic Canada, while cities like Toronto have adopted a networking culture and openness to international immigration of flexible and skilled labour to become specific locales in the globalizing process.

12. The United States has a number of outstanding global-scale economic integration zones. These are interlocked city regions rather than examples of polycentricity. Many of the issues concerning polycentrism are debated under the umbrella of the concept of regionalism. Since the 1990s the United States has experienced a resurgent regionalism with three main features: localism, new regionalism and the new political strategy "metropolitics". Despite their differences, these features of regionalism involve cooperation and collaboration across specific sectors (e.g. land use, economic development, education) and geographic borders, reflecting two key realities; a growing flow of knowledge services, goods and capital through ever more porous boundaries, and a problem-solving approach in "shared-power" mode in which no one person is in charge and many play a role. Among high-performance, high-value-producing, knowledge-generating strongholds are city regions ranging from Boston to Baltimore, or the North Carolina-Virginia region. The information and communication technologies (ICT) based "Silicon Valley" and other Californian city networks can be considered polycentric. With strong university support, entrepreneurship and its own venture capital, as well as global connections to Asian ICT, Silicon Valley sustains its prime position. Yet in the United States the relationship between globalization of economic activities and spatial centralization of corporate control seems to give way to organizational setting enabling peripheral centres to join polycentric networks. Albeit less stable, North American city networks are major players in the global knowledge-based economy, ready to compete with both the polycentric European economic core and the emerging economies in India and China.

B. Pan-European scale

13. The concept of polycentric Europe is often mentioned as a more sustainable alternative to the existing dichotomy of the core-periphery pattern. Polycentric Europe and its implementation policy of territorial cohesion are already on the agenda of the European Union and the European Conference of Ministers Responsible for Regional Planning (CEMAT). The integration process of the "enlarging" Europe is an ongoing challenge. It has provided an impulse and a momentum for the

development of competitive financial, commercial, cultural and educational institutions, as well as research and development and the tourist industry, although it is mainly national metropolises in the European periphery that have been able to benefit from this momentum.

14. The Guiding Principles for Sustainable Spatial Development of the European Continent issued by CEMAT claim the need for a polycentric structure in relation to territorial cohesion and balanced sustainable development. They argue for the development of urban systems and functions, including small and medium-sized urban centres in rural regions, acting in networks to increase their complementarity. These networks should facilitate access to information and knowledge by encouraging national and regional interfaces between information suppliers and potential users and enabling these to connect to the global economy. The objectives of polycentric development require the strengthening of economic potential; the development of strategies adapted to local contexts and aimed at overcoming the effects of economic restructuring; the establishment of planning bodies; and the development of networks of towns. Spatial development requires interdisciplinary integration, cooperation between the relevant political bodies and authorities, and participation. The preparation of regionalized comparable spatial information is recommended as a first step in both horizontal and vertical transnational and cross-border cooperation.

15. In the CEMAT Ljubljana Declaration on the Territorial Dimension of Sustainable Development (2003), polycentric development is referred to as a relevant policy that should be improved in order to adequately manage the major challenges for sustainable spatial development of the European continent as the territory, “the bearing ground and indispensable framework of human dwelling and activity, and therefore the basis of sustainable development”. Polycentric development should be balanced, and disparities should be reduced, particularly through a more effective territorial location of activities, infrastructure and services in order to improve their accessibility and thus the quality of urban life in general.

16. The fundamental policy document advocating polycentricity at the EU level is the European Spatial Development Perspective (European Commission 1999). The ESDP diagnoses Europe as unbalanced across its territory. It is monocentric, its core area being defined by London, Paris, Milan, Munich and Hamburg, which together have 40 per cent of the population and generate 50 per cent of the European Union’s GDP. The ESDP seeks a spatially balanced and sustainable development pattern through “mega-level polycentrism”, partly to increase competitive critical mass relative to the United States and elsewhere in the global economy. Economic integration zones are thus to be promoted outside the core area. Territorial cohesion through polycentrism is being pursued as a corrective agenda addressing the diseconomies of economic and demographic over-concentration and their negative implications for peripheral areas. The Open Method of Coordination (OMC) is expected to deliver such territorial cohesion. An additional level of territorial integration has been developed through the INTERREG programmes, designed to enable some peripheral regions to establish themselves as new economic integration zones. These include a North Sea Cooperation Area which may well be joined by an “Irish Sea Area” as well as by central and eastern European regions.

17. At present, the qualitative differentiation of metropolitan areas within the widening European space is still noticeable. While relative economic and investment growth is spectacular in the capitals of the countries with newly growing economies in Central and Eastern Europe, in terms of absolute numbers they cannot compete with the European core. So far they have served primarily as an interface between global (European), regional and national economies.

18. The future of the polycentric concept at the European scale within a knowledge-based society will be heavily influenced by the fact that the countries of Eastern Europe, the Caucasus and Central Asia (EECCA) as well as South-Eastern Europe spend on average less money per capita on research and development and human resources than do most countries in Western and Northern Europe – not only in absolute terms but also relative to their national GDPs. Thus the national capitals of the UNECE region's peripheries may not evolve as equal partners of the core metropolitan areas even in the long run, although the market privileges them against their own national hinterlands. On the European and global scale, they may have to seek sectors in which they can specialize and/or cooperate with other metropolitan cities within the UNECE region (except North America) to enhance their competitiveness.

19. Polycentricity is one approach to tackling the problem of uneven access to services for all citizens while reducing the diseconomy of spatial disparities. There may be numerous alternative combinations of spatial arrangements of centres at different spatial levels. At the level of the European continent, several basic scenarios can be identified:

- (a) ***Strong national capitals versus peripheries elsewhere.*** This scenario is complementary to the core–periphery dichotomy, in which national metropolises serve as intermediaries between the booming core and the rest of the continent.
- (b) ***Region(al centre)s.*** Evenly distributed centres serve the whole territory and provide the entire population with good access. Apart from existing strong centres, the development of others would need deliberate support, while the growth of the strong metropolises would be regulated. Cross-border regions would bring new vitality to hitherto underprivileged national peripheries.
- (c) ***Borderless hierarchy of metropolises and regional centres.*** Europe develops as a single social and economic space but maintains the efficient hierarchy of centres. Certain less developed and less populated peripheries might then continue to lack acceptable access.
- (d) ***National hierarchies of centres, diversified and tailored to each particular country.*** Existing, historically developed spatial patterns are fully respected. The potential of cross-border cooperation remains untapped.

20. Each scenario implies different costs and benefits, winners and losers, political and economic feasibility, social and environmental consequences. Further research should clarify these impacts. In practice, different scenarios can be used for particular regions, on account of European integration. Many factors, such as energy prices and political stability, influence the real shape of polycentricity – not only decisions by governments. Polycentric Europe requires differentiated strategies depending on geo-strategic locations. Political consensus would have to be responsible for achieving coordination between these strategies.

C. National level

21. The debate on cohesion and, consequently, polycentric development leading to spatial policies at the European level is considered to provide a framework for spatial strategies at the national and regional levels. At the national level individual studies on spatial development are necessary to develop national approaches to cohesion and polycentric development. The inertia of physical and economic structures, institutional environments and cultural behavioural patterns are

significantly affecting the advancement of European integration. The diversity of national and regional settlement patterns is part of a regional identity, a sort of common heritage.

22. A politically centralized and economically liberal country like the United Kingdom makes the application of polycentricity more difficult. Except for Scotland and Wales, recent efforts at decentralizing the nation have had poor results. Local authorities are a patchwork of unitary and two-tiered administrations; similarly, regions vary in structure and power and have little control over local income. Instead of providing a polycentric infrastructure for balanced development and redistribution, regions remain weak and often compete with each other. Meanwhile, London's directly elected mayor plans a 700,000 population increase by 2016 for an already overpowering capital of 7 million inhabitants with world city status. Exacerbating the north-south divide, the Government has earmarked half a million additional dwellings for the southeastern part of the country. This is an example of competitiveness prevailing over polycentricity, to the detriment of territorial balance and equal access to services and infrastructure both across the country and within London and the southeast. In this case, concentration of political power and the perceived necessity of global competition are the drivers of regional inequality.

23. In the Czech Republic, the pre-1989 monopolist state followed spatial policy derived from central place theory, with a hierarchy of centres and a subsidized economy of peripheries. The poor quality of transportation and communication resulted in a fairly regular, rather dense network of small centres which offered basic facilities and services as well as a minimum of jobs for their hinterlands. This system required strong control of investment allocation and heavy subsidies, to the detriment of metropolitan areas. The 1990 turn to overall market-driven development revealed the hitherto suppressed potential of the metropolitan region of Prague, which became a gateway for foreign capital. Inter-regional (and intra-regional) disparities started to soar in the mid-1990s, but they have not increased people's mobility, owing to housing constraints and the reluctance of people to move from their home regions. Without a pronounced regional policy, municipalities became keen competitors with each other. A wide range of rights and responsibilities was delegated to local municipalities, but without adequate financial autonomy. The second half of the 1990s saw a shift in governmental policy towards a more balanced regional approach balancing market and public intervention. Increased funding was made available for the revitalization of problem territories. At the end of the 1990s, a regional tier of self-government was established and a system of investment incentives introduced for foreign investment. Consequently, the gap between the prosperous and lagging regions stabilized. Today, certain medium-size regional centres with their wide range of industries and institutions seem to be the next winners after Prague, while old industrial regions and their centres, like Ostrava, are stagnating. Currently the National Policy of Spatial Development has the enhancement of polycentric development as a national priority. The policy aims to lead to territorial cohesion and cooperation among regions in order to achieve balanced economic, social and environmental development and competitiveness. To that end it sets particular priorities: support for development in weak and structurally affected regions; enhanced partnership between cities and adjacent rural regions; balanced development based on local traditions and job diversification in rural regions; and support for high-quality and sustainable tourism.

24. The level and nature of political polycentrism vary among and within European countries. While national capitals are unrivalled primary centres, a network of secondary centres usually exists, at least some with prospects of strengthening competitiveness in the European context. Their sizes and network patterns differ quite a bit from country to country, often reflecting the size of the

country. The location, size and position of the secondary centres in national hierarchies tend to derive from previous government policies and social and cultural patterns.

25. The effort to gear the metropolises in South-Eastern Europe towards a pan-European polycentric network may harm the human and economic potential of the remaining parts of these countries, unless major infrastructure investments of European-level interest are complemented by adequate improvements in network infrastructures on the national and regional scales. Countries like The Former Yugoslav Republic of Macedonia (FYR of Macedonia) are trying to redress spatial concentration in their Spatial Plan. The Spatial Planning Strategy adopts polycentricity to achieve sustainable development and spatial-functional integration. Spatial integration processes require interactive and synchronized functioning of infrastructure, production and public services in time and space, based on the principles of sustainable development. The development of the urban system in the FYR of Macedonia aims to decrease the relative concentration of population and activities in the central part of the state. Part of the strategy is dedicated to improving the quality of life in existing settlements, as well as stimulating the development of smaller towns. One goal of the Plan is to have rural settlements and areas develop into multifunctional production areas and social and cultural sites. The Plan aims to slow the growth of urban populations except in small towns and other settlements in order to achieve polycentric development. Communication systems are expected to develop in two directions: strategic corridors to connect the country to the outside and interior connections to satisfy regional and local needs.

26. The same problems of territorial imbalance may emerge in the countries of EECCA. UNECE Country Profiles on the Housing Sector together with the Guidelines on Social Housing and the results of the work of the Working Party on Land Administration show a legacy of hyper-centralized states which endorsed hasty, massive privatization without appropriate land administration or financial sector and housing management. Dominant capitals, increasing urban poverty, a lack of resources and, above all, inadequate local government capacity are impeding spatial planning and infrastructure provision as a tool of balanced development. Public-private partnerships, alongside national spatial policy and regulatory frameworks, are promoted to replace centrally driven housing and land management policies and produce a more decentralized settlement pattern. Public-private partnerships are also expected to alleviate the problem of illegal settlements and help the poor make better use of their resources by deflecting them from investing in inappropriate locations or land. These countries present a formidable challenge to applying the concept of polycentricity and testing its viability in a seriously constrained situation. The impact of improved communication and major transportation routes on less developed, peripheral regions requires more research to prevent peripheries from eroding further in favour of centres.

D. Regional and local levels

27. The pitfall that a European polycentric policy might create an illusion of balanced development at a broad level, while presiding over, or even exacerbating, polarization on a more localized scale may be avoided when more is known about the spatial trends and policies at lower levels.

28. Complementing the criterion of equal access to public services and infrastructures is the need to create favourable conditions for an effective demand for facilities, services and utilities that would advance the societal efficiency of lower-tier centres and help them to establish the desirable mix of

functional variety required to make them attractive and viable. A polycentric concept can be one of the answers. It would help to spread the activities more evenly across the continental, national and regional space without losing the positive effects of economies of scale. New cross-border potentials could provide special opportunities for the formerly peripheral border regions of EECCA and South-East European countries.

29. The implementation of polycentric networks at the regional and/or local level will demand institutional capacity-building in those regions and municipalities which have less developed-administrative and cultural traditions in creating partnerships and coalitions. In highly centralized nation-states this will constitute an added challenge and emphasize the link between the development of governance mechanisms and polycentric spatial development models.

E. Implementing polycentric development

30. Traditional instruments to influence the otherwise spontaneous spatial development towards a polycentric pattern belong to the toolkit of regional planning. They combine “sticks” of development control and regulation with “carrots” of subsidies, incentives and the like. Among the latter instruments, the building of technical, transportation and social infrastructures is an important part of active government involvement in spatial development. However, the increasing costs of creating and running service infrastructures severely limit the potential for effective action of any particular public or private actor. Economic efficiency is often detrimental to socio-spatial equity. In the case of high-quality infrastructures, gaps emerge between running and maintenance costs and the limited use of these infrastructures, especially in less attractive territories characterized by population and economic decline. The traditional “hard” instruments of spatial management are focusing on infrastructure investment. The implementation of respective “hard” policies will depend first and foremost on financial and, more generally, on material resources. But there also exist “soft” approaches for spatial change.

31. “Soft” instruments may consist of better, more effective use of available resources – infrastructural, organizational and human. To succeed, they need a rather robust institutional background and wide support across the stakeholder community. Unlike financial assistance, which brings material improvements (e.g. a new road) in a relatively short time, “soft” investments may become effective only after longer periods of time; but with a lesser burden of ensuing maintenance costs. Only the long-term development of locally based institutions of civic society and a conducive institutional environment can lead to a more sustainable spatial pattern. This may further disqualify the weaker economies of the East and South European peripheries, which are still burdened by the legacy of their totalitarian past and immature democratic institutions, as well as their lack of commercial representation.

32. Various kinds of partnerships have been increasingly called upon to mediate these shortcomings and gaps. “Creating both horizontal and vertical cooperation between various levels of government (as well as between government and non-public bodies) and achieving integration between disparate responsibilities has now become the central focus of effective governance across Europe. This is particularly the case with regard to the polycentric development of Europe” (Davoudi et al. 2005).

33. Traditional planning as a government instrument for achieving desirable changes in spatial patterns has evolved during the last three decades in response to a changed social and economic environment. Streamlined, flexible planning has developed in many European countries in response to the increased speed of this environmental change. It focuses on particular projects rather than on a comprehensive approach. Simplification of planning by streamlining and reducing its complexity in favour of projects was considered important to attract investment and, consequently, to increase competitiveness in particular areas. This may have controversial effects for certain social groups and for the ecology in a wider spatial and time context. As is noted in the UNECE *Guidelines on Sustainable Human Settlements Planning and Management* (1996), the shift from more rigid planning toward planning by projects cannot be effectively applied to long-term capacity-building as a precondition of “soft” spatial management.

34. Any government decision to actively manage spatial change implies strong, steady and continuous political leadership, long-term cooperation and a shared concept of development. It cannot be effective without a shared vision of desirable change and the participation of major spatial actors and stakeholders in its implementation.

Questions for discussion

- (a) Can polycentricity become a common ground for a diversified UNECE region? Will there be a single scenario of polycentricity for the whole region?
- (b) Are there examples in your country and the sub-region where the concept of polycentricity can be applied to avoid disparities?
- (c) Which planning instruments are used in your country to achieve desirable changes in spatial patterns to achieve more balanced development in social, economic or spatial terms? Are these instruments compatible with polycentric development?
- (d) In which respect should polycentric development be a top-down or bottom-up process? From which perspective is it implemented in your country?
- (e) Has your country developed national or regional spatial policies to identify and promote networks or hierarchies of service centres? How can the urban system be managed as a whole?

III. GOVERNANCE

A. Territorial settlement structure and governance

35. Politically, centralized countries such as the United Kingdom, France and Greece, or those of former communist Europe, often were and still are dominated by an overpowering capital city. So far, planning initiatives have been unable to effectively stem such concentration. Most recently, the Olympic Games in Athens, Paris’s failed bid for the 2012 Games and their attribution to London were yet another step towards urban concentration, overcrowding and congestion, making polycentric development an even more remote option.

36. In many countries, intermediary governance is problematic. It often tends to control only specific sectors, such as certain health and education services, structure planning, regional public transport and regional economic development. It tends to act as a buffer between national and local

governments, occasionally with salutary “checks-and-balances” effects. Cross-border and cosmopolitan regionalism is advocated as a proactive alternative to sometimes narrow localism. Except for European countries with unitary political structures, the EU structural funds have been able to assist in strengthening regions.

37. At the lower level, local authorities may be very small, as in France or the Czech Republic. While they have the advantage of being close to the population, they are also prone to clientelism. Neighbourhood organizations and other voluntary groupings claim a greater say in political decisions, but they deal only with very local matters and would have little influence over polycentric strategies.

38. From these examples it becomes clear that polycentricity would require different administrative and organizational structures which could support equitable sharing and redistribution of diverse regional resources, as well as the burdens and negative impacts of spatial decisions that often reach far beyond local administrative borders. In particular, these structures would have to devise optimal strategies to balance healthy competition and cooperation between cities belonging to a polycentric urban structure. They would have to establish complementarity by allocating specific functions to the nodes of such polycentric urban networks in order to harness the respective strengths of the participating cities. Finally, they would have to be in overall charge of the coordination of regional actions. Existing administrative structures would resist such a change, as they would wish to retain their powers and independence.

B. Challenge for governments

39. A consistent and harmonized, interconnected network of government policies at all territorial levels is essential to advance the process of polycentric development. This is more difficult to achieve in the context of ongoing deregulation and privatization. However, governments and other public bodies can still influence the decision-making process of the business community.

40. Polycentrism often calls for the creation of new institutional bodies with decision-making legitimacy. Such public decision systems require vertical coordination because nation-states are increasingly conditioned by supra-national and regional levels of policy making. Governing the strategic aspects of functionally significant territorial units (e.g. cross-border regions) which lack a political and administrative entity becomes essential. These factors will have an impact on the existing power-sharing matrices of the UNECE region.

41. It is crucial to identify the common interests of key stakeholders if the development of polycentric systems relies on factors such as their investment policies, location of company headquarters, research and development institutions and high-quality facilities. In return, contemporary business, which operates in high-risk economic and social environments, expects public-sector spatial policy to be consistent, comprehensive, robust, stable and transparent at all levels. Only thus can governments persuade the business world to comply with their business-sensitive location policies. This process promises to attract private capital in an ever-changing economic and social environment.

42. It is important that the criteria for political decision-making not be confined to election cycles but extend to more strategic visions to cope with ever shorter economic cycles. The notion of sustainability is also challenged by the time frame of representative democracy, as well as by the

whims of the electorate and the media. Politicians need an institutional base of administration, research and major economic players to withstand the pressures of populism and clientelism. Such an institutional base requires the support of civic elites and their will to share ideas and build consensus on objectives of sustainability compatible with the democratic process.

43. Solutions concerning a growing number of contemporary societal problems are directly linked to the construction of consensus and frameworks of conflict resolution based on negotiation between diverse interests. This will increase the pressure on governments to provide strategic guidelines or visions for territorial development.

C. Challenge for partnerships

44. A shift towards a polycentric urban system at the UNECE level requires a sound policy shared by governments in collaboration with major private stakeholders; such as financial institutions and large companies.

45. Partnerships are now generally accepted and promoted as a way to bridge the gap between the increasing needs of and limited resources for spatial management and development. However, the very concept of partnership has many different interpretations, encompassing different types of partners with varying roles. As was found at the Ninth Conference on Urban and Regional Research organized by UNECE, it is essential to match the appropriate kind of partnership to specific circumstances of place, time and objectives. This implies balanced positions and equitable shares of assets, risks and benefits in each particular case.

46. Where the public sector is increasingly handled like the private sector, partnerships and outsourcing are gaining in significance. The countries which are transforming hierarchy and tax-based public service provision into entrepreneurial governance with a focus on enabling and contractual responsibility are undergoing institutional changes.

47. Public-private partnerships exist at all levels, including at the supra-national level. At the national level, the size of countries, their existing settlement systems, their infrastructure and their cultural and behavioural patterns need to be taken into consideration to achieve effective and feasible national spatial development policies which aim at polycentricity. It is the responsibility of national governments to implement the culture of partnership. When aiming at national-scale polycentricity, policy development and pursuit of consensus can benefit from the link between national financial institutions and business representations.

48. At the regional level, rural peripheries and declining old industrial regions deserve special attention in creating effective, place-specific approaches. However, certain regions and their centres may not find enough internal potential, despite their size and favourable access.

49. Partnerships at the local level are twofold. On the one hand, municipalities can do much to mobilize local stakeholders and promote the local economy by enhancing endogenous, grassroots-based development. On the other hand, they tend to compete with each other in their efforts to attract public funds and inward investments, thereby weakening their position vis-à-vis big international economic players.

50. Connecting the effects of particular levels of governments may lead to a shared feeling of responsibility. Sharing material and human resources from different levels of government could complement the sharing of visions and objectives.

D. Challenge for research

51. The challenges for research emerge from the sheer geographic scale and diversity of the UNECE region. Perceptions of polycentricity vary across the region, and specific research agendas should address these differences.

52. Functionally, there is a need for research to generate policy-relevant and usable information. This requires ongoing collaboration between the research and policy communities. This is only possible where the value of research is recognized and research is made a priority by national governments. There are also difficulties related to the quality and availability of data, especially for comparative research.

53. Finally, the importance of disseminating research output cannot be overstated. As well as increasing value for money for the commissioning organization, dissemination is critical for the institutional capacity-building required to underpin implementation. Therefore, dissemination processes should themselves be subject to action research.

Questions for discussion

- (a) What are the mechanisms, institutional arrangements and legal dispositions in your country enabling polycentric development and territorial cohesion to the benefit of urban populations overall?
- (b) How does the current system of governance in your country facilitate the equitable sharing and distribution of resources?
- (c) Are new institutions and power-sharing structures needed to motivate governments to develop benefits common to larger territorial entities beyond their jurisdiction and of a cross-border nature?
- (d) How can stakeholders be persuaded to appreciate the long-term benefits of polycentric development and to prefer them to short-term, less sustainable gains?
- (e) Can you give examples of significant partnerships, illustrating their impact on balanced territorial development?
- (f) What are the potential benefits and drawbacks of a polycentric pattern of development? Do they exist at all levels: regional, national and (sub)-regional? Are there examples in your country?
- (g) What kind of research on spatial change will be valuable for policy decision-makers and business leaders?

CALL FOR RESPONSE PAPERS

54. Country delegations, international organizations, researchers and NGOs are invited to prepare response papers demonstrating the challenges involved in policy implementation and giving examples of recent research and its findings. Response papers should address issues as well as respond to some of the discussion questions posed in this paper.

55. The response papers should be prepared in English. Authors are welcome to also submit translations into Russian, French or Slovak for distribution. Papers should be submitted in electronic form to the UNECE secretariat (urbanregionalresearch@unece.org) by **30 April 2006**; they must not exceed 2,600 words.

Bibliography

As there is a substantial literature about the issues presented in this paper, the authors have chosen to provide a selected bibliography of the main sources used, instead of individual source citations.

Amin, A., Massey, D. and Thrift, N. (2003). *Decentring the Nation: A Radical Approach to Regional Inequality*. Catalyst.

Benevolo, L. (1980). *The History of Cities*. Scolar Press. First published in 1975 as *Storia della Città* by Editori Laterza.

Brochie, J., Batty, M., Hall, P. and Newton, P. (1991). *Cities of the Twenty-First Century*. Longman Cheshire.

Castells, M. (1999). *The Information Age: Economy, Society and Culture*. (Vol. 1: *The Rise of the Network Society*; Vol. 2: *The Power of Identity*; Vol. 3: *End of Millennium*.) Blackwell.

Castells, M. and Hall, P. (1994). *Technopoles of the World*. Routledge.

CEMAT (2000). "Guiding Principles for Sustainable Spatial Development of the European Continent." CEMAT (European Conference of Ministers Responsible for Regional Planning). www.coe.int

CEMAT (2003). "Ljubljana Declaration on the Territorial Dimension of Sustainable Development." CEMAT (European Conference of Ministers Responsible for Regional Planning). www.coe.int

CIAM (1933). "The Athens Charter." Drafted at the Fourth CIAM (Congrès International d'Architecture Moderne) in Athens in 1933; edited and published by Le Corbusier in 1941.

Davila, J. (2005). "Peri-Urban Area Study." *The Hindu*, 15 February. www.hinduonnet.com

Davoudi, S., Strange, I. and Wishardt, M. (2005). "Towards European Territorial Cohesion through Institutional Collaboration: Partnerships, Polycentric Development and Institutional Cooperation." Paper presented at the AESOP Congress, Vienna, July 13–17.

European Commission (1999). *The European Spatial Development Perspective*. europa.eu.int/comm/regional_policy/sources/docoffic/official/reports/som_en.htm

Eurostat (2005). "Gross domestic expenditure on R&D." epp.eurostat.cec.eu.int

Faludi, A., ed. (2005). *Territorial Cohesion* (special issue). *Town Planning Review* 76 (1): 1–118.

Harris, N. (1995). "Cultural Diversity and Economic Development: Migration." In *Cities and the New Global Economy*. Conference Proceedings, Vol. 1. OECD and Commonwealth of Australia.

Knock, P. and Taylor, P., eds. (1995). *World Cities in a World System*. Cambridge University Press.

LeGates, R. and Stout, F., eds. (1996). *The City Reader*. Routledge.

Meijers, E., Waterhout, B. and Zonneveld, W. (2005). "Closing the Gap: Polycentric Development as a Means for Cohesion." Paper presented at the AESOP Congress, Vienna, July 13–17.

Ng, W., and Ryser, J., eds. (forthcoming). *Making Spaces for the Creative Economy*. Isocarp Review. ISoCaRP.

Polanyi, K. (1957). *The Great Transformation: The Political and Economic Origins of Our Time*. Beacon Hill Press.

Todd, G. (1995). "Going Global in the Semi-Periphery: World Cities As Political Projects: The Case of Toronto." In P. L. Knox and P. J. Taylor, eds. (1995), *World Cities in a World System*. Cambridge University Press.

UNECE (1996). *Guidelines on Sustainable Human Settlements Planning and Management*. New York and Geneva: United Nations. ECE/HBP/95.

UNECE (2001). *Strategy for a Sustainable Quality of Life in Human Settlements in the Twenty-First Century*. New York and Geneva: United Nations. ECE/HBP/120.

UNECE (2002). Ninth Conference on Urban and Regional Research. Conference Proceedings. Geneva: United Nations.

Zakkaria, F. (2003). *The Future of Liberty*. Norton. Czech translation published by Academia Praha, 2004.