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**What is so special about European  
integration? The implementation of the  
Community Initiative URBAN I in Berlin  
(1994-1999)**

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*This paper questions the mechanisms under which the European Community Initiative URBAN I (1994-1999) was likely to exert an impact on Berlin's urban policy system during the 1990s. However, other factors such as globalization or privatization processes also participate in the weakening of local institutional arrangements. As this external innovation hit this weakened policy system, an opportunity was given to actors willing to challenge the existing balance of power. This paper assumes that the European Union could become a vector for institutional change at the domestic level, mainly through its impact on the parameters of an undergoing process of change such as agenda- and problem-setting, local networks and sources of legitimacy.*

What impact did the European Community Initiative URBAN I have on Berlin's urban policies? Which methodological tools could be used in order to measure the impact of a Community Initiative on an institutionalised system of actors,

interests and representations? In fact, sceptics would even wonder if such a program could have an impact whatsoever on local or national policies. These questions stress the capacity of the European Union to provoke a major policy change at the domestic level through Community Initiatives, such as the capacity of these domestic levels to “digest” the programs developed at the European level. European integration has been a great opportunity for scholars interested in institutional change to develop new methodological and theoretical tools, in order to describe and analyse an – almost – unique phenomenon. On the other hand, this paper assumes that it is possible to focus on the impact of a European program at the domestic level, without focussing on the program itself, its origins or further developments. Thus this study tackles the European integration process by focussing on a *micro* level of analysis: the implementation of the Community Initiative URBAN in Berlin.

Considering the evolution of Berlin's urban policy system in the 1990s, it is assumed that the implementation of the URBAN Community Initiative has the capacity to challenge deeply, under certain conditions, the balance of power at the local level. The URBAN I Community Initiative will therefore be considered as an exogenous shock, since it is assumed that its implementation creates the conditions for a large redistribution of resources and constraints among actors, such as the redefinition of urban issues, interests and strategies. Moreover this paper is an opportunity to focus on the mechanisms and processes under which a major policy change takes place at the local level, European integration being one factor of change among others.

1. **The transformation of public action at the local level: how is the URBAN I Community Initiative's impact on domestic features to be observed?**

Many scholars interested in policy change have underlined the specificity of the European integration process in order to understand the institutionalization of a political space at the European level and its consequences on domestic rules and norms. Institutionalization is understood here as “*a process through which European political space - supranational policy arenas or sites of governance, structures by EU rules, procedures, and the activities of the EU's organisations - has evolved*” (Stone Sweet et al., 2001: 3). In fact, different approaches and theoretical tools were developed in order to tackle this particular issue. When observed from a top-down perspective, the implementation of European norms and rules can be considered as an independent variable. In this case, the research focuses on the European Union's impact on domestic cognitive schemes, institutions and patterns of behaviour. On the other hand, a bottom-up approach would focus more on the way national actors, at all levels of Government, “translate” European rules and norms into their domestic traditions. These European features mix with domestic ones, and produce a hybrid policy design. But besides these – very briefly described – differences, both approaches consider the European integration process as a specific phenomenon that requires the elaboration of specific concepts and methodological tools<sup>1</sup>.

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<sup>1</sup> A distinction is made here between the *European integration process* and the *Europeanization process*. The *European integration process* reflects the process of creation of a new level of Government at the

In fact, one could argue that in many cases, the features described in these studies are very similar to other transformation processes, which can be observed in all European member states. For example, devolution and globalisation processes had a major impact on national patterns of behaviour, institutions and cognitive schemes, and it has been shown several times that national states were more permeable to such processes. Hence, the European integration process might be considered as a major factor of change but it can also be considered as one factor among others, while its specificity needs to be underlined (Hassenteufel and Surel, 2000). Therefore, this paper intends to observe the impact of the European Community Initiative URBAN I through existing approaches and theoretical tools, which had been developed in order to focus on innovations and institutional change. This could be a way to isolate the impacts strictly related to the URBAN I Community Initiative on an undergoing process of change.

### **1.1. Exogenous shock and external innovation: two major factors of policy change**

Specific tools have been developed by the sociology of innovation in order to explain major institutional change from a long-term perspective. Therefore, these studies mainly focused on the consequences an external innovation might

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European level, which produces norms and rules. Whereas the *Europeanization process* describes the “*emergence and the development at the European level of distinct structures of governance, that is, of political, legal, and social institutions associated with political problem-solving that formalises interactions among the actors, and of policy networks specialising in the creation of authoritative rules*” (Risse et al., 2000: 2).

exert on existing patterns of behaviour and cognitive schemes<sup>2</sup>. Among other assumptions, it is argued that in order to be integrated in local routines and existing institutions, an innovation needs to be adapted and translated by local actors. Although conflicts and ruptures might appear within the process, although the implementation could fail, the innovation has the capacity to create an autonomous *learning process*<sup>3</sup>. Hence, the integration of external features is either an indirect consequence of the implementation itself or an answer to local conflicts. The implementation creates new opportunities for existing actors to participate in the process; it provokes a redistribution of resources and constraints among local actors. It reactivates former institutions or creates new ones, and participates in the redefinition of cognitive schemes. In this case, policy change results from the institutionalization of an external set of ideas, institutions and interests in an existing balance between ideas, institutions and interests. This being, of course, once local actors have translated it into local features. Therefore it is essential to focus continuously on the parallel transformation of each of these items and on the evolution of their interactions over the time.

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<sup>2</sup> Basing its analysis on ethnological and historical studies, Henri Mendras assumed that “*the question of change is linked to the introduction of innovations into local communities. How is the internal balance of power challenged by external influences, and how are these external innovations assimilated without jeopardising local traditions and identities?*” (Mendras, 1996: 205). (Author's translation)

<sup>3</sup> The *learning process* is understood here as “*a deliberate attempt to adjust the goals or techniques of policy in response to past experience and new information. Learning is indicated when policy changes as the result of such a process*” (Hall, 1993: 278).

## **1.2. European Community Initiatives: specific policy tools with predictable outcomes?**

Although European Community Initiatives are short-term programs that provide a small amount of grants, it seems that these programs could have the capacity to provoke an institutional change at the domestic level. One would not argue here that such a program is a factor of major institutional change *per se*. But its implementation is an opportunity to promote an innovative set of rules and methods of public action in an existing space of governance. As a matter of fact, this innovation produces various outcomes depending of the context in which it takes place (Muller and Rouault, 1997). This assumption implies that the local context has a major impact on the implementation process.

In fact, the implementation of the URBAN I Community Initiative in a stabilised domestic context might only produce incremental changes in existing routines and behaviours as it was observed in France or in the UK for example (Tofarides, 2003). The program could also be enforced in a context in which domestic actors wish to create a national framework for action towards urban areas and use the European example in order to elaborate a domestic program, as it was observed in Italy (Laino, Padovani, 2000). Finally, the URBAN I Community Initiative could be introduced in an evolving context where existing rules and behaviours are deeply criticised, and yet be rejected by local actors. However, even if the program's implementation fails, it could generate an autonomous *learning process* that influences the policy parameters of an undergoing process of change. This last example reflects the process that took place in Berlin (Germany) during the implementation of the URBAN I Community Initiative.



## **2. The URBAN I Community Initiative: an innovative answer to social and spatial exclusion in big European cities.**

The URBAN I Community Initiative was developed in the early 1990s by the European Commission in order to cope with social and spatial exclusion in big urban areas in an innovative way. It promoted an integrated approach towards urban poverty and social exclusion by combining the rehabilitation of obsolete infrastructures with economic and labour market actions and with measures to upgrade the quality of the environment. This program benefited from various experiences that had been developed at the domestic level - mainly in France, the UK and the Netherlands - and aimed at giving a common framework of action towards this specific issue.

### **The URBAN Community Initiative in Berlin (1994 - 1999)**

Community Initiatives are specific programs addressed by the European Commission to Member States on its own initiative since 1989 in order to solve issues having a particular impact on the whole European territory. The URBAN I Community Initiative was launched in 1994 in order to target urban neighbourhoods in conurbation of more than 100.000 inhabitants. It promoted an integrated approach towards urban poverty and social exclusion by combining the rehabilitation of obsolete infrastructures with economic and labour market actions and measures to upgrade the quality of the environment. The program was co-financed by the European Structural Funds: the European Regional Development Fund (ERDF) and the European Social Fund (ESF). The total European contribution to the program amounted to about 891 million of ECU (1996 prices). Other funding sources include national, regional and local authorities, as well as the private sector and social organisations. Cities lying within Objective 1 areas ("*lowest favoured regions*") were given priority for funding: 57% of URBAN areas are located in Objective 1 areas, and the rest in Objective 2 areas ("*regions facing difficulties during their economic conversion*"). 118 programs have been funded within the URBAN I Community Initiative in all Member States. This Community Initiative has been re-

launched in April 2000 by the European Commission under the name of URBAN II (2000-2006) with a fund of 700 million of ECU.

The URBAN I area in Berlin was over 8 km<sup>2</sup> (65.000 inhabitants or 2% of Berlin's population) and covered parts of 3 administrative districts all located in the former Eastern Berlin (Objective 1): Friedrichschain, Weissensee and Prenzlauer Berg. The main characteristics of this URBAN I area in Berlin were the following (Table compiled by the Author):

	Berlin	East-Berlin	West-Berlin	Prenzlauer Berg	Friedrichschain	Weissensee	URBAN area
<b>Surface (km<sup>2</sup>)</b>	889	403	485	10	9	30	<b>8</b>
<b>Population (/1000)</b>	3.461	1.291	2.170	715	105	52	<b>65</b>
<b>Unemployment (%)</b>	13.9	14.7	13.5	15.4	16	11.2	<b>16.4</b>
<b>Welfare (%)</b>	9	6	10.8	10.3	5.4	5.2	<b>6.1</b>

Sources: [http://europa.eu.int/comm/regional\\_policy/urban2/urban/initiative/src/frame1.htm](http://europa.eu.int/comm/regional_policy/urban2/urban/initiative/src/frame1.htm)  
(15/01/2004)

### **2.1. National initiatives towards social and spatial exclusion in big urban areas: the French and the British cases.**

At the end of the 1980's, most European cities were undergoing major changes: economic transformations, massive unemployment, the development of older and new forms of poverty, and the deterioration of living conditions (Paugam, 1996). Although these phenomena were not only observed in big cities, it is in major urban areas that they could be detected in their more acute forms. In order to face these issues, municipal authorities searched for alternative methods, and a general trend consisted into linking social and spatial exclusion to local economic development. Most of these urban development policies

aimed at attracting private investments and developing cultural and economic infrastructures in order to become competitive at the European level. Meanwhile, most local measures towards social and spatial exclusion were elaborated and implemented through partnerships with the private and the voluntary sector. This strategy certainly gave a great opportunity to European cities to modernise their economy. However, the previously existing gap among European cities and among urban areas in these cities increased in the meantime. Whereas some urban areas would benefit from local development policies, a spiral of social and spatial exclusion overwhelmed others. This situation generated huge disparities at the national level as well, both among cities that had succeeded into developing their local economy and others whose results were less conclusive (Harding et al., 1994).

In order to rationalise and co-ordinate local initiatives towards urban poverty, the French and the British Governments elaborated a national framework in order to deal with this integrated issue (Le Galès and Parkinson, 1994). The idea put forward by both national initiatives was to take into consideration the multiple facets of social and spatial poverty, which involved economic, social, political and environmental aspects<sup>4</sup>. Thus, both policies tried to deal specifically with urban deprived areas and to think of innovative tools in order to face this complex issue. One of its major aspects was for example to encourage and support local public authorities' efforts to create a collective action towards these urban areas and to co-ordinate all actors' initiatives. In most aspects the

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<sup>4</sup> The French program *Contrats de ville* was implemented for the first time in 1989 through 13 pilot-projects, and generalised in 1992 to the whole country. The British program *City Challenge* was created in May 1991. 31 Municipalities received 37.5 millions of £ for a five years period of time.

British and the French experiences were very similar to one another and remained quite innovative within the European member States.

## **2.2. The URBAN I Community Initiative: a European policy framework towards big cities?**

The specific action undertaken by the French and the British Governments in order to face social and spatial exclusion in big urban areas gave new arguments to big European cities' associations. In fact, they had been claiming for such a policy at the European level for almost a decade<sup>5</sup>. Finally, it was under the European Parliament's pressure that a program devoted to deprived urban areas was elaborated within the European regional policy by the European Commission (Halpern, 2000). As described by a former designated expert of the Commission<sup>6</sup>:

*Everything began thanks to a small team, which worked within the European Commission. They thought about a specific action towards European cities in order to counterbalance the European regional policy. [...] On the basis of their report, I was asked to give a vague policy design to this future European urban policy. And the only thing I had in mind, the only example I could refer to at this time, was City Challenge. Although some details were added later, one could say that City Challenge was adapted to the European purposes. I should also mention the fact that other national examples influenced us, mainly the French and the Dutch experiences. [...] The URBAN program's policy design has been directly inspired*

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<sup>5</sup> The EUROCITIES network for example was created at the end of the 1980s in order to promote the interests of major European cities at the European level and facilitate the exchange of information and "best practices" among them.

<sup>6</sup> Interview, October 2000.

*from similar experiences implemented at the same time in European member States.*

This quotation puts a highlight on one of URBAN I 's ambiguous aspects: the European Commission was reluctant to counterbalance its goals in terms of regional policies by creating an autonomous European urban policy. URBAN I became one among other measures elaborated at the European level in order to promote the development of lowest favoured regions. And it offered an opportunity to national States and local Governments to deal with urban underprivileged areas in an innovative and specific way. However, this community initiative also submitted all levels of Government to a common definition of social and spatial exclusion in large cities, a common framework for action, and common tools. Therefore, although community initiatives remain short-term programs with scarce resources, they have often been considered as a major vector towards European integration.

URBAN I 's implementation in Berlin is an interesting case of policy change through external innovation. However, the consequences which can be directly attributed to its European origins remain unclear. This paper assumes therefore that if the URBAN I Community Initiative was not the major factor of policy change in Berlin's urban policy field, it influenced deeply the parameters of an undergoing process of change.

### **3. The implementation of URBAN I in Berlin challenges a weakened policy system<sup>7</sup>.**

Even if this paper is not directly concerned with the German reunification as such, the context in which the implementation of URBAN I took place was full of political, administrative, economical and social changes (Wollmann and Roth, 1998). Concerning the administrative point of view, a common legislative assembly (the *Magisenat*) previously agreed that West Berlin's administrative system and its authorities' full competencies should be extended to the city as a whole. Hence, West Berlin's urban policy system was extended to the eastern part of the city<sup>8</sup>.

#### **3.1. Berlin's urban policy field: a system of actors mainly inherited from the 1980's<sup>9</sup>.**

At the end of the 1980's, West Berlin's urban policy was organised around the *Senat* Department of Transports, Construction and Housing (*Senatsverwaltung für Verkehr, Bau- und Wohnungswesen*)<sup>10</sup>. The German building industry had

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<sup>7</sup> All of the data presented in this article has been gathered in Berlin in February and April 2000. Since most of the persons I have interviewed wished to remain anonymous, they have not been quoted personally.

<sup>8</sup> The so-called *Magisenat*, created on December 5<sup>th</sup>, 1989, took this decision on June 14<sup>th</sup>, 1990.

<sup>9</sup> A "system of actors" is described as "a structured set of human beings which co-ordinates the actions of its participants through relatively stable mechanisms, and which holds its own structure through other forms of regulation mechanisms" (Crozier and Friedberg, 1977: 286). (Author's translation)

<sup>10</sup> As a city - state (*Stadtstaat*), West Berlin was run by an elected Parliament and a cabinet, called the *Senat*. The *Senat* is coordinated by a mayor who is also the head of the ruling party (see Rytlewski, 1999: 296-303)

been having a major influence on federal and local public administrations in charge of construction for many decades<sup>11</sup>. Therefore urban poverty and local development were linked with regeneration policies. And in fact, in the areas located in the centre of West Berlin, which were characterised by a high percentage of unemployed people, few possibilities of economic development and increasing poverty, most buildings and infrastructures were in a terrible condition. Hence the main goal of these regeneration policies was to build or to restore infrastructures and housing in order to promote economic development and deal with massive unemployment. But on the other hand, these sectoral public actions were not well co-ordinated with the programs elaborated by other *Senat* Departments in order to face social, economic or environmental issues.

#### *The Kreuzberg experience: a basis for a new urban policy system?*

In order to by-pass this sectoral system, the *Senat* Department of Transports, Construction and Housing financed the implementation of pilot-projects in Kreuzberg, one of the most underprivileged districts (*Bezirke*) of West Berlin at this time. Many public initiatives had already been devoted to the regeneration of this area through the restoration of green areas, housing and social infrastructures. However, it did not have much of an impact on the social and economic situation of its inhabitants. In fact, the rents started to increase dramatically and most inhabitants were forced to move out, while local citizen initiatives strongly criticised the *Senat* for its top-down approach towards urban regeneration. Interesting pilot-projects were therefore financed by the *Senat* and

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<sup>11</sup> A federal law, which came into force in 1971 (*Städtebauförderungsgesetz*), reaffirmed the competence of the public administration in charge of construction and housing on urban regeneration policies.

implemented through a high level of co-ordination between citizen initiatives, the public authorities and the private and voluntary sectors<sup>12</sup>. This temporary area-based innovation was one of the first attempts in Berlin to adopt an integrated strategy towards urban issues. However, this innovation remains isolated in terms of public action since it was never thought by the local authorities to become the basis for a major reform in West Berlin's urban policy field.

*The Senat hegemony is jeopardised by a lack of financial means, emerging issues and numerous critics.*

Right after the reunification, the *Senat* Department of Transports, Construction and Housing's supremacy was seriously challenged through various phenomena. Although the *Senat* had planned many actions towards urban regeneration, the financial situation of the city did not allow many margins to the public authorities. By this time, the whole city was concerned with a major financial crisis, economic transformations, massive unemployment and increasing poverty. However, the *Senat* Department of Transports, Construction and Housing tried to go on with its urban regeneration policy, especially in Berlin's eastern *Bezirke*. The lack of public subsidies forced this administration to build partnerships with the local private and voluntary sectors in order to

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<sup>12</sup> Although the action undertaken in Kreuzberg during the 1980's is often considered as a golden age, the effective results were lukewarm. It did participate to the diffusion of a culture of negotiation in the urban field area, and gave the voluntary sector an access to the local decision-making process. However, the final decision remained in the hands of the *Senat*, and mainly for financial reasons, very little was implemented. Anyhow, the Kreuzberg's myth remained very popular until nowadays and confers an undeniable legitimacy to the associations that participated to the initiative. For further details and critical insights on the Kreuzberg experience, see the contribution of Matthias Bernt (Bernt, 2003).



elaborate, implement and finance its policy. Therefore, a partnership was built between the *Senat* Department of Transports, Construction and Housing and STadtERNeuerung (S.T.E.R.N.), one of the initiators of the experiences, which had been taking place in Kreuzberg before the reunification. This former association was no longer in the hands of its founder and had become part of a major private company. Its financial situation was not yet solid enough to allow a long-term partnership with the *Senat*. Nevertheless, the urban regeneration policy remained mainly devoted to housing and social infrastructures' reconstruction and restoration, while more and more external actors asked for a redefinition of the *Senat* urban policy's aims and of its method of action (Senatsverwaltung für Bau- und Wohnungswesen, 1994).

Most criticism came from academics, and particularly from urban sociologists, whose studies had explored the causes and consequences of social and spatial exclusion in German cities. Although these studies put forward different solutions in terms of public action, all of them insisted on the issue's integrated aspect. Thus, social and spatial exclusion was characterised by its multiple facets, and required therefore a cross-sectoral approach (Häussermann and Neef, 1996 ; Alisch, 1998). On the basis of these studies, various experiences had been developed in other German cities such as Hamburg for example, and could be implemented in Berlin as well.

From their point of view, an existing local administration could be put in charge of this integrated action towards social and spatial exclusion in Berlin: the *Senat* Department of Town Planning, Environment and Technology (*Senatsverwaltung für Stadtplanung, Umweltschutz und Technologie*). The German Social Democratic Party (SPD) also supported this idea during the 1995 and 1999

local electoral campaigns. This administration had been created in the early 1980s as a part of the *Senat* Department of Transports, Construction and Housing and only became an autonomous Department in 1989. Most West German Municipalities and *Länder* created such an autonomous administration in order to co-ordinate the public action at the local level in a sustainable way. Although these administrations could have had a very broad competence towards urban development, their actions were mainly restricted to town planning and environmental issues, while urban regeneration and urban development were taken over by other administrations, mainly by the Departments of Construction and Housing.

*Berlin's local politics: a major handicap towards any attempt of policy change.*

Not only the sectoral organisation of the *Senat* jeopardised most attempts to elaborate an integrated urban policy. This structural handicap was reinforced by the political situation of the city, which had a great impact on the *Senat* decision-making process (Strom, 2001). After the 1991, 1995 and 1999 local elections, the *Senat* was the result of a coalition between the Christian-Democrats (CDU) and the Socialist Party (SPD), while Eberhard Diepgen (CDU) remained Mayor of the city between 1991 and 2001<sup>13</sup>. The distribution of sectoral competencies between both parties was each time the result of a tough political bargaining. A Christian-Democrat traditionally ruled the *Senat* Department of Transports, Construction and Housing while the *Senat* Department of Town Planning, Environment and Technology was given to the SPD. Although this Department had been claiming for its legitimacy to intervene

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<sup>13</sup> Eberhard DIEPGEN had already been elected Mayor twice in the 1980s.

within the elaboration of urban regeneration policies since 1991, political and organisational matters always jeopardised this attempt.

Hence, the context in which Berlin's project was presented to the European Commission in order to benefit from URBAN I funding was characterised by the *Senat* Department of Transports, Construction and Housing' predominant position. On the other hand, a wide and heterogeneous group of actors challenged and criticised its monopoly of action towards urban matters. In this context, the major guidelines required by the European Commission could give these *skilled social actors* enough political and financial opportunities to claim their capacity to participate in the implementation of URBAN I<sup>14</sup>.

### **3.2. URBAN I in Berlin: a conceptual and a methodological innovation.**

The first parameter of the undergoing process of change, on which the enforcement of the URBAN I Community Initiative had an impact, was to enlarge the number of actors present in Berlin's urban policy field. URBAN I gave new political and financial resources to various actors in order to challenge the existing division of power in this local policy field.

#### **The Senat' attempt to co-ordinate the implementation of the URBAN I Community Initiative.**

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<sup>14</sup> Skilled social actors are defined as "*those who find ways to induce co-operation amongst disparate individuals or groups by helping them to form stable conceptions of roles and identity*" (Stone Sweet et al., 2001: 11)

The first step in the implementation of URBAN I in Berlin was an opportunity for the *Senat* to claim its legitimacy to co-ordinate the whole process at the local level. The reaffirmation of its strict competence towards urban matters was mainly directed at the German Federal Government and based on constitutional rights. The European integration process had often been an opportunity for the German State to interfere in the *Länder's* competencies (Rommetsch and Wessels, 1996). Thus, the reaffirmation of the *Senat* autonomy towards urban matters seemed even more essential than its financial situation and the transfer of most German federal institutions from Bonn to Berlin required a financial participation from the federal State towards the city's reunification. The *Senat* based its argumentation on the fact that it was a *Länder* and a City at the same time (*Stadtstaat*). Therefore, Berlin's *Senat* could claim for the respect of its constitutional right to exert an autonomous administration of the municipality (*Selbstverwaltung der Gemeinde*).

The reaffirmation of the *Senat* strict competence towards the implementation of URBAN I was then directed to the districts (*Bezirke*), which don't have a full autonomy of action, but do have their own budget and own legislative assembly (Rytlewski, 1999: 305-11). In fact, due to historical reasons, Berlin's inhabitants still had a stronger relation towards their *Bezirk* than the *Senat*, and this lower level of Government remained a major source of funding for the local voluntary sector and citizen initiatives. However, the administrative organisation of the city had to be reformed for financial reasons and the number of *Bezirke* would be shrinking from 23 to 12 by 2001: the financial resources allocated by the *Senat* were therefore reduced to their minimum from 1997 (Halpern and Häussermann, 2004).

In regard to this reform's enforcement, URBAN I represented an opportunity for the *Senat* to test its capacity to develop an urban policy, which would not respect the traditional *Bezirke* borders. As a consequence of this, the local private and voluntary sectors would have to search for a direct partnership with the *Senat* in order to implement their projects. Although the European Commission recommended to select a small urban area – not bigger than 5 km<sup>2</sup> – located in a single administrative district, Berlin's URBAN area was located on three different *Bezirke*: Friedrichschain, Prenzlauer Berg and Weissensee. Thus, these lowest levels of Governments could not claim anymore for their legitimacy to co-ordinate the URBAN I Community Initiative at the local level. However this decision was to become a major handicap for the implementation process, since all *Bezirke* claimed their right to participate into the decision-making process.

*The URBAN I area in Berlin: a short-term laboratory for the Senat' experiences towards social and spatial exclusion.*

The reaffirmation of the *Senat* autonomy regarding the implementation of URBAN I was one of the most important steps within the whole process. However, the *Senat* hardly had the capacity to co-ordinate its Departments' activities and respective strategies towards URBAN I. In fact, the final process was mainly the result of a political and sectoral bargaining within the *Senat* Departments and since the URBAN Community Initiative could fund urban, economic, social or environmental projects, almost all *Senat* Departments were involved in the process. But neither co-ordination nor clear leadership could emerge within the *Senat*, since the political and cognitive competition between

the *Senat* Department of Transports, Construction and Housing and the *Senat* Department of Town Planning, Environment and Technology had not been solved<sup>15</sup>. As a compromise, the *Senat* Department of Economy and Business matters (*Senatsverwaltung für Wirtschaft und Betrieb*), and more specifically its department in charge of European funding, was put in charge of URBAN I 's co-ordination. This administration was therefore responsible for the final selection of the projects to be co-financed by URBAN I. As it was mentioned by a member of this administration<sup>16</sup>:

*URBAN was entrusted to us because we were in charge of the ERDF in Berlin. But they should have entrusted this program to a more competent administration [...] maybe the Department of Transports, Construction and Housing, or even the Department of Town Planning, Environment and Technology. Since the co-ordination between both Departments was quite difficult, we remained in charge of this program, which is totally absurd since we are usually in charge of regional development and know nothing about urban development. In fact, we just carry out a technical co-ordination, nothing else.*

The *Senat* also selected a "technical" URBAN co-ordinator, which would be an efficient interface between the public authorities, the private and the voluntary sector. This key actor also had to define Berlin's URBAN project on the content level such as its main goals. Moreover, it would have to create a synergy

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<sup>15</sup> The implementation of URBAN I took place during the 1995 electoral campaign. Although one of the SPD 's major demands was to extent the competence of the Department of Town planing, Environment and Technology to all urban matters, its electoral results did not allow enough margins to impose this idea.

<sup>16</sup> Interview with a civil officer, *Senatsverwaltung für Wirtschaft und Betrieb*, February 2000. (Author's translation)

among local actors through regular information. The consulting office Beratungs- und Service-Gesellschaft Umwelt mbH (B.&S.U.), specialised in environmental matters and supported by the *Senat* Department of Town Planning, Environment and Technology, was selected by the *Senat* after a tough political competition. B.&S.U. was selected for its integrated approach to urban issues. The project entitled “Community Initiative for Urban Areas (URBAN): a new life for East Berlin’s Inner City” defined three major axes to be taken care of within the implementation process: employment and professional training, creation or renovation of economical and social infrastructures, environmental friendly projects (B.&S.U., 1998).

Although this innovative approach towards urban issues was seen as a positive aspect for URBAN I’s success, B.&S.U. did not have enough political resources in order to become an active co-ordinator of the project. In fact, since the *Senat* did not manage to reach a political compromise on the implementation of URBAN I, or to create a synergy among its Departments, the European funding was distributed among more than five *Senat* Departments, who managed to co-finance existing or already planned projects. And although B.&S.U. was put in charge of the co-ordination of the program at the local level, the final decision remained in the hands of the *Senat* itself. Moreover, B.&S.U. had never been involved in this urban area in the past, whether with the local private and voluntary sectors, nor with the *Bezirke* administrations. Hence, most local actors considered the first steps towards URBAN I’s implementation as a top-down

process, since the *Senat* and B.&S.U. remained outsiders to local networks and traditional patterns of behaviour<sup>17</sup>.

*Local project managers translate the URBAN I Community Initiative into local features: “Kiez” and polycentrism versus URBAN area and centralism.*

As a consequence to this lack of political resources, B.&S.U. could not manage to become the centre of a collective action dedicated to URBAN I 's implementation, as an URBAN project manager noticed it<sup>18</sup>:

*The Senat delegated parts of its responsibility concerning URBAN to B. &S.U.: the projects' discovery and their support within the implementation process. If B. &S.U. had not found existing or potential projects, they would have created some, in order to present an acceptable project. They had to create new projects anyway, since they did not find much in the selected area, ... or to support existing projects, which had been going on for a couple years with other funding that could not be extended any longer. B. &S.U. had to find out existing projects in order to test and control them before they could be presented to the Senat final decision. But everything went through B. &S.U. first; it was a real filter!*

In fact, most project managers expressed lukewarm opinions towards URBAN I 's implementation. More than everything, they criticised the decision-making process, which had been elaborated with the *Senat* and B.&S.U. in its centre.

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<sup>17</sup> The main actor of the local urban policy system in the URBAN area was S.T.E.R.N., which had already designed an urban regeneration area (*Sanierungsgebiet*) since 1992, in partnership with the *Senat* Department of Transports, Construction and Housing. This area had been considered as a potential URBAN area on the first place, since it belonged to the Prenzlauer Berg *Bezirk* only and was not bigger than 5 km<sup>2</sup>.

<sup>18</sup> Interview with project manager n°1 in Prenzlauer Berg, April 2000. (Author's translation)



The lack of transparency and political legitimacy was pointed out in most interviews, and it seems that a misunderstanding concerning B.&S.U. 's role could have been a plausible explanation for this mistrust against the URBAN I Community Initiative. Administrative and legal issues within the elaboration of their project often overwhelmed most project managers and they expected a stronger support from B.&S.U. on these particular issues, as it was pointed out by two of them<sup>19</sup>:

*This has been such a hard time! Such a waste of time in fact! And we did not get much support from B. &S.U. concerning the content of our project. They just kept repeating that it was far too expensive. So we changed the amount several times, but they kept telling us it was too expensive without advising us on the content. Only money, budget, all the time. They just did not care about our questions!*

*We were never told that the project's implementation required a different legal status. The problem was not to change our legal status. The problem is that we were told about this in the last minute. We had no time to consider different possibilities or to get any advises from anyone in order to choose a structure adapted to our situation. As usual, a demand but no help: a crazy system!*

As a matter of fact, B.&S.U. worked as a filter between the *Senat* and the project managers. The consulting office auto-defined its task: they had to test and control each project before submitting it to the *Senat* final decision. Hence, most project managers turned to the *Bezirke* administrations in order to get some support and advises on legal matters, while B.&S.U. was criticised for its in-between position, as described by a project manager<sup>20</sup>:

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<sup>19</sup> Interview with project managers n°2 and 3 in Prenzlauer Berg, April 2000. (Author's translation)

<sup>20</sup> Interview with project manager n°4 in Friedrichschain, February 2000. (Author's translation)

*When we were told that our project went through B. &S.U. 's selection, we still had to wait for the Senat to give its final decision. And during two month they did not tell us anything, or black one day and white the next one. B. &S.U. was telling us it would not work because it was too expensive ... We finally called the Senat, which said everything was fine. And the next day we received a call from B. &S.U. saying there was a problem. I thought I would go crazy. It took us two years between our first application in 1996 and the final answer in 1998.<sup>21</sup>*

Consequently, project managers and *Bezirke* adapted their own strategies to the financial and political opportunities provided by URBAN I. And by the end of 1999, it was very clear that the every-day implementation process did not respect the initial pattern of interactions expected by the *Senat*. Instead, strong links were reactivated within each *Bezirk* territory. An example of this could be the way the URBAN projects followed the rule under which the URBAN area's borders had to be respected. More than 75% of them actually spread out of these borders and legitimated this situation by their belonging to a "*Kiez*", to which the following definition was given by a project manager<sup>22</sup>:

*It's a traditional urban space to which the inhabitants identify themselves and give a lot of energy. It's very typical for Berlin in fact, although I am sure it exists in every city under a different name. You know, "the little village in the city"! But the Kiez is certainly more than just this.<sup>23</sup>*

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<sup>21</sup> In 1999, only 26% of the total amount allocated to URBAN I in Berlin had been expended and more than 30 projects failed after six month (Toepel et al., 2000).

<sup>22</sup> Interview with project manager n°2 in Prenzlauer Berg, April 2000. (Author's translation)

<sup>23</sup> In other words, this term designs an area not bigger than 5 or 6 blocks and represents more than a territorial reality: it also has a social, political and cultural dimension.

Most projects were therefore an opportunity for local associations to build partnerships with the local industry or the *Bezirke* administrations and local public actors: schools, hospitals, etc. In fact, to a system characterised by a top-down relationship between the *Senat* and each project was substituted a polycentric system organised around each *Bezirk*. In a way, one of the *Senat* original fears had come true: the *Bezirke* had gained enough political legitimacy to become a major actor within the implementation of URBAN I.

### **3.3. *Quartiersmanagement and "Soziale Stadt": the institutionalization of the URBAN I Community Initiative into domestic features.***

The institutionalization of the methods and cognitive frames introduced by the URBAN I Community Initiative succeeded through the creation of a national framework towards urban areas - "*Soziale Stadt*" - and *Quartiersmanagement*, a program devoted to Berlin's underprivileged areas. URBAN I influenced two parameters of this undergoing process of change: agenda- and problem-setting. Since the program had been implemented in a weakened policy field, existing challengers were all the more able to produce a new set of ideas and tools in order to deal with urban issues. In fact, they had been trying to influence the national and local agenda for many years; this European program gave them enough resources and political legitimacy to achieve their goal.

### ***The participation of the German federal State to the implementation of URBAN I in Germany: co-ordination and evaluation of the process.***

The German Federal State intervened within the implementation of URBAN I, in order to co-ordinate the whole process at the national level and to evaluate the

way former eastern *Länder* had been implementing it. As a matter of fact, the German State never had the legitimacy to create a national framework for public action towards cities. However, the Federal Department of Transports, Construction and Housing (*Bundesministerium für Verkehr, Bau- und Wohnungswesen*) had been watching very carefully the French and the British experiences, hoping for an opportunity to create a similar policy at the federal level. Thus, URBAN I was a perfect opportunity to build partnerships between all potential actors at national and local levels<sup>24</sup>. This experience was to become the basis for the creation of a federal urban framework towards deprived urban areas in 1999: “die soziale Stadt: Stadtteile mit besonderem Entwicklungsbedarf” (“the social city: urban areas with specific development needs”). As a senior officer of this administration underlined it<sup>25</sup>:

*The European Union lead the way for the creation of the federal program "Soziale Stadt". Similar experiences had already been developed in other member States like France or Great Britain. We followed the European policy design in order to create a German program, since it allowed enough autonomy to local authorities in order to define local needs.*

Besides the co-ordination of URBAN I 's implementations at the national level, the Federal State gave a particular attention to the processes going on in the eastern part of the country. Its aim was to achieve a better co-ordination between all programs and activities implemented in this area by the European

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<sup>24</sup> The Federal Department of Transports, Construction and Housing created the *URBAN Netzwerk Deutschland* in 1994. This federal organisation aimed at co-ordinating and networking all activities developed within the URBAN I Community Initiative in Germany.

<sup>25</sup> Interview with a senior officer, Bundesministerium für Verkehr, Bau- und Wohnungswesen, May 2001. (Author's translation)

Union, the Federal State, the *Länder* and the Municipalities. The Federal Department of Economy and Technology (*Bundesministerium für Wirtschaft und Technologie*) supervised therefore the evaluation of each programs (Toepel et al., 2000). Concerning URBAN in Berlin, the evaluation expressed severe opinions towards the whole implementation process and legitimated most of the criticism that had been addressed to the *Senat* and B.&S.U. by project managers, the private and the voluntary sectors or the *Bezirke* and their elected representatives. Compared to other experiences, the *Senat* did not succeed in creating a collective action around this project or to give enough political resources and autonomy to B.&S.U. in order to carry out its task. Hence, most involved and external actors considered the implementation of URBAN I in Berlin as a failure and rejected it as such.

*The local political campaign and its consequences: learning process and institutionalization.*

The whole story could of course end up here. But as mentioned previously, an innovation is not always accepted and translated into local patterns of behaviour after the first attempt. In fact, the implementation of URBAN I had created an autonomous *learning process* within the local policy system, which led to an evolution of routines, institutions and interests. As a result, not only the top-down approach of the *Senat* towards URBAN led to strong criticism, but its action as a whole towards underprivileged urban areas was questioned by a broad coalition of actors.

The head of this coalition, Peter Strieder, was not only the head of the *Senat* Department of Town Planning, Environment and Technology, but also a major

actor of the SPD. The strategy of Berlin's SPD during the 1999 electoral campaign was based on the elaboration of an integrated urban policy (Senatsverwaltung für Stadtentwicklung, Umweltschutz und Technologie, 1998). Hence, these elections opened a “*policy window*” for the SPD<sup>26</sup>. A “super” *Senat* Department of Town Planning, Environment and Technology was created under the direction of Peter Strieder, and included the former *Senat* Department of Transports, Construction and Housing as well. This Department’s first decision was to create “*Quartiersmanagement*”, a specific program towards underprivileged urban areas. The project elaborated in Berlin was very similar to the URBAN I Community Initiative as to other experiences, which had been taking place in Berlin-Kreuzberg during the 1980's or in Hamburg since 1994. Moreover, this local program fitted perfectly with the Federal urban policy “*Soziale Stadt*”, which co-ordinated, on a contractual basis, all public actions towards underprivileged urban areas (Friedrich-Ebert Stiftung, 1999).

#### **4. What is so special then about European integration?**

This paper questioned the capacity of the European Community Initiatives to create a major policy change at the local level through *social learning* and *institutionalization*. Although these assumptions have only been applied to a

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<sup>26</sup> A “*policy window*” appears when “*the separate streams of problems, policies, and politics come together at a certain critical time. Solutions become joined to problems, and both of them are joined to favourable political forces. This coupling is more likely when a policy window – an opportunity to push a proposal or one’s conception of problems – is open*” (Kingdon, 1984: 204).

single case study, various conclusions can be drawn from this experience. In the first place, the European integration has been considered as an external process among others, to which local systems intent to adapt their strategies. Thus, the European integration is not only a vector for particular ideologies or cognitive schemes: it also favours the diffusion of innovative methods for public action through financial means. The program itself could, therefore, be rejected by local actors in the first place as it was the case for URBAN I in Berlin. But it also constrained local actors to redefine their strategies in order to benefit from the redistribution of financial and political resources offered by URBAN I.

Hence, the European Union gives an opportunity and legitimates former would-be actors to enter the game, once they translated these external aspects into local patterns of action. In fact, translation into local features is a major condition to avoid total failure or rejection. Therefore, it cannot be stated that the URBAN I Community Initiative was the major factor behind policy change within Berlin's urban policy system. Still, its implementation framed an undergoing process of change and presented a possible answer to emerging urban issues, in terms of representations and methods. Moreover, its implementation gave an opportunity to existing alternatives to access the political agenda such as new resources to *skilled social actors* in order to frame the debate.

The URBAN I Community Initiative influenced the parameters framing the policy change process, not the process itself, which has numerous origins. This might well be considered as another step into describing and proving an eventual *européanization* process. But it certainly reaffirms the necessity to analyse the European integration with existing methodological tools and to consider this undergoing process as a factor of policy change among others.





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