

Why territorial governance is relevant for the future of territorial and urban policies in Europe

Andreu Ulied (MCRIT) and Kai Boehme (Spatial Foresight)

// Towards a Territorial Reference Framework



A deliberative working process in the frame of an **Strategic Advisory Forum**



Jacek Szlachta (WSE)

Marjorie Jouen (JDI)

Rudiger Ahrend (OECD, FR)

John Bachtler (UK)

Fabrizio Barca (IT)

Simin Davoudi (UK)

Andreas Faludi (NL)

Klaus Kunzmann (DE)

Peter Nijkamp (NL)

Mila Mancheva (BG)

Philip McCann (UK)

Tatjana Muravska (LV)

Michael Parkinson (UK)

Tea Nömmann (EE)

Slavo Radošević (UK)

Andrés Rodríguez-Pose (UK)

Janusz Zaleski (PL)

SAF1

SAF2

SAF3

SAF4

SAF5

Working process (Dec'2017-April'2019) / **Next SAF Milestones**

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Challenges



Key Challenges

Fragmentation and disintegration

- The economic geography of Europe is changing – accompanied by an increasing fragmentation
- Fragmentation has a social, cultural and political dimension
- Fragmentation has “place-based” causes and consequences (e.g. “places that do not matter”)

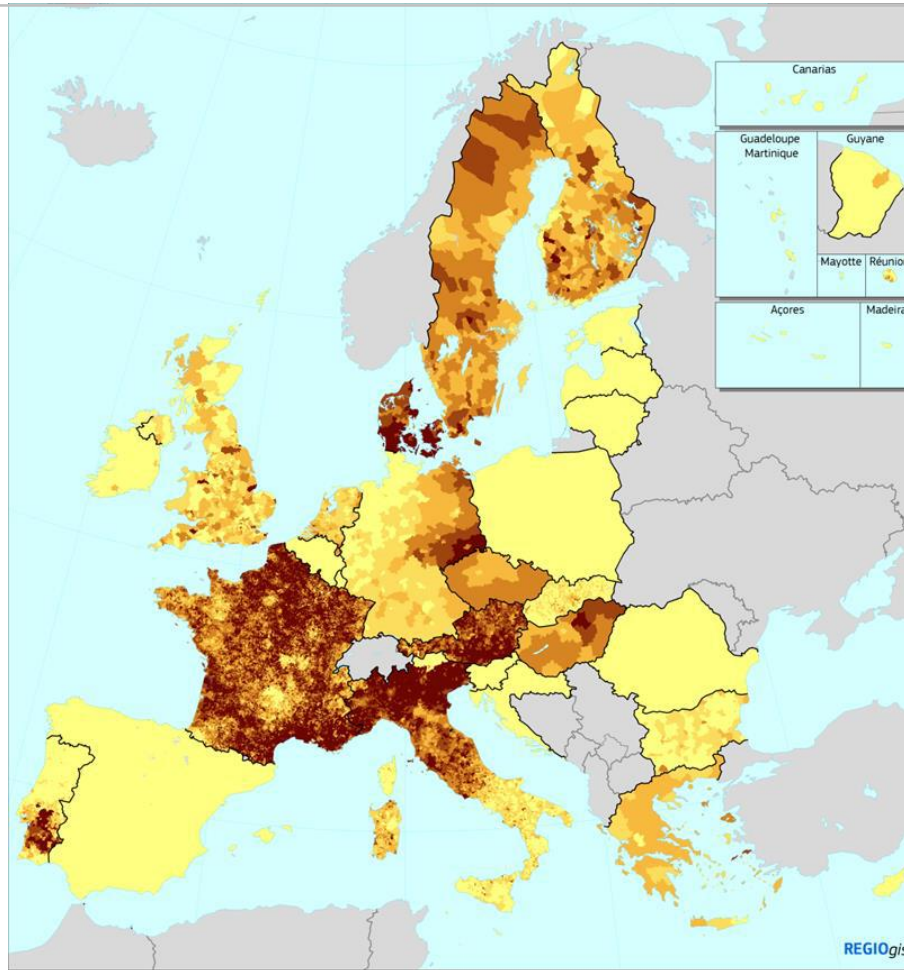
Spatial interdependencies...

- Social and economic developments in one place have major impacts on development perspectives in other places
- Increasing negative and positive spill-overs and externalities
- Links and flows induce “new territorialities”

... mismatch of functionalities

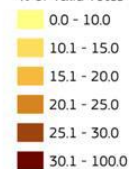
- Policy decisions and actions reach beyond administrative borders
- Misalignment between geographical jurisdiction for policy making and the geographies affected

“Places that do not matter”: Geographies of discontent



Minimum share of votes for parties (strongly) opposed to European integration, 2013-2018

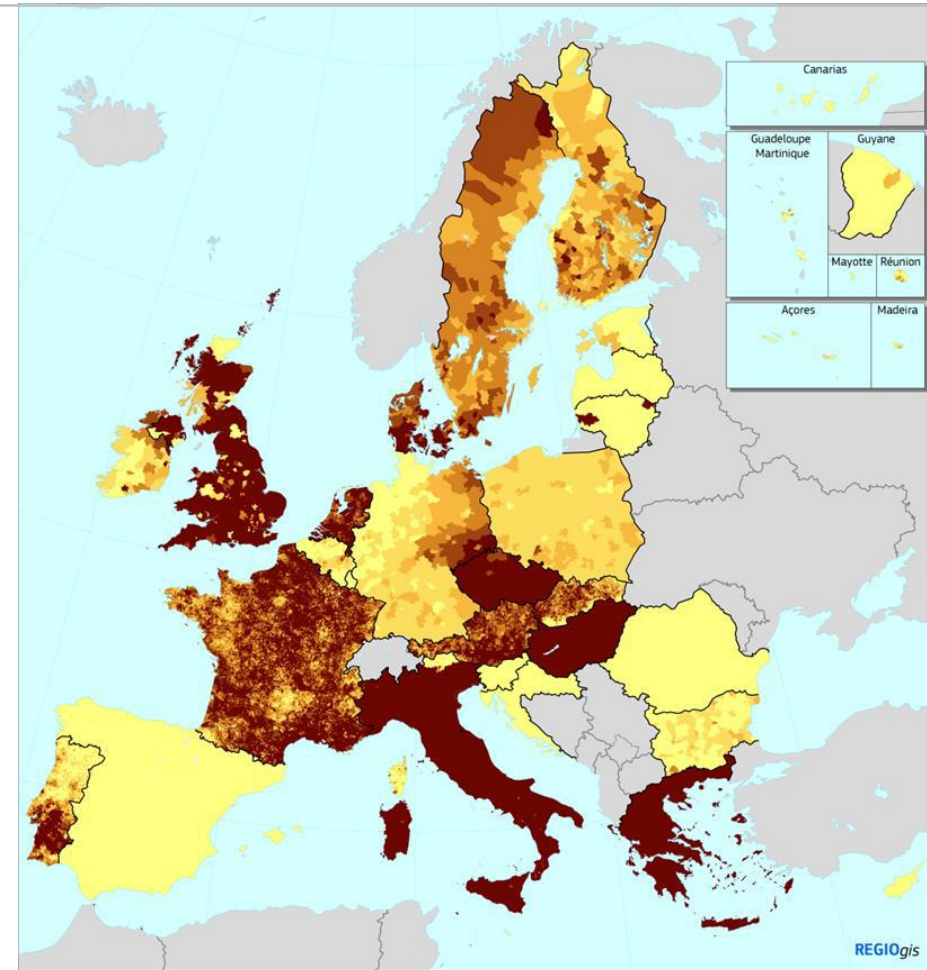
% of valid votes



Sources: national authorities, CLEA, Chapel Hill Expert Surveys 2014 and 2017, EuroGeographics, DG REGIO
Election years:
2018: IT
2017: BG, CZ, DE, FR, MT, NL, AT
2016: IE, ES, HR, CY, LT, RO, SK
2015: DK, EE, EL, PL, PT, FI, UK
2014: BE, LV, HU, SI, SE
2013: LU

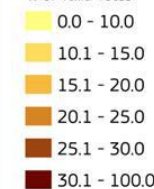
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Minimum share of votes for parties somewhat opposed, opposed or strongly opposed to European integration, 2013-2018

% of valid votes



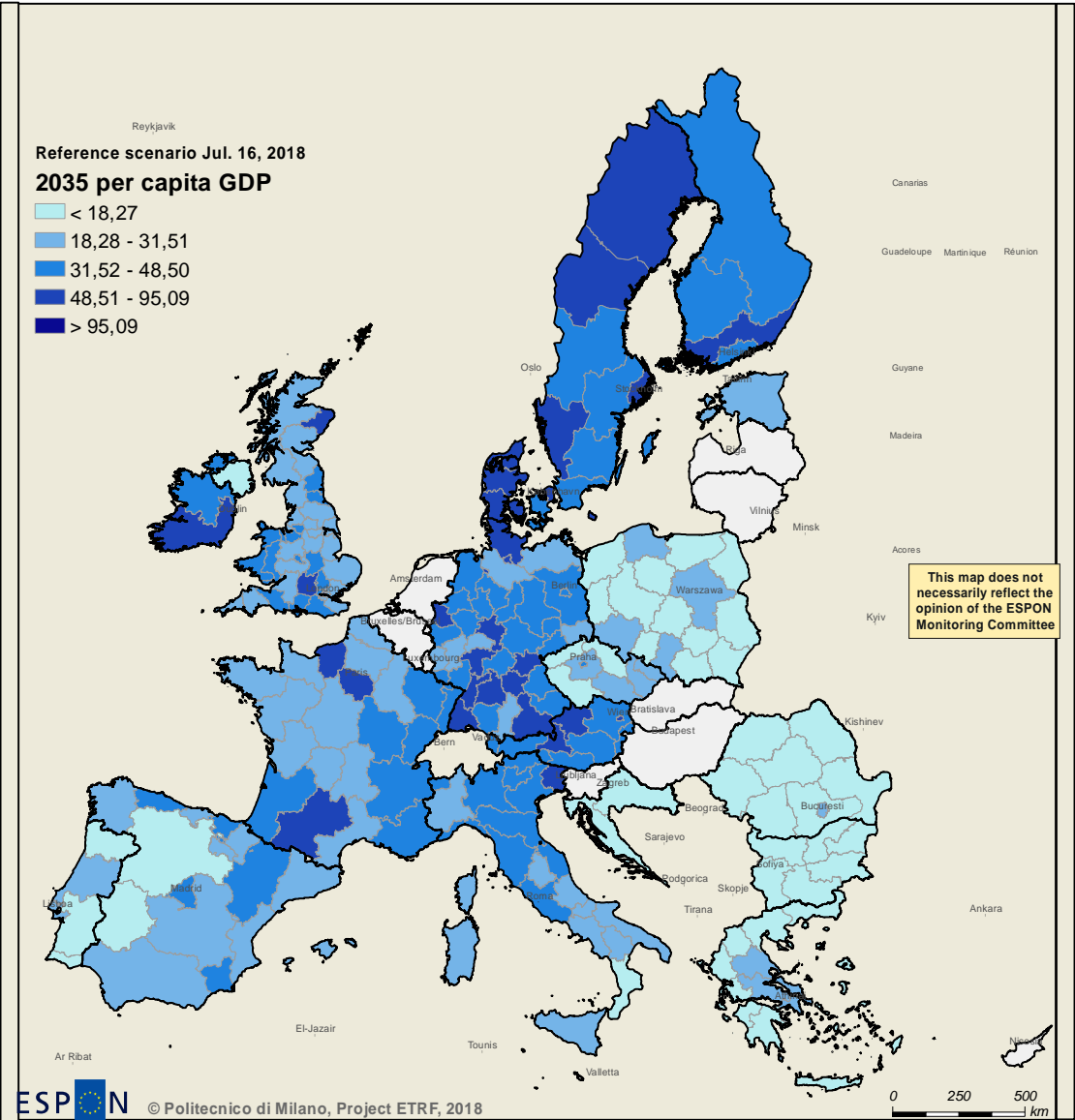
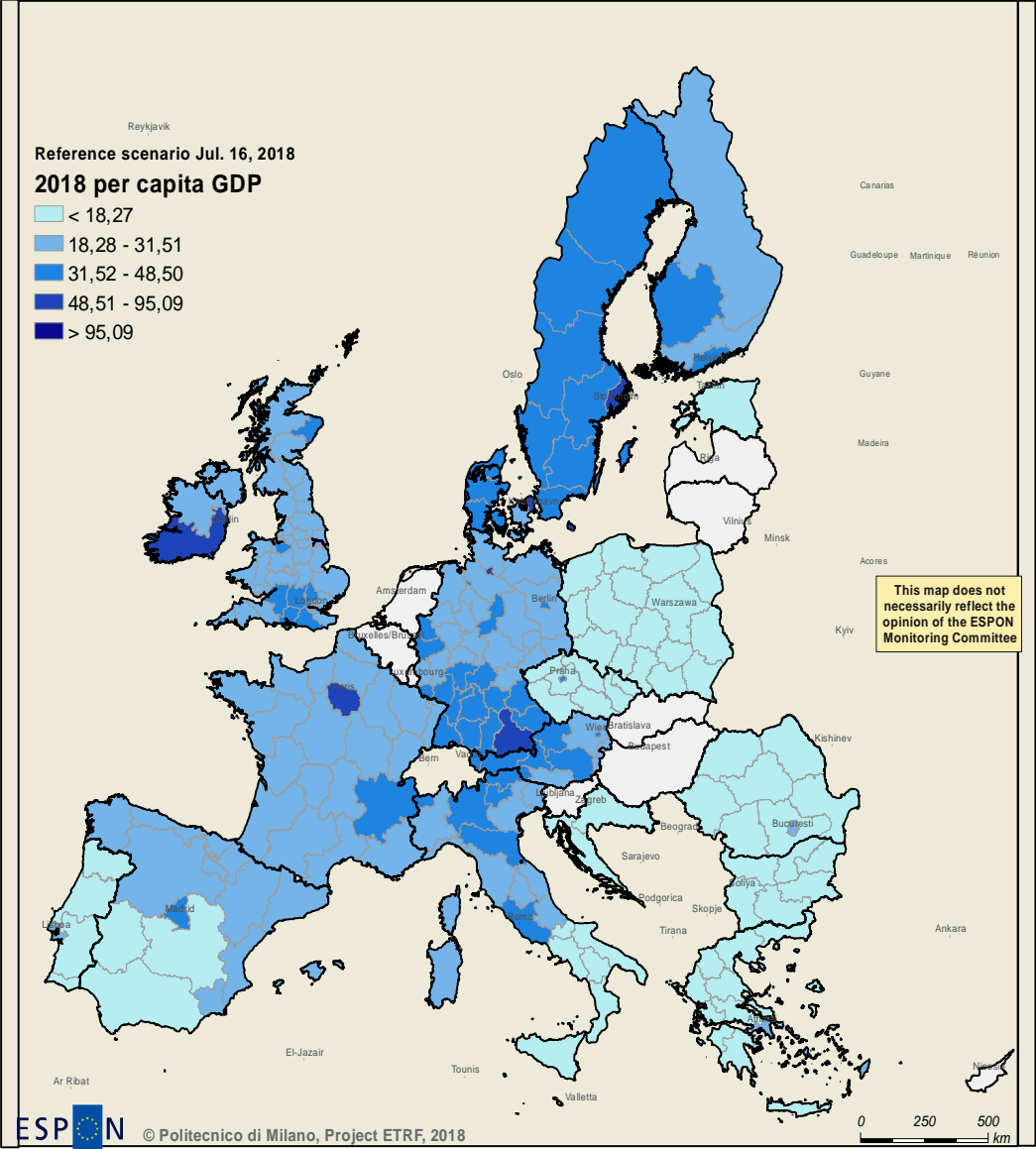
No data

Sources: national authorities, CLEA, Chapel Hill Expert Surveys 2014 and 2017, EuroGeographics, DG REGIO
Election years:
2018: IT
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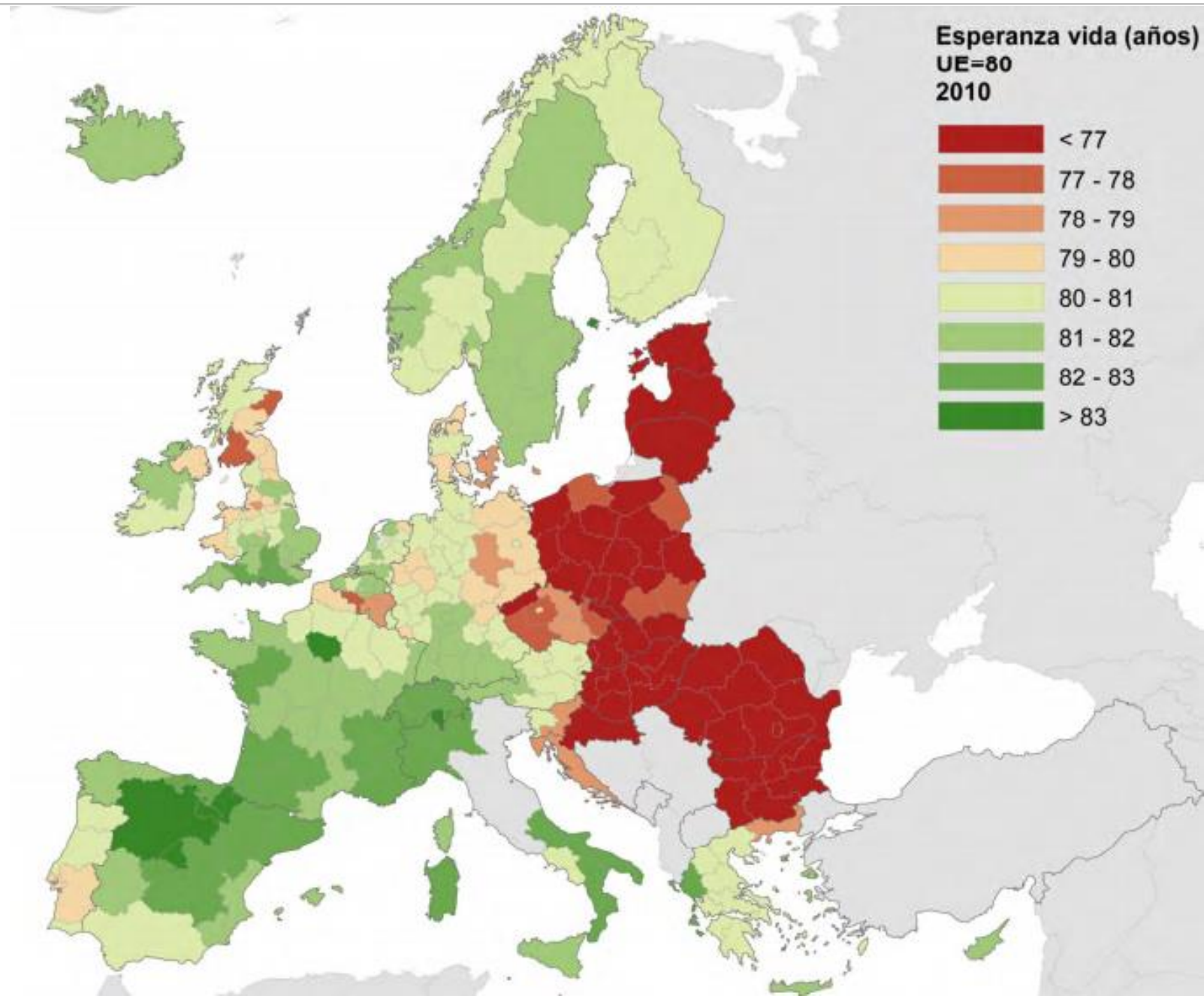
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Growth and Increasing Disparities Ahead (GDP per capita by MASST4)

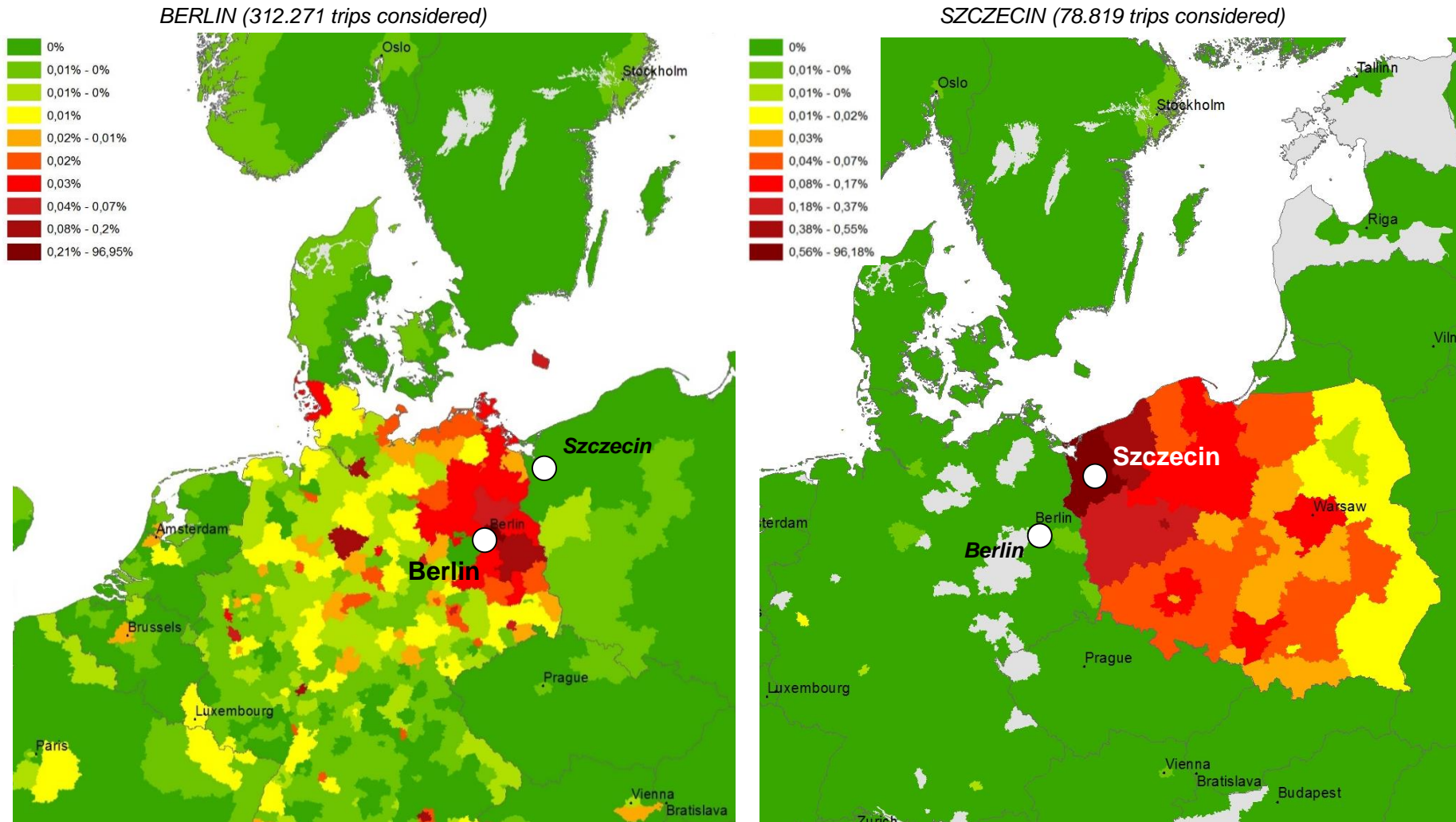


Live expectancy (2010)



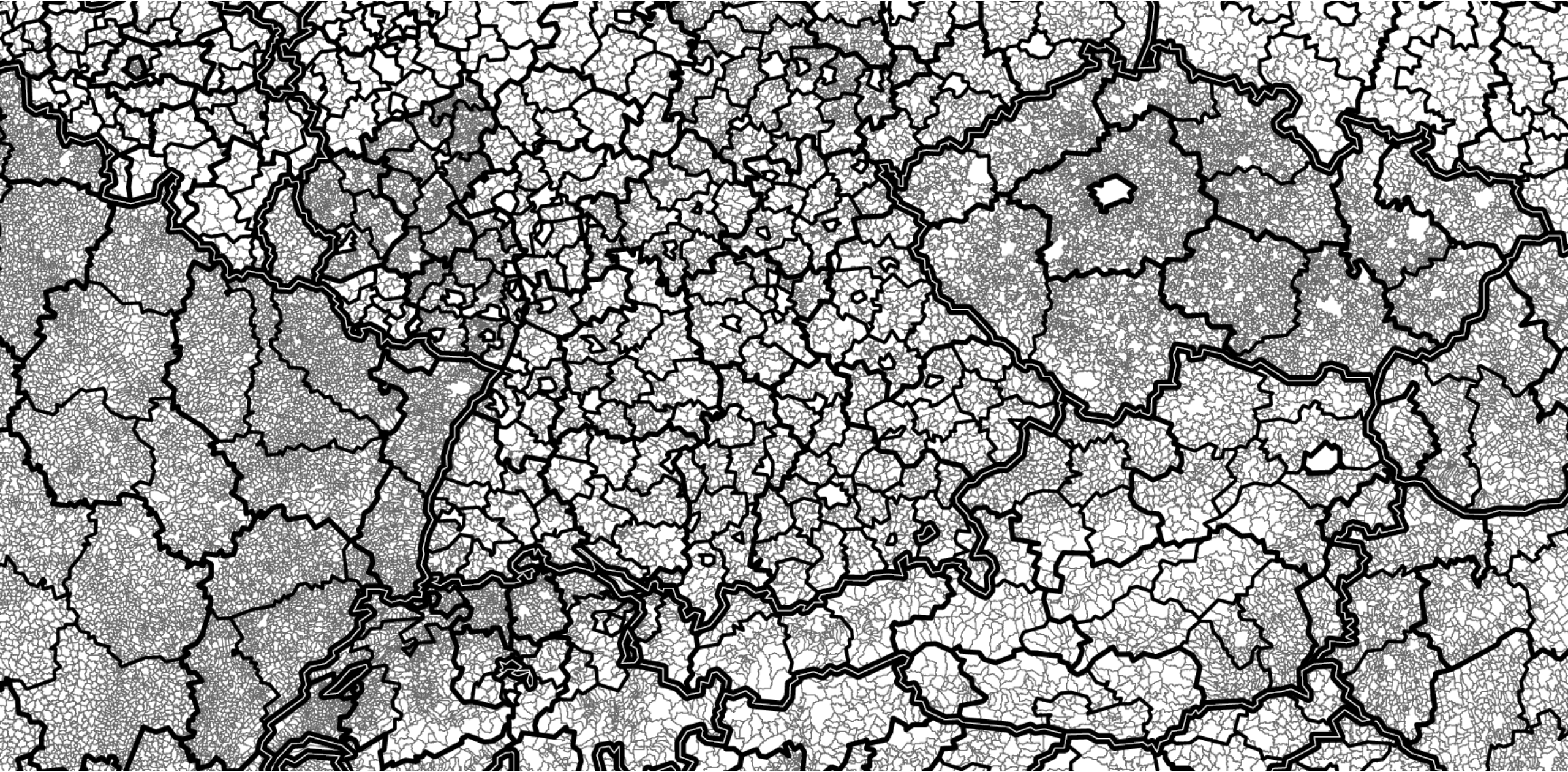
Weak cross-border relations in Europe

Distribution across Europe of trips originated in Berlin and Szczecin (130km far)-TRANSTOOLS (2012)

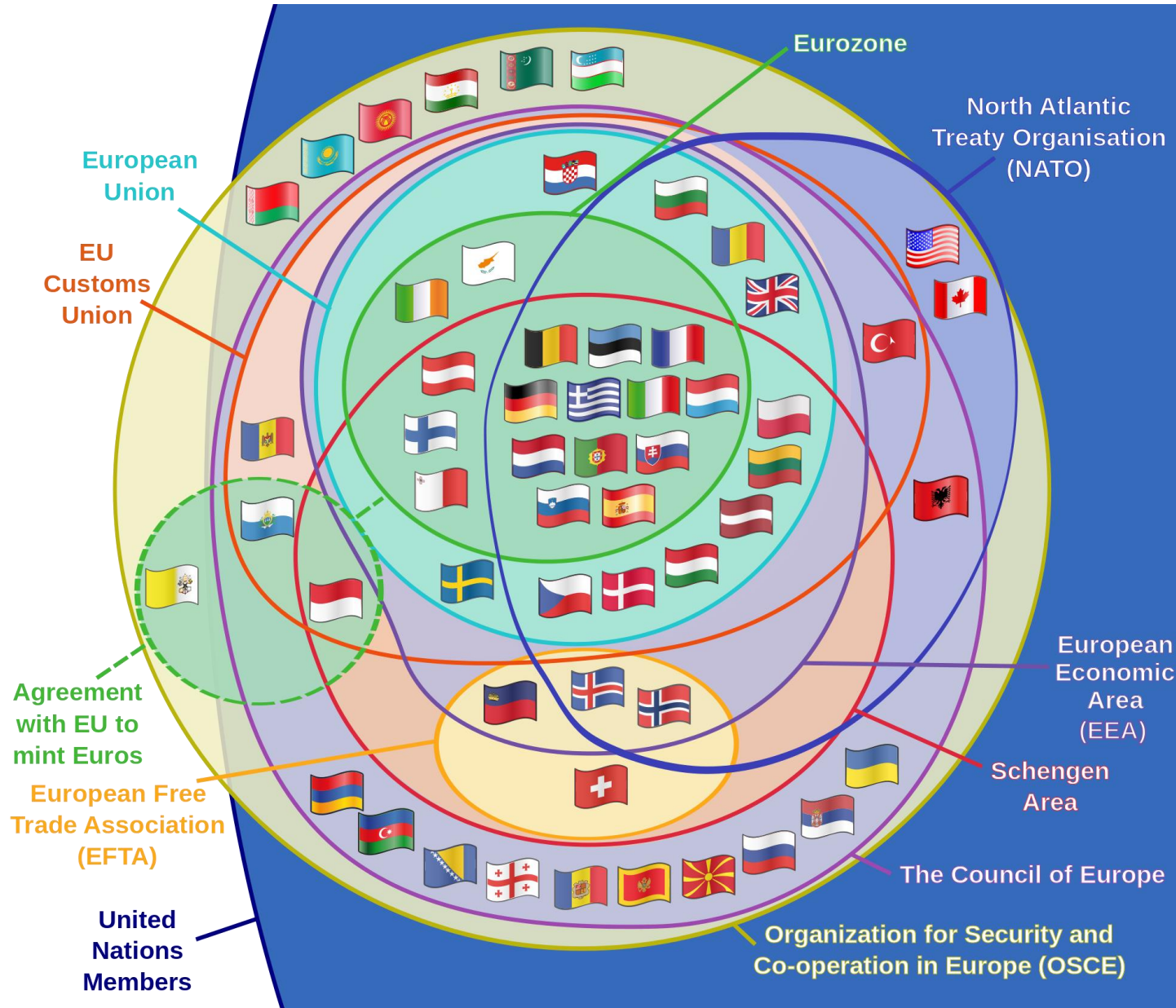


But borders are still constraining relations in many areas of Europe

The territorial fragmentation of Europe



Europe as “New Territoriality” in progress by “Enhancing Cooperation”



Politics: 28 EU Member States

Currency: 19 countries in the EUROZONE

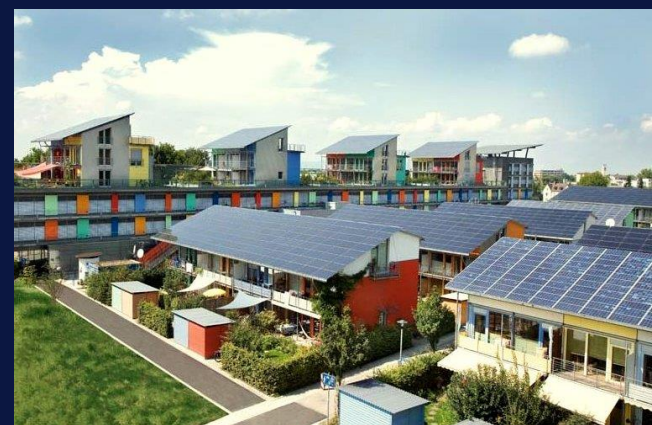
Single Market: 32 countries in EEA

Mobility: 26 countries in Schengen

Free Trade: 4 EFTA countries

2

Trends



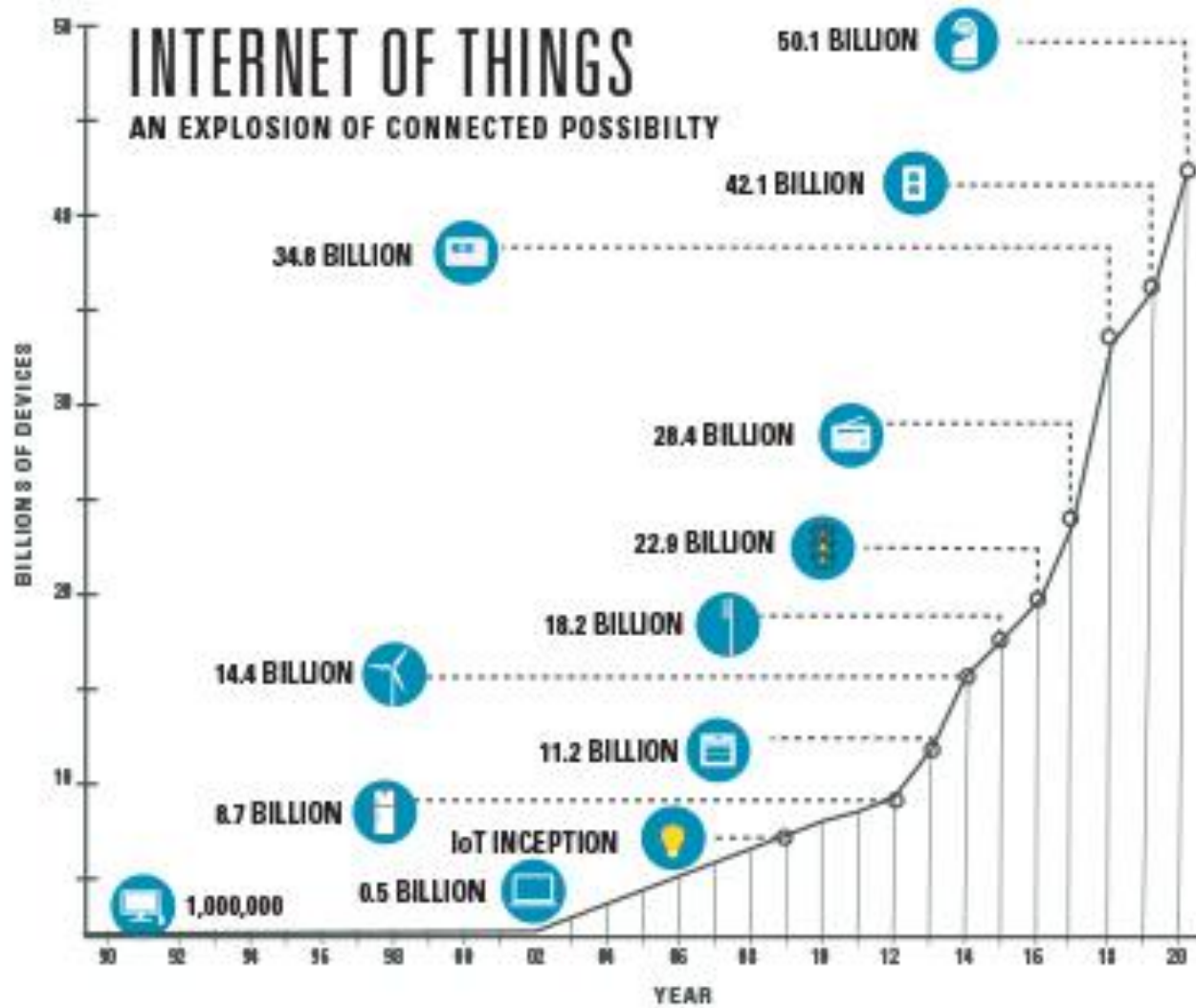
Living in “Pervasive Uncertainty”



Technological trends: “Space of flows” (Manuel Castells)

- Becoming Digital: ICT + IoT + BigData + AIS
- Postcarbon technologies
- Automatisatation & Robotisation
- Biotechnologies (e.g. cellular farming, genetics...)

Living in “Pervasive Uncertainty”



IOT: Going Beyond the Buzz by Venky Shankar (2017)

Living in “Pervasive Uncertainty”



Social trends: “Fluid Society” (Zygmunt Bauman)

- Ageing
- External migrations
- Internal migrations: concentration and dispersion processes
- More fluid social institutions. Virtual and project-oriented communities.
- New Generations’ values: “place-attachment” versus “global-vocation” identities
- Social disparities because of education and job training

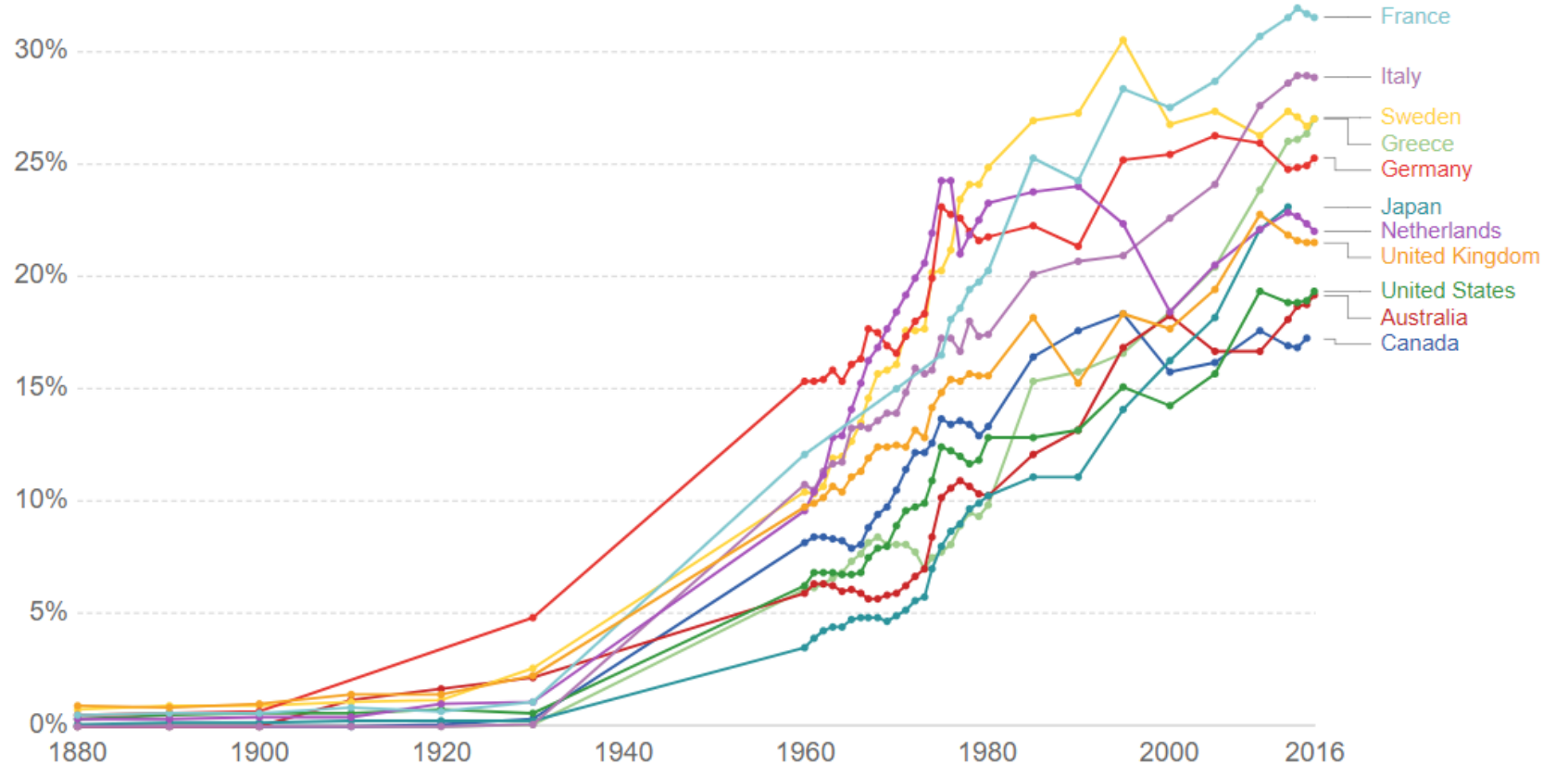
Living in “Pervasive Uncertainty”



Public social spending as a share of GDP

Social spending includes, among others, the following areas: health, old age, incapacity-related benefits, family, active labor market programmes, unemployment, and housing.

Our World
in Data



Source: Our World in Data based on OECD and Lindert (2004)

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Living in “Pervasive Uncertainty”

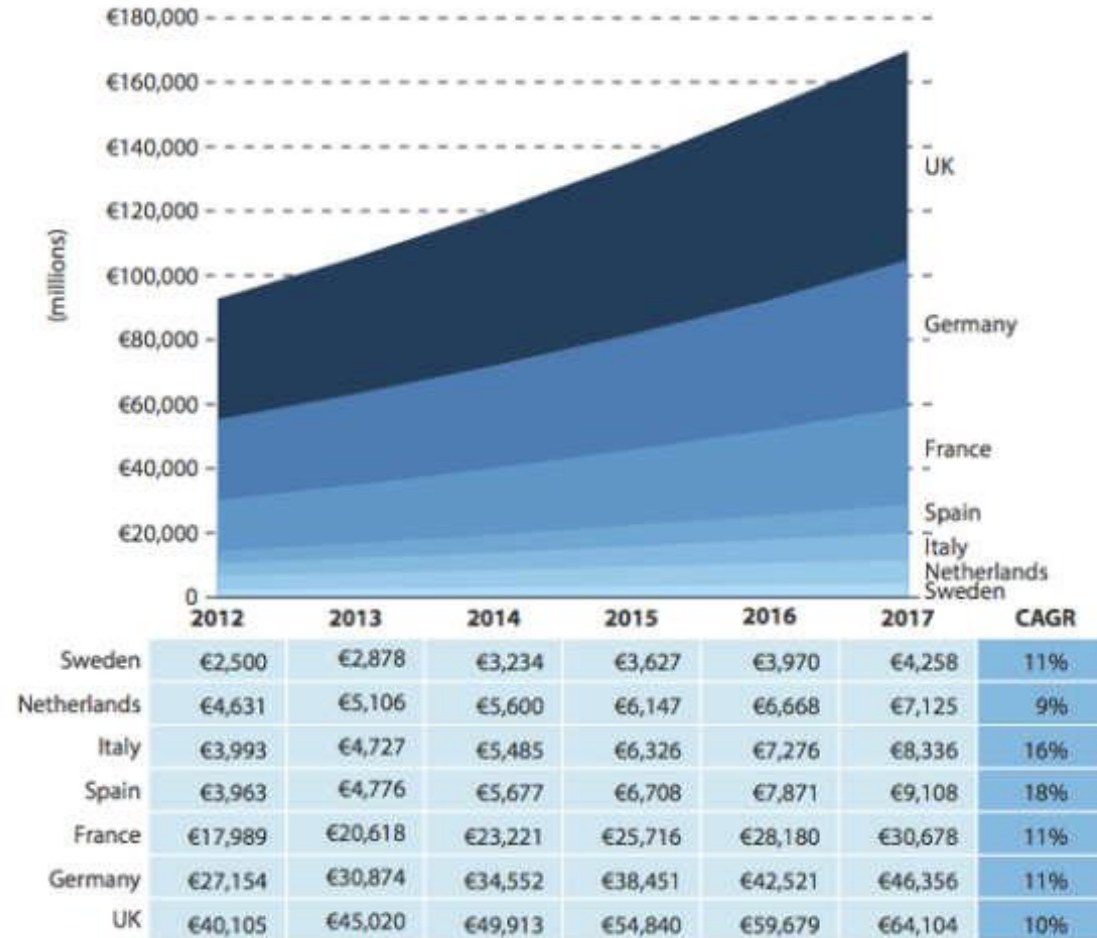


Economic trends: “Zero Marginal Cost Economy” (Jeremy Rifkin)

- “Multilocal” businesses: hyperconnected and further decentralised activities
- Global trade becoming more relevant than European trade
- Collaborative economies
- Circular economy may favour “place-based” activities
- Reindustrialisation in European regions

Living in “Pervasive Uncertainty”

Figure 2 Forecast: European Online Retail Sales By Country, 2012 To 2017



Source: Forrester Research Online Retail Forecast, 2012 To 2017 (Western Europe)

93341

Source: Forrester Research, Inc.



Living in “Pervasive Uncertainty”

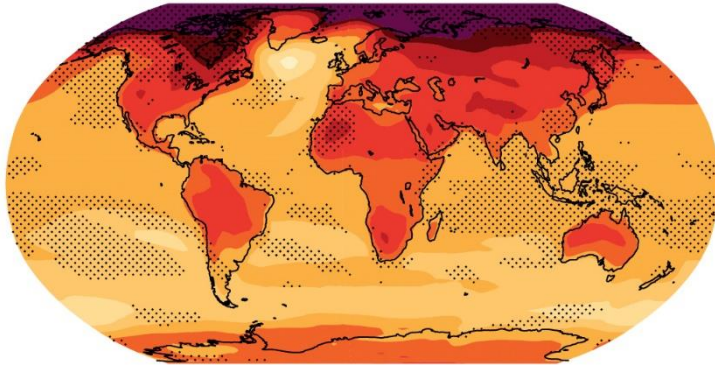


Environmental trends: “The risk Society” (Ulrich Beck)

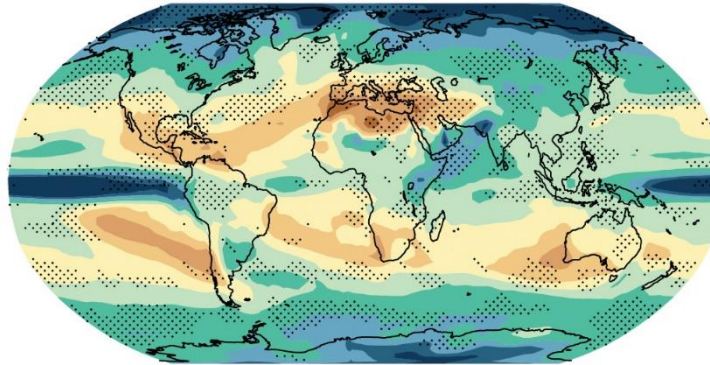
- Climate Change vulnerability (adaptation/mitigation)
- Decoupling of energy, mobility and resource consumption (e.g. water, land) with growth
- Cellular agriculture and biomedicine beyond limits
- Relative loss of biodiversity

Living in “Pervasive Uncertainty”

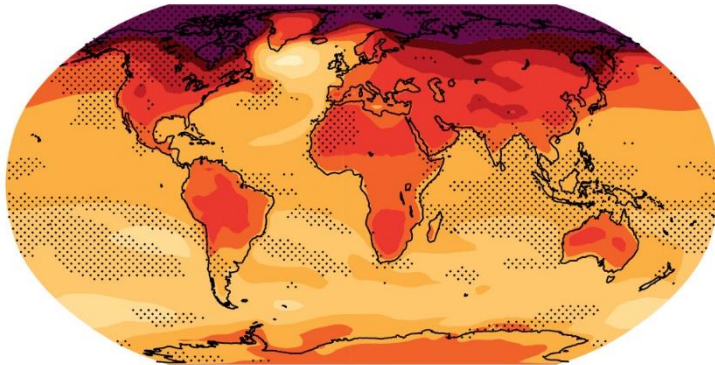
Temperature scaled by global T ($^{\circ}\text{C}$ per $^{\circ}\text{C}$)
CMIP3 : 2080-2099



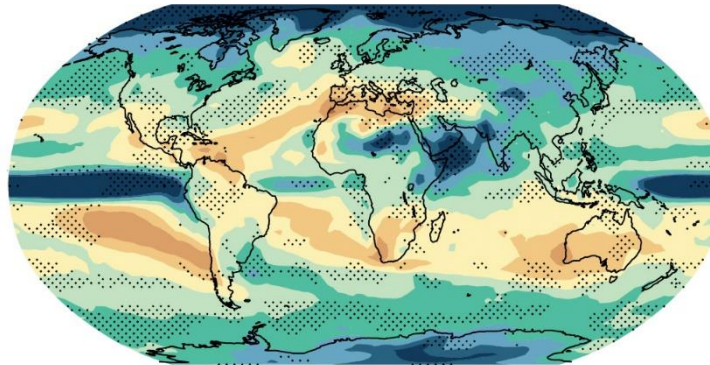
Precipitation scaled by global T (% per $^{\circ}\text{C}$)
CMIP3 : 2080-2099



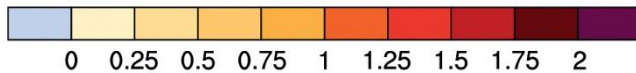
CMIP5 : 2081-2100



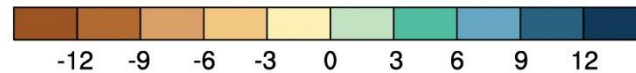
CMIP5 : 2081-2100



($^{\circ}\text{C}$ per $^{\circ}\text{C}$ global mean change)

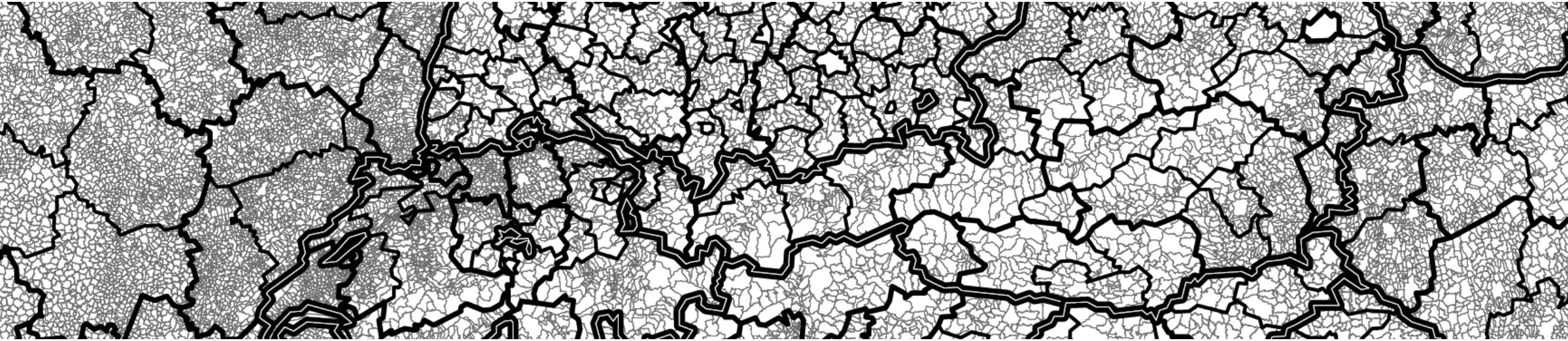


(% per $^{\circ}\text{C}$ global mean change)



Working Group I Report "Climate Change 2013: The Physical Science Basis"

Living in “Pervasive Uncertainty”



Political: “Poverty of territorialism” (Andreas Faludi)

- Increasing problems of efficiency (and legitimacy) in governments at all scales
- New models of participation (eGovernment) demand more quality of government
- New geopolitics: Global agreements in security, trade and environment. Neighbouring countries.

From “Mismatch of functionalities” to the “Poverty of territorialism”

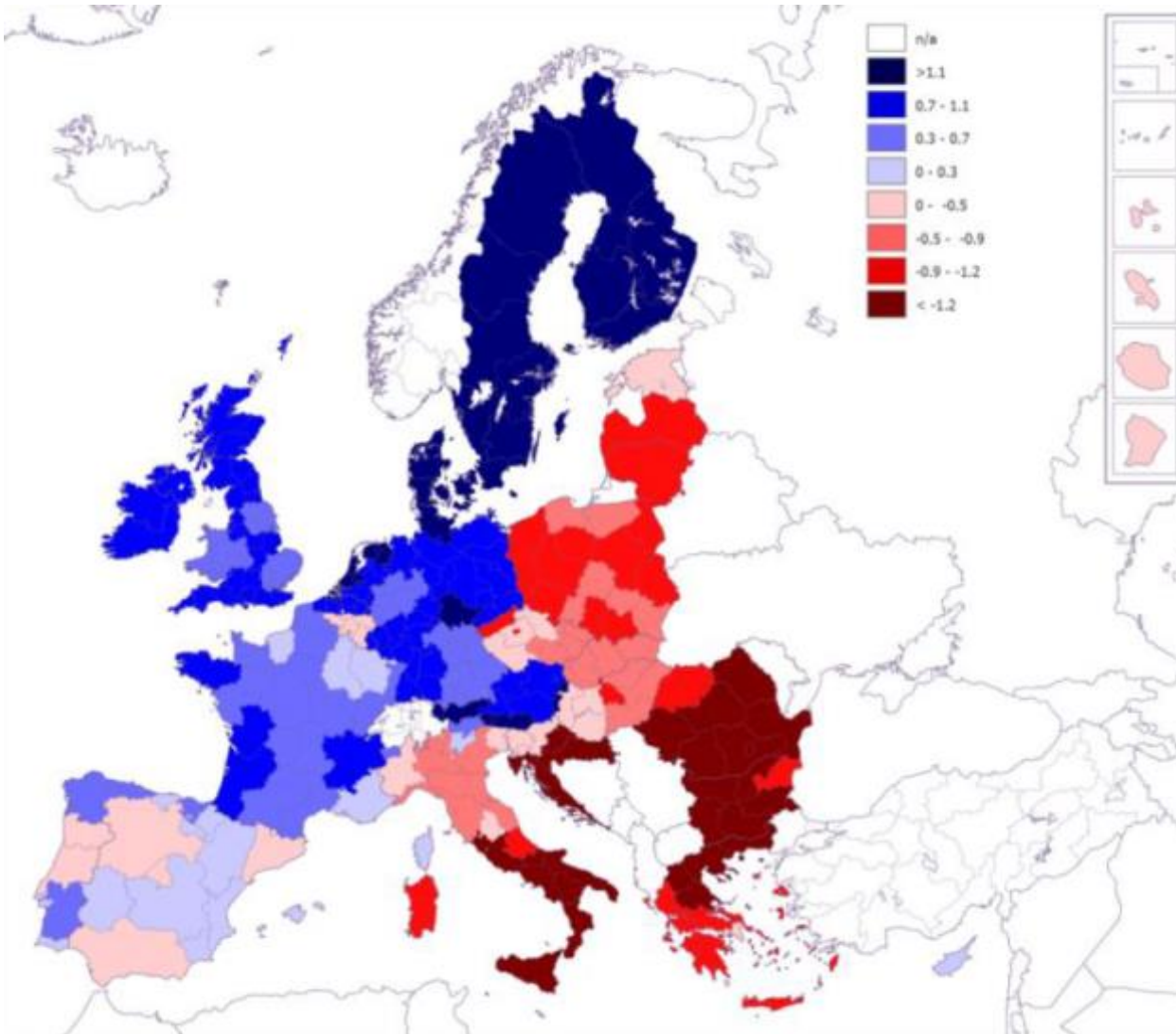


From “mismatch of functionalities” to the “Poverty of territorialism”

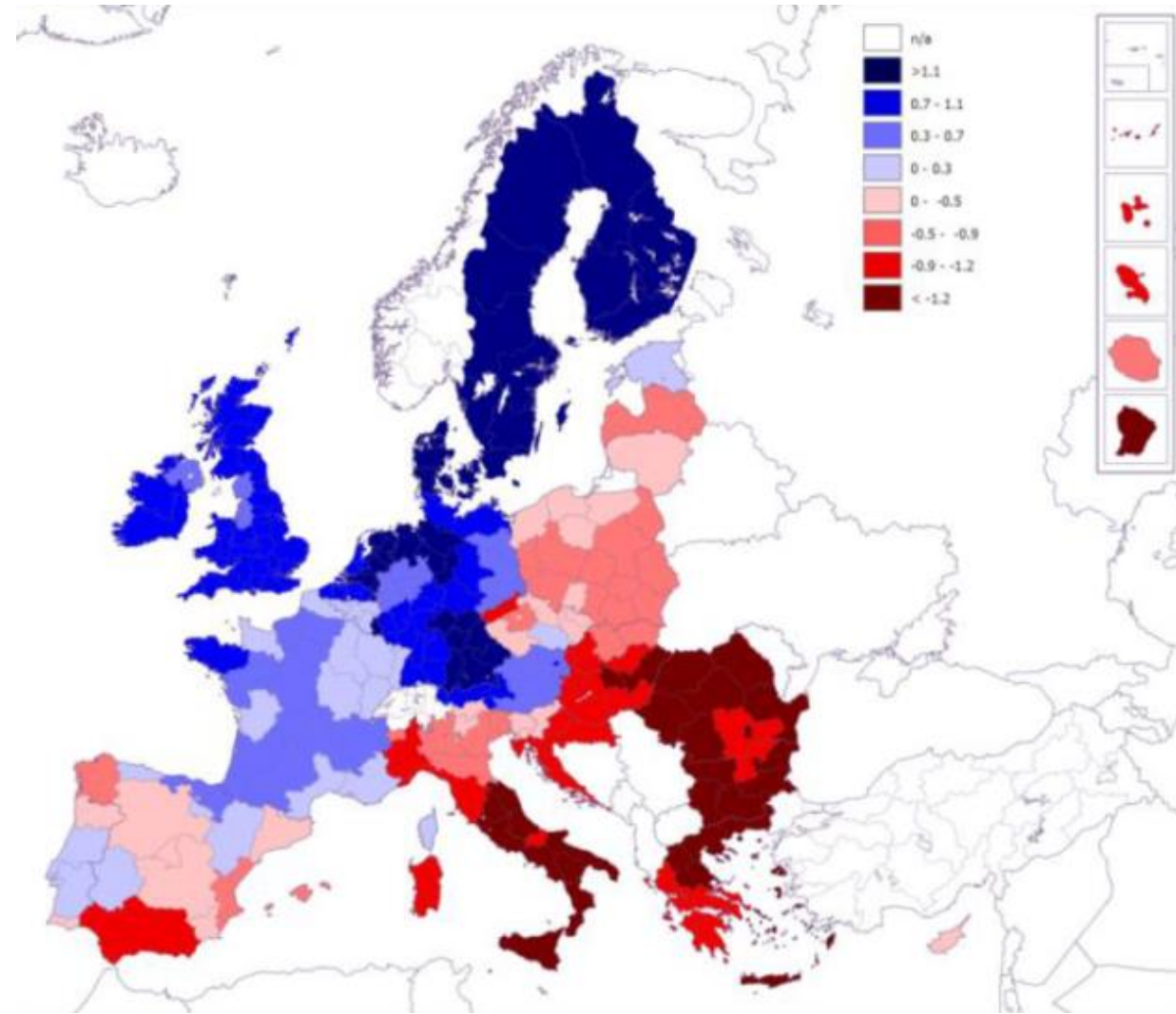


Quality of Government will improve significantly?

EQI 2010



EQI 2017



“Quality of Government Institute, University of Gotheborg (2018)”

3

Policy-Scenarios

=	↔	↓	↑
-	+	+++	+
-	+	+++	+++
-	+	+	+++

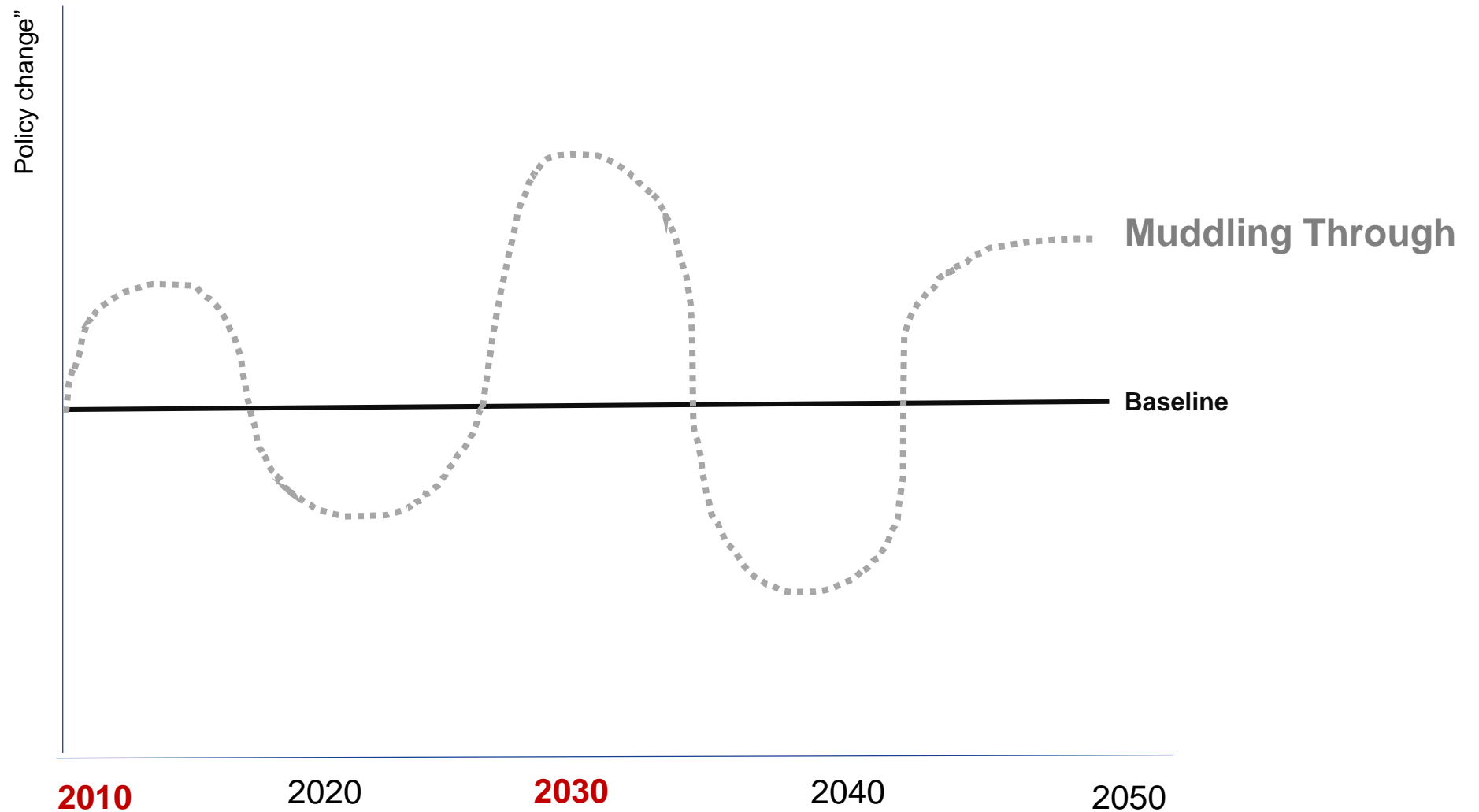
Policy-Scenarios under discussion

The scenarios are inspired by strategic policy documents recently developed:

- **White Paper of the Future of Europe**, European Commission (2017)
- **Three visions, one direction**. Plans for the future of Europe, European Political Strategy Center on Juckers, Macron and Merkel visions (2018)
- **Time to move up a gear: the results of an insufficient summit**, by Janis A. Emmanoulidis, EPC, (2018)
- **Towards a New Pact for Europe**, EPC (2014)
- **ESPON Europe 2050: Making Europe Open and Polycentric** (2014)

Policy-Scenarios under discussion: Reference Most Likely

Possible evolutions overtime of policies under a “**Pervasive Uncertainty**” framework condition



Policy-scenarios under discussion



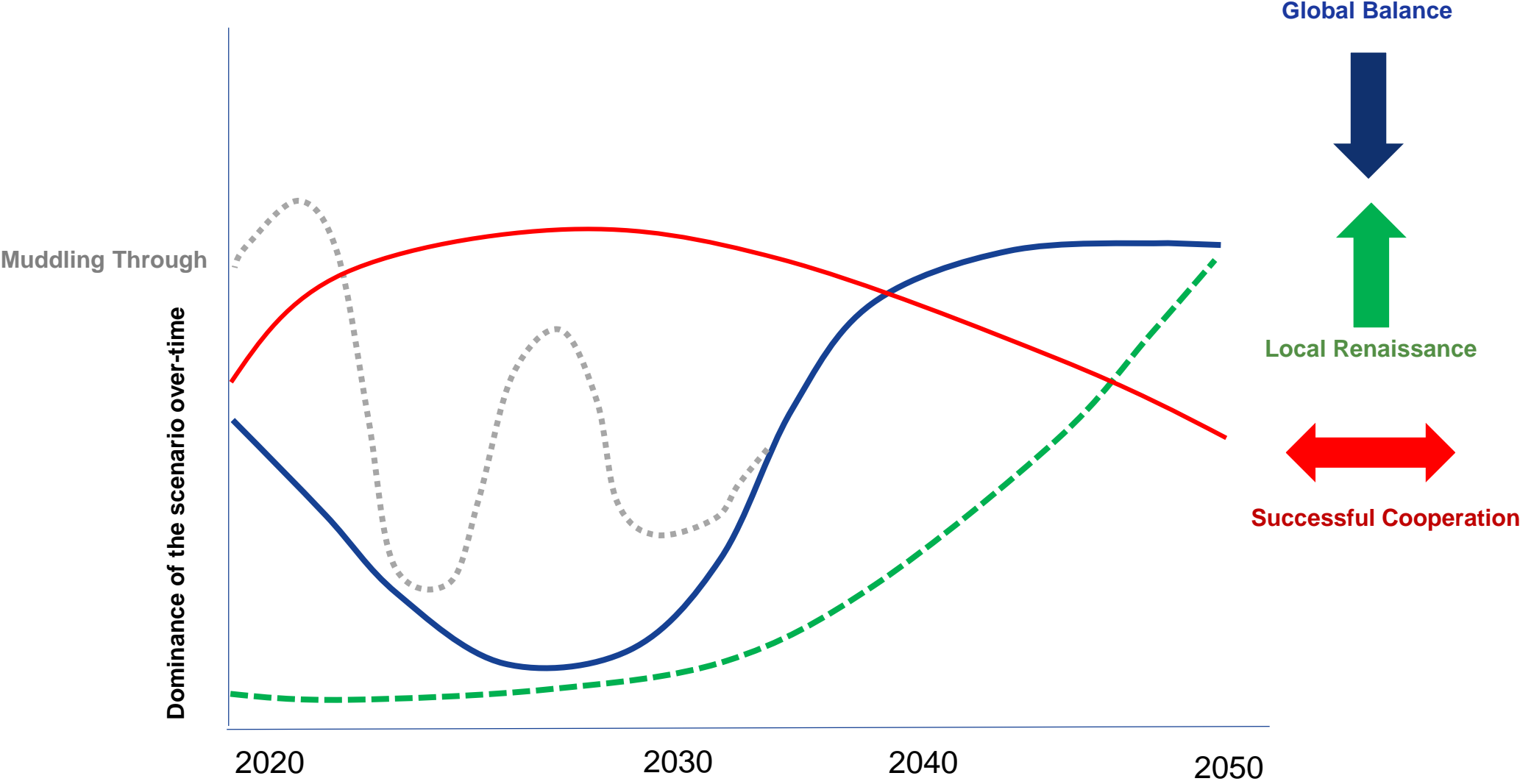
2030



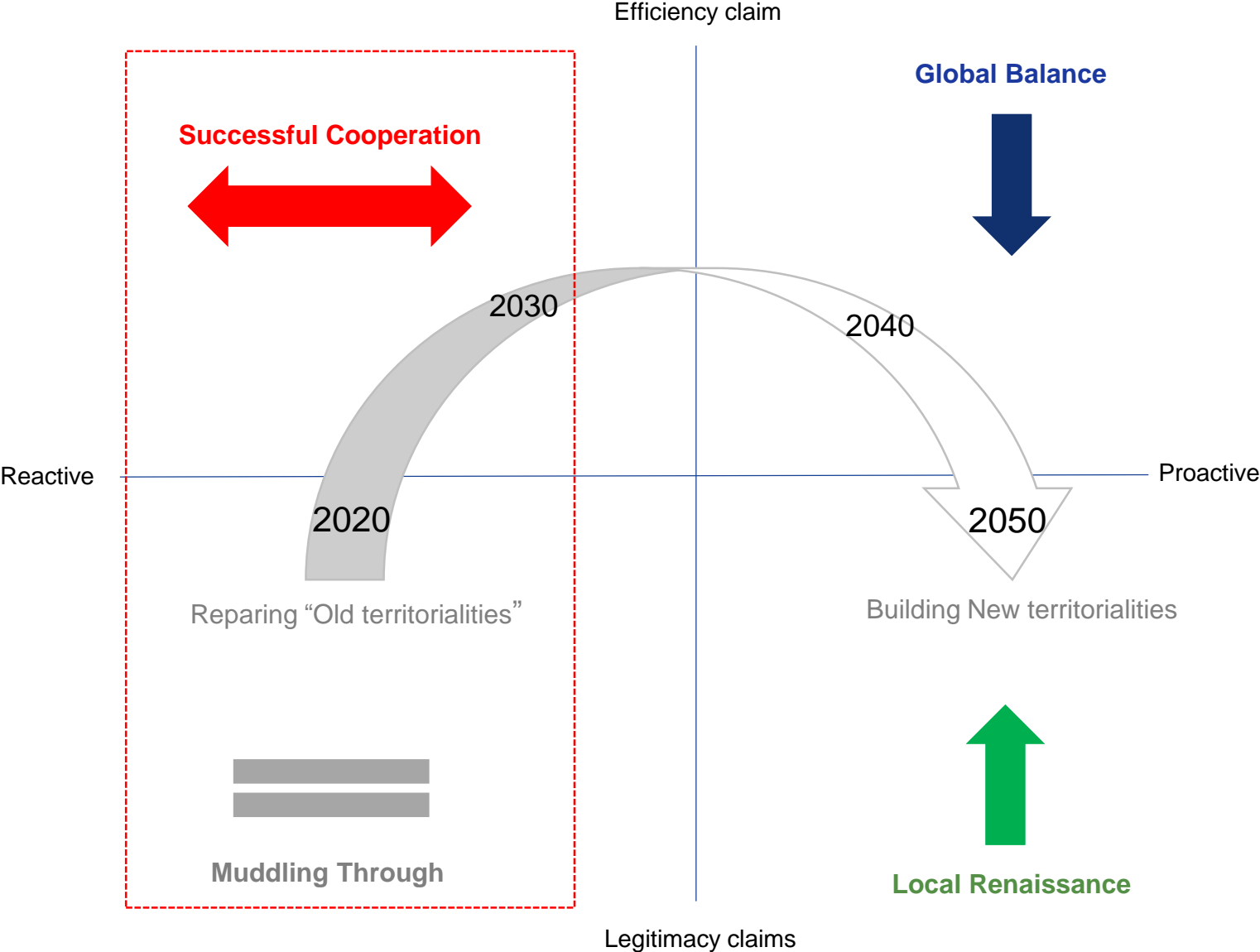
2050

	Muddling Through	Successful Cooperation	Global Balance	Local Renaissance
European Forward Unit (1999)	Turbulent neighbourhoods	Shared Responsibilities	Triumphant Markets (balanced with EU stronger common institutions)	1.000 Flowers (without libertarian approach)
New Pact EPC (2014)	-	Moving Ahead Ambitiously	Leaping forward	-
Junker's White Paper, EC (2017)	Carrying on	Those that want to do more, do more	Doing more together	Doing less more efficiently
EPRS, EP (2017)	Hollow foundations: Unstable Europe in an unstable world	-	EU as a global power: Stable Europe in an unstable world	-
Territoriality	Old territorialities back. Top-down governance	Multilevel "place-based" governance	EU as a "new territoriality"	New territorialism
Government	Authoritarian	Enabling	Providing	Empowering
European project	Uncertain, risk of desintegration	Enhanced Cooperation	Further Integration driven by global challenges	Further Integration driven by people's values
Key Political Institutions	Member-States	EU, Member-States, Regions, Municipalities	"European common strong institutions"	New City-regions

Policy-Scenarios proposed



Policy-Scenarios proposed



Scenarios under discussion (by Klaus Kuzmann)

Efficiency claim



Reactive

Proactive



Legitimacy claims

Overall evaluation of scenarios against territorial challenges

Territorial Challenges	=	↔	↓	↑
Fragmentation of society and territories	?	+	++	+
Mismanagement of interdependencies: spill-over and externalities across boundaries.	?	+	++	++
Misalignment between geographical jurisdictions and the corresponding geography	?	+	+	++

“Successful Cooperation” Scenario (2020-2030) – ongoing discussions

It is designed as a positive evolution of the “Muddling-Through” scenario. In the mid-term the scenario can move towards “Global Balance” or “Local Renaissance” –because of both technologic progress, and change on social values and behaviours of new generations

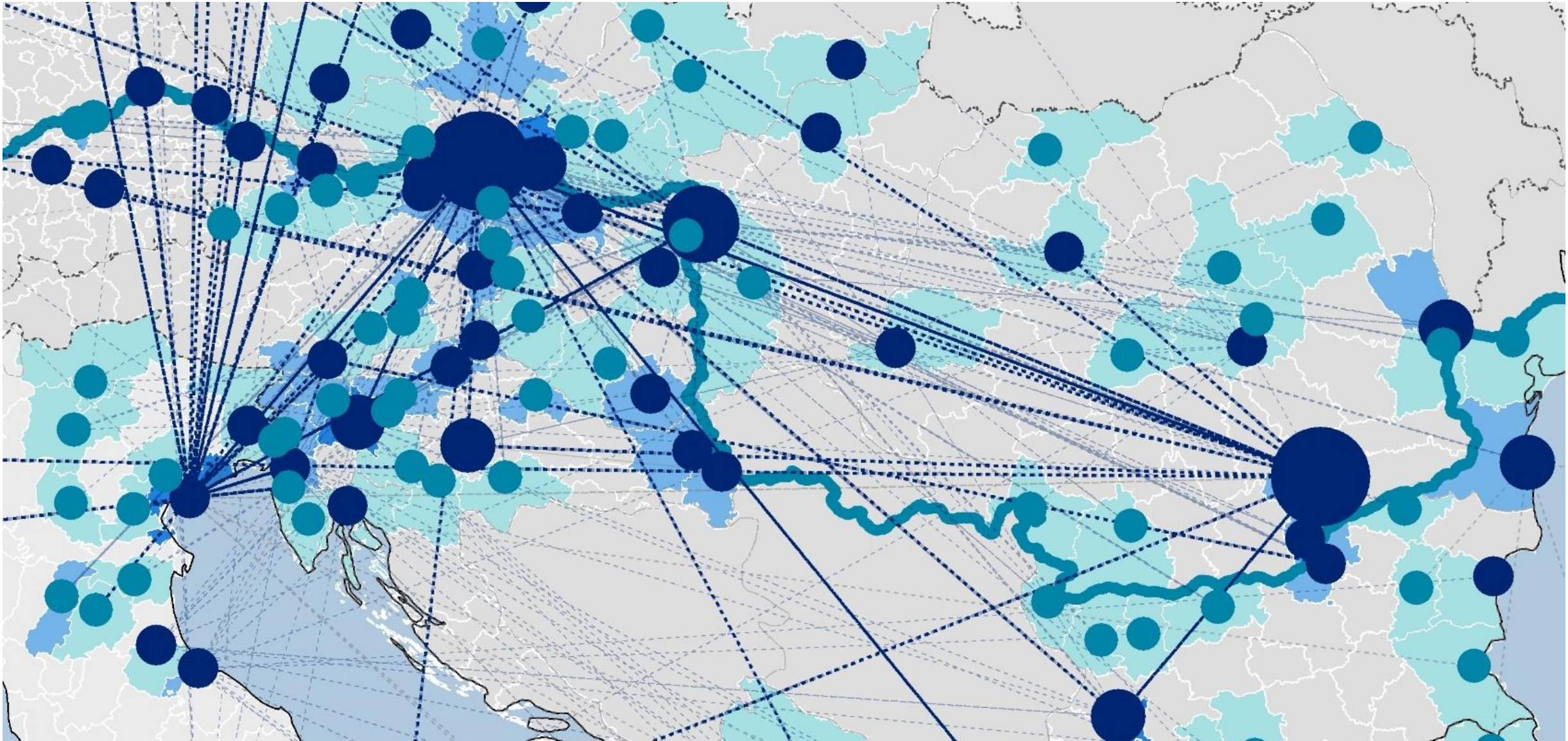
- No deep territorial reforms
- Improvement of the quality of government everywhere in Europe
- More flexible, open, “enhanced integration” among those EU Member States willing to do so
- More integration only in key European policies, mostly in terms of common regulations (e.g. digital markets)
- Further cooperation among political, economic and social entities as priority on European policies
- Multilevel governance processes based on “place-based” approach
- Bottom-up comprehensive territorial visions as first step on European policy-design processes
- Co-development projects in neighbouring countries and more active migration policies

4

A Framework for Action

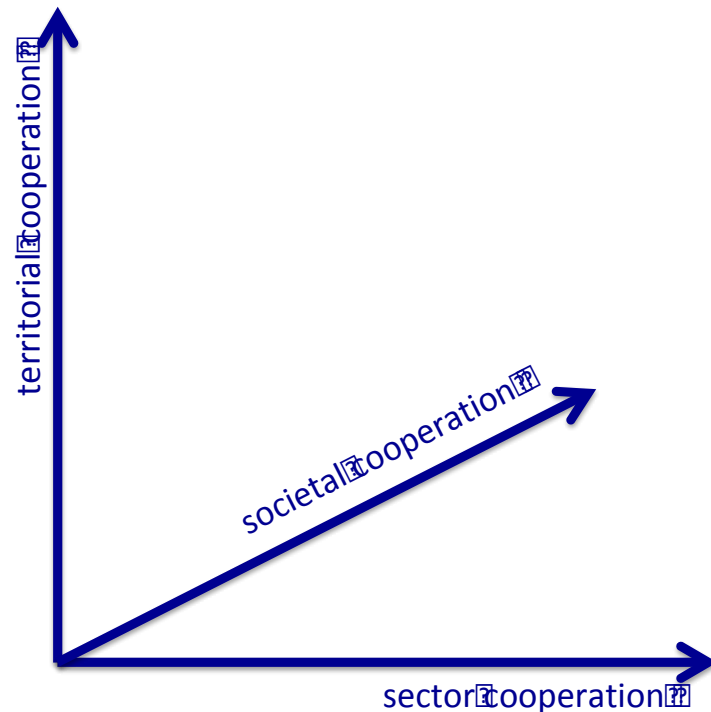


Territorial Agenda as a Framework for Cooperation (I)

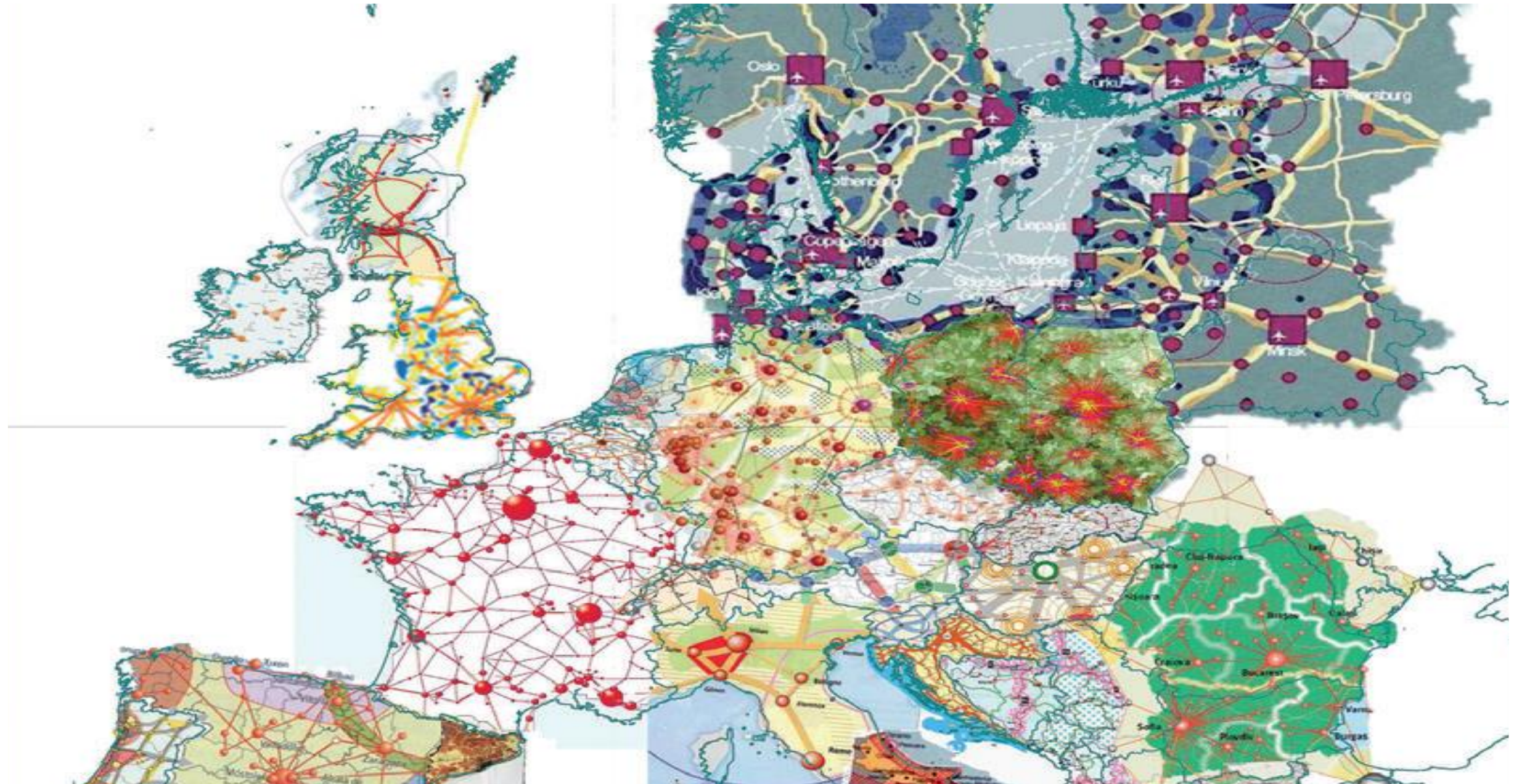


Cooperation to enhance “old territorialities” ?

- Cooperation as strategy to overcome territorial challenges
- ➔ How to cooperate on Cohesion and other policies? at which scales? how?



Territorial Agenda as a Framework for Territorial Visions (II)



Territorial visions closer to the citizens?

- Diverse bottom-up visions to enhance “place-based” governance
 - ➔ What would be appropriate geographies?
 - ➔ How to stimulate this kind of vision work?

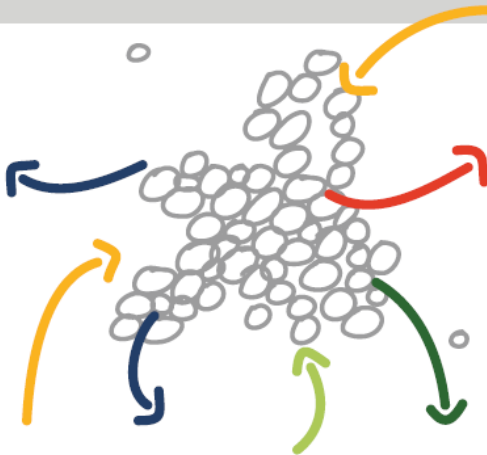


Common policy-aims as part of the policy-design process?

ESPON

Making Europe Open and Polycentric

Vision and Scenarios for the European Territory towards 2050



Opening up European markets to global competition and promoting global sustainability

The progressive opening of the European market to global competition, in parallel to the opening of other world markets to Europe, will create fair and sustainable development for all if the higher social and environmental European standards are gradually adopted by the rest of the world. European larger metropolises and second tier cities need to reinforce their role as global cities, attractive places for global activities and services.



Illustration 9: Opening up European markets to global competition and promoting global sustainability

Integration of transport and telecommunication networks and geographical spread of global gateways

The full integration of information and communication networks, facilitated by the electrification of transport systems will enhance networks interoperability and efficiency. Global connectivity through maritime routes and intercontinental air services is a critical development condition, as well as local and regional connections to them. The further redistribution of intercontinental gateways from their actual North-Atlantic concentration to more competitive geographic locations for global traffics would bring a net benefit to the European economy by reducing travel time and transport operating costs and spreading development opportunities.

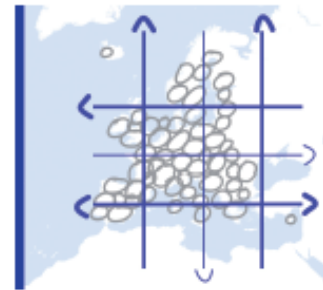


Illustration 10: Integration of transport and telecommunication networks and geographical spread of global gateways

Intelligent energy networks connecting decentralised renewable energy

An intelligent grid covering Europe north-south, integrating renewable sources, wind in the north and solar in the south, together with other conventional sources such as hydroelectric, will reduce European energy dependency and increase economic efficiency. Intelligent energy networks will provide for more decentralised production and consumption, and will facilitate an increasing diversification of sources as well as cost reduction and price harmonisation across Europe.



Illustration 11: Intelligent energy networks connecting decentralised renewable energy

Linking transport, telecommunication and energy networks between Europe and Neighbouring regions

Links between European and neighbouring regions in the form of transport, telecommunication and energy services and infrastructures need to be further developed. Global gateways already emerge in some neighbouring regions, both intercontinental airports and ports. Trade and traffic across the Mediterranean, Middle East and Eastern countries will continue to grow if neighbouring countries become successful emerging economies. Beyond infrastructure provision, markets for network industries should also be gradually integrated in the framework of free trade agreements, closer association and/or European Union's full membership.

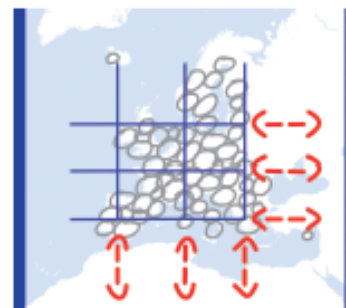


Illustration 12: Linking transport, telecommunication and energy networks between Europe and Neighbouring regions

Promoting integrated territorial development across borders

Co-development strategies will combine the market dimension and R&D capabilities of Europe with the energy, land availability and labour assets of the south shore of the Mediterranean, as well as Eastern Neighbourhood. Cross-border areas in the West and East Mediterranean and along Eastern borders have to become priority areas for co-development since excess of economic gaps is a major source of social and political conflicts and also constraining the development of European Union's most peripheral regions.



Illustration 13: Promoting integrated territorial development across borders



Co-financed by the European Regional Development Fund

Inspire Policy Making with Territorial Evidence

// Thank you