



**QUARTIERS EN CRISE – EUROPEAN REGENERATION AREAS
NETWORK**

URBACT II

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URBACT TWO PROPOSALS

PROPOSAL ONE: URB GOVERNANCE

BACKGROUND:

City governments in Europe have long played a leading role in delivering public services to citizens. From the 19th century onwards, city governments were instrumental in the development of core municipal services such as water supply, sanitation and gas and subsequently became involved in an increasing number of tasks, with the spread of universal primary and secondary education (involving some role for municipalities in many countries), the development of telecommunications and the expansion of urban public transport.

Despite considerable variation in urban structures, the pattern of municipal responsibility in pre-1945 Europe was broadly similar across the continent, albeit with far more sophisticated levels of service provision in the wealthy cities of the northern and central Europe. After 1945, the development of welfare states and collectivisation in much of Central and Eastern Europe resulted in governments as a whole assuming responsibility for a far greater number of tasks. These included healthcare, social insurance, and care for the elderly and disabled, which in most countries had previously been individual rather than collective matters. While in some countries these developments led to a significantly increased role of city governments, in others, including those with Communist governments, centralised control of budgets shifted the balance of power away from the municipal level.

Perhaps a major change in urban government came with the rise of a neo-liberal political agenda and the development of New Public Management theories from the 1980s onwards. The policies associated with the new economic and social doctrine, which challenged the post war settlement, were pioneered and most vigorously pursued in the United Kingdom. There local authorities were increasingly held directly accountable for their expenditure by central government and were encouraged into policies of budgetary restraint and partial or complete privatisation of traditionally publicly-controlled services. While few European countries have undertaken reforms on a similar scale, the impact of free market thinking on public policy across Europe is well documented. Certain trends, such as the "contracting out" of local services to private or voluntary sector operators, can be observed in many countries.

Nowadays city-level governments are responsible for delivering many of the services on which we all rely on a day to day basis and for spending a significant proportion of public sector resources in a majority of EU Member States. Within the public sector,

city governments are aiming at improving the efficiency, productivity and quality of their services.

At the same time city governments are also dealing with new social and economic realities that have resulted in a rethinking of traditional governance models. Across Europe we can see the development of new forms of institutional arrangements and urban management, some of which key developments have been identified below:

- Local and regional governments have seen a widespread, albeit far from uniform pattern of **decentralisation** in Europe. In Spain, power has progressively been devolved to the Autonomous Communities; regional authorities have been greatly empowered in Italy; and regional government was introduced in France, challenging the once supreme authority of the Jacobin State. More recently still, the United Kingdom has transferred power in many fields to devolved government in Scotland and Wales and created a new regional government for London.
- There has been the wholesale **reform of the local government structures** in Central and Eastern Europe in the period after 1989. In these countries, where local government had generally been relegated to the role of implementing central government directives, the 1990s saw the (re)establishment of democratically-elected local governments with enhanced responsibilities and freedom. In the field of urban government, examples include the re-establishment of Urban Powiats (similar in structure to German *Kreisfreie Städte*) in Poland or the empowerment of the municipal level in the Latvia, Lithuania and Estonia.
- Meanwhile, as historically centralised states have taken steps towards greater devolution, countries with a tradition of strong local government, including the Nordic Countries, Germany or Austria, have continued to defend their models and, in some cases, sought to enhance local or regional autonomy further.
- Alongside these structural issues for local government, models of democratic local government and leadership continue to be a subject of debate. In particular, the question of whether or not mayors should be directly elected has been on the policy agenda in several EU countries in the last decade.
- In the UK, local governments have explored different models of neighbourhood governance. For example the “*service-led*” or top-down approach in which a growing number of local authorities are introducing area co-ordination to 'join up' their services at local level, often bringing in other agencies as well: the police, health authorities, employment and benefits agencies. Local teams are employed and required to report to neighbourhood forums or to area committees composed of local councillors. Other Neighbourhood Management approaches are “*community-led*”, or bottom-up. Tenant housing management organisations are one vehicle and some communities are developing resident services organisations which combine the provision of much-needed services with the development of jobs and training for local people.

These examples show that city governments across Europe are developing diverse approaches to urban/neighbourhood governance in order to meet the new economic and social challenges faced by cities in Europe. One of the main objectives of the URB GOVERNANCE network will be the exchange of good practise in the development of different models for urban/neighbourhood governance and to capitalise on the experience gained in this field.

Why is the issue of urban governance important?

In 2007, the majority of the world's population will live in cities. Within the European Union, over 80% of the population lives in urban areas. Large-scale urbanisation is far from a recent phenomenon. For centuries, towns, cities and metropolitan areas have shaped European society and civilisation. Cities have always been the main drivers of economic growth and jobs, social change and innovations in government and Europe's wealth, innovation potential, creativity and talent is largely located in a range of urban areas.

Yet at the same time Europe's cities also contain pockets of long-term unemployment, poverty, crime, air pollution and congestion. Fundamental socioeconomic change has aggravated social inequality in cities and towns. More and more neighbourhoods are becoming the focus of negative trends. For almost 20 years evidence has been mounting that traditional urban development support is unable to solve the complex problems in disadvantaged urban districts.

This urban paradox - a situation in which cities have both the largest number of job opportunities and the highest levels of unemployment - is considered by the URBACT programme as one of its key challenges and the ex-ante evaluation emphasises "the need to reflect on means to ensure that residents - in particular those of disadvantaged neighbourhoods - draw the maximum benefits from the economic vitality of their city."¹

Consequently, city government has become the arena of an emerging set of major challenges and opportunities. Local authorities can significantly contribute in meeting these challenges and they play a very important role in Europe's social and economic model by supporting high levels of welfare for citizens, ensuring socio-economic cohesion and supporting the functioning of a competitive market environment. City governments are engaged in a wide range of activities from education, healthcare and social security to protecting consumers and strengthening the environment. Europe's economic strengths, such as a skilled workforce and leadership in major industries, require a proper functioning of its public sector.

The proposed URB GOVERNANCE network will therefore deal with the issue of urban governance and look at a complex range of factors and questions that come into play when it comes to considering the most appropriate role for city governments and introduction of new urban management structures. This has been identified by the URBACT II programme as a priority issue (Priority 2 "Urban Governance and

Urban Planning: urban planning, multi-level government, citizens' participation, territorial governance (horizontal and vertical).

The core objectives of the URB GOVERNANCE network are closely linked to the URBACT objectives which are as follows:

- To facilitate the exchange of experience and learning among city policy makers and practitioners in the field of sustainable urban development among local and regional authorities. Taking into account the *acquis* of the URBACT I Programme, it will draw lessons to increase their impact on local policies.
- To disseminate widely the experiences and examples of good practice collected by the cities, and especially the lessons drawn from these projects and policies, and to ensure the transfer of know-how in the area of sustainable urban development.
- To assist policy-makers and practitioners in the cities and managers of operational programmes under the Convergence and Competitiveness Objectives to define action plans on sustainable development of urban areas, which may be selected for Structural Funds programmes.

Furthermore the work of the URB GOVERNANCE network will contribute to delivering the goals of the Lisbon strategy. Local authorities are crucial to the efficient implementation of all three pillars of the Lisbon strategy (economic, social and environmental). In addition to being major employers in their own right, city governments have a key role in implementing policies in areas such as economic development, employment, innovation, education, life long learning and youth, social cohesion and environmental sustainability . City governments also play a key role in implementing structural funds programmes, which are an important tool for making an impact at local and regional level towards the Lisbon goals.

THE PROPOSAL

The main aim of the proposal is to establish a network between 10 cities in at least 5 different member states participating in a transnational exchange programme which would facilitate transfer of policy, planning and practice AND provide capacity building for professional development in the field of urban governance.

The transnational exchange programme would focus on the following three specific sub-themes:

- **Decentralisation:** This sub-themes will examine the different models/mechanisms for decentralisation that are present in the EU member states in order to extract good practise of adequate institutional mechanisms that can provide better services for citizens whilst keeping in mind the local context. The sub-theme will be looking at factors such as the structure of a given metropolitan area, the framework of legal and financial autonomy of local government as well as at local and national political factors. Finally the

sub-theme will also look at structures for strategic networking and leadership as local initiatives and local leadership play an important role to mobilise political and societal support.

- **Neighbourhood Facilities management:** exchange of experience on neighbourhood management models in particular as concerns Public Space management. Public spaces have always been a very relevant scenario for urban societies. They have also become a realm of different spheres of public policy and of political life in cities. Public spaces such as squares, parks and streets are the places where different social groups interact, gather, pass by, play, exercise formal and informal economic and leisure activities, deal with conflict and confrontation, etc. Public spaces, especially in the inner city have become to some extent "mirrors" of society, and therefore targets of programs and policy interventions from local governments aimed to both tackle and prevent the conflicts that arise in them. Often design and maintenance are responsibility of specific technical bodies, but there are other stakeholders like municipal officers from different areas (social services, police, health, etc), grassroots, non profit or residents in general. The interaction of these groups often contributes to the generation and exchange of urban knowledge. Public spaces also rate high in the agendas of local politicians but generally the focus is in the design and construction. But also public spaces are becoming scenarios of governance both in relation to the design and to the management: grassroots and other stakeholders want public spaces to be central part of sustainable communities. Participation in these two aspects of public spaces is becoming an effective tool to tackle conflict and integrate different groups among themselves and with the neighbourhood.
- **Urban governance and Social Inclusion:** Fundamental socioeconomic change has aggravated social inequality in cities and towns, particularly in the areas of work (compulsion to take temporary or low-paid jobs, unemployment), interpersonal relationships (loss of supportive social networks, isolation) and welfare rights (impeded access to facilities, institutions and an acceptable standard of living). This process is self-perpetuating unless it is interrupted by concerted efforts from politicians, local councillors, residents, businesspeople and other locally active players. The aim of this sub-theme is to identify and compare local governance structures and mechanisms in terms of their capacity to affect the processes of social exclusion. Recognising the interdependencies and the interaction between local residents, social groups, public agencies and local businesses, the sub-theme will examine methods and tools for the effective use of available resources for socio-economic development of an area.

PROPOSAL TWO: EUROPEAN LOCAL REGENERATION FORUMS EXCHANGE

BACKGROUND

In our modern societies, often called knowledge or information societies, there is a wide debate on an undeniable fact: governments are not effective and legitimate enough.

Local governments are, due to “glocalization²”, under strong pressures to reinvent their ways in terms of strategies, interface and cooperation of politicians and the administration, and addressing devolution of power to citizens themselves. For an effective urban policy it is essential to develop models of urban governance, with a holistic, integrated and multicultural approach, this is why many cities have started developing methods to activate, empower and engage citizens and communities.

Within the system of representative democracy, citizens have been slightly involved in the late phases of the decision-making processes, when the scope for making decisions is really limited. When we are talking about complex policy issues, this late or inexistent involvement can create conflict within a society, as well as difficulties in the implementation process. This is because a key aspect has often been ignored, in the sense that in a complex context, decisions are not exclusively technical, as they usually involve political thinking and social judgements.

The crisis of democracy and traditional forms of representation is due to many factors and current elements common to European society as a whole. Among others, we can observe the downfall of ideologies, large political parties and trade unions representativity crisis, social atomization, mistrust and lack of interest on the part of citizens about their administration, etc. All these factors affect ultimately the elections' turnouts, which we have seen decrease in the past years in many European cities.

It has become clear, therefore, that traditional forms of representative democracy are not enough anymore and that we need to reinvent local governance systems in order to render governments and policies more effective and legitimate. The democratic deficit, represented by a lack of participation and social effective interaction in public life, especially of young citizens, establishes a new set of challenges for intervention; this problem has already been acknowledged by not only local authorities, but also by national governments and the EU.

Cities are an essential dimension, not only for developing a sense of European citizenship, but also for European Cohesion Policy and for the objectives of the Lisbon Strategy, in the sense that urban and metropolitan areas are the motors of regional competitiveness. They are the home of most jobs, businesses and higher education institutions, therefore they have a great potential for economic growth and at the same time for bringing about social cohesion, through the combination of

² *Glocalization*: the term *glocal* refers to the individual, group, division, unit, organisation and community which is willing and able to think globally and act locally. The term has been used to show the human capacity to bridge scales (from local to global). There is a dual nature of the concept if we agree that ‘global’ and ‘local’ are two different sides of the same coin. The challenge is in combining *glocal* dimensions with cultural, temporal and other dimensions.

measures promoting economic growth with measures designed to reduce poverty, social exclusion and environmental problems.

According to the **Urban Audit** most recent reports, demographic and economic trends in Europe are quite diverse, although there are certain challenges in all European cities which represent the main concerns in terms of sustainable urban development, and these are basically: demographic trends, economic performance and competitiveness, job markets and social exclusion.

In terms of demographic trends, we can see large flows of population willing and actually moving from the countryside to the urban and metropolitan areas, and this phenomena is not only happening at national levels, but also, crossing borders within the EU Member States. Therefore, cities are facing a new reality, they need to reinvent themselves in order to tackle new challenges and this cannot be done without the community participation in the designing, planning and managing the resources that support urban life. In order to promote a sustainable urban development, it is essential to monitor urban regeneration processes by participatory practices where the inhabitants of an area may value and decide together with technicians, administrators and elected representatives, the development of the areas they live in.

From the economic performance point of view, obviously, some European cities perform better than others. The differences in competitiveness not only occur between countries, but also within the same State, cities present very diverse situations regarding their economic performance. In order to measure this, we can not only take into account GDP rates, but we also need to use other indicators such as employment, education, urban health, etc. According to the State of European Cities report³, “diversity stands out when it comes to picture the contribution of cities to the European growth”. There are many factors that explain this reality and that vary from one city to another, however, most European cities have common challenges to face for urban development to be sustainable, and one of these challenges is the better involvement of the community in a new governance system.

The Urban Audit also shows the so-called ‘urban paradox’ that refers to the fact that in many European cities job opportunities are concentrated while unemployment rates are well above national averages. The consequence is that we can find many disadvantaged neighbourhoods where the unemployment rate is really high, and subsequently problems of social exclusion are concentrated. In order to develop a sustainable urban development strategy is essential to act in this matter, taking into account the jobs available, the nature of these jobs, the population capabilities and needs and trying to make the access to the job market easier, specially for some groups which are in a disadvantaged position in society, like women, young people, immigrants, etc.

In the development of more competitive and cohesive European cities, citizen participation is a democratic imperative – the engagement of local residents and civil society in urban policy can give legitimacy and effectiveness to government actions,

³ « State of European Cities : Adding value to the European Urban Audit », May 2007, European Union-Regional Policy..

making the management strategy of a city more open and transparent. These actors bring local knowledge as well as specific talents. With a participative governance system a new knowledge base is created integrating the knowledge coming from citizens, technicians, politicians, etc. Citizens are best placed to organise actions in the local context and to cross formal institutional boundaries by their personal knowledge of local issues and key players.

Citizen participation also promotes the inclusion of all groups of society in public life, specially those minority communities that are economically and socially excluded from the urban space. At the same time it strengthens the commitment of citizens with policies as decisions are made based on a combined top-down & bottom-up approach, where real societal and individual needs are identified. The result will be an improvement of the quality and efficiency of urban development policies, facilitating their implementation and acceptance.

If citizens enjoy greater consideration, they get a new perception of their roles within the framework of a clear and more balanced democratic approach: they become aware that it is their duty and ability to contribute towards transforming their cities.

Proposed URBACT Network

Given the above overall context the proposed URBACT Network called *European Local Regeneration Forums Exchange (ELRFE)* will make it possible for citizens, professionals and local politicians to reflect upon, capitalize on and circulate their local experiences of direct inhabitant participation in urban changes, taking those elements which are transferable and adaptable from one city to another.

The URBACT Network is a mutual learning opportunity for the local community which enables it to construct civic networks, enhance its identity in the sense of sustainable local development, as well as to transform and renew territorial policies and administrative practices, responding to the European challenge of fostering and promoting the participatory processes whereby inhabitants are directly involved in urban transformation projects.

Main Aim

The ELRFE URBACT Network aims at exploring models and methods that ensure success of participation processes in the development of urban policies in deprived areas, capitalizing from the existing experiences of the partner cities, with the broader objective of improving the management of future urban regeneration policies.

This territorial exchange process will enable participants from different cities in Europe to develop a common sense of European identity, promoting the creation of an Active European citizenship and facilitating their future involvement in the urban policies and programmes not only at the local level, but also at the EU level. The Network also aims at demonstrate how the democratic and participatory nature of European construction can be enhanced by engaging citizens.

Specific objectives

The project seeks to meet the following specific objectives:

- Establish 10 Local Regeneration Forums (LRFs) composed by citizens, local politicians and professionals working in the field of urban regeneration.
- Identify and analyse existing examples of citizen participation in urban regeneration policies in the different partner locations as well as looking into new and innovative forms of participation
- Through the transnational exchange of experience to identify better forms of communication to involve inhabitants and maintain a continuous social dialogue throughout the different stages of the participatory process, especially with disadvantaged groups.
- To favour the appropriation of these forms of communication by all the partners, through the transfer of know-how among participants, facilitating therefore the capitalization of the acquired knowledge.
- Create the link between local and European urban policies and programmes, bridging the gap that exists between citizens and European institutions, focusing on the urban regeneration issues and counting on the support of the EP Intergroup for Urban Policy and Housing, who has agreed to participate in this project.
- Facilitate an online discussion and participation forum for all the partner cities, in order to provide citizens with resources and tools to get involved in urban policies and programmes, not only at the local level, but also at the EU level.

PROPOSAL THREE: MANAGING CHANGE- IMPACT OF DEMOGRAPHIC AGEING FOR CITIES

Background

There are a number of contextual factors that underpin this proposal:

- 1 All European countries are facing challenges from demographic change. These fundamental, serious developments have complex consequences for local and regional authorities. The impact of demographic changes will differ from city to city and from region to region. But they influence nearly every sphere of life: labour markets, housing markets, social security systems, infrastructure, urban/spatial planning, education, budgets and finances. Experience with the impact of demographic change has engendered strategies to face these developments in a number of countries and municipalities.
- 2 Europeans are becoming older, fewer and more heterogeneous. Demographic changes are apparent in all European countries. They mean shrinkage and ageing of population as well as regional and international migration resulting in heterogeneity. These trends interact in ways, shrinkage contributes to ageing, and suburbanisation (migration) explains some degree of population decline in core cities.
- 3 Almost everywhere in Europe, the fertility rate has dropped well below the replacement level of 2.1 children per woman. However, life expectancy continues to rise, decelerating the decline of population (but at the same time leading to an ageing population). On the other hand, (international) migration also affects population development. Migration from non-European countries will give slight grow to the EU population presumably until around 2025. After 2025, the population will decrease significantly. On the European level, "this trend is even greater when just the total working age population (15-64 years) is considered: between 2005 and 2030, it is due to fall by 20.8 million ." (Cf. European Commission, Green Paper "Confronting demographic change: a new solidarity between the generations", Communication from the Commission (COM (2005) 94 final), Brussels 2005).
- 4 The population structure will also be affected. The ratio of elderly and very elderly people will grow as well as the ratio of immigrants. In the EU25 the proportion of elderly people (aged 65 and more) will increase from 16.4% in 2004 to 29.9% in 2050, or from 75.3 million in 2004 to 134.5 million in 2050. The highest proportions of elderly people in 2050 are expected in Spain (35.6%), Italy (35.3%), and Greece (32.5%)). As far as the elderly dependency ratio is concerned (population aged 65 and more as a percentage of population aged between 15 and 64), this means that, whereas in 2004 there was one inactive person (young or elderly) for every two persons of working age, in 2050 there would be three inactive persons for every four of working age(.

- 5 The impacts of demographic change will differ from community to community and region to region. But they influence nearly every sphere of life: labour markets, housing markets, social systems/security, infrastructure, urban and spatial planning, education, budgets and finance. "Local authorities are particularly affected: they bear responsibility for providing public services and are the locus of civil society engagement. Owing to demographic change, demand is falling in many areas, in some it is changing structurally, in others it is expanding (8)." Declining populations demand fewer private services and products, leading to economic problems for the private sector (e.g., retail, handicraft). Declining demand for public services also causes serious problems for municipalities.

- 6 Fewer resources are available to finance the same fixed costs of network-related infrastructures like water and energy supply, public transport, or wastewater treatment, as well as (social) public infrastructures like schools, child care facilities (day nurseries, kindergartens), libraries and swimming pools. As a result, the financial burden per capita is actually rising because municipalities find it difficult to reduce their services (especially as regards technical infrastructure facilities) at the same rate as that of population change, decline or ageing. And, of course, there are limits to reducing or even discontinuing public services, as they are services of general interest.

- 7 On the other hand, elderly care facilities will have greater demand for their services and will need to expand. These changing demands require high levels of investment to convert and modernise infrastructure and facilities for the elderly. Declining population also affects labour markets. Skilled labour, an important location factor, is becoming scarce. Moreover, declining attractiveness in a city or region may even accelerate population decline and migration. In spatial planning, the growth-oriented land development policy of recent decades cannot continue. The growth in planning will need to be replaced by a new paradigm.

In short, demographic changes strongly affect almost all politically relevant areas of municipal life. Even if demographic changes as meta-trends are nearly impossible to handle, local authorities cannot afford to remain inactive. Demographic ageing (greater longevity alongside decline in birth rates) will have profound socio-economic impacts over the next two decades. The impact in terms of socio-economic policies relates to a number of areas:

- Increasing retention levels for older workers (at all levels of competence)
- Increasing labour market participation levels- particularly amongst women;
- Life long learning packages targeted at older people
- Third Age enterprise development;
- Tackling age discrimination
- Independent living support services-more single older person households

Health needs

Care support services- social economy role in providing “Home Manager” (cleaning; gardening; small household tasks; shopping; washing/ironing services; home-school services; respite care services etc)

Higher levels of “immigration” (legal/illegal). This will create additional socio-economic policy pressures.

Proposal outline

Overall aim:

To establish a thematic exchange network between 10 cities in at least 6 Members.

The overall aim of the thematic network would be to establish a transnational exchange programme which would facilitate transfer of policy, planning and practice AND provide capacity building for professional development.

The transnational exchange programme would focus on the following specific sub-themes:

- 1 Social services.** Not only the quality of social services but also the extent and accessibility of services are affected by an ageing and shrinking population. Social services include child care, care for the elderly and disabled, as well as health care institutions and educational services such as schools, which may have important functions as day care institutions. The ageing of the population poses obvious challenges for the care of the elderly. The number of people needing nursing or health care is rising. The capacity of care institutions therefore needs to be increased. As far as quality is concerned, the growing percentage of very old people (over 80) requires programmes and adjusted services on a very specific level for this target group.
- 2 Spatial planning.** Spatial planning affects a wide range of different local and regional policy areas, including urban development planning, housing, transport, and technical as well as social infrastructure. The aim of spatial planning is to ensure and improve the socio-ecological and socio-economic functioning of spaces, taking into account the principles of sustainable development. Demographic changes generate differing spatial planning requirements in prosperous or stable regions and in shrinking cities and regions.
- 3 Employment and Social Inclusion.** There is a close relationship between employment/social inclusion and demography. Despite the differences between EU member states, they have much in common in the future development of employment. Greater differences are apparent in the new member states, where migration behaviour is expected to differ from EU15. Employment growth in the EU remains rather limited, and has now been low for several years in a row (47). Growth such as it is has been driven by continued expansion of employment in the services sector. More flexible

types of employment are also continuing to increase. As a result, the average employment rate for the EU grew by 0.4% to 63.3% in 2004, an improvement over 2002 and 2003 when total employment hardly rose at all. The rise in the employment rate was driven particularly by the ongoing increase in female employment, but also by a continued strong rise in employment for older people (aged 55-64). The unemployment rate remained unchanged, and the long-term rate even increased slightly to 4.1% (48). As far as social inclusion is concerned, 7% of the employed population of the EU25 (an estimated 14 million people) live in households with incomes below the national poverty line. This is due to labour market problems, but in-work poverty also exists. In the medium term, forecasts of employment development anticipate at best a reduction in unemployment but no full employment. Nevertheless, there will be sectors and regions that will suffer from an increasing lack of skilled labour within the next few years.

- 4 There is a discussion about the correlation between productivity and ageing. A common hypothesis supposes that an ageing labour force is less productive because their education is not state-of-the-art. Another argument is the declining health of elderly people. On the other hand, in a society where service and knowledge play an increasing role, experience and social competence become more important which would favour older employees.

PROPOSAL FOUR: CREATIVE CITIES- CREATIVE INNOVATION AND CULTURAL CLUSTERS

BACKGROUND

The European Commission's report 'Culture and the Economy', published last year in 2006 emphasises now that creative and cultural industries are currently one of the most significant growth sectors for the economy in terms of GDP and added value and that they are a key source of 'innovation' and employment.

The report marks a turning point in relation to European Commission policies and future strategies. The Commission has responded since with an initial statement for the European Institutions, the Member States, and the cultural and creative sector confirming a new cultural strategy development that promotes '*culture as a catalyst for creativity in the framework of the Lisbon Strategy.*'⁴

This together with other research and analyses, for instance, through ESPON, the European Spatial Policy Observation Network, indicates that:

'The more urbanised regions have the best potentials for pursuing strategies of innovation.'

However, in assessing impact there are currently some weaknesses, possibly underestimates in measurement, particularly in relation to the analysis and classification of the 'creative and cultural labour force and industry sectors. The Cultural Heritage' report ESPON produced, in 2006, points out that 'the current international classification system of jobs as regards 'creativity and the use of creative potentials in innovation are confined only to those jobs classified as "cultural and creative professions".'

It should be possible, for instance, to distinguish between cultural sector whose outputs are cultural and parts of the creative sector which gathers the industries and activities that use culture as an 'added value' for the production of non cultural goods. However, what they can be said to have in common is their origin being 'creative ideas' which in turn combine with more and more inputs to produce a wider range of products. They are therefore interdependent.

An Urbact priority is to test best practice for '**economic modernisation and increased competitiveness.**'

The European Spatial Planning Observation Network (ESPON) also importantly points out:

Current theories of regional competitiveness emphasise the significance of "soft" factors such as human, cultural (knowledge and creativity) and socio-institutional

⁴ As above

capital, environmental quality. Quality living environments and access to environmental and cultural amenities are among factors that attract investment and people to a location. A creative work force, including artists has by a number of regions and larger cities been a strategic priority, vital to innovation.⁵

Within this context therefore our aim is to set up an exchange network of city regions on the theme of ‘innovation and creative clusters’ and to examine how creative and cultural industries best impact on economic and social cohesion.

Cities stand as major in relation to today’s and tomorrow’s European economy. In most EU countries, the production of wealth, knowledge and innovation is concentrated in urban areas.

They tend to be more culturally diverse and knowledge intensive. As drivers of the economy therefore they need to address innovation and revive entrepreneurial spirit and economic growth. They are also well placed to cooperate with a vibrant education sector with concentration of high skills in universities or research agencies.

Developing innovation strategies is particularly important in this process and it is increasingly evident that the cultural and creative industries are currently likely to be more effective in this and provide added value. As the EPSON report points out indicators of strength relate to the nature and capacity of the work force, the diversity and production of intellectual property that influences supply, demand and structure.

Economic theory in UK during the nineties, through people like Michael Porter for instance, identified, in particular, that productivity and economic growth arose best through geographical zones or clusters of industry which set a trend.⁶ Cultural planners have similarly recommended ways of improving the environment through developing related models such as ‘creative or cultural industry quarters’, hubs or zones and alternative forms of workspace.

In contrast now it has been observed, for instance, by the Department for Trade and Industry in UK, that, in particular, ‘creative and cultural industries’ do not always owe their success to economic clustering.⁷

The nature or quality of ‘creative’ content will often have an intangible quality that is influenced by other things such as cultural diversity, changing demand ,demographics, the capacity for innovation .The acceleration of digital technologies in particular also shows that proximity is no longer such an influential factor,’- creative clusters can be ‘virtual and relate to knowledge industries.

Cultural Diversity:

Are mixed societies more creative than homogeneous ones?

Throughout an enlarged Europe and beyond, migration is rendering communities more diverse and complex than ever before.

⁵Cultural Heritage, ESPON Report: ‘’ 2006 www.espon.eu

⁶ *The Competitive Advantage of Nations*, Michael Porter 1990

⁷ Creative Industries Action Plan Department of Trade and Industry ,UK, 2007

In the corporate world there is a 'business emphasis' for diversity with companies realising not only that they need to recruit from the widest possible talent pool in order to stay competitive, but that their innovative edge can be actually sharpened by the creative tension of bringing diverse cultures, skills and mindsets together. This can lead to fresh ideas, innovation and creativity which in turn stimulates the economy.

It can be greater where there is more emphasis on interaction, the bridging and exchange of ideas. 'Cultural diversity' in this way is or can become a source of new ideas and innovation which leads on to greater scope for business and all the associated social and economic benefits.

Researchers associated with the publication 'Comedia, UK'⁸ have pointed out that more investigation is needed on the nature of such a productive workforce and the degree of interaction or co-operation. They have suggested for instance, 'formulating indicators' to answer questions on how easily and frequently different ethnicities mix, how open a city is in terms of the institutional framework, business, civil society and public space, and the extent of co-operation and collaboration. Factors such as intermarriage, multilingualism and clusters may also figure highly.

Proposal outline

Overall aim:

To establish a thematic exchange network and transnational exchange programme between 10 cities across Europe.

To facilitate transfer of policy, planning and practice and provide capacity building and professional development in creative and cultural skills.

The programme will focus on the following 4 domains that are associated with a range of sub themes and the development of creative and cultural industry clusters.

- Audio visual (film, music, multi media, games & software)
- Creative and sustainable environments- infrastructure, policies workplaces, networks, cities and towns, education, tourism, heritage, marketplaces, talented entrepreneurs, marketing, performance and events, cultural identities, place marketing
- Digital Technologies- broadcasting, podcasting, internet channels, pervasive media, handheld technologies, ICT, connectivity,
- Design- ceramics, fashion, interior, landscapes, heritage, publishing, visual displays, architecture

Within this framework participants will be encouraged to review initiatives across the different sectors and focus on specific needs as required

⁸ Ongoing research and Report by Commedia 2006, www.interculturalcity.com

These will be examined in relation to cross cutting themes or common issues that are important for the growth of the cultural economy and strategies towards social cohesion and sustainability. There will be a choice of specific industry sectors for instance, and a focus on cross cutting themes such as innovation, cultural diversity, equalities, inclusion, digital futures, creative environments.

Participants across cities will consider new policy and planning processes that promote an integrated approach and favour an interdisciplinary approach such as cultural planning.

There will be a lead City and management team and a steering group of partner representatives across countries and a combination of live meetings, exchanges, visits and workshops or events together with interactive online learning

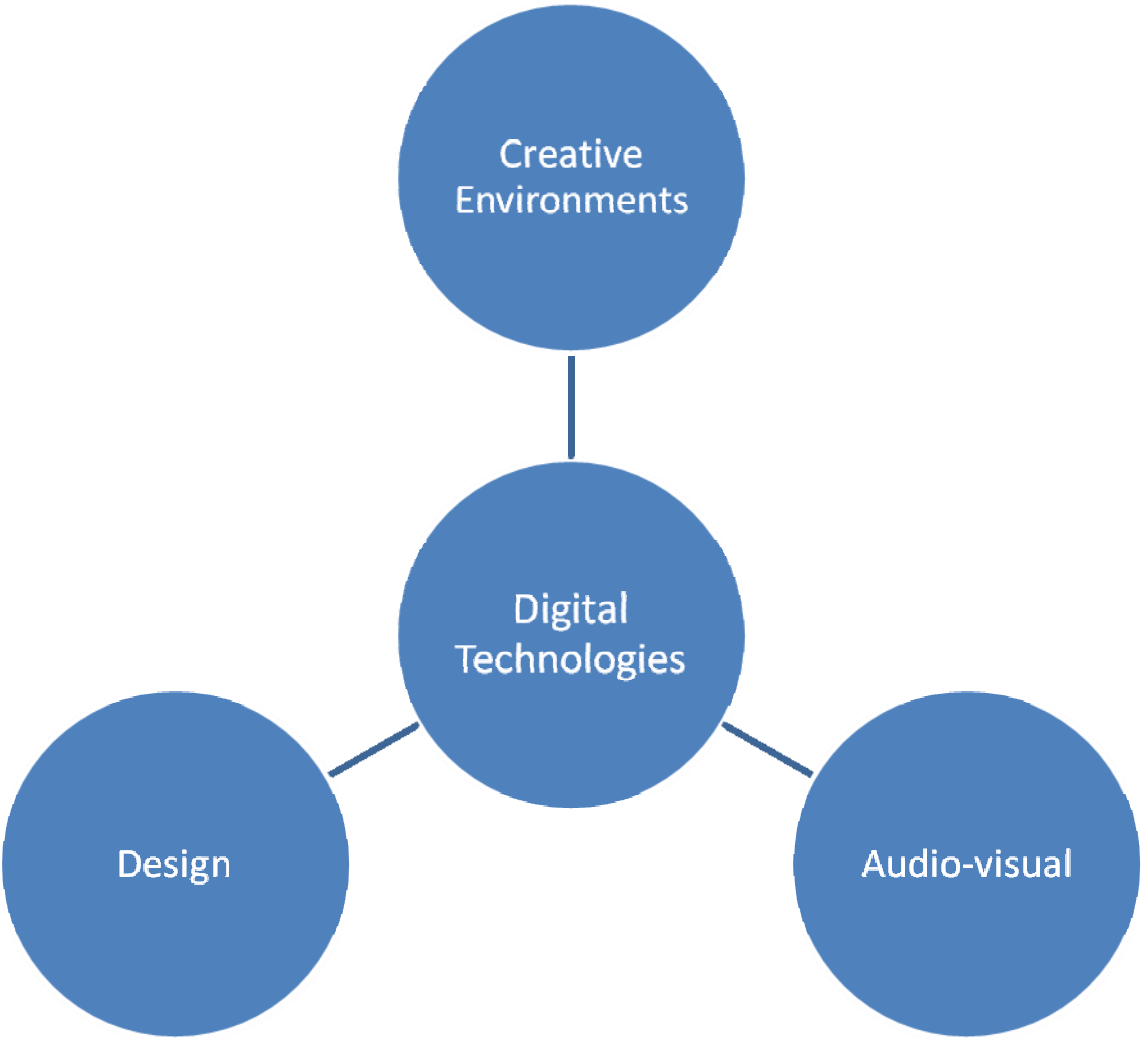


Fig 1: Creative Industry Clusters

PROPOSAL FIVE: EUROPEAN ROMA EXCHANGE

BACKGROUND

In the year 2007, for the first time in history, a majority of the world's population will live in cities. In today's Europe, cities are the main engines of economic development, but also places where specialised services are provided – such as education institutions, hospitals and major cultural attractions⁹. Therefore today even nomadic ethnicities like Roma are brought to live, if not in the cities, at least in their proximity.

Nevertheless their incorporation into urban areas does not imply automatically their integration, where specified actions are required more and more often.

In the beginning of the second millennium, the ancestors of today's Roma had migrated from what is now India to Europe and taken with them their own language (Romani, related to Sanskrit) and distinct cultural traditions. The name Gypsy, used commonly in English-speaking countries, is a corruption of the word Egyptian, reflecting a mistaken belief that Roma had come from Egypt. Roma are also known in many European countries as Tsigani (or a variant thereof). Many Roma reject the terms Gypsy and Tsigani as pejorative and instead prefer designations such as Roma, Sinti, or Manouches (all based on Romani words for “man,” “human,” or “person”). For the purposes of international political discourse, the word Roma has become the most widely accepted term for this dispersed people.

Although precise figures are unavailable, there are possibly over ten million Roma in Europe as a whole, a population which is comparable with the population of Belgium or Sweden. Today Roma live throughout all European countries with large concentrations in central, eastern, and southern Europe.

Since the end of Communism in the former Soviet Union, issues facing Roma have come to be viewed as among Europe's most pressing human rights and social inclusion priorities. Ironically, after the fall of communism in Europe, the situation for Roma deteriorated markedly in many respects. They experienced a sharp increase in racially motivated violence, pogroms in Romania, and the denial of citizenship in the Czech Republic and some countries emerging from the break up of Yugoslavia and the Soviet Union.

Today Roma integration is one of the top issues on the political agenda of the European Union for the following reasons:

- First of all 2007 is the European Year of Equal Opportunities for everyone and integration as well as antidiscrimination measures benefit from a particularly strong support from the European institutions.
- With the accession of 10 new countries to the EU in 2004, Roma are today its largest ethnic minority group, but despite significant efforts by certain

⁹ State of European Cities Report , May 2007

international organisations, national governments and the civil society during the last years, most Roma communities continue to suffer from social exclusion, discrimination and poor living conditions.

Numerous reports from the National Focal Points on the situation of Roma, Gypsies and Travellers in both new and old Member States clearly illustrate that members of these communities continue to experience marked discrimination and social exclusion, and to encounter difficulties in gaining equal access to employment, education, social security, healthcare, housing, other public services and justice.

However, this situation is not resulting from the lack of concern on the European level. Respect for and protection of minorities was highlighted as a key value of the European Union (EU) when it became one of the political criteria for accession to the Union according to the agreement reached in Copenhagen in 1993.

With the Amsterdam Treaty in 1999, the EU Council acquired the competence to introduce legislation to combat discrimination on a range of grounds, including racial or ethnic origin. Shortly thereafter, the Commission developed proposals leading to the adoption of Directive 2000/43/EC—the Racial Equality Directive—and Directive 2000/78/EC—the Framework Directive for equal treatment in employment and education.

The EU's commitment to equality was further reaffirmed in the Charter of Fundamental Rights of the European Union, which was proclaimed in 2000.

Furthermore in April 2005, the European Parliament (The Parliament) adopted a resolution calling on the European Commission to prepare a communication on how to coordinate EU efforts to improve the situation of the Roma.

Regrettably current research and analysis conducted by several private and public European institutes point to a number of fundamental factors that have contributed to the failure of the current policy and founded initiatives:

- Low levels of Roma participation in public life;
- Insufficient targeted legislative frameworks;
- Lack of Strategic and integrated Approach of Funded Initiatives
- High levels of persistent racism (direct and institutional) against Roma;
- Challenges to the preservation of Roma identity and culture;
- Lack of the real political will.

The scale of problems facing Roma has led recently to a proposal that the European Union adopt a Roma Integration Directive. In its "Report on the Situation of Fundamental Rights in the European Union for 2003", the European Union Network of Experts in Fundamental Rights recommended the adoption of a "Directive specifically aimed at encouraging the integration of Roma". The EU Network of Experts in Fundamental Rights was established by the European Commission at the request of the European Parliament and charged with monitoring fundamental rights in the Member States.

But as the legislative procedure take time, the issue is now on the agenda of the European Union's EQUAL initiative, which tests new approaches to anti-discrimination and inclusiveness within the labour market, has financed around 45

projects in the first round, 2000-2004, where Roma communities were among the beneficiaries.

Proposal Outline

Overall Aim

To establish a thematic exchange network between ten cities in at least 6 member states:

The overall aim of the thematic network would be to establish a transnational exchange programme which would facilitate transfer of policy, planning and practice AND provide capacity building for professional development.

The transnational exchange programme will focus on the following specific sub-themes:

1. Integration of Roma children into Public non segregated education system.

There are only some Member States which do monitor educational achievement by ethnic groups, but according to several national surveys available scholar achievement among Roma, Gypsy and Traveller communities is currently very low across the EU-25. European Roma Rights Centre research conducted in several eastern European countries like Czech Republic, Hungary, Bulgaria and Slovakia detected very serious problems of racial segregation in schooling. It consists generally in the placement of Romani children in substandard schools located in or near Romani quarters. These schools are traditionally known as "Gypsy schools" and generally offer substandard education in materially impoverished surroundings.

Other forms of segregated schooling have also been noted in Western Europe. Research conducted in 2003 by the European Union Monitoring and Advocacy Program (EUMAP) of the Open Society Institute, indicated that only half of Roma and Sinti children in Germany attend school at all and of those who do attend up to 80% in some areas attend "special schools", similar reports come also from Spain, France, UK etc.

In order to fight with the school segregation which further leads to the social exclusion and to provide incentives for including Roma children into mainstream education important efforts need to be deployed in terms of national and local education policy. A strong accent must be also put on the promotion of the intercultural awareness through para-scholar activities aimed at fight against racism and xenophobia among the youngest.

2. Active inclusion of Roma into labour market.

Employment is one of the most efficient mechanisms for securing the social inclusion. The Lisbon strategy has set a number of ambitious goals in the field of employment. Achievement of these requires automatically an important employment rate among all of the EU inhabitants.

Roma community, however, continue to face significant barriers in accessing the labour market. According to unofficial estimates based on the qualified sociological

studies 50 to 80% of Roma community is unemployed, 90% of which are women. Exclusion from the labour force is a key factor in perpetuating the Roma poverty cycle and in driving down living standards. Severe long-term unemployment has meant that many Roma have been without work since the early 1990s.

There are clear signals and indications that this huge unemployment rate is due in a large measure to the discriminating measures put in place by employers but also by the job agencies.

Because of the nomadic traditions and culture the self-employment and entrepreneurship seem to be potentially the most suitable ways for Roma to generate income, but a limited access to information and credit shorten considerably Roma initiatives. Among the factors cited for inhibiting Roma access to bank loans for starting or expanding businesses are a lack of regular income and property. Therefore Roma community finds itself in the catch 22 situation which combined with the overwhelming discrimination leads them to the extreme poverty.

In order to override this situation measures on national and local level are required in the fields of employment creation and financial support for the business development.

3. Promotion of intercultural dialogue and Roma participation in decision making processes.

Establishing a strong and efficient intercultural dialogue is one of the crucial points in the process of the social inclusion of Roma to the basic public services. Roma are often faced with having to choose between exercising their right to live according to their culture and their right to public services. This is strikingly demonstrated when Roma are forced to accept settled housing because of the failure of the state to provide housing sites. The point is that Roma should not be required to assimilate in order to access basic human rights; rather laws, regulations, and policies need to take account of the needs and identities of Roma.

Effective Roma participation in public affairs is also a necessary condition to promote an improvement in their access to fundamental rights and services. The absence of Roma in public life, whether in the NGOs or elected representative authorities is a direct factor to generate the general ignorance of their needs and growing and omnipresent anti-Gypsyism.

There is an urgent need for measures concerning the support in providing resources to, and promoting the existence of the Roma civil society groups. There are two ways for Roma to be heard by the large public; by establishing their own political parties and representative organisations or by joining existing parties and other organisations which are inclined to be the representatives of the Roma issue. Both actions need to be promoted and supported in order to improve their current situation.

As well as representation there is also a pressing need for efficient consultation in order to adjust the measures to be taken to the emerging needs and interests. Such consultations would allow seizing relevant information about all kinds of discrimination issued by the legislation, policy or practice in order to develop adequate remedies.

PROPOSAL SIX: INNOVATIVE METHODOLOGIES AND TOOLS FOR INTEGRATED URBAN DEVELOPMENT

Background

Urbact II focuses on urban and metropolitan areas as motors of national and regional competitiveness and promotes the development of integrated plans for sustainable urban development. It also highlights the role that these regions/areas play in transferring know-how, channelling growth and boosting competitiveness. According to the 'Sustainable Urban Development in the EU: A framework for action', 80% of the EU population live in towns and cities i.e. urban settlements, though the rural-urban disparity varies from country to country.

It is important to highlight that urban development has moved on past the concept of physical improvement of an area. Solutions now incorporate a much more complex set of objectives to include: social, cultural, economic and environmental spheres of intervention. This is why we believe that effective design strategies should involve a comprehensive plan of all these elements which are needed in the successful improvement of the urban fabric and the economic regeneration of an urban area.

Today, Sustainable Urban Development is a leading paradigm, and as such, issues faced should be tackled in an integrated and holistic manner; improving the physical environment, preserving historical and cultural heritage, promoting entrepreneurship and local employment, community development, providing services to specific demographic groups. Urban policies, particularly within the framework of sustainable development, are of such a nature that the tasks must be formulated and implemented within a more complete and long-range policy framework than would be the case for isolated sectoral frameworks.

In other words, in order to create more inclusive urban areas and to apply sustainable urban development methods urban planners and respective stakeholders must attempt to deconstruct the current urban praxis and to instil novel ways and means in dealing with the existing urban challenges of poverty, inequality and disparity.

The global market economy has created competitiveness between urban areas to a level unparalleled in the last centuries, and urban areas find that they must become competitive, economically and culturally, to survive. In addition, it is recognised that urban deprivation aggravates individual problems; in turn, social exclusion and lack of economic opportunity make individuals hostile to their environment. This is why it is important to introduce a new integrated approach to fight this vicious circle aiming at re-valorising the individual through his/her environment and not in spite of it. Therefore effective and innovative methodologies for integrated urban development design strategies must ensure quality and preserve and enhance the continuity between past and present and between community and the individual.

Urban areas across Europe are already experimenting with novel strategies in order to reclaim or carve a place for themselves in the global market. These innovative tools used range from the cultivating of art and culture, to fostering of innovative economic strategies, introduction of financial instruments, encouraging of a creative

milieu or any number of other tools and processes to overcome the status-quo and introduce catalysts for change.

Innovation is not predicated only on financial resources but can also thrive where such assets are wanting. Innovation is not characterized or constrained by quantifiable financial assets but it can emerge as an alternative, novel and daring solution to a specific predicament.

Innovative methodologies can therefore materialize from both affluent and deprived areas. It is the human resources available, which can bring about the introduction of change and development through innovation. The question is how to harness innovation through methods and processes so that they may benefit others. Though innovation is both time and place specific it can serve as a model for other urban areas passing through similar constraints and can be a source of inspiration. Through networking, experience sharing and dissemination of know-how other urban areas can benefit from the experience and expertise of others.

Proposal Outline

Overall aim:

To establish a thematic exchange network between 10 cities in at least 6 members. The overall aim of the thematic network would be to develop a transnational exchange programme which would facilitate transfer of policy, planning and practice AND provide capacity building for professional development.

The transnational exchange programme would focus on the following specific sub-themes.

Sub-theme 1. Processes for developing vision plans

A masterplan provides an understanding of the physical form, shape and structure of the urban development area. It provides the framework for the physical development of large areas of urban land (layout, land uses, built form) and designates the phases of development. The masterplanning process involves the analysis of the existing situation, the development of options and the integration into the land-use planning system. A masterplan must also present a vision and give comprehensive guidance and be integrated into the overarching urban development plans. Key challenges lie with integrated urban development; which include social, cultural, economic and environmental issues, and whose role lies in harmonising all the above issues with the quality of life and economic growth objectives.

A paradigm shift from primarily growth oriented strategies to quality of life improvement strategies imposes an integrated urban development process and the need for participation of all stakeholders in order to ensure that the views and requirements of all are met. In order to respond to these requirements we will, in collaboration with our partners, establish processes for the development of vision plans.

A Vision Plan combines fragmentary objectives, past, current and future projects and re-connects the aspirations of the participating stakeholders with the growth strategy of the urban development planning documents.

A Vision Plan can serve as complementary design guidance, integrated into masterplans and development plans, and thus play a significant role in ensuring quality and sustainable urban growth.

A Vision Plan can also be of use in steering the manner in which the growth takes place in urban areas to enable the economic prosperity of the inhabitants.

Because of the continued threat of fragmentation of the urban areas due to transitions to a service economy, and recent economic and demographic changes, a Vision Plan can be interpreted as a series of participatory processes for transformation which recognise the inter-linkages and enable the re-establishment of a relationship between local areas and the urban area as a whole.

A Vision Plan should reflect the desired objectives of the participating stakeholders.

By systematically comparing the methods and tools utilised to improve and enhance the quality of urban life a vision plan can help bridge various scales of integrated urban development from local areas to city level development.

Sub-theme 2. Cultural Planning

As mentioned earlier, today many of the world's cities are facing a challenging period of transition. Old industries are disappearing - value added in cities is created less through what we manufacture and more through the application of new knowledge to products, processes and services. The factors that once shaped city development - transport, rivers, proximity of raw materials - appear to be less relevant.

The intensifying of city to city competition is one of the by-products of the above trends. In particular, evidence shows that a generalised urban crisis demands that cities become more radical and forward thinking in maintaining their competitive edge. Since the 1980s, for example, Western European cities have become more conscious of the importance of **culture, the arts and the cultural industries** and of the many direct and indirect benefits these industries bring to places.

As David Harvey puts it, cities need culture in order to become 'lures for capital'. Equally, the cultural 'feel' of a place is increasingly claimed as a crucial attractor for new knowledge-intensive (and other) industries.

However, such 'cultural' regeneration policies have not been unproblematic but, on the contrary, raise a number of issues. One of which is that this process of *post-modernisation* of urban space often results in short-term, property-led, consumer-oriented regeneration models.

Current urban literature features many examples of such negative impacts. A study of neighbourhood cultural activity in eleven cities across Europe conducted by Ghilardi and Bianchini (in cities such as Munich, Vienna, Athens, Copenhagen, or Liverpool), highlighted the risks inherent in 'cultural gentrification' processes. In this study, we observed that the creation of artists' quarters – from redundant industrial buildings in city centres – tended to produce a highly conflictual social mix with a split between affluent individuals living in regenerated city centres and low-income citizens living in run-down inner city areas (Council of Europe, 1997). In particular, the concentration

of marginalised groups – especially recent immigrants – in old inner urban areas has consolidated within these social groups a sense of isolation and cultural inferiority which has led, in some cases, to riots, crime and violence.

This is why, in an attempt to deal with an increasingly complex urban civil society and with local identity, policy-makers are turning to more integrated approaches to culture and regeneration. One such approach is Cultural Planning.

This method derives from a tradition of radical planning and humanistic management of cities championed in the early 1960s, chiefly by Jane Jacobs. In her thinking, Jacobs implicitly acknowledged a debt to the Scottish biologist and philosopher Patrick Geddes, who, at the beginning of the 20th century, imported from French geography the idea of the 'natural region'. For Geddes, policy had to start with a survey of the resources of such natural region (whose ingredients were Folk-Work-Place) and of the human response to such a natural region.

The idea of a territory as a living ecosystem, made up of diverse resources which need to be surveyed and acknowledged by the local community at large before policy can intervene, is at heart of Cultural Planning.

The culture of a place is here understood in a pragmatic way to include not only the arts and heritage of a place, but also local traditions, dialects, festivals and rituals; the diversity and quality of leisure; cultural, drinking and eating and entertainment facilities; the cultures of youth, ethnic minorities and communities of interest; and the repertoire of local products and skills in the crafts, manufacturing and service sectors.

Thus, Cultural Planning can help urban governance partnerships to identify the *distinctive* cultural resources of a city or locality and to apply them in a strategic way to achieve key objectives in areas such as community development, place marketing or economic development. Essentially, Cultural Planning has a much wider remit than cultural policy, focusing as it does on questions of what, for whom, and why (Healey, 1989).

By combining a mapping of resources with new, more flexible and transparent methods of delivery, Cultural Planning can be a powerful tool for dealing with urban and social issues and can help communities to regain confidence in the democratic process of governance.

However, places that successfully conduct cultural mappings must also have a clear vision of what they want to achieve, who is leading the process, and why and for whom this process has been set in motion.

A successful Cultural Planning strategy must also seek to challenge existing 'received' perceptions about the culture of a place and be guided by a locally distinctive vision where access for all is fostered.

It should take a holistic, rather than a service or department viewpoint, and not be bounded by the responsibilities of a specific department or committee. It should make links with other existing plans and it should seek to create bridges between different local constituencies and groups of interest so that duplications of tasks are avoided, new energy is injected into the policy making task and innovative ideas can be explored and implemented.

Sub-theme 3. Place-making, Identity and Branding

The cultural identity of a community comprises who the people are and their backgrounds, tastes, rituals, experiences, diversity, talents and aspirations for the future. The cultural richness of a place is also governed by local heritage attributes and the natural and built qualities that attracted residents to the area. Increasingly, there is a need for a recognition of such qualities of place because (as mentioned earlier) under the pressure of competition, cities and locations are slowly adopting the techniques of consumers' marketing in order to attract tourists, headquarters of corporations and skilled workforce.

In particular, doubts have been raised in relation to the capacity of big cultural and tourism developments to reflect the 'specificities' of local life and to set in motion a virtuous cycle where economic, social and creative development go hand-in-hand. The key concern about large cultural developments (for example Cultural Quarters) relates to the fact that local cultures are packaged in order to appeal to potential inward investors, and, in so doing, 'distinctive' urban lifestyles become absorbed into the progressive gentrification of city centres. An associated risk is that of the *banalisation* of both cultural production and space. In this scenario, the '*anywhere-ville*' is the playground for visitors endlessly consuming the same standardised product (the same exhibition touring from city to city, the same cultural event, or drinking in the same cappuccino bars).

The mushrooming of 'non-places' coexists with the growing currency of enthusiastic arguments for turning cities more and more into theme parks. This is relevant for cities in Western Europe because here too we are seeing the emergence of new types of cultural attractions, inspired by American approaches to theming. The problem is that cities exist in space and time, and as such they don't stand still. Yet contemporary needs all conspire to demand that we create heritage, or an image of a place that we believe is stable, timeless and unique.

However, as urban strategists and tourism experts we are all operating in a market where the past is an ubiquitous resource, which all places possess and can turn into a commodity. Secondly, both tourists and visitors are selective in content, and locality. Only a small number of products in a few locations (with a 'historical' pull) will be consumed.

Finally, the market for these 'personal' experiences is highly volatile and sensitive to shifts in taste and fashion, and newly themed attractions often lack subtlety. Their effect can be to channel, control, simplify and 'banalise' our urban experiences, thus contributing to undermining the distinctive 'creativity potential' of a city.

Cities, and rural regions, are also becoming more and more culturally, ethnically, socially diverse. Yet some place making and branding practices have led, in some cases, to the creation of 'multicultural theme parks' where differences are sanitised and displayed (through the consumption of 'exotic' cultural products) for the consumption of the middle classes looking for a cultural 'adventure'.

This is why we need more exchange of such experience to pilot and develop new tools for dealing with identity, place making and place branding. There is evidence out there of cities undertaking a more sophisticated approach to diversity and

heritage where the distinctive histories of diverse communities are understood as contributing to overall 'discourses of the city', and where the cultural forms, expressions and thus identities of diverse groups are conceptualised as in transition and not through more traditional approaches to heritage such as those that seek to retrieve and ossify 'cultures from the past'.

Learning from such examples would be invaluable for partners facing similar issues. In particular, tourism and cultural regeneration practitioners need to learn how to research local images and study their multi-faceted components. Experts in product marketing need to learn how to work together with other disciplines which possess knowledge of the locality in historical, geographical, sociological, anthropological, economic and political terms. In other words, there is a need for a more interdisciplinary, team approach to city marketing.

Place branding and marketing must be seen as a truly creative rather than mechanical, formulaic processes. In other words, effective place branding and place making strategies require regular teamwork and the overcoming of boundaries, both across different academic disciplines, and across the divides between the private, public and voluntary sectors. This process can start with a *re-training* of policy-makers and administrators so that they can acquire a broader knowledge of other disciplines involved in the understanding of how the fabric of a location functions.

PROPOSAL SEVEN: THE SOCIAL ECONOMY AND THIRD SECTOR IN LOCAL REGENERATION

Background

- On the fringes of large cities and metropolitan areas throughout European countries social processes are taking place which cannot be ignored any longer. A growing number of people, mainly the poor and unemployed, are threatened or are already on the way to being separated from their own society. Devoid of a sufficient income and prospects for a settled future, they are not only partly excluded from the consumer market, but also from participating in social, cultural and political life. This group of people tends to concentrate in particular areas such as deprived inner city neighbourhoods or high-density suburbs on both sides of city borders, either voluntarily or forced by economic mechanisms. This proposal aims to increase and to implement the role of social economy in European cities as a way to face Europe's new challenges and social and economical changes. As the State of European Cities reports, the demographic shrinking and ageing of the population, as well as the increasing flows of immigrants crossing Europe's boundaries show the urgent need to implement social cohesion and keep European cities as an attractive urban environment. Several dimensions contribute to social exclusion processes in urban areas, but the key issue for most of those affected is separation from the economic sphere.
- In March 2007, the EU' Spring Council stressed that Member States common social objective should be better taken into account within the Lisbon strategy. Recalling the need to fight poverty and social exclusion, it called for more attention to be given to active inclusion. This is a response to the growing realisation that the objective set by the Lisbon agenda – to raise the workforce participation rate to 70% of the population working age, by 2010- requires new ways to be found to bring those fractions of the population that have proved most difficult to activate into economically productive activity. This contributes to the simplified objectives set out in the mid-term review of the strategy in 2004, to create stronger, lasting growth and more and better jobs. This is confirmed also by the call for an active labour market policy that will be able to reduce exclusion. The "Integrated Guidelines for growth and Jobs (2005-2008)", state that "special attention should be paid to promoting the inclusion of disadvantaged people in the labour market, including through the expansion of social services and the social economy".
- To tackle social exclusion and rise deprived urban areas in cities successful co-operation between local or regional authorities on the one hand and social economy organisations on the other need to be improved. The social economy refers to a third sector that is located between the private sector and the public sector. It includes all economic activities conducted by enterprises such as co-operatives, associations and mutual benefits societies, whose ethics convey the following principles:
 - placing service to its members or to the community ahead profit;

- autonomous management;
 - a democratic decision-making process;
 - the primacy of people and work over capital in the distribution of revenues.
- Each Member State's experience in social economy has a different approach, due to the State's history, legislation and tradition. But, at the same time, a process of mutual learning is under way. From a comparative pan-European perspective, we can divide Europe in 4 groups of countries, according to their level of social capital endowments and capacities for collective action:
- 1-the first very rich in social capital resources consists of the Scandinavian countries and the Netherlands;
 - 2-the second group comprises countries of medium-to-high level of social capital resources, even if well below the Scandinavian paradigm. That is the Anglo-Saxon (UK and Ireland) countries and key countries of continental Western Europe;
 - 3-the third group comprises the South and East European countries;
 - 4-Bulgaria and Romania constitute the fourth group.
- Globalisation process has also played a great role in deepening inequalities within countries.

- In spite of the differences due to the varying socio-political, cultural and economic national circumstances in Europe, emphasized by the different level of State procurement, there is an increasing acknowledge of social economy in Europe, together with the broader interest in non-conventional entrepreneurial dynamics addressing current challenges, led to the emergence of the new concept of social enterprise. The persistence of high structural unemployment in many countries, as well as the difficulties of traditional public policies in coping with the new economy and social challenges, the need of work integration of unskilled jobseeker especially among socially excluded people such as migrants, women, young and old people, have raised the third sector as a possible solution to face these problems. In cities, local authorities and institutions need to cooperate to build new alternatives through social enterprises, involving several categories of actors in the society such as salaried workers, volunteers and users. While creating new job opportunities with a democratic approach, several services can be provided such as childcare, health care services for elderly people or aid for certain categories of disadvantaged persons. This "tertiarization" process is emphasized also by the lack of the welfare state in helping the provision of these services to citizens. Cities need to concentrate in the creation of services, as they are acquiring greater importance as a share of overall employment. Due to their specifics, social economy organisations are seen as an important natural partner for local authorities in local development and in ensuring a local welfare system. As economic actors, social economy organisations are considerable creators of local wealth, democracy and employment. As social actors, they can play a key function in the inclusion of disadvantaged groups and in creating and strengthening the so-called local social capital.
- As a result of this policy interest, many initiatives to develop social enterprises should be implemented in urban areas, through the active collaboration of local authorities and institutions. The activities created through social enterprises must be active in a broad range of activities responding to

community needs by creating and retaining jobs, delivering new and improved local services, promoting economic development and tackling social issues. In particular, activities relate to:

- Social / humanitarian services
- Education
- Health care
- Culture, leisure, recreation, interest associations
- Tourism activities
- Educational and professional training
- Food products and beverages, and consumables
- Cleaning
- Global services for industry and public administration
- Front office and concierge services
- Secretarial and telephony services
- Parks and grounds maintenance
- Entertainment services
- Removal services.

Nevertheless, the role of public institutions and welfare regime is a prerequisite for the creation of generalized trust and the building of social capital, necessary to implement social economy throughout Europe. There is a stronger need of social capital endowments and public procurement as well as more collaborative actions between European countries and their institutions.

Proposal outline

Overall aim

To establish a thematic exchange network between 10 cities in at least 6 Member States.

Given the above overall context the proposed Urbact II network seeks to establish a transnational exchange programme which would facilitate transfer of policy, planning and best practice, providing capacity building for professional development.

The transnational exchange programme would focus on the following specific sub-themes:

1. **Microfinance.** Microfinance through self-employment and microentrepreneurship are a way of enabling those at risk of poverty and socially excluded to participate in the economic and political processes of society. For years now the focus of EU policies has been to make its economy more dynamic and inclusive. In order to continue this process successfully the EU has to address the joint issues of unemployment and inactivity. In this respect, microfinance can be a valid instrument by bringing unemployment back into the employment and enterprises system by encouraging self-employment and micro-enterprises' development. Microfinance has to be implemented in new or existing small companies as a tool to integrate poor people into the labour market and create more general wealth. Microfinance aims to diminish financial burdens building bridges between the social welfare, enterprise and financial systems, through policy measures taken by local

authorities who need to cooperate with the social economy system. Policy measures, which promote the entrepreneurial context are:

- Awareness programmes promoting self-employment as a viable income generating activity;
- Reduction of legal, fiscal and administrative barriers related to self-employment
- Local authorities within cities/government highlighting the importance of microenterprises.

2. **Service-sector in social economy.** The importance of health and social services is set to increase as European society grows older. Living in an ageing society, the number of people aged 80 and over is increasing as well as the “aged workforce”. The implications of this process of health and social services are profound. For example, it is estimated that healthcare costs for 65-75 year olds are 2.5 times greater than those for people under 65, whilst the costs for those over 75 are estimated to be 4.5 times greater. Meanwhile, long-term care expenditure as a proportion of GDP is projected to almost triple over the coming fifty years. This growing demand for services is creating unprecedented pressures on health and social care systems. Promoting social economy and social enterprises to develop health care is a way to improve the quality and the accessibility of these services, as they have potential advantages over other providers in terms of their innovative approaches. These include understanding local needs, involving users of services in the design of services, creating employment opportunities. Social enterprises have an innovative ability in terms of finding improved ways of meeting the needs of different groups of people in society. Moreover, there is a true “tertiarisation” process, which has enabled services to acquire greater importance as a share of overall employment. To facilitate the creation of social enterprises in health care services there is a stronger need to access in an easier way to finance. Local authorities and governments need to improve state procurement towards social services, while promoting social enterprises within the communities, creating new job opportunities, and involving people through volunteering.

3. **Creative Routes to contract Procurement.** The future of social economy will probably depend heavily on the ability to increase cooperation between the institutionalized social economy and the initiatives influenced by the solidarity-based economy perspective, together with a capacity to improve the relations with social movements and public bodies. This “participatory approach” sees the role of public institutions and welfare regimes as a prerequisite for the creation of generalized trust and the building of social capital. The welfare state seems to be a necessary condition for greater equality in distributing resources to social economy in the market of goods and services. There are two main tasks that need to be tackled to improve and develop the relationship between social enterprise and local authorities, to improve the area of public procurement for social enterprises:

- Promote greater understanding of social enterprises among public sector procurers
- Increase expertise on procurement within social enterprises

There is a need of strengthening the concept that social economy is a good alternative for municipalities, to convince the local authorities to take advantage of the possibility of using the so-called social clauses in their procurement policies. One of the aims with public procurement must be that the inhabitants of the municipality may receive a varied supply of commodities and services, where several companies of different sizes and profiles can compete at tendering. Public procurement should be available to associations, co-operatives, voluntary organisations and foundations wanting to offer their services within the care for elderly, social care and other social services, as social economy is a potential source to opening up the competition to find the most cost-effective alternative. New policies shall include the possibility of social considerations in all procurements, requiring, for example, the employment for a certain number of unemployed people.

PROPOSAL EIGHT: WOMEN, ENTERPRISE AND EMPLOYMENT AND LOCAL DEVELOPMENT

Background and Proposal

This proposal seeks to establish a thematic network of 10 cities which is based on the need to develop an integrated exchange and capacity building programme relating to the theme “women in enterprise and employment”.

This has the aim of implementing clear policy recommendation at local level including the development of an action plan per each city participating in the network.

There are a number of contextual factors and trends at EU level relating to the theme that underpin this project proposal. These factors relate to the 3 key elements:

- Women and entrepreneurship
- Women in science, research and knowledge economy
- Gender equality in the workplace and labour market for disadvantage women groups

Women and entrepreneurship:

- The “*Lisbon strategy for growth and jobs*” is encouraging innovation, entrepreneurship, and knowledge economy and attracting more people into employment improving adaptability of workers and enterprise. Cities demonstrated a major role in promoting the creation of enterprise by setting up services that combine financial and non-financial assistance and by promoting synergies between administrative services, financial stakeholders and training institutions.
- However obstacles to entrepreneurial activities are particularly difficult to overcome for some disadvantage groups as immigrants, young people or women. Despite the achievement of flexibility the key issues for women entering self-employment relate to the highly risky and unpredictable nature of future income. The available evidence indicate that women-owned firms in general under-perform in the marketplace, relative to male-owned businesses. This is presumed to be due to their lower ability to build up appropriate resources such as finance, human capital from training or employment experience as well as social capital.
- The “*Roadmap for gender equality 2006-2010*” indicates that the most common barriers for women to create new business are access sources of funding, access to technology, identify potential market, lack of self-confidence and management skills. The lack of networks for costumers and suppliers or of financial or marketing skills, are a disadvantage to future business creation. For some women in this situation they will be more likely to set up business in those sectors that require few of these skills and contacts and which tend to be those which experience poor growth, are high risk and over crowded.
- Women constitute on average, 30% of entrepreneurs in the EU. The recommendation of the *EU Entrepreneurship Action Plan* makes on increasing

women start-up through better access to finance and the development of entrepreneurial network need to be further implemented.

There is a recognition that micro-enterprise creation is important for increasing employability self-confidence, community involvement and networks, all of which enhance future work prospects of whatever form. This highlights a need of an integrated approach focusing on business support (pre start-up counselling, training, funds, network development and post start support) as well as tackling discrimination.

- Moreover there continue to be an imbalance between women and men in decision making positions while a balance participation in economic decision-making can contribute to a more productive and innovative work environment and better economic performance.

Cities have to be made more “women friendly” locations through support for women’s entrepreneurship, measures to develop and support women as leaders and manager in business and public sector in cities by mean of appropriate neighbourhood and welfare services, incentives and training.

This is part of the integrated urban development policy approach as declared in the *Leipzig Charter* on sustainable urban cities.

Women in research, scientific sector and knowledge economy:

- A major factor related to the entrepreneurship of women is linked to their access to new technology and the segregation in education. In all countries but particularly the new member states that have emerged out of the Socialist system women's level of higher education tends to exceed that of men's.

Despite the fact that women now represent the majority of high graduates (59%), their field of study remain strongly stereotyped and technical studies attract only 1 female graduate in ten.

- The limited number of women occupying senior positions and participating in bodies like scientific committees, inevitably means that their individual and collective opinions have less chance to be conveyed into policy and decision-making process. Moreover if women scientists can not be seen as succeeding in their careers, they cannot attract and retain young women in scientific professions.

- It has to be noted that scientists have the longest period of qualification as well as high levels of career insecurity and international mobility. Not surprisingly there are much more women professors than male professors that live alone and do not have children, therefore a more family-friendly working environment must be established to convince women that it is feasible and normal for both men and women scientists to combine family life and career.

- Since the adoption of the *Women and Science Action Plan* by the European Commission in February 1999, policies to promote women in science, to integrate the gender dimension into the research content and to bridge the overwhelming

existing gender gap have become an important part of European research policies supported by the European Parliament and national governments.

- One of the key areas where the improvement is needed considering women participation in research is the industry. The expert group which was set up by the Commission in 2001 in order to improve the situation of women in industrial research identified gender diversity as a key element for innovation and economic success for research based companies in terms of global competition.
- The survey conducted by the Helsinki Group on Women and Science, established by the European commission in November 1999, through the collection and analysis of sex-disaggregated statistics identified a number of new and continuing priorities for a future action at Commission and member state levels. The group has stated that the objectives in terms of women participation in science need to be more narrowly focused, to concentrate essentially on certain disciplines or fields (engineering, entrepreneurship, innovation and technology) or levels (senior and decision-making positions). The actions to undertake can be classified in the following categories:
 - Improving scientific excellence by promoting gender awareness and fairness - Boosting the number of women in leading positions in order to reach the proportion of 25% by 2010
 - Strengthening gender research and the gender dimension in research
 - Enhancing the role of women in engineering and innovation
 - Research of careers allowing a reconciliation of professional and private life
 - Gender monitoring in the member states
 - More efficient monitoring of the Research Framework Programme by the Gender Watch System

Gender equality in the workplace and labour market for disadvantage women groups:

- Urban regeneration has always been a predominantly male affairs. This is not surprising as it has been about things as derelict land, planning, property development, employment, labour market – all traditionally male domains. This situation is evolving since women are becoming important actors in economic regeneration. Job creation, for example, increasingly includes occupations that are most likely to be carried out by women: caring, call centres, and health promotion work being just a few examples. The female labour force continues to be the engine of employment growth in Europe. Since the launch of the Lisbon strategy in 2000, 6 of the 8 million jobs created in the EU have been taken by women. Women contribute considerably to the high employment rates in Northern and Central and Eastern Europe, in contrast with the situation in much of the southern Europe. In recent years also the employment of older women has continued to make solid advance. Furthermore women are the driving forces behind a lot of community activities supporting and developing social cohesion, although they are still too often absent from decision-making.

- Despite those factors indicating a greater participation of women to the economic and social life, women still face discrimination at home, in the workplace, in the community, and on decision-making bodies. One of the reason underlying this aspect is that women are disproportionately affected by some issues of the urban local development strategy. Policies developments and implementation have a different meaning for women and men, especially in some specific area. For example women relates differently than men with labour markets and economic development as a result of their domestic responsibilities and their lifestyle. The spring *European Council of 2006* stressed that policies on gender equality are essential instrument for economic growth, prosperity and competitiveness. In order of fully exploit the potential of European workforce productivity, it's essential to promote women's long-term participation in the labour market and to eliminate the disparities between men and women.
- In knowledge of this trend of greater participation of women in the economic and social life, the gender mainstreaming in some aspect of economic development is a key element for sustainable urban policies. In the "*City and Lisbon agenda*" publication the Commission highlight that in urban areas there is the higher concentration of production, innovation, production of wealth and knowledge and it's there where many jobs are concentrated and living expenses tend to be higher. Due to those structural factors one would expect a high share of population to be economically active. With many different job opportunity, cities could be good places for women to work. However the "*urban audit*" indicates that female urban employment rate also lag behind country wide rate. In 68% of the urban audit cities, female employment rate are lower than the national rate. There is a wide range of reasons that can explain this paradox: lack of care facilities, lack of right skills or discrimination attitude. The Lisbon employment targets call for a 60% employment rate for women by 2010. At present it's at 55.7% and is much lower (31.7%) for older women. Moreover the accession of the new member states has brought with it two additional countries with female employment rates below 50% that is Malta and Poland.
- More particular problems for many of the new member states relate to the large parental employment gaps, associated with long parental leave and problems of reintegration; high unemployment rates, and very low rates of economic activity for older people. However, one of the major challenges is to put the problem of women's integration high on the political agenda when male employment rates deviate further from European average than female employment rates. For the EU15 the problems of integration are still concentrated among the southern member states excluding Portugal. Besides the low employment rate of women compared with men, labour market segregation and inequalities in working arrangement are proving to be persistent and this is reflected in a significant and stable gender pay gap.
- One of the major factors underlying inequalities in the labour market is the difficulty which women are facing is reconciling their professional and private life and the unequal division of domestic responsibilities remain very marked.

The development, implementation and monitoring of the flexicurity policies tend to tackle this issue but the labour flexibility are having a disproportionately large impact on women. It's important that flexicurity policies take account of their different impacts on women and men and should avoid stressing the flexibility aspect for women and the security for men.

Although the *European Employment Strategy* promotes the flexible employment its impact on gender equality is problematic: to the extent that it eases the transition of women returning from parental leave back into employment, it could have a positive impact but to the extent that it promotes more flexible and low paid employment for women in general, its impact could be negative.

Reconciliation policies are given more importance in the EES highlighting the need for services and structures adapting faster to the situation where both women and men work, allowing using the full potential of the workforce.

Today women are still the main carers of children and other dependants and it appears that the majority of men don't take parental leave. This is a particular problem in the new member states where leave arrangements encourage women to stay out of the labour market for several years, thereby creating the risk of detachment and loss of skill.

- There are a number of practical obstacles that retain women to get involved in the labour market or entrepreneurial activities:
 1. childcare: women with children stated that lack of childcare often prevented them from attending courses or from access certain work sectors.
 2. lack of confidence
 3. cost difficult access to resources
 4. information: if information are not well distributed, women are unaware of the opportunity available to them in term of access to service and business information or training.
 5. time: women's commitment to family responsibilities.

Given this overall rationale, the proposed project will develop and deliver an Action Learning Exchange Programme for over 100 key actors from 10 cities focused on three specific themes relating to the women in the labour market and enterprise:

-barriers/supports to women entrepreneurs

-women in research and scientific sector and knowledge economy

-gender equality in workplace and labour market for disadvantage groups (older women, single mother, women re-accessing the labour market).