



OECD INTERNATIONAL CONFERENCE

**WHAT POLICIES FOR GLOBALISING CITIES?
RETHINKING THE URBAN POLICY AGENDA**

29-30 March 2007
Municipal Congress Hall, Madrid, Spain

www.rethinkingtheurban.org

The Conference

At the OECD Forum 2006 on “Balancing Globalisation”, H.E. Mr. Alberto Ruiz-Gallardón, Mayor of Madrid, stressed:

“The need for international institutions, national governments, local authorities and civic agents to engage in a dialogue towards a better future for one of the most important assets for socioeconomic development in the globalisation era: our cities.”

The OECD international conference on "*What Policies for Globalising Cities? Rethinking the Urban Policy Agenda*" will be held with the Madrid City Council in co-operation with the Spanish Ministry of Public Administration, the Club of Madrid and with the support of the Spanish Ministry of Foreign Affairs. The event aims to identify pressing issues and recognise latent development opportunities faced by cities today. It will bring together Ministers and Mayors, as well as eminent personalities from the Club of Madrid (former Head of States) and prominent international experts. This conference will help to set the basis of a new international policy dialogue among city mayors and national government representatives at the OECD, who will have the opportunity to examine and elaborate on the future of urban policy in the context of globalisation and the growing challenges for cities.

Background and rationale

As processes of globalisation deepen, the pursuit of competitiveness in urban regions has become a major policy objective for local and central governments. The importance of cities and metropolitan areas in their national economies and their crucial role as global nodes in the international market place is gaining attention. There is a general feeling, shared by a wide range of local and national government representatives, that the current approach to urban policy is not adequate to deal with the new challenges faced by large cities in the context of increasing competition at the global scale. In particular, there is an increasing acknowledgment of the importance of policies to address the specific issues of cities in OECD countries, with government interventions, not only using remedial actions to tackle traditional urban problems such as combating urban sprawl, declining neighbourhoods, and concentrations of social and environmental problems, but also using more proactive actions to foster city attractiveness and competitiveness.

The objective of this conference is to engage a wide range of stakeholders, including city leaders and regional and central government representatives, in considering a broader approach to urban policy. The challenge for future policy is intellectual, practical and, of course, political. There is a need for better understanding of the way globalising processes are having different sorts of impacts upon major urban areas and not just strengthening the

prominent roles of a handful of ‘global cities’ within the international urban hierarchy. Moreover, if in the future explicit urban policies are to move beyond their traditional concern with dealing ‘urban problems’ and help cities benefit from as well as cope with the implications of globalisation, two key questions need to be raised. First, how can a stronger urban dimension be built into a variety of ‘implicit urban policies’ (non urban specific) that deeply affect urban development patterns in profound ways but are rarely designed or delivered with the necessary spatial implications in mind? Second, if we agree that stronger and more effective urban policies which can enable cities to live with *and* prosper from globalising processes cannot be the exclusive reserve of either national or regional/local governments, what new and more flexible forms of inter-governmental joint action are needed?

The conference sessions are designed to unfold these issues by:

- **Examining how spatial planning is responding to new patterns of metropolitan development**
- **Assessing how key, implicit urban policies might be ‘urbanised’ in order to address the challenges of metropolitan competitiveness and cohesion more effectively**
- **Providing an opportunity for city mayors and representatives of key national government departments to put forward their ideas about future urban policy, and**
- **Assessing the implications for governance and policy, both at the metropolitan scale and in terms of integration between levels of government.**

THURSDAY 29 MARCH

08:30 – 09:30 **Conference Registration**

09:30 – 10:00 **INTRODUCTORY REMARKS**

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| H.E. Mr. Fernando Ballesterro | Ambassador, Permanent Representative, Permanent Delegation of Spain to the OECD |
| H.E. Mr. Jordi Sevilla Segura | Minister for Public Administrations, Spain |
| H.E. Mr. Ricardo Lagos | President of the Club of Madrid |
| H.E. Mr. Angel Gurría | Secretary-General, OECD |
| H.E. Mr Alberto Ruiz-Gallardón | Mayor of Madrid |

10:00 – 11:30 **SESSION I URBAN HIERARCHIES AND THE ROLE OF POLICIES**

Globalising processes are having an uneven impact between and within major cities. Some have found new or expanded niches as national or international centres in the emerging knowledge economy, others have benefited from the internationalisation of investment and the ‘off shoring’ of manufacturing and service functions from the older developed world, whilst others still continue to struggle to adjust to structural economic change. There is evidence that new ‘urban hierarchies’ are emerging at both national and international levels as certain urban areas outstrip others in terms of economic growth and innovation. This presents major challenges to traditional forms of territorial policies (spatial planning and regional development) which were often built on principles of sub-national equity, redistribution and ‘balanced growth’. This session will set out current thinking on emerging urban hierarchies, assess the key challenges for regional development policies and national spatial planning and generate debate on how these might be addressed through a different approach to urban policy.

Questions:

- What does state-of-the-art thinking tell us about recent patterns of economic growth in major urban areas and its importance to regional and national economic well-being? To what extent is this analysis reflected in approaches to territorial policies and with what effect?
- Is a ‘balanced growth’ approach to spatial planning still tenable, in rapidly changing economic circumstances, or are new ways of linking the benefits of growth in certain city-regions to the challenges in others needed?
- How are the leading but different roles of urban regions recognized within national spatial policies, and to what extent do spatial development plans have an impact upon the key drivers of city competitiveness? What needs to change in order to encourage sharper spatial priorities and more effective alignment of policies?
- What is urban policy, currently, and how should it change to fit new, globalising circumstances?
- What is the role of cities in regional competitiveness and how can current territorial and urban policies be drawn together more effectively?

- How do sector-specific policies impact, differentially, on major urban areas and how are these ‘implicit’ urban policies made more explicit?

CHAIRMAN **John West**, Head, Public Affairs Division, Public Affairs and Communications Directorate, OECD

EXPERT **Alan Harding**, Professor, Co-Director, Institute for Political and Economic Governance, University of Manchester, United Kingdom. Member, Expert Panel for Cities and Regional Development, Department of Communities and Local Government, Specialist adviser to the House of Commons Select Committee on Communities and Local Government

PANELLISTS **Ana Isabel Leiva Díez**, Secretary of State for Territorial Cooperation, Spain

João Ferrão, Secretary of State for Spatial Planning and Towns, Portugal

Enrico Giovannini, Chief Statistician and Director, Statistics Director, OECD

Rudolf Niessler, European Commission, DG Regio, Director for Spain

Mona Heiberg, Deputy Mayor of Copenhagen, Denmark

Zainudin Bin Nordin, Mayor, Singapore

EMINENT PERSONALITY **Mary Robinson**, Former President of Ireland, and former United Nations High Commissioner for Human Rights, Prince of Asturias Prize 2006

11:30– 12:00 *Coffee break*

SESSION II URBANISING “SOFT POLICY INSTRUMENTS”

It has been argued that globalising processes are resulting in greater polarisation within metropolitan labour markets by generating higher demand for both high level and low level skills. The effect of this polarisation, it is argued, is increasingly reflected, via housing market choices, in higher levels of social and geographical segregation. If policies for education, skills and human capital more generally are central, then key metropolitan areas are to be able to face the challenge of building upon their competitive advantages whilst retaining a strong emphasis on social cohesion. This session examines the extent to which policies related to the development of human capital are sensitive to the challenges of urban competitiveness and cohesion and how they could respond more effectively. It focuses, in particular, on how various ‘soft’ policy instruments in education, skills, clusters animation and business-higher education linkages, the integration of immigrant communities and community sustainability are being shaped and effectively introduced to support metropolitan competitiveness.

Questions

- To what extent are national and regional policies for higher education linked to the competitive potential of key metropolitan areas and what does this mean for relationships between universities and sub-national authorities?
- How could the economic potential of key metropolitan areas, and the growing need for high level skills and innovative capacity, be further strengthened through targeted approaches to research and workforce development within the university sector?
- To what extent does the delivery of primary and secondary education, training and programmes to encourage ‘sustainable communities’ help tackle, rather than exacerbate, problems of social cohesion and what best practice

exists to demonstrate the potential of policy innovation in these areas in linking vulnerable social groups into the labour market?

- How can these innovations be built upon and what implications follow for the way in which policies for the development of human capital are designed and delivered in key metropolitan areas?

12:00 – 13:30

***A) URBANISING “SOFT” POLICY INSTRUMENTS: SKILLS,
LEADERSHIP, DISTINCTIVENESS AND COLLABORATION***

CHAIR

Fabrizio Barca, Director-General, Ministry of Economy, Italy, and former Chair of the OECD Territorial Development Policy Committee (TDPC)

EXPERT

Will Hutton, Chief Executive, The Work Foundation, United Kingdom

PANELLISTS

Beatriz Zavala, Minister, Ministry of Social Affairs and Human Development, Mexico

Sir John Bond, Chairman, Vodafone Group plc; and Chairman of the Mayor of Shanghai's International Business Leaders' Advisory Council

Sandy Baruah, Assistant Secretary, Economic Development Administration, Department of Commerce, United States

Ricardo Ehrlich, Mayor of Montevideo, Uruguay

Edi Rama, Mayor, Tirana, Albania

EMINENT
PERSONALITY

Fernando Henrique Cardoso, Former President of Brazil

13:30 – 15:00

BUFFET LUNCH

15:00 – 16:30

***B) URBANISING “SOFT” POLICY INSTRUMENTS:
HISTORY, SPECIFICITY AND URBAN KNOWLEDGE ECONOMIES***

CHAIR

Odile Sallard, Director, Public Governance and Territorial Development Directorate, OECD

EXPERT

Saskia Sassen, Professor, University of Chicago, United States

PANELLISTS

Lennart Rohdin, Political Advisor to the Minister of Integration and Gender Equality, Sweden

Yves-Laurent Sapoval, Interministerial Delegate for Cities, France

Bo Badholm, Lord Mayor of Stockholm, Sweden

Luis Castañeda Lossio, Mayor of Lima, Peru

José Serra, Governor of São Paulo, Brazil

Massimo Iezzoni, General Manager, Metropolitan Community, Montreal, Canada

EMINENT
PERSONALITY

Enrique Iglesias, Secretary-General, Ibero-American Secretariat (SEGIB), former President of the Inter American Development Bank (IDB)

16:30 – 16:45

Coffee break

SESSION III:

URBANISING “HARD” POLICY INSTRUMENTS

Patterns of globalisation are particularly sensitive to urban connectivity and physical attractiveness. At the same time, the extent to which the benefits of globalisation can be diffused within and between metropolitan areas in particular national contexts depends upon the quality of communication links within the metropolitan labour market area and between major urban centres. The same comments apply to the cultural infrastructure and the pattern of high level public sector employment, where there is growing evidence that the ‘buzz’ of major urban centres is critical to attracting high skilled workers. It remains the case, however, that ‘infrastructure’ decisions in these policy areas are taken, in isolation, on a largely reactive basis according to relatively narrow criteria (e.g. the demand for and efficiency and safety of different forms of travel, historical precedent). One of the key challenges of an enlarged approach to urban policy is to introduce additional criteria, relating to economic competitiveness and the diffusion of the benefits of economic change, into infrastructure planning and investment. This session will look at examples of how this has already started to happen and examine practical ways in which the process of linking infrastructure planning to the potential and needs of key metropolitan areas and their residents can be extended.

Questions

- To what extent are the economic effects of infrastructural development taken into consideration within current policy processes?
- What examples are there of innovation in transport planning that address issues of economic inter-relationships between metropolitan areas and/or accessibility of the benefits of metropolitan employment growth to people who face labour market disadvantage?
- What are the spatial effects of related public investments in the physical fabric of cities and metropolitan areas, for example in housing, cultural facilities and the location of high level public sector employment, and how they could support a more targeted approach to the realisation of urban competitiveness and cohesion?
- What might a closer ‘fit’ between the potential and needs of major urban areas and infrastructure policy mean in terms of policy-making and the division of responsibility between national and sub-national government?

16:45 – 18:15

**A) URBANISING “HARD” POLICY INSTRUMENTS:
INFRASTRUCTURE, CONNECTIVITY AND THE PHYSICAL
QUALITIES OF PLACE**

CHAIR

Vincent Fouchier, Director, Institut d'aménagement et d'urbanisme de la région Ile-de-France (IAURIF), France, and Vice-Chair of the OECD Working Party on Territorial Policy in Urban Areas

EXPERT

Sir Peter Hall, Professor of Planning at the Bartlett School of Architecture and Planning, University College London. Founder's Medal of the Royal Geographical Society, United Kingdom

PANELLISTS

Takeshi Abe, Advisor, Ministry of Land, Infrastructure and Transport, Japan (MLIT)

Alessandro Bianchi, Minister, Ministry of Transport, Italy,

Antonio Carmona Rodrigues, Mayor of Lisbon, Portugal

Hanna Gronkiewicz-Waltz, Mayor of Warsaw, Poland

Mesut Pektaş, Secretary-General, Istanbul, Turkey

EMINENT
PERSONALITY

Lee Hong-Koo, former Prime Minister of South Korea and former South Korean Ambassador to the United States Chairman, The Seoul Forum for International Affairs, Korea

16:45 – 18:15

**B) URBANISING “HARD” POLICY INSTRUMENTS: INSTITUTIONAL
COORDINATION AND COMPETITIVE ADVANTAGE**

CHAIR

Mark Kleinman, Director, Regional, Urban and Economic Development Directorate, Ministry for Communities & Local Government, United Kingdom

EXPERT

Allen Scott, Distinguished Professor of Public Policy and Geography, UCLA, School of Public Affairs, United States

PANELLISTS

Gilberto Kassab, Mayor of São Paulo, Brazil

Mohamed Sajid, Mayor of Casablanca, Morocco

Semiha Borovac, Mayor of Sarajevo, Bosnia and Herzegovina

Petra Mateos-Aparicio, President, Hispasat

EMINENT
PERSONALITY

Petre Roman, Former Prime Minister of Romania

20:30 OFFICIAL DINNER *(by invitation only)*

FRIDAY 30 MARCH

9:00-10:30 **SPECIAL DEBATE:** **CITIES AND CLIMATE CHANGE**

The contribution of cities to climate change poses a number of dilemmas. On the one hand, the concentration of households, firms and organisations in urban areas means that the larger cities of the developed world, in particular, are significant sources of harmful emissions. On the other, those cities that are in greatest danger from the impact of climate change are currently amongst the least 'guilty' polluters. At the same time, it is clear that huge contributions to the reduction of greenhouse gas emissions and the protection of people from the dangers posed by climate change can be made by and within cities, for example through improvements in urban design and accessibility, disaster prevention and waste management. This Special Session will discuss the implications of climate change for cities and what can be done both to minimise it and cope effectively with its effects. It will address the relationship between cities and climate change and explore the opportunities for improvement that an innovative urban policy could bring.

Questions

- How are the potential impacts of climate change on key urban areas currently understood? What implications follow for plans to protect urban populations from the potentially harmful effects of climate change? What outstanding challenges remain? What contributions can cities make to limiting future climate change, particularly through reduction in carbon emissions? How can they adapt former urban plans to these new concerns?
- What does this mean for change in the behaviour of urban populations, firms and organizations? How are these changes currently being organized?
- What implications follow for future policies on urban development? In particular, how to integrate environmental with social, economic and cultural issues in urban policies? How to deal with public resistance, e.g. when reducing the use of private cars? What should be the role of central governments in addressing pollution and gas emission in urban areas?

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| CHAIRMAN | H.E. Shinichi Kitajima , Ambassador, Permanent Delegation of Japan to the OECD |
| PANELLISTS | Ira C. Magaziner , Chairman, Clinton Foundation Policy Board Banji Oyeyinka , Director, Monitoring and Research Division, UN-HABITAT' H.E. Juma Mubarak Juma Al Junaibi , Under Secretary, Department of Municipalities and Agriculture, Abu Dhabi Paz González , Councillor for the Environment and Urban Services, Madrid, Spain |
| EMINENT PERSONALITY | Joaquim Alberto Chissano , Former President of Mozambique, and former President of the African Union |

10:30 – 11:15 PLENARY SESSION : WHAT POLICY OPTIONS FOR CITIES?

Recent OECD work has demonstrated a patchy but significant, cross-national process of devolution and decentralisation to sub-national levels of government as national governments have striven to adjust to the challenges of globalisation. Thus far, however, this process has had limited implications for the metropolitan scale. Whilst there are notable exceptions, it has proven difficult to re-organise sub-national government in ways that reflect economic as opposed to administrative realities. One challenge that remains, therefore, is to develop forms of metropolitan governance that can facilitate greater strategic integration between the authorities that make up urban regions and enable them to address challenges of urban competitiveness and cohesion more effectively. At the same time, devolution and decentralisation are likely to bring about more intense and potentially counterproductive territorial competition if they are not paralleled by the development of regional and national policy frameworks. This final session assesses the governance options for a broader approach to urban policy that can combine a stronger role for national governments and more effective integration at the metropolitan level.

Questions

- What steps need to be taken in order to ‘urbanise’ key national and regional policies more effectively and support the search for competitiveness and cohesion in key metropolitan areas?
- What models of metropolitan governance currently exist and what incentives can be put in place by national government to enable them to work more effectively?
- How important is the re-organisation of sub-national governance to a new approach to urban policy and what are the main alternatives to institutional change?
- What does (would) a genuinely inter-governmental, partnership-based approach to the governance of urban policy look like? How can city leaders be engaged more effectively in national urban policy making?

**INTRODUCTORY
REMARKS**

Mark Drabenstott, Director, Centre for Regional Competitiveness (RUPRI), Columbia, Missouri, United States; and Chairman, OECD Territorial Development Policy Committee (TDPC)

EXPERTS

Patrick Le Galès, Directeur de recherche CNRS at CEVIPOF (Centre for political Research) at Sciences Po and Professor of Politics and Sociology, Sciences Po Paris, France

John Friedmann, UN-HABITAT Award 2006, Honorary Professor, School of Community and Regional Planning, University of British Columbia, Canada

Juan Pablo Lozano, Vice-President, Businessmen Organization of European Capital Cities (OPCE)

11:15 – 11:45

Coffee break

11:45 – 13:30 PLENARY SESSION : CITY MAYORS AND MINISTERS' ROUNDTABLE

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| CHAIRMEN | Mario Pezzini , Deputy Director, Public Governance and Territorial Development Directorate, OECD | Mark Drabenstott , Director, Centre for Regional Competitiveness (RUPRI), Columbia, Missouri, United States; and Chairman, OECD Territorial Development Policy Committee (TDPC) |
| ANIMATORS | Frank McDonald , Irish Times | José Antonio Zarzalejos , Director ABC |
| MAYORS | Letizia Moratti , Mayor of Milan, Italy Mona Heiberg , Deputy Mayor of Copenhagen, Denmark Mohamed Sajid , Mayor of Casablanca, Morocco Valdimir Platonov , President, City Duma, Moscow, Russia Luis Castañeda Lossio , Mayor of Lima, Peru | Hanna Gronkiewicz-Waltz , Mayor of Warsaw, Poland Bo Badholm , Lord Mayor of Stockholm, Sweden Filippo Penati , President of the Province of Milan, Italy Mesus Pektas , Secretary-General, Istanbul, Turkey Pierre Schapira , Vice-Mayor, Paris |
| MINISTERS | Ana Isabel Leiva Díez , Secretary of State for Territorial Cooperation, Spain João Ferrão , Secretary of State for Spatial Planning and Towns, Portugal Lennart Rohdin , Political Advisor to the Minister of Integration and Gender Equality, Sweden Yves-Laurent Sapoval , interministerial Delegate for Cities, France | Sandy Baruah , Assistant Secretary, Economic Development Administration, U.S. Department of Commerce Beatriz Zavala , Minister, Ministry of Social Affairs and Human Development, Mexico Alessandro Bianchi , Minister of Transport, Italy Takeshi Abe , Advisor, Ministry of Land, Infrastructure and Transport, Japan |

13:30 - 14:30 CLOSING CEREMONY: THE WAY FORWARD

This concluding session will include:

- Conference Conclusions, H.E. Mr Alberto Ruiz-Gallardón, Mayor, Madrid
- Closing Remarks:
 - Representative from the group of cities
 - Representative from the group of ministers
 - H.E. Ricardo Lagos, President, Club of Madrid
- Endnote from H.E. Angel Gurría, Secretary-General, OECD

14:30 – 16:00 *Buffet lunch*