

## Governance between Stability and Change – the Case of the Metropolitan Region Hamburg (MRH)

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### 1 ABSTRACT

The paper wants to discuss the process of governance change in the metropolitan region Hamburg from 1989 to 2009. Within the metropolitan region of Hamburg exist a long history of regional cooperation and coordination. The metropolitan region Hamburg is characterised by three involved federal states and 14 counties. This makes coordination and cooperation within the field of urban and regional development difficult and tough. The governance structure of the metropolitan region Hamburg has naturally changed in the past 20 years. While in the beginning the coordination of urban and regional planning has been in the main focus, nowadays issues of marketing and international visibility are important as well. But not only the content of cooperation changed but also the metropolitan region grew in territorial size and also in organisational structure. On a more abstract level the governance process between stability and change can be characterised by periods of continuous changes and episodic changes. Continuous changes are characterised by adaptive learning processes while episodic changes are characterised by fundamental changes within the governance structure. The paper deals with

I) the empirical description of the change process of the metropolitan governance structure of the metropolitan region Hamburg as indicated above, focusing on the criteria which characterise governance. Characterizing and analysing dynamics in governance, I am using the criteria 1) goals and norms, 2) actors /actor constellations, 3) mechanisms and forms of coordination, 4) multilevel governance, 5) the relevance of resources and power and 6) finally orders of governance as first order, second order and meta governance.

II) the theoretical model which can be deduced from the empirical work showing a transformation of governance between stability (continuous change) and change (episodic change) over time; characterizing the two forms of change in more detail.

III) conclusions concerning the reasons and processes leading to continuous and episodic changes within governance and the relevance of the criteria of governance described above concerning the cause of change and possible conclusions to initiate change.

### 2 GOVERNANCE – CHANGE - STABILITY

#### 2.1 Analysing and characterising transformation in metropolitan governance

The question of why and how urban and regional governance is changing over time is raised to gain insight about the processes of change and transformation in metropolitan governance. Aim of the first part of the paper is to address the issues of transformation and governance. Governance and change is not a topic which is very much elaborated in governance science and the governance discussion. Governance is usually discussed rather static, describing a certain situation at a certain time (Benz, Lütz, et. al. 2007). But there are also approaches, which describe and analyse governance change and transformation concerning paradigms and also certain steps in governance change (Blatter 2008, Brenner 2003). For approaching change and transformation an access from organisational science is taken. „Three basic concepts are essential in studying these kinds of organizational changes: (1) a noticeable difference, (2) at different temporal moments, (3) between states of an organizational unit that is being observed. Organizational change is defined as a difference in form, quality, or state over time in an organizational entity.” (Van de Ven and Poole 2002, 871) Change in governance is then characterized by a fundamental difference in the basic concepts of governance. In the focus of the paper is the uncovering of a change processes.

Governance is understood as an analytical concept to describe occurring forms and mechanisms of coordination between interdependent actors. To characterize governance in city regions six criteria are differentiated: actors and actors constellations (1), resources (2), aims and goals (3), multilevel governance (4), forms and mechanisms of coordination (5) and orders of governance (6) (Heinelt 2006, Kooiman 2003, Altrichter und Heinrich 2007, Benz 2009, Scharpf 2000).

Actors and actor constellations within a metropolitan region are mainly characterized by administrative employees and politicians. Depending from the metropolitan region private business actors and

representatives from civil society organizations may be involved in decision making and implementing projects. The policy and administrative actors represent local and regional communities while business and civil society actors represent certain goals and aims not necessarily related to a certain community or territory, but to their business or organizational aim (Altrichter and Heinrich 2007, pp 59, Heinz 2000, pp 10, Wiechmann and Löwis 2001, 40).

Actors involved do have certain aims and goals due to their origin. City and metropolitan regions are dealing a lot with coordination of especially spatial issues concerning housing, economic or natural development. Furthermore a number of new issues, only indirect space related, are marketing and image building, attracting attention of firms and people to the region. The goals need to be differentiated in overall goals of the governance structure of the metropolitan region and the goals and aims of the participating actors. Both sides play an important role in characterizing input and output of the metropolitan region and governance (Wiechmann 2008, 110, Altrichter and Heinrich 2007, 71).

Furthermore the actors involved obtain about resources which they bring into the governance structure. Resources are material or immaterial. While the material resources contain financial or personal resources, immaterial resources contain for instance the ability and quality to participate in decision making and to obtain over power to influence decisions (Altrichter and Heinrich 2010, pp 63, Benz 2009, pp 27, Heinz 2000, pp 15 and 259).

Urban and metropolitan regions are almost always characterized by a multilevel governance system. Usually the metropolitan region stretches across more than one municipality. There is the central city surrounded by municipalities. Furthermore the metropolitan regions can be extended across different county and/or federal state levels as in the case of the metropolitan region Berlin, Hamburg or Bremen. Metropolitan regions can even be stretched across different national states, as for example the Öresund Region, containing a Swedish and Danish part. The cooperation of the metropolitan region is than organized within the multilevel system including the relevant representatives of different administrative and / or functional levels. Two ways of multilevel governance can be differentiated, as pointed out by Hooghe and Marks (2001), Gualini (2006) or Benz (2004). Multilevel Governance Typ I is characterized by the distribution of decision making across a small number of not-overlapping territorial units and levels. The decision making is tied together in a stable package which is also characterized as territorial federalism and tends to be in place a long period of time. It addresses more general issues of regional governance (Benz 2009, 27). The Multilevel Governance Type II is characterized by a „complex, fluid, patchwork of innumerable, overlapping jurisdictions” (Hooghe and Marks 2001, cited by Gualini 2006, 70). Governance of this type is flexible and temporary and can also be described as functional federalism. It addresses special purposes of coordination and is overlapping in character including a wide number of governance levels not necessarily related to a certain territory (Benz 2009, 27).

Governance is essentially characterized by the forms and mechanisms of coordination which are chosen to coordinate the actors involved, their aims and goals, their resources and the multilevel context they are involved in. The forms and mechanisms can be differentiated in loose and tied coupling (Blatter 2008, 130). Beside the forms of coupling the basic forms of interaction between the actors as one sided action and mutual adaptation, voice, arguing and bargaining, vote and hierarchical governance are an essential characteristic of governance (Kübler and Heinelt 2005, Scharpf 2000, Schimank 2007). Furthermore Blatter (2008) differentiates in four governance modes, which are described as norm-oriented, benefit-oriented, communicative-oriented and performative action oriented (Blatter 2008).

By coordinating the relevant actors and actor constellations a governance structure is evolving which again in itself can be differentiated in orders of governance. Kooiman (2003) and Heinelt (2006) differentiate in levels of coordinating action. Kooiman (2003) differentiates between First Order Governance, Second Order Governance and Meta Governance. Heinelt (2006) relates the orders of governance of Kooiman (2003) and differentiates levels of planning as governance drawing back on Scharpf (1973) who distinguished three levels of the policy planning process. The meta level characterizes basic visions of development and behavior as travelling ideas anchored in overarching programs, in Leitbilder or even basic assumptions and ideas of “doing things” floating around (Meta Governance). A further level is characterized by making binding decisions concerning planning projects and developing institutions (Second Order Governance). And



a final step in the planning process is characterized by the implementation of the decisions made (First Order Governance).

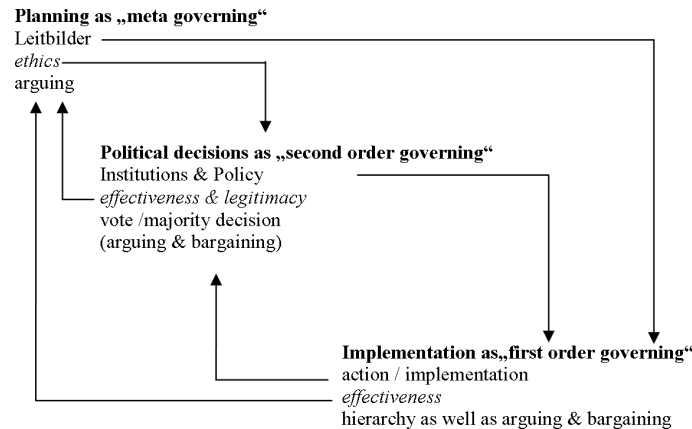


Fig. 1: The three orders of planning (Heinelt 2006, 244)

This differentiation by Scharpf (1973) concerning the policy process is very similar to orders of governance by Kooiman (2000). A question connected with the orders of governance is, how and in what way the different orders of governance within a metropolitan region are influenced by each other. “Human systems are ultimately self-designing. We continuously change and design implicitly or explicitly the social and governing world we live in and participate in. Governing these change and (re) design processes from a normative point of view is the essences of meta governing.” (Kooiman 2003, 171) The orders of governance may be related to each other as shown in the Figure 1. Heinelt (2006) based on Kooiman (2000, 2003) and Scharpf (1973) connects the levels of governance of a planning process and the results out of it with modes of decision making and interacting.

Levels/ Orders of Governance	Results and Forms	Decision making
Planning as reflection on possibilities and results of acting as „meta governing“	Leitbilder Ethics	Arguing
Processes of binding decisions and planning in political arenas as „second order governing“	Institutions and policy content	Vote, Majority decision (Arguing and Bargaining)
Implementation of decisions and planning the implementation as „first order governing“	Action / Implementation	Hierarchy Arguing and Bargaining

Table 1: Levels / Orders of governance (based on Heinelt 2006 and Kooiman 2003)

The question of the interrelation of the orders seems to be especially interesting in working on change of governance. Based on Kooiman (2003) Meta-Governing is not understood as a governance level above first and second order governing, but a norm oriented governing order setting a frame. Meta Governance is a perspective to judge governance and evaluate it against some normative criteria and at the same time changing and redesigning norms and practices by evaluating existing practices. Kooiman (2003) discusses in his concept three criteria of evaluation of meta governing: rationality, responsiveness and performance.

## 2.2 Governance and Change

First of all the governance discussion and research is ambivalent concerning the issue of change and stability. Governance is basically a static concept not taking into account the change and transformation so far. Nevertheless the notion of governance is generally connected with change and transformation. The change of the nation state and state action is connected with the governance discussion. Governance as such also came up in connection with the recognition of the failures of state action. Furthermore governance stands for a change in perspective within political science concerning steering (Steuerung). While initially the discussions concerning steering were more actor centered within political science, the focus in economic science is more on institutions. Governance as a new way in talking about steering societal development puts emphasis on the institutions and structures which frame and design action on the one hand and the process of regulating on the other hand (Mayntz 2005, 17). Using and applying governance connects to the structure regulating and framing action and also to the process of developing a regulating structure. This implies a reflexive usage of governance. So the phenomena of the state being not able “to steer” in the usual way and also the development of the theoretical concept of “steering” to “governing” implies a dynamism and

flexibility within the concept of governance in practice and theory. Voß reflects on that dynamism by differentiating between *Governance by Design* and *Governance by Dynamics*. While the first addresses rather intentional approaches of acting and steering, the second addresses rather self-organising processes which are not merely intentional (Voß 2007). „Then, governance refers to the patterns and mechanisms in which social order is generated and reproduced, including the ways in which society steers itself. The processes in which forms of social organisation are reflexively shaped move into centre of attention. In other words, this comprises primary rules of interaction as well as secondary rules of shaping rules of interaction.” (Voß 2007, 19). These different ways of interacting take into account the mutual relation between action and structure as Giddens conceptualised in his theory of structuration as the duality between structure and action as two processes influencing each other at the same time and which can not be analysed separately (Giddens 1984). Voß puts the differentiation in *Governance by Design* and *Governance by Dynamics* and Kooimans expresses the duality with the notions of *Governing* and *Governance* (Kooiman 2003).

The discussion of governance as a reflexive concept supports an analytical and reflexive understanding of governance. Beyond that the transformation of governance structures as such are not addressed so much in the governance discussion so far. The evolution and development of governance has not been analysed much so far. Benz, Lütz et. al. (2007, pp. 21) explain this “blind spot” with the origin of the governance concept in economic science. Governance forms and structures are analysed as existing balanced solutions of societal coordination problems. Conflicts, which may lead towards evolution, reproduction and transformation of governance structures are not dealt with as much.

The governance concept as such is a predominantly static concept, except for the above mentioned reflexive understanding of it. Looking at transformation and change of governance applied in discussions of urban, regional and metropolitan governance the Regulation approach is used to explain and describe transformations within urban governance regimes as done in debates of state rescaling and reterritorialisation of urban governance (Brenner 2004). Main issue is the “contemporary rescalings of state spatiality and their ramifications for the political and economic geographies in Western Europe” (Brenner 2004, 450). Brenner differentiates four phases of state rescaling and reterritorialisation beginning with the fordistic-keyensian welfare state of the 1960ies, succeeded by entrepreneurial competitive oriented phase in the 1970ies, followed by “glocalisation” strategies leading to a fundamental rescaling of state structures in the 1980ies and 1990ies. Finally the fourth phase is characterised as the New Regionalism characterised by neo-liberal state restructuring with consequences for spatial and economic restructuring. The connection between state rescaling and reterritorialisation and rescalings on a regional level Brenner says “state spatiality is actively produced and transformed through sociopolitical struggles in diverse institutional sites and at a range of geographical scales” (Brenner 2004, 451). Governance and spaces are seen in an interrelational way between place and space and the political or societal strategies and institutional settings concerning it. Processes of state spatiality are seen as a “layering process” where existing organisational structures are superimposed by new layers and organisational structures. So forms of state spatiality are a mosaic of state structures. Similar does Blatter (2000, 2003) conceive existing structures and layers at certain times which are placed on each other. In the context of regional governance structures which are cross bordering are observed by Blatter in processes of waves. Phases of stability are followed by phases of change and transformation. Two forms of change of regional governance structures are given which describe processes of change: patching-up as additions to existing institutions and transposition describes the activation of existing structures with new routines (Blatter 2003, 82). Brenner describes urban governance structures as path dependent as they are reproduced and enforced, but which also can retard innovations and transformations. Brenner focuses in his work on the relevance of the macro political context which unfolds within city regional constellations and developments. The reasons for such processes of transformation are seen in “‘moments of ‘strategic choice’ and ‘path-shaping’ in which dominant sociopolitical forces have attempted to ‘redesign the ‘board’ on which they are moving and [to] reformulate the rules of the game’” (Nielsen, Jessop, Haussner 1995, pp 6 cited in Brenner 2003, 312). Projects are seen as major device for transformations of urban governance and especially “scale making projects” (Brenner 2004, 458). Scale making projects are strategies which integrate cities and regions in super local networks and hierarchies. Furthermore the discussion concerning governance offers process models of regional or urban governance structures, as for instance Fürst, Lahner and Pollermann (2006, 10), who differentiate between 1) initiation phase, 2) concept phase, 3) implementation



phase and finally a 4) consolidation phase. Those phases are not necessarily a linear model but can also take place in parallel or overjump one session over another. A similar model of Urban Governance partnerships developed for instance Lowndes and Skelcher (1998, 321) looking at revitalisation partnerships in Great Britain, when they differentiate between Pre-Partnership collaboration (1), Partnership creation and consolidation (2), Partnership programme delivery (3) and Partnership termination and succession (4) which characterise a kind of life cycle of urban governance.

All in all governance as mainly a political science concept also drawing back on economic science is in practice very much used to express flexibility and change in distinction to government which is not functioning the ways it is expected. Urban, regional or metropolitan governance structures develop to coordinate problems which can not be solved with the hierarchical government system. Those structures evolve as a kind of alternative solution to adapt to a blocked situation and become a self-seller and a self-organising structure. On the other hand also governance structures can develop towards a blocked structure itself.

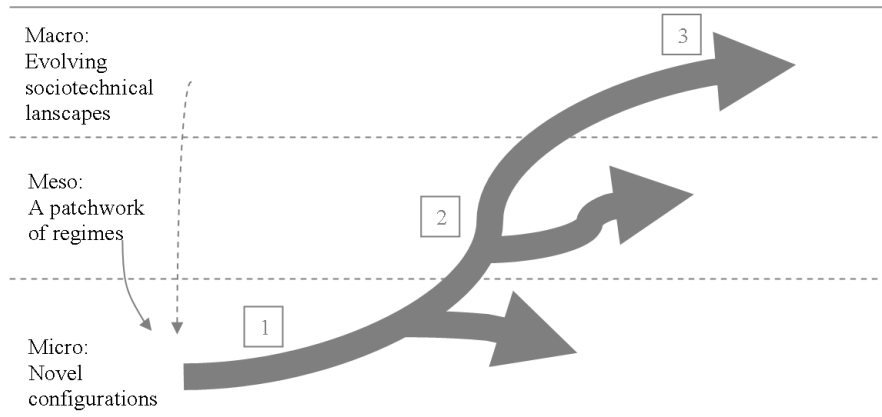
Drawing back on basic ideas and concepts of governance and the given first clues about how governance structures change, concepts and models of change and transformation from organisation science and also Science and Technology Studies (STS) can be used to analyse and explain governance change a little further. Organisation science give a broad literature concerning change and stability and also about the development and implementation of innovation. Basically there can be differentiated three different orders of learning, which are first order learning, second order learning and deuterio or third order learning based on Bateson (1985) and further used and developed by Argyris and Schön (1999). While the first order learning (or also single loop learning) concerns changes within a stable normative and institutional system, second order learning (or also double loop learning) concerns changes in the normative and institutional structure of an organisation. Deutero learning is not so much elaborated yet and indicates a kind of higher and complex form of learning. Close to the differentiation of single loop and double learning are exploration and exploitation. „Exploration includes things captured by terms such as search, variation, risk taking, experimentation, play, flexibility, discovery, innovation. Exploitation includes such things as refinement, choice, production, efficiency, selection, implementation, execution.” (March 1991, 71) Both processes take place in a learning organisation. Weick and Westley (1996) use the words of organising and learning to differentiate both processes and state that organising excludes learning and vice versa. “Organizing and learning are essentially antithetical processes, which means the phrase ‘organizational learning’ qualifies as an oxymoron. To learn is to disorganize and increase variety. To organize is to forget and reduce variety.” (Weick and Westley 1996, 440). Finally both processes need to take place in a learning organisation in a balanced way. Weick and Quinn (1999) characterise basic criteria and processes connected with learning and organising or exploitation and exploration or as they put it: continuous and episodic change.

Episodic change addresses inertia within organisations to overcome them. Change is understood as a fundamental and sudden change in the basic structures of an organisation. It seems to be a dramatic change which is intentional produced. Mostly external interventions activate episodic changes. The process of intervention ideally takes place in a phase of unfreezing, followed by a transition phase which is succeeded by refreezing. The process is characterised by questioning existing norms, values and structures. In the transition phase such norms, values and structures are newly defined and restructured. In the refreeze phase they are finally coordinated and founded in new forms and basic structures of the organisation.

Continuous change happens rather unintentionally and is characterized by modifications of daily routines and working procedures. It is a continuous adaptation process which cumulates. Different to episodic change it is a long run adaptation compared to rapid and sudden adaptation. Routines and working procedures which are already questioned, adapted and modernised are object of the continuous change and transformation process. The ideal process of intervention follows a freezing phase, followed by a rebalancing phase succeeded by an unfreezing. The concept behind this adaptation process is to uncover routines and working procedures in their patterns concerning necessary changes and improvements (freeze). The procedures are newly interpreted, the patterns are redesigned and blockades solved (rebalance). This is followed by a sequence of unfreezing in which processes of learning and improvisation are taken up again. Major criteria of such a process is the observation of failing routines and the solution of such failures by minimal corrections with major impacts.

These differentiations are very helpful in having a more detailed systematic for explaining and observing change and transformation also in relation to governance.

Concerning the orders of governance and their relation to change a view in Science and Technology Studies (STS) is inspiring. STS deals with models on how innovations in society develop and evolve within the different orders or regimes of society. While the sociotechnological landscapes characterise a rather external structure and context for the interactions and coordinations of actors, the meso level is characterised by routines, regulations, norms and values. The micro level is the actual working and project level, where innovations are developed. While experimentation on the micro level can for example lead to the invention of the steam machine, this innovation can lead to major changes and transformations on whole industries which have used other forms of energy generation before. This again may lead to complete new norms and values on the macro and societal level.



- [1] Novelty, shaped by existing regime
- [2] Evolves, is staken up, may modify regime
- [3] Landscape is transformed

Fig. 2: Dynamics of sociotechnological change (Rip and Kemp 1998, Kemp, Rip et. al. 2001)

Those levels can be compared to the orders of governance given by Kooiman (2003) and the interrelations of change between the levels which can be an heuristic regarding governance change.

### 3 EMERGING GOVERNANCE OF THE METROPOLITAN REGION HAMBURG

In the following the governance and the evolvment of governance within the metropolitan region Hamburg is discussed.

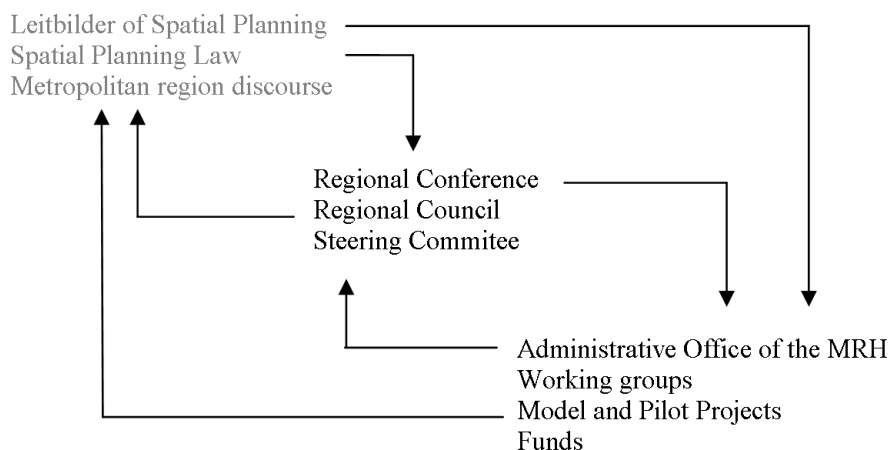


Fig. 3: Orders of Governance in the metropolitan region Hamburg

#### 3.1 Overview about the current governance

Due to the question raised and the basic differentiation of criteria characterizing governance, an analysis of metropolitan governance at different points in time is possible. The metropolitan region Hamburg has extended the area in the past 20 years. While in the beginning the coordination of spatial planning was





intended to happen in the area of the city and the adjacent six counties, the metropolitan region contains now of 14 counties which in the closer counties are strongly interwoven with each other, but which are in the more distant counties rather peripheral and weaker in structure. The current organisation of the MRH according to the above given systematisation can be described as the following figure 3 indicates.

The extension in area is motivated to reach a bigger size and more population for being visible in the global competition.

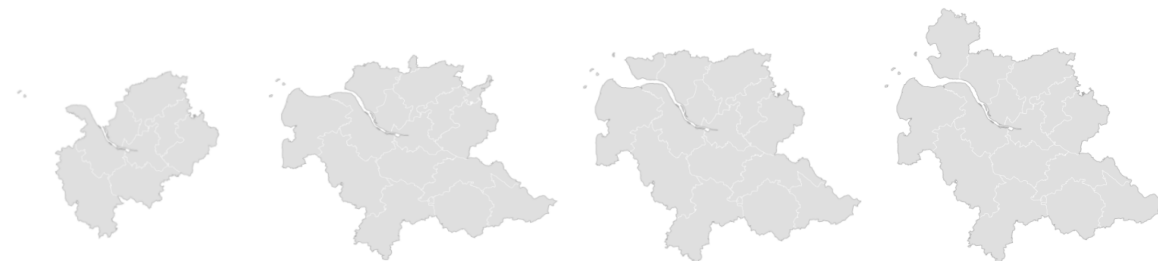


Fig. 4: Showing the extension of the MRH 1990, 1991, 1996, 2006 (Maps: Frank Rogge, HCU 2010)

Counties in the next adjacent federal state Mecklenburg-West Pomerania which also have functional interrelations with the metropolitan region are interested to join the metropolitan region. It challenges the cooperation since actors and interests are already so different within the region, which is especially a challenge for territorial and social cohesion.

The development of the metropolitan governance structure from 1989 to 2009 can be differentiated in five basic phases. The description starts with the beginning of a more intense cooperation between the three federal states in 1989 and the decision for a regional development concept (1). This basic decision and the “go” for a more intense cooperation at a political level was followed by a process of intense work and cooperation on a sectoral level developing the regional development concept dealing with many issues of regional development (2). This was followed by a period, which is characterized by the implementation of the regional development concept and the institutionalisation of regional governance structures different from the existing one (3). A new period begins with a new focus of the metropolitan governance towards internationalisation strategies and marketing (4). This new orientation of the metropolitan region is followed by a new governance structure implementing and addressing the new focus of marketing and internationalisation and also a more efficient governance (5). The basic characteristics of the phases are indicated in the following table.

### 3.2 Short description of main events and milestones

#### 3.2.1 Political Decision for a trilateral regional development concept 1989 to 1991

The history and development of the metropolitan region Hamburg is driven by a number of changes in the past. The fall of the inner German border and the extending European market lead to a different situation for the city region of Hamburg at the end of the 1980ies and at the beginning of the 1990ies. After a recession of the Hamburg port and a rather struggling economic development in the 1980ies in Hamburg on the one hand and a more dynamic development of the surrounding counties of Hamburg on the other hand, the cooperation between the three federal states was at a very low level and the mistrust against each other high. With the end of the 1980ies and after the reunification the city and the region of Hamburg were characterized by a dynamic development. Employment and the number of inhabitants grew at that time in the city and the region. The extended hinterland and the European market and new economic perspectives to the North and East of Europe supported a dynamic development. The region of Hamburg suddenly was in the centre of Europe. The lack of space for housing and commercial / industrial development lead to the need to coordinate the development between the city of Hamburg and the surrounding counties. Further themes of cooperation as coordination of transportation, water and sewer or natural resources came initially out of the necessity to coordinate the availability of space and to coordinate the planning strategies. Finally the federal states decided for a regional development concept. The fundamental decision for a trilateral regional development concept after a time of mistrust was possible because of a change in political parties in the three federal states involved. After periods of Christian conservative political parties as governing parties in the years before, all federal states, one after another, changed to social democratic political governing parties.

This allowed first the cooperation between Hamburg and Schleswig-Holstein and then in a next step the involvement of Lower Saxony in the cooperation. The result is a change in perspective and the agreement of a joint development strategy agreed on by the three federal states. Very important and remarkable for that phase of development was an external expertise to describe the situation of the cooperation between the three federal states and giving very profound recommendations to improve the cooperation (Scharpf and Benz 1990). The recommendations basically were to work on basic conflicts of allocation of resources between the three states and make deals to please each partner. When such deals were made and agreed on the work on regional issues could take place (package deals). In the consequence of the expertise a number of deals between the federal states, especially Hamburg and Schleswig-Holstein and later between Hamburg and Lower Saxony were made. After resolving such basic differences in interest, the work on the regional development concept could take place.

	<b>1989 bis 1991</b>	<b>1992 bis 1996</b>	<b>1997 bis 2002</b>	<b>2002 bis 2005</b>	<b>Seit 2006</b>
Actor and actor constellations	Governments of the federal states are dominant	Administrations of the federal states are dominant, local communities are invited to participate; administrations of the spatial planning departments are centrally steering	Administrations of the federal states are dominant, local communities are invited to participate, New actors try to participate in the regional governance structure through projects (e.g. chamber of commerce)	Administrations of the federal states are dominant, A number of new actors get involved on a project level. A change takes place in the steering power from spatial planning towards strategic departments	Involvement of local communities in the major decision making bodies, New actor constellations within projects, a number of new flexible and temporary constellations
Aims and goals	Space related topics, Conflicts related to the availability of resources within the region	Spatial planning issues, coordination or space related topics (transportation, urban planning, nature, etc.)	New themes are added as education, science and research, culture	Change in focus towards economic cooperation and marketing pushing back spatial development themes	Focus on internationalisation, services of general public interest, spatial management Climate change and adaptation
Multilevel system	Strong differences between the levels; bilateral federal spatial planning agreements, dominance of the federal structures	Flexible tri- and bilateral constellations develop to make up the regional development concept, a trilateral state secretary committee is steering level	Institutionalisation of a joint trilateral working structure and the development of an „own“ multilevel systems	Further development of the trilateral working structure adding new flexible forms	Variable geometry and opening up the trilateral multilevel structure with new constellations
Resources	Cutting the funds leads to various conflicts concerning the distribution of resources; One sided actions and no other ways of mutual influence Package deals between the federal states	Approach and agreement based on package deals, balancing the availability of resources in the regional development concept, funds are used for developing the concept	Committees of the joint trilateral spatial planning are a basic material and imaterial resource, which decide about the development within the region; funds are used for the implementation of the concept	Temporary Committees are actively used to influence the goals and structure of the cooperation	Local communities gain the ability to take part in decision making and new flexible governance structures develop within the multilevel governance context
Forms and Mechanisms of Coordination	Hierarchic coordination by the federal states; Co Governance; Negotiation of package deals	Administrative coordination as mutual information, arguing, bargaining	Information, Communication, Participation; Implementation; Consensus	One sided action by Hamburg and mutual adaptation by the other federal states; Information, Arguing, Bargaining, Consensus decisions	Involvement of local communities in decision making processes, consensus building
Orders of Governance	Norm oriented coordination Benefit oriented coordination - Contracts and agreements bilateral joint spatial planning on the Second Order Governance	Communicative coordination - developing the regional development concept Beginning of more differentiation on the Second Order Governance level and on the First Order Governance level	Benefit oriented coordination - implementation of projects	Benefit oriented coordination - implementation of projects	Performative coordination - representation and marketing
			Institutionalisation and differentiation of orders of governance developing trilateral committees of different kind	Institutionalisation and differentiation of orders of governance developing trilateral committees of different kind	Beginning of distinct First Order Governance, Second Order Governance institutions by opening an administrative office





### 3.2.2 Development of a regional development concept – region building 1992 to 1996

The basic decision by the three federal states to work on a regional development concept was mainly driven by the federal states. The interests of the actual regional and local communities within the region were involved by talking to them and collecting their interests. The communities were not actively involved in the development and the decision making process.

The process of developing a regional development concept appeared to be very necessary at that time. A lot of information about the development of the city region was missing. Before being able to work on a concept and strategy, a broad gathering of information and data had to take place to have a base ground to work on development ideas and strategies. This process of gathering information has been shown very fruitful and as a kind of “region building”. Talking to stakeholders, who have been involved remember this time as essential in “region building”. Scenarios of population growth in the city and the surrounding communities or availability of spaces for economic development have been issues of discussion. This time has not always been easy. A lot of contentious discussions took place, what kind of scenarios should be applied and how the growth in the region can be shared. But discussions took place, which were different compared to earlier times, when each federal state decided what to do without discussing it with the neighbor and only formal mutual agreements were made.

The discussions helped a lot to build trust and information was gathered very broadly. The result of a first step after four years was a Regional Leitbild and Development Concept and in a second step after another two years an implementation oriented Regional Development Concept. Issues have been transport planning, open space and environmental protection, water and sewer, housing (including also social housing) etc. It was possible to reach mutual understanding. Based on the agreements which were made before, it was possible to treat each other with more respect.

Nevertheless, the metropolitan region keeps a region dominated by the federal states in the decision making processes. This process of developing a regional development concept was also a process of developing a region in the first instance. The process was driven very much by spatial planners from Hamburg.

### 3.2.3 Establishment of trilateral regional cooperation and stabilisation – 1997 to 2002

After the process of region building and developing a regional concept, the emerged working structures were institutionalized as trilateral regional development structures. The institutionalization is seen as a step towards the implementation of the concept. The initial idea of building a formal and tied coupled regional association was not reached, but an informal agreement of trilateral working structures was set up.

This phase is characterized by a kind of weariness. On the one hand the euphoria was high to have reached the trilateral organisation and concept. On the other hand stakeholders were tired after 6 years developing a concept. Furthermore a number of participants, mainly from administrations of the three federal states saw their tasks and resources mainly in the paper work of writing a concept and not so much in the implementation. Still the main approach in this phase was to implement projects and rewrite the Regional Development Concept.

Nevertheless this phase was very much characterized by developing a working structure to foster the implementation of the aims of the regional development concept. A number of routines were introduced. External impulses were taken up. So a call for a competition from the Federal spatial planning level for sustainable regional development was successfully taken up (competition Regions of the Future (Regionen der Zukunft)). The participation helped to improve the regional governance structure. It did not help so much fostering sustainable development. Another external impulse was set by the chamber of commerce in Hamburg, proposing a marketing and advertising project, which they funded partially. This project was taken up, but with some retention. The external influence of non-administrative but economic stakeholders was observed carefully and controlled by the three federal states.

The major characteristics of this phase have been the institutionalization of emerged and new governance structures and the focus on implementing the regional development concept or at least the development of working routines to do so. Driving forces have been the internal review of the work and taking up the external impulses.

### 3.2.4 Internationalization strategy and stronger legitimation – 2002 to 2005

A number of changes within the region, especially in the actor constellations lead to the beginning of a next step in the regional cooperation. The political structure within Hamburg changed and also some key positions in the planning administration were replaced. Hamburg took the lead in pushing the cooperation.

Hamburg developed an own concept with the title “Metropolis Hamburg – Growing City”. Within that concept it proposed on the one hand to gather growth within its city limits and on the other hand to improve the governance structure of the metropolitan region and to foster a more intense international orientation of the city region. This concept was a little surprise for the two partners, the two federal states in the North and South and also for the surrounding counties. But the above mentioned points in the Hamburg concept were taken up positively and the governance structure and the strategic orientation of the metropolitan region were again discussed. Issues of spatial coordination disappeared from the agenda and new topics related to marketing and visibility in Europe and worldwide got more important. This time is characterized again by a dynamic working atmosphere, discussing strategy and structure of the regional governance. Two points are decisive: the regional development concept from 1996 was too comprehensive, talking about too many issues and not having a clear focus. The second point of discussion was the integration of local and regional stakeholders (Kreise and Gemeinden), which were not directly involved in the decision making so far and also the necessity of having a working body, doing coordination and organization work, which could not be done by the involved stakeholders and administrations anymore properly.

Both issues were possible to discuss because of a change of actor constellations, which allowed now a move towards the integration of the local and regional communities in the decision making process. The main responsibility for the metropolitan region Hamburg changed from the spatial planning department towards the strategic department in the mayor’s office (senate chancellery), which also explained very much the change in focus of the metropolitan region.

At the end of this phase, after a number of workshops and discussions a new strategic focus and also some innovations in the governance structure were decided upon. Marketing of the city and the region as well as the economic cooperation has become a strong issue pushing back the issues related to spatial needs for coordination. This has been a result of the perception of some stakeholders in the city region, that globalization and interregional competition needs to be addressed more intensely. A further push was the fact, that Leipzig instead of Hamburg was appointed as favorite city for the Olympic Games 2012 in the German national selection process.

The decision for a more prioritized strategy and the participation of the local and regional communities was finally recorded in an administrative agreement at the end of 2005.

### 3.2.5 Establishing and implementation of a new strategy and institutions – since 2006

In 2006 the implementation and institutionalization of the new and changed bodies took place. In the first meeting of the new set-up regional council the Regional Development Concept from 2000 was replaced by an internationalization strategy. An administrative agency took up its work and professionalized and structured the management. Three offices of the joint administrative agency were institutionalized in the federal states. The joint administrative office was later evaluated and centralized to Hamburg (in 2010).

The financial resources were more focused on the strategic aims of the region. The internationalization was pushed forward. A number of marketing initiatives took place and the involvement in national and European networks was taken up (e.g. METREX). Original ideas as the coordination of spatial development were pushed back in favor of approaches of economic cooperation and development and the marketing of the region. Both aspects are dealt with and exist within the projects. Also new topics as climate change and climate change adaptation were taken up.

Connected with the new structure and the more influence the local communities got in the decision making processes, the differences in interests and the opinions about spending the rare money within the metropolitan region grew and made it more difficult to reach a consensus. Based on the decision making mode of consensus building within the region, with more interests involved, the consensus is harder and more rarely gained.

A next phase seems to come in sight in the development of the metropolitan region governance. While issues of spatial and territorial planning have been pushed back in the basic strategies of coordination, spatial



planning and issues of space return on a project level within the governance structure nowadays. Especially the fundamental issues of territorial and social cohesion are addressed, which have been a basic attempt and issue of the German planning system. Furthermore an extension of the metropolitan region is taken into sight. A fourth federal state, Mecklenburg-West Pomerania and a county may be included in the metropolitan region in the near future. This leads to more interests and actors to deal with in a regional council and the steering committee. An extension of the region is discussed in the context of a federal project named the urban-rural partnerships to built relations between the urban areas and the more rural and peripheral areas.

## 4 STABILITY AND CHANGE OF GOVERNANCE

### 4.1 Process of governance change in the MRH

Describing the phases and characterizing certain criteria at certain times in the development of the metropolitan region Hamburg, a change between phases of basic changes and continuous changes and transformations can be described. This draws back on characteristics of processes of change and organization science (Weick and Westley 1996, Weick and Quinn 1999).

The transformations within the MRH can be differentiated in basic disruptures as for instance the initial trilateral agreements on working together and in developing an joint Regional Development Concept after a long period of distrust. A second major change has been the working on new norms and values of the metropolitan region predominantly initiated by the city of Hamburg. After a time of mainly territorial related topics of joint coordination, marketing and economic issues became stronger.

At the same time there have been phases of continuous change improving existing routines, raise the efficiency of working procedures, working on innovative projects to take up ideas from day to day work on a project and administrative level. Those phases generally followed the rather rapid and abrupt innovation phases, when new norms and institutions (Second Order Governance) were put in place and which dominantly framed the activities on the administrative and implementation level (First Order Governance).

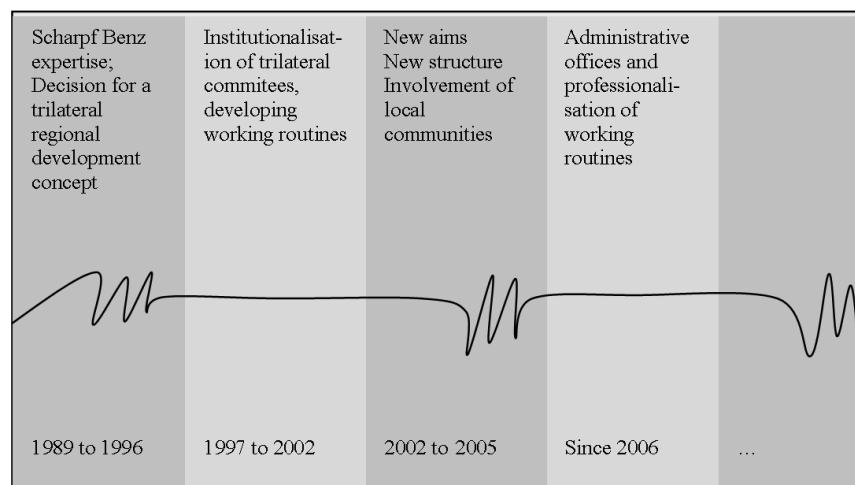


Fig. 5: Process of governance change between continuity and change

Looking in more detail in the processes of transformation, there can be recognized phases of growing complexity which can not be managed with the existing governance structure. Thinking about new ways and forms of coordination take place. The new established routines and aims settle and a new kind of extension takes places. New aims and goals are added, the performance is evaluated and a next adaptation or reform of aims and goals takes place. The region, the structure, the stakeholders rise in number and complexity with the result to manage the new complexity.

The development of the metropolitan governance as such and a model of continuous and episodic change is derived from the description. In the following chapter the character of the development process and the reasons for change and transformation are addressed. Special focus is given to the question of the relevance of orders of governance.

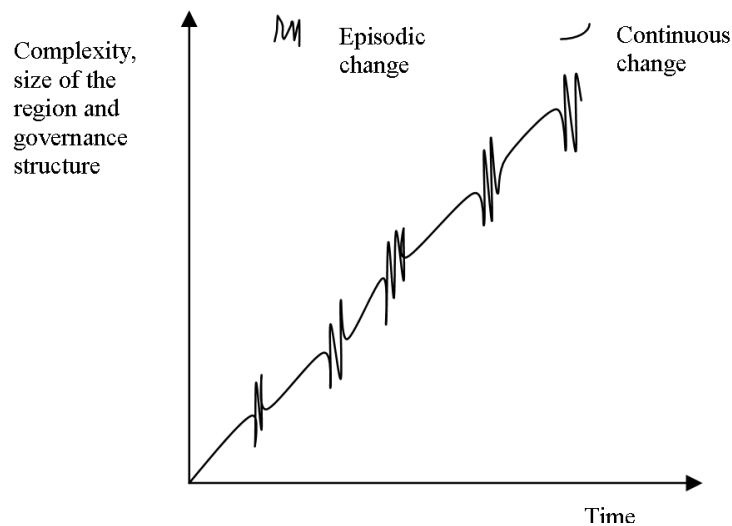


Fig. 6: Continuity and change related to rising complexity

#### 4.2 Multilevel Governance System as framework and a criteria to deal with

The multilevel-governance type I is a strong framing condition, which does not change easily especially in the German context. While the multilevel governance type II is a flexible form allowing the initiation of processes of transformation.

The metropolitan governance is working to address and counterbalance the problems of the multilevel governance system within the region as described and building a further flexible multilevel governance structure. Taking into consideration the different forms of multilevel governance type I and type II this seems to be the adequate way. While the multilevel governance type I tends to be resistant to change and a stable form (e.g. the federal states), multilevel governance type II is rather flexible in finding solutions for current problems (e.g. regional governance structures).

Beside and around the multilevel governance system of three federal states and their administrative bodies and the multilevel governance of the metropolitan region, different forms of coordination arise, described as a strategy of “variable geometry”. Actors within the metropolitan region are encouraged to cooperate as they need with any other actor within or beyond the current borders of the metropolitan region. New spaces and structures of metropolitan governance develop. The strategy within the city region is building up multilevel governance type II forms to overcome the problems of federalism and also the problems of the existent multilevel governance structure within the metropolitan region.

This addresses especially concepts and issues of soft spaces which arise within the multilevel governance type II. Spaces emerge, which are characterized by overlapping different territories. Actors do not take too much consideration about the actual space but are rather focused on the issues they want to reach.

These multilevel governance type II constellations are more flexible solutions, emergent and helpful to reach certain goals and solve certain problems. They are solutions for rather blocked multilevel governance type I constellations, which sometimes not allow to solve certain problems and finding solutions. On the other hand this can be of course also a dangerous possibility to undergo democratic and legitimized institutions. The multilevel governance type II seems to be utilized more frequent today to undergo existent institutions and come to alternative solutions.

Obvious in the case study concerning multilevel governance and the differentiation between evolving multilevel governance type I and II is the strong and unflexible establishment of governance type I and the growing evolvement of governance type II. Obvious is also the establishment of multilevel governance type I at the Second Order Governance level. While the multilevel governance type II is rather established on the First Order Governance level.

Both forms of multilevel governance seem to be relevant on the Meta Governance level. But this seems to be a question of future research characterizing the Meta Governance level and the evolving of ideas which than show as relevant framing conditions for the other orders of governance.

### 4.3 Orders of governance and relevance for change

As described above the governance structure or system can be differentiated different in orders of governance, which characterize the governance system. The orders of governance are in a continuous flow of transformation and change.

While the Second Order Governance is characterized very much by institutions to frame interaction, First Order Governance is characterized by the solution of certain day-by-day problems and the implementation of projects. The Meta Governance can be interpreted as ideas, morals, ethics or basic paradigms floating around and building a stream of actions (as sustainable development, focus on metropolitan regions, discourse of globalization, etc.). Naturally these orders are interrelated to each other. Aspects of sustainable development or discourses concerning the relevance of European urban regions for indicating a vital and dynamic economic Europe influence the institution building of a Second Order Governing and finally also on a First Order Governing. But in which way does it happen?

The paradigm of sustainable development was taken up by the national level in form of a competition called Regions of the Future which should enhance and support sustainable spatial development on a regional level. The competition was taken up in the region of Hamburg and applied to improve the regional governance structure. The issue of sustainable development was not very much fostered. But another very relevant result emerged out of the participation in the project Regions of the Future. The urban regions which had participated in the competition formed a network of metropolitan regions in Germany. The network is today called Initiative of German Metropolitan Regions in Europe (Initiativkreis Deutsche Metropolregion in Europa) is focusing and representing their interests towards the German and European urban spatial policies. This network has shown very strong in articulating ideas and policy comments. For the metropolitan region Hamburg, as one of the initiators, the participation in the network combined with other reasons lead towards the emphasis on internationalization and marketing. Again this initiative and its interests caused a discussion on and with the national level debating paradigms of German spatial development, as the urban rural partnerships.

One very basic paradigm in the German spatial development is the idea of territorial cohesion and the providing of equal chances and opportunities to live and work in every part of Germany. By putting too much focus on metropolitan regions the fear was obvious that rural and peripheral areas fall back in the public and political perception and policy. As a result another call for another model project was set up by the Federal government, addressing the question of combining the development of metropolitan regions with responsibility for and relations with rural and peripheral regions.

The relation of change between the orders of governance can be described as in the following graphic, which is very much inspired by STS combined with the orders of governance and the observed processes of change within the metropolitan region of Hamburg.

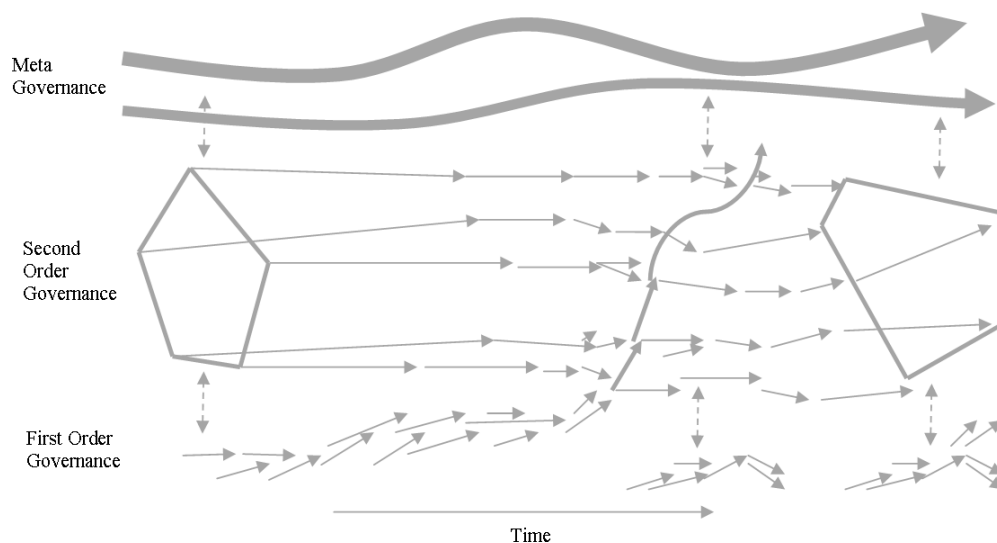


Fig. 7: Transformations within the orders of governance (adapted from Rip and Kemp 1998, Kemp, Rip et. al. 2001)

The difference between the first and the second above mentioned model projects has been the initiation. The first one was made very much in a top-down modus addressing ideas without reflecting on the First and



Second Order Governance. The second approach of setting up was a result of the mutual consultation of the ideas and aims of the national state, the metropolitan regions and also the representatives of the rural areas.

As a result the paper has shown, that interconnections between the processes of change between the levels of governance are obvious. The questions arise now how change can be intentionally fostered from the different levels? What are the conditions which make it easy to set impulses from the first order governance level to find and reach fruitful ground and what are conditions of a good framing allowing the meta governing activities to set successful intentional impulses for the actual “working” levels of the Second and First Order Governance?

Another question concerning the so far yet very unsure differentiation in three orders of governance may be further defined, especially in the case of Meta Governance. What exactly characterizes the Meta Governance level? Is the scale decisive or is the vagueness of the content decisive?

Since projects are seen as major devices in transformation of (urban) governance the question for further research may be a focused analysis on the relevance, character and process of projects in transforming governance as the discussed orders of governance.

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