Integration vs. fragmentation: Spatial governance for land and mobility – the case of Luxembourg*

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Introduction

We critically explore a set of policies that attempt to control the interplay of spaces (housing) and flows (mobility) through so called integrative approaches. The research looks at processes in the small state of Luxembourg, which has pursued economic national sovereignty by positioning itself in cross national flows as an attractive niche for economic development. In recent years, this has unfolded as the highly successful transition from an industrial based economy to one that rests on financial services and a high degree of internationalization. This development trajectory, however, has created a set of deeply fragmented growth poles, most notably the office-archipelagos that have emerged across the country. Development was and still is concentrated at preferred locations such as the office town of Kirchberg, the emerging research city (Cité des Sciences) in Esch-Belval, the office islands at the Southern periphery of the Capital City (such as Cloche d'Or), or in Munsbach, a small town just 15 kilometres East of Luxembourg City.

Developments at these poles stand in stark contrast to, and have put pressure on, the rather micro-local oriented infrastructure and built environment seen throughout the rest of the country. In effect, these growth poles have put pressure on the real estate market, squeezing out housing due to the profit gap between office, retail and housing rents. Further, they generate massive commuter traffic, the majority of which is still organized around the private automobile. Finally, they also ensure a certain sense of disintegration in terms of urban design. In response to the dynamics named above, planning officials formulated a set of spatially integrative sustainable development guidelines that postulated sector integration, drawing upon normative orientations (central place theory), and prioritizing international objectives of European consolidation over local integration.

Mobility issues, particularly the flow of people (goods are handled as well, but this is a different story), are a most critical component of this development trajectory. Our research interest is to clarify whether the deliberately "integrated" planning strategies are appropriate in the context of an increasingly fragmented spatial pattern, and the related system of institutional fragmentation that polarizes the two hegemonic levels of governance – the national and municipal. In conceptual terms, our research lends to Stead & Meijers' (2009) critique of 'integration' in spatial regards and also critical review of contemporary planning philosophy by Allmendinger & Haughton (2009). It particularly confronts the good intentions of spatial planning with the 'hard' realities of political economic development, which seems to be particularly relevant concerning the case of Luxembourg, with its extraordinary success story and business model of providing a safe haven for financial industries and modern services.

"The notion of spatial planning is slippery. This malleability is important in allowing these notions to gain rapid and widespread acceptance, in a process which simultaneously manages to place them within the policy mainstream and marginalize or co-opt dissenting voices" (Allmendinger & Haughton 2009, 2547). Spatial planning as a win-win project that presents "'planning' as: (i) having 'moved on' from its previous incarnations and all the critical baggage that it had picked up, (ii) seeming to provide a progressive alternative to the 'planning retreat' of early neoliberal experiments, whist (iii) accommodating an adapted Third Way neoliberal agenda." Allmendinger and Haughton (ibid.) encapsulated the problem:

> "advocates of spatial planning share a naivety about the nature of contested spaces and thee role of spatial planning. The assumption is that spatial planning, if undertaken in an open, transparent, and collaborative way will lead to consensus and, ultimately, better development. But experience shows that intractable tensions may be eased through at the level of producing strategic documents, only for problems to surface at the level of implementation." Further, "the real-politik of planning allows the system to be hijacked and abused, not least, by those intent on preserving the status-quo."

Methodology, research strategy

Our research pursued a constructivist approach, including an extensive document survey, a series of conversational interviews with experts from various fields of engagement, and participant observation. These materials were then carefully and systematically assessed through the application of qualitative research techniques (transcription, coding, and interpretation). Our empirical data was drawn from the research project SUSTAINLUX that was conducted between 2010 and 2013 and funded by the Fonds National de la Recherche (FNR), Luxembourg.** The general aim of this project was to critically assess the rationale behind and strategies towards achieving a sustainable spatial development in Luxembourg, with a particular emphasis placed on spatial governance and related strategies and practices. Housing and mobility were two fields where we engaged in a more detailed investigation. Before summarizing the research, our major findings were jointly discussed with, and thus fed back to, a selected number of interviewees, in order to situate our interpretations in the wider realm of possible lines of thought. It turned out that, though our findings can be considered being quite critical, this second round of conversation revealed a high degree of consensus among the participants, concerning our attempt to assess and interpret the findings most appropriately.

Major findings

Our overall finding was that the steps and measures undertaken by the government towards achieving a sustainable spatial development are indeed effectively flawed, and the concept of integration is part of the problem. Such policies, at least, fail to resolve the critical development framework that characterizes Luxembourg. Just as Stead & Meijers (2009, 326) can

identify five factors – political, institutional, financial, procedural, behavioural – that inhibit integration, our results show that the "centralist", density-based or integration-based approach fails in meeting its mark, primarily for three reasons. *First*, an overstated policy of decentralized concentration, which is viewed as being integrative from the state level creates severe spatial imbalances at local levels; as long as office floor space continues to increase (and office space indeed inhibits the current unique selling point of Luxembourg as an ideal business setting and location), decentralized concentration deepens the functional and thus spatial mismatch, instead of resolving the issue. *Second*, these policies are also limited in terms of their objective to optimize commuter traffic, since concentration is only targeted at one end of the mobility chain (destination wise), whereas the other ends (the origins of the commuter flows) are located rather remotely and are quite dispersed. It appears difficult to co-ordinate these flows by traditional transit systems.

This is evident in the official documents. All the maps show only Luxembourg (Innenministerium et al. 2004; Ministère de l'Intérieur 2003). Indeed, there are conceptions of the Greater Region, where Luxembourg is placed at the centre. Transport plans and densities are located solely within the Nation's boundaries. At a meeting of ESPON in November 2011, one panellist suggested subsidizing neighbouring municipalities across the border in Belgium or France. This was met with widespread scepticism in the audience. The reaction reflects the unwillingness or inability, which may be grounded on practical rather than political reasons, to transcend national borders. *Third*, instead of addressing problems of uncoordinated and conflicting authorities at various spatial scales, the strategies presume a clean system-wide durable "Russian Doll" architecture of how state and municipalities interact and collaborate. Hooghe and Marks (2003; 2004) are often credited with the Russian Doll metaphor of European governance: General-purpose jurisdictions (Type I) describe governance arrangements that include a specified number of governments from the local to the international, whereby the smaller jurisdictions are contained within wider ones.

While Hooghe and Marks' concept of multi-level governance has been widely questioned (Mahon & Keil, 2009; Brenner et al., 2003; Affolderbach & Carr 2016; Jessop, 2005), the central concept is reflected in Luxembourg's spatial planning policies as an underlying supposition. Reminiscent again of Allmendinger & Haughton (2009), the assumption is that policy can be asserted in an orderly and predictable manner if only the correct actors are gathered at the right time and place. Luxembourg's spatial planning policies were largely informed by European strategies and initiatives. As a member state, Luxembourg was to carry forward with its corresponding commitments. In line with these responsibilities, local politicians formulated the spatial arrangement of Luxembourg territories. Further, national ministries were networked in order to bring their expertise to the table.

Two major planning instruments are in the pipeline, particularly as regards the State's attempt to give a proper direction to municipal decision-making on planning and construction: The first is the follow-up to the Programme Directeur (PDAT), the overarching framework for spatial development and planning, the first version of which dates from 2003; the second is a set of four different 'sector plans' for development in the areas of transport,

housing, industrial land and open space. These are intended to provide a legal basis for government intervention. It is clear that Luxembourg governing officials understand their political structure as a collection of discrete jurisdictional units neatly ordered under a national level. These jurisdictions are further 'general purpose' (not 'task specific')—borrowing terminology here from Hooghe & Marks (2003)—and are organized across two levels of municipal and federal government, while the spatial planning guidelines are explicitly integrative. The features of integrative policies defined by Stead & Meijers (2009) can be observed - comprehensiveness, aggregated topically, encompassing. Integrated policies address issues that "transcend the boundaries of established policy fields, and that do not correspond to the institutional responsibilities of individual departments," (Stead & Meijers, 2009, 321).

This is clearly seen as the Sector Plans were created by representatives from a cross-section of national ministries. But it is not only the actors that are cross-governmental. The topics themselves are cross-disciplinary. Some have called this type of policy "holistic" (ibid.) as they try to attempt to address topics of a broader scope than those bound within the frameworks of isolated functional systems. While the Sector Plans were proposed to be formally, politically and legally accepted, the overarching framework for 'integration' - the Programme Directeur - was still missing. Until the sector plans were adopted, the national government relied on the so-called Convention Agreements. These are contracts that oblige signing Municipalities to act following a set of agreement requirements (Bentz 2011). Often Municipalities receive said rewards (subsidies, for example) for achieving named goals. Recently, the Convention Agreements have come into play to endorse the three growth poles of the nation: the City of Luxembourg, Esch-sur-Alzette (Sud), and the Nordstad. The Convention Agreement approach, de facto based on voluntary action, has achieved limited success. For this reason, spatial planning officials continue to endorse legal ratification of the Sector Plans. As already noted elsewhere (Carr & Affolderbach 2016), the political lethargy is likely a sign of domestic structural mismatches. "The political structure that characterizes Luxembourg land-use planning today is one that was founded on notions of municipal autonomy, relatively horizontal modes of negotiation, and individual private property rights where landowners and local politicians are the gatekeepers to land-use," (Carr, 2013: 10).

The nation is divided into 106 Municipalities, each of which define land-use and zoning, and the majority of which are sparsely populated such that many know Municipal land-use decision-makers personally. Further, many local politicians fulfil second function as Chamber Deputies in Parliament. The small state government architecture thus reveals a variety of conflicts of interest, and the distribution of power and decision-making is hotly contested, particularly between the state and the municipalities. Further impeding a clean system-wide architecture in which spatial planning can be implemented, are respective relations between gatekeepers to land-use and the private sector. High land prices and low land taxes have endorsed speculation. Moreover, the sometimes not very transparent means of land-use designation, created in part as a result of horizontal closely knit governance networks, have led some to wonder if projects that are likely to be realized are those that promise to be lucrative. The result is further "fragmentation through integration."

Conclusion

Although it has to be acknowledged that Luxembourg represents a rather specific case of an emerging medium-sized, cross-border metropolitan area, there are some lessons to be learned in more general terms. These lessons refer particularly to the long-standing debate on integrative spatial planning and the so-called nexus of steering and the built environment. Our research confirms the literature that has critically discussed the integration of spaces and flows in more analytical, less normative terms; integration turns out to be more complex than often suggested and cannot simply be managed by establishing integrated policy concepts. This is even more so given the complex arrangement of horizontal and vertical modes of governance. In this regard, our research supports critical takes of Hooghe & Marks' (2003; 2004) multi-level governance, and we would encourage further exploration of urban governance that builds on the pre-existing critical takes (Mahon & Keil, 2009; Brenner et al., 2003; Affolderbach & Carr 2016; Jessop, 2005). But there are other directions too. Back in 1973, Rittel & Webber already noted how "wicked" urban development is. In 2005, Brownill and Carpenter exposed how government agendas could be disguised by buzzwords such as integration and sustainability; Storper (2014), looking at Los Angeles, talks about bricolages of governance. The ways that places and flows interact and conflict with one another, how they are changing over time, and also how they are subject to contested debates, leave enough space for further investigation and claims for developing a more adaptive and flexible, less rigid policy model.

* This paper was presented by the authors at the 2013 Transport Days of BIVEC-GIBET, in May 2013 in Walferdange (Luxembourg); it was prepared as an 'extended abstract' on behalf of the conference organizers.

** It is important to note that the paper reflects the state of knowledge of the year of its presentation, when major planning frameworks were still awaiting their envisaged update.

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