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on Swedish regional policy



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From North to Journal of Nordregio

In December 2000 North bowed out with its last issue dedicated to an overview of achievements in planning and regional policy in the 1990s. A number of distinguished scholars presented their retrospectives on a turbulent decade past, having as they did to cope with the aftermath of the important political and economic changes that defined the decade. Today, we almost take for granted what was ten years ago still sensational, namely the downfall of the iron curtain and the rearrangement of the political map of Europe.

Focusing on Nordregios fields of interest in spatial planning and environmental and regional policy, it has been a decade packed with rich experiences, though also one where the unknown has been transformed into the standard procedures of politics, bureaucracy and academic discourse.

Achievements have, in these respects, been enormous. Just to compare the data available for - and the social and scholarly exchanges made with - the Baltic States enables us to more fully comprehend the tremendous leap forward that has been made.

The Nordic countries have clearly been rejuvenated by these new contacts, a rejuvenation which was badly needed, as the same decade brought intolerable pressure on what was known as the Nordic model, in particular as it related to social and regional planning, or democratic transparency and the fair distribution of income. Now, at the beginning of a new decade, and a new century, we must ask ourselves whether we can any longer speak of a Nordic model in this sense. We, across the Nordic area

find ourselves increasingly enmeshed in a globalised world, in a shifting network of relationships spanning commerce, communications and entertainment, and also, significantly, politics, science and research.

The Nordic countries continue to perform well when measured along a number of social and economic performance indicators, though Sweden's long-lasting post-war economic reputation has declined. Indeed the other Nordic countries are now richer than Sweden, if one uses measuring instruments such as purchasing power per capita as a yardstick. Denmark and Finland have excelled in world market penetration with a range of new and highly competitive products, whilst Norway and Iceland have succeeded in taking their natural resource based economies into a new and promising era.

Beyond this process of readjustment to the new global realities however lie a number of disturbing signs, where economic, social, demographic and environmental imbalances are plentiful, both in the Nordic countries themselves and in the countries bordering the traditional Nordic realm. It will therefore be the task of politicians and academics to deal with such challenges in the years to come.

With these arduous tasks in mind, Nordregio strategically locates itself as an institution of research, education and dissemination in these areas, and we hope that the Journal of Nordregio accordingly will lend itself to the pursuit of knowledge in these fields of interest. We set out to uncover and analyse the societal trends and patterns of

the Nordic countries and their surroundings as we seek to present current political and academic thinking at the cutting edge of debate, especially where it is presented from a regional angle. Our first issue hopefully reflects such an ambition with its mix of relevant news articles, interviews, features and book reviews.

It is also our aim to communicate with our readers, therefore we have decided to circulate the Journal of Nordregio to as many addressees as possible, and to do so free of charge. In the information age, we see a trend towards information being considered a public good. Thus periodicals and journals find it increasingly difficult to survive when based on traditional models of subscription. Nordregio, having an explicit obligation to serve its funding countries, has therefore decided to give priority to accessibility and dialogue. We subsequently welcome any statements, debate articles or specific demands from our readership.

The Nordic model may not be what it once was, which makes it even more important to encourage debate on what the Nordic future is to become. Such a debate has we think to take as its points of departure, tradition, current realities, and future challenges. The Journal of Nordregios ambition is to be at the heart of this debate. In this respect moving from North to the Journal of Nordregio should be considered to be more an act of continuation than one of disruption.

When power overrules environment

It does not always happen, but when vital interests of power are at stake, environmental considerations seem to lose out. A number of examples taken from large Nordic projects reveal that environmental impact assessment processes are often inadequate in dealing with delicate decisions involving power and prestige.

By Jon P. Knudsen

A comparative research project on environment impact assessment (EIA) drawing upon examples from five Nordic countries is about to be concluded at Nordregio. The project has monitored important undertakings such as the Gardermoen airport development in Norway, the Hallandsås railway tunnel construction in Sweden, the location of a final disposal site for nuclear waste in Finland, the construction of an aluminium smelter in Reiðarfjörður, Iceland and the possible shortening of the Horsens Skanderborg rail-link in Denmark.

Of these projects, only one, the Danish project, was substantially altered by what may have been the effects of the EIA-process. In fact, the whole idea of constructing a new rail-link was abandoned as it became clear that massive earth works would radically change the landscape and that new curve-steered trains could reduce the gain in travel time from shortening this section of the rail-link to only 2 minutes from the originally estimated 10 minutes. This realization is what ultimately brought the project to its end.

At the other end of the scale we find the Norwegian Gardermoen experience, where the EIA process was disregarded in a deliberate attempt to complete a large and complex project in accordance with a parliamentary-based decision. Manipulative procedures and communicative distortions became elements of a procedure which primarily stands out as a case where politics, time and money combined displaced any potential influence that the EIA process may have had on the outcome of the planning process.

The Swedish case illustrates how an EIA-process can easily become obsolete, when in this case, the Hallandsås-project suddenly ran

into serious technical trouble, whereas the Finnish study shows how the EIA-procedure came to function as a legitimating element in the decision making process rather than as a vehicle for dealing with conflicting interests in an upcoming project. In the case of Iceland, the process did not progress far enough for us to say with any certitude whether the EIA-approach had been respected or not.

In sum, derived from these studies over EIA-procedures in the Nordic countries, and in particular whether they function in accordance with the ideal of communicative planning, (i.e. a way of planning which takes into account how power relations and resources in a given planning process are unevenly distributed between participants), concerns are now emerging. The examples listed are of course exceptional with regard to their scale and complexity, nevertheless however serious violations of good planning practice were revealed in the Norwegian, Swedish and Finnish cases. In pointing to these violations, the research project offers a valuable insight into the wider aspects of the EIA process for planners, politicians and scholars.

Professor Tore Sager from the Norwegian University of Science and Technology has summed up the projects in a theoretical article which points to two specific problems relating to EIAs: "The first is to ensure that the EIA is an honest piece of work, (...) the EIA can be used to legitimize the project instead of minimizing the environmental impacts. This problem has just been treated in terms of manipulation and communicative distortions. The second problem is that even when the EIA seems to work as an environmental planning tool, it is necessary to monitor the use of the EIA results in the

political decision-making process."

– Legal developments in the Norden area, with the honorable exception of Iceland, have yet not arrived at the point where an EIA-process in itself can overturn the decision on a new and contested project, notes senior research fellow Tuija Hilding-Rydevik of Nordregio, commenting on the studies. – And besides, the projects documented in these studies, are all of a physically large and politically complex nature. If for example we turn to the Danish experience, much ado was made of the Øresund-bridge project when it was planned, thus it may ultimately be that the limited scope of the Horsens Skanderborg railway-link helps to explain why it was more successfully dealt with. Though it may also be that a Danish political tradition of dispute and compromise better suits the participation-aspect of the EIA-process than the more consensus-oriented Swedish way of arriving at decisions, she adds.



Tuija Hilding-Rydevik

Hilding-Rydevik also mentions the fact that the process of EIA is in itself a relative newcomer to the Nordic planning scene. – Indeed it was not until the period 1990–94 that these concepts and procedures were implemented across the various Nordic countries, whereas the EU passed its legislation on EIAs as far back as 1985. This lack of history and practical experience can therefore also partially explain why projects run into problems, she says.

Spectacular drive for new infrastructure in Southern Norway

Regional and local authorities in southern Norway have found their own way to raise money for spending on new infrastructure.

By Jon P. Knudsen

A spectacular plan is on its way to realization in the southernmost region of Norway, the counties of Aust- and Vest-Agder. What were until recently four separate, locally owned hydroelectric companies, have been merged into one, Agder Energi. The plan is to sell it to, or merge it with, one or several other energy companies in order to raise a substantial budget for financing new, social infrastructure projects across the region, particularly in the areas of culture, education and research.

This move is noteworthy for two reasons: Firstly, it involves the dismantling of four municipally owned companies, Kristiansand Energiverk, Arendal Energiverk, Vest-Agder Energiverk and Aust-Agder Kraftselskap and their merger into one company. This was achieved in spite of a long history of antagonism between the various parties involved and a disputed formula for ownership concerning the latter two. Thus an example of regional cooperation has emerged, and can be seen to be performing beyond a level most observers judged possible. Anticipating the fusion of the two Agder counties into one new regional unit of administration, an issue that in itself has a long political history, the venture has been followed with great interest in the national ministry of local affairs.

Secondly, this operation, if carried out successfully, will make a substantial contribution to the regional budgets if it is channelled into well-defined fields of activity. The plan was initially conceived by the municipal commissioner in Kristiansand, Erling Valvik, whose idea was to transform the vast investments made in traditional infrastructure 50–100 years ago into a new programme for the development of the regions social infrastructure.

What will the crucial elements be for regional development in the

years to come?

– The answer to this question may be that it is the creativity that stems from culture, research and education. In order to foster a climate in which such virtues can thrive, it may be a wise investment to realise what we can by putting up some of our traditional industrial assets for sale. After all, we are not professional owners, and besides, Valvik notes, we have to admit that Norwegian municipalities have themselves not been risk averse, by investing money so heavily in one sector, namely in power production and power supply.

His ideas have subsequently gained support among politicians both in the various municipalities and in the counties involved.



Erling Valvik

The plan is now past its first critical phase. The merger of four companies into one has been achieved, resulting in a minor cash flow increase temporarily alleviating the budgetary situation of the municipalities involved. A fund consisting of more than 800 millions NOK has also been created to stimulate R&D in the Vest-Agder-half of the merged company. The hope is that the Aust-Agder-half will follow suit with a similar construct in a few weeks time.

Significant impacts are however likely be felt if and when the new company is eventually sold. Then, an estimated 12–16 billions NOK will become available for regional and local schemes of various design and scope, making an unprecedented contribution to the Norwegian history of regional development. Moreover, this will have taken place on the initiative of the local

and regional authorities, the national government will have no say in the matter whatsoever. According to an estimate given by Wassum investement consulting in Bergen, referred to in the newspaper “Nationen” of January 17, the possible revenue stemming from municipal sale of shares in power plants could amount to 50 billion NOK on a national scale over the next three years.

Debate has of course been heated. Some claim that what has been invested in securing the national power supply has been laid down on a long-term perspective, and is thus not to be used for speculative purposes, whereas others maintain that it is no longer a dedicated task of local authorities to be involved in the production of electricity, especially as professional market operators are able to do better than politicians in business terms. Others again warn that a regional sell-out could make Agder, traditionally one of the national strongholds for electricity production, an unimportant branch of a bigger industrial unit localized in Oslo or abroad, thus stripping the region of important human and technological assets. This scenario is more than likely to occur should Agder Energi be devoured by the national quasi-monopolist, Statkraft. Therefore business partners, needing a bridgehead in Norway, are sought across the whole of northern Europe.

Clearly, significant obstacles, both legal and political, remain before the accumulated sleeping assets of Agder Energi can be realised by the community as a whole, though significantly the process could well be completed within a year, leaving the Agder experience to be discussed and perhaps copied by other regions, whilst perhaps pointing to a new and tempting financial source for the rejuvenation of Norwegian regional politics.

Finland to vitalize regional centres

Finnish plans for regional development have traditionally been dominated by the power of a handful of urban centres. A new initiative however intends to create a more balanced picture.

By Jon P. Knudsen

The idea is to counteract growing regional imbalances in Finland by allowing some 30–40 urban centres all over the country to play an increased role in the countrys social and economic development. This is to be done through a programme initiative that is set to operate for the period 2001–2006 and will involve national and EU funding.

Excluding the capital region of Helsinki, the initial draft for the programme starts with stating the delicate point of departure: On the one hand Finland needs internationally competing urban centres, on the other, the country depends on the revitalisation of its smaller and medium-sized urban areas in order to remain a well-functioning and harmonious society.

The scheme is in the making, which implies that the specific projects and guidelines are still at a preparatory stage. A call for applications has been issued from the ministry of interior affairs to the various local government bodies concerned, and further elaboration of the programme is due to take place in the wake of this peri-

od of application, as much of the initiative concerning content and direction of the programme has been handed over to the applicants.

The programme itself aims to strengthen and integrate regional cooperation in urban areas, defined as labour market regions. Financially it will be based on funding through existing administrative budgets and EU structural funds. Thus, the period of the initiative operation fits snugly into the Unions policy and budgetary cycles.

Ms Heli Saijets, adviser at the ministry of interior affairs, points to the need for a more sustainable urban structure in Finland.

– If the distribution of population is not to tilt totally in favour of the five biggest university cities, we have to do something to make the remaining urban centres more viable. The key element is migration, and it strikes me again and again how sensitive people are to employment opportunities. If we fail in our quest to seek measures to strengthen the whole of the urban network, we will eventually end with a significantly different population distribution map than we have

today. As far as specific measures are concerned, I intend to promote the interplay of endogenous and exogenous factors, she says.

The initiative represents a logical follow up to a period of considerable interest and indeed turmoil in Finnish urban politics, a period which saw the introduction of a number of political schemes and programmes aimed at reinforcing medium-sized urban areas. In 1998 a study led by professor Perttu Vartiainen of the University of Joensuu, described and analysed the potential of 35 urban areas comprising of 39 major agglomerations. The ministry, though, is eager to stress that being among these 39 towns and cities does not pre-qualify any of them to be chosen as candidates for the regional centre programme.

It remains to be seen how many of these urban areas, and which ones in particular, are to be included in the final set-up. Though not being willing to say so openly, it seems nevertheless that the ministrys desire to encompass as many as 30–40 urban regions in their scheme has rather more however to do with political convenience than scientific advice.

Stockholm in search of a future strategy

The strengths and weaknesses of the Stockholm area are clearly stated in a new report to the county administration. The Swedish capital has its strengths as a modern, technologically oriented centre of Northern Europe. But competition is on its way, both from new cities in former Eastern Europe and from dynamic centres in the traditional Western sphere.

By Jon P. Knudsen

A Nordregio project, comparing Stockholm with seven other city-regions in the Baltic Sea region, is soon to be presented to the administration of Stockholm county. The aim of the project has been to highlight the challenges that Stockholm will face in the years to come given its location, structure and surroundings.

Political and economic patterns have over the years changed dra-

matically in the Baltic Sea region. Due to the downfall of communism, historical relationships between states, nations and urban systems are reintroducing themselves in a manner that makes us think of the pre-war era. But whereas some of these historical memories reawaken feelings of nostalgia and evoke past experiences, a new international division of labour in the context of a highly altered economic climate confront the countries and the cities across the region.

Thus, Stockholm finds itself in a situation that both resembles and differs from previous periods. In this confusing and inspiring climate, it has been of paramount importance to the regional authorities of Stockholm county to grasp the dynamics of the present in order to prepare for the future.

Jan Linzie, senior adviser on international affairs at the Stockholm county administration, stresses the countys role as a think

tank for the future development of the Stockholm region. – We would like companies, authorities and people in general to know what the possible future options are for the region. We need to do our benchmarking and to display our position in the new geographic order in Northern Europe, but, unlike some other cities, such as for instance Copenhagen, we have no intention of doing this in secret. Essentially what comes out of this project, is there to be utilized by everyone.

Do you think in terms of competition or of interplay between cities in this corner of Europe?

– It is rather like the Hanseatic League of old, it is the intermingling of competition and cooperation. We do however have a specific job to do in making our government as well as the rest of the country understand that what is good for Stockholm, is good for Sweden. We are on the cutting edge of business development, and if we fail, it will affect the rest of the country. Therefore we have to keep up with what is happening elsewhere when planning for the future.

The research group at Nordregio consisting of Kai Böhme, Ilari Karppi, Åge Mariussen and Lars Olof Persson have come up with the following figure to summarize one of the project conclusions.

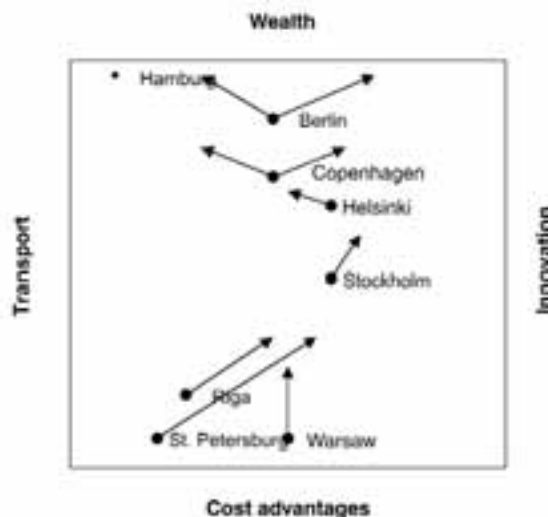
Stockholm lags behind cities

such as Hamburg, Berlin, Copenhagen and Helsinki as concerns wealth of its inhabitants, though it clearly surpasses Riga, St. Petersburg and Warsaw in this regard. It cannot claim to be in a strategic position, or to be a transport hub facilitating the penetration of emerging markets in the east as for example Helsinki can, because it is separated from central Russia and the Baltic countries by the sea. Its strength, then, seems to reside in its innovative

compete with Riga, St. Petersburg and Warsaw on costs, as this is a battle that Stockholm simply cannot win.

From the researchers point of view the project raises a number of interesting questions interesting questions. Senior research fellow, Lars Olof Persson, states that it is impossible on scientific grounds to point to a definitive strategy for the city. There is a big cake to be divided in the Baltic Sea region,

and the optimal solution relates more to synergies than to competition, says Persson. – We are able to say a lot of things about specific branches and specific elements in the regional setting, though it is questionable whether it makes sense to mould a strategy for an entire city region with regard to its



capacity fusing academic and industrial traditions together in a fast-growing urban environment.

The projects conclusions recommend that Stockholm seeks to develop this role further, and also that it steps back from it drive to

international position. That does not mean that the question should not be posed, though it should be kept in mind that the outcome of such a process is often more politically than scientifically determined, adds Persson.

Nordic countries top of the table in globalisation terms

Few Nordic citizens would disagree with the findings presented by the journal *Foreign Policy*, which indicated that in terms of globalisation, Nordic countries are amongst the world leaders particularly when measured by indicators based on the diffusion and economic centrality of communication technologies.

By Kaisa Lähteenmäki-Smith

According to *Foreign Policy*, the most globalised country is currently Singapore. The article however suggests that this may change, as “with Sweden and Finland riding the wave of Internet development to similar gains in integration with the rest of the world, the current globalisation rankings may well be in flux.”

The results are hardly surprising, falling in line with other comparative data. What is interesting however is the fact that the *Foreign Policy* article claims to have come up with the much sought-after tool to measure globalisation.

The indicators therein measure globalisation over three key dimensions: economic and financial, personal contact, and internet connectivity. Indicators include the share of international trade

(exports in goods and services plus imports of goods and services) in gross domestic product (GDP), as well as the convergence of domestic prices with world prices. Financial globalisation was measured in terms of income payments and receipts, the inflow and outflow of foreign direct investment, and the inflow and outflow of portfolio capital, all measured as a share of GDP. The globalisation of personal contacts was in turn measured with international tourists and tra-

vellers as a share of population, minutes of incoming and outgoing international telephone calls per capita, and transfer payments and receipts as a share of GDP. Finally came the Internet connectivity indicator, consisting of the number of Internet users, the number of Internet hosts, and the number of secure servers, all measured on a per capita basis.

The innovative and uncontroversial nature of the index rather superficially introduced above seems clear enough. Further questions however emerge.



Raimo Väyrynen

Though the index introduced by *Foreign Policy* is said to provide a “comprehensive view of global integration through the analysis of its component parts,” it is however acknowledged that some of the most significant aspects of globalisation, such as the spread of culture and ideas, cannot be easily quantified. As such it is also acknowledged that a more refined examination of the forces driving global integration, as well as a further refinement of the tools used to measure it are required, notwithstanding its utility, how new and how comprehensive we may ask, is the index?

It has also been argued by many globalisation theorists that the process of globalisation itself encompasses a fundamental change in the centrality of the nation state; should we thus be looking at other units of analysis in addition to that of the state when analysing globalisation? In addition, one could pose a question of particular interest to those dealing with regional development and planning issues: is such a practical tool available or perhaps even conceivable for regional research? The centrality of the process of globalisation for regional economies and even politico-administrative systems has been acknowledged for quite some time, though the consequences of this acknowledgement remain limited to the managerialization of regional discourses rather than new methodological innovations in terms of measurements. This could perhaps be taken as an indication of the fact that the research community in this field is already well aware of the problems with such formal technical tools, whilst disciplines traditionally operating predominantly in national terms tend to long for more easily measurable policy instruments.

One issue of potential relevance in the measurement of globalisation and its effect on the competitiveness of the sub-national regional level could be that of regional benchmarking, which is in itself deeply connected to the process of managerialization alluded to above. Benchmarking has become, in recent years, one of the most widely cited instruments of regional and now also national success in the global marketplace. Yet this does not necessarily fit comfortably with the increasing need for regional differentiation which is now seen as the key to regional success. Benchmarking may not in fact be the best instrument by which the hallowed strategic edge is achieved, as the risk of “strategic herding” (to use a very McKinseyan term), inevitably leads to the erosion of differentiation and to a subsequent loss of competitiveness.

More research, but also more public debate required

One of the leading Nordic experts on globalisation, professor Raimo Väyrynen, currently at the University of Notre Dame in Indiana, USA, notes, when asked by the *Journal of Nordregio*, that; “Measuring Globalisation” provides a useful overview of the temporal advance and cross-country variation of the degree of economic, technological, and social globalisation. He also points out, however, that the article in question exaggerates the uniqueness of its conclusions as there are a plethora of publications that provide data, which is at least as detailed and systematic, on the nature and intensity of globalisation. He also stresses that the article overlooks, is at least remains silent on the serious limitations that plague the measurement of globalisation data and its comparability.

– The main contribution of the globalisation index is in engaging the public in a debate on the direction and consequences of globalisation. I agree with its key conclusion that, since 1997, globalisation has been driven more by technology than by trade, capital flows, and human mobility. The article also leads us into paying serious attention to the effects of the regional financial crises in Asia, Russia, and Brazil in the period 1997–98, which spread uncertainty and curtailed the resources needed to conduct forms of trans-border interaction, as such financial crises tend to have less effect on the technological level than on economic and human interactions. National differences in terms of globalisation also remain important, as closer scrutiny suggest that the contribution of individual factors to globalisation varies significantly from one country to another. In the United States for example

technology is in the driver’s seat, whilst finance rules in the Netherlands, and personal contact in Ireland.

One of the most contested issues surrounding the concept of globalisation has been its assumed irreversibility. Väyrynen points out that by recognizing the slowdown in the rate of non-technological globalisation during the last few years, the indices suggest that globalisation is not necessarily an evolutionary process, and thus that it can also be reversed by economic and political setbacks. This view has been reflected in some pessimistic statements about the future of globalisation, as indeed Professor Väyrynen reminds us. As an example he refers to Jürgen Schrempp, chairman and CEO of Daimler – Chrysler, who recently pointed out that “in my view it is nationalism and not globalisation that is growing fastest”.

Whilst Väyrynen agrees with the above mentioned criticism of these kinds of measures providing an all too mechanical picture of globalisation, the *Foreign Policy* article does, in his view, make an effort to place the process within a plausible social context, though being quite rudimentary when compared to many of the substantive theoretical and empirical studies in this area which often indicate that globalisation promotes economic growth and productivity, whilst being detrimental to social and inter-regional equality.

– In terms of global development, it is very clear that the “digital divide” is not only about technology, for behind it lurks the “poverty divide”. In other words, the transfer of computer and communication technology itself will not alone suffice to solve the global problems of inequality, Väyrynen says.

– The nature of social organisation and the degree of globalisation are also connected, as data included in the compilation of the globalisation index correctly points out the fact that in a cross-sectional analysis, more globalised societies tend to be more open, equal, and less corrupt than their closed neighbours. Indeed, admiration of economic autarky is a misplaced doctrine, especially in small, less developed, and land-locked countries, which tend instead to benefit from the opening up of markets to foreign trade and investment. However, and perhaps more worryingly in view of concerns extending beyond more regionally limited perspectives, after a certain economic threshold is reached, globalisation may once again begin to divide society into those who can compete in the global marketplace and those who cannot, Väyrynen concludes.

New regional guide to Baltic the countries

One of the first comprehensive regional guides to the Baltic States was recently produced by Nordregio. A pioneering project in its own right, this work has significantly contributed to the general broadening of knowledge on the regional composition of this corner of Europe.

By Jon P. Knudsen

The differences in culture, social structure and economic performance among the Baltic States are as striking as their outward similarities. Though it should also be noted that the contrasts within each of the countries are as fascinating as the contrasts between them. Taking Latvia as the most obvious case, one is hard pressed to find any other European country where the gap between a well-functioning and rather developed capital contrasts with the backward and struggling character of its eastern hinterland.

Lithuania, on the other hand, though having to deal with significant problems on the way to becoming a functioning market economy, has a more balanced urban structure preventing the capital of Vilnius from completely dominating the country. Somewhere in between we find Estonia, the richest of the three, with Tallinn operating as a window towards the Finnish political and economic scene.

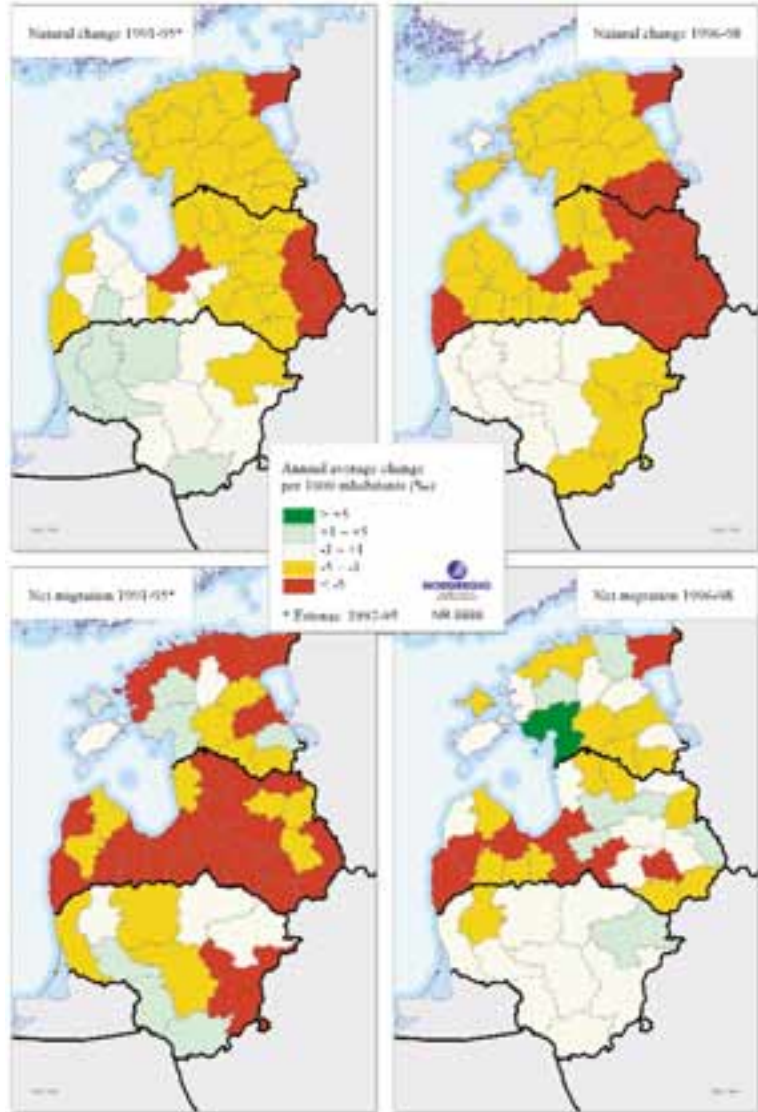
The regional disparities of the Baltic States are striking, though they have up to now been obscured by a veil of semi-secrecy. The Baltic countries have little in the way of what one would call a tradition of analysing regional data, as such, the joint Nordic-Baltic project which compiles data into 600 tables and diagrams in order to outline the profiles of the 51 regional entities will prove to be a useful addition to the already extensive indicators monitoring these countries assets and weaknesses.



Marko Tiirinen

question to become more familiar with their own country and its surround-

Marko Tiirinen, senior research fellow at Nordregio, emphasises that the project has been useful for several reasons. First of all it allows the countries in



Population dynamics in the Baltic regions 1991-98.

dings. Like people elsewhere, the Baltic people are not necessarily that well acquainted with their neighbours. Secondly it contributes to the documentation process that is a part of the EU applicant state procedure. In this respect it is important to note that the various periods of Nordic entry into the Union, especially the pre 1994-phase, attracted a similar level of awareness to the different regional conditions of the Nordic countries. Finally we can add that the structured presentation of the Baltic regional profiles offers a useful tool to those who want to do business in this corner of Europe.

Tiirinen agrees that regional disparities are substantial across the Baltic States, with much of the foreign invest-

ment directed on the capital regions. – But this will eventually change, and it should be a Nordic level political effort to enhance such a process. We have seen the emergence of regional spread effects in Estonia, and a projected joint Finnish-Swedish woodworking plant in central Latvia, the biggest commercial investment in the Baltic countries in the post-soviet era, could eventually become the single most important factor in the regional economy of Latvia, says Tiirinen. After all Tiirinen concludes, we must realize that the economic foundation for a domestically initiated regional policy is not favourable, given the Baltic countries scarce financial resources.

See: *Book review page 22*

Nordregio presents Baltic Sea overview

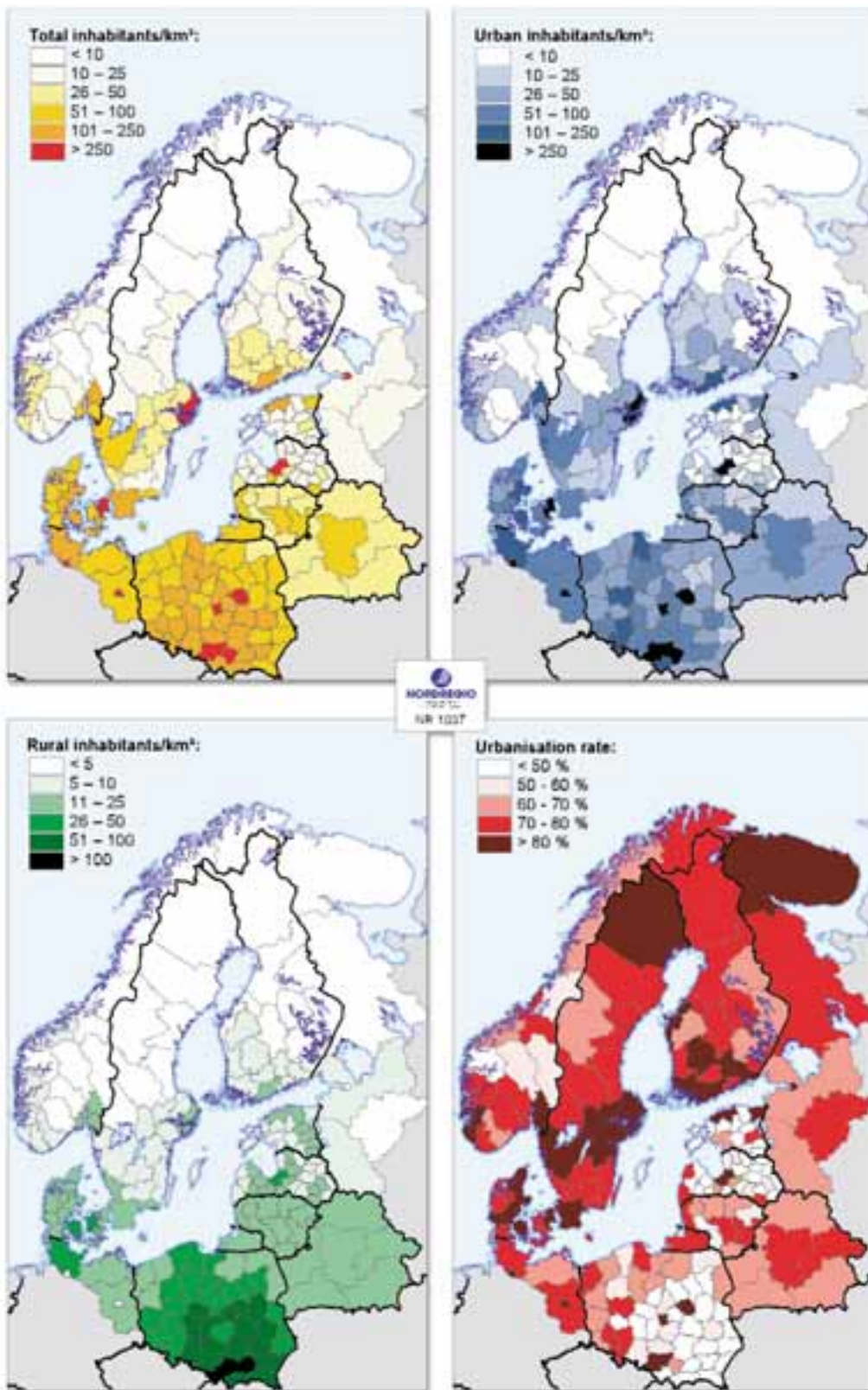
A new publication from Nordregio outlines the main spatial trends and patterns in the Baltic Sea Region.

By Jon P. Knudsen

Since the fall of the iron curtain, a renewed interest in the Baltic Sea Region has been witnessed throughout Europe. For the Nordic countries with their strong geographical and historical adherence to this region, this renaissance in thinking is even more pronounced, for all of the countries boarding the Baltic Sea will have a shared future.

As a background study to the VASAB (Visions and Strategies around the Baltic Sea) 2010 PLUS Spatial Development Action Programme, Nordregio has compiled a substantial amount of data covering the various physical and social aspects of this region. Data in the form of maps, tables and figures is available at www.nordregio.se or through the publication "The Baltic Sea Region Yesterday, Today and Tomorrow Main Spatial Trends. Nordregio WP 2001:3"

Some of the maps and figures illustrating the troubling demographic trends in the region have previously been presented in North, vol. 11 (2000) no.2/3. We here present some further examples of population data available through the project.



Urban and rural population in the BSR 1998.

Research the crucial challenge for the Baltic universities

By Professor
Arild Sæther
Director EuroFaculty

Forced isolation of the Baltic universities

The Baltic universities flourished in the period from independence to the outbreak of the Second World War. During these years the universities played an important role in the prosperous economic developments experienced across the region, and their faculties became an integral part of the Western European community of university scholars. However, with the Soviet occupation these successful developments particularly in the fields of economics and law came to an abrupt halt. The universities of the Baltic countries, though reduced to the status of provincial institutes, were able to maintain very good reputations in some fields of natural sciences, computer science, and mathematics. However, high academic standards laboriously built up in law and economics eroded in an atmosphere in which inquiry was kept within strict boundaries and advancement and even access to academic careers often depended more upon loyalty than ability.

In short, the universities of the Soviet Union did not have academic programmes in economics, law, and public administration, which were compatible or even comparable with these subjects as they were taught and practised in Western Europe. To make things even worse the functions of graduate study and research were partially moved from the universities to the Academy of Sciences, a practice which was in sharp contrast to the western university ideal, where research and teaching were to be truly integrated. The forced isolation of the Baltic countries from Western Europe for half a century also meant that university staff during these years had little exposure to international standards of scholarship and research, especially in ideologically sensitive fields such as economics, law, and political science.

EuroFaculty and its achievements

In 1992, in the wake of the dramatic changes following the fall of



Arild Sæther

the Berlin Wall and the collapse of Soviet communism, the Danish and German Foreign Ministers took the initiative in forming the Council of the Baltic Sea States. One of the primary objectives of the council is to intensify cooperation and co-ordination among its members, spurring further democratic development in the Baltic Sea Region, forging greater unity among the member countries and ultimately securing their favourable economic development.

As one of its chosen instruments to achieve these objectives, in 1993 the Council established EuroFaculty. It was given the mission of assisting in the revision and reconstructing of teaching and learning in the disciplines of economics and business administration, law, and public administration, at Tartu University, the University of Latvia, and Vilnius University, thus bringing them up to international standards.

Since 1995 EuroFaculty has functioned in accordance with its adopted Strategy Plan 1995–2005, which was developed to achieve this objective. In the first phase of this plan, 1995–98, EuroFaculty concentrated its work on reform of the undergraduate programmes. EuroFaculty is now in the second phase, concentrating on reform of graduate programmes, and on laying the foundations for the integration of these universities into the international community of research based universities. Only successful implementation of the latter task will guarantee the full sustainability of the results achieved during the first phase. It is as yet too early to claim that undergraduate programmes are already safe. This point will be explored in more detail below.

EuroFaculty has, in close co-operation with the staff of the host uni-

versities, built up a Western standard Masters degree programme in economics at Tartu, where two classes have graduated. Similar degrees are now in the process of being established in Riga and Vilnius. In Riga the first students started in the autumn of last year. Moreover, at the same time the first students also started on a European Public Administration Masters programme in Riga. A similar degree is also being set up in Vilnius. European Law in all its aspects is now being taught as an obligatory subject at all three universities.

Several independent evaluation reports, the last of which emanated from the World Bank, have claimed that the EuroFaculty model of co-operation with the local faculties and their staff, based on the need for sustainability, has been a success.

In the coming years, in co-operation with the various faculties at the host universities, EuroFaculty will, by enabling its graduates to embark upon Ph.D programmes at reputable universities in the West, also help to train future teachers in the designated fields. A number of students graduating from EuroFaculty supported programmes or who have taken EuroFaculty courses have been accepted into Masters and Ph.D programmes abroad, including those of Denmark, Finland, Germany, Norway, the UK and USA.

Conditions for sustainable reform

It has been and is a primary objective of EuroFaculty both to retrain existing staff and to train and develop new staff in order to make educational reform self-sustainable. In order to make its activities sustainable; EuroFaculty foreign staff work closely with local staff inside the relevant faculties. Visiting lecturers supervise and advise local faculty on new courses and curricula, or assist them in updating and upgrading existing courses. Normally, when EuroFaculty visiting lecturers provide a course, it is not with the sole purpose of teaching students. The visiting lecturer will work towards co-operating with a local lecturer, or a senior student, on transferring the knowledge about that

particular course to this person in order to promote the development of international level capability.

In co-operation with the faculties themselves, EuroFaculty has been able to retrain a substantial number of local staff, thus ensuring minimum level sustainability of the reform process in the short run. Genuine sustainability will only be achieved when core undergraduate and graduate courses are taught by lecturers, who themselves underwent full training at the international level. To reach this objectives EuroFaculty has been sending graduates from its programmes abroad for further study. These graduates will, hopefully in the next few years, return with PhDs from recognized western universities. The foundation for research based university programmes in economics, law and public administration should therefore in principle be in place around 2005 when the EuroFaculty project will end. This is however based on two assumptions. First, that the Baltic universities would be able to offer the candidates with PhDs from abroad the conditions that would attract them to their universities in the first place. And secondly, that the staff of the universities will have the opportunity to engage in research on equal terms with their colleagues from Western universities.

The Gordian Knot

The Baltic universities still do not have the financial resources to pay their teaching staff a reasonable salary from which they can maintain an acceptable standard of living. Very few of the existing staff can therefore afford to make the full-time commitment to teaching and research, which is necessary if the universities are to reach and maintain the standards set by Western universities. Current staff seek additional work outside the university, or they take on extra teaching within the university just to make ends meet. The result being that they have very limited time for research in addition to preparation of course materials and the supervising of students in their studies and research. The number of teaching hours for the lecturers and professors of the Baltic universities far exceeds that of their colleagues at Western universities. At present it is very difficult to do anything about this problem, as a cut in teaching hours automatically entails reduced salaries.

Moreover, there is currently little reason to expect that graduates returning from Western universities with Ph.Ds will be attracted by the prospect of working under such severe financial constrictions. University salary levels are simply not compatible with those in the private sector. In addition the working conditions at the universities are not conducive to the completion of good research.

Students have too many lecture hours a week compared to students at universities in the west. This unfortunate fact leaves Baltic students with little time for library research and studies of course materials, especially when taking into account the fact that a large and ever increasing percentage of undergraduate students have part-time or full-time jobs, and virtually all Masters student work full-time.

Lack of financial resources makes it very difficult for the Baltic universities to find a solution to this fundamental problem.

Is Alexanders solution possible?

Can a solution be found, that brings the Baltic universities into line, and on level with the research based universities in Western Europe, without the need for substantial increases in financial resource levels? Alexander the Great cut the Gordian Knot with his sword. Is it possible then that equally drastic measures can cut the Baltic universities own Gordian knot?

Could the solution be to simply cut the lecture hours of all university courses in the fields of economics, law and public administration in half, or by a certain percentage?

If this were done, with a guarantee that the lecturers and professors would receive the same salary as before as long as they used the newly freed time to work at the universities doing research and supervising students, it could obtain their support. However, a counterargument would arise. The working conditions, such as the quantity and quality of office space, for the staff are such that they find it very difficult to do academic work at the universities. With radical cuts in the number of weekly lectures for staff and students, lecture rooms will however be freed and thus could be used for other purposes.

Without requiring unrealistic financial resources it should be possible to turn lecture rooms into acceptable office space for staff and study rooms for students.

With less lecture hours even more students may be tempted to use the freed time to take work outside the universities. It would therefore be necessary to give them assignments and exercises that required them to work at the universities.

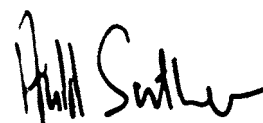
The lack of open stack research libraries is a problem that remains to be solved and the EuroFaculty libraries is only a small step in the right direction.

Research co-operation

The inclusion of the Baltic States in the EU Fifth Framework Programme, together with other programmes with a regional dimension, opens up the possibilities for constructive research co-operation between researchers in Western Europe and the Baltic States. Such co-operation should be beneficial for all parties.

Academic staff at western universities will be able to co-operate with highly motivated scholars from the Baltic universities. Since the remuneration level in the Baltic States is, and will be for many years to come, substantially lower than in the west, such research co-operation could also be financial beneficial to all parties. Bid for contracts involving such co-operation may therefore be, for the same reason, highly competitive.

Access to an international research network can therefore provide the new generation of Baltic scholars with additional income sufficient to keep them in the universities, and to maintain advanced undergraduate and graduate programmes. One also has to keep in mind that the Baltic States are small and the number of students in advanced programmes, especially in economics, is small too; as such lectureres specialised in these programmes earn substantially less than colleagues working with larger groups.



The minister and her critics

– This issue: Sweden

Regional policy is a well-established political tradition in the Nordic countries. At the same time, though, it is in its making or, rather, remaking. *Journal of Nordregio* sets out to catch Nordic regional policy at its cross-roads. Starting with Sweden we intend to investigate the dynamics of this political field under the label: “The minister and her (his) critics”. In this issue we present interviews with Ulrica Messing, Maud Olofsson and Gösta Oscarsson, all holding differing views on which course to follow in the years ahead.

Defending the Swedish model

Ulrica Messing is charged with the difficult task of bringing Swedish regional policy into the new century. She is cabinet minister responsible for regional affairs at the Department of Industry, Employment and Communications. This year could prove to be crucial as a parliamentary bill following the official report of the regional situation (SOU 2000:87) is to be passed in the autumn. For now however, the minister does not want to anticipate any of the governments conclusions.

By Jon P. Knudsen

– We are in the midst of considering the response to the report. Thus it is a little early to proffer statements on what we are going to propose, Messing says.

– Are you satisfied with your present political achievements?

– Yes and no. Measured against some standards we perform well, measured against others we do not. A certain feeling persists that regional policy is the policy of bother and pity, meaning that what is supported are firms and regions that would otherwise be unable to support themselves. And then of course there is the perception that regional policy is of concern only to the sparsely populated areas of the country.

– But isn't that true?

– The sparsely populated regions will always be in need of special attention, though I remain worried by the fact that so few politicians from central and urban areas, and by this I mean particularly Stockholm, seem to care about regional questions. We therefore have to rethink the

fundamental concepts underlying our image of regional policy.

– Does this also imply a rethinking of the relationship between what is usually dubbed small and big regional policy?



Ulrica Messing Foto: Pressens Bild

– Precisely, what I hear when I travel across the country are demands for better roads, then I am asked about education and IT. These are national questions with a strong bearing on the possibilities for regional development. Moreover we should not forget that the regional development perspective is as important for Tjänsta and the urban areas more generally as it is for the traditional periphery.

– Returning to infrastructure, a bill on infrastructure was announced last year, but then withdrawn. It has been announced once again this year, can you guarantee its appearance?

– One should be careful when issuing guarantees, though on the other hand I personally think that it will be impossible to postpone it once again. I need that bill to accomplish my goals.

– How would you describe your role in government. After all, the important budgets belong to the other ministers of the cabinet?

– A minister of regional affairs has to be a watchdog. I have to be stubborn and stand up for my concerns. I feel that I am listened to and that I am able to get my way in a lot of cases. But then it is important that I act decently and do not take it too far. It is all a question of balance.

– What is your image of regional Sweden?

– To start with, I am minister for the periphery as well as for Stockholm. We need to accept that Stockholm and the residential towns of the various regions act as engines for development. There are however problems to be dealt with in these growth regions. In addition we must consider that there are important differences within the peripheral regions. In Västerbotten there are those who deplore what they term the favoured position enjoyed by Umeå. We need however to identify the potential for growth wherever it may be and stimulate the formation of clusters wherever possible.

– How small can these clusters be, and yet and still be viable?

– Even small networks can prove

viable. Examples do exist of successful neighbourhood networks. Though, in general it is usually a case of, the bigger the better.

– *Regional growth agreements have been an important cornerstone of your governments regional policy, how do you judge their success?*

– In a word, mixed. Some are successful, some are reasonable, while others do not perform as well as intended. It seems that one of the major variables accounting for success is who is involved. In some regions it has been difficult to engage with entrepreneurs for collaboration in such agreements, additionally, there have been those unfortunate cases of people misinterpreting the nature of the project, and simply expecting extra money. We should of course also admit that traditions of co-operation vary from region to region. For the next generation of agreements starting in 2002, we will however have tougher requirements for partnerships in the agreements.

– *In what way has Swedish entry into the EU altered regional policy?*

– Actually, this question makes me smile: as those who are least supportive of the EU are those most in favour of the structural funds, because of the financial opportunities they offer. In addition, there are two further concerns that I would like to raise. Firstly the European administrative system must be simplified, secondly it has to become easier to apply for money from Unions coffers. If these requirements are met we can foresee quicker action on the part of Brussels.

– *What are the Swedish regional priorities for its EU chairmanship?*

– We are specially concerned about the situation of the unions periphery, and even more so about the islands. Though we do not have such areas in Sweden, their conditions are somewhat similar to that of our sparsely populated regions. And, of course, the forthcoming enlargement of the union is of paramount importance to us.

– *With enlargement in the pipeline, it is likely that from 2007, Sweden will no longer be able to benefit from the structural funds. Would you care to comment?*

– There will of course be changes, but what we have achieved we cannot simply dismantle. I will not contribute here to any widespread anxiety. The southern periphery is certainly to be harder hit than the northern one. There will, I believe, always be a northern dimension to EUs policy.

– *What is your contribution to that northern dimension at present ?*

– We are preparing a conference in Lycksele in June where we will draw upon the experiences of all of the EU peripheries. It is important not to overstate our own problems. In an era where boundaries are becoming less important, we should endeavour to actively seek out more cross-border solutions.

– *The sparsely populated parts of Sweden have always played an important role in Swedish regional policy, one may even say symbolically. Do you consider that this periphery has now been stabilised, or is it set to encounter yet further difficulties?*

That is first and foremost a demographic question. The fertility rate has fallen to a very low level, and at the same time the composition of age groups is not at all favourable in these areas. I would like to make it easier for people to establish households in the periphery, though this involves turning on its head a long term trend. After all, people mostly move by free will.

– *Is raising the fertility level a priority of your government?*

– It certainly is! It is important for the country to have a population with a balanced age-group composition. If we do not succeed, the Swedish model is at stake. Besides we have, considering the periphery, to enhance the immigration of families. We have good experiences with immigrant families, they adapt well and make up a valuable resource for their local communities.

– *Summing up, what are your main desires for the development of the country's regional policy in the years to come?*

– Firstly, I would like to see a continued growth in the numbers of universities and regional colleges. Secondly, I hope that we can continue to find and support those enterprises that nurture regional economic growth, says Ulrica Messing.

Optimistic about the regions, pessimistic about regional politics

Maud Olofsson is leader of the Centerpartiet, the Swedish agrarians. She states that she is optimistic about the regions, but pessimistic about regional politics. The present political situation is one of resignation, she says. Regional politics is confined to its narrow definition, which implies that it is kept apart from what is decided upon in the various sectors.

By Jon P. Knudsen

– Regional political thinking is not allowed to penetrate important sectoral priorities, and thus the government sows what it reaps, namely an

even more depopulated countryside. If a basic service level throughout the country is not provided by the state, we cannot expect private enterprises to do it. The state should be responsible for setting up appropriate - I dont mean equal, but appropriate or

equally good services all over the country. That is the first prerequisite for securing growth across Sweden, Olofssons argues.

– *The government is going to present a motion to the parliament this*

autumn on infrastructure, do you expect such an ambition to be contained within it?

– I doubt whether this motion will be presented as planned. We should have had it last year, but then it was postponed until this year. Now I fear further delay. In the meantime the local service level is being eroded year on year. The gap between those coping with the future and those who don't is widening because of this. We have proposed that access to the digital network should be protected on the same terms as public access to traditional common land. As it is now, even in rural settlements a gap is opening up between those who have, and those who have-not, digitally speaking. I find it important to stress that the state has a special obligation to invest in those regions and communities that are often left behind by the pace of modern life and particularly by the drive of market forces. As things currently stand, we see a state much too keen to simply duplicate investment where the market is already functioning well.



Maud Olofsson
Foto: Norra Västerbotten/Pressens Bild

– But hasn't this concern for the periphery become obsolete over the years?

– I don't believe so. The rural and distant areas clearly have their role to play. People seek different surroundings in different stages of their lives. It is natural for young people to seek urban centres for education and experience, but then, when they eventually become parents, they demand quieter and secure habitats. A lot of people also retain houses in the countryside, they go there on holiday or spend some part of their life there, but it does not make sense to go to a place where basic services are run down or even non-existent. There must be a petrol station and a shop in each community to make it viable. We have to take into account the need for long-term sustainability and therefore combat the tendency towards an all-encompassing centralisation. We have so much land in this country, and I firmly believe that land will increasingly be in demand.

– What about the urban areas and the city regions?

– Let me make it clear, we are not attempting to launch an attack on the cities. On the contrary, we are trying to relieve the pressure on them, so that they can develop more harmoniously. Growth to me is about people having ideas. Some of these people may happen to be living and thriving in Robertsfors. I like the idea of clusters, but they are not only to be found in Stockholm or in the Øresund region, they are also forming in Ronneby and Pajala. The state has a positive role to play in supporting the establishment and growth of such clusters.

– So you are supportive of the good old paradigms of planning?

– Not at all. There has already been far too much planning. What I am talking about is support and encouragement. Society can support, but never plan. We have to start from the basis of individuals having ideas, and then take it from there. Take my own region, Västerbotten, we have cheese as our regional brand product. What we have been doing now for some time is actively pursuing such a strategy by visiting other European regions that have excelled in related fields, such as Parma and Roquefort for instance. The gaining of expertise and experience from these regions has stimulated us into asking questions such as: what kind of firms do we need, what kind of expertise is required, and what are the necessary institutions that must be put in place? In the last case, of course, the state can help through decisions on localisation. And it works! Look at Siljan for culture, and Pajala for IT.

– More specifically, what are the main issues that you and your party would like to raise concerning the construction of a better regional polity?

– We have demanded an extra 2,4 billion SEK for roads. We have also demanded that all roads should be kept open throughout the year. This is of special importance to the forest industry. I have already mentioned the common-approach to digitalisation. We have also demanded a law stating the minimum or threshold requirements for local services. We also support a more targeted cultural political drive, and finally we demand that some of the income from hydroelectric production be returned to communities of its origin.

We do not demand increased fiscal transfers; we just want to endow regions and local authorities with the ability to take care of themselves.

– The regional growth agreements, they are there as tools for coping with this, aren't they?

– No they are not, I say this because the state ordains cooperation with regional and local participants whilst offering nothing on behalf of itself. The regional and local state apparatuses remain as rigid and inflexible as before. I would like to see the state setting its own organisations free to comply with the regional requirements. Only then can we talk of real agreement.

– The regional level is not very well developed from a political point of view in Sweden, situated as it is between a strong state and strong municipalities. Do you foresee any reforms in this respect?

– We need a revision of our administrative system. To me, it seems that some of the important environmental questions are best solved at the European level. Then at the national level the overall questions of social and regional justice need to be dealt with. The regional level should take care of questions relating to development, whilst the municipal level is there to provide for local self-governance.

– Returning to the urban question, what is your regional vision for the cities?

– Stockholm is of course part of a region, as are Malmö and Gothenburg. There is a lot of work to be done here. For example, almost as many post offices are shut down in the suburbs as in the countryside. We therefore need to consider the strengths of the cities, though we must avoid simply pushing what already moves of its own accord so to say. Stockholm performs well in IT and financial services. That is fine. What saddens me however is to hear the repeated claim echoed by the government, by the conservatives and by quite a few business representatives that national growth is thus created. Sweden is historically a highly centralized country. What we need therefore is a political liberation movement able to highlight the individual as the locus of creativity, a creativity that may be found as easily in Stockholm as in Bygdeå. Growth is therefore all about people having ideas, says Olofsson.

A frozen political scene

Gösta Oscarsson is a veteran of the Swedish regional political scene. He now works as a chief adviser to Nutek on regional matters, though he is soon to enter the ranks of senior citizenship. Oscarsson has been a commentator on regional issues for four decades and his diagnosis is clear: - 20 - 30 percent of Riksdag members represent areas of the country with persistent regional problems. Therefore, regional policy, or rather the issue of regional transfers, is their main field of interest.

By Jon P. Knudsen

- Such members are to be found in all political parties, as the practical embodiment of a regionally interested political cross-segment of society. The rest of the parliamentarians are predominantly occupied with sector politics. This is a pity for two reasons. Firstly, it restricts regional politics to the category of mere problem solving, which has, by the way, also become the fate of urban politics in this country. Secondly it suggests that those representing Stockholm for instance, or the Mälardalen region, are not interested in regional politics per se, meaning that they fail to represent and support cross-sectorial regional development schemes in their own regions. They tend to talk about what is good for Sweden in a very abstract fashion geographically speaking, and then deduce the impact on their home region from there. What we have here in fact is a frozen political scene, he maintains.



Gösta Oscarsson

- Do you see any hopes for change?

- The solution resides at the macro level of regional policy, in the political decisions affecting the important sectors. In my experience, it is very difficult to influence the sectors. Instead, the various attempts at setting up regional development plans tend to end as project catalogues stating that this and that could be done, whereas the important questions of the critical decisions to be made and the necessary resources to be allocated, are left unanswered.

- Such as?

- Such as the case of the proposed northern railway-link, the Botnia-project. This is clearly a costly project, but if we look at it and compare it with what is, year after year, more or less tacitly spent on the northern periphery in fiscal transfers that do little but compensate for low income, the Botnia-project does at least make sense. It is a project for the future, and it creates a dynamic situation. Planners particularly within the communication sector seem to ignore the dynamics stemming from such large projects. These projects give a kind of value added that is not easy to calculate beforehand. Look at the way in which the railways stretching westwards from Stockholm currently help to alleviate the housing situation in the capital. These are but two examples.

- What kind of rationale hides behind such examples?

- That it is much easier to continue spending billions to fiscally compensate the periphery than it is to make less costly, though more difficult decisions now, which would eventually make a difference. Mainstream political thinking is tied to a passive mode of operation, where access to a more dynamic way of defining and subsequently dealing with problems and challenges is denied to those working within the bounds of certain administrative and procedural boundaries. The privilege of active behaviour is left to each sector. Therefore it is very difficult to get a feel for regional development as experiences may differ dramatically whether it happens to be in Umeå or in Stockholm. The government sends around 3 billion SEK to The University of Umeå each year, but the same government does not have, or is not allowed to have, a more thorough plan for how to develop the region of Umeå. This relates of course also to another problem in Swedish planning, namely the supremacy of the municipalities.

- Is there no way out this dead lock?

- Well, there are some interesting tendencies appearing. The basic regional contract between the centre and the periphery may be about to be recast. This is a promising development if one thinks in terms of reshaping the climate of thinking. It is of the utmost importance to attempt to break the conceptual link between regional policy per se and that of equality and redistribution between regions. Instead we have to think simply in terms of growth, and perhaps then words such as region and regional should be left aside. They are so value-loaded that they in themselves prevent us from conceiving of new political tools and outlooks.

- You seem to be calling for the big decisions to be made?

- We suffer from a lack of big decisions. Remember that when the crisis struck Sweden in the early 1990s, our solution was to cut an equal slice from every budget. This decision seems still to haunt us. I hold the view that if one makes a decision that is in itself somewhat injudicious, it often turns out well if it happens to be a decision of some scale. We have to go back to the 1960s and the 1970s to find those issues in Swedish politics. Let me mention the municipal reforms of the 1964-73 period, and the solution to the shortage of housing facing us in the mid-1960s. In the 1980s, though, everything seemed to be moving on a bandwagon, and subsequently few important initiatives were taken at this time.

- How do you judge the various attempts to move towards a more regionally orientated system of decision-making?

- In principle I favour regional democracy. On the other hand, when I sum up the experiences of Scania

and Västra Götaland, I cannot but feel disappointed. Take Scania for example. From a budget of 18 billion SEK, only 0,1 percent is earmarked for regional development. The state is not allowed to deal with those regions where things are working well. I suppose that I would thus be in favour of a more federally organized political system. Of course every regional planner's dream is to construct a coherent planning system where national, regional, and local aspects all fit snugly together. As things currently exist however, the national and the local perspectives prevail, with regional matters being downplayed as a result. One interesting case in point however is prime minister Göran Persson's commissioning of three of his cabinet ministers with issues rela-

ting to the Öresund region. Why not do the same for all of our regions?

– *What are the consequences of simply neglecting regional matters?*

– The consequences are that a substantial amount of feasible investment projects in the major urban regions, mostly in the Stockholm-area, never reach the decision making level. The peripheral lobby is able to prevent such projects from being implemented, paradoxically to its own detriment, as the lack of support for such projects, and the neglected development of the so called well-functioning regions in itself hampers the economic growth of the country as a whole, thus undermining the financial fundament of the very thing

that such people wish to protect, traditional re-distributive regional policy. I call this the penalizing force of the periphery. As long as it remains, we should not be optimistic. We have to accept that Stockholm is special, functioning as a cradle for creative and innovative ventures that in due course will benefit us all. We badly need a regional policy regime which helps us to draw such conclusions and thus helps us to act accordingly. If we cannot have such a policy regime, we are better served by a more fragmented regional policy regime where the right things are done under a surface of rhetorical camouflage aimed at satisfying those who insist on living in the past, says Oscarsson.

EU-supported regional development: A nordic focus on the new objective 2 programmes

By Ruth Downes

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Introduction

With the start of the new, seven-year Structural Fund programming period on 1 January 2000, a further phase in the implementation of EU regional policy has begun. As agreed at the Berlin European Council of March 1999, the number of spatially-restricted Structural Fund Objectives has been reduced to two: Objective 1 for the most economically disadvantaged areas and Objective 2 for areas experiencing rural, urban, industrial or fisheries-related structural difficulties. Total Structural Fund expenditure for the new period is 195 billion Euro, 69.7 percent going to Objective 1 and 11.5 percent to Objective 2. The remainder is allocated to the horizontal Objective 3 programme for human resource development.

The start has not been auspicious. Whereas many Objective 1 programmes were launched during 2000, less than half of the new Objective 2 programmes were finally approved by the European Commission at the start of 2001. The Nordic programmes have fared well, with the Finnish Objective 1 and 2 programmes being the first in the EU to be approved in both cases and all the Nordic Structural Fund programmes receiving approval before the end of 2000.

The following article focuses on the emergence of the new Objective 2 programmes, which now encompass 18 percent of the EU population and face the challenge of bringing together formerly separate rural, urban and industrial priorities. It reviews the process of preparation of the new Single Programming Documents (SPDs) and the nature of the emerging strategies, placing the Nordic countries in a wider EU perspective. The article concludes with considerations about the evolving implementation of the new Objective 2 programmes.

Programme development

The starting point for the new programmes was the preparation of regional development plans. This was a formidable task and included compliance with regulatory requirements, keeping regional partners informed and supportive of the strategy, and laying sound foundations for decentralised programme delivery over a seven-year period.

For this reason, many Objective 2 regions initiated preparations, analysis and evaluation work as early as mid-1998 and independently of EC approval of the Structural Fund maps. Planning was led at regional level almost universally across the Member States with varying degrees of national input. In some countries, eg. Italy and Sweden, the role of the central authorities was markedly downgraded in comparison to previous periods.

Consultation, the term used to describe the process of discussion and involvement of relevant actors in the programme area, was generally deeper and further reaching than before. In some regions, consultation was consciously targeted to keep the process within manageable boundaries. Individual partners or groups of partners were asked to comment on sections of the emerging SPD or to respond to particular questions. The personnel and financial restrictions on organisations simultaneously drafting a new programme and closing an old one forced this approach in some cases. In other regions, the consultation exercise was an extensive and highly inclusive process, incorporating a wide range of partners from an early stage. In Italy, for example, a general Structural Fund meeting organised by national authorities was attended

by over 500 people and widely reported in the media. Parallel regional consultation was also extensive - in Lombardy, 72 municipalities, nine mountain communities and seven provinces were involved in nine meetings over a three-month period.

Consultation is a vital part of the drafting process for a number of reasons including partner input, publicity and awareness, and regional ownership of the strategy. It is not, however, without its difficulties. In regions where extensive consultation was undertaken, or where the

Internet was used to publish programme drafts and enable feedback, it proved a time-consuming and sometimes problematic process to bring together the range and quality of comment. In some regions, a degree of so-called consultation fatigue was also evident.

The approach of the Nordic countries to the preparation of the new SPDs has ranged across this spectrum. In Denmark, where the Structural Funds have been in operation for longer, a programming based approach has become a central feature of economic development more generally at regional level. This growing tradition, in addition to past experience in Structural Fund specific planning, meant that the channels and methods of preparation were well understood. One key difference in the latest round was the new, increased need for coordination between national and regional actors, related to the fact that there is a single Objective 2 programme with five regional complements. National authorities distributed early guideli-

Preparations began as early as October 1998 in advance of the final designation of the Finnish Objective 2 map which occurred a year later.

By contrast, in Sweden, full preparations for the next round of Objective 2 programmes were not initiated formally until after the new map had been approved (January 2000). The preparation of the SPDs then took place over a period of only three months before their submission to the Commission. The process of analysis and strategic discussion was not, however, started completely from scratch and was heavily based on the regional growth agreements. These are three-year agreements for the coordination of economic development policies at county level in Sweden which came into force at the start of 2000. They are a national initiative but have many similarities in form to Structural Fund programmes. Preparations were led almost entirely by the regional-level programme management groups with national guidance supplied when requested. Consultation was extensi-

technical and presentational in nature.

The new strategies: broad continuity with evolutionary change

Examining the outcome from the negotiations, there is a high degree of policy continuity in the new Objective 2 strategies. The shifts in strategic focus and expenditure generally reinforce established trends such as an increased focus on innovation and technology. The nature of the new Objective 2 areas means that rural and urban dimensions have emerged more strongly in some cases, although balancing different economic development priorities in a region has not always proved easy.

There is a clear move in some regions to create exit strategies and structures which will be durable following the likely withdrawal of Structural Fund financing in 2006. Coherence with wider economic development strategies, such as the regional growth agreements in Sweden or the Danish county development plans, is particularly strong in regions throughout the EU. The seven-year programming period has resulted in some highly flexible SPDs (eg. the Swedish Objective 2 programmes which have only two priorities), designed to allow the maximum scope for review in the light of rapidly changing economic framework conditions.

The approach to the European Social Fund (ESF) is one area where differences are notable. From a former, integrated position in virtually all the Objective 2 and 5b programmes, ESF is now absent entirely from a large number of the new Objective 2 SPDs (eg. some Austrian and German, most Spanish and all Italian programmes). Where ESF is included, SPDs have variously incorporated dedicated ESF priorities (as in the Danish and Swedish SPDs), ESF measures as part of wider priorities (eg. Finnish programmes) and specific initiatives to co-ordinate with parallel Objective 3 programmes. In terms of the Commission priorities of gender mainstreaming and sustainable development, genuine efforts have been made to incorporate these areas more closely into the new programme. However, particularly in the case of equal opportunities, true integration has still rarely been achieved.

Nordic Objective 2 programmes, 2000–06

| Country | No. of programmes | Spatial coverage (% total population) | Annual average financial allocation (€ mill euro) |
|---------|-------------------|---------------------------------------|---|
| Denmark | 1 | 10,2 | 22 |
| Finland | 3* | 30,9 | 66 |
| Sweden | 4 | 13,8 | 51 |
| EU 15 | 163 | 18,2 | 2,819 |

This includes the Objective 2 programme for the Åland Islands

nes outlining regulatory requirements and national development priorities, and then regional programme secretariats led the detailed strategic planning based on meetings with social partners, existing advisory groups and past programme evaluations.

In the case of Sweden and Finland, both only entering their second Structural Fund programming period, a stronger regionalisation in programme preparation was evident. In Finland, this was influenced by the introduction of two Objective 2 programmes, rather than a single national programme as before, which meant that a more strongly co-operative process of preparation emerged. This involved, among other groupings, the so-called regional alliances comprising the main authorities subsequently responsible for implementation. Partnership was enhanced by inviting feedback from expert groups and the distribution of emerging drafts to a wider audience.

ve, using newly emerging partnerships under both Structural Fund and regional growth agreement frameworks, and often relying considerably on the use of the Internet.

Most proposed Objective 2 programmes from across the EU were submitted to the European Commission by the end of April 2000. Following submission, the approval of the programmes was negotiated between the Member States and the Commission – a process which is still on-going in many regions. In general, the current negotiations have been relatively straightforward although the degree of difficulty has varied between regions. This is related to factors such as the structure of the proposed strategy, the differing composition and interaction of the regional partnership and the personalities involved. Overall, few substantive changes are being made to the strategies with alterations generally being more

Other trends which have emerged in the new programmes include the continued shift away from hard investment and infrastructure towards soft aid, networking and cooperation support. New types of financing are appearing the Finnish Objective 2 programmes include risk capital, a move also seen in other Member States such as Austria.

Concerns about decommitment (ie. the withdrawal of financial commitments which are not implemented within a two-year period) have, however, discouraged the integration of riskier measures in many regions. All the new Nordic Objective 2 strategies place considerable emphasis on improving the underlying conditions for long-term sustainable economic growth, with concepts such as learning, entrepreneurship and quality of life being of central importance.

Programme management

A new, decentralised approach to programme management has been introduced, with the Commission, at least in theory, taking a more hands-off role. A key change is the appointment, by the Member State, of a Managing Authority (MA) for each programme, responsible for supervising the implementation, on-going management and effectiveness of

the programme. While little organisational change will occur in practice, with the same organisations continuing to implement the new programmes in most regions, additional responsibilities are associated with the MA role. These mean that implementation has been more strongly regionalised in some cases. Other new management arrangements reinforce this trend - in Sweden, for example, not only the

managing authority role but also the paying authority responsibilities (formerly held by national authorities) have been delegated to County Administrative Board level. In Denmark and Finland, the MA responsibility formally rests with national authorities although the actual implementation will be undertaken together with regional bodies.

In terms of programme delivery, there is a widespread desire to improve efficiency and effectiveness through streamlining administrative and financial management systems. Programme managers are keen to raise project quality and improved delivery mechanisms should help allow management staff to have greater involvement in project generation, design and follow-up. Personnel and financial restrictions are common to many programmes. In Austria, Sweden and Finland, this could prove a particular issue in their second programming period as the profile of the Structural Funds is now higher and consultation has further raised awareness. While greater competition for funding can have positive ramifications for project quality, it also heightens the need for administrative efficiency, decision-making transparency and sufficient personnel resourcing.

Many regions are making considerable effort to disseminate as much information as possible to the partners as early as possible increasingly using the Internet as a key medium. This communication process responds to the publicity plans required by the Commission but is also important for other reasons. It helps the partnership stay in touch with programme developments and

ensures that potential applicants are clear on the new application procedures. Some of the Swedish Objective 2 programmes, for example, have circulated the application form for comment and feedback from partners and will provide comprehensive guidance on accurate completion.

Conclusions

The preparations for the strategic direction and management of the new Structural Fund programmes are now being tested in reality as programmes are approved and launched. The objectives of improved project quality, efficient delivery and more meaningful monitoring and evaluation will inevitably be set against time and personnel restraints, political pressures and economic realities. The challenges are considerable, both for countries newer to the Structural Funds such as Sweden and Finland and those, like Denmark, with longer-standing experience. Will the regional MAs be able adequately to deal with new administrative responsibilities and stricter controls on financial management and programme performance? Can practical solutions be found to the tension between the desire, on the one hand, to support new, often technology-based development and, on the other, the regulatory disincentives to do so? Can new information technologies be positively exploited in the delivery of the new programmes? Despite these, and many other, open questions, the sound strategic preparations and strengthened partnerships provide a good basis for contributing to future durable economic development in the new Objective 2 regions.

Medelstora nordiska städer – utveckling och miljö

Nordic urban regions – milieu and development

Projektet är ett nätverksprojekt där medelstora nordiska städer deltar. Det bjuder på ett forum för kunskapsöverföring och erfarenheter av 'best practice'. Projektet är ämnad för aktörer i städer / stadsregioner som ser natur- och kulturarvets position som central i strategisk utveckling. En grundtanke i projektet är att miljö uppfattas som resurs för utveckling.

The project is a networking project for medium-size Nordic urban regions and provides a forum for the exchange of knowledge and experience in strategic planning related to environmental issues. The project is targeted at actors in urban regions, which consider both environmental and cultural heritage important in strategic development. Environment and cultural milieu is looked upon as an asset for development.

Kick-off seminarium i Lahtis,
Finland den 5. – 7. April 2001

Kick-off seminar in Lahti,
Finland 5th – 7th April 2001

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Swot-analysis in search of “nouvelle cuisine” on the regional strategy menu

Force-fed management verbiage or useful planning support?

By Kaisa Lähteenmäki-Smith

SWOT certainly has become the plat du jour on the regional development menu. Those involved with the everyday planning and evaluation of regional strategy instruments are today more or less force-fed a large dosage of SWOT-analysis at every turn. Yet the alternatives may be few and far between. As such the conclusion seems to be to accept this reality and to work towards making the most of what we've got and to look for ways of making the dish more enticing.

This was in fact the point of departure for a pilot-study on the utilisation of SWOT analysis in the regional development programmes of the Nordic countries. The results may not have been entirely surprising, but they certainly contribute to raising the awareness of the centrality of strategic planning in Nordic regional development in the 21st century. Planning instruments have become largely europeanised, though their value remains in highlighting regional and local specificities and in acting as a strategic planning instrument within the particular environment in question. As such, effective regional strategies, as exportable regional cuisine should be built on differentiation rather than uniformity.

The focus of the pilot-project was squarely on national development programmes (regional growth agreements in Sweden, regional development programmes in Norway and in Finland) and on European instruments such as Objective 1 and 2 Programmes and the INTERREG Community Initiative. The findings are summarised below.

Though most programming documents include a SWOT analysis, this is not always the case. In some cases it can be included in a supplementary strategy document (as was the case for instance in the Norwegian regional development programmes). This implies that we may need to look at all regional strategy documents as an interdependent whole, rather than concentrating on one specific programme. In other cases a SWOT had been undertaken, but was not included in the programme document, or any of its sup-

plements. This is problematic, as it is likely to make the vision and strategic content of the programme less transparent.

Ideally SWOT is part of a process or cycle of programme-based strategy-work consisting of analysis, strategy and concrete measures, as well as implementation and evaluation phases. It is encouraging that strategically central issues are maintained throughout the programme across these different phases, and that in most cases priority areas are also well attuned to the issues highlighted in the SWOT. On occasion however such consistency can be taken to extremes, rendering a single theme overly dominant at the expense of others. It should be noted that despite their strategic and even political centrality, regional development plans are not best viewed as single-issue vehicles. Thus a balance should be struck between sub-regional specificity and program-level relevance.

The conclusion of the project alluded to above was that a potentially useful way of approaching the concept of learning within regional strategy work would be to focus on the dual issues of organisational and social learning inherent in the regions. The utilisation of experiences from the previous programming period was clear both in national and EU programmes, though more often than not in a more explicit fashion in the EU programmes. This learning process is also likely to account for the relative consistency of the SWOT analysis in European programmes, though guidelines are often not very specific as to the form and function of SWOT even here.

In most cases horizontal themes (such as sustainable development and gender-equality) are not incorporated into either the SWOT analysis or the programme as a whole in a satisfactory fashion. This is probably something that does not surprise anyone dealing with regional planning documents, as it is certainly one of the most persistent problems connected with regional development programmes. Even the briefest of glances into the everyday living circumstances of most Nordic regions would seem to suggest that regionally specific elements presented in a SWOT analysis more often than

not include issues of direct relevance for gender (e.g. regional labour market indicators, unemployment patterns, politico-administrative roles of different regional actors) and environmental issues (economic potential within the region, key production processes and methods, quality of life indicators).

In addition to learning goals, those of co-operation and partnership also need to be considerably enhanced and more thoroughly incorporated, in order to balance the external and internal analysis, and so that the SWOT continues to be helpful as an organisational development tool. Partnership is developed in a limited fashion in most programmes, as social partners and voluntary organisations are left aside whilst governmental actors dominate. It is worth bearing in mind that SWOT is not only intended to act as a potential strategy tool towards the outside (part of the regional mission statement or profile) but also that it is intended to be used as a concrete tool in the internal improvement of working methods and effective modes of co-operation within the organisational complex called “the region”.

The strategic centrality of SWOT should not be under-estimated. In a world of competing sub-national regions, strategy tools can at best help to achieve differentiation and distinctive profile that is increasingly required of regions today. Despite the more critical comments of the project, the quality of analysis incorporated in the SWOT-analysis is impressive when taking into consideration the lack of regulative or methodological guidance in connection with the form and function of SWOT. More concrete guidance however should be provided by the regulatory organisations to benefit practitioners at all levels. Clearer guidance would most likely improve the effectiveness of SWOT as a strategy instrument, rather than as a force-fed quasi-analytical concoction. Indeed as the gastronomes of nouvelle cuisine illustrate to us from every menu it is not how much you get on your plate that is important, it is how it is arranged that counts.

Impressionistic on city and nature

By Hólmfríður Bjarnadóttir

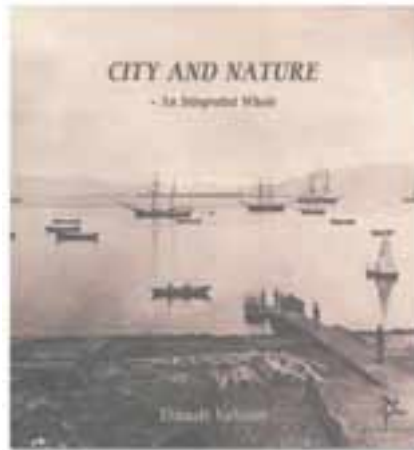
In the book *City and Nature - An Integrated Whole*, the author Dr. Trausti Valsson, examines the interplay between the man-made and natural environment; in particular the way in which the natural environment shapes the structure of towns and cities and the extent to which natural factors are considered in the design of urban environments.

The interaction of city and nature, and the way in which aspects of nature can be included in urban living, have been among the central concerns of urban designers, architects and town planners since the late 19th century. Urban reformers, faced with the problem of how to alleviate the appalling living conditions of the poor in the industrial cities, designed cities and urban areas where the benefits of rural living could be integrated into the quotidian. Well known examples of the work of the urban utopians can be found in the garden cities introduced by Ebenezer Howard in 1898, and the ideas of the neighbourhood units that developed in the United States during the 1920s. In the post-war era the search for nature in cities was manifested in the anti-urban trends of suburbanization in many European and American cities.

This trend has continued in a different form during the last decade of the 20th century, where environmental awareness has been prominent, as has the notion of sustainable development. In terms of urban structure, this trend can be applied to the containment of urban areas, opposition to urban sprawl, and the promotion of urban living and denser urban settlements.

The authors supposition is that in most Western cities, the elements of nature have been alienated, insufficient attention has therefore been given to the interaction of nature, economy and social issues, resulting in monotonous urban environments that are unresponsive to human needs. The author therefore promotes a holistic approach to urban development, where both urban and natural environments are equally balanced in creating the whole.

The books theoretical base is derived from the authors theory of integration, developed in his doctoral thesis on *Method of Integration in Design and Planning*.



The empirical context of the book is the development of Iceland's capital, Reykjavík. The author studies the structure and urban elements of the city and the interconnection between the economic and societal changes in Iceland in the early 20th century and the rural exodus to the capital.

The book was published by the Icelandic University Press in 2000 with the help of a grant from Reykjaviks Culture City Committee, in conjunction with Reykjaviks status as one of Europe's nine cities of culture for year 2000.

The book consists of three main sections. In the first section, *Man and his Methods*, the author reflects upon the relationship between city and nature. The author illustrates how painters and writers through the centuries have portrayed images of nature in this context, highlighting the move from valuing nature primarily in resource based economic terms, to that of intrinsic aesthetic appreciation. Likewise, the image and function of the city are explored in relation to nature itself.

The main conclusion of the chapter is that despite the inclination towards developing a polarised view of city and nature, a growing recognition has emerged of the importance of the natural environment, and along with it has come an increased awareness of the importance of maintaining a healthy balance within cities between these natural and the man made environments. In order to achieve the panacea of balanced urban areas, the author emphasises the following urban design principles, namely; the creation of wholes, balance, interaction, uniformity and how to handle the interface between spaces.

In the second section of the book Dr Valsson gives an overview of the urban development of the city of Reykjavik and examines its development with regard to the inclusion of natural elements in its design and development. The portrayal of this process is divided into three distinct periods, ranging from the early 20th century to the present.

The first period, or *Age of Integration* illustrates the story of the first years of urbanisation, the move from a predominantly rural society to an urban one, albeit one which maintained strong links to the surrounding areas and thus with its rural heritage, both socio- economically and in the very nature of its urban fabric.

The second period, or *Age of Alienation*, symbolizes the process of autonomous development, where urbanisation took place without heed to its natural surroundings. The rapid urban development in the post-war era, the creation of transport corridors and the implementation of certain land-use decisions illustrated in Reykjaviks master plan, severed traditional links with the city's immediate surroundings and with the traditional elements of nature upon which it used to rely.

The third chapter, or *Age of Reconnecting* addresses the growing recognition of the importance of the environment in town planning and urban design.

According to the author a notable societal change in values and attitude towards the environment among professionals and laypeople is now ongoing, reflected in the increasing weight put on the positive interaction with nature in the everyday habitus. This fundamental change is illustrated with reference to the efforts that have been made to improve the surroundings of Reykjavík, particularly where the fruitful interaction of nature and urban life in the design of new areas has been achieved.

The third and final section of the book focuses on the methods used to connect urban areas to different aspects of the environment. Examples are given of the ways in which the various elements of nature are reflected in urban structures and the location of activities determined by land use plans.

This is illustrated in relation to four archetypical elements, the city's relation to water, the interplay with nature within and adjacent to the city, the effects of geothermal resources on the urban form, and air "which has the function of defining the city's place in time and space" (page 111).

Examples follow from Reykjavik and its environs, illustrating the connection of the city to adjacent areas, the interface with the waterfront and the implications of, and opportunities afforded by, the special natural conditions in Iceland. Finally the specifics of connecting neighbourhoods and buildings to open spaces are discussed.

In the book the author depicts a vivid illustration of Reykjavik's urban fabric, how it has evolved over time and how its interconnection with nature has developed.

The author chooses a comprehensive approach in his analysis, encompassing both the natural and man made aspects of the environment, and makes the important connection between ongoing social and economic change and its impact upon the natural environment and the urban form. The connection between the different elements is handled clearly, addressing the implications of such developments to aspects of every-day life, effectively illustrated by examples from Iceland as

a whole and from Reykjavik, both in text and through numerous illustrations, photographs and drawing that make the publication both colourful and accessible to a wide audience.

Such aesthetic pleasures are to the fore in the third section of the book, where the potential and limitations of Iceland's natural environment for urban development and design are presented.

Paradoxically however what is perhaps the strongest point of this work may nevertheless turn out to be its Achilles heel. The authors' impressionistic and rather normative approach to urban design provides us with numerous examples of what may be considered to be good practice in the field, yet these recommendations are predominantly based on, and interpreted through, the authors' personal views and experiences. As such the non-native reader (of the English language translation) is presented with an admirable account of urban development in Iceland, but one which is bereft of an accessible contextual or theoretical element beyond the authors' own personal aesthetic.

The book's greatest strength is its accessibility, and the authors' talent for creating lucid pictures is as admirable as it is enjoyable. The conclusions are, given the epistemological approach however, necessarily personal, and

have perhaps been reached at the expense of the publications' own research significance. Perhaps a greater use and application of the urban design literature would have enhanced this aspect of the publication, though of course this would have significantly changed the manner and tone of the text itself. The book provides an original approach to the examination of the historical development of Iceland's urban environment, particularly as it pertains to the ongoing inter-relationship between town and country.

To conclude, this text provides an important contribution to the discussion on town planning and urban design in Iceland, and thus significantly adds to the existing literature on this topic. The book itself will surely be read productively by those working professionally with issues relating to town planning, urban design, architecture and landscape architecture. Whilst in addition it may serve to awaken interest in the topic among those who do not have a professional background in these fields. For this alone it should be recommended.

Trausti Valsson:
City and Nature
An Integrated Whole
Reykjavik 2000: Iceland University Press

Indispensable Handbook on Baltic Regions

By Lars Hedegaard

Among other praise on the cover, Nordregio's recent publication on Regions of the Baltic States is labelled "the definite handbook". What is meant, of course, is "the definitive handbook", but that is an exaggeration. No book containing up-to-date statistical information, surveys of current conditions economic, political and institutional can claim to be the last word. In two or three years, a lot of the information and consequently many of the assessments in this publication will have changed and it will be necessary to put out a new edition. Suffice it to say that this is a very good book indeed, stuffed with useful facts and figures that are impossible to come by anywhere else. With tables galore, visualised statistics and maps of outstanding clarity and quality. The facts and figures are current to a degree that puts most other handbooks on European affairs to shame, certainly many of the publications on



European regional affairs put out by the European Commission that are marred by the antiquity of the figures.

For once the label indispensable is right. If you are a bureaucrat, planner, researcher or politician who needs to

know about the general development of Estonia, Latvia and Lithuania and especially how each of their 51 regions is faring, this is the place to get your information. And if you are among the thousands of foreign bankers, investors, traders and other businessmen with interests in the Baltic States, you cannot afford to leave home without this timely and very thorough survey.

The bulk of the publication consists of 51 regional surveys of the 15 Estonian counties (maakond), the 26 Latvian districts (19 rajons and the seven lielpilsetas, i.e. big cities) and finally Lithuania's 10 counties (apskritis). Each survey is detailed and accompanied by a map showing the region and its place in the country. The surveys also provide demographic data, including population changes during the 1990s, figures on the regional labour force, unemployment, the number and composition of the enterprises, general economic indicators, figures on tourism and data on educational facilities and number of students

attending each institution. Relevant geographical, topographical, historical and cultural information is also provided for each of the 51 regions. It is impressive. On top of this staggering amount of information one finds a list of contacts to regional authorities complete with contact person, phone, fax and e-mail. The book also provides an exhaustive list of statistical sources.

Preceding the main section with regional profiles are chapters containing historical surveys of each country focussing on the twentieth century and leading up to brief discussions of the current big issues, i.e. defence and NATO membership, EU accession and the burning question of how to deal with the three countries' sizable minorities. There is a chapter, rather complicated as it were, on the recent development and current organisation of territorial government, on settlement structures and dynamics and on the general economic development of Estonia, Latvia and Lithuania.

One can understand why an undertaking of this magnitude has required the combined efforts of researchers from Finland, Estonia, Latvia, Lithuania, Germany and Iceland. The

project was commissioned by the Nordic Council of Ministers as part of that organisation's Adjacent Area Programme. Final responsibility for the report rests with Nordregio's Marko Tiirinen, who has been project co-ordinator and compiler of the 600 tables and diagrammes in the regional profiles. Together with Tomas Hanell (also of Nordregio) he has written the introductory chapters. Jörg Neubauer of Nordregio has provided the many excellent maps.

As the chapter on general economic development makes clear, the last ten years' Baltic undertaking by the Nordic countries and the Nordic Council has been a resounding success. In their capacity as investors, trading partners and entrepreneurs, both the private and public Denmark, Sweden and Finland have clearly emerged as major economic players in the Baltic States. However, other EU states, the USA and even Japan have acquired economic stakes here. For their part, the Baltic States have done well to tie so much of their fate to stable, democratic and prosperous Nordic countries with so little recent tradition of imperialism.

As far as one can see, no historian has been involved in the book's preparation, with the unfortunate effect that some aspects of twentieth-century Baltic history have been treated far too idyllically. The authors mention (page 10) that understandably many Balts perceived the Germans as liberators after their attack on the USSR 22.6.1941 (by the way, Operation Barbarossa started without a prior German declaration of war, which is erroneously implied here). Later, however, the Balts became "victims of a brutal German occupation". That may be so but many Balts had no hesitation in joining their German occupiers in despicable undertakings such as the destruction of the Jews that had nothing to do with the cause of national independence or freedom from communist tyranny.

When this unfortunate heritage is acknowledged and openly dealt with by the Baltics and their Nordic friends, we may perhaps conclude that a more thorough cross-Baltic integration has taken place.

Marko Tiirinen et al.:
Regions of the Baltic States
Nordregio Report 2000: 2
294 pages, EUR 30,-

First Announcement:

THE NORDIC EIA CONFERENCE

Environmental assessment – linkages to decision making

Helsinki, 6 – 7 September 2001

The fourth Nordic EIA Conference will be held at the Biomedicum Conference Centre, Helsinki, 6 – 7 September 2001. The conference will be planned and sponsored by the Finnish Ministry of the Environment, the Finnish Environment Institute, Nordregio, Nordic EIA officials, and the Nordic Council of Ministers.

The goal of the conference is to provide a forum for an exchange of ideas between the various governmental authorities, researchers and practitioners. The conference focuses on environmental assessment in the Nordic countries, though it will also seek to provide an additional forum for the discussion of international issues in the field.

Preliminary Programme

The structure of the conference will be based on invited guest speakers who will give introductory lectures on the main conference topics. Ordinary participants are encouraged to submit posters and comments on the subjects of the invited speakers' presentations. A limited number of these comments will then be chosen to precipitate an open discussion on the selected themes.

Proposed themes of the plenary sessions:

- Effectiveness of Environmental Assessment as an instrument in environmental planning and policy making
- Strategic Environmental Assessment in decision making
- Nordic identity and culture in environmental assessment and environmental policy.

Proposed parallel sessions:

- Assessment of the impact on humans/social impact assessment
- Practical implementation of the SEA directive
- Environmental Assessment and land use planning
- Norden's neighbours and Environmental Assessment
- Effectiveness of Environmental Assessment
- Use of IT in EIA/SEA

PRACTICAL INFORMATION

Deadlines

Please submit 'expressions of interest' by April 30 2001. Binding registration no later than May 31 2001.

Conference fee

The fee for the conference (including VAT) is FIM 2000, or euro 335. The fee includes participation, lunch, and coffee on both days, and the conference banquet.

For further information on the conference and the programme contact

Mikael Hildén, Finnish Environment Institute, mikael.hilden@vyh.fi,

Seija Rantakallio Ministry of the Environment seija.rantakallio@vyh.fi and **Hólfrídur Bjarnadóttir**, Nordregio, holmfridur.bjarnadottir@nordregio.se.

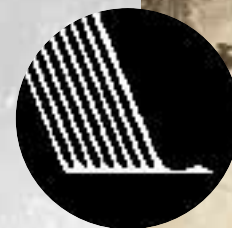
Further information and registration forms will be available in due course from the joint (English language) Finnish Ministry of the Environment / Finnish Environment Institute web-site, at www.vyh.fi/eng/current and from Nordregio's homepage:

www.nordregio.se

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(Nordregio Report 2001:1) 155 pages. SEK 150
ISBN 91-89332-13-x

WORKING PAPERS:

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The NEBI Yearbook 2000. North European and Baltic Sea Integration. Editors Lars Hedegaard and Bjarne Lindström.
Berlin: Springer-Verlag, 2000. 481 pp.

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No charge.

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Environmental Assessment in the Nordic Countries - Experience and prospects. Proceedings from the 3rd Nordic EIA/SEA Conference, Karlskrona, Sweden 22-23 November 1999.
(Nordregio Report 2000:3) 253 pages. Price: SEK 250
ISBN 91-89332-10-5

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