



Making Competitive Cities

Edited by

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Foreword

In the present age of hyperglobalisation, neo-liberalism and intense competition among places to attract investment, urban policy makers everywhere are seeking to find approaches to foster development. About every 5 years, a new formulation comes along, and leaders hop on the bandwagon, hoping that they have found a path to growth. Along with the traditional emphasis on infrastructure, we have witnessed promotion of subsidies to firms, deregulation of land use controls, creation of enterprise zones and urban development corporations, and fostering of science parks, sectoral clusters, office mega-projects, festive retail malls, iconic architecture and tourism development; most recently attracting the 'creative class' through developing social diversity and cultural amenities has become the most prominent tactic. Sako Musterd and Alan Murie have drawn together a group of scholars from a number of 'ordinary' European cities to test whether any of these strategies did, in fact, contribute to urban competitiveness. They especially looked at the creative class hypothesis.

Whereas traditional scholarship identified the decisions of firms as determining the location of industries, recent location theorists have placed a greater emphasis on the choices of individuals possessing skills in creative and knowledge-based industries. In addition to Richard Florida's identification of individual creativity as the fount of development, human capital theorists have contended that the presence of a highly educated stratum offers the key to growth in a post-industrial age. There is a certain chicken and egg problem: Does employment follow firms or do knowledge workers generate industrial development? The answer seems to be both, but the authors in this volume regard firm location as the dominant factor. In particular, they emphasise that political and business leadership and historical forces matter more than the city's appeal to footloose knowledge workers.

One of the problems for proponents of the various strategies mentioned above is that different contexts call for different approaches. Once every place follows the same strategy, cities lose their individuality and the market becomes saturated. In other words, convention centres may stimulate economic activity when there are relatively few of them, but when every city has one, very few will have sufficient draw to benefit their locales. Thus, policy makers need to figure out what makes their city distinctive rather than picking out a one-size-fits-all formula.

The great strength of this collection of essays is that it takes into account both the particular and the general in relation to the causes of competitiveness. By rigorously following a similar methodology in a number of European cities, the authors are able to select characteristics that seem to apply generally and those that depend on the specific path followed by each

city. They also point to the tension between focusing on knowledge-based development and sustaining those large sectors of the population that do not have the skills to participate in the knowledge economy. In other words, dependence on elite activities can foster greater inequality. Furthermore, creative and financial sectors display considerable volatility, meaning that a narrowly based economy focused on these sectors can result in long-run instability.

To the extent that the authors find general causes of competitiveness, they are largely in the traditional determinants of attractiveness: the personal circumstances of workers and the available job opportunities rather than the urban environment. Amenities seem to be the icing on the cake – less drivers of growth than consequences of it. Rather than relying on either anecdotal evidence or regression analysis, this book employs carefully developed comparative case studies to discover the attributes that have allowed cities to prosper under new circumstances. In its excellent blend of empirical investigation and theoretical argument, *Making Competitive Cities* reveals the challenges presented to cities by the changing global economy and the disparate ways in which cities are transformed.

Susan S. Fainstein
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Preface

Making Competitive Cities has been developed on the basis of a large-scale international comparative research programme, called ACRE.¹ This is the acronym for Accommodating Creative Knowledge. The subtitle of that programme – Competitiveness of European Metropolitan Regions within the Enlarged Union – shows our ambition to learn more about the urban conditions that are seen as essential to enhance the competitiveness of urban regional economies across Europe.

Despite the ambitious title of this book, our aim is to provide balanced and grounded knowledge which contributes to the understanding of what makes urban regions more or less attractive for essential economic activities. We are aware of the fact that the field we address is wide and multidimensional and we would also like to stress that regional contexts vary a great deal. Therefore, we decided to limit the economic sector focus to creative and knowledge-intensive industries, and within these subsectors additional selections were made to enable comparison between the regions. We also put limits on the scope of this project by including 'only' 13 European regions.

However, writing a book is more than presenting research material. The extra efforts require strong commitment. That is what we got from all of the researchers who were involved in the wider project. Thirteen highly enthusiastic and 'driven' research teams from a similar number of European urban regions have contributed to this volume. All of them swiftly responded to our comments on earlier versions of manuscripts, and therefore, our acknowledgements go to them in the first place. But others also played a very important role in bringing the writings further. We would like to mention Olga Gritsai, who did not stop reminding contributors what the deadlines and limits were; and Puikang Chan, who was of tremendous help in making the texts of all chapters more uniform and technically readable. We also would like to thank Pieter Musterd for shooting the wonderful cover photos, and Christian Smid and Hans de Visser (UvA-map makers) for smoothly producing the graphics.

Sako Musterd and Alan Murie

¹The programme was funded under priority 7 'Citizens and governance in a knowledge-based society' within the Sixth Framework Programme of the European Commission (contract 028270). Over a 4-year period, various surveys were carried out and a large series of publications have been written on aspects of urban economic development. Published results and more information about that research programme can be found on the ACRE website <http://www2.fmg.uva.nl/acre/>.

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