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Governance, cooperation and networking in the 'Social City': a few unsystematic remarks

Preface

The following observations are taken from a paper delivered at the conference 'Lokale Bündnisse für Stadtteile mit besonderem Entwicklungsbedarf' ('Local alliances for disadvantaged boroughs') held in Erfurt in December 2005. An attempt is made to examine how well the 'Social City' strategy meets current urban needs as well as to outline the requirements for innovative development policy on the part of local government and administration. The article concludes with a number of practical ideas on networking in connection with 'Social City' projects.

The challenges facing cities against the background of accelerating change

Towns and cities are places where social contradictions and conflicts are especially evident. Then again, they are also scenes of innovation and creative change. Although European cities have a long, mostly successful history of dealing with social problems and integration, they are currently facing particular strains and challenges.

- The transition from old industries to new economic structures has resulted in layoffs, problems of adaptation on local labour markets, and high unemployment. Cities are forced to bear the brunt of the financial burden in the form of reduced tax revenue and increasing social expenditure.

- One result of unemployment, especially in larger cities, is the emergence of new sections of the population at high risk of permanent exclusion: the long-term unemployed, people without any qualifications or employment skills, and those with complex syndromes comprising individual and social disadvantaging.

- In addition, demographic and social change are also a considerable challenge for cities. Places such as Frankfurt am Main, where one-person households are now in the majority, are harbingers of a society in which traditional relationships are less important – meaning that social networks will have to be more actively organised than before.

- Given the increasing mobility of capital and people, competition between cities and regions has grown enormously over the past fifteen years.

- High immigration mainly affects cities, and these days boroughs where foreigners make up more than half the population are nothing unusual.

- Social problems are welling up in disadvantaged boroughs. Local counterbalances are failing and neighbourhoods are unable to cope. As a result, conflicts between cultures and sections of the population are escalating.

- Last but not least, the fact that many cities are strapped for cash casts doubt on the continuation of the 'Social City' model. As well as funding for socio-political programmes being slashed, the increasing rivalry between cities means that the budget earmarked for social projects is forced to vie with other areas such as the arts, law and

order, and infrastructure. The significance of this competition should not be underestimated.

Cities: places of innovation and integration

Cities were and remain to a special extent places of social innovation, areas where solutions to problems of society are developed and tested, and where formulae have to be devised for the coexistence of diverse groups and milieus in society. A few years ago, Wilhelm Heitmeyer referred to the city as an 'integration machine'.

Yet cities – at least in European history – are also driving forces of economic, technical and scientific progress. They are generators and catalysts of economic growth as well as the resulting dynamics of society.

Maintaining and making productive use of these two dynamics – economic growth and economic change on the one hand, and social integration and coexistence on the other – is one of the key tasks of modern urban policy.

Yet this view is immediately beset by clashing priorities of urban policy. Economic dynamics exert pressure on the current social circumstances to change, create conflicts of interests in the commitment of resources, and are frequently associated with growing social inequality.

Cities therefore have to not only enable growth, innovation and economic dynamics but also safeguard social cohesion, i.e. protect those who are not always able to keep pace with development and are at risk of losing out in the process of modernisation, and ensure they are given a fair opportunity to participate.

The social city: the basis of economic dynamics

The 'Social City' can be viewed as providing the cushioning necessary to compensate for the side-effects of economic change. Moreover, there are valid reasons for assuming that pronounced economic dynamics require a certain degree of social stability, solidarity and security. Given an environment that offers a certain degree of security and stability, and which also allows individuals to expect to benefit from the solidarity of the community in times of hardship, people may be more willing to take risks, flexibly tackle new challenges and question their own traditions than in a situation plagued by insecurity.[1] Accordingly, the 'Social City' could be regarded as a necessary counterpart to the economically dynamic city as a place of change, innovation and competition.

In this respect the – as usual conflict-ridden – association between security and change, between competition and cohesion, tradition and innovation, can be considered as a 'historic mission' for the city, and also as the main recipe for success of urban development in Europe.

Nevertheless, the city's 'social element' needs to be constantly moulded and reinvented. Consequently, the traditional forms of social policy were joined in the 1990s by the principle of the 'activating state'. The basic premise of the 'activating state' is that social security must not be allowed to stifle individual initiative and responsibility, but should instead be structured such that citizens are given sufficient opportunity to actively participate in forging their living conditions. Activation and participation are therefore necessary elements of a

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[1] Interestingly, this connection is now also being highlighted by advocates of hyperdynamic competitive capitalism. 'Risk takers' as central driving forces behind innovation and growth also need a calculable framework, and unlike neo-liberal supporters of a minimal state also believe in the need for a certain social network in order to cushion livelihood risks. See for example: Michael J. Mandel: Rational Exuberance. Silencing the Enemies of Growth (and why the future is better than you think). New York 2004: Harper Collins

contemporary blueprint for social policy. Indeed, this is one of the chief principles of the 'Social City' joint programme being carried out by central and regional government in Germany. The three main pillars on which strategies geared towards the 'Social City' rest are security, activation and participation.

Governance and new management at the local level: stages of the modernisation debate

Regarding governance, in recent years a complex debate concerning the management and control of organisations and social processes has emerged in both the private and public spheres. At the local level, the foremost issue is the development of 'guiding stars' and concepts of political and administrative activity on the part of local authorities. The advance from the traditional sovereign form of administration to a new type of administrative approach reflecting the idea of the activating state and welcoming participation comprised a number of stages. The process involved is very complex and by no means complete, and is briefly outlined below.

The first wave of administrative reform in the local authorities in the early to mid-1990s was closely geared to private-sector models of organisation and the idea of creating and delivering quality services for their 'customers' (i.e. the general public). To ensure that resources were used efficiently, the bureaucratic model of administration was to be replaced by 'new public management'.

However, the limitations of this model were all too obvious: the attitude of the public to the administration is not that of a (sovereign) consumer, while public administration does not regard itself as a 'firm' orientated solely towards income, expenditure, capital investment and return. Even so, this approach still had a productive impact on local authorities since for the first time economic considerations and the question of how useful administrative activity was for the paying public with their justified demand for quality entered the awareness of public administration.

Other stages in this development attempted to refocus 'new public management' away from internal modernisation towards activation and participation as a model of the 'public local authority' (Gerhard Banner). The main aims were to ensure not just efficient processes but also orientation towards dialogue, transparency and accountability to the general public. It became accepted that what was needed was not just efficient management but also good governance at the local level – a model for local government and administration which appears especially important for programmes such as the 'Social City'. The term 'good governance' means an administration that functions well and efficiently, the constant optimisation and development of its products, transparency on the part of local government and administration, democratic procedures, and the involvement of the public as co-actors and co-producers of the community's well-being.
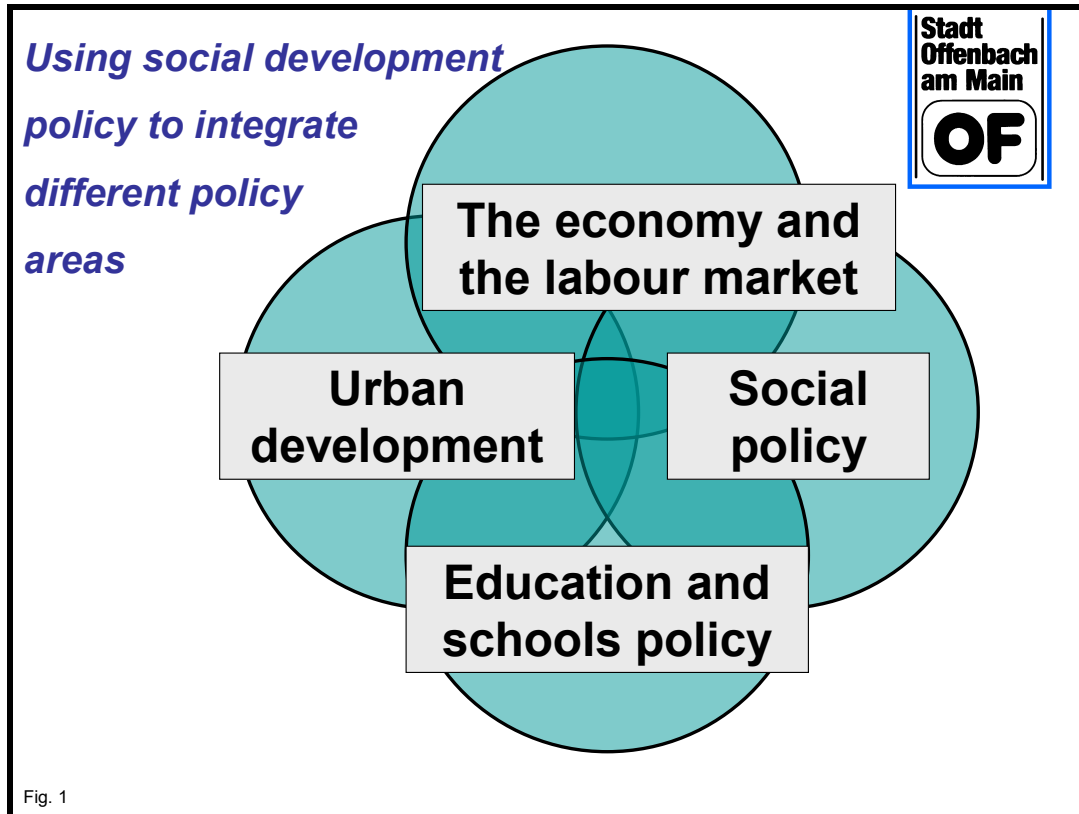
The role of the public is not just that of customers of public services, not just the *bourgeois*, but rather the *citoyen*, who participates in the development of the community and is called upon to work actively towards its further development.

## Roads to social development policy at the local level

The 'Social City' programme emphasises the interdisciplinary and interdepartmental treatment of the situation of boroughs in particular need of development. It boils down to urban development in the wider sense: not just development in terms of construction, but a highly integrated, coordinated, holistic development policy for city districts – a policy which

crosses the boundaries of the traditional approach in which individual departments kept themselves to themselves.

Apart from of course urban development in the traditional sense, a social development policy for disadvantaged districts also needs to include many other areas such as business development, local labour market policy, social policy, and local education policy.

Using social development policy to integrate different policy areas

The economy and the labour market

Urban development

Social policy

Education and schools policy

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Fig. 1

The integrated urban development fronted by the 'Social City' takes place so to speak at the intersection of different policy areas. This interlinking of policy areas is augmented by methods which combine the basic direction of this approach with the idea of good governance.

Fig. 2
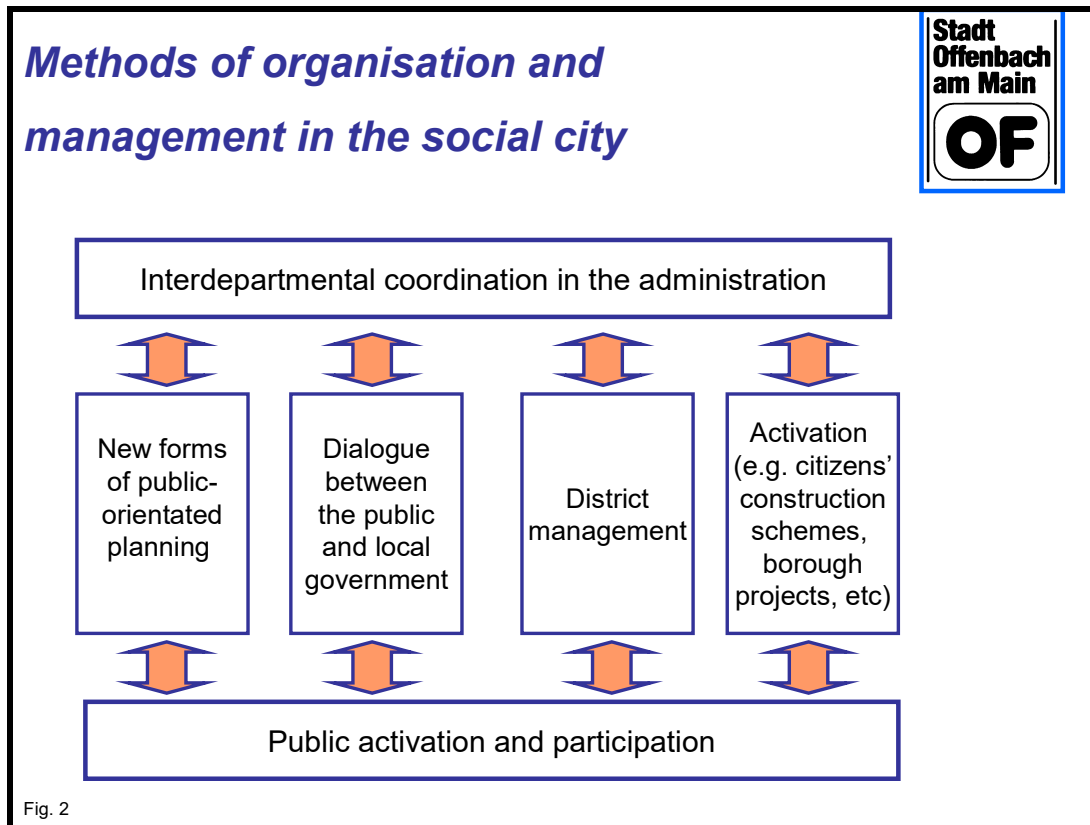
District management is a central point of reference for forms of participation and networking in a borough. It is an institution which represents an anchor outside the administration, mediates between the administration and the public, ensures continuity in public activation, and presents the concerns of different interest groups in a form suitable for dialogue.

Networking strategies in the 'Social City'

These days, one is tempted to preface observations on networks, networking policy, network management and network strategies with a critical preliminary remark. In the 1990s, networks were surrounded by a great deal of hype in the debate surrounding many different policy areas from social and economic policy to urban development. Everything was somehow networked, and the more networking, the better. The formation of networks became a sort of patent remedy, a way out of the cul-de-sacs of the market and the state in which much had got bogged down.

By contrast, the way in which social networks are applied in practice needs to be looked at in the cold light of day. Networking is not an end in itself; although networks are ubiquitous, they are by no means always useful. Moreover, there is a fine line between 'good' networks and 'bad' sleaze in politics and society. And network strategies can all too quickly eclipse the question of interests and conflicts as natural components of social urban development.

Therefore, when discussing network policy within the context of the 'Social City' programme, it makes sense to establish the arena in which the development of disadvantaged boroughs should take place and what actors have legitimate claims to participation and co-structuring. On the basis of our own experience with an inner-city development area in the programme, these actors include:

- Local residents
- Local traders and other businesses

- Customers and visitors (whose needs include, say, parking)

- Local associations, societies, organisations, initiatives and campaigns etc

- Public institutions, youth centres, etc

- The local authority

- Last but not least the other boroughs, since they could be affected by development in the area concerned (owing to problem groups being driven out, limited resources being concentrated on the development borough, intensified competition between business and housing districts, or even positive 'spill over' effects resulting from positive development in the area concerned)

The strategy of urban development geared towards activation and participation is directed at the formation and strengthening of new collective actors in the form of, say, residents' associations, landlords' initiatives, commercial associations and thematic campaigns (such as those encouraged under the microprojects in the LOS programme). Of course, the emergence of such groups is bound to generate potential conflicts of interest, for instance between the business community and residents or landlords and tenants.

The goals of development are another area harbouring cause for conflict. For example, certain ethnic groups may well wish to create separate homogeneous milieus and infrastructures in which their own culture can be largely maintained and practised – a desire which usually runs counter to the objective of integration into German society. As is known from experience of working in social hotspots, questions such as the concentration of problem groups and social intermingling are impossible to solve without conflict. Closed milieus of people who are unemployed or on income support are sometimes perceived by those within them as protective and less stressful especially if these also include the whole family. However, if as many people as possible are to be sustainably integrated into working life, it may well make sense to break up such closed milieus.

If boroughs are to be made attractive to higher earners as a way of encouraging social intermingling, this will often mean some current residents eventually being displaced.[2] Rather than happening overnight, this is usually a gradual process of exchange connected to the fluctuation of the residential population in certain areas. Consequently, the enhancement of disadvantaged boroughs may well lead to a decrease in the volume of simple housing available at the bottom end of the market – and reduce the proportion of low-income residents.

To organise participation in borough development, as many forums as possible bringing different interests together need to be created so that conflicts are not brushed under the carpet but highlighted – as they can then be dealt with constructively. Therefore, borough meetings and public forums are central instruments within the 'Social City' programme. One snag is that these forums are often dominated by groups who are particularly good at articulating their viewpoints ('the usual suspects'), resulting in other groups less able to voice their interests failing to get an adequate look-in despite their enthusiasm and commitment.
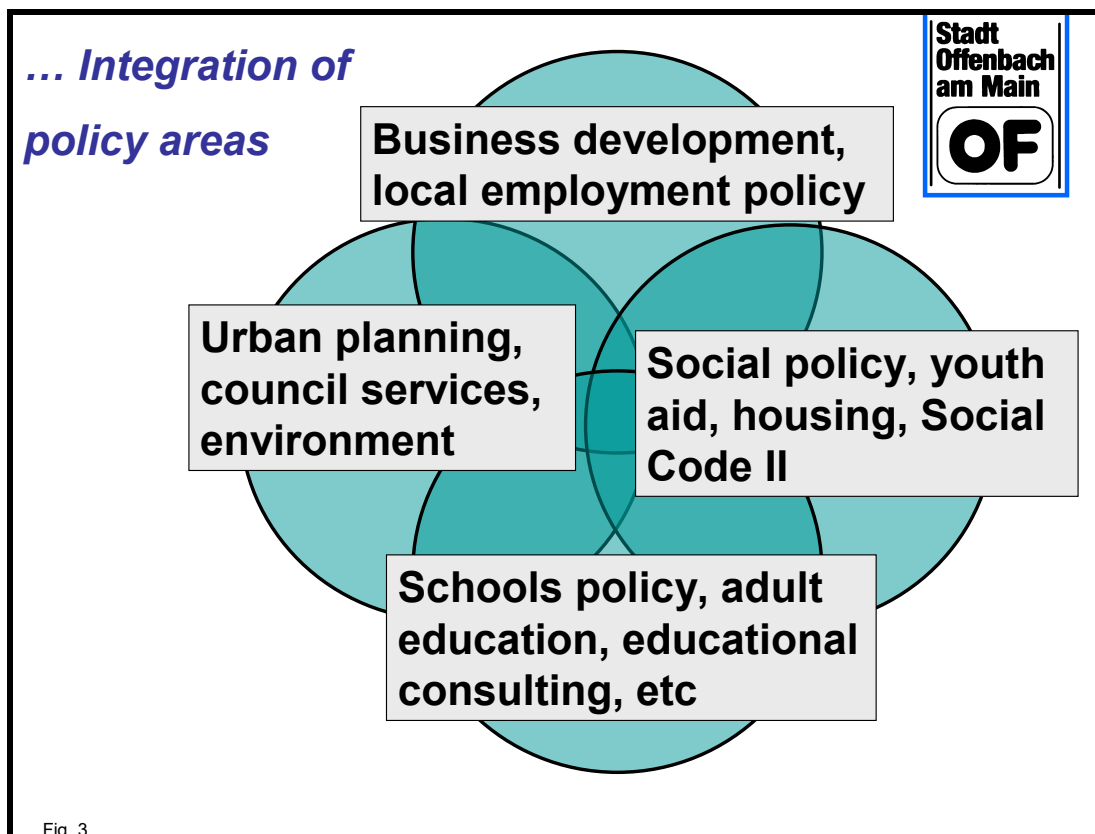
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[2] For example, Offenbach City Council decided to dissolve a social hotspot that had persisted for more than four decades despite community work and several expensive social projects over the years. Housing at the lower end of the market was demolished and the residents were rehoused elsewhere in the borough. Breaking up this hotspot appears to have done more for residents' integration than years of social programmes.

What can local government and administration do?

As stated above, one of the biggest challenges facing local government and administration under the 'Social City' is subjugating individual departments and policy areas to a *holistic* view of development and to a certain extent encouraging them to think and act 'systematically'. Policy formulation must of course escape the tunnel vision of individual departments and devise an all-embracing future vision for a district.

During implementation, the main thing is to closely combine and coordinate urban development, social and economic measures in as many areas as possible. Judging by experience from carrying out the 'Social City' programme in many towns and cities, this requires considerable learning processes within the local authorities.

Another challenge comprises the organisation of close, binding cooperation with district initiatives and interest groups as well as appraising groups of actors and identifying the relevant ones for particular issues. Networks can only contribute to solving problems efficiently if their makeup is appropriate for the problem at hand and the corresponding key actors are indeed involved. For this purpose, the *technical expertise* of the administration needs to be augmented by *network expertise*.

… Integration of policy areas

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Business development, local employment policy

Urban planning, council services, environment

Social policy, youth aid, housing, Social Code II

Schools policy, adult education, educational consulting, etc

Fig. 3

The 'Social City' in practice: Offenbach

In the development area in Offenbach earmarked for the 'Social City' programme, the local authority opted for a relatively 'lean' approach. Its main elements are as follows:

- An interdepartmental steering group within the administration (including construction/town planning, labour/economic affairs, social services/youth)

- Interdisciplinary district management (outsourced)

- Intensive participation in planning processes

- Borough-based public forums (e.g. public meetings with political leaders) and thematic forums (e.g. committees of property owners, entrepreneurs, courtyard landscaping task forces, etc)

In contrast to some other cities, no additional formal bodies were set up. For one thing many bodies were already active in the inner-city district irrespective of the development programme (dealing in areas such as public safety and youth policy); for another, the council was keen to link areas relevant to the borough as closely as possible to the development of the inner city as a whole – as well as to avoid duplicating structures, wasting administrative time and resources, and overstraining central actors through 'committee overkill'.

One very important reason for the intensive involvement of those concerned in the planning of measures is to allow the public to share in the 'ownership' of the various projects. This combats attitudes of indifference and encourages them to regard their surroundings and public institutions as something they can shape and preserve. Put simply, successfully involving children and residents in for example planning a playground could help considerably to reduce vandalism and ensure that public property is treated carefully.

Summary

Organising the 'Social City' is one of the key challenges in the current situation of economic upheaval and social crisis.

Urban structures can only be changed in the long term. Whether the processes of change caused by global economic and social developments can be steered or even merely compensated for by municipal initiatives seems doubtful given the momentum of these global trends and local authorities' dwindling finances. The same goes for the development of individual boroughs; small-scale development programmes such as the 'Social City' can only have a limited effect and will not be able to reverse the major trends at a stroke.

Nevertheless, the impact of even limited financial resources can be improved by implementing programmes with an intelligent design. Moreover, the outcome of programmes can be widened by involving and activating local residents. Taking into account the interests of stakeholders in individual districts encourages follow-up investment and hence mobilises an economic lever for the boroughs concerned. Rational, focused networking does not just optimise development resources; more importantly it enhances and ensures the sustainability of programmes. This, however, calls for new management models in local government and administration, including in particular training the skill of developing and using social networks.

The author

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