

City Leadership in the European Multi-level Governance

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Abstract

Cities have had, so far, a limited role in the European multi-level governance, remaining the poor relatives of integration and depending on national power sharing controlled by the central level. However, the EU and national authorities increasingly see cities as key policy making partners to ensure both democratic legitimation and policy effectiveness in areas such as social inclusion, economic competitiveness and environmental standards. The EU, for instance, wants urban governance to produce improvement in economic development, environmental performance and quality of life, which would benefit the 80% of EU citizens who live in cities and large towns. For city leaders, it means that they have to find partners at all levels of the multi-level governance: maximising access to resources and influence by cooperating with upper tiers of government, capitalising on alliances at city level with business and other interests and answering real local needs by empowering local people and adapting national policies.

In this paper, we will present the findings of PLUS – Participation, Leadership and Urban Sustainability, a research project funded by the Framework Research 5 of the European Commission and which examined aspects of local leadership in 16 different European cities. In particular, we will outline how multi-level factors have a key influence on urban governance across Europe, whether we look at various local government systems in general or whether we examine specific local initiatives in particular. We will then expose how some local leaders have managed to maximise multi-level resources and draw some conclusions on urban governance for the local, national and EU levels.

1. Introduction

Cities have had, so far, a limited role in the European multi-level governance, remaining the poor relatives of integration and depending on national power sharing controlled by the central level. However, the EU and national authorities increasingly see cities as key policy making partners to ensure both democratic legitimation and policy effectiveness in areas such as social inclusion, economic competitiveness and environmental standards. The EU, for instance, wants urban governance to produce improvement in economic development, environmental performance and quality of life, which would benefit the 80% of EU citizens who live in cities and large towns. For city leaders, it means that they have to find partners at all levels of the multi-level governance: maximising access to resources and influence by cooperating with upper tiers of government, capitalising on alliances at city level with business and other interests and answering real local needs by empowering local people and adapting national policies.

In this paper, we will present the findings of PLUS – Participation, Leadership and Urban Sustainability, a research project funded by the Framework Research 5 of the European Commission and which examined aspects of local leadership in 16 different European cities in England, Greece, Norway, the Netherlands, Germany, Poland, Italy and Sweden. In particular, we will outline how multi-level factors have a key influence on urban governance across Europe, whether we look at various local government systems in general or whether we examine specific local initiatives in particular. We will then expose how some local leaders have managed to maximise multi-level resources and draw some conclusions on urban governance for the local, national and EU levels.

2. EU Multi-level Governance and City Dynamics

Cities, Poor Relations of European Multi-level Governance

Globalisation has led to a resurgence of cities as centres of growth, with implications for governance itself as policy-makers see local institutions as the key to urban competitiveness (Jouve and Lefèvre, 2002). Indeed, the EU has developed its urban agenda in recent years, on the principle that public authorities closest to citizens must be involved in a number of policy areas. The ambition is to achieve local democracy and efficient policies, and, while the EU has no competences in reforming domestic centre/local relations, the EU Commission includes the principle of participation in the five principles of good European Governance, implicitly requiring the intervention of the sub-national level in the policy process. A broad interpretation would give local leaders new opportunities to have a greater say in areas such as economic prosperity, social inclusion and protection of the environment, deemed necessary ingredients of sustainable cities by the Commission (Carmichael, 2004). In addition, the implementation of the participation principle could affect some aspects of local governance in areas where the EU has competence to act. So, it will be interesting to see if local political leaders will, perhaps through partnerships of cities, try to make political mileage of these EU developments.

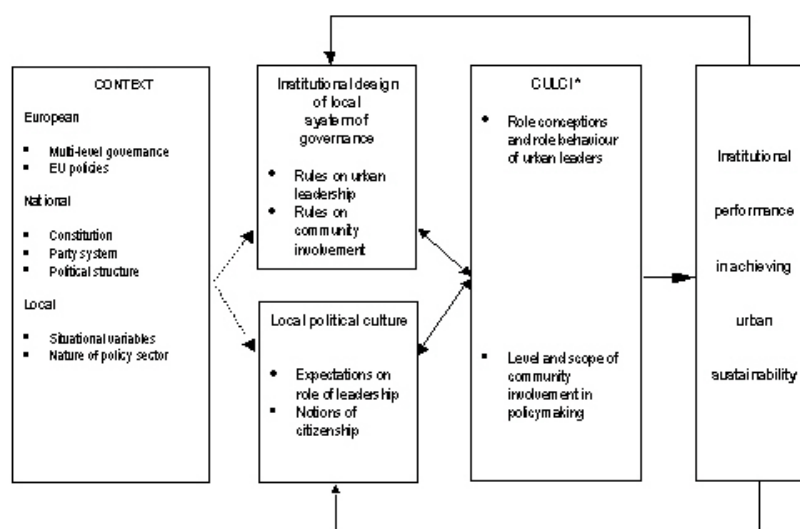
In a domestic context across Europe, however, the restructuring of territorial power, in particular central/regional/local relations still depends to a large extent on state control (Goldsmith, 2002). Indeed in England, if we consider a governance

perspective, the *reconceptualisation* of the urban problem in a regional framework and the need for political and institutional restructuring has been influenced by New Labour, the national political agenda (Tewdwr-Jones and McNeill, 2000). We can also observe that at the sub-national level, all actors are not equal partly because the regional level is in effect an extension of the state in the region, a *regionalised central government* (Burch and Gomez, 2002), hence given priority by government. In the future, this move to regionalisation combined with EU pressures means that further multi-level partnerships, in particular local/regional cooperation might be encouraged. For instance, the EU has encouraged, more territorial approaches requiring involvement and cooperation between regional and local actors through the structural funds. As a multi-level governance system has started to emerge, local actors might have the opportunity to play a more important governance role. Again, it would require a more strategic approach by city leaders, tied-up by their role as local representative of their local community and their responsibilities to deliver local services.

The PLUS Model for Better Urban Governance: What Place for the Multi-level Context?

PLUS assumes that the achievement of effective urban governance and thus of sustainable policies is strongly dependent on the complementarity of urban leadership and community involvement (The “CULCI” model). This complementarity is dependent on the institutional settings and contexts of local governments and the result of the initiative and action of local actors. Hence the project examines both leadership and citizen involvement in the same analytical framework, and try to assess, in a comparative analysis of 16 European cities - two from each of 8 countries, how the interplay between urban leadership and community involvement responds to local government as well as to governance failures, understood both from democratic and efficiency perspectives. The figure below shows how the performance of city management stems from both contextual and local factors.

Figure 1: PLUS Analytical Framework



From the outset, the project poses important theoretical conditions for moving towards a flexible multi-level system of governance and that will interest EU policy-makers. Firstly, reform of local government as a solution to lack of democracy and policy efficiency at local level is not necessarily possible because it involved a number of complex issues. It will reassure EU policy-makers will little power to exercise on local government reform. Secondly, another evolution outlined by authors to address government failure has been the emergence of new economic and social policy actors, for instance businesses and trade-unions in the neo-corporatist literature or the broader policy network literature. However, the move from government to governance does not necessarily secure success and can be plagued by lack of accountability and biased structures. For EU policy-makers, tackling government failure means that we need to be aware of the all the factors and that no quick fix and rigid solution exists. It also means that policy-makers will need flexibility in policies and structures to alter their strategies and also to move towards forms of participatory governance when power does not deliver, and trust is broken.

Based on these hypotheses, the role of urban leadership and community involvement has been analysed in PLUS from three interlinked perspectives: urban government (CULCI as as component of a politico-administrative system), urban governance (CULCI as a decision-making and problem-solving tool) and meta-governance (CULCI as an analytical aspect of local governance evaluation process). Again, this three dimensional characteristic of CULCI will be of great value to policy-makers, opening new ways to influence local government structures without necessarily directly reforming these structures¹.

3. Multi-level Dimension of Urban Policies

Upper levels of government govern certain aspects of local governance. Our research identified, country by country, the areas of local governance dependent on European and national contexts In addition, specific local projects can depend on upper levels' programmes or funding or on involvement of the private sector. The tables below summarises the dependency of the local level on EU, central or regional governments and on private sector².

¹ Details of the PLUS projects' theoretical framework and methodology is available in various sources, including Haus and Heinelt, 2002, Haus and Heinelt, 2004 forthcoming, Denters and Klok, 2004 forthcoming.

² The list of initiatives examined in PLUS is listed at the end of this paper. Executive summaries of all the case studies are available on www.plus-eura.org. Working documents such as national reports and final project report will also be available during 2004 on the project website. The reference section includes all the working documents used in this paper to draw the comparative analysis. The first PLUS book (Democracy: Leadership and Community Involvement) will be published later on in 2004 by Routledge and the second PLUS book (Leadership and Participation; Searching for Sustainability in European Cities) is currently at drafting stage.

Table 1: Major Multi-level Influences of Local Initiatives

Examples of multi-level dimension in local affairs	List of Initiatives per country examined	National/ regional Programme /funding	EU Programme /funding	Private Sector funding
Italy: “Nationalised” local politics City-region agenda Dependence on central government budget transfer	Cinisello: SI	yes	no	no
	Cinisello: EC	no	no	yes
	Turin: SI	no	yes	no
	Turin: EC	yes	yes	yes
Germany: Dependence on central government budget transfer Regional economic agenda	Hannover: SI	yes	no	yes
	Hannover: EC	yes	no	yes
	Heidelberg: SI	no	no	no
	Heidelberg: EC	no	no	no
Sweden: Local competences restricted to certain policy areas	Göteborg: SI	yes	no	no
	Göteborg: EC	yes	no	yes
	Stockholm: SI	yes	no	no
	Stockholm: EC	no	no	yes
England: High level of centrally-controlled tax City-region agenda	Bristol: SI	yes	no	no
	Bristol: EC	no	no	yes
	Stoke-on-Trent: SI	no	no	no
	Stoke-on-Trent: EC	yes	yes	no
Norway: Regional development agenda Limited local discretion for use of government grants	Bergen: SI	no	no	no
	Bergen: EC	no	no	yes
	Oslo: SI	yes	no	no
	Oslo: EC	yes	no	yes
Poland: Limited multi-level involvement except for legislation, eg. EU legislation on public procurement	Poznan: SI	no	no	no
	Poznan: EC	no	no	yes
	Ostrow-Wiekopolski: SI	no	no	no
	Ostrow-Wiekopolski: EC	no	no	no
Greece: High dependence on central state’s finance Central management of EU structural funding for the local level	Athens: SI	no	yes	no
	Athens: EC	no	yes	yes
	Volos: SI	no	yes	no
	Volos: EC	no	yes	no
The Netherlands: High dependence on government grants for current expenditures “Nationalised” local elections with exceptions Regional economic agenda	Roermond: SI	yes	yes	no
	Roermond: EC	yes	no	yes
	Enschede: SI	no	no	yes
	Enschede: EC	no	no	yes

SI = social inclusion initiative

EC = economic competitiveness initiative

Multi-level Context in Local Government

Column one gives examples of multi-level involvement in local affairs. While local government is recognised in national constitutional and legal arrangements in European countries and as we saw above, the restructuring of territorial power still depends to a large extent on state control, the power-dependency of the local level on the upper tiers can take many other forms: political, financial, economic and European. Political and financial aspects are the more traditional structural and institutional aspects of multi-level involvement at local level, while economic and European dependency is a reflection of a more recent trend where the concept of place matters and the local level has a role to play in decision-making linked to social and economic cohesion. In this respect, economic realities impose themselves on the local level.

Firstly, national politics and policies can dominate local leaders' elections in some countries such as the Netherlands, Britain or Italy where, with exceptions, main national parties are still expected to share the local vote. This trend is not universal as some parties, however, can hold a much stronger position in local politics than in national politics, such as the Center Party in Norway (formerly the Agrarian Party) who holds 102 mayoral positions across Norway despite its 11 representatives in Parliament (Hanssen, Klausen and Vabo, 2003, 2004). In Sweden as well an increasing number of locally based parties gain representation at the local level (Bäck, Johansson and Tedros, 2004)

Secondly, many local government systems across Europe have little fiscal autonomy and ability to manage their revenue and expenditure, depending on budget transfer to fund local services, with sometimes little say in spending as central government's grants are ring-fenced. Italy is an interesting case where 1990s increased fiscal autonomy of local governments on both the expenditure and the revenue side in an attempt to some of the failures of fiscal dependency, i.e. low incentive to control expenditure, limited ability to adjust services to local needs and little citizens' ability to judge local politicians on their "own" policies (Arachi, Filippini, 2002). Allied to a reform introducing elected mayors, such evolution gave local leaders a more powerful voice on the political scene. But for other countries, fiscal dependency remains a stringent limit to urban leaders' power in the multi-level governance, limit that can, however been overcome in some respect, as we will see in section 4.

Thirdly, the rise of regional Europe and implementation of structural funds has required the local level to participate in regional projects under the close supervision of national managing authorities. Regions have gained specific status or "objectives" and received funding accordingly, but in view of the bidding process, access to European funds means that local authorities must compete with other authorities, a choice that many European cities cannot ignore. Local leaders can voice their concerns on priorities and level of structural funding through, for instance the Committee of the Regions (COR), but have again to compete with strong regional representation in the COR. Cities' access to EU funds then might depend on willingness to bid and expert knowledge of the ins and outs of the bidding process.

Fourthly, local government and cities in particular, cannot ignore either the broader regional, if not national or even European economic competitive context. Outside capital cities, leaders of cities such as Hannover or Bristol also need to be pro-active to attract outside private sector investment but also participate in regional structural and economic plans in order to compete at European level.

Case-Study Analysis

In addition to the general political, financial, economic and European aspects of local affairs, our research unravelled, the specific multi-level dimensions of urban projects in cities enumerated in table 1 above. A number of conclusions can be made from the PLUS research in this respect.

Firstly, central/local relationship can be crucial for many urban and local regeneration policies. An importance distinction between projects aimed primarily at social inclusion and those aimed more broadly at economic competitiveness has, however, to be noted. City governments across Europe must implement regeneration programme imposed and funded by central governments. It will then be up to city leaders, as we will examine in section 4, to mobilise the vertical chain of multi-level governance policies and actions to deliver project outcomes. In some cases, they have no choice when regeneration funding is allocated through competitive bidding. In economic competitiveness cases, however, such as in the cases of Cinisello-Balsamo, Stockholm, Bristol, Poznan and Enschede, partnership with the private sector is a key ingredient of local projects and offers more opportunities for leaders to display their strengths as visionary, deal-breakers or networkers. This explains the lack of multi-level dimension in the public sphere in these cases on table 1. However, links with the private sector should not exclude leaders to ensure that all the key public actors are also involved.

Secondly, the EU, in particular EU funding, can offer a direct incentive for cities to develop and implement local projects. However, it is sometimes difficult to identify the origin of a policy: national or European and the EU might also have a substantial indirect impact on local initiatives. Indeed, in social policy areas, the EU often use the open method of coordination, encouraging member states to develop employment and social inclusion policies adhering to a number of European pillars or principles but leaving the details to member states themselves. This includes the implementation of these policies at local level and the responsibilities delegated to local authorities. One PLUS case demonstrates the flagrant ambiguity between national and European programme: Deltaplan Work Roermond (DWR), the aim of which is to develop pro-active employment policies targeting the long-term unemployed. From a vertical power relation perspective, the relationship is between national and sub-national authorities: national employment rules apply at local level, national rules also dictate the way employment offices and other organisations linked to employment policy are organised regionally. However, the innovative policy concepts introduced at national levels and use by DWR such as “inclusive approach” are directly transferred from the European Employment Policy developed in the 1997 Treaty of Amsterdam and which required all member states to develop their annual national employment plan with an emphasis on tackling long-term unemployed, and devise pro-active employment initiatives, such as training and mentoring aimed at building up the confidence of unemployed to reintegrate the labour market (Coenen, Denters and Klok, 2004).

Of course, we must also understand why in some cases, only local actors are involved in local projects. Two reasons can be advanced for this. Firstly, some of the case studies examined focus on creating better system for citizens’ participation in local decision-making, where the multi-level dimension will not be significant, rather than knowingly avoided. However, more importantly, in the case of Poland, the lack of multi-level dimension in local projects is more critical as it reflects the

lack of external support for local initiatives. Contrary to some other European countries, in Poland, there has never been any central grant programmes supporting economic competitiveness or social inclusion projects implemented by local governments. International funding has gone down a similar path, as in the case of EU funded interventions. Even if some pre-accession funds (e.g. PHARE) have supported local government projects, they have focused mainly on specific infrastructure projects. So, if Polish local government is therefore free from real external influence, and can make autonomous decisions, large-scale urban regeneration projects, can be discussed, but rarely implemented. Similarly, innovative citizens' involvement methods remain limited, resulting in low public trust. Despite all this, the national political context is a key variable of local initiatives. Indeed, as a result of the changes on the national political scene, there has been a long succession of local leaders and councils as in a majority of Polish cities in the last decade, with severe consequences for the efficiency of urban management (Swianiewicz, Klimska and Mielczarek, 2004).

Multi-level influence on city governance has been demonstrated. But should we conclude that leaders are powerless? Our research has identified a number of areas where leaders have attempted to exploit the resources available in the various layers of the European multi-level governance.

4. Urban Leaders: Maximising Multi-Level Resources

Multi-level influence can be uneven, sometimes positive, for instance imposing sustainable structures, pro-active social and employment policies, sometimes negative, for instance imposing too sophisticated programmes at local levels or destabilising the local political scene. But this is not to say, that local leaders are powerless vis a vis the other layers of the multi-level governance. Good leaders will be those who can either address the shortcoming of the multi-level governance to ensure effective and democratic results for their localities and broader constituencies of citizens. To achieve that goal, local leaders have used a number of various strategies, mobilising resource-controlling organisations, adapting national policies to local needs, involving their citizens and in the end shaping local political culture.

4.1 Mobilisation of Resource-Controlling Organisations

City authorities generally have a limited budget to fund economic projects. In cases of economic competitiveness where external factors contribute to the local economy, leaders have sought support from multi-level actors, in particular, from business and external public funding agencies. This can be illustrated by the case study of regional economic strengthening in Roermond, in the Netherlands where horizontal collaboration with surrounding municipalities helped developed a bottom-up regional development agenda, but with the ultimate objective of attracting business investors in the region (Coenen, Denters and Klok, 2004). Similarly, in the case of Torino Wireless Foundation, aimed at developing the first Italian technopole of European rank, the project would not have progressed without a multi-level support from local, regional, provincial levels. In that case, local political leaders were happy to support a project developed by non-elected leaders supporting private/public cooperation (Balducci, Calvaresi, Procacci, Borrelli, Dematteis, Mercugliano, Rossignolo and Santangelo 2004). Other examples would be Chatterley Whitfield in the UK where public multi-level support is conditional to the project being ultimately sustainable, including being commercially viable through

private commercial activities (Carmichael, De Zeeuw, Howard, Stewart and Sweeting, 2004). Economic competitiveness projects will test the leadership's ability to develop business and funding networks, which can be, as in the cases of both Hannover and Heiderberg, independent of any party political alliances but rely on the leader or mayor's personal reputation if there is no established mechanism to search for outside funding (Egner, Haus, Heinelt and König, 2004). To some extent, projects with more social aims can also test leaders ability to build effective coalition supporting strong innovative actions of territorial intervention, such as in the case of the regeneration of Porta Palazzo, an inner city district of Turin with strong immigrant population and high levels of unemployment. Local leadership ensured that ERDF funding and EU objectives led to a long-term durable institution, the local development agency, aimed at managing urban regeneration projects with private and public sectors' involvement (Balducci, Calvaresi, Procacci, Borrelli, Dematteis, Mercugliano, Rossignolo and Santangelo, 2004). Another case is territorial employment pact in Volos, a city where there was no experience of partnership cooperation in the field of labour market interventions and, as in Turin, the leader had to demonstrate his vision and city-boss style to forge powerful coalitions between the various actors who have got to know each other, communicate and agree to exchange resources (Grigoriadou, Marava, and Kyrou, 2003).

If the synergy between public and private investment has been an important factor for the success of local economic competitiveness projects, this success could come at a cost if local communities feel excluded from a decision-making and funding process. This seems to have been an issue for all economic competitiveness cases when city authorities tend to rely extensively on private firms to develop definite plans and we will examine below how leaders have also tried to involve broader ranges of communities in decision-making.

However, economic competitiveness projects where multi-level and multi-sectoral dimensions are ignored, can also encounter problems. Local economic projects cannot simply aspire at meeting local rules, such as planning rules which require citizen consultation and developers' contribution to community strategies. Economic competitiveness also requires to take into account the broader economic, social and environmental impact across local authorities and the region as well, one very concrete example would be for instance transport access in case of retail centre development such as Broadmead in Bristol and the 4.6 development in Cinisello-Balsamo, Italy. Leaders run the risk to deliver projects that will remain "local" rather than contribute to regional economic growth if they choose to ignore multi-level negotiations or identify broader supra-local agenda. This issue is particularly acute in countries, such as Poland as we saw above, where multi-level channels and vertical power relations between local government and central administration are almost totally ignored, as is the impact of the EU institutions. Polish case studies have outlined the lack of interest and lack of funding of central administration in urban development schemes. In the end, the local level will suffer from this lack of investment.

Adapting National Policies to Local Needs

Local leaders must attract public and private investments, but also ensure that problems affecting the community they represent are actually addressed. What are the consequences for local leaders when national or European policies fail to respond to local needs and hence affect policy effectiveness? Leaders face multi-

level tensions and must find ways to promote their communities and a local agenda and ensure a local voice in the multi-level governance.

Firstly, we saw that often local government is asked to implement policies developed by other tiers of government. Leaders must be able to embrace good ideas from upper levels such as pro-active employment policies. In Volos, for instance, EU policy imposed the implementation of innovative local labour market through territorial employment pact. In Roermond, national policy introduced a focus, through target groups, to employment policy and clear activation principles at the local level. In terms of output, if not totally successful, it led to the reduction of unemployment rate for the long-term and young unemployment and at least was seen as a public policy effort to tackle unemployment of groups with specific needs. Interestingly, if a policy is successful a central/local political game can ensue with each level claiming credit for the success.

Problems can emerge for city leadership, however, when EU or national authorities impose top-down policies with complex policy objectives to the city level. City leaders must then deploy their skills at key strategic policy stages to ensure that governmental policies address local needs.

Visionary and “city-boss” leaders will be able to negotiate some key elements of the policy (e.g. aims, structure, target groups) with central government in early stages of the policy process. Central government might have national targets or goals, but local political leaders have a different local political agenda to meet. In Göteborg, the local leader was instrumental in negotiating a more decentralised steering structure, down to the neighbourhood level during the early stages of the Metropolitan initiative aimed at providing sustainable growth in metropolitan regions and eliminate discrimination through a number of employment and social policy measures. Strong city-boss leaders have the ability to build up partnerships and attract multi-level funding, remedy the lack of institutionalised structures to deal with funding, conflicts and generally steering of the projects as well as the lack of community capacity.

Leaders can find it difficult to implement policies targeting groups where they have no previous experience or in sensitive areas (handicapped, immigrants) and will need to demonstrate their strong ability to secure effective cooperation between all local actors, in particular expert groups. City leaders will also have to define best strategies for the size of their cities. Metropolitan leaders will, for instance, focus on how they can get support from their administrations for various key tasks while identifying the best timing for their own personal strategic involvement. For instance, in the case of EQUAL in Athens, the leader was able to delegate powers to his executives who will in turn be able to build necessary networks and attract EU funding. In that case, political leadership is more necessary at later stages to reconcile the tensions between macro-policy agenda and local concerns, between the community and policy partners (Grigoriadou, Marava and Kyrou, 2003). In the case of the regeneration of the Chatterley Whitfield coalmine in Stoke-on-Trent, the local leadership profile was low, but thanks to the early involvement of the local MP (with direct link to relevant government departments), managed to bring together a high level funding partnership. Altogether high profile was not necessary there, but political access to the other layers of multi-level governance was key to develop a viable project.

Empowering Local Citizens

Reconciling national/European and local agenda might not be enough, however as citizens might want to have their say in helping shape local projects, especially when they have close connections to these projects: local residents want to shape their local environment, former coalminers want to retain the historic heritage of a past era.

On the one hand, as we saw in the previous section, leaders must be able to embrace good ideas from upper levels and that includes accepting the positive and perhaps innovative developments in community involvement promoted by EU and national authorities if they are relevant for their own local communities. For instance, Greece had no previous local and central government experience to handle immigrant issues before implementing the EQUAL initiative. A direct EU impact has been the development of third sector activities and local partnerships. European Social Fund funding in Athens's Womens' micro-entreprise birth and adoption project has led to the development of local private/public partnerships. In the Territorial Employment Pact of Magnesia, the EU has also influenced multi-level partnership development, coordination and rationalisation of programmes and implementation of innovative local labour market policies. In Bristol, the a Local Strategic Partnership, the Bristol Partnership bringing together more than 80 organisations from various sectors was created in response to government's requirement to implement the National Strategy for Neighbourhood Renewal locally.

On the other hand, urban leaders have often the freedom to develop their own formal or informal community involvement approaches. A typical case is the regeneration of S.Eusebio in Cinisello Balsamo, where the local leadership was able to address the shortages of the national funding system, with its strict deadlines limiting citizens' involvement, setting up a neighbourhood Pact office able to both negotiate with the national level and listen to citizens' concerns. Leadership does not need, however to be visible to be effective and ensure legitimation, since other actors will be empowered. In the case of Cinisello, the political leadership ensured community involvement in the project's structures In the case of regeneration of Chatterley Whitfield in Stoke-on-Trent, the city leaders brought in the voice of the community through the project's decision-making partnership. Both initiatives show how local leaders, dependent on national funding and with little systematic community involvement mechanisms, can maximise multi-level support and resources and increase projects' legitimacy at local level. Of course, it will be more difficult for economic competitiveness cases to ensure the involvement of citizens at large as business actors put their conditions to investment and experts have a great say in complex and technical issues. However, leaders will need to ensure that citizens are kept informed about the arguments put forward, in particular for unpopular but necessary decisions affecting neighbouring communities and local residents.

Social inclusion cases offer a more accommodating ground for public consultation. Central governments usually rely on local government to implement national social inclusion policies, and citizens' mobilisation will be easier in these areas as various forms of consultation and publicity will be set in an established system of service provision. However, the timing of citizens' involvement, can vary, from early and extensive involvement of users of future facilities, as in the case of building for children, youth and clubs in Enschede, to late involvement at implementation stage through extensive institutionalisation, as in the case of building Kronsberg, where the aim was to achieve social inclusion through citizens' participation in a new district of Hannover.

5. Conclusion: Urban Leaders, Guardians of the City Level

We saw that city leaders face a number of challenges, but also opportunities in the new European multi-level governance. For leaders, the issue is how to get the best deal for their local communities, and finding a balance between their ambitions for a metropolitan or regional status for their city while preserving the quality of the local environment, of social and economic cohesion and of service delivery.

We saw above that EU and national rules can impose the creation of new institutional and procedural mechanisms, innovative policy ideas and even enhanced community involvement at the local level. Local leaders themselves retain some power over local political culture and can reinforce the level of trust of citizens towards policy-makers and their local leaders. They also have a mandate to ensure that their local communities come first and can also innovate in areas such as community involvement. Of course, clientelism between local leaders and other partners sometimes means that some actors *are more equal than others*. Actors with access to central government and political power through networks will be able to use the resources of the system more easily. Perhaps a better incentive for local leaderships to embrace necessary changes more radically and genuinely is for them to redraw the map of political and institutional systems, by putting their cities at the heart of a multi-level governance network rather than leaving it at the bottom of an institutional system of government. As we saw above, leaders must maximise the resources available at all levels in the public and private sectors, but also the voluntary sector that has so much expertise in specific issues, and they must adapt national policies to suit their local needs. They can also ensure a local voice by cooperating with other local authorities. We saw that ignoring these resources can demonstrate a lack of ambition for their cities as the city level is not necessarily the best level to develop local projects, in particular when both challenges and outcomes reach further than the city limits: the city might not have the right policy network, the right funding autonomy, and furthermore, local leaders tied-up to the local agenda might not be able to decide objectively between various priorities.

However, local leaders must also maximise the human capital and knowledge available locally and ensure that communities and neighbourhood are empowered, otherwise they risk losing legitimacy. Only leaders, rather than local authorities, can do that because they, themselves, can use both institutional resources of local government, but also develop their own style of personal leadership to create more opportunities for their cities.

Of course, we saw that the capacity of leaders to exploit multi-level resources and empower local communities also depends on policy-areas covered and the PLUS case-studies have demonstrated some differences between social inclusion and economic competitiveness cases. The local level is often the implementation authority in social inclusion cases, local authorities need to deal with shortcoming of top-down policies and their damage on legitimacy and effectiveness. Economic competitiveness cases seem to offer more opportunities for leaders to develop a vision and altogether to maximise multi-level resources, influencing the regional economic development agenda through, for instance, inter-municipal negotiation or institution building.

In addition, both national and European levels could learn from our research. Independently of major reforms of local government systems, the national level

must help maximising city dynamics, by understanding the need of the local level and how it competes at regional, national and European levels, improve programme flexibility, in particular differentiate between implementation and administrative burden and, as PLUS has demonstrated, learn from other countries' experience.

As for the EU, the challenges for its policies stems from the variety of contexts, political cultures, styles and types of leadership and ways of involving civil society that exist in the EU in policy areas at the core of the EU agenda. An issue for the EU is that local government is expected to implement EU rules, but the national level still rules the local level. So, perhaps local leaders themselves are the EU's best allies, encouraging the city level to inform EU social inclusion and economic competitiveness policies, in particular to maintain our European social model.

List of PLUS Initiatives examined

The social inclusion case is listed first followed by the economic competitiveness case.

Cinisello-Balsamo: Neighbourhood Pact, 4.6 Development Area.
Turin: The Gate, Torino Wireless.
Hannover: Building Kronsberg, Hannover-Impuls.
Heidelberg: District Development Planning, Dialogical Stimulation of the Local Economy.
Göteborg: The Metropolitan Initiative, Biogas Väst.
Stockholm: The Metropolitan Initiative, Time.Stockholm.
Bristol: Neighbourhood Renewal, Redevelopment of Broadmead.
Stoke-on-Trent: Community Facilitation Service, Redevelopment of Chatterley Whitfield.
Bergen: Regeneration Plan for Lovstakken, Strategic Plan for Culture.
Oslo: Oslo Regeneration Programme for the Inner City District, Regional Development for the City of Oslo and County of Akershus.
Poznan: Centre for Quality of Life Research, Revitalising Polwiejska Street.
Ostrow-Wiekopolski: Transfer of Shares in Public Utility Companies to Local Citizens, City Development Strategy.
Athens: Forum for Social Intervention, Women's Micro-entreprise Birth and Adoption.
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