# City's Foreign Policy – Competitiveness through Citizens Exclusion?

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Nico van der Heiden
Institute for Political Science, University of Zurich
Seilergraben 53, 8001 Zurich, Switzerland
Tel. +41 (0)44 634 40 21
nico@ipz.uzh.ch

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#### **Abstract**

According to the rescaling literature, the increasing global economic competition between metropolitan areas leads to new necessities for a political response to these developments. City partnerships and international networking are one of the instruments of such a response where cities try to increase their room for manoeuvre in the multi-level governance setting. It is theoretically unclear whether cities do this to stay competitive and therefore follow a neoliberal way of policy-making within these activities or if they try to regain political steering capacities to foster social cohesion through international networking. In general, there is a tendency of exclusion of the public in these international activities as they are mostly carried out in a top-down way of governing and do not involve citizens or parliamentary inclusion. The increased engagement of cities in international activities raises thus questions of democratic legitimacy. Our empirical analysis of the international activities of five Swiss and two European cities shows that not all cities are increasingly engaged in international activities. But those which are clearly target an increase of their global economic position with these activities.

**Key words**: city regions' international activities, citizens' exclusion, competitiveness

# 1 Introduction<sup>1</sup>

Globalisation has not only intensified the flows of goods and money worldwide and thereby altered the economic interplay of formerly national economies, but it also has a lasting effect on the internal structure of nation states (Brenner 2004). Cities and metropolitan areas gain importance as nodal points of global economic processes (Sassen 2002, Taylor 1995, 2000), whereas the role of the nation state diminishes at the same time. What is labelled as globalisation can be understood as an increasing competitiveness between the major global cities of the world. This development tends to downplay the national scale and leads to a dramatic change of the role of public authorities on the national level. The question is thus to what extend cities can sneak into the gap that is left after the retreat of the national scale. The rescaling theory hereby predicts a shift of political steering capacities from the national state to urban areas, whereby increased international activities are one of the most prominent possibilities for such shifts to take place.

International activities of urban areas are currently mushrooming at a global and especially European level. Nowadays, city regions are increasingly connected either through city

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partnerships or through city networks. These activities crosscut the longstanding hierarchical order of nation states. Our common understanding of multi-level-governance does not fit with these newly emerging activities. This "jumping of scales" (see Brenner 2000: 375ff.) can be understood as neglecting the regional and national level within international activities of city regions.

In this paper, I want to focus on two specific aspects of the international activities of city regions, using the distinction between input and output legitimacy (Risse 2005, Scharpf 1998). The first concerns the output of these activities. I am analysing the content of the transnational cooperation according to a scheme developed by Savitch and Kantor (2002), distinguishing for each city region under scrutiny weather their strategy in international activities is oriented rather towards increased competitiveness or rather towards social cohesion. After the analysis of the content of the international activities, I am reflecting in a second step on the input side of these activities. It is interesting to see if the policy area of international activities differs from other aspects of local democracy, e.g. if there is a stronger or weaker inclusion of political actors, private actors from the civil society or from the business sector and of the public.

The research question is thus twofold and I am asking what international activities city regions undertake (output) and how these activities are legitimised (input)?

The paper is therefore divided into three parts: The first theoretical part lays out the rescaling approach which deals with the question on which scale policy making is still possible. The argument will be that it is at the city region's level if at all in the age of globalisation. The second part will then analyse the strategy of the seven city regions under scrutiny and look for common patterns in the orientation of these activities, ranging from increased competitiveness to fostering social cohesion. The third part will focus on the question of citizens' involvement within the international activities and to take a look if the input-side of these political processes differs from other areas of policy making. In the conclusion, I will try to link the two aspects and show, how an increased aim for competitiveness within the international activities of a city region might go hand in hand with a more elite-oriented way of policy making, excluding citizens from the decision-making within this policy field. I will also try to link the aspects of legitimacy to the more general theoretical framework of city regions' international activities and give an outlook on possible future research.

## 2 Rescaling

#### 2.1 Globalisation and the End of Place

In the era of globalisation, the role of public authorities changes dramatically<sup>2</sup>. Earlier, the national state took care of foreign relations in general and the economic well-being of the country, local authorities were traditionally in the position to manage social policies. It was easily possible for city governments to receive money from the central state to manage large welfare programs to support those who failed in the market. This Fordist era was made possible by solid GDP growth rates over decades. The cities were tightly under control of the national state, regulating market and fiscal transfers, tax law and tariff policy. The tight fit between urban dynamism and national economic growth (Sassen 1991) was unquestioned as long as GDP growth rates allowed large redistribution programs. City governments could concentrate on the management of the cities and on distributing public goods (Brenner 2003: 299).

With the ongoing globalisation process, things started to change. Markets have become global and so has competition between different places. In a time of easily transferable capital, place becomes relatively unimportant for economic processes. Or as Castells (1999: 407ff.) argues, 'spaces of flows' will triumph over 'spaces of place' in the making and the shaping of the new global order of centrality. The national scale finds itself on a global market, defending itself by offering lowest taxes, unrestrictive zoning law, large subsidies and a consequent low or no-tariff policy. Therefore, the importance of the national scale in policy making has decreased dramatically (Brenner 2006). However, the question discussed in the rescaling literature is whether other scales can compensate these losses on the national scale.

#### 2.2 Glocalisation and the New Importance of Place

Although capital is said to be completely mobile nowadays, companies still need an infrastructure to operate and this infrastructure is still mostly immobile, and production processes are also locally bound. Swyngedouw (1997) called this process *glocalisation*, meaning that although globalisation leads to heavier competition and the erosion of the national scale, economic processes are still rooted in local places and especially in metropolitan areas. Thus, city regions are nodal points for globalisation processes as they link the national economy to the international market place (Savitch/Kantor 2002).

<sup>2</sup> The argumentation of the rescaling literature is based on western states and their development. It does not take non-western states or the transformation of post-communist states into consideration.

Therefore, the question is not if some scales have become unimportant in the age of globalisation (deterritorialisation), but rather what territories are the ones where political decision-making is still possible (reterritorialisation) (see Brenner 1999). Cities and city regions, as places where human activities in general concentrate, are nodal points in these economic and political processes (Sassen 1991). They thus do not need to be "leaves in the wind" of globalisation (Savitch/Kantor 2002: 346). Where competition was primarily between different nation states in earlier days, it is nowadays a competition between the large city regions of the world. The economic development of these city regions seems more and more disconnected from the development of the rest of the country (Brenner 2003: 298).

In the era of globalisation, there is a global competition between large metropolitan areas, competing for the location of businesses on a global scale and thereby neglecting national borders. It is within metropolitan areas where economic prosperity is still possible, or as Brenner (1999: 298, 437) puts it, the geoeconomic power of cities is increasingly disarticulated from the territorial matrices of the interstate system. Rescaling can thus be defined as decentralisation of the national scale of accumulations, urbanisation and state regulation in favour of new sub- and supranational territorial configurations (Brenner 1999: 435).

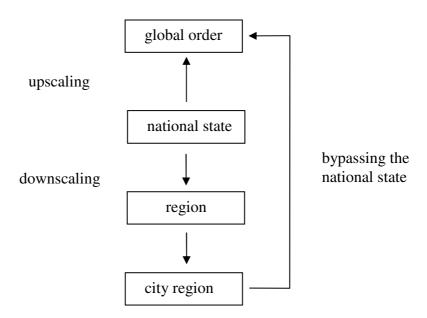


Figure 1: Bypassing the national state

#### 2.3 The New Scalar Order – Bypassing the National State

Figure 1 summarises the argument how multi-level governance looks like in the age of global competition between large metropolitan areas. As the national state loses control towards the global order (upscaling) and towards the city regions (downscaling), city regions themselves start to bypass the national state. Where in a traditional understanding of multi-level governance, city regions are subordinated under the regional and national scale; city regions jump scales and become now directly involved in the global order.

# 2.4 Looking at the Output: Striving for Competitiveness or for Social Cohesion?

Brenner (2006) and Jones/MacLeod (1999) argue that these downscaling processes, which are shifting political decision-making power towards city regions, inherit problematic points. They challenge the view that the city region's scale can take up the losses of decision-making power of the national state. They rather argue that the same story that happened at the national scale happens on the regional scale and politics is losing control over market processes, focussing only on providing the best options for attracting businesses by lowering taxes and reducing social welfare expenditures. In their perception, a world of global cities that follow neoliberal policies will emerge. These authors would rather speak of a descaling process of politics in general, meaning instead of rescaling processes the state is being hollowed out on different scales. Swnygedouw (1997) nevertheless hopes that cities might be nodal points for a counter-trend by public movements to stand against the neoliberal orientation of politics (see also Keil 2004; Smith 2002).

Brenner (1999: 442) agrees that "state re-scaling can thus be viewed as a crucial accumulation strategy that is currently being deployed by neoliberal political regimes throughout Europe to restructure urban and regional spaces". There is thus a consensus on the actual situation that city regions face but not on the strategy that city regions can and/or should follow. On the one hand it is argued that city regions should try to be as competitive as possible in the international marketplace. On the other hand it is argued that city regions should use their new strength due to rescaling processes to stand against this neoliberal development.

#### 2.5 International Activities of City Regions as Part of a Rescaling Strategy

International activities of city regions are one of the clearest examples where changes in the scalar aspects of political steering should be visible. International activities are traditionally seen

as one of the policy domains where the national state is predominant, although some research on international activities of subnational units (mostly in transborder cooperation) is emerging (see Blatter 1997).

By developing a political network of major cities and bringing together the economic power houses of the world, there should be room for manoeuvre for these networks to develop a common strategy against global pressures of competitiveness. By arranging certain agreements through international activities, cities should be in a position to alter the neoliberal process (see Brenner 2004: 286ff., Swyngedouw 1997, 2000). One aim of this paper is to test whether international activities of cities "provide an alternative route for exploration which may soften the economic fragmentation and social polarisation which derive from the crude dictates of 'marketised' territorial competition" (Graham 1995: 518) or if Brenner's (2004: 294) pessimistic assumption that "interurban networking initiatives have not [...] generated an alternative basis for urban governance that transcends the competitive logic or urban locations' policies" holds true. I will thus look at the strategy behind the international activities of the city regions under scrutiny, as well as the orientation within this strategy, where we can use the distinction of Savitch and Kantor (2002: 101ff.) between an economic and a social orientation.

#### 2.6 What about the Input Side of the Story?

Interestingly, the debate on rescaling misses an interest on questions of legitimacy or more precisely on questions of input legitimacy. As a macro theoretical approach, the rescaling argument does not refer to individual decision makers but rather argues on a general logic behind the decisions of actors that can not directly be influenced by themselves. My argument here is that the rescaling literature, coming from an Anglo-American background, takes a rather top-down or elite approach to decision-making. The involvement of citizens or a participatory way of decision-making is not taken into consideration.

The distinction between input and output legitimacy (Scharpf 1998) takes up the question, weather the decision-making process within one policy area is oriented towards a most efficient outcome and has therefore a high output legitimacy. Or if the decision-making process in the policy area is more oriented towards input legitimacy, meaning the inclusion of as many as possible. Usually it is argued that the two are competing, that means that an increase in the inclusiveness of the decision-making process is going hand in hand with a loss of efficiency in the policy outcome and vice versa.

I would therefore like to take a closer look on the question how different actors are involved in the arena of international activities of city regions. It is of special interest to see which actors are involved in the decisions taken and if this process of decision-making is different from the one in other areas. My argument here is that the decision-making process within city regions' international activities is done in a more top-down matter as this allows public officials to follow a more competitiveness oriented logic within these activities. They thus follow the logic of output orientated legitimacy. Keeping the decisions on these matters "behind closed doors" might be easier in city regions' international activities as the public does not seem to be aware of the impact and increased importance of the international level in city regions' politics. I will therefore take a closer look at the role of the city council and especially the mayor as well as the inclusion of the city parliament and of the public in the field of international activities. I also investigate the role of the bureaucracy and analyse who is involved in the discourse around these activities.

The theoretical argument can thus be summarised in three hypotheses: First, city regions increase their international activities as a response to global economic pressures. Second, the aim within these increased international activities is towards economic competitiveness and third, the decision-making processes within these activities are carried out by excluding the public.

# **3** The International Activities of Seven City Regions

The analysis of the three hypotheses is based on case studies of seven city regions, five from Switzerland (Geneva, Lausanne, Berne, Lucerne and Zurich) and two comparative cases in Europe (Lyon and Stuttgart)<sup>3</sup>. I collected data through qualitative research instruments and used three types of data sources: First, secondary analyses on transnational city-cooperation and networking conducted by other authors. Second, documents, reports and 'grey literature' published by actors involved in transnational city-cooperation in the various city regions under scrutiny, as well as by transnational city networks. And third, in-depth interviews with government officials, professionals, interest group representatives, as well as members of non-government organisations at various government levels, involved in or concerned by transnational city-cooperation in the city regions under scrutiny. In total, I conducted 82 interviews.

<sup>&</sup>lt;sup>3</sup> Short case studies of the seven city regions can be found in van der Heiden (2007). I am therefore skipping this step in this paper and discuss only some general findings.

#### 3.1 Increased International Activities?

The first assumption of the rescaling literature that all city regions should increase their international activities nowadays was not confirmed by the empirical analysis. There is a huge variety of engagement on the global scale by the city regions under scrutiny. We have the two European cases of Stuttgart and Lyon that indeed have intensified their international connectivity and we have Geneva as the only Swiss city focussing on these activities. Within the other Swiss cities, there are huge differences ranging from a city region that have a (rather implicit) strategy as Lucerne, over city regions that are just about to develop a strategy (Zurich and Lausanne) to a city region that has no strategy or engagement at all (Berne). It is thus obviously not true that there is a general path predicted by the rescaling literature that all city regions would engage to a certain amount in international activities. Rather, there seem to be cities that have not taken up the logic of bypassing the national scale but are still relying completely (like Berne) or mostly (the other Swiss cities) on the division of tasks prescribed by the traditional intergovernmental framework. They are predominantly addressing their regional or national government and do not rely as much as predicted on the international cooperation of city regions. I therefore conclude the anticipated trend towards increased international activities on the city region's level has not been supported by our analysis.

The rescaling literature is in general criticised because it assumes that all city regions need to follow this general trend towards increased international activities and a neoliberal policy within it. Others, however, have argued that there is room for manoeuvre for city regions, besides the question if this general trend is correctly anticipated. (Blatter 2007, Savitch/Kantor 2002, van der Heiden/Terhorst 2007). The path dependency of this globalisation process on the city region's level is therefore not as clear as presented in the rescaling literature.

#### 3.2 Increased Aim for Competitiveness?

The second question within the rescaling literature concerns the orientation of the city regions' international activities. I follow a two steps approach to analyse the content of these international activities. The pessimistic strand of the rescaling literature predicts a clear orientation towards competitiveness for city regions within these activities (Brenner 2004: 294).

In a first step, I am analysing the content of the international activities as such where as in the second step, I relate them to the specific economic background of the city region and thereby showing that the engagement in peace and solidarity networks is less motivated by solidarity than it might look like at a first glance. I use the distinction by Savitch and Kantor (2002)

between a social and an economic orientation within the international activities of a city region in a first step.

Looking at our city regions, an enormous variety within the orientation of the city regions' international activities can be seen. Geneva is the clearest example of a city focussing on peace and solidarity within its international networking. The city sees its engagement according to the longstanding tradition of the city as a place, where peace negotiations take place and where international solidarity is rooted. On the other end, Stuttgart is the city region that focuses most on competitiveness within its international activities. Not only was the orientation within the long-existing partnerships shifted towards a more economic orientation, but the networking activities predominantly aim at marketing the Stuttgart area on the global scale. This is done by a strategic choice of networks which the city and the region participate in, choosing those where locational politics are at the heart of the exchange between cities. It is also done by a strategic presence within the most important political networks, presenting Stuttgart there.

The case of Lyon is somewhat similar. Here as well, city officials are afraid of not being "on the map" and are therefore increasing their engagement within policy as well as within lobbying oriented networks. The networks are also chosen strategically and the mayor sees the international activities as one of the key instruments in urban policy making. Lyon tries to combine aspects of both an economic as well as a social oriented strategy within networking and within their city partnerships. Relying on a long tradition as a humanitarian city, this is seen as an asset to promote the city region internationally. This asset will not be sacrificed completely by just aiming at competitiveness. Rather, the city tries to combine the two elements carefully. Increased networking activities in the area of locational politics and a slight, but persistent change within the city partnerships towards an exchange of knowledge in marketing aspects are one side of the story. But it is combined with a still lively tradition to engage in third-world aid projects and networking in domains like culture, public lightning or public transport issues.

In between those cases that mark both ends of the continuum, the other cities position themselves between an economic and a social orientation. It is very difficult to analyse the Swiss city regions according to their orientation within their international activities, as most of these cities lack a clear strategy. As several departments are involved in the international activities, there is no overall tendency even for one city region. The Swiss city regions are in general only modestly engaged in international networking, making a quantitative approach even more difficult (if there are only two or three network activities for one city).

Does this variety in content also mean that the rescaling argument towards an increased economic logic within the international activities does not hold true? I argue in a second step that taking the specific economic background of a city into consideration, this is not as clear as presented above. This argument is based on an adaptation of the varieties of capitalism approach (Amable 2003, Hall/Soskice 2001) <sup>4</sup>. It puts the policy choices (or non-choices) of city regions' political leaders in a different light. The variety of capitalism thesis argues that there is only a specific need for certain international activities for certain cities, namely those that are most vulnerable of global economic processes (van der Heiden/Terhorst 2007).

Looking at the cities under scrutiny, the perception of global economic pressures is the strongest in the Stuttgart area. All activities by the Stuttgart region are driven by a perceived vulnerability to global economic pressures. As the Stuttgart region still relies predominantly on manufacturing industries, city officials see their engagement in international activities as a response to the fear of the market pressures. Almost all people reflect on the discourse about globalisation, referring to the international competition of places when they talk about their engagement within international activities. The high dependence on blue collar jobs (especially the automobile industry) is present in every discussion. Their fear of losing jobs and consistent pressure from market forces shape the discourse around the necessity to engage in international networking. The mayor of Stuttgart is afraid of the invisibility of the city as Stuttgart is only a secondary German city, although economically very strong. City officials believe that visibility is something that can be influenced by engaging in important city networks. Also, the establishment of new links to developing countries (mostly through the reinterpretation of older city partnerships) is seen as an asset for the competitiveness of the region. Depending on the automobile industry, the Stuttgart city region is engaged most prominently in networks on mobility and transport issues and has even set up a new network on these issues.

The case of Lyon is somehow similar, although the economic structure of the Lyon area is more diversified than the one of Stuttgart. Here, city officials try to use the longstanding tradition of the city as a humanitarian city to promote itself on the European scale. Also, Lyon officials are afraid of not being on the map as a secondary city of France. As their ties to the capital city Paris are more that of rivalry than of cooperation, Lyon has changed its scalar focus and oriented itself on the horizontal level throughout Europe with other, likeminded cities. Lyon has taken up the initiative and built networks in the area where they think they are most competitive (cuisine,

<sup>&</sup>lt;sup>4</sup> I have discussed the theoretical aspect of the varieties of capitalism approach in more detail in van der Heiden (2007). A first application of this approach to city regions' international activities can be found in van der Heiden/Terhorst (2007).

lightning). The large amount of money spent on these networking activities is justified by the increased visibility of the city, which is seen to be necessary to stay competitive.

For the Swiss cities as well, an engagement that is not purely focussed on economic competitiveness might still make sense from a competitive logic under the varieties of capitalism approach. Taking for example the case of Geneva, a city with a longstanding tradition as a city of peace: the image is not only nice to have, but also an economic asset. The sheer number of IGOs and NGOs in Geneva is responsible for an important part of Geneva's GDP, mostly indirectly through conference meetings and the people working for these agencies. The city officials are very well aware of the vulnerability of this image and the city is under strong worldwide pressure from other cities that want to host these agencies as well. Engaging in international peace and solidarity networks is thus one of the instruments carefully selected to retain the image of the city. Money spent on these networking activities is thus not only an act of solidarity but also in the economic interest of the Geneva area.

The same logic can be applied to the city region of Lucerne. The tourist city of Switzerland is highly dependent on its international visibility. The engagement in city partnerships rather than in networking makes perfectly sense when the goal is to promote the region as a tourist attraction. This is persistently done within the partnerships. And the inclusion of the tourist organisation is, according to the economic logic of the varieties of capitalism approach, also useful. The city of Zurich has recently started to develop an international strategy and there seems to be – at least for the moment – no reference to global economic pressures<sup>5</sup>. Berne, the capital city, has not even attempted to find a strategy. Relying more on traditional elements of multi-level governance might not be the worst choice for Berne, as the economy of the capital city is indeed depending on its headquarter role for the national administration.

I thus conclude that city regions indeed strive for competitiveness within their international activities. They do it either directly by engaging in networking activities that aim clearly at increasing the competitiveness of the economic area or in a more indirect way by engaging strategically in networking activities that strengthen the specific economic background of the city region, and this can very well be an engagement within peace and solidarity networking.

<sup>&</sup>lt;sup>5</sup> We have dealt extensively with the question why Zurich is lacking a strategy within its international activities elsewhere (see van der Heiden/Terhorst 2007).

#### 3.3 Increased Exclusion of the Public?

Taking a look at who is involved in city regions' international activities, we can see that it is most prominently the mayor or the mayor's office that is responsible for these activities. Four of the city regions under scrutiny (Lyon, Stuttgart, Geneva and Lausanne) have established a special service for the external relations that is attached to the mayor's office. This office generally follows two tasks: First, to develop a strategy on the external relations and engage accordingly in certain network activities. Second, to coordinate the already existing external relations by the other departments of the city. The second task has been proven to be much more difficult, as the bureaucrats in the different departments did not accept to share their international networking with a centralised office under the control of the mayor. This is interesting because this aversion reflects a certain attitude towards international activities. They are sometimes seen as an interesting bonus to the otherwise rather monotonic work. Going abroad is obviously very interesting and the necessity to do so is sometimes doubted even by the people involved in international networking. They thus fear that a more centralised control of these international activities might take them their chance of international networking. They also fear a more strategic use of these international activities as their own engagement might not fit within this strategy. Interestingly, the different departments do not document the activities very well.. Looking at official reports from these departments, international networking is hardly ever mentioned. This is sometimes defended by the small amount of money that is spent on these activities, but it could also reflect a certain fear that the public would not support this kind of engagement (see below).

The international activities carried out by the central services are usually better documented. Still, the city of Geneva will publish their first public report this year after being installed in 2002. The cities of Stuttgart and Lyon inform more proactively on these matters and they also use the information channels to justify their own activities. The cities that lack any coordination of the international activities also do not document them and for the cities of Berne, Lucerne or Zurich there is not even anybody within the city bureaucracy that is aware of all the international activities.

Politicians from the city council are sometimes not very well informed about the international activities carried out within their own department. This is the case for those city regions where a centralised overview of these activities is missing. As transnational networking in policy learning oriented networks is mostly carried out by bureaucrats rather than by politicians, their overall engagement within or for these activities is rather modest.

The role of the mayor is different in those cities that have a clear strategy within international networking. It has always been the mayor that initiated a more centralised and strategically oriented approach in international networking. Several mayors see the international sphere as an increasingly important scale for urban politics and urban policy making. But, and this is astonishing, the international activities are hardly ever used towards the public. Politicians think that elections are to be won on policy areas that directly influence the well-being of the citizen, meaning concrete policy action on the city scale. As the impact of international activities is not that clear, they are reluctant in using this argumentation in the election process. They are rather afraid that the citizens might turn against them if they have the image to "spend half of the year outside the city walls" (interview quote). Still, mayors of those cities with increased international activities believe that their engagement on the international scale is for the good of the city, but they are in general not sharing this view with the public. Rather, they are afraid of not being reelected when their engagement on the international level is unveiled.

When it comes to the role of the city parliaments, there is not much to say about it. I identified only very few occasions where city parliaments where involved in the decision-making process concerning international activities. Most often, joining an international network is – from the financial point of view – not important enough that it would need parliamentary support. Therefore, not many parliament members even know the international networking activities of their respective city. Only when it comes to an engagement that involves more resources – in financial or man power terms – the city parliament is included as for example the joining of Eurocities requires an official statement from the city parliament. Interestingly to note that with one exception (see below), this has not lead to any discussion within the parliament. Rather, the international activities are supported by a large majority of the parties both from the left and the right wing without any discourse around the necessity of these activities or critical remarks concerning these actions.

Additionally, the role of the public is crucial in analysing the input side of legitimacy. But for the case of city regions' international activities, I could not identify any involvement of the public in the decision-making process (except for one case, see below) in this policy field. It remains an open and interesting question why this might be the case. In the discourse of those actors engaged within city regions' international activities, the view dominates that the public is unaware of the importance of these activities. Politicians and bureaucrats see themselves as the

<sup>&</sup>lt;sup>6</sup> Important to note here as well is the different electoral system for the city regions under scrutiny. The mayor of a Swiss city is de jure only primus inter pares. In the case of Geneva, the mayor is even elected in a rotation principle between the members of the city council and is therefore changing every year.

ones that have realised the newly emerging blurred scalar organisation of policy making and they often argue that the citizens still believe in the traditional scalar structure of national states.

The interesting exception for this argument is the partnership of Zurich with the Chinese city of Kunming. Right-wing parties opposed the partnership with Kunming since 1999 when the city parliament realised that the partnership was missing a legal basis and that the parliament had never approved a credit for the partnership. The reason for this was that the city council split the credit up so that the city parliament could not vote on it. This called strong opposition mostly from the isolationist popular party (SVP). The criticism focussed on two points: On the one hand, it was aimed at the intervention of the city of Zurich in a field of foreign policy. It was argued that the city should not spend money in a policy field belonging to the federal level. This led to a reduction of the credit for the partnership for the years 2000 to 2002 from the requested 2.4 to 1.3 million Swiss francs. On the other hand, it was criticised that the project missed any specific gains for Zurich. Opponents suspected the project to be a "possibility for cheap travel for members of city council and their civil servants". In reaction to these criticisms, the city government tried to change the focus of the partnership, emphasising the economic gains flowing from it. The cooperation was more and more used to provide Zurich based companies with possibilities to contract business with Kunming officials. The partnership is nowadays seen as a possibility to set a foot in the Chinese market and to promote Zurich as a tourist location.

The climax of the debate was reached when the SVP successfully launched a referendum against the project credit for the years 2000 to 2002. But the referendum was rejected in a clear 2:1 majority by the public. Notwithstanding, in 2002 the city decided that the technical cooperation between Zurich and Kunming should come to an end in 2004, while the cooperation on cultural issues will continue. Information exchange will continue as well, at least as long as the financial consequences are modest for the city of Zurich.

When it comes to the question of the input legitimacy of city regions' international activities, I conclude that the discourse around these questions is heavily underdeveloped. We can speak of a rather top down oriented way of policy making, as the international activities are mostly directed by the mayor or its office and members from the bureaucratic staff. City parliament or the public are generally not at all included in the decision-making process of these activities. It is thus a process "behind closed doors" as nobody seems to be interested in going public with these activities.

#### 4 Conclusion

In this paper, I tried to test three hypotheses on city regions' international activities. The first two of these hypotheses came from the rescaling approach. The rescaling literature argues that city regions should increase their international activities as one possibility to use the opportunities presented by a general downscaling of political decision-making. They should not only increase these activities, but according to the more pessimistic approach of the rescaling literature, they will also do this for competitiveness reasons. In an empirical test on the international activities of seven city regions, I have shown that the first assumption was not supported by the analysis. There is a huge variety in the engagement of city regions on the international level. In contrast, the second argument has proven to be valid for the city regions under scrutiny. Although not all international activities aim directly at increasing the competitiveness of the urban economy, I tried to show that even the engagement within peace and solidarity networking can be done out of an economic logic. If the image of a city region is dependent on these engagements, it might well be economically logical to focus on networking in these areas.

Additionally, I reflected on the distinction between the input and the output legitimacy of these international activities. As the argument about increased competitiveness is clearly oriented on the output logic of legitimacy, the aspect of the input legitimacy is missing within the theoretical argument of the rescaling literature as well as within the discourse of policy makers on the city region's level. I showed that there is a general tendency to exclude the public on question of international connectivity and that these activities are mostly carried out behind closed doors and in a top down matter. This is an interesting finding, especially if we consider that Switzerland is the country with the most direct democratic instruments (also on the communal level), allowing voters to question or change policy decision in almost every policy area. Up to now, these rich possibilities for an increased input-legitimacy of the international activities have not been taken up.

Linking the two elements of increased aiming for competitiveness and exclusion of the public in the decision-making process is not an easy task. Looking at the discourse of decision makers within this area nevertheless gives us hints that these two questions are indeed connected. Most of the actors believe that the increase of international activities is for the economic well being of the city region. But they argue at the same time that voters have not seen (yet) the importance of this engagement. This top-down approach of decision-making is lacking any reflections on the input legitimacy of these processes. At the moment, a general disinterest of voters on these questions goes along with a disinterest of decision makers to include the voters on these matters.

It remains thus to be seen how the orientation of city regions' international activities might change if the voters or parliamentarians take up these issues.

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