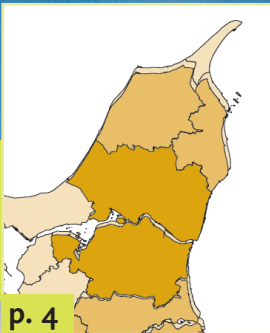


journal of nordregio

No. 2 June . Volume 3 – 2003



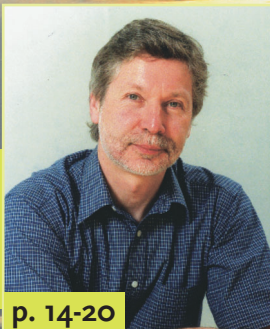
p. 4

**Danish Government Proposes
Regional Growth Strategy**



p. 6

**Sweden Proposes to Separate Rural
Policy from Regional Development Policy**



p. 14-20

**Keith Clement, Erik Westholm and Terhi
Trast on Regional Sustainability Challenges**



NORDREGIO

Nordic Centre for
Spatial Development

3 Editorial

News

Norden

4 Danish Government Proposes Regional Growth Strategy

5 Danish National Planning Report Launched

5 Danish Regional Report Stresses the Need for Competitive Regions

5 Decision to Move Seven Norwegian Authorities out of Oslo Passed by Parliament

6 Sweden Proposes to Separate Rural Policy from Regional Development Policy

6 Kainuu to Experiment with Regional Council

6 Proposal to Reinforce Support for Enhancing Swedish Mobility

7 Continuity in Icelandic Regional Policy 7 Norwegian Government Launches Urban Policy Scheme

7 EU Reluctant to Accept Norwegian Amendments to Differentiated Social Security Contributions

8 Car Testing Rescues the Interior North 8 Unceertain Effects of Swedish Objective 2 Programmes

8 Finnish Change of Government

Europe

9 The EU is Having a Closer Look at European Mountain Regions

10 Participating in European Integration – the Costs of Coming Together

Right Now

13 Jon P. Knudsen: Conceptual Residuals in Regional Policy

Feature Nordic Sustainability Challenges

14 Sustainable Regional Development – Nordic Achievements in a European Context

17 The Lost Social Dimension in Swedish Regional Policy

19 EU Structural Funds Promoting Regional Sustainability in Finland

Books

21 Fra miljøvern til bærekraftig utvikling i kommunene. Lokale agendaer, tiltak og utfordringer.

23 Representations of Planning

No. 2 June



JOURNAL OF NORDREGIO

HALLGEIR AALBU *Director*

JON P. KNUDSEN *Editor*

CHRIS SMITH *Language Editor*

MARGARETA DAHLSTRÖM *Book Reviews Editor*

Addresses

NORDREGIO
Box 1658
SE-III 86 Stockholm
Sweden
Tel. +46 8 463 54 00
Fax +46 8 463 54 01

Jon P. Knudsen
Espevik
NO-4780 Brekkestø
Norway
Tel. +47 37 27 56 90
E-mail jon.p.knudsen@nordregio.se

Margareta Dahlström
Nordregio
Box 1658
SE-III 86 Stockholm
Sweden
Tel. +46 8 463 54 00
Fax +46 8 463 54 01

Journal of Nordregio is owned and distributed by the Nordic Centre for Spatial Development (NORDREGIO). The journal appears quarterly and is distributed free of charge. All articles express the views of their authors. Subscription: liselott.happ@nordregio.se

Copyright © Journal of Nordregio

ISSN 1650-5891



The Sustainability Challenges to Regional Policy The Future of the Periphery

REGIONAL GROWTH and development politics is a relatively new field for the implementation of national, Nordic and EU political goals relating to sustainable development (SD). Regions are traditionally expected to contribute to economic growth through the promotion of different policy measures and project activities. Today they are also expected to implement the broad political goals of sustainable development. Already at the Rio conference in 1992, and especially in the following Agenda 21 document, the regional level, along with the local level, were viewed as the levels where actual implementation in this regard had to take place. The comprehensive territorial context of these levels seemed to be right in order to effectively integrate the different dimensions of development. Moreover, the new regionalism (regions being the *locus* for endogenous economic development in their own right), new regional development theories, the “greening of the market”, new legislation and the recent focus on *sustainable growth* all currently ensure that regional development and growth-oriented politics and practice remains not only in a state of flux in many European countries, but also more provocatively seen as emerging arenas of growing importance for the implementation of sustainable development more generally.

Regional policy has economic, social and environmental dimensions and impacts and is thus of considerable importance to the practical realisation of sustainable development. Thus far it can be stated that the rhetoric of sustainable development is well established. The question is, how far every day regional professional practice has come in imple-

menting sustainable development? The way in which questions of regional development and sustainability are dealt with in light of the current regulative and policy framework differs markedly between the Nordic countries. Whereas Denmark has been the country in which environmental issues, as one of the three dimensions of sustainable development, seem to have been best integrated, the balance is more varied and regionally differentiated in the cases of Sweden, Finland and

Today the political goal of sustainable development presupposes major possibilities for win-win development situations between economic, social and ecological goals and activities.

Norway. Studies and reports concerning implementation of sustainable development in the regional programming context in the Nordic countries are however currently rather scarce. It can also be stated that the policy area of sustainable development has not yet become sufficiently visible on the Nordic regional development research and development agenda.

To a great extent sustainable development activities, promoted as part of regional development initiatives, have been targeted towards environmental issues. Today there are however signs of regional development actors taking the lead in promoting regional development initiatives encompassing all of the dimensions of sustainable development – economic, social and environmental – and the relation between them. Thus leaving environmental actors behind to guard their environmental sector.

This can for example readily be seen in Sweden. There are also signs from other fields of planning, for example in Denmark, that the environmental field is hindering the development of the more broadly based sustainable development practices advocated by others.

Today the political goal of sustainable development presupposes major possibilities for win-win development situations between economic, social and ecological goals and activities.

Thus far we have not seen many practical results of this ecological modernisation

assumption. It is as yet still too early. The every day practice in regional development work is the target of a huge change in expectations - both concerning its internal content in organisational terms, but also in relation to new issues such as sustainable development. Change implies that a period of both reflection and learning needs to take place, and this takes time. That regions find themselves in the forefront of work with all of the above-mentioned dimensions of sustainable development as the basis for regional growth and development is testimony enough of this fact. However, as the regional development and growth field seems to be guided by a learning rhetoric, the capacity for fundamental organisational change may be greater than in other fields in relation to sustainable development, though this still remains to be seen, while the benefits need to become more visible, in due course. ■

Danish Government Proposes Regional Growth Strategy

As a follow up to its national growth strategy, the liberal-conservative government this spring proposed a regional growth strategy for Denmark.

by Jon P. Knudsen

Flagged as a “new regional policy” the policy documented presented by the Ministry of Economic and Business Affairs used the traditional Danish metaphor of balance to advocate its case, a re-vitalised Danish business life with particular attention being paid to some selected areas of special concern. These areas consist mainly of what can be termed as the outskirts of Denmark, many of them islands, suffering from a weak local business climate, declining population and economic performance levels well below the national average. A special case being a handful of fishing communities along the west coast of Jutland, who are undertaking a number of serious challenges in order to transform their economic base.

Generally the document assesses the ambitions of the Danish government in respect of maintaining Denmark’s status as one of the OECD-countries with the most balanced regional figures for economic and demographic indicators. The aim of the growth strategy is therefore to spur development in poorer performing areas in order to facilitate their ability to catch up with the national averages.

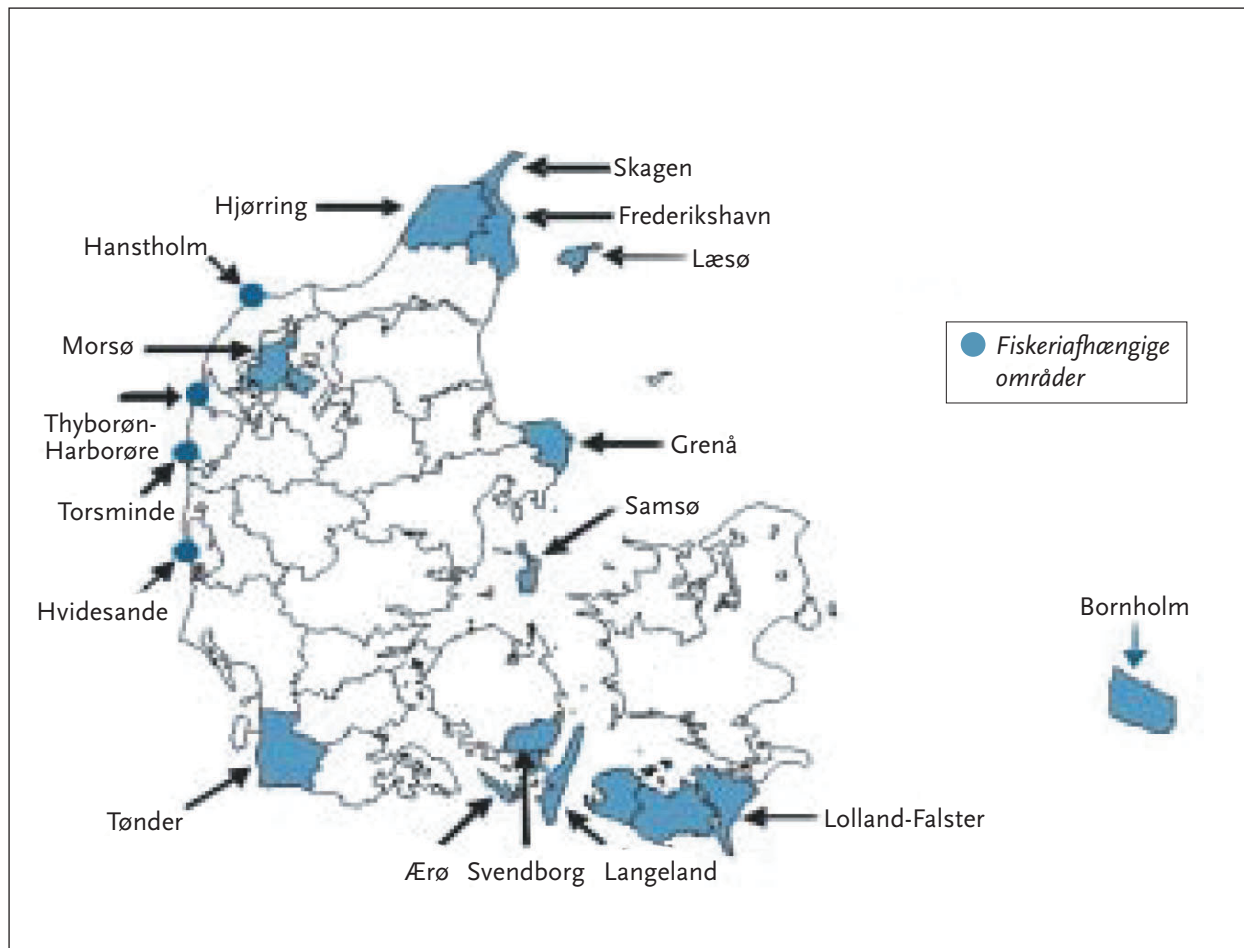
An interesting case in point here is the importance given to the broadening of commuter catchment areas in order to profit from economic impetuses in the larger urban centres. The idea is to stabilize rural habitation in wide regions hinged on urban dynamism. The report asserts with satisfaction that the number of empirical commuter regions has been reduced from 46 in 1992

to 34 in 2000 due to increased mobility, changes in housing markets and a better -developed road system.

The main strategic challenges faced in the peripheries are identified as:

- Development of human resources
- Strengthening of the settlement pattern
- Enhanced physical and digital infrastructure
- Business creation and innovation

Institutionally, the government intends to rearrange its regional apparatus by merging the national operation of the EU Social and Structural Funds into one single administration disposing some DKK 4 billion annually, and by substituting the present business advisory structure with a new regionally based net of independent and professional advisory institutions. ■



Source: Den Regionale Vækststrategi. Økonomi- og Erhvervsministeriet 2003.

Danish National Planning Report Launched

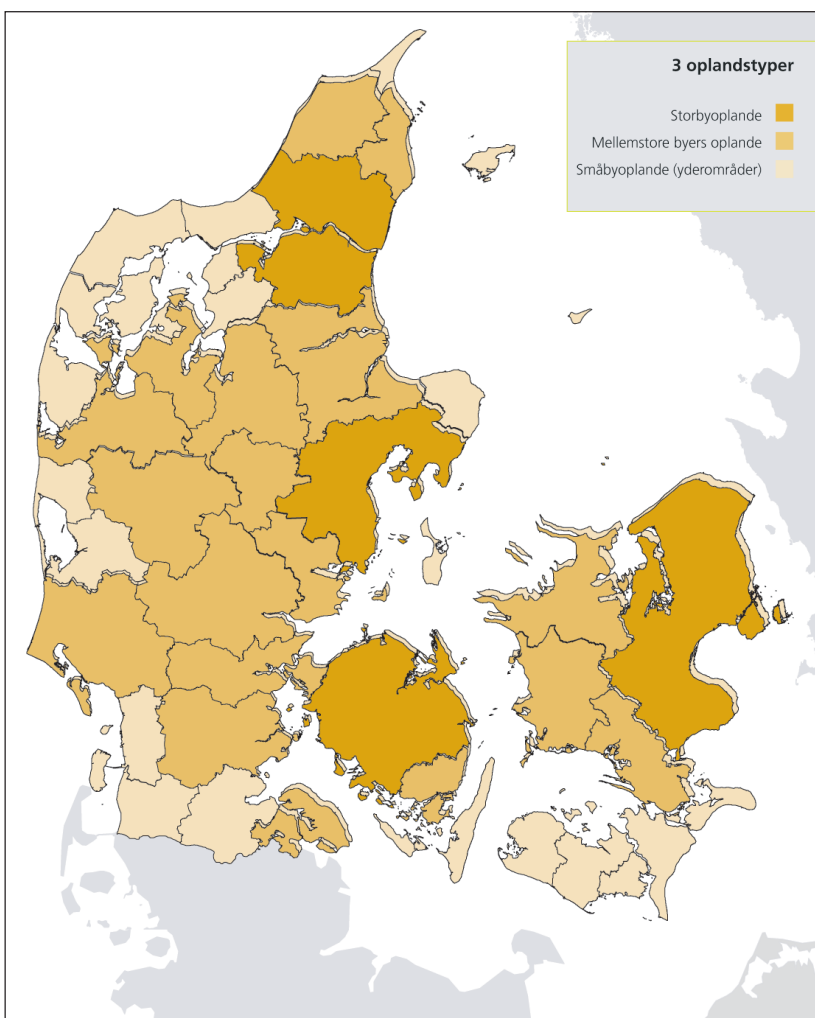
by Jon P. Knudsen

On 2 May the Danish Government launched its National Planning Report after having debated its principles for more than a year with national, regional and local politicians and various organisations. The end product is a report centred on the notion of balance, though with strong ties to the growth ambitions of the simultaneously released Regional Growth Strategy Report.

The report maintains the need to think in larger regional entities than hitherto, and to adopt flexible strategies in planning both geographically and when interacting between different administrative levels. The report states that Denmark can be analysed as consis-

ting of regions on three different scales: those having a central city with more than 100 000 inhabitants, those having a centre between 20 000 and 100 000 inhabitants, and those having a town with less than 20 000 inhabitants as their centre. The growth impetuses, it is found, varies with size, while the tricky task is to spur further growth in the smaller regions. For this and for several other challenges the Report consults the regional growth strategy for specific measures.

Concerning specific analyses, the Report announces that two larger projects will be started in the near future, one on the regional changes in the knowledge society, and the other on the challenges facing the transportation of goods in a European perspective. ■



Source: Landsplanredegjørelsen. Miljøministeriet 2003.

Danish Regional Report Stresses the Need for Competitive Regions

by Jon P. Knudsen

The annual regional report presented by the Government to the Folketinget on 2 May underlines the need to enhance regional competitiveness in order to secure future development and living conditions. As such, the Government has made its general ambitions with regard to administrative efficiency and the creation of an enhanced business climate the main planks of its regional policy contribution. More specifically, the Government has flagged up its obligation to let all ministries present the regional consequences of any laws and proposals presented as an integral part of the decision-making process.

In the past year a commission has also been set to work on the structure of the public sector. It is expected that the commission will deliver several proposals affecting local and regional administration, notably the number of municipal units, and their financing, will be thoroughly dealt with. ■

Decision to Move Seven Norwegian Authorities out of Oslo Passed by Parliament

by Jon P. Knudsen

The Norwegian Government's proposal to move seven Norwegian national authorities to regional urban centres outside Oslo was finally adopted by the Storting in June following a heated public debate. The practical arrangements as regards implementation of the decision are now being set up. ■

Sweden Proposes to Separate Rural Policy from Regional Development Policy

A new Swedish official report proposes to define a designated rural policy for Sweden. At the same time the report suggests that the Swedish National Rural Development Agency be moved from the Ministry of Industry, Employment and Communications to the Ministry of Agriculture.

by Jon P. Knudsen

In the March-edition of the Journal of Nordregio the director of the Swedish National Rural Development Agency, Pia Enochsson, complained about the lack of a designated rural policy in her country. The subsequent official report released in April, *Mot en ny landsbygdspolitik* (Towards a new rural policy) SOU 2003:29, gives swift answers to her demands. A new rural policy with interesting and far-reaching policy consequences is being proposed.

Taking as a point of departure the present Swedish regional development policy regime, the report surprisingly concludes that this regime offers few possibilities for integrating rural policy. The present regional development policy is strongly hinged upon enhancing the functioning regions of the various national local labour markets (LLM) and their contribution to securing national economic growth. This is a paradigm that does not fit with the requirements of rural development according to the report.

Instead, rural development is seen as the strengthening of living conditions, social networks, service provision and business opportunities in areas where economies of scale are few, but where the exigencies of land use and cultural landscape values are strongly felt. It is therefore argued that responsibility for rural policy be taken away from the Ministry of Industry, Employment and Communications and given instead to the Ministry of Agriculture, which should then be renamed the Ministry for Rural Development and Agriculture.

Several reasons for this institutional change are cited. The Rural Development Agency is identified as leading an isolated life, politically and geographically with low legitimacy in wider policy making processes. Moreover, it is felt that the Agency has too few operative functions to justify its present organisational location. Add to this the fact that the Agency has a small staff and writing then does most assuredly seem to be on the wall.

Redefining the Ministry of Agriculture as a Ministry of Rural Development and Agriculture could see the formation of a broader basis for the Agency as regards its ability to contribute to the establishment of a Swedish rural policy within the framework of a broader EU rural policy. The role of the Agency is not thought to be that of further operational involvement, though, except for administering the EU Leader+ programme, rather, the Agency would be expected to reinforce its professional and expert support of future rural policy development.

The geographical focus of the Agency, it is proposed, should no longer be restricted to sparsely populated areas (glesbygd), but to rural areas in general (landsbygd). It is also proposed that its specific responsibility for monitoring the needs of the Interior North and depopulating coastal areas (skärgård) be abolished.

As such, the report could be said to fulfil a historical movement away from an integral and national regional policy scheme where the policy field formally known as regional policy is divided into two new policy labels: regional development policy and rural policy. ■

Kainuu to Experiment with Regional Council

by Jon P. Knudsen

The Finnish tradition of week regional administrations will be challenged by a new bill authorizing the region of Kainuu to set up a regional council somewhat like the regional councils of Denmark and Norway from 1 January 2005. The expiry date for the experiment is set to 31 December 2012. The council will consist of elected representatives from all of the municipalities in the region, and it will be given the power to decide upon regional planning and structural funds, as well as on service provision related to health and secondary education. The region has some 84,400 inhabitants, and is centred on the towns of Kajaani and Kuhmo. ■

Proposal to Reinforce Support for Enhancing Swedish Mobility

by Jon P. Knudsen

A Swedish official report, *Geografisk mobilitet för sysselsättning och tillväxt* (Geographical Mobility for Employment and Growth) SOU 2003:37, has recently been presented with a view to discussing the formation of a number of political measures to strengthen the effects of mobility on regional and local labour markets performance.

The report starts by analysing the historical downturn in the interrelationship between job seeking and geographical mobility since the 1960s, and argues that the need to stimulate job related mobility is now particularly strongly felt in smaller and remote regions. The report therefore suggests the introduction of time-limited and partial tax exemption for key personal in connection with movements to such areas. The report also proposes to reinforce the already existing measures of financial support for people commuting beyond the standard daily commuting boundaries. On the other hand, the report proposes to phase out some of the currently existing minor incentives judged inadequate to spur significant job-related mobility. ■

Continuity in Icelandic Regional Policy

by Jon P. Knudsen

The May national election in Iceland secured the continuation of the centre-right coalition of the



Siv Friedleifsdóttir

Independence Party and the Progressive Party, though their power-base in the Althing has been slightly weakened. Valgerður Sverrisdóttir (PP) will keep her position as minister for regional policy. This suggests that the main guidelines of Icelandic regional policy, as agreed upon in the Regional Plan (2002-2005), will remain stable. The



Arni Magnusson

new minister for social affairs, with responsibility for the municipal sector, is Arni Magnusson (IP). Siv Friedleifsdóttir (PP) will remain as minister for the environment, though



Valgerður Sverrisdóttir

she will be replaced by Sigridur Anna Thordardóttir (IP) in September 2004. ■

Norwegian Government Launches Urban Policy Scheme

Norwegian minister for regional affairs, Erna Solberg, has presented a report to the Parliament stating the need for, and the content of, an urban policy scheme.

by Jon P. Knudsen

Being more periphery-oriented in regional policy design than most other European countries, the present Norwegian government made history by presenting a new urban policy scheme to Parliament on 9 May. Traditionally, urban policy in Norway has essentially been an extension of social policy, however the present report goes some way to severing this link by adopting much of the regional development analytical framework well known from state of the art European regional thinking. Indeed, the influence of the Finnish urban policy programme in particular is strongly felt after only a casual reading of the text. This is of course not entirely unexpected as inspiration from current Finnish policy achievements was actively sought throughout the process of writing the report.

The minister promises the main urban centres of Norway, notably Oslo, Bergen, Trondheim, Stavanger, Kristiansand, Tromsø, and to some degree Drammen and Fredrikstad, a stronger role in shaping the regional growth processes and service provision patterns in their respective regions. The initial practical consequences will however entail only timid experiments with the municipal coordination of

functions, otherwise procured by the state or county councils, relating to social policy, psychiatric health care, labour market boards, communications, garbage collection, secondary education and cultural administration.

More important seems to be the fact that the report establishes the pivotal role of some urban centres as regards economic and social balancing and in respect of the functioning of the country more generally. Historically, regional policy in Norway has meant a periphery-oriented policy designed to counterbalance the growth-impetuses from urban centres. This situation is now about to change, though the issues of the institutional incorporation of the new urban policy scheme into the overall Norwegian regional policy concept remains to be dealt with. The most intricate task in this respect will be to establish a new division of labour between the county councils who have traditionally undertaken the role of regional development agents, and the larger urban municipalities now increasingly eager to contest the position of the county councils.

Having cooperated closely with the urban municipalities in question, the minister has tactically downplayed the importance of this conflict reassuring the county councils of their leading role as regional policy actors. ■

EU Reluctant to Accept Norwegian Amendments to Differentiated Social Security Contributions

by Jon P. Knudsen

As reported in the March issue of the Journal of Nordregio, the Norwegian Government laid out its proposal to alter the Differentiated Social Security as a response to claims made by the EFTA Surveillance Authority (ESA) on a conflict with EU competitions rules. The immediate answer from the ESA

to this statement is however partly negative. ESA doubts whether a zero taxation zone in the far north will be acceptable under any circumstances, and voices several objections to the proposed transition arrangements proposed by the Norwegian Government. It is believed that the negotiating process between the ESA and the Norwegian Government will last for several months. ■

Car Testing Rescues the Interior North

Arjeplog, Arvidsjaur, Jokkmokk and Älvsbyn – such place-names simply invoke in the minds-eye the dichotomy that is the modern countryside, with peripheral, beautiful scenery and ubiquitous regional problems all going hand in hand. But things are changing, for instance, with a car test cluster now being developed to save a region with few other alternatives.

by | Jon P. Knudsen

Together with the crisis ridden mining town of Kiruna, the tiny centres of the interior north of Sweden are heading for a brighter future than until recently could perhaps have been perceived as possible, in the main through the emergence of an industry with clear preferences for cold climate, remote locations and plenty of space, namely, the car test industry. A recent report presented by the Ministry of Industry, Employment and Communications (*Testverksamhet m.m. i övre Norrlands inland – en ny bas-industri*) highlights the importance of the car test industry to this part of the country. Having a turnover of over 500 million SEK and growing to the tune of 20 – 25 per cent per year, the industry employs 500 persons on a yearly basis and more than 1,500 persons seasonally. This industry has thus become one of the cornerstones of the regional economy, attracting firms from all over the world to the region.

The report discusses the measures needed to further strengthen the cluster while highlighting the need for better physical and human infrastructures to be put in place. Broadband has recently been introduced to all of the relevant locations, but hotels, airfields and the educational system will need further upgrading to meet the needs of industry. The educational effort is particularly important in order to secure the links between the various activities and the local labour markets.

A widening of the cluster to encompass related foreign military winter activities is currently being discussed with the subsequent proposal to consider this in a wider political context. ■

Uncertain Effects of Swedish Objective 2 Programmes

An evaluation recently made public by NUTEK questions the lasting effects of EU Objective 2 programmes in three designated Swedish regions.

by | Jon P. Knudsen

The *ex post* evaluation of the EU Objective 2 programmes in the regions of Bergslagen, Fyrstad and Blekinge for the period 1995 – 99 was recently presented by the Swedish Business Development Agency (NUTEK). Having spent a total of 455 million Euros in these regions, the results from the programme may seem rather meagre in comparison.

Concerning the direct employment effect, the evaluation concludes that most of what did exist seemed to have faded by the time of evaluation. However, interviewees maintain that there remains substantial indirect employment stemming from the programme, though they were often unable to quantify this effect. Moreover, the programme is thought to have had a positive effect on business start-ups, though the evaluators again point to the lack of reliable data to substantiate this finding more precisely.

Concluding their investigation, the evaluators state that “..(t)he most important lasting effect is that the programmes have been seen to contribute to an increased level of preparedness and awareness in relation to ongoing and anticipated structural change in the regions and in most municipalities. The preconditions here for such preparedness was the multitude of projects actually launched, and also the fact that the structural funds introduced new incentives for new projects and new business ideas.” ■

Finnish Change of Government

by | Jon P. Knudsen

The advent of a new red-green government in Finland following the April elections has brought about a number of changes in respect of planning, the environment and regional policy. The new minister for regional policy and municipal affairs in the Ministry for Interior Affairs is Hannes Manninen from Tornio in Ostrobothnia, a veteran of the



Hannes Manninen

Agrarian Party, and now a member of the ruling Centre Party.

Manninen has promised to strengthen the role of regional policy. The first indication of this is a proposed 20 per cent budget rise for the two national programmes oriented towards urban centres and centres of competence respectively. Manninen has also expressed his intention to broaden the geographical scope of the Urban Centre Programme so as to encompass wider areas than were originally planned. Furthermore a special report is being prepared on the future regional arrangements of the Greater Helsinki Region. This work should be viewed in connection with the recent OECD report on the GHK.

Responsibility for housing questions has been transferred from the Ministry of Environment to the Ministry for Interior Affairs.

The new minister for the Environment is Jan-Erik Enestam from the Swedish People's Party. ■

The EU is Having a Closer Look at European Mountain Regions

The Study of mountain regions commissioned by DG Regio has now settled on the delimitation of what is a mountain. By the end of 2003, the analytical basis for the policy field may also in place.

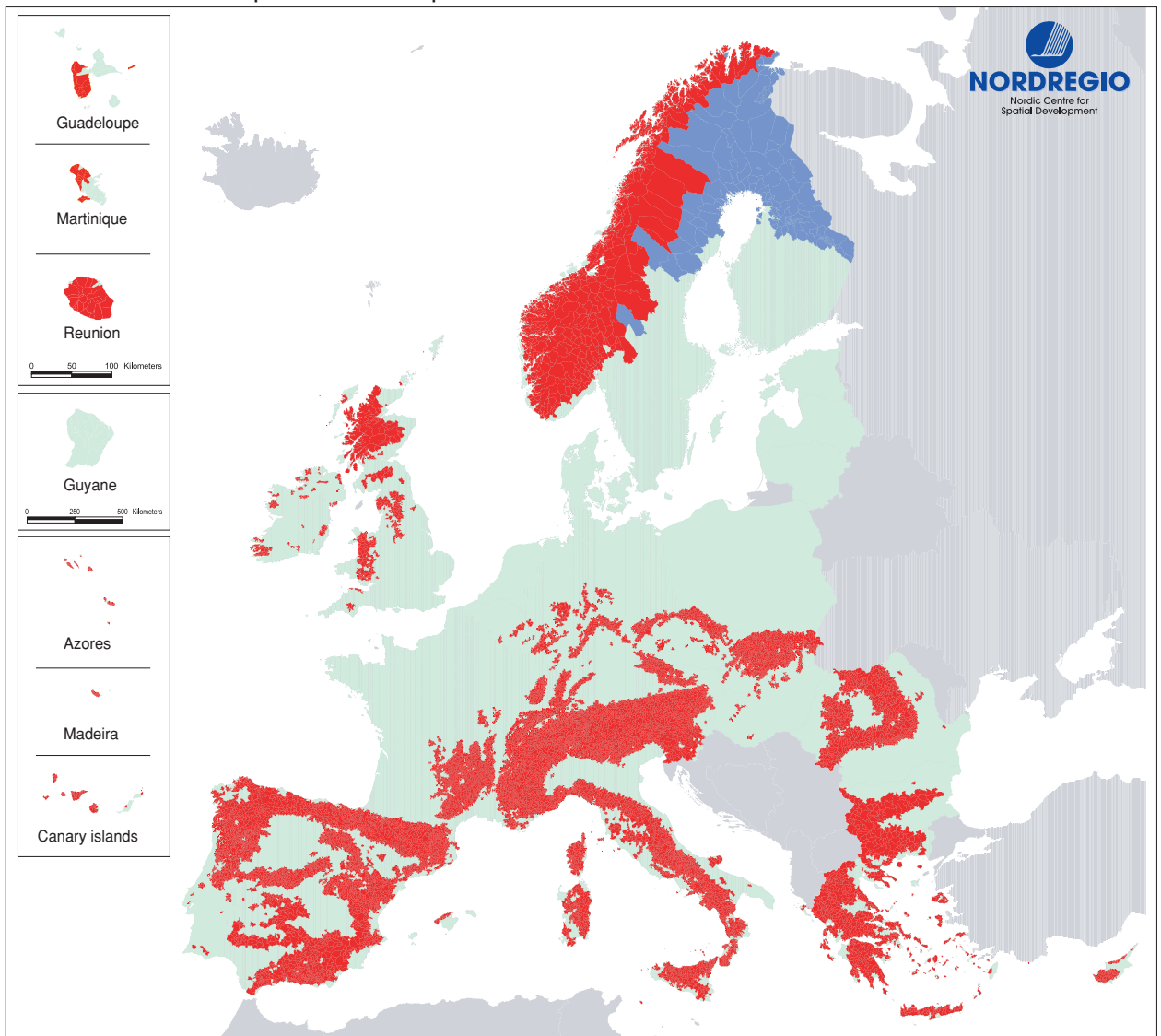
by Jon P. Knudsen

The desire for a European policy for mountainous regions and communities has long since been voiced.

The second European cohesion report states the priority for this to be dealt with in future Union regional policy. Both the European Association of Elected Representatives from Mountain

Areas, AEM, and the European association for cooperation between mountain regions, *Euromontana*, have avidly followed the development of this issue. As a consequence the Commission has started work to

Mountainous municipalities in Europe



Legend

Municipalities considered mountainous

- Municipality with over 50% mountainous terrain
- Municipality with over 50% of its terrain assimilated to a mountainous area for climatic reasons
- Study area

0 400 800 1200 km

Sources boundaries: Eurogeographics, NCRD, ESRI Romania, Eurostat GISCO

establish the framework for a mountain policy. *Nordregio* has been given the task of coordinating a study for the establishment of the technicalities of such a policy.

The study consists of three main strands, namely the geographical delimitation of mountain areas, the establishment of a geographical database for the socio-economic analysis of mountain areas at low geographical levels, in order to analyse the situation in the respective mountain areas and, finally, the review of existing strategies and policies for mountain areas across Europe. The study covers all EU member states and accession countries, plus Norway and Switzerland, for a total of 29 countries in all.

The geographical limitations concluded from the project were adopted by the Commission on 29

January and have been reported in the project's second interim report. 23 of the countries in question were found to have mountain regions as defined in the project (see map).

As for the adopted model the following criteria have been agreed upon:

Basic Criteria:

- Elevation above 2500m or
- Elevation above 1500m and slope > 2° or
- Elevation 1000m – 1500m and slope > 5° or
- Elevation 1000m – 1500m and local elevation range (7 km search radius) > 300m or
- Elevation 300m – 1000m and local elevation range (7 km search radius) > 300m or
- Elevation 0m – 300m and standard deviation (3 km search radius) > 50m
- Isolated mountainous areas

5km² or smaller have been removed.

Additional Criteria:

- Areas with a climate contrast index below 0.25 were considered to be comparable to mountain areas.
- Municipalities are considered mountainous if mountains cover 50% or more of their area.
- Single municipalities or neighbouring municipality groups with a total area of 50 km or less were filtered out. This filter is applied to land areas larger than 300km² only.

At the current time of writing work is concentrating on the second and third strands of the project with an estimated final report being submitted to the Commission in the autumn of this year. ■

Participating in European Integration – the Costs of Coming Together

Peripherality is often associated with a number of disadvantages. Often relatively poor regional economic performance is seen as the outcome of low accessibility to the main European markets. The Nordic and even other regions face additional disadvantages due to their remote location. One of which is that they generally incur extremely high travel costs just to participate in European integration.

by Jörg Neubauer

The survey presented here illustrates the spatial dependence and structure of travel times and costs in Europe by means of a real life example. Thus a one-day meeting during the week is assumed to take place at venues in central and peripheral Europe involving some 35 participants travelling from countries almost Europe, namely from capitals (group 1) and some selected non-capital towns (group 2) of the EU/EEA territory, as well as from the capitals of accession countries (group 3). Further details are given in the info box below.

Two months in advance of the assumed meeting a travel agency calculated travel times and costs for every participant and potential meeting place. *Travel time* is the total time required to attend the meeting, i.e. to and from the home or

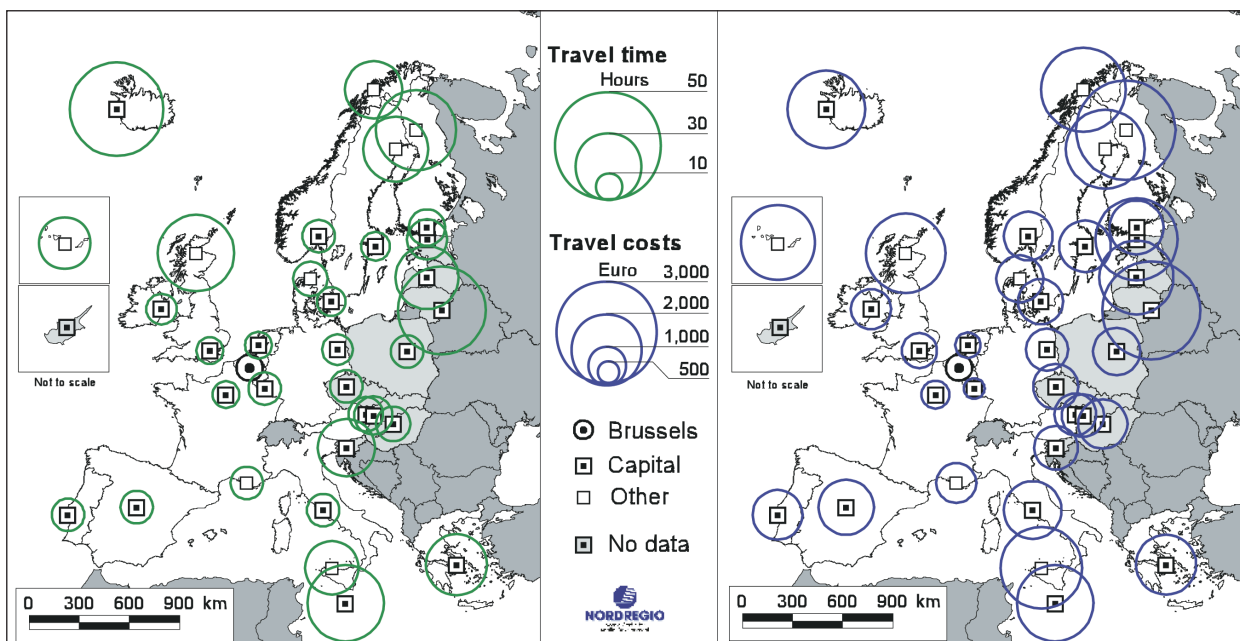
office doorstep of the participant. Travel time includes the time taken to approach the terminal and to check in, time for train and/or air journey, time to approach the meeting location and time for the meeting itself (six hours), and, if necessary factoring in an overnight stay. However, real flight and train timetables have been used, something that regularly extends the travel time with time spent in waiting for the next possible departure. The time to approach the terminal/meeting location



Jörg Neubauer

has been set to 90/60 minutes for flight and 30/30 minutes for train connections. Travel costs comprise costs for transport, an estimated amount for the travel time of the participants, and costs for required overnight stays. Transport costs include expenditures for long-distance train and/or flight tickets with an option to switch between modes in order to keep the total travel time as short as possible. The cost of local transport is excluded. The travel-time value of the traveller is charged at EUR 500 per working day, with overnight stays contributing a further EUR 105 a night.

London turns out to be the optimal venue requiring the lowest total travel budget (EUR 58,942) as well as the lowest total travel time (729 hours). However, the other three central European venues looked at incur additional costs of only



Travel time (left) and travel costs (right) for a 6h meeting in Brussels.

between 2-5%. With a venue in peripheral Europe however total expenditure significantly increases, even if a venue such as Stockholm may be more easily accessible from some accession countries. Thus Stockholm incurs 20% additional costs, while Madrid exceeds the London budget by some 50%. Similar differences are also true with regard to travel times.

Participants from EU/EEA capitals (group 1) generally enjoy similar low expenditures for a central

European venue but expenditures for participants from remote EU/EEA capitals can easily double when choosing a venue in peripheral Europe. In the case of Brussels, only Athens and Reykjavik stand out with their time-cost proportion. Attending the meeting from a non-capital town of the EU/EEA territory (group 2) significantly boosts expenditures that are often comparable to the higher expenditures of a participant from a capital town of the candidate countries (group 3). The travel costs of participants

from group 2 and 3 are often close to double those of group 1. At present, the capital towns of the candidate countries suffer from relatively bad accessibility to the European centre, particularly in respect of the moderate physical distances actually involved. This holds particularly true for the capitals of the Baltic States (Tallinn, Riga and Vilnius), and not only in the depicted case of Brussels. The choice of London as a venue clearly reduces the high expenditures of several participants getting more of them close to the time-cost proportion of participants from EU/EEA capitals. In contrast the choice of Madrid as a venue not unexpectedly significantly increases costs.

Travel time and travel costs rise more or less simultaneously according to the pattern depicted above. Therefore participants from non-capital towns in the EU/EEA (group 2) as well as participants from capital towns of the accession countries (group 3) are often at a double disadvantage. This appears to be even more distinct in remote EU/EEA parts such as the Nordic countries, Spain or Scotland. Participants from Luleå, Inverness, Rovaniemi, Tromsø, Vilnius or Riga for instance often have to spend significantly more travel time and travel money than do participants from the EU/EEA capitals, particularly when attending a meeting held at a central European location.

Of course, developments in the extremely dynamic air travel market such as new flight services or new tariff structures may significantly change the picture given by the survey. However, the overall result, that typical European business meetings are best held, from an economic viewpoint at least, in the central European agglomerations, and that the European periphery faces serious disadvantages in terms of travel times and the cost of participating in European affairs, is unlikely to change any time soon. ■

The survey was published as part of the Nordregio publication, *European Accessibility and Peripherality: Concepts, Models and Indicators* (Spiekermann & Neubauer 2002) which can be downloaded from our website www.nordregio.se

MEETING FACTS

Date	Tuesday, 10/9 2002
Duration	11 am until 17 pm (six hours)
Venues	Brussels, Frankfurt (central) London, Paris (central) Madrid, Stockholm (peripheral)
Participants	Group 1 (17 participants) EU/EEA capitals Group 2 (8 selected participants) Non-capitals of the EU/EEA: Aalborg (DK), Inverness (UK), Las Palmas (ES), Luleå (S), Marseilles (F), Palermo (I), Tovaniemi (FI), Tromsø (N), Group 3 (10 participants) Accession countries' capitals
Travel time	729 – 1,117 hours in total (Venues of London – Madrid) Venue Stockholm: 899 h
Travel costs	58,942 – 88,547 Euro in total (Venues of London – Madrid) Venue Stockholm: 70,895 Euro

THE 5TH NORDIC ENVIRONMENTAL ASSESSMENT CONFERENCE

PLANNING FOR SUSTAINABLE DEVELOPMENT

Reykjavík, 24 – 26 August 2003

– the practice and potential of environmental assessment

The 5th Nordic Conference on Environmental Assessment will be held in Reykjavík, Iceland 25 – 26th August 2003. The Conference will be organised by the Planning Agency, Iceland and by NORDREGIO in cooperation with the Ministry for the Environment and the University of Iceland.

The theme of the conference will be “Planning for sustainable development - the practice and potential of Environmental Assessment”. The overall aims of the conference are to describe, analyse and discuss the role of Environmental Assessment with respect to planning and the political goal of sustainable development. The conference will focus on experiences thus far, and on emerging issues with regard to the assessment of policies, plans and programmes through Strategic Environmental Assessment (SEA), as well as on the assessment of projects in Environmental Impact Assessment (EIA).

Furthermore, the theoretical basis of environmental assessment will be explored, in particular with regard to existing theories of planning and policy analysis, while recent developments in the field of planning theory with relevance to the impact assessment field will also be highlighted.

PROGRAMME

The programme starts with a one-day field trip to the Reykjanes peninsula on August 24th, followed by a two day conference with plenary and parallel sessions on August 25-26th. A joint conference dinner will be held on the 25th of August.

The conference programme and registration form are available on Nordregio's homepage www.nordregio.se (conferences) and on the Planning Agency's homepage www.skipulag.is

Welcome to the 5th Nordic Environmental Assessment Conference in August 2003!

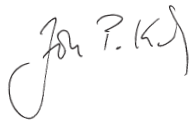
For further information about the conference please contact:

Thóroddur F Thóroddsson
Planning Agency
Iceland
Tel: +354 595 4100
Fax: +354 595 4165
e-mail: toroddur@skipulag.is

For information regarding travel and practical arrangements please contact:

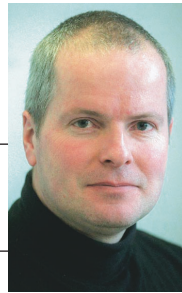
Iceland Incentives Inc, Iceland
Tel: +354 554 1400
Fax: +354 5541472
e-mail: neac@iii.is

One of the main ambitions of regional policy is to be integrative and holistic in a situation where fragmentation and sectorial interests otherwise rule. Regional policy is of course not the only policy field to opt for integration and holism, nor do these options encapsulate its sole ambition. But there is something regional to everything as there is also a regional aspect to every corner of a country.



JON P. KNUDSEN
Senior Research Fellow and
editor of Journal of Nordregio

exclude wide swathes of regional Sweden. The growing suspicion is that the government wants to withdraw its frontlines for regional growth to those regions it thinks most likely to succeed, leaving the rest of the country to the laboratories of some kind of rural development, whatever that may come to mean.



These almost self-evident lines of argument are nevertheless often forgotten as policy fields seek to renew or reorient themselves to meet new challenges. One interesting consequence of the recent Swedish redefinition of regional policy to mean regional development policy, as if the previous regional policy paradigms were not geared towards development, has been to propose a separate policy scheme for rural areas divorced from the main regional development policy programme. The future of rural areas is, according to a recent proposal (SOU 2003:29 "*Mot en ny landsbygdspolitik*") to be administered by a reorganised ministry of rural development and agriculture.

The argument put forward is startling. Regional development policy, it is maintained, can only apply to parts of the country covered by local labour markets (LLMs), i.e. functional regions offering some minimum of commuting possibilities and labour market differentiation. In consequence, it is now argued that all areas beyond these LLMs should not be the objects of regional development policy, but rather of something else. As such, the definition of regionality has been so construed as to

The effect is nevertheless to refrain from building a regional policy scheme integrating the various parts of the country in a comprehensive way.

In Norway the tradition has been to do it the other way around. Regional policy has for decades come to mean a development policy restricted to the outskirts and the less favoured areas. As regards the fastest growing and most urbanised regions of the country, various governments have had little or nothing to offer. These regions were not regional in the political sense of the word resulting in regional policy losing its comprehensive approach and subsequently also a significant share of its electoral legitimacy.

The present government has recently tried to make up for this bias by launching a new urban policy aiming at linking traditional regional policy with the increasing need to cater for the regional role of the main urban centres (St.meld.nr.31 "*Storbymeldingen*"). Whether this effort will prove successful or not it is too early to tell, the work still needed to merge the two policy fields being substantial.

Conceptual Residuals in Regional Policy

What these examples tell us though is that the regional approach is often not as integrative as it should have been. In Norway this is demonstrated by the historical neglect of the cities. While in Sweden it is demonstrated by the present ambition to move rural areas out of the scope of regional policy. In both cases regional policy avoids its mission by redefining its task to exclude certain problematic parts of the country, in Norway to the historical detriment of the main urban regions, and in Sweden to the future detriment of the peripheries.

Linguistic turns or the adoption of special terms will often reveal the significant changes in underlying assumptions. In Norway regional policy is most commonly understood as "*distriktpolitik*", where "*distrikt*" is synonymous with remote or less favoured regions. In Sweden, as in Finland, "*regional policy*" has almost fallen out of usage to be replaced by the apparently more dynamic expression "*regional development policy*" in tandem with a reorientation of the policy field to accommodate, it is perceived, a more dynamic clientele.

In this light then it would be interesting to gauge reactions to a suggestion to simply reintroduce the term "*regional policy*" acknowledging the necessity for such a policy agenda to meet the diverse needs of different people all across the country, not in a uniform way, but with various blends of policy measures tied together at the national level through a genuinely comprehensive regional policy. ■

Nordic Sustainability Challenges

Increasing interest in the notion of sustainable development has now succeeded in giving the concept buzz-word status among the cognoscenti of the Regional Development mafia. When it comes to translating such notions into political practice however the term needs greater analytical precision and institutional clarification. The Journal of Nordregio has invited three scholars/practitioners to deal with the regional aspects of the implementation of the sustain-

able development concept. Keith Clement gives an overview of the state of the art concerning sustainable regional development institutionalisation in the Nordic countries, Terhi Trast discusses Finnish sustainable development progress viewed from a governmental perspective, while Erik Westholm asks for a strengthened social focus in Swedish sustainable development policy application.

Sustainable Regional Development – Nordic Achievements in a European Context

Regions are the natural basis for practical implementation of sustainable development. They are the cornerstones of the edifice of sustainable development (Kneucker, 1998).

by **Keith Clement**
Senior Research Associate,
Nordregio

In the broad debate on how to achieve sustainable development (SD), the regional level is now recognised as an important focus for strategic intervention. This is justified firstly by the significant role of regions as intermediaries between national and local levels, and secondly by the growing consensus that sustainability is an essential criterion within future regional development.

To meet the challenge facing decision-makers, the concept of sustainable regional development (SRD) has been promoted, referring to the integration of sustainable development principles into regional development practice. In addition to matching policy trends at EU and national levels, SRD aims to act as a catalyst in raising awareness amongst regional development professionals. It illustrates that there is no longer scope to concentrate only on economic growth, and the broader perspective may encompass activities ranging from new forms of partnership to innovative planning and integration methodologies.

European SRD Activity

In the European context, a number of initiatives have supported the institutionalisation of SRD, and the

results have been published to varying degrees in cross-national comparative studies.

For instance, a seven-region project involving Austria, Belgium, France, Germany, Italy and Sweden compared experiences in order to propose guidelines for sustainable development at the regional level (Schleicher-Tappeser and Faerber, 1998). Its main conclusions were that sustainable development is not only necessary, but also profitable in the broadest sense, and that the different backgrounds of regions strongly influence their approach to sustainability.

A subsequent project focused on five regions in Austria, Germany, Ireland, Italy and Switzerland, with the objective of identifying successful approaches to SRD. Its key factors of sustainability included legal, institutional, cultural, financial and managerial perspectives, and it proposed a common evaluation framework for regional development policies and strategies using qualitative sustaina-



Keith Clement

bility indicators (Schleicher-Tappeser *et al*, 1999). Other project outputs comprised documented case studies and examples of best practice, and a framework for quality management of SRD.

In addition to the Europe-wide research projects, the theoretical and practical development of SRD has been supported by a series of multidisciplinary conferences and international workshops (Gabriel and Narodaslawsky, 1998; Häkkinen, 2000; Larrue, 2002). This momentum has included the formation of ENSURE, the European Network for Sustainable Urban and Regional Development Research, and the launch of REGIONET, a thematic network project aimed at providing an interdisciplinary approach to support the implementation of sustainable regional development in Europe. A key characteristic of this exploratory process has been the identification of differentiated experience between countries and regions, offering scope for researchers and practitioners to learn from each other.

EU Engagement

Within the EU institutions, sustainable development has seen rapid progress in recent years. In 2001, the European Summit in Gothenburg endorsed an *EU Strategy for*

Sustainable Development. This advocates a new model of development in which economic growth supports social progress and respects the environment, social policy underpins economic performance, and environmental policy is cost-effective. Encompassing all sectors and all levels of government, the strategy is expected to become a driving force for institutional reform.

In terms of SRD, the EU has approached this through focusing on the Structural Funds. Sustainable development became a horizontal principle for the funding period 2000-2006, and programmes and projects must now demonstrate consideration for the interrelationship between economic, social and environmental dimensions. To assist the transition, twelve pilot regions were analysed for SD experience in terms of problems faced, solutions tested, and lessons learned (Moss and Fichter, 2000). The research results indicated that there was no single preferred approach to promoting sustainability, and that SD must be perceived as a new development paradigm guiding the transition from existing practices towards more integrated, long-term development objectives.

The key documents attempting to rationalise SRD have recently been augmented by an EU Thematic Evaluation (CEC, 2002). Its objectives were to develop methods, indicators and approaches to evaluate SRD and to identify ways for Structural Funds projects to promote SRD. The synthesis report provides tools and methodologies to assist regions, Member States and the EU to enhance the sustainability of programmes in the 2000-2006 period. It is also intended to act as guidance for policies beyond 2006, with particular relevance for programmes in the new Member States.

Nordic Performance

Within the Nordic countries, a cross-sectoral strategy for sustainable development has been operational for over two years. Fulfilment of the strategy is expected to bring considerable advantages for economic development, competitiveness and employment, with participation of actors in local, regional and national governments, business and industry, and NGOs. The Strategy contains qualitative targets and measures for the

period 2001-2004, and long-term objectives for sustainable development in the Nordic Region before 2020.

With regard to the incidence of SRD in the Nordic countries, a series of Nordregio projects have addressed this issue. Two reports have been published (Clement and Hansen, 2001; Clement et al, 2003a), and a third is currently considering comparative elements outside Nordic experience. The first findings within these projects revealed that Nordic regional policy-makers were mostly unaware of the existence of SRD, and there was a degree of conceptual overlap whereby themes such as sustainable development and environmental planning were assumed to refer to identical activities. In practice, this was perceived as hindering the transition to SRD.

On the other hand, the research found that in the absence of national or Nordic guidance specifically on SRD, a wide range of project types and methodologies had been adopted as individual regions attempted to integrate SD and regional development. In some instances, very considerable progress had been made in introducing new policy instruments and public participation, whereas in others the outcomes were less successful, for example in promoting integrative methods or revising political and social priorities.

Examples of four innovative projects with SRD characteristics in Denmark, Finland, Norway and Sweden can be summarised here. In Denmark, *Destination 21* comprises a tourism initiative where sustainability is promoted within a region, as well as targeting the tourism planning framework and its products and services. Participating regions work through a 3-phase process to receive the D21 designation and continue the cycle of improvement. This initiative is considered to have brought stakeholders together for the first time, initiated a common dialogue, and applied a range of sustainability criteria. Progress has been slow, with only two destinations reaching the operational phase, but the acquisition of further public funding is expected to encourage more involvement.

In Finland, the *Learning Sustainability* project was designed to increase capacities to tackle key challenges in marginal areas. These

included the outmigration of younger generations, the loss of cultural and natural resources, and difficulties for SMEs to compete on the market. As an international collaborative project (with Italy and Portugal), its activities included interregional exchange of experience and village development strategies. The project is considered to have created a positive image for Lapland and an inspiration for the future in the form of a tourism village network. The aim is to convert this network into a brand that the villages can utilise as a guarantee of quality for products and services.

In Norway, the project of *Sustainable Development through Planning* (SDTP) was launched as a catalyst to enhance co-operation and cohesion between local authorities in the Greater Bergen region. It sought to link spatial planning with economic development, drawing on the principles of sustainability as a common goal. A baseline study outlined socio-economic and physical characteristics of the regional environment, and sustainability categories and indicators were identified. The project influenced the operation of the Greater Bergen Regional Association, it introduced responsibility for sustainable development, and a subsequent regional goal aimed at decreasing energy consumption and moving towards environment-friendly sources.

In Sweden, the *Natural Resource Centre* (NRC) in Dalarna was established with the objective of assisting the region's transition to an ecologically-based economy. Emphasis was placed on the development of sustainable businesses, with a focus on SMEs. Greatest progress was made through network activities to raise knowledge levels and encourage companies to reduce the impacts of their products and production methods, an area in which the NRC identified a specific niche. Today, the NRC operates as a regional development agency focused on sustainable development and sustainable growth, seeking to support the regional development process through networking and dialogue.

Nordic Structural Funds

With regard to the EU Structural Funds programmes operating in the Nordic countries, a forthcoming Nordregio report assesses their relative performance in contributing to

SRD (Clement *et al*, 2003b). The preliminary results for the country-specific (Objective 1 and Objective 2) programmes are insightful. With regard to SD, the programmes were examined from the four perspectives of strategy, targets, continuity and integration.

No examples were found of programmes using an overarching SD strategy as part of the programme rationale. The most similar input occurred in three Finnish programmes and one Swedish programme, where the programme strategy either drew upon or incorporated aspects of SD objectives. With regard to SD targets, no programmes included such specific commitments. Even in cases where SD had appeared as a strategic objective at programme level, this was not translated into numerical goals or targets. This contrasts with other horizontal objectives such as gender equality, which featured quantified targets.

The theme of continuity related to whether SD was traceable through programmes from the strategic level down to the priorities, measures, and project guidance and assessment. The research revealed either no continuity - particularly in Denmark and Sweden - or very limited impact in terms of maintaining the profile or aspiration of SD at each administrative level. Lastly, the theme of integration takes into consideration the three previous themes and additional factors such as the identification of SD indicators for use at each administrative level and mechanisms such as a regional index of sustainable development. Performance in this collective theme was uniformly poor across the Nordic countries.

Conclusions

The practice of SRD is continuing to gain momentum and status, and it now presents both policy challenges and policy opportunities in conventional approaches to regional development. As indicated, European research and consultancy activities have attempted to define, measure and realise SRD, with outputs that establish networks for collaboration and a range of documentation aiming to rationalise the design, management and evaluation of SRD in practice. The most recent contribution comprises a strong focus on the potential of the Structural Funds, as they represent a major driver of regional

development throughout the EU. Nevertheless, most of this activity has been conducted in recent years, and its dissemination remains restricted.

In the Nordic countries, with the absence of national and EU guidance to design SRD projects, regional actors have launched a diversity of public sector initiatives with varying effectiveness. This has resulted in project types with varying strengths in SRD, with a strategic approach that has evolved independently, often with a bottom-up form of participation. In this respect, the lack of guidance may have been beneficial, precluding the uniformity of project design that generally characterises development applications to high-profile funding sources.

Within the Structural Funds, regional programmes in the Nordic countries have not been effective in incorporating SD principles, nor have they performed well in the task of translating SD into a workable concept for the regional level. In this respect, Denmark's longer experience of the Structural Funds has evidently not proved to be an effective advantage, and there is no evidence that the Structural Funds have been a catalyst or source of inspiration stimulating SRD initiatives in the Nordic countries. Instead, parallel regional initiatives have been more effective in conceptualising SRD and producing innovative project ideas and applications.

Even though the Nordic countries have operated largely independently of the mainstream European dialogue on SRD, they have still produced valuable and innovative SRD-related projects. Whereas in some EU Member States, the Structural Funds have initiated and determined how sustainable development is perceived and realised, the experience of the Nordic countries is very different, with the likelihood that in future the knowledge transfer may move in the opposite direction. More specifically, European partnerships within and outside the Nordic context may benefit from studying and assimilating these projects that offer greater practical experience and tangible achievements in delivering SRD. ■

References

Clement K and Hansen M (2001) *Sustainable Regional Development in the Nordic Countries* Nordregio Report 8-2001.

Clement K, Hansen M and Bradley K (2003a) *Sustainable Regional Development: Learning From Nordic Experience* Nordregio Report 2003.

Clement K, Hansen M. and Bradley K (2003b) *Assessing Environment and Sustainable Development Integration in the Nordic Structural Funds*, Nordregio Report 2003.

CEC (2002) *Thematic Evaluation on the Contribution of the Structural Funds to Sustainable Development: A Synthesis Report*, Directorate General XVI, Commission of the European Communities, Brussels.

Larrue C (ed.) (2002) *Regions - Cornerstones for Sustainable Development: Research and Sustainable Regional Development*. Proceedings of the Third European Symposium, Maison des Sciences de l'Homme, Villes et Territoire, Université de Tours, France.

Gabriel I and Narodaslawsky M (eds.) (1998) *Regions - Cornerstones for Sustainable Development* Conference proceedings, October 28-30, 1998, Graz, Austria;

Häkkinen L (ed.) (2000) *Regions - Cornerstones for Sustainable Development* Proceedings of the second European Symposium, Joensuu, 13 - 14 September 1999, Academy of Finland and European Commission.

Kneucker, R (1998) "Introduction", in Gabriel & Narodaslawsky, op. cit.

Moss T and Fichter H (2000) *Regional Pathways to Sustainability: Experiences of Promoting Sustainable Development in Structural Funds Programmes in 12 Pilot Regions* European Commission DG Research, Brussels.

Schleicher-Tappeser R and Faerber (1998) *Towards Sustainable Development: Experiences and Recommendations of Seven European Regions* EURES, Institute for Regional Studies in Europe, Freiburg.

Schleicher-Tappeser R, Lukesch R, Strati F, Sweeney G and Thierstein A (1999) *Instruments for Sustainable Regional Development: The INSURED Project - Final Report* EURES Discussion Paper 9, Institute for Regional Studies in Europe, Freiburg.

The Lost Social Dimension in Swedish Regional Policy

The aim of Swedish regional policy is to establish economically, socially and ecologically well functioning and sustainable labour market regions in all parts of the country. The policy measures, though, are almost entirely directed towards economic growth. As such, social sustainability is given a subordinated role as something that automatically follows on from economic growth. The demographic picture as regards the future for many regions is however sending us a rather different message; growth is not the most likely scenario. As the gaps are widening between households and localities, the issue of social sustainability is increasingly raised on the regional and local levels: what is the role of regional policy when growth is not an option? How can policy and planning support societies where dynamic labour markets do not develop? Is it possible to strive for social sustainability within the context of a declining economy?

by Erik Westholm
Senior Research Fellow
Swedish Institute for Futures Studies

Swedish regional policy is laid out in the Government bill 2001/2002:04 which was passed by the parliament in 2002. This piece of legislation sets out



Erik Westholm

an ambitious agenda. Although the analysis contained therein clearly reveals the difficulties lying ahead in many

parts of the country, with a declining and ageing population at the forefront of concerns, the policy stakes out economic growth as the main objective for all labour market regions.

The new regional policy is the latest step in a gradual change in the focus of regional policy from the geographical redistribution of welfare to what could be termed a developmental approach. During the 1990's, subsidies were gradually replaced by a regional policy promoting growth and development in all regions. As such, regional policy now aims at strengthening

the competitiveness of the nation on international markets. Focus has thus shifted from securing equal opportunities in all parts of the country to the expectation that every region will add to overall national economic growth.

The introduction of this type of regional policy, which conceptually comes close to industrial policy, has brought about a more pronounced divide between growth policies and welfare policies. So, what then has become of the issue of social sustainability also highlighted as an aim in the new regional policy legislation? The Government bill concludes that social sustainability shall be assessed as economic growth and the performance of the labour market (2001/2001:4, p 103). The underlying assumption is that the growth policy will create the welfare needed to secure the social dimension of sustainability. Therefore, there is no need for an independent assessment of social sustainability. It has no specific targets or indicators. Thus it has become a more or less irrelevant dimension.

A similar view, defending a growth policy that does not consider living conditions and the distribution of incomes and welfare, has long dominated development organisations such as

the World Bank and the IMF. This view has however been heavily criticised and challenged in recent years. The "trickle down" effect that should secure a fair distribution of the increasing welfare produced by growth does not always materialise.

The bill however does contain a window for discussion on the relationship between, welfare/human resources/capabilities etc on the one hand, and economic growth on the other. As such, welfare institutions such as schools, childcare and health care are mentioned as the prerequisites for economic growth. Accordingly, it is stated that good living conditions and sufficient service supply must be secured all over the country *in order to support growth*. Here, growth is the objective, with social and ecological issues viewed as the means to achieve it.

Consequently, in the implementation of the policy on a national level, the social dimension is largely absent. This policy decision was subsequently endorsed by a number of governmental organisations in this field, namely by NUTEK, The Swedish Business Development Agency, which is the central authority for industrial policy, ITPS, the Swedish Institute for Growth Policy Studies, which analyses growth

processes across the country, and Vinnova, the Swedish Agency for Innovation Systems, which promotes innovation, in addition to Inlandsdelegationen and Tillväxtdelegationen, two temporary governmental bodies with responsibility for parts of the country where the problems of increasing economic growth are profound.

So where do we find the ecological and the social dimensions of regional policy? The ecological dimension is generally to be found only in respect of a reference to the future implementation of national environmental policy. Most regional authorities, (länsstyrelser) operate ambitious schemes based on a transformation of the 15 national objectives into regional aims. These are communicated in broad reviews within the regions. In the Dalarna region, for instance, the implementation of a regional environmental policy is now under review in some 200 institutions/organisations across the region.

The social dimension is more problematic. Several studies indicate a growing gap between centre and periphery on the regional and national levels in Sweden. The problem of ageing and of the declining population is becoming pronounced in many rural regions. More than half of Swedish municipalities now expect long-term population decline, while most of them also expect a substantial decline in the working age population. As growth rates are closely related to the demographic situation, real competition exists over labour. All regions cannot be winners. As such, growth is not the most likely scenario in many regions.

Västra Götalandsregionen – a developed regional policy

On the regional level, awareness of social sustainability is

however increasing. The regional growth programmes are carried out in broad partnerships involving various interests. Living conditions and the distribution of welfare, as well as geographically uneven development, are increasingly worked into these agendas. Some regions currently operate their own schemes to assess the social sustainability of the region.

In the region of Västra Götaland, maintenance of the living conditions of the inhabitants is the primary aim of the region. Moreover this aim is not subordinated to that of economic growth. As such, the three dimensions of sustainability are seen as equally important, while interaction between the three dimensions is developed as a platform for the growth programme.

The indicators of social sustainability are:
work life (employment, participation),
education (participation, levels of education in the population),
health (length of life, birth survival),
incomes (low income rate, disposable income /adult)
participation (voting figures, crime, equal representation in elected assemblies)

Taken together, the economic and the ecological dimensions have 10 indicators. Sustainability is defined as a situation where all 15 indicators are developing positively.

The difference between the current approach to national regional policy and this regional approach is that in the latter case, the three dimensions of sustainability are seen as parts of a common enlarged and also more precise approach to economic growth than that to be found in relation to national regional policy.

The development of sustaina-

bility in Västra Götaland in recent years is, in this respect then, rather hopeful. Population increase in recent decades has laid the ground for the development of many of the indicators. The social dimension remain however most problematic, with three of the indicators showing a negative trend throughout the 1990's. For the future however a positive picture is painted, and sustainable growth is thus said to be within reach.

Social sustainability in regions with gloomy prospects.

In other parts of the country the situation is more problematic and economic growth is not the most likely future. The Federation of County Councils suggests that some rural regions will lose 30-40% of their population in the 30 years to come. Indeed, an analysis made by Persson/Nyström (2001) indicates that in some local labour markets, the labour force will not even be sufficient to cover staffing of the basic services provided by the local authorities, including the care of the elderly.

In these geographical areas, social sustainability as a goal will be severely challenged. If defined as something resulting from economic growth, there is no hope of social sustainability in many parts of the country. In these regions there is thus great concern for the future. In municipalities where it is obvious that neither population growth nor economic growth are likely to be the primary options, the issue of social sustainability is becoming even more urgent. Can economic growth or decline have various social outcomes? If that is the case it is necessary to develop the concept of social sustainability as a separate dimension that can be the target for policy developments with aims that are measurable in terms of both quantity and quality.

The indicators on social sustainability developed in Västra Götaland are a start. They show that there is a mutual interdependence between economic and social growth. Only when each has its own set of indicators is it possible to understand their true relation, and also to disclose any conflicting elements within them. In today's regional policy climate, social and the economic dimensions cannot conflict with each other as they are both assessed in terms of economic growth. For the same reason, the time scale is irrelevant; a growth policy that exploits human capital may in the end be counterproductive

also from a growth perspective. At the present, ill health, growing income gaps and fractured social relations can only show up indirectly, in terms of negative influences on the growth figures. And when this occurs, such data will not be understood, as it has not been properly scrutinised.

One part of this problem is that the language of regional policy on the national level is becoming separated from the reality on the ground at the local level. While problems of social cohesion and budget deficits are at the forefront in many municipalities, regional policy on the

national level is based on the growth opportunities that would be an option if the underlying demographics were not as they are. One alternative is to develop the social dimension in a similar way as in Västra Götaland. This implies that a number of welfare issues will be addressed in the end. It opens up the recognition, and subsequent discussion, of the problems faced by declining economies. The second alternative is that regional policy essentially becomes an adjunct to industrial policy. In this case, all thoughts of social sustainability would effectively be abandoned. ■

EU Structural Funds Promoting Regional Sustainability in Finland

by Terhi Trast
Senior Adviser
Ministry of the Environment
Finland

Sustainability is one of the horizontal objectives of the European Union. According to the Treaty of Amsterdam, it should thus be incorporated in all EU activities. In 2000, the European Council set a new strategic objective for the Union: "to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion". Again, in 2001, the European Council added to this objective an environmental dimension, i.e. the three dimensions of sustainability should go hand in hand in all EU operations. Thereby the European Heads of State and governments have raised sustainable development to become one of the focal objectives of EU.

The general regulations on the Structural Funds state that the Community shall contribute to the harmonious, balanced and *sustainable development* of economic activities in pursuing the objectives of the Structural Funds. In the agreement on Agenda 2000, the integration of sustainable development and structural policy is also confirmed.



Terhi Trast

Promoting ecological sustainability through regional development programmes

The present Structural Fund programming period started at the beginning of 2000. The environmental integration of

the Structural Fund programmes has been strengthened as compared with the previous period. In Finland, one aim is to channel EU funding to projects which have beneficial impacts on the environment. In the Southern Finland Objective 2 programme, this goal is 30%, and in the other programmes (Western Finland Objective 2, Eastern Finland Objective 1 and Northern Finland Objective 1), 20% of the EU financing is intended for environmentally beneficial projects. Nevertheless, the definition of "environmentally beneficial" has been a problem. It is very important to achieve a common understanding of what is meant, so that goal achievement can be assessed. In 2002, the Finnish Ministry of the Environment commissioned a study of the criteria for environmentally beneficial projects in order to make the definition clearer. According to Ms Kati Berninger, who made the study, environmentally beneficial projects are divided into two

groups: actual environmental projects, which expressly aim at promoting environmental activities; and indirect environmental projects, where environmentally beneficial activities do not constitute the main goal, although the project promotes such. An environmentally beneficial project is a project which aims at improving the state of the environment, promoting environmental awareness, or guiding activities which constitute a load on the environment in an environmentally better way. A project with considerable adverse environmental impacts cannot be regarded as environmentally beneficial, even though it might fulfil other criteria for environmental benefits.

By the end of 2001, an average of about 30% of the ERDF financing had been channelled to environmentally beneficial projects in Finland. In the European Union, the Finnish aim is *sui generis*, and this good practice should be spread to the whole Union when preparations for the post-2006 period are launched.

What kind of actual environmental projects have been financed? The EU financing has made it possible to improve city centres, to renovate cultural heritage sites, to improve water quality and water supply, and to promote nature tourism. The common denominator of these environmental projects is the role they play in the local economy. In addition to the environmental (ecological sustainability) goals, these projects have also contributed to improvements in the local conditions surrounding entrepreneurship, business and industry, and employment.

Regional economic and social sustainability

Economic sustainability means a continuous, well-balanced economic growth, but this growth is not based on getting into debt or wasting the capital in the long run. A sustainable economy is the basis of social sustainability.

In the field of social sustainability, the main goal is to ensure that preconditions for welfare continue to exist for one generation after another. The citizens' welfare is also a basic justification for better ecological sustainability. One of today's biggest social challenges is unemployment and the social exclusion it causes. Work is a very significant part of human life, and it affects our livelihood, the quality of life and our social relations. During the current programme period, the results achieved with the aid of the Structural Funds have been encouraging in the Objective 1 and 2 areas in Finland. About 30,000 new jobs have been created and approximately 4000 new enterprises have been started. The funds are channelled so as to increase entrepreneurship and promote know-how in the regions.

The ageing of the population is one of the biggest social challenges in the sparsely populated Finnish Objective 1 areas. There is a strong migration movement from rural areas to the cities, which coincides with the ageing of the baby boom generation. There is need for activities improving the quality of life of senior citizens. Again, on the other hand, any further increases in pension and health care costs should be prevented. There have been several Structural Fund projects improving the services intended for elder people and supporting ageing people who continue to work.

The future

At the moment, the mid-term evaluations of the Structural Fund programmes are in the full swing. These evaluations will be completed by the end of 2003. The function of these mid-term evaluations is to evaluate programme implementation, and also to provide suggestions for improvements. It is also vitally important to assess the effects of the programme with regard to sustainable development. Mid-term evaluations also contribute to the planning of the next programming period, 2007-2013. The current challenge is to improve the integration of sustainability in Structural Fund operations, especially environmental policy. The Structural Funds provide an important tool for achieving the objectives of Community policies. During the next period, the application of the EU Strategy for Sustainable Development and of the Environmental Action Programme should be improved in all Structural Fund programmes. Also, the implementation of the Polluter Pays Principle in Structural Fund operations must be clarified. Present problems in the monitoring systems must be solved, and the systems must be improved with regard to environmental impact and sustainable development.

Sustainable development is not a question of sector policy, but rather, in order to reach the desired results, we have to take sustainability into account in all decision-making and in all fields of operations. This particularly applies the the regional level. According to the subsidiarity principle, the regions have the main responsibility for implementing the Structural Fund Programmes. Thus co-operation at the regional level is very important for promoting sustainability. ■



Aall, C, Høyer, K G and Lafferty, W M (eds) 2002:

Fra miljøvern til bærekraftig utvikling i kommunene. Lokale agendaer, tiltak og utfordringer.

Gyldendal, akademisk, 413 pp.

by Tuija Hilding-Rydevik

Sweden was first (1992-1994), and at a high level. Then came Denmark (1995-1996), also at a high level, together with Finland and Norway at a medium level. These are the Nordic results of an evaluation of the width and amount of Local Agenda 21 initiative activities in 12 European countries reported in William Lafferty's contribution to the book *Fra miljøvern til bærekraftig utvikling i kommunene. Lokale agendaer, tiltak og utfordringer (Municipalities and the shift from environmental protection to sustainable development - Local agendas, activities and challenges)*. The overwhelming international scale of the production of books, reports and political rhetoric concerning sustainable development, since the publication of the Brundtland report, "Our common future" in 1987, however almost mandates that our initial reaction to this book should be: Oh no, not another book on sustainable development! Thus our over-familiarity with this concept makes one pose the question whether there is in fact anything more to be said on this topic? My answer is, yes, of course there is, because we can now get our teeth into what is basically the second generation sustainable development literature.

The first generation of sustainable development publica-

tions was occupied with the task of defining the general contents of sustainable development. Moreover, many publications were high on rhetoric and full of normative statements concerning what sustainable development ought to be about from a number of different points of view. The focus of many publications across this field during this initial period predominantly concerned the sustainable development's environmental dimension, and thus did not perhaps in retrospect give sufficient attention to the social and economic dimension of sustainable development. The second generation literature in the sustainable development field concerns questions relating to if and how the concept has been implemented - at the national, regional and local decision making levels, and in public and private organizations - have the political goals and rhetoric of sustainable development been translated into practical projects and actions, and if so, into what kinds of actions? Attention has also been given to how the concept been interpreted and what the differences are, if any, that can be seen across different countries?

The book aims to describe the development and implementation of Local Agenda 21 (LA21) with a special focus on the achievements of the Norwegian municipalities.

These achievements are highlighted within the context of experiences taken from other countries across Europe.

There are also other contributions for example concerning how to categorize Agenda 21 from an international politics point of view (see Hans-Einar Lundli's contribution). The 12 contributions (including the introduction) were produced by 8 researchers from the Norwegian research programme, Prosus (Programme for research and Documentation for a Sustainable Society) at the Centre for Development and Environment, University of Oslo and researchers from the Norwegian University of Science and Technology, Trondheim.

Contributions to the volume can be divided into three themes. The first being *The establishment of Local Agenda 21 - nationally as well as internationally*. Here Lafferty provides a systematic overview and discussion concerning how to interpret Chapter 28 in Agenda 21 (there are 40 chapters in all in the Agenda 21 action strategy document accepted by the 181 countries present at the UN conference in Rio de Janeiro in 1992). In addition, a broad evaluation of the characteristics of the implementation of LA21 in 12 European countries is also reported here. Among many of the issues dealt with here is the normative assumption that enhanced public participation and stake-holder invol-

vement will automatically lead to sustainable development. A view that the author questions. A further conclusion of the work is that LA21 has inspired the development of Regional Agenda 21s, which it is noted, from a subsidiarity point of view at least, is an important achievement. In his contribution Carlo Aall suggests that the bottom line, as far as further implementation of sustainable development in the Norwegian municipalities is concerned, is that it will be dependent on the number of municipalities that have employed environmental directors. Important factors here also relate to the clarification of the role of the municipalities in environmental politics and questions surrounding what level of emphasis the government will be prepared to place on traditional environmental management in favour of sustainable development. Thus far however the government's signals have been somewhat ambivalent to say the least in this regard.

The changing character of environmental problems constitutes the second theme of the book. Here two "tools" have inspired contributions (see, Karl Georg Høyer and Aall), indeed Aall highlights the problem of too great a level of expectation being put on new environmental management tools, and in particular on their ability to contribute to the changing of environmental practice. The history of the development of alternative indicators such as environmental ones goes back more than 30 years. Høyer and Aall however conclude that such indicators have in practice never been seen as real alternatives or even corrections to the established GNP indicator. In addition to such indicators Aall also discusses environmental "tools". In light of the changing character of envi-

ronmental problems - from for example traditional environmental protection to lifestyle issues - Aall concludes that Strategic Environmental Assessment, Direction assessment (retningsanalyse) and Factor 4/10 (how much and how fast we need to diminish the flow of material resources if future generations are to have access to sufficient ecological resource levels) are in line with the new environmental management demands.

The final theme, *What did we learn from Local Agenda 21*, mainly concerns the development and results of LA21 implementation in Norway. Seventy percent of Norwegian municipalities have LA21 activities. Initially this seems quite high, but it should be noted that, according to Trygve Bjørnæs, 38% are still in the internal preparations phase. At the same time some 25% of the municipalities report that they do not have any one responsible employee for environmental matters. The Ingvild Vaggen Malvik comparison of LA21 experiences in one Norwegian and one Swedish municipality state, as does the Lafferty contribution referred to earlier, that the national efforts to support LA21 are of crucial importance when LA21 work is initiated. The Aall contribution in this section supports this conclusion by noting that "without a higher profile and coherent national support the potential for LA21 work will be limited to symbolic politics for most of the Norwegian municipalities". There is however light on the horizon suggests Aall and Jon Teigland. In Norway interesting achievements have been made concerning sustainable transport activities, in spite of the lack of a national sustainable development strategy. LA21 is based on the notion that broad local consultation

processes will produce a product: a Local Agenda 21. Gard Lindseth therefore assumes that a communicative rationality must prevail in LA21 processes and he discusses important elements that need to characterize such a process.

From the briefest of glimpses of the specific experiences recounted in this book, we can easily see that the dominance of the environmental perspective in A21 work in Norway remains considerable. The movement of both politics and practice is however towards the inclusion of all the dimensions of sustainable development and their interrelations. This is a voluminous book including contributions that together range over a wide area of topics though the node is the evaluation of the politics coming out of Chapter 28 in Agenda 21. It is thus simply not possible to do justice to all of the contributions here, nevertheless, if one may be so bold, as an overall observation one can easily say that this book is an interesting contribution to the "second generation" sustainable development literature that reports research results on how sustainable development has/has not thus far been implemented, while also setting out possible directions for the future. Moreover, this type of evaluation research will not only tell us how the current situation is, but will also provide important input into the further construction and development of the contents of sustainable development. This further moulding of the sustainable development clay will give the different possible - and context dependent interpretations - more form, content and meaning, which in itself is an important and laudable input into the ongoing sustainable development institutionalisation process. ■

Representations of Planning

Andy Thornley and Yvonne Rydin (eds), 2002, *Planning in a Global Era*. Ashgate. Hampshire, UK

by Jan Öhman

The book "Planning in a Global Era" is based on the conference "Planning Research 2000" held at the London School of Economics. All in all, the book, edited by Andy Thornley and Yvonne Rydin, consists of eighteen chapters. The majority of the contributors come from Great Britain, but there are also examples of research conducted in the United States, South Africa, Sweden, Norway and Denmark. Even though this cannot be considered to be a truly global representation of planning experiences, nevertheless the ambition remains to involve a global perspective in the various topics.

Planning in its many different facets and forms continues to shape and indeed confront society in numerous ways. Theory and practice come together day-to-day in the forms of firms, people, organisations, cities, traffic, planning and so on, which, in the end, constitute a whole society. The ongoing globalisation of the economy, in movements, in cultural processes, in politics, in the environment and in socio-economic conditions, creates a need for new types of knowledge. This complex, multifaceted process also shapes and confronts society in the context of implications for planning practice, and on a global scale, in a variety of concrete contexts. Planning has therefore to find a new role and thus to redefine its tasks in a global era.

Lefebvre wrote "In the most modern urban planning, using the most highly perfected technological applications,

everything is produced: air, light, water - even the land itself", thus expressing an ambition not unusual for the present extension and possibilities of social planning (Lefebvre, 1991, 329). At the same time, there is also a belief in planning, so all-encompassing that makes it important to more closely review and describe how planning is designed and directed in a wide range of countries. This book contributes to these debates with valuable descriptions and analyses in the making of such a road map.

The contributions in the book form five topics. The first topic is concerned with the interaction between the global and the city level in a theoretical framework, as well as with urban planning in Tokyo, and case studies of Mexico City, Istanbul and Guangzhou. The second topic focuses on contemporary debates in planning theory, and ranges from collaborative planning and its inherent weaknesses, over theoretical praxis of "learning by doing", and urban modernity and Lefebvre's conception of urban space, to deconstructing the built environment with the help of Derrida. Housing policy in different countries constitutes the third topic; in particular, its relation to local politics and administrative practice with examples from Egypt, Hong Kong, the USA and Scotland, which bring up a wide range of housing issues in relation to the specific role of planning. The fourth topic includes the environmental agenda and the idea of sustainable development, which when faced with a variety of local constraints in Edinburgh, Wuppertal and Warsaw, shows that planning

usually lacks the power to solve basic environmental contradictions. The fifth section gives examples of planning practice in terms of a recognised expertise and specialisation with cases from the Nordic countries and South Africa. Consistently themes in this section deal with the connection between the environment and the local context.

Apprehensions have of course been raised; in particular noting that globalisation in its varying aspects will limit the need for social planning. The basic idea has been that the local level lacks the power to resist multi-national economic, technological, social, cultural and environmental forces.

This book, with all its examples of the possibilities and problems inherent in planning, thus suggests that this fear is exaggerated. In terms of governing processes in society it is obvious that they are constituted on the basis of the traditions and ideologies of planning in each country. Those who do not have confidence in planning see globalisation as a sign of its weakness, while those who advocate planning identify new possibilities and needs in respect to the emergence of a new governance agenda with regard to these global and local processes. This book throws out a rich cornucopia of examples from both perspectives, and therefore it has in itself become a good representation of the residual potential in and of planning. ■

Reference: Lefebvre, H (1991) *The production of space*. Oxford: Blackwell.

NORDREGIO

produces Books, Reports and Working Papers.
The Library also distributes publications from former Nordplan, Nordic School of Planning, and NordREFO.

Prices are exclusive VAT 6% and postage.
Payment against invoice.
Orders to library@nordregio.se

www.nordregio.se

2003

Nordregio Annual Report 2002.
24 pp. Free of charge

Working Papers

Knudsen, Jon P.:

Future challenges and institutional preconditions for regional development policy - Summary from the first phase of a Nordic research programme.
(Nordregio WP 2003:1) 28 pp.
SEK 50

Electronic Papers

Böhme, Kai:

Nationella rumsliga planer i fem länder. Nationell horisontal och vertikal integration och europeisk samordning. 2001. (Nordregio EP 2003:3) 38 s.

Lähteenmäki-Smith, Kaisa:

Regional policy and inter-regional strategic cooperation in the North-Calotte: Cross-border co-operation as an instrument of regional development. (Nordkalotrådets publikationsserie, rapport nr 61)
(Nordregio EP 2003:2) 58 pp.

Nordic experiences of impact assessment of plans and programmes – SEA workshop, 11-12 February 2002, Stockholm. Workshop proceedings edited by Tuija Hilding-Rydevik. (Nordregio EP 2003:1) 72 pp.

2002

Nordregio Annual Report 2001.
23 pp. Free of charge

The NEBI Yearbook 2001/2002. North European and Baltic Sea Integration.

Editors Lars Hedegaard and Bjarne Lindström.
Berlin: Springer-Verlag, 2002.
486 pp. Order from:
www.springer.de

Reports

Restructuring the State – Regional Impacts: A Comparative Nordic Perspective.

Edited by Kaisa Lähteenmäki-Smith and Lars Olof Persson.
(Future Challenges and Institutional Preconditions for Regional Development Policy, Volume 5)
(Nordregio Report 2002:9) 134 pp SEK 200. ISBN 91-89332-30-X

Böhme, Kai:

Nordic Echoes of European Spatial Planning: Discursive Integration in Practice.
(Nordregio Report 2002:8) 367 pp.
SEK 350 ISBN 91-89332-29-6

Clement, Keith & Hansen, Malin:
Environmental Incentives for Nordic SMEs. (Nordregio Report 2002:7) 91 pp. SEK 100 ISBN 91-89332-28-8

Partnership Responses – Regional Governance in the Nordic states.

Editors Anders Östhol and Bo Svensson. (Future Challenges and Institutional Preconditions for Regional Development Policy; Volume 4) (Nordregio Report 2002:6) 278 pp. SEK 280 ISBN 91-89332-27-X

Lähteenmäki-

Smith, Kaisa:

Regimes of regional development and growth across Nordic regions. (Future Challenges and Institutional Preconditions for Regional Development Policy; Volume 3)
(Nordregio Report 2002:5) 50 pp.
SEK 50 ISBN 91-89332-26-1

Bærenholdt, Jørgen Ole:

Coping Strategies and Regional Policies - Social Capital in the Nordic Peripheries. (Future Challenges and Institutional Preconditions for Regional Development Policy; Volume 2)
(Nordregio Report 2002:4) 52 pp.
SEK 50 ISBN 91-89332-25-3

Nordic Perspectives on Process-Based Regional Development Policy. Editors Markku Sotarauta and Henrik Bruun.

(Future Challenges and Institutional Preconditions for Regional Development Policy; Volume 1)
(Nordregio Report 2002:3) 275 pp.
SEK 280 ISBN 91-89332-24-5

Working Papers

Østby, Stein:

The Local Impact of European Policy Integration – some Issues relevant to the Nordic Countries. (Nordregio WP 2002:11) 29 pp.
SEK 50

Lähteenmäki-Smith, Kaisa:

Pohjoismainen aluehallinto ja sen uudistuspaineeet. (Nordregio WP 2002:10) 58 pp. SEK 60