

ARTICLES

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LONDON, PARIS, BERLIN: ECONOMIC COMPETITION AND THE NEW URBAN GOVERNANCE

Abstract: This article addresses the degree of autonomy experienced by the planning regimes of London, Paris and Berlin. What variation exists in the governance of these cities and how do national, local, political, business and community interests affect planning decisions? The discussion is placed in the context of the literature on world cities and growth coalitions and the debate over whether economic forces compel cities to follow similar strategies. The paper concludes that in the case of the three cities examined there is considerable variation of planning approach due to different historical, cultural and political factors.

Key words: urban development, local politics, international cooperation.

1. INTRODUCTION

This article explores the changing nature of the governance of European cities and the relevance of debates that have dominated much of the, for the most part US, literature on urban politics and planning in recent years. The aim is to relate this literature to the current events in Paris, London and Berlin and set out a framework for further research and analysis. Particular attention will be given to the discussions about 'world cities' and 'growth coalitions'.

A question which lies at the heart of debates about urban politics is the extent to which city government and urban policy-making are to be regarded as peripheral, given the need of cities to compete economically with each other. In the 'world cities' which are defined by their economic character in relation to global economic change, questions about the limits of urban political responses

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to competition are sharply focused. An examination of the government of European cities should answer some of the questions about how much autonomy these cities have in the face of economic forces.

The article will set out the main issues contained in these debates and then explore their relationship to cities at the top of the European hierarchy – London, Paris and Berlin. London is firmly in the first rank of world cities, Paris is the next largest commercial centre in Europe and Berlin dominated continental Europe at the beginning of the century and is now seeking a new international role. We can obviously expect London's financial role, the geographical position of Paris in relation to the economic core of Europe and the relationship of Berlin to the cities of Central Europe, to be strong conditioning factors of their urban politics and planning. Competition within Europe, within the Single Market, has forced cities into reassessing their strategies. In these circumstances how much scope is there for directing market forces and how much variation should we expect in local politics and planning?

In the literature analysing cities in the first rank – the world cities – the arguments are primarily economic. SASSEN (1991) identifies new functions including the attraction of a major concentration of world financial and service sector Headquarter operations with major demands for office space on central sites. There is a spin off effect as these functions require further specialised services and so the world city also becomes the centre of production of these supporting services and innovations. Alongside this is a rapid decline in the manufacturing sector of these cities. The general message of the world city literature is that these cities all follow the same trends even though they exist in different political and cultural settings. There is then a debate about whether these similarities are inevitable; in other words are the economic imperatives so strong that they overwhelm any attempt to modify them. The conclusion to this question reached by FAINSTEIN et al. (1992) is that although the trends have been the same, there is no reason to assume that they are inevitable. In other words opportunities exist for more variation through political intervention, but these opportunities have not necessarily been taken.

Perhaps in extending the discussion to cities in Europe these differences become more apparent as national influences are more dominant. One question in transposing the debate to Europe is therefore whether cities in Europe have the same degree of autonomy from their nation state. In the US this autonomy is considerable but the issue has to be explored more fully in Europe with the closer involvement of nation states in local affairs (HALL, 1993). In his work SAVITCH (1988) points out the differences in political approach between New York, London and Paris and this reinforces the need to examine the political and institutional setting of the city and raises again the question of difference between the USA and Europe.

The growth coalition literature has a longer history in US urban political analysis and focuses on alliances between business elites, the media and political leaders to promote legitimate economic strategies for cities. These alliances have particular impacts on urban planning emphasising project planning over wider territorial plans and the marketing of sites and cities. The focus of the 'growth coalition' literature is not on formal politics but rather on informal, relatively closed alliances promoting property-led growth. According to STONE et al. (1991), this type of business-centred regime has institutional advantages over others by involving a small number of interests and having clear if limited goals. HARDING (1991) has usefully explored the relevance of the US experience for Britain. He identifies eleven examples that can be approximated to growth coalitions that have arisen in Britain in recent years but believes that these differ from the US examples in important ways. In Britain capital is more concentrated and operates on a national or international level and therefore lacks the identification with a specific locality. As a result, many of the coalitions have been initiated by national business organisations. A similar pattern can be detected with government. It is national government that espoused the trickle down values attached to growth coalitions while local governments were often sceptical or hostile. Their involvement was often forced upon them by the rules of the game set by central government in nationally formulated, controlled and financed initiatives (THORNLEY, 1993).

As PARKINSON et al. (1992) show, the growth coalition approach expanded rapidly throughout Europe during the 1980s. This was a reaction to economic recession and the lack of effective national responses. Coupled with greater decentralisation of power and the increasing competition expected from the Single European Market such a reaction is not surprising. One of the messages from the Parkinson study is the variety of cities that have pursued this strategy, including those restructuring their industrial base, those developing high tech concentrations and those wanting to maintain their roles as important provincial capitals. Another feature is the promotion of capital cities by national governments in this competitive environment.

Although growth coalitions seem widespread, there is also evidence of their vulnerability. In some cities where coalitions have been in existence for a while, it is seen that political pressures can lead to a reappraisal of such an approach. For example, KEIL and LIESER (1992) analyse the growth machine behind the transformation of Frankfurt in the 1980s. The ruling political party ran the business of the city through a series of semi-public agencies developing urban strategies that provided the space for international capital to move into. Frankfurt was competing for world city status through a business oriented strategy. However Keil and Lieser go on to argue that national and local factors had a significant impact on this style of politics and on the subsequent electoral defeat of the right and the selective incorporation of a wider group of interests

into city decision-making. The social divisions consequent on forming the citadel for international business had effects in local politics.

In Rotterdam during the 1980s the city adopted a growth coalition style approach and transformed the city centre with offices, leisure complexes, retail and luxury housing (PARKINSON et al., 1992). However, there was considerable criticism that the social needs of the city were being ignored. Social and economic problems and an unemployment rate of 20% accompanied the economic revival of the centre. The city now seems to have accepted that trickle down will not solve this and are embarking on a concerted programme of direct social renewal. This has interesting messages given the tendency for world cities to generate increasing polarisation.

Thus the dominant themes in this literature concern the question of the autonomy of city government faced with global economic change and competition with other cities, the emergence of elite, growth-oriented city governance, and the prospect of oppositional politics. The fact of economic competition is not enough on its own to change urban policy and city government. Urban political change has to be worked at. The success of urban regimes, according to KEATING (1991), depends on their ability not only to ally political and economic interests but also to influence central government and manage local opposition. Keating suggests that city government is complex and that there is a constant struggle to achieve coherent policy and political stability. Faced with the pressures of global competition, has politics in London, Paris and Berlin begun to converge on some inevitable world city model, or are there distinctive new forms of governance in the three cities? If so, what new arrangements between local and national politics, between public and private sectors are emerging and what are the consequences of these for urban planning?

2. LONDON

London has already earned itself a position in the top three world cities. This stems from its historical role as a financial centre. The evidence shows that it exhibits all the symptoms of a world city outlined above, financial concentration, industrial decline, social and spatial polarisation (FAINSTEIN et al., 1992; THORNLEY 1992; SASSEN, 1991). For example, if we take the last aspect on polarisation, the data from the London Research Centre (1989) shows that differentials have been increasing. In 1987 the average gross weekly income of the lowest 10% of households was about £57, being an increase of 30% since 1980. The equivalent for the top 10% was about £670, having increased by 118% over the same period. Such differences in fortunes over the last decade

also have a geographical dimension. In 1989 the unemployment rates in areas like Hackney, Tower Hamlets and Lambeth were about four times those in the outer Boroughs such as Kingston, Hillingdon and Richmond. So while fortunes were being made in the city generating demands for luxury housing, shopping centres and restaurants, the quality of life in areas like Hackney has been described as comparable to those in developing countries (HARRISON, 1983; WRIGHT, 1992).

The business and government community of London does not feel confident in maintaining its historical position as a leading financial centre and constant references are made to the European competition from Paris and Frankfurt in particular. One response to this has been the commissioning of a study on World Cities (Coopers and Lybrand Deloitte, 1991) by the London Planning Advisory Committee. This Committee was set up after central government abolished the metropolitan tier of government, the Greater London Council (GLC). However, the Committee is made up of representatives of the 33 London Boroughs which have different political parties in control. The result is a Committee which is politically bland having to obtain agreement of all parties. It has no legal or financial powers and only has an advisory function.

The World Cities report influenced London Planning Advisory Committee's advice to central government in 1993 on what should be included in the official government planning 'guidance' – this sets the statutory framework for Borough-level local plans. London Planning Advisory Committee's advice is presented in very broad terms around a 'four fold vision' of strong economy, high quality environment, a sustainable future and opportunities for all (LPAC, 1993). The fact that their advice is advisory and that central government issues the official guidance shows the degree of centralisation of London planning. The government's strategic guidance gives only broad policies and it is left to the 33 London boroughs to draw up more detailed plans. Official planning is thus fragmented.

The consultant's *World city* report concentrated on finding out what the competition was doing and exploring ways in which London could find or maintain its market niche. It concluded that London needs to be more aggressive in the promotion of its wealth creating opportunities and that policies need to be formulated in certain key areas to ensure the necessary infrastructure for this wealth creation, e.g. intra-city mobility improvements and education and training. The methodology of the study is indicative of the general approach to exploring London's needs since the abolition of the GLC. The study reached its conclusions through a series of interviews with selected interest groups. These were dominated by the business community, including key decision-makers in the global headquarters of major multinational companies, senior executives in thirty London-based commercial organisations and a hundred foreign banks with a base in London. Another of the report's recommendations was to set up a body

containing representatives of business interests, called the London Partnership, to promote London's potential as a business and tourist city. In contrast the elected representatives in the London Boroughs were producing their own report to submit to the EC seeking recognition that London needed special treatment for its pressing problems of "poverty, population decline, an unstable economy, crumbling infrastructure, high crime, rising unemployment and an underused population" (ALA/LBA, 1991).

The recommendation in the World City report of a London Partnership shows the way in which London has been moving towards greater involvement in governance by business elites. The fundamental difference between the London experience and the concept of 'growth coalitions' is the strong alliance between business and central government. There is now substantial evidence of a business oriented approach to planning the capital stimulated by central government. In 1991 the Confederation of British Industry proposed a London Development Agency (CBI, 1991) and there have been suggestions for a strategic body to replace the GLC co-ordinated by business interests, such as the proposal of the property consultancy firm of Hillier Parker (ROBINSON, 1990). The developers Stanhope have hosted a number of seminars on London's future, drawing in key opinion-formers, especially business and developer interests and academics. One of the features of these arrangements is the transfer of discussion from the democratic arena into private Board rooms. As COLENUTT and ELLIS show (1993), this has been happening through a variety of initiatives over the last ten years and they claim this amounts to a privatisation of London's decision-making. Some of these organisations have been in existence for a while such as London Regional Transport, London Dockland Development Corporation, London Residuary Body, or the Housing Corporation. In addition to London-wide organisations, there are also a number of local business alliances such as the East London Initiative which links business leaders and local politicians in the London Borough of Newham. These local alliances are actively involved in urban policy making. The common feature of all these organisations, London-wide and local, is that they are run by the business sector, often with overlapping membership, and only have a token representation from local authorities.

However, the government has expanded the range of such bodies as they promised to do in their 1992 election manifesto. As well as a number of City Challenge Boards operating in some inner city areas, there are the London-wide bodies, the London Forum and London First. The London Forum picks up the recommendation of the *World city* report. It is a private sector-led group which aims to draw up a strategy to market London internationally. London First is also a private sector body, costing individual firms £5000 *per annum* to join, which builds upon the experience of growth coalitions in the US. It is preparing a regeneration strategy for the city with business led action teams exploring transport, economic development, education, training and quality of life.

Thus it is thought that London has already achieved world city status but hard work is needed to retain this against competition in the context of a market-led approach to development and a lack of any city-wide government. The strategy adopted is one which is orchestrated by central government and employs an increasing number of non-democratic bodies dominated by business interests. There is a clear direction to institutional change and some clear consequences of the shift from local to central and from public to private planning. First, the role of central government has been confused. Planning and transportation are the responsibility of different central departments, and political leadership is discontinuous. For example, Michael Heseltine, a former Secretary of State for the Environment, promoted a specific growth strategy for London. Subsequent ministers have been less enthusiastic and responsibility for London has been passed to a less senior politician. In these circumstances central government has not been able to get business leaders behind a broad strategy. The government failures over transport investment planning have also undermined the confidence of potential business partners. Finally, below central government there is no regional or metropolitan government to influence this process and the voice of interests at the local level, whether local authority or local community is weak. However, community groups have continued to try and exert pressure. This can be seen, for example, in the Vision for London initiative in which communities have come together to try to influence the debate on London's future (*Vision for London*, 1992), and in the persistence of community groups in opposing the Kings Cross development (EDWARDS, 1992).

3. PARIS

Thinking about the role of Paris as a capital city has changed in recent years. The emergence of new perspectives has coincided with an updating of the regional plan and the election of a new centre right government in March 1993.

The first impression of how the Parisians have responded to new economic pressures tend to confirm presuppositions about a French style of centralised planning. In contrast to London, the state is preparing a regional plan. The debate about the plan is largely between rival political party leaderships. The Paris case certainly confirms the importance of understanding constitutional and national political structures as part of the explanation of adaptation of cities to economic change. Administrative structures have been changing. The implications of the decentralisation reforms of the 1980s are still being worked through and these reforms provide a new context for regional planning. The last strategic plan was produced in an administrative system which did not include

elected regional councils and in which planning in the 1300 communes which make up the region was under strict state control. In the current debate there are independent political voices at local and at regional level. Fortunately for the present government, the majority of sub-central authorities are controlled by the governing party.

The former socialist government started a debate about the future of the city and its region in the late 1980s. The new regional council was keen to participate in the drafting of a new strategic plan and there were shared perceptions about the key issues. The need to plan was a response to the new economic competition created in the Single Market and to a perceived eastward shift of Europe's centre of gravity. There was a broadly based consensus of opinion about the need to compete. The former government's draft strategic plan (DREIF, 1992) promoted five areas of 'European excellence' in the Paris region. The government had also sought to broaden the scale of regional thinking and to link the future of Paris to a strategy for the seven surrounding regions (DATAR, 1992). The strategic plan is of course not a plan for the City but for the region – Ile-de-France. The arguments about competitiveness are composed at the regional scale. Over the past 30 years or so growth has been strongest in the inner and outer suburban areas. The new regional planning looks beyond Ile-de-France. The Paris basin forms a significant European 'super-region'. The eight regions included in the government's plan account for 44% of GDP (DATAR, 1992, p.11) and constitute one of the biggest centres of population and wealth in Europe. DATAR reckon the super-region to be in the third place in a European league behind northern Italy and central Germany. The government's argument then is about reconceptualising the capital region in this competitive European context. The eight regional councils broadly support the ambition of a competitive and coherent European region. They also, not surprisingly, want some balance across the super-region ("Le Monde", 1993).

It is important to note here that the threat of competition and challenge of economic change has been met through existing institutions. However, replanning the region is open to party political dispute and conflict between the tiers of government. The draft regional plan was published by the former government in November 1992 and was shortly afterwards rejected by most departments and by the regional council. It was impossible for the political leaders of those councils to support a project of the socialist government so soon before the legislative elections in March 1993. The Prefect chose to withdraw the plan and promise revisions rather than continue a political row. The government for its part did not want to appear dictatorial. In the 1980s local government reforms planning powers had been given to all regions except Paris, and the imposition of a plan on the region would have been embarrassing to a government committed to the principle of decentralisation.

The new government has introduced a new political complexity to the process of arriving at a response to the threat of European competition. Regional and local politicians would like to see the regional plan re-published quickly. The government, on the other hand, has embarked on a national level review of planning policy. The principle theme is the longstanding Gaullist concern with the balance between Paris and the provinces and between rural and urban life. Economic growth has centred on the cities and rural France is facing economic decline. The government seems to want time to pursue its *reconquete du territoire*. A presidential election is due in 1995 and no candidate can afford to be too closely associated with Paris. For the time being, national political factors are determining the pace of the planning response to economic competition.

The plan awaits re-publication, but few substantial changes are expected. The consensus is based on the facts of a new geography and the strategic advantage of coordinated investment at regional level. There have been arguments between the levels of government over the location of office development, investment in social housing and local government finance, but there is also a high degree of inter-party agreement on fundamental policies. For example, the parliamentary debate on housing policy shortly after the election (80% of the deputies in Ile-de-France are now from the centre right) demonstrated considerable inter-party unity on economic, social and urban programmes to ameliorate problems. The view taken was that for a city embarking on a strategy to gain European preeminence such problems could not be allowed to damage the image of the capital.

Competing interests are to a large extent mediated through the political parties. Private sector lobbies such as the club of 60 businessmen in *Capitale economique* supported by the Chamber of Commerce are in accord with government about the European role of the region and the foundations for it. Business and political networks are interlinked. However this linkage is not evidence of a French-style growth coalition. The state is the dominant force shaping urban policy and the interrelationship of elites constitutes the normal routines of public and business life in Paris.

For business interests state investment in infrastructure is important. The Chamber of Commerce balances its support for state spending against campaigning for a reduction in taxes and less regulation. But new infrastructure is seen as an important contribution to maintaining competitive advantage (LE BRIS, 1992).

The immediate problem for a state led strategy for the Paris region is the collapse of the market. Office investment declined 50% in 1991 and a further 30% in 1992 (Jones Lang Wootton, 1993). The depth of the current property recession is undermining confidence. In the 1970s and 1980s much of the regional growth occurred outside growth poles identified in the plan. In a weak market how far can the state afford to direct potential new investment in the 1990s? The

Prefect said of the draft regional plan that it was to be seen as a guiding star, not a fixed plan. The government may have problems managing the market and this government, despite the control of the right over regional and local government in the region, may find just as its predecessor did that it is difficult to manage the local planning authorities and their individual aspirations. For some planning authorities there is the added problem of local challenge to their authority from community campaigns. In the city of Paris activists have been successful in delaying major development projects.

The state has to invest to provide attractive development opportunities. However, the state's role as an investor in urban development is also currently being reviewed. There is talk of 'austerity'. In the future investment in infrastructure may not be so readily available from state controlled banks. If local government spending is going to be reduced, how will this affect developer confidence in the region and how will the balance between economic growth and social investment be maintained?

The Paris region has a strong orientation towards Europe. The politics of interrelated elites, and of state direction of development, are very much still the Parisian model but now with the added complexity in government structures of regional councils and 1300 planning authorities. Constitutional and political structures are clearly important in determining the shape of responses to economic challenge. For the time being, business and political elites are united and the majority of local governments and the regional council support a single party programme.

4. BERLIN

Whereas Britain and France have a long centralised tradition with a major capital city to act as a clear candidate for world city status, the position in Germany is more complex. Firstly, there is a strong policy of decentralisation. Germany developed from a number of strong independent monarchies and city states which are still reflected in the current administrative arrangements. With unification by Bismark under Prussian leadership, Berlin experienced a boom but the development of the city into a candidate for world city status was halted by the events following the Second World War. The massive destruction of the city and its subsequent division has led to its developing in a unique way. Meanwhile the rest of the Federal Republic experienced its 'economic miracle' with the consequent effect in its cities. Munich and Stuttgart have evolved as the leaders in High Tech industry while Frankfurt is the leading financial centre. Frankfurt has often been mentioned therefore as a competitor for London as the principal financial centre for Europe.

However, the dramatic events of 1989 have radically altered the picture and Berlin is once more in the frame. There are suggestions that Berlin will now be able to throw off its post-war restrictions and take up the mantle of a German city that can compete for world city status. However integration of the city has many problems and the separate development of East and West will have ramifications for some time (cf. e.g. FRICK 1991; HAUSSELMANN, 1992; ELLGER, 1992; BRUEGAL, 1993). Will these ramifications have a short term effect creating a slight delay before Berlin becomes a world city or will they have so much influence that Berlin progresses along a different path and does not display the common characteristics of world cities elsewhere?

The separation of the two sectors with their diverse post-war legacy disappeared in 1989 and in 1991, by a narrow majority, parliament decided to move the seat of government to Berlin by 2000. This will put pressure on the city although estimates vary over the exact impact. Some say that there will be a population increase of 1.4 million by 2010 with large migrations from the rest of the former GDR and probably other countries of Eastern and Southern Europe. There will be a demand for about 1 million new housing units and a doubling or tripling of car ownership. In the post-war period there have been limits on suburbanisation, in the West because of tight boundaries and in the East because of housing policies. Housing in the city is therefore of a fairly high density and there is only 10% owner occupation. There will therefore be considerable pressure for low density family housing in the periphery. Similar pressures are also being experienced for other developments such as golf courses and theme parks. One problem in controlling such pressures is the lack of a regional authority and regional planning. The city of Berlin is a *Land* in its own right but this forms the hole in the doughnut which makes up the surrounding Land of Brandenburg. The municipalities in Brandenburg, exercising their new found powers, are keen to obtain development for their areas. However this does not always conform to the plans for Berlin itself.

The problem of local administration and government extends further. Officials in the East are either discredited or lacking in skills while those in the West are also sometimes criticised as inferior because the better staff left for the bigger pond of Western Germany. The sudden introduction of democracy to the East which previously experienced a highly centralised system, obviously creates transitional problems. It is also felt that the division of Berlin into 23 local councils, each with planning powers to prepare legal local plans, creates too much scope for conflict. Reform is proposed but will take some time to implement. There is also uncertainty over the economic future of the city. Obviously the move of the government will generate a considerable amount of office employment. However, the artificially maintained industrial sector of the past will suffer major job losses. It is expected that the economic structure will gradually revert to that which is usual for a city of its size.

In this situation of major change and uncertainty there are different views being expressed over the appropriate strategy for the future of Berlin. These debates focus particularly on plans for the inner city and the sites left by the removal of the wall. As land prices did not dictate uses in the Eastern sector, there is much housing and cultural activity in the centre and this is often now seen as a development opportunity. There is also considerable pressure on areas containing 'alternative society' activities in the West, e.g. through gentrification or proposals for higher cost uses. These areas, with the removal of the wall, have shifted from being backwaters to being very strategically placed. The lack of service provision in the East has also opened up commercial opportunities – 78% of existing shopping floor space is in the West. The 1995 opening of three huge shopping malls in Friedrichstrasse in the centre of the former Eastern sector illustrates this.

Risking simplification, two polar positions can be identified (FRICK, 1991) in the current debate which could be labelled *Unique character* versus *World city*. Indicative elements of each strategy can be outlined.

4.1. Unique character

Reconstruct historic palaces; do not completely obliterate division of the city, retain green areas, utilise ecological opportunities. Preserve the mixture of inner city housing and services. Make most of chance to have a vital city centre – do not rush into developing these unique central sites (market forces demand quick decisions). Build on Berlin's special character – its variety and history including the development of multiple centres. Commercial development on locations around the *S-Bahn* ring which circles the inner city with new stations on the edge of the inner area.

4.2. World city

Prime locations promoted for headquarters of national and international companies, and roads and access improved. Only these central sites are seen as attractive enough for these uses in competition with other world cities. Possible here to build architectural images and symbols to promote Berlin's position. Housing and small scale services seen as obstacle to the growth of the more advanced commercial sector. Priority given to redesigning of the rail infrastructure to concentrate lines on new central station.

It is too early yet to see which strategy will dominate. The slow down in the German economy and the problems of delay caused by restitution have at least given a breathing space to allow the debate to continue. Of course, these two approaches have different implications. It is often said that one of the essential needs in Berlin is to create equalisation of conditions for all citizens. However one consequence of adopting the second strategy will be social differentiation, which is the pattern in other world cities. The problem for Berlin is that this social differentiation is likely to be particularly strongly defined in geographical terms as the two poles gravitate to the two sectors – maintaining the East-West divisions and generating social tensions.

At this point it is worth raising the question of whether there are any signs in Berlin that a growth coalition is developing to support the strategy of promoting Berlin as a potential world city. One of the legacies of the past is that Berlin has a very strong and lively grass-root political culture. Thus oppositional movements arise, and become very active on development issues. The bid for the Olympics clearly contained a coalition of interests but there was also a very strong opposition movement which claimed that the Olympic bid was distorting priorities. The 23 local municipalities often disagree with the Berlin Senat and this also generates debate.

However, there are examples of tendencies to bypass this openness. One is the use of competitions for the major development sites which are decided by expert committees. Although the winning proposals eventually have to go through the normal planning procedures with their participation opportunities, a certain head of steam will have been generated. In certain areas such as the government complex and a new area for Research and Development activities, the normal planning procedures have been supplanted with a special instrument to remove local involvement. According to BRUEGAL, the Berlin *Senat* 'has speeded up and simplified the development planning system, reducing the scope for consultation' (1993, p.157). Then there is the establishment of the *Stadtforum* by Hassemer (MATHEOU, 1992), the Senator for urban development and environmental protection. He is quoted as saying that this 'allows the public a view into the mechanisms of decisionmaking' and it has been referred to as another example of open democracy. However the group is appointed rather than elected and although containing some local representatives also comprises large numbers of experts including members of the chamber of commerce, trade unions, architects and planners, economists, journalists, sociologists and a priest. The forum expresses its opinions on planning matters before the Senator submits a resolution to the Senate. The *Stadtforum* is somewhat from being a growth coalition – i.e. a concerted effort by leaders in commerce and politics to promote a particular image and strategy for the city, however it may provide the nucleus from which such a coalition might develop. The strong mayoral system in Germany would make the coalition fairly easy to assemble.

5. CONCLUSIONS

Further detailed studies are obviously necessary before definitive conclusions can be reached on the issues raised in the theoretical literature. However, two broad messages are evident at this stage. The first is that the three cities clearly illustrate great variety. This supports the contention that considerable scope exists for managing economic forces. The history, ideology and political culture of each country and city have affected the governance of the capitals. The outcomes of city planning and the balance between economic and social objectives are also different. The second message is that we need to take account of the different constitutional arrangements – the levels of government and their powers – in attempting to understand the responses of cities to economic change. The variation in state involvement at different levels creates different opportunities for private and public interests to shape urban policy.

What we have then is a picture of both adaptation to change by existing institutions and the emergence of new institutions. There is no one model of political response, and indeed the scope for variation is broad. We can map this simply by looking at the respective roles of local political elites, higher level governments, business interests, technical/professional influences and community opposition. In London local politics is fragmented, central government has a very strong control over the whole process ensuring that private sector interests and non elected bodies play a major role. Local and professional interests have limited scope to enter into decision making. In Paris there is a broad consensus about objectives and the linkage of business, technical and political elites allows the state to take the lead in urban policy. Political structures allow for central, regional and local government collaboration, and for the time being there is a measure of agreement over strategy. Berlin is still in a state of flux and at the moment national, regional and local governments are all involved in trying to shape the future of the city. Although federal government has encroached upon urban policy to control certain key developments, the regional and city level still have considerable autonomy. However, one issue here is that the two Lands of Berlin and Brandenburg have to find a *modus operandi*. The local level is also well represented in the debates as the local communes still have certain legal powers and grass roots movements are strong in the former western sector. The degree of organisational strength of political movements is clearly an important factor in all three cities. In London community campaigns have been relatively weak and their achievements limited to slowing down some development projects. In Paris the alliance of technical and political elites has been challenged by new grass roots movements.

Table 1. Comparative governance

Powers	London	Paris	Berlin
Political elites city region nation	Fragmented Non-existent Strong central direction	Interconnected Interconnected Interconnected	Strong Fairly strong Selective intervention
Business elites	Strong – new initiatives e.g. London First	Mediated through political institutions	Partnership
Tech/profesional elites	Weak	Interacts with other elites	Selective influence e.g. competitions <i>Stadtforum</i>
Community opposition	Weak – no channels of influence	Weak – some anti-growth movements	Influential impact in western sector

The effects of the different power configurations can be traced through to the planning system. In London the dominance of central government is illustrated in the important role played by national strategic guidance while the nascent growth coalition lobby exerts considerable influence through reports such as that on the World City and through London First and London Forum. In Paris the broad consensus around regional planning reflects the interconnectedness of business and political elites and of different tiers of government. In Berlin the plans are still under discussion and considerable differences of opinion exist. This stems from the fact that political institutions are new and power is comparatively widely dispersed.

In London, Paris and Berlin the nature of governing regimes is changing. The variety of that change suggests considerable scope for managing the economic imperative of city competition and pursuing different planning approaches.

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