

Economic functions and spatial planning

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Introduction

In 1990, the Dutch Scientific Council for Government Policy wrote that in the last decades the big cities transformed from pioneer into slow developer concerning economic growth (WRR, 1998). This trend developed in spite of national spatial policy, which promoted concepts stressing concentration of activity in and around big cities and mainports. Real trends point in another direction. Since 1960, all metropolitan areas in The Netherlands have undergone a significant spatial economic transition. The city is not the place where activities concentrate anymore. Since the sixties economic growth has increasingly been concentrated at the edge of the city, or even the periphery. Urban researchers stress that it is better to refer to what we used to call the city as part of an urban field, that has a spatial structure that is less obvious.

Theoretical background

When looking at the spatial dynamics of economic activity through the eyes of a spatial planner, it is important to understand that functions are essentially free to move and that a city is not (Salet, 1998). Even though economic geographers today realise that firm behaviour is not just regulated by economic forces, and that spatial, political and temporal forces also play a role in decision making, planners have to realise that the city as such is not the natural focal point of the economy, and that economic activity does not have a natural tendency to locate in this centre. It is the other way around. For a number of reasons, maybe not relevant anymore today, economic functions located in the city. As a result, it became the focal point of essentially unattached economic activity, and resulting natural interrelations generated a surplus value. Today, when firms have to choose a location, the mixed activity pool in the central city area is a location condition to consider.

Spatial planning of economic functions cannot be build just on spatial concepts, as these are based on the assumption that a clearly defined space is the basis of analysis. Still, this is what planners did for a long time, and still do on many occasions. Economic geographers and regional economists on the other hand focus on the economic functions as such, and try to understand why specific economic conditions and changing ways of production lead to specific location requirements.

Both disciplines, planning theory and economic geography, did not make a fruitful connection, although much can be learned for researchers in both fields (Healey, 1997). On the one hand, spatial economic planning undoubtedly influences the match between location conditions and the location requirements considered by firms when they have to reach a location decision. However, government planning is just a small subject, lightly touched by economic geographers and regional economists. On the other hand, planners never tried to understand the dynamics behind the spatial structures they want to change. The only economic-geographical models planners used are out of date, and were not developed by geographers and thus not used by planners primarily to understand the dynamics of location behaviour, but to distribute services across space properly, through trade-offs between transport costs and land property values. Since the 1980's, however, much has changed in economic-geographic thinking, that has not yet been acknowledged by planners (Ploeger, 1998).

Main research questions

Because both disciplines until now developed apart from one another, planners did not ask all questions they should have, and some important questions remain unanswered. The first and most important question a planner should ask himself is «what is the role of planning in processes of urban spatial economic change». This question recognises the dominance of the process of urban change over the role one actor, the government, plays in it: the planner must understand that he is not the originator of action, and that he must define his role in the process of change. To do this, the planner has to ask three related questions: «what are the processes behind spatial economic

changes, and what are the positions of various actors in these processes?» and «what is my background as an actor and my position as an actor in the process?»

Context

Without even an object of planning defined, the planner is constrained by a formal context, consisting of territorial boundaries and legislative boundaries. The constraints imposed by territorial boundaries seem obvious. Many processes exceed the jurisdictions of governmental bodies, making integral planning at the logical scale difficult or even impossible. Especially spatial economic dynamics, which take shape at a regional scale, are difficult to deal with within the current power structures in most countries, because regional administrations are difficult to introduce.

Government is also constrained by self-imposed legislative boundaries, that determine the action space of the government. These boundaries tell the government to what extent it can intervene, and what procedures must be followed for this intervention to be legitimate. Here we can see the difference between policy making as direct intervention and institutional arrangements facilitating policy making.

In a specific policy arena, the formal context is supplemented by a specific context. Changes do not originate from government policy alone, because formal government is just one player structuring the processes that guide change. It is important to understand these processes, and the backgrounds of the various actors that are involved in this change. Just as government is constrained and driven by forces and arrangements outside the direct policy arena, so are other actors that are involved. Together, these players, both governmental and non-governmental, are responsible for the development path in a specific field: this development does not necessarily originate from close interaction between the actors involved, but also from autonomous behaviour of these actors and even from uncontrollable long term development paths.

Goals and methods

Within this context, I will analyse the role of spatial planning by the government in spatial economic change. This role results from formal rules and territorial boundaries constraining government behaviour, the relation of the government with other actors (and the relationships between these actors) in the policy field and the considerations guiding behaviour of these other actors. Notwithstanding the importance of constraining context variables, it is important to stress that all participants (including government) have some autonomous power. This power is available to them because of their socio-economic position or because of the resources available to them.

Three case-studies, Amsterdam, Frankfurt and Brussels, will be conducted to understand the way in which contextual variables as described above, affect the margins of influence for a spatial planner. These margins are not static, they change over time and have different development paths in different contexts. This is why the case-studies focus on changes in the contextual variables through time. The case-studies will be both quantitative and qualitative in nature, the qualitative study of primary and secondary sources (books, official policy documents, interviews, etc.) being the main objective. Quantitative analysis will focus on the changing urban-economic landscapes, especially the changing places of concentrations of economic activity, of the three areas during the period 1960-2000.

Literature

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