6. "Luxembourg is the Singapore of the West" – Looking Ahead

Markus Hesse

"'Luxembourg is the Singapore of the West', he says, meaning it as the greatest compliment. With rule of law and little corruption, the country is at the same time multicultural and very international. Other positive aspects are the strategic thinking and the easy access to the political establishment and authorities"[1] (*Luxemburger Wort* 2014: 59).

The following contribution aims to cast a final glance across the borders of the subjects and approaches discussed in this book. Here too, the term of border is a polysemous one. On the one hand, our endeavour is about the spatial borders of Luxembourg and the Greater Region that form the territorial frame or the respective backdrop for the considerations presented in this volume.[2] Border crossings here means directing the focus to the region's international and global dimension and at the same time challenging conventional notions of space and region. On the other hand, this contribution addresses a central defining factor in the constitution of space: mobility. The circulation of people and commodities, of information and currencies across the borders of space and time is not only of central importance in the case of the region(s) analysed here. Mobility is in that sense the opposite or the counterpart of place. Both condition each other, both are elementary parts of the development of regions. On the basis of these border

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1 | Personal translation of: "'Luxemburg ist das Singapur des Westens', sagt er und meint das als höchstes Kompliment. Rechtsstaatlich mit geringer Korruption, sei das Land gleichzeitig multikulturell und sehr international. Weitere positive Aspekte seien das strategische Denken und der einfache Zugang zur Politik und den Behörden."
2 | Here we refer primarily to the Grand Duchy of Luxembourg, in particular its capital, not to the Greater Region as a whole. In this outlook, 'Luxembourg' stands, both metaphorically and ideal-typically, for tendencies discussed beyond the frame of research presented in this volume. The basic pattern of the phenomena and processes relevant here is, however, not conceivable without the entanglement of the country and its capital with the bordering areas.

crossings, this contribution aims to explore the terrain for further questions that have emerged after completing this book and the work it is based on. Inevitably, categories such as identity and space play an important role here.

The quote at the beginning is from the new director and Chief Country Officer of a German bank in Luxembourg, who was interviewed by the country's largest paper after assuming his position in early 2014. Before coming to Luxembourg, he had worked in the bank's offices in North America, Hongkong and Singapore. There is much here that reminds him of the Asian city state. The similarities between the two locations are obviously great: niches of sovereignty have contributed a great deal to the economic success of the city state there and the mini-state here; the same applies for the transparency of political conditions. A sense of tradition and understatement, on the one hand, a commitment to change and the very determined integration into larger spatial contexts, on the other, make both cases both unusual and also attractive for analysis.

Today, both locations probably represent a new type of city or space: they are "relational" (Sigler 2013). This means that they have derived their significance from a specific positioning with respect to other urban locations. Neither local location factors nor their size are relevant here, but rather the specialization of their function in the web of larger spatial relationships and flows. It is no coincidence that both places are important hubs of the global financial industry (see QFC/TZG 2014). Behind this economic niche lie complex socio-cultural preconditions: historically, both societies have internationalized themselves in a very brief period of time, both cases are marked by very specific – and clearly less internationalized – practices of political regulation. National actors and institutions here play a key role, which also disproves the downfall of the national state sometimes predicted in the globalization debate. Sidaway (2007) sees in this context even the emergence of a new "metageography of development", which has developed from niche strategies and owes its current importance to the specific interplay of spaces, flows and politics.

The Luxembourg as we know it and the "Singapore of the West" can also be seen as complementary images or identities of one and the same space. The analogies or overlaps between both images are at any rate evident: the small country and its capital, which only recently acquired the status of a 'major city' (*Großstadt*)[3], have a functional significance, which, measured against criteria such as surface area or population, is developed far above average. This holds true, for instance, for the already mentioned feature as a global financial centre, but also for aspects such as international connectivity or political importance. In addition, the corresponding changes have occurred in historically short periods of time. From this, one can conclude that in these cases a favourable structure was turned to account or exploited by the determined action of subjects, which is to mean

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3 | Since autumn 2012, the city of Luxembourg has more than 100,000 inhabitants and has in purely statistical terms acquired the status of a metropolis (*Großstadt*).

that this development was in itself not an inevitable outcome. This dimension of change also provides a number of links to the subjects, approaches and empirical case studies of this volume. Luxembourg and Singapore are not spaces pre-existing *per se* that could be described via classical categories such as spatial location, accessibility or resources. Rather, these spaces were 'made': in one way or another, they have been 'produced' and are thus the result of social practices. They are constituted via specific establishments and removals of borders and via specific identity constructions.

It is against this background that two questions present themselves that can be read as logical extensions of our research into spaces, identities and borders in the context of Luxembourg and its border areas as well as a perspective towards future work: (1) What consequences does a wider perspective have that goes beyond the survey area in this volume, all the way to the global level? (2) Which epistemically significant role does the term mobility play in this context, i.e. the mobility of persons, commodities, ideas, information and also economic values? In what way do these flows contribute to the constitution of spaces?

(1) The various contributions of this book have approached their subject with a constructivist, relational understanding. We understand spaces and regions – in much the same way as borders and identities – as an expression of social practices, not as already fixed analytical categories merely applied to the respective subject of research. Terminologies such as 'doing space', 'doing identity' or 'practices of the border' point to the relationship of space or identity and society (in the broadest sense). This relationship was reversed in contrast to traditional analyses: it is not 'space' or 'identity' that play a determining role for social developments, rather, it requires social practices to bring forth different spatial contexts and identities. Our research questions were elaborated with different empirical foci that are reflected in three methodological perspectives: politics and institutions (see chapter 3); media and representations (see chapter 4); and subjectifications and subjectivations (see chapter 5). The considerations that guided research precede the empirical case studies of these three chapters.

What connects these different viewpoints particularly in the space-related perspective is the examination of space and region in their contingency and their character as something produced. This foil of inquiry consists of the Grand Duchy of Luxembourg and the surrounding border areas, which are marked by a closely knit web of socio-economic relationships: migration, commuting, residential mobility or political cooperations are only a few examples. This relational scenario is in its essence organized horizontally, and is most visibly exhibited in cartographic works, i.e. in topographical representations. The geography illustrated or produced in them reflects very diverse processes that can be observed on a two-dimensional surface of the survey area. This in turn has good reasons connected to epistemically significant points of focus and limitations in terms of practical research. Yet the image of space this conveys tends to be incomplete: it focusses on processes in the two-dimensionally and horizontally conceived space, compared

to which vertical interdependencies remain subordinate. It is these latter that will be the subject of further observations: practices and correlations established via these between the survey area examined in this volume, on the one hand, and the policies, representations, subjectivations/subjectifications and identifications situated externally, on the other.

The vertical level has been for a considerable time the point of departure of far-reaching dynamics in the socio-economic development that have had a particular impact in scholarly discussion. This refers in particular to processes of transnationalization and globalization. They have moved a key category of recent spatial research into the centre of discussion: the concept of scale. This category addresses the over time increasing interlinkage of processes at different locations on Earth and the specific interplay of the respective levels of scale between local, regional, international and global levels (see Massey 2005; Cox 2010). An example for this is the emergence of world trade or global tourism, but also changes in the system of political control, for instance through federalism or decentralization. In this context, it seems generally agreed that a purely territorial, two-dimensional view of regions is no longer suited to appropriately reproduce the complex interplay of the respective factors and contexts. At the same time, however, the linkage thus taken into account of horizontal and vertical scales, of internal and external, the blending of discourse and materiality, the development of different notions of space (lived space, space of representations) has led to much confusion and insecurity regarding the assumed 'correct' approach to this category. This also applies to the space of politics: it not only comprises the territorially defined, clearly demarcated political-administrative space, which constitutes the arena for the interaction of very diverse regional actors, but also the space of representation – i.e. the space of political instrumentation and symbolic representation, which is definable via images and terms, attributions of meaning and identifications.

A variety of scientific concepts and terms, some of them very abstract, have emerged to do justice to these complex constellations of space and region. These include for instance "soft spaces" (see Allmendinger/Haughton 2009 and section 2.1 in this volume), "variable" or "flexible geometries" (see Dahl/Tufty 1973) or "assemblage" (Anderson/McFarlane 2011). All of them seek to relate to each other objects of very diverse nature which only remain loosely and precisely *not* causally connected. These approaches no doubt have their justification, since they may convey an analytically more appropriate, more timely image of their subject. But they have also been criticized as being too random or too apolitical (see Cox 2013). The great challenge for research here is certainly not to every time draw the most recent picture of spatial conditions with the maximum attention-grabbing effects within academia. Rather, it makes more sense to firmly address on a very robust epistemic foundation the overlap of scientific interpretations and representations on the one hand, and the ways of (practically) dealing with material realities on the other.

A constructivist approach to space and focussing on social practices have direct effects on research practice: if the continuously increasing complexity of the material space no longer permits us to clothe regions in a fixed territorial passepartout, then the consequence can only be to examine spatial (see section 2.3) or social (see section 2.1 and 2.3) processes of differentiation along different levels of scale, and no longer (primarily) territorial spaces and political borders.

(2) Mobility and movement are constitutive for today's appearance of the Grand Duchy and the neighbouring areas. The rise of Luxembourg to one of the seats of the European Union, to a financial hub and a magnet of an international labour market would have been unthinkable without the cross-border mobility of people, goods, ideas, information as well as financial values (commodities). This dynamic is not so much linked to the endogenic developmental path of the country which has in the past always reinvented itself successfully. It is primarily due to Luxembourg's ongoing internationalization. Luxembourg and its neighbouring regions are in this sense a model for active spatial construction which only became possible through the attraction and organization of flows. This modernizing power of mobility is a fundamental one; or in other words: mobility and movement are immanent to a general logic of development (or of progression) of modern societies (see Münch 1998: 225). In anglophone countries this view has informed studies on cultural and sociological theory already since the 1990s: "Modern society is a society on the move. Central to the idea of modernity is that of movement, that modern societies have brought about some striking changes in the nature and experience of motion or travel" (Lash/Urry 1994: 225). In the economic and social fragmentation processes that have been observable for some time now spatial-temporal disembedding and dissolution of borders seem to be playing a crucial role. Social differentiations, temporal compression and spatial expansion enter a specific association here which to a large degree relies on circulation, mobility and traffic.

The relationship between space and movement has traditionally played an important role in geography, for instance in the work of Edward Ullman, who has analysed the concrete *site* in its character as conditioned through the interaction with other sites (*situation*) (see Ullman 1954). The part of this relationship concerned with movement has, however, been long neglected in social sciences and humanities. Basically, it was only the paradigm of the *new mobilities* emerging in the late 1990s that has contributed in making this dimension more visible and in examining its special significance more thoroughly. Authors such as John Urry or Tim Cresswell have advanced these issues in the field of social and cultural theory. For a long time, a dichotomous, polarizing notion of spatial interaction – i.e. of social practices and relationships in partial areas or between these – had been at the centre of attention. According to Cresswell (2006: 126), this is the metaphysics of sedentarism and nomadism, the antagonistic relationship of fixity and flows. Mobility is in this way confronted and challenged by space; the same applies in the reverse direction.

If one follows the view of the more recent mobilities studies, i.e. the studies on mobility in the social context inspired by social and cultural theory, the development of space, on the one hand, and movement or flexibility, on the other, are closely and systematically intertwined – even in a hitherto unknown way. Luxembourg is prototypical in this regard: here, mobility is everyday-cultural practice of many people working there, who are either circularly mobile as cross-border commuters (see Wille 2012) or work and live there temporarily as employees of the financial site or as experts of European institutions. Households that move across the border to buy property retain their workplace in Luxembourg for the time being, as well as their social networks (see section 5.8). However, they need to synchronize their everyday activities more and more in terms of space and time, develop complex routines or develop new relationships. Or, as also discussed in this volume: petrol stations that used to serve a clear purpose suddenly acquire a particular socio-economic but also socio-cultural role under the influence of Luxembourg's strategy of creating niches of sovereignty: through the generation of 'accises' they contribute considerably to the national income, provide young people with meeting places and they are a nucleus for cross-border socialization processes (see section 4.7).

Finally, there is an increasing mixing of different spatial levels of scale: local, regional and superordinate functional systems increasingly overlap, they cover different catchment areas and are each specifically localized (see Affolderbach/Carr 2014). The classical image of the spatial organization on the basis of centrality has here lost much of its interpretative power. In this context, Manuel Castells (1985) has spoken, in a very abstract way, of a "space of flows" with which he later also conceptualized his theorem of "network societies" (Castells 1996). According to this concept, the space constituted through material and information flows enters into a specific connection with the physical space, impacting social practices and spatial concepts. The blending of different levels of scale is visible in many ways in quasi-metropolitan Luxembourg, as well as in other places of the country: for instance, in the mobile functional elites that are very present in the public space, in the mega projects of the built city, in the overloading of infrastructures. In its sum, this complexity of levels of scale compounds the orientation in the social and particularly political space. And this challenges political-administrative functional systems all the more. The geographer Kevin R. Cox has described this problem as the relationship between the area of a region and the difficult to define "out there" (2010: 216). This relationship not only makes political decision-making processes very complex, but also disrupts transmitted notions of the order of space and the world.

In this sense, mobilities contribute to the liquidation of spatial conditions and they have considerable repercussions on the spatial objects on all levels of scale. At the same time, they mobilize our notions, images and discourses with respect to these objects. It is not least this fact that makes the categories and research subjects examined here – space, border, identity – an extremely interesting object

of analysis and scientific discussion that raises a host of further questions. It should be clear from the observations made in this chapter, as well as the findings presented in this book as a whole, that social sciences, cultural studies and the humanities are making relevant and original contributions to this research.

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