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Forces Shaping Urban Europe

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Summary. The paper describes seven major forces which are currently affecting the spatial structure of urban Europe. Globalisation of the world economy has emphasised comparative advantage leading to the deindustrialisation of many older cities and the emergence of a very select group of Eurocities. Changes in east-central Europe will provide a new stimulus to the growth of capital and second order cities in which new investment will be concentrated. The urban impact of the shift to the informational sector is twofold: major capitals will intensify their dominance but at a lower level of function there will be dispersal. Technological innovations in transport and communications are likely to lead to more polycentric cities. Lastly, the impacts on European cities of urban marketing and socio-demographic changes are described.

Seven major forces are affecting the value of geographical space, and thus the form of the urban hierarchy of Europe:

1. Globalisation and the formation of continental trading blocs.
2. The transformation of eastern Europe.
3. The shift to the informational economy.
4. The impact of transport technology.
5. The impact of information technology.
6. The new role of urban promotion and boosterism.
7. The impact of demographic and social change.

In this presentation, all seven forces will be briefly discussed, some immediate effects on the fortunes of cities and towns will be suggested and, finally, speculations will be made on their combined consequences for changes in the European system at the end of the 20th century.

1. Globalisation and Trading Blocs

Global trading is by no means a new phenomenon; what is new is its present scale and its extension into the informational sector. It has accelerated massively since 1950, and especially since 1920, for two main reasons. The first is the increasing technical sophistication of an increasing number of countries, which have entered the ranks of the advanced industrial world; Japan is the most spectacular case, but is being followed by a group of middle-income countries, especially in eastern Asia, which have followed the same strategy: a policy of rapid catching-up with the best available technology from other countries, followed by a progression into technical leadership in a number of critical areas. The second, closely coupled with it, is the dismemberment of barriers to international trade both through the General Agreement on Tariffs and Trade and the formation of continent-wide trading blocs

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like the Economic Community. These two routes to liberalisation may not easily accord, as the current disputes between the US and the EC over the Uruguay Round amply indicate; the main result, so far, has been the formation of large continental trade blocs within which there is effective free movement of both goods and production factors, on the model of the US. It is notable that these groups, such as the EC and the emerging North American Free Trade group, generally comprise industrialised countries, reflecting the fact that trade between them has grown very rapidly over the past 40 years.

The first general effect, as is well-known, is to permit greater specialisation as between what are still nominally nation states but now effectively become regions within a wider economic unit. The second is also to increase the process of globalisation of products and firms, so that—particularly through tie-ups between companies—identical products may be produced in each of the main trading blocs. This, however, has the effect of further increasing competitiveness and underlining the comparative advantages of regions. The globalisation of the automobile industry has been notably accompanied by a shift to non-traditional production areas, as demonstrated by the Japanese invasion of the American south and the English south and north. However, there is a further and more novel sense in which locational advantages are now asserting themselves; it is that the old division of labour by product is increasingly supplemented and even supplanted by a new division of labour by process.

The Urban Impacts

The spatial consequences have, of course, been profound. First, as has been very evident in the 1970s and 1980s, globalisation has led to a wave of deindustrialisation in those cities which had large concentrations of older, less competitive manufacturing industry. The first such wave was largely complete between 1975 and 1983, and it had huge consequences, stripping out whole swathes of manufacturing from the inner and middle areas of these industrial cities, and producing mass unemployment, some of which has proved permanent. Further, it was associated with big losses of goods-handling employment in the form of docks, warehouses or freight movement, which contracted sharply as it moved out of older inner-city locations to places more suitable for the new containerised movements. In some cases, too, there were major and apparently permanent declines in the fortunes of some port cities which lost their traditional roles, such as Liverpool and London.

More subtly, the loss of older manufacturing and goods-handling functions in many cities went in parallel with the growth of control and command functions in a few global cities, representing the new division of labour by process. This can be fully understood only in relation to the shift to the informational economy, to be discussed below.

However, it must be evident immediately that within the new division of labour, a very select group of cities—which we could call Eurocities—are likely to become relatively more important after the Single Market, and even more so in the event of political unity. The most likely candidate is Brussels, but this is not absolutely certain: Bonn may well press its claims in the aftermath of the return to Berlin, and is extremely well placed in the economic heart of the community. And certain key functions, such as a Eurpean Central Bank, are likely to be located in an existing financial centre, which logically means London or Frankfurt.

2. The Transformation of Eastern Europe

Meanwhile, by an extraordinary historical irony, the movement of western Europe toward a unified trading bloc has been paralleled by the collapse of another such bloc in the eastern half of the continent. It would probably be foolhardy to speculate on consequences of the dramatic transformation of eastern Europe over the coming decade. There are too many unknowns. But some

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relevant points can surely be flagged. The first is that the picture is at present clouded by the worldwide recession, which is perhaps the worst in the post-war period, and which is profoundly affecting investment decisions among major actors worldwide. The second is that the inheritance of socialism, in the form of the industrial infrastructure, is so archaic and inefficient that it has very little value; put crudely, a very large part of the entire industrial plant may have to be scrapped, and with it much of the collective infrastructure in the form of transport equipment and basic utilities. What is at issue, then, is equivalent to the rebuilding of Europe after World War II, save that it has to be done in a situation where popular expectations and standards are much higher, if only because of comparisons with the west.

That much is the bad news. The good news is that collectively these countries possess a workforce which appears to be rather well educated, particularly at the basic and technical levels, albeit historically very badly managed and with a total lack of experience of western work norms. They also represent a large potential sub-market. In more expansive economic times, these countries ought to be able to follow the path that peripheral nations of the present EC—like Ireland, Portugal, Spain and Greece—have followed at various speeds in recent decades: that is, to act as hosts to inward investment from transnational companies looking for low-cost production bases close to expanding local markets. Association with the EC—or better, membership—would be highly advantageous to this process though not perhaps absolutely essential, as the earlier experience of those peripheral countries will demonstrate. There are already a few precedents in the form of takeover and reinvestment in large production units, both in eastern Germany and in Hungary and Czechoslovakia.

The Urban Impacts

Spatially, the effect would be similar to the experience in those other peripheral European economies during the period 1950–80: an accelerated movement into the major cities, especially the capital cities and the leading second-order cities, where a disproportionate part of the manufacturing sector of these countries is concentrated. And this will be further marked, because these cities will also be the locations of major investments in the service sector. All these economies suffer serious shortages of commercial office space as well as retail space, which will need to be remedied; and, as income differentials widen, much of the demand is likely to be felt in the largest cities, which will become the command and control centres of the transformed industrial ecnomies, and also the points of articulation with western Europe.

The fact is that the unification of Germany and the new links with the eastern nations, whether or not these are cemented in some form of association or membership with the Community, are likely to give much greater weight to cities of east-central Europe. This is because for 40 years the existence of the Iron Curtain brought about a quite artificial void in this part of Europe: the cities, cut off from their natural trading and cultural links, simply atrophied. The key players, of course, are Berlin and Vienna, which seem destined to capture some of the importance they enjoyed before 1939 if not before 1914. In particular, Berlin can hardly help developing some of the historic ties it had with its former German possessions in western Poland, if only through weekend tourism; and Vienna is almost certain to do the same in relation to western Slovakia and northern Hungary. We should expect to see both cities become natural airport hubs, as well as important junctions on the new European high-speed rail system. Prague, Warsaw, Budapest and a few selected major provincial cities are therefore likely to experience an unprecedented rate of urban reconstruction. But the speed at which all this happens is likely to depend on the rate of recovery of the western economy from the recession, which will affect both the volume of private investment and the amount of western government aid. It may also influence the attitudes of the EC to the progressive association, and eventual

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membership, of this group of countries. But it seems reasonable to assume that, sometime in the first two decades of the next century, at least the more highly industrialised among these countries will become part of the European trading bloc.

3. The Shift to the Informational Sector

This reintroduces the question of the new functional division of labour. Western economies everywhere, including those of the EC, have passed during the past half-century from being fundamentally industrial economies, based on the production and handling of goods, to fundamentally informational economies, in which the great majority of the workforce no longer deals with material outputs. Manuel Castells has indeed characterised this as the fundamental economic shift of the present era, as momentous in its way as the shift from an agrarian to an industrial economy in the 18th and 19th centuries (Castells, 1989). This process has been taking place over a very long period, at least since the start of the present century (Clark, 1940), but it has now reached the point that perhaps 40 per cent of the workforce in Britain or the US, or 30 per cent in the former Federal Republic of Germany, were engaged in informational activities by the mid-1980s. There has of course been intense debate about the significance of the development, with some observers arguing that informational activities are still fundamentally dependent upon demands from the industrial sector (Gershuny and Miles, 1983; Cohen and Zysman, 1987); what has become evident is that, locationally, services have become increasingly disarticulated from production. Indeed, the spatial patterns seem to be moving in diametrically opposite directions, as Sassen shows:

> The spatial dispersion of production, including its internationalization, has contributed to the growth of centralized service nodes for the management and regulation of the new space economy . . . To a considerable extent, the weight of economic activity over the last fifteen years has shifted from production places such as Detroit and Manchester, to centers of finance and highly specialized services (Sassen, 1991).

The new logic of location, for the informational industries, is self-evidently governed by the access to information. It may come in one of two ways: by direct face-to-face communication, or by electronic transfer. Face-to-face communication, as has long been well-known, encourages agglomeration in major ('global') cities which have historically strong concentrations of information-gathering and informational-exchanging activities—government, the universities, financial services, the media—and are also the traditional nodes for both national and international movement. These two have operated in tandem, so that such cities were the first to become railway hubs in the 19th century, the first to attract airports in the early 20th, and the first to become nodes of the new high-speed rail systems in the late 20th (Hall, 1991a, 1991b, 1992a, 1992b).

Informational services in the strict sense, though perhaps the main driver of urban growth during the expansive 1980s, were by no means the sole cause. There is also an important group of cultural and educational services, including museums, theatres, galleries, parks and associated entertainments, which was also growing rapidly—by 20 per cent in terms of employment in London during the 1980s, for instance (London Planning Advisory Committee *et al.*, 1991). This sector had received even less attention from researchers than the business services sector. It appears that its growth is the result of a complex of forces, including higher disposable incomes, increasing leisure time, and the growth of urban tourism including business tourism. It has also been subsidised by national and local government to varying degrees. Locationally it tends to cluster within the urban core, especially those sections with historic associations. It is thus subject to considerable locational inertia, but this can be powerfully modified by major

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projects of urban revitalisation such as London's South Bank and Barbican or, more recently, the *Grands Projets* in Paris. Associated with this complex of activities, particularly its tourist component, is another rapidly-increasing sector of personal services including hotels, restaurants, bars and associated facilities. The importance of this group of activities can be judged by the fact that some former industrial cities, such as Glasgow, have sought to reorient their economies around it. However, in some such cases, its precise contribution remains problematic. What seems indisputable is that it makes a major and increasing contribution to those major cities where it was always traditionally concentrated. These include both smaller specialised cities with a major architectural or historic patrimony, such as Oxford, Cambridge, Nîmes, Heidelberg, or Siena, but also the major capital cities.

The precise contribution of all these sectors to urban regeneration has indeed been the subject of controversy. Some have argued that the result is an increasing division of the labour force into high-income, high-status jobs and another sector which is neither, with a 'disappearing middle' of lower-level clerical jobs and high-skill manual jobs. Insofar as this has occurred, it may have resulted from a spatial redistribution within the major metropolitan areas, as more routine clerical activities migrated to the suburban periphery. In any case, the position is complicated by the very rapid loss of manufacturing jobs during the great deindustrialisation of the late 1970s and early 1980s, which seems particularly to have affected marginal plants in inner urban areas, and which was also associated with a loss of goods-handling employment in ports, warehousing and railways. The areas that experienced the most rapid losses have in some cases been recycled into other uses, as in the spectacular case of London Docklands. However, here too, the 1990s recession has brought losses in precisely those sectors that recorded the biggest gains in the previous decade.

The Urban Impacts

The effect of informationalisation on the urban hierarchy is complex. High-level business services, especially those that involve considerable face-to-face contact and have a national or international character, remain sharply concentrated in traditional central areas in the very biggest and most specialised cities, such as London; indeed, it remains a moot point as to whether they can be dislocated even a short distance, as to London Docklands. Clearly, they have also developed strongly in many national capital cities below the top global rank, a fact that reflects a degree of continuing fragmentation in Europe. Cultural and tourist functions have also grown in these same central districts, though not in identical locations. There has been a creation of jobs across a broad spectrum of skills, categories and incomes; but all have demanded basic attributes, including a moderately high level of literacy and motivation, which may have placed them beyond the abilities of a section of the inner-city populations, including both older members who have lost their manufacturing or goods-handling jobs, and younger members who may never have known stable career-based employment at all. Consequently there has developed a pattern of spatial mismatch, whereby—at any rate, in periods of growth, as in the late 1980s—vacancies occur side-by-side with high unemployment, and long-distance commuters have to fill jobs in the labour markets while local populations remain idle. This pattern, long familiar in American cities, now seems to be replicating itself also in London and Paris; and it is accompanied by growing social and political strains, as recent events amply show.

4. Technological Impacts

1. Transport

The critical question is how far these patterns are likely to be modified by developments in transport and information technologies. In previous urban eras, transport technology played a crucial role in shaping the rate and

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pattern of urban growth. Certain eras were marked by exceptionally intensive investment in new transport technologies—railways in the 1840s and 1850s, electric commuter railways and metros in the 1900s, expressways and airports in the 1950s and 1960s—and these in turn helped to shape the subsequent development of the cities. It has even been suggested that these eras correspond to phases in long waves of economic development, marking the start of recovery from a major depression (Berry, 1991). Within such a conceptual framework, the interesting point is that there appears to have been no major technical advance in transport in something like a century; by the time the Wright brothers flew in 1903 all the major 20th-century transport and communication technologies were established, though they might subsequently have been modified and improved. However, it is very evident that generally their effects took as long as a century to work through. Further, some technologies have in effect had a new lease of life—as in the streetcar of the early 1900s, reborn all over Europe as light rail in the 1970s and 1980s.

The Urban Impact. Over the last 40 years, the impact of transport technologies has to some extent been contradictory. The shift from public transport to the private car, aided by motorway construction in the 1950s and 1960s, worked in conjunction with a number of other factors—increasing affluence, which brought a search for urban space, and the shift from rental to owner-occupied housing—has brought deconcentration within the larger metropolitan areas: European populations have everywhere begun to suburbanise on the American model (Cheshire and Hay, 1989). Increasing concentration of lower-income new arrivals from less developed countries, a trend that is long term but has clearly accelerated massively in the last two or three years, may well be a factor in impelling out-movement of older-established groups; the process of gentrification of other inner-city areas, which inevitably displaces the existing residents, may well have a similar effect. There appears to be abundant evidence, from both American and European studies, that provided it takes place on a sufficient scale and over sufficient distances, such deconcentration almost inevitably leads to the development of local labour markets, hence to a more polycentric pattern of working.

The major shift to investment in public transport, evident in some European countries in the 1970s and in virtually all by the 1980s, has brought some kind of a reversal. The major emphasis has been on fairly conventional modes, consisting of light rail, metro, or express commuter rail (the French RER, the German S-Bahn), connecting inner or outer suburbs with central business districts, and thus attempting to reinforce the traditional radial-concentric urban pattern which was weakening under the influence of deconcentration. There has been relatively little attention to the problems of organising transit for such a polycentric urban form; the outstanding exception has been the *Orbitale* proposal for the Région Ile-de-France, published in December 1990, which proposes in effect two rings of orbital transit connecting the major urban nodes of the region, the inner one a composite of conventional light rail, automated light rail and busway, the outer consisting of heavy rail (in effect, a new orbital RER line connecting the ends of the existing radials). Given the widespread phenomenon of traffic congestion accompanying the dispersed urban growth of the late 1980s, it seems surprising that the French are so far alone. More common have been proposals for further restraint on the private car in congested central and inner areas, culminating in schemes for road pricing—implemented in Oslo, proposed but not yet implemented for Stockholm, the Western Netherlands and Cambridge—which however might have the effect of impelling further deconcentration of activities.

The question is whether any change is now likely. There are strong candidate technologies here, including high-speed ground transport, automated transit and so-called

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'smart streets' (Intelligent Vehicle–Highway Systems). Two of these are effectively established and proven; the other is being rapidly developed. It is possible that there may be a major political pressure to invest in them as an anti-recession device, particularly if this would serve to relieve high-technology companies affected by the end of the Cold War. Already, some European cities are investing fairly massively in at least the first two technologies, as well as in some older modes.

Assuming this turns into a major investment wave, however, what might be the effects for urban construction and for urban form? Again, they might be contradictory. 'Smart streets' could greatly increase the capacity of the private-car-based system, but especially in the areas that are presently more congested; coupled with electronic charging for the use of roadspace, they could potentially make central locations more accessible by car, while at the same time encouraging them to spread out more widely. High-speed train systems, and automated people-mover systems, could in contrast lead to a more punctiform kind of development based on a number of primary nodes in a polycentric urban area: the approach that the authorities in Ile-de-France are clearly adopting in their new plan.

2. *Information Technologies*

In theory, any such tendencies toward reconcentration should be counteracted by the new freedom which telecommunications convey. As the real cost of telecommunication has dropped sharply over the past half-century, and as sophisticated services like fax and e-mail have developed over the past decade, activities depending on the electronic exchange of information should have become increasingly free to locate outside the old face-to-face nodes. But this has not happened, as Sassen's analysis of location so well demonstrates. The main reasons appear to be two in number.

First, despite decreasing cost, telecommunications are never entirely free. For telecommunications companies and national authorities, even when they have had an effective monopoly, have never chosen to use the model, developed by the British Post Office in 1840 and emulated by national postal authorities worldwide, of uniform national rates regardless of distance. The result is that activities in peripheral regions do pay a significant cost penalty. And secondly, it appears that established major centres in effect create a permanent built-in demand for new and improved telecommunications services, with the result that they are the first to receive them. Though the improvement may soon spread to the provinces, the central cities are always one step ahead. This means that they can get the benefit from advanced technology, such as digital dialing which makes possible the development of such services as voice mail. The work by Goddard and his group, on regional variations in telecommunications service and use within the European Community, make it clear that there are very sharp differences in the use of services, including the most basic levels of telephone service; while Michael Batty has demonstrated the big differences in diffusion of personal computers within Great Britain, with the higher penetration predictably in and around London (Goddard and Gillespie, 1987, 1988; Batty, 1988).

The Urban Impacts. Thus the spatial effect of advances in telecommunications is a moot question. In the US, the very widespread development of the 'Edge City' or 'Suburban Downtown' phenomenon can be attributed in part to improved telecommunication, associated with access to suburbanised labour forces and lower office rents. The use of toll-free numbers makes is possible, in effect, to locate telephone-based business almost anywhere that the right locational decisions apply. So far it appears that this trend is less well advanced in Europe, though parallels exist in decentralised office centres like Reading outside London, the London and Paris new towns, the E4 Arland corridor outside Stockholm and developments like City Nord in Hamburg.

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Here, the relationship with transport technology plays a crucial role. In the US, despite a few examples of joint development around transit stations, such developments are invariably dependent on the private car as the basic means of commuting. In Europe, a conscious effort seems to have been made in most cases to group the biggest examples around public transport interchanges, though many smaller research parks have been developed which faithfully follow the American model. So 'suburban gridlock' remains a problematic feature.

In any event, such a polycentric urban development should lead to a more even pattern of commercial and residential rent gradients as compared with the old monocentric metropolis. Until recently, it was difficult to find much empirical evidence of this. In the largest metropolitan areas, like London, gradients of 4:1 as between central and suburban office rents were usual in the late 1980s. Since then, with the huge overhang of unlet commercial space resulting from the recession, central rents have plummeted and the differential has reduced; whether this will remain permanent will be tested only in the long term. Central locations will retain their attraction for the highest-level international activities requiring face-to-face contact. This may be further fortified if technical changes, like the substitution of high-speed rail for air over business journeys up to about 500 km, and the further development of express commuting suburbs from more distant suburban locations, fortify the positions of the downtown areas as places to do business. What may occur is the phenomenon noticed in London; an increasing discrepancy, in these centres, between top-class space in prime positions, and the rest. But, overall the forces of deconcentration are very strong for all but these special activities; and rent gradients may well weaken.

The question then is where the entire process of deconcentration and reconcentration might end. In the very largest metropolitan areas, those Sassen labels as the global cities, it has gone so far that it has swallowed up whole rings of formerly separate smaller towns and their surrounding urban systems. The result is an extremely complex pattern of relationships. Around London, between approximately 30 and 120 km from the centre, there are 30 or more such systems. The great majority still have a considerable degree of closure, in that most people live and work within a fairly limited radius, depending on the central city for work or services. But there is a substantial and increasing minority that commutes to London, or to other smaller centres; people are even using British Rail's high-speed trains to commute in quite substantial numbers from locations as far distant as Peterborough, 130 km from London. And, more significantly, all these centres are tied to each other and to London by deeper functional relationships, such as the interchange of information. They would not for instance have grown, as some of them have, into substantial office centres except through a process of deconcentration out of London.

There does not appear to be any such pattern around Paris, though the existence of the TGV is now bringing decentralised office activity to places like Le Mans, 200 km distant, or even Nantes, 400 km away. A recent report suggests that a positive planning strategy may be evolving in France, in the form of the *Garopolis*: a concentrated programme of urban development and redevelopment around the new TGV stations, mainly at distances greater than 200 km from Paris (Savel and Rabin, 1992). Within the Région Ile-de-France, the five new cities have taken by far the larger part of the growth that has occurred; the new 1991 regional plan proposes to complement them by the creation of major new commercial nodes, with a European function, around the new TGV stations at Roissy–Charles de Gaulle and Massy (Anon, 1990, 1991). Thus the pattern of deconcentration in Paris has truly been contained within the plan's parameters, and the agglomeration effect stops quite cleanly, like the city of old. Around Berlin, where the process is certainly not at present controlled, speculation on both sides of the Berliner Ring indicates that a positively

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American scale of deconcentration may be in progress.

In any event, even in countries and regions that have long possessed a comprehensive regional planning system backed by effective instruments, the process of outward movement is bringing an extraordinary degree of interrelationship between urban systems that were once reasonably self-contained, as in the western Netherlands. It is probably not helpful to talk about the formation of a Megalopolis, which is an evocative word and tends to convey the sense of continuous urban sprawl, but the phenomenon identified by Roger Brunet as the *Dorsale*, and rather oddly translated into English as the 'Blue Banana', does represent a linear belt of overlapping functional interactions over 1000 km long, from Birmingham to Milan (Brunet, 1989).

6. Promotion and Boosterism

Precisely because so many cities are seeking new roles as they move from the industrial to the informational era, precisely because the old locational constraints like coal and iron and navigable water are so much less significant, cities are free to compete with each other for activity that is, within limits, footloose. Because of the new freedom, cities can shape their image so as to develop completely new activities of national or international significance. In Britain, Glasgow developed its cultural patrimony to the point that it was designated European Cultural City of the Year in 1990, though that effort has been much criticised by left-wing sources locally (Boyle and Hughes, 1991); Birmingham built a highly successful National Exhibition Centre and has just followed this by a National Conference Centre; Manchester is bidding for the Olympic Games. Last year, Barcelona had the Olympic Games and Seville had a major World Fair, Expo '92: the sites developed for the former, notably the Olympic Village, have been the scenes of major urban renewal exercises, while in Seville the Expo site is to be converted into a major research park (Rogers and Fisher, 1992; Anon, 1989). Dortmund has developed a major research park on the campus of its 20-year-old university. The examples could be multiplied; the obvious fact is that, by a combination of national public subvention and local effort, cities can transform themselves.

In this, they have to seek to identify elements where they score strongly. Major airports are one crucial factor in information exchange, particularly since the growth of air traffic is causing second-rank airports to become seriously competitive in the range of destinations and the frequency of service; Manchester, for instance, now ranks among the top ten European airports. The new high-speed train network will convey a totally new system of accessibility to key nodes, such as Lille, which were virtually bypassed in the air age. A central position in the new Europe is a further advantage, which can be exploited by cities in the golden triangle formed by London, Paris and Cologne.

But beyond these basic facts of geography, city administrations have learned (or have been told) that they can market themselves like automobiles or clothing. So they are tending to promote themselves through advertising and public relations. More than this, they are trying to reshape their own image, particularly where that image is not so attractive. Because the former industrial age is now almost as exotic as the agrarian age, they are able to present a sanitised version of it as a new kind of tourist attraction. That particularly applies to any city which can exploit the asset of a local waterfront. If an ocean or a lake or a great river is not available, even a fairly modest canal can be pressed into service, as a host of British industrial cities have discovered.

The Urban Impacts

The urban impacts of boosterism are difficult to summarise because they are potentially so varied; this is a game that any city can play. But it can be noted that the cities with the greatest incentive to play it are precisely those which were most negatively impacted

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by the deindustrialisation and associated changes of the 1970s and 1980s: the older industrial and port cities, especially those concentrated in the remoter industrisalised regions that depended on special resource endowments. We would therefore expect to see some of the greatest urban transformations of the 1990s in these cities, and indeed that appears to be the case, as examples like Glasgow, Manchester, Birmingham, Lille, Dortmund and Turin amply demonstrate.

7. Demographic and Social Impacts

In most European countries, natural increase is close to its lowest-ever level, representing an apparent long-term response to profound social and economic changes, most notably the increased level of female participation in the workforce. The present recession has perhaps played some role, since birth rates reached a similar low in the great depression of the 1930s; but in most countries the decline in birth rate is of long standing, and has more or less ignored economic perturbations over the last 30 years.

There is however a strong counter-trend: the progressive fall in household size evident in all European countries, a product of a number of simultaneous social forces including rising divorce rates, the survival of widowed partners, and the departure of young people to higher education or careers. In many advanced countries today, as few as 20 per cent of the population are living in conventional nuclear mother-father-children households. The result is a steady divergence between population projections and housing projections: a major housing programme is needed even to house a stable urban population, and that making no allowance for replacement of obsolescent stock. In effect, urban populations spread themselves more and more thinly over the available space. Since also many though not all of these smaller households are affluent, consisting of two working persons, they exert an upward pressure on urban housing prices, forcing larger and/or less affluent households to seek affordable housing at the urban fringe. It is no accident that the pattern of hyper-suburbanisation is most evident in large urban areas that have tended also to be affluent, high-income areas, albeit containing large lower-income minorities.

Quite independently, however, international migration plays an important role. Since the beginning of the great post-war boom in the 1950s, Western Europe has been a magnet for neighbouring, and somewhat more distant, poorer populations. Despite recession, the 1990s promise to be a decade of quite exceptional pressure arising from political upheaval in Eastern Europe and North Africa, coupled with the advent of the Single European Market. This may make it more difficult to control in-migration unless the Europe of the Twelve act quickly to establish common immigration standards and controls. The result could well be a rapid influx of low-income migrants, ill-adjusted to the local labour market and presenting acute housing problems to local administrations, as is now so evident in German cities.

The Urban Impacts

This underlines the point that, as with all such previous migrations in history, the new in-migrants tend to seek central city locations where they can find kin, supportive social and cultural institutions, and easy access to low-income, sometimes casual work. There may well appear to be a contradiction in the fact of the poorest immigrants settling on the most valuable and expensive land, but of course other considerations are uppermost in their minds. Thus we have in Europe the paradox long evident in American metropolitan areas: the new in-migrants crowd into inner urban areas at the same time as the indigenous population is migrating out.

The major question is of course the speed at which such groups can integrate and at the same time follow the traditional path out of the inner-city ghetto environment. In the US, there has been intense debate about the emergence of a so-called urban underclass, characterised by a combination of social problems—poor education and training, high

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unemployment and general non-participation in the labour market, family breakup, propensity to crime (including drug-related gang wars) and generally high propensity to violence (Wilson, 1987; Jencks and Peterson, 1991). This underclass is separated not only from other ethnic groups but also from its middle-class ethnic peers. The question is being intensively debated; it seems that changes in economic structure and suburbanisation play major roles.

Whether Europe has an urban underclass is a moot point, now exciting the media in many countries. Some think they see it in the poorer public housing areas in the central and middle rings of the bigger cities, as in certain parts of London, Paris or Berlin. They notice rapidly rising crime rates, particularly in crimes of violence. Others argue that the problems are not comparable with those found in American cities. But it may well be that, as already discussed, the shift to the informational economy is tending to polarise the population into two groups, the haves and the have-nots.

We should not expect any of these trends to shift markedly over the next two decades. A higher immigration rate from less developed countries would help raise birth rates both because the immigrants are young and because their age-specific birth rates are higher than those of the host population; but conversely the immigrants' birth patterns are likely to converge toward those of the indigenous population. A prolonged economic recession might withdraw some women from the labour force and change a shift in the timing of births, but is unlikely to have much effect on overall rates. It might reduce the pressure on urban space from affluent two-earner families. But the effects are likely to be marginal, and are unlikely to be felt for long. Similarly, prolonged recession might reduce the relative attraction of European cities for in-migrants from poorer countries; but, given income differentials and the fact that these economies also are likely to feel the effects, that is not very likely.

8. The Emerging Urban Hierarchy

What do these factors, working in combination, spell for the shape of the new urban Europe? The first and most important fact is that we are not dealing with a clean urban slate. Europe's urban hierarchy has origins that go back two millennia and more: London, Paris, Cologne, Frankfurt, Marseille, Milan, Rome and Barcelona were already important places two thousand years ago. The great cities of today were, for the most part, already great cities by the year 1300; with a few notable exceptions—Birmingham and Berlin coming up, Bruges and Venice going down—there have been only subtle moves up and down the urban hierarchy since then. Except in Britain, which tried to industrialise before it built railways, the industry of the 19th century went to already established trading cities, which became the railway junctions. And the motorways and airports of the 20th century tended to serve the same cities, simply because they existed; there has been a great deal of inertia in the system.

Further, we should remember that there is no single urban hierarchy in Europe, but a series of national ones. And these differ from each other quite notably, because of accidents of history; the sharply primate systems of France or Austria, reflecting the centuries of great centralised power, contrast strongly with the flat-topped systems of countries that achieved national unity late in the day, like Italy or Germany. And, of course, The Netherlands represent a special case. Because until recently decisions were made nationally, the capitals of these nation states became the logical centres of everything: government, commerce, finance, transport, higher education. Nineteenth-century national railway systems focused on them; 20th-century airports, the hubs of the national flag carriers, followed them. And the different elements of the system reinforced each other, creating a pattern of circular and cumulative causation.

The result has been that, with a few rather special exceptions like Germany between

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1945 and 1990, the capital-city regions tended to aggrandise a disproportionate part of national economic activity, especially higher-level activities; the fact that these activities may have tended to deconcentrate should not be allowed to obscure that fact. Further, because the forces of nationalism have resulted in a rather large number of relatively small European nation states, we enjoy the presence of a correspondingly large number of small capitals, typically having between half a million and one and a half million people. The evidence suggests that as a group these places, like some of their non-capital counterparts in the hierarchy comprising the major provincial cities in the larger nations, have grown at least in prosperity if not also in population during the 1970s and 1980s (Cheshire and Hay, 1989).

The profound changes of the last five years may well have worked in opposite directions. On the one hand, the progress towards the Single Market must inevitably lead to a certain centralisation of these functions in a super-capital or capitals. On the other, nationalism has strongly reasserted itself, especially in east-central Europe. Further, we should be aware that the post-Maastricht structure of Europe is likely to be some way short of a federal union on the American model; while, even there, the states form reasonably strong entities.

The results of these two opposite shifts, taken together, is to create a new triangle of power in the middle of Europe. A new Euro-centre, in the area Brussells–Bonn–Frankfurt, will be balanced by major regional nodes in east-central Europe, connecting east and west. The question thus arises; if we have such eastern nodes, why not also northern and southern nodes? Copenhagen, Milan and Madrid could well enhance their position as points of articulation for their respective regions, since they would be sufficiently distant from the central region to perform the kind of role that in the US is filled by major regional centres such as Denver or Atlanta. But one should be ever mindful, here, that the nation states will remain significant units for most purposes: more important than the American state governments, which are powerful enough.

9. A New Urban Hierarchy?

When we ally these trends to the internal shifts earlier discussed, the overall result could be the emergence of a new kind of urban hierarchy (Hall, 1991b). Its taxonomy is somewhat difficult to describe coherently, because it exists on more than one dimension, and these are not consistent. First, some of these city regions belong in a national and indeed an international hierarchy, and it is particularly important for our purposes to understand the relationship between these two; but some, identified by Noyelle and Stanback (1984) in their work on the American urban hierarchy as specialised service cities, essentially do not. Secondly, it is equally important to understand the regional relationships between these individual city regions. Some are fortunate in being part of regional growth belts ('sunbelts') which benefit from broader growth dynamics; these include the special and important case of growth belts immediately peripheral to mega-city regions, which are the major beneficiaries of outward deconcentration processes. Some are equally unfortunate in being located in regions that are peripheral either to national or international economic systems, and suffer from what Cheshire and Hay (1989) have called the "peripheralisation of the periphery": improvements in communication among more favourably-located centres have the effect of making them appear even less accessible, relatively, than before.

Global cities. These are the classic top-level international command and control cities, as identified by such works as Castells (1989) and Sassen (1991). There are only a very few worldwide. Almost certainly, London is the only European city that unambiguously belongs in this category; as measured by the DATAR study, it scores most heavily on key attributes like financial institutions, multina-

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Table 1. Major Metropolitan Area Populations, by Category

	Population in millions, 1980–81					
	Europe		USA		Western Pacific	
Global	London	9.8	New York	17.4	Tokyo–Yokohama	17.7
National	Paris	9.5	Chicago	7.9	Ōsaka–Kōbe	8.7
	Milan	6.8	Los Angeles	11.5	Seoul	8.3
	Berlin	3.4	San Francisco	5.4	Hong Kong	4.5
	Brussels	3.3			Sydney	3.3
Regional	Munich	2.5	Boston	3.7	Pusan	3.1
	Amsterdam	2.4	Houston	3.1	Melbourne	2.8
	Manchester	2.0	Atlanta	2.1	Singapore	1.6
	Copenhagen	1.9	Minneapolis–St Paul	2.1	Kuala Lumpur	0.9
	Lyon	1.7	Seattle	2.1		

Note: The selection of Metropolitan Areas in the National and Regional categories is illustrative and somewhat arbitrary; no attempt is made to include all cities in a strict size ranking.
Sources: Hall (1992), based on *United States, State and Metropolitan Area Data Book* (1986), United Nations (1988) and Cheshire and Hay (1989).

tionals and airport traffic (Brunet *et al.*, 1989). It has the unique advantage of straddling three major global trading systems; the European, the Atlantic and the former British Commonwealth. It is however certain to be challenged by other aspiring 'Euro-cities'. The critical questions here concern the likely coalescence of the EC's major political institutions in one place, almost certainly Brussels; and the location of the Institute that will provide the nucleus of the Central Bank, where the choice may lie between London, Paris, Amsterdam and Frankfurt. In a recent survey of expert respondents, the Single Market was judged more likely to aid Paris and Frankfurt than London (London Planning Advisory Committee, 1991).

City regions in global fringe or corridor zones. In advanced industrial countries, a significant proportion of all city regions are in fringe belts, or corridors, adjacent to major global city regions. Examples in Europe are the ring of cities in South East England around London, and their extension up the main urbanised corridor ('Megalopolis England') to the Midlands and North of England and extension, the 'Dorsale' from the English Midlands via the Rhine Valley to Milan (Brunet *et al.*, 1989); or elsewhere, the Eastern Seaboard Megalopolis ('Boswash') in the US; and the Tokaido Megalopolis in Japan (Hall *et al.*, 1973). Many city regions in these zones, especially smaller ones in high-amenity, semi-rural sections, are benefitting from local deconcentration out of the core cities (Reading, Oxford, Nijmegen, Marburg, Heidelberg); some of the larger old industrial cities, however, may be suffering problems of conversion from the industrial to the informational economy (Birmingham, Manchester, Essen, Dortmund, Turin); some may be experiencing both processes, as old industrial plants close down but decentralising offices move in.

To some degree, these places can enhance their position by improvements in communications. Cities with good airport connections can build these up from second-rank to first-rank status, competing with major national hub airports (Manchester, Düsseldorf). High-speed train connections can bring cities within a critical range of global centres, making them attractive for decentralised office functions (Reading, Lyon, Nantes). Advanced telecommunications can serve as the basis for 'intelligent city' developments (Massy-Palaiseau). They can also develop and market specialised niche functions, like Birmingham's National Exhibition and

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Conference Centres or Dortmund's Technology Park.

Remote regional cities. Cities at the periphery of their national (or continental) space-economies, especially if they are dominated by older declining industries, face a special problem (Belfast, Glasgow, Clermont-Ferrand, Saarbrücken, Cadiz). Their economies were invariably based on industrial resource concentrations which have now been worked out or susperseded; their labour force is often highly organised and resistant to change; they are dominated by a few large industrial firms, and lack a tradition of small-firm entrepreneurship; they are too distant to benefit from the 'deconcentration wave'; and they tend to surrender their remaining regional service functions to top-level core cities (Cheshire and Hay, 1989). They may seek to exploit their accumulated advantages in terms of labour skills and high educational levels, as the Glasgow region did in attracting inward electronics investment after World War II or many remote Japanese cities did through the Technopolis programme during the 1980s. Or they may attempt to break out in totally new directions, as Glasgow did in establishing itself as a European cultural city. Sometimes, remoteness can be a positive virtue when it encourages the development of regional office structures, as again evidenced by Glasgow; here, the preservation of a separate Scottish banking system, independent of the English one, has been a significant factor.

National and regional capital cities. Overlapping with these two last categories is the case of the medium-sized city region (typical population range: 500 000–2 500 000) which serves as the administrative and higher-level service centre either for a prosperous rural region within a larger national unit, or as the capital city of a small semi-industrialised nation state. Europe contains many examples in both these categories (Bristol, Norwich, Bordeaux, Toulouse, Hannover, Stuttgart, Bologna, Padua, Amsterdam, Brussels, Luxembourg, Copenhagen, Oslo, Stockholm, Dublin). These places have often been outstandingly successful because they have enhanced their roles as high-level service centres for their spheres of influence, attracting the most dynamic information-service industries both in the public and the private sectors (local government, higher education, health care), banking, insurance, accountancy, legal services), (Cheshire and Hay, 1989). In some ways they are the mirror images of the last category, and indeed the distinction between them is subtle; in both America and Japan, some successful regional centres tend to be highly peripheral to their national space-economies but have benefitted thereby. The key seems to be the lack of a residual declining heavy-industrial base, and a generally positive image based on a well-preserved historical heritage; consider as examples the castles in Norwich or Heidelberg, the old quays in Bristol or Bordeaux, or old palaces and parks in Hannover, Stuttgart, Copenhagen or Oslo.

County towns. The same general rule applies to many examples lower down the urban hierarchy, which serve as administrative capitals for their immediate local regions (counties, *départements*, *Kreise*). Their economies have grown for similar reasons, and they too generally project a positive image through historic preservation. As mentioned earlier, many city regions in this category have benefitted from a regional effect: these are parts of sunbelts which have received outward flows of people and jobs from neighbouring mega-city regions (South East England, the lower Rhine, the Neckar–Danube belt). Others are located in declining older industrial regions, but have been successful in preserving and enhancing their reputations by removing the scars of industrialisation; Durham and Preston (England), Roubaix (France), Charleroi (Belgium), and Essen (Germany) provide examples.

Specialised service centres. This category again overlaps with the last. It consists of

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city regions, generally small to medium-sized, that have prospered through specialisation on one or two service functions which happen to have shown exceptionally rapid growth in the transition to the informational economy, such as public administration (local government), educational services, health services or defence contracting. European examples abound: they include Reading, Exeter and Norwich; Rennes and Aix-en-Provence; Marburg and Heidelberg; Lund and Uppsala; Padua and Bologna. These places tend to have grown according to a logic that has little to do either with urban hierarchy or with regional location; but a number of them also happen to overlap with the county-town category, and so may exhibit exceptional dynamism, to the degree indeed that they may exhibit symptoms of overgrowth (Reading, Heidelberg).

The most likely trends, to sum up, are these:

1. A strengthening of the central 'Golden Triangle' and in particular one or two cities within it: Brussels, Amsterdam, Frankfurt and (more problematically) Paris and London.
2. Possibly, because of this, some weakening of London's dominant position as Europe's global city.
3. Recovery of Berlin, Vienna and perhaps some other east-central European capitals as major nodal centres; growth of selected nodal centres in northern and southern Europe.
4. A general process of decentralisation and reconcentration in the largest metropolitan areas, extending in some cases over a wide spatial scale, and leading to the formation of 'growth belts'.
5. Continued growth of county-town and specialised service centres in such belts.
6. A varied pattern of recovery of the older industrial cities depending on a variety of factors, including boosterism.
7. A major boost to those provincial cities, and certain suburban centres in major metropolitan areas, which become the nodes (Garopoles) of the new high-speed train system.

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