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Global competition, sustainable development and civil society: three major challenges for contemporary urban governance and their reflection in local development practices in Prague

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Abstract: The first part of this article investigates city competition, sustainable development and civil society as three major challenges to urban planning and policy-making in the age of globalisation. The complexity of these challenges requires new modes of urban planning and policy-making based on the use of plurality of approaches and tools. The general discussion serves as a background for the assessment of contemporary urban planning in Prague. The second part briefly outlines the institutional framework for urban and regional planning and policy in the Czech Republic and overviews the most important planning documents, which influence, regulate and govern local development in Prague and its metropolitan region. The strengths and weaknesses of contemporary urban planning in Prague are assessed from the perspective of city competition, sustainable development and civil society challenges.

Key words: city competition, sustainable development, civil society, urban planning, governance, post-communist city, Prague

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1. Introduction: city competitiveness, sustainable development and civil society

This paper supposes that the main aim of city governments is promoting further development which will result in the increasing quality of life of urban citizens. It argues that at present there are three major challenges to urban governments, who want to achieve that goal. They include: (1) increasing global competition between regions, cities and localities for inward, especially international investments; (2) growing attention given to sustainable ecological, social and economic development; (3) necessity to open planning procedures for involvement of various groups within civil society. The main aims of the paper are: (1) to discuss these three challenges and their implications for urban planning and policy, especially in the areas where they overlap, and (2) to investigate whether and how are they reflected in contemporary planning documents and policy-making in Prague, the capital city of the Czech Republic.

The fist part of the paper investigates city competition, sustainable development and civil society and their influence on urban planning and policy-making. It also pays attention to question which cities are successful and to what extend can cities through their

own policies and planning affect their success. Cities are not seen just as passive places where developments take place. Cities themselves (or their respective governments and other actors involved in city governance) are important actors, which regulate development and also create and offer development opportunities and thus actively influence and shape their futures.

The forces of global capitalism increasingly influence local urban development. The impact of global economy is highly differentiated between as well as within cities. The location strategies of major international actors are highly spatially selective. Only some cities enjoy growth stimulated by international investment, while many other localities are omitted. An important challenge for contemporary urban governments is the preparation of plans, projects and programmes, which will strengthen the position of the city in the international competition for investments.

Even if the city succeeds in attracting inward investment, this does not automatically bring wealth to all parts of the city and its metropolitan region. Urban centres, whether those affected by deindustrialisation or cities, which succeed in the attraction of international investment, are often confronted by an unbalanced spatial development within their urban areas. Therefore, another crucial task for contemporary urban planning is to reconcile the promotion of spatially highly concentrated development of international economic functions with the need for more balanced overall urban growth.

The awareness of general public in the field of urban development is increasing, especially in the case of environmental and social consequences of various development projects. Therefore, urban planning and policy-making must pay increasing attention to the demands from civil sector, NGOs in particular, concerning environmentally and socially balanced (sustainable) development. Mechanisms, which will bring together public, private and civic sector in urban governance must be further developed and their role strengthened.

The second part of the paper starts with the discussion of the impact of transition from centrally planned to market economy and from totalitarian to democratic political regime on changing approaches to urban governance and, in particular, to urban planning and policy in Prague. It stresses that the first half of the 1990s was characterised by a minimalist involvement of city government in urban development. Only since the mid-1990s, work seriously started on new master plan and strategic plan of the capital city of Prague. Urban planning and policy gained new momentum at the end of 1990s, under the influence of European Union structural and cohesion policies, from which funds regions in accession countries can receive financial support.

The paper briefly outlines the institutional framework for urban and regional planning and policy in the Czech Republic, with a particular attention paid to local government, physical planning and regional policy. In following sections, it overviews the most important planning documents, which influence, regulate and govern the local development in Prague and its metropolitan region. They include: (1) The Master Plan of the Capital City of Prague; (2) The Draft of the Plan of Prague Metropolitan Region; (3) The Strategic Plan of the Capital City of Prague; (4) The Regional Operational Program. A particular attention is given to investigation how much and in what ways these principle planning documents and ways of their preparation reflects the three major challenges for contemporary urban development policy and planning, i.e. city competition, sustainable

development and civic society. Conclusions include the assessment of contemporary urban planning and policy in Prague from the perspective given by the three challenges.

2. Competition between cities

The performance of cities and their regions is conditioned by trends in economic restructuring, which has been significantly influenced by recent changes in the geographical organisation of production. Growing size of individual corporations and formation of transnational corporations has enabled firms to use advantage of spatial differences between regions and countries. The major outcomes have been the new spatial divisions of labour, which are characterised by the location of decision-making, strategic management, R&D in major urban centres of economically most advanced countries, while routine production is located in traditional industrial regions or semi-peripheral areas (Massey 1979, Cohen 1981, Barff 1995).

The growth of transnational corporations, their geographical expansion on new markets and the geographical spread of their operations on the world scale requires support from advanced corporate services (financial and business services). These services locate in major cities, which play a role of gateways for international investments to regions and countries, which are being attached to the world economy. A global hierarchy of major decision-making urban centres is being formed. Only cities, in which command and control functions of global economy develop and concentrate, can become centres within the global urban hierarchy. Such functions include headquarters of transnational companies, financial services and especially business services, which form the knowledge-information-expertise infrastructure of global economy.

The new spatial divisions of labour have had crucial impacts on local urban economies. The economic restructuring in most of the cities in developed countries was characterised by deindustrialisation and losses of jobs in manufacturing. However, not every city succeeded to substitute the losses from deindustrialisation by benefiting from the development of R&D, hi-tech production or concentration of advanced corporate services. In emerging markets, only some cities will play the role of gateway, while other localities in the region will be fortunate with the location of facilities for labour-intensive production.

The cities within the global urban hierarchy range from global cities of New York, London and Tokyo to selected major cities and national capitals, which serve for international economic agents as gateways to their national and regional markets. On the global level, there seem to be a balance between the three global cities. Competition is developing especially between crucial decision-making centres at supra-national level. Capital cities in developed countries usually play a role as gateways to national markets. However, due to a small size of markets in some countries not every capital city can be a winner. Within countries, smaller cities compete to become gateways to particular industries. The role that cities play within their regions can be also accompanied by the specialisation of local production base on hi-value-added products, such as R&D, innovation, hi-tech, fashion, leisure and tourism, which can strengthen their position.

The motives of competitions are economic. First, the economic globalisation and new divisions of labour eroded the industrial economic base of many cities. These cities now

search for economic activities that produce income, which will in turn bring general wealth and increase the quality of life of urban society. It is expected that if inward investments are attracted, they will provide new jobs, influence physical revitalisation and have spill over effects on indigenous economic activities. They will also increase tax base and revenues of city budget and thus help to provision of public services and infrastructure. Second, cities compete for economic activities, which are at the leading edge of contemporary economic restructuring at the global level. They include (1) headquarters (world, regional, local) of transnational corporations in production and services and (2) producer services (financial and business services), which form the knowledge infrastructure for the global economy. Third, the city competitiveness for economic actors is often strengthened by a developed cultural and innovative milieu and thus cities compete for (3) international institutions, organisations, fairs, festivals, leisure and tourist facilities, etc., which create a cultural milieu, and (4) R&D, hi-tech, etc., which create innovative milieu. The main motive of the first type of competition is to stop the economic decline or to diminish its negative impacts. The main motive of the second type of competition is to strengthen the city position within global urban hierarchy. The main motive of the third type of competition is to strengthen the city competitive base.

The cities have to know which league they can and want to play. They have to realistically estimate what are their chances. Because the contemporary interurban competition is multilayered competition (Jensen-Butler 1997), they have to decide with whom they compete and for what. The new economic context requires a new role for middle-sized cities, such as Prague and other capitals in Central and Eastern Europe – to become a mediator between the global economy and countries and regions in which they are located. To succeed, cities must concentrate command and control functions, which on the one hand will maintain their influence on surrounding regions and on the other hand will link locality with global economy. These can be supplemented by the development of selected hivalue-added productions of goods and/or services.

"Cities are not just passive places in which international capital or prestigious functions locate but, in the new global competition for economic growth, have themselves become important actors in creating opportunities for economic development and influencing the new urban hierarchy (Newman, Thornley 1996)". In their competition for investment, cities attempt to exploit their existing comparative advantage and strengthen it by elements demanded by the key contemporary actors. The comparative advantages do not include, anymore, only the quality of built environment and urban infrastructure (at present, there is a need for the investments in information infrastructure). Within the contemporary informational society, cities attempt to strengthen the knowledge-based innovatory milieu, which includes networks of institutions, networks of information, information-rich environment and information availability. Furthermore, the city competitiveness is strengthened by a cultural milieu and thus cities develop new cultural symbols and compete for international cultural institutions and events. Furthermore, the existence of suitable conditions is not sufficient in the competition. Cities are selling themselves. They are selling the image of the successful, dynamic, peaceful, cultural, informational, etc. city. The aim of such city marketing is to improve the city's own competitive position. City marketing has become an integral part of urban development policy (Chevrant-Breton 1997, Jensen-Butler, Shachar, van Weesep 1997, Ward 1998).

3. Sustainable urban development

Since the mid-1980s, environmental awareness has been growing between policy-makers on international and national levels and sustainable development become an important term in policy-agendas. However, local development policies on the city level have predominantly focused on achieving economic growth and job creation as the reaction to negative impacts of economic restructuring induced by globalisation. Most of growth-based strategies have not adequately addressed issues of environmental efficiency and social equity, despite the location of economic activities in cities has significant implications for environmental and social sustainability.

During the 1990s, concerns about the present and future consequences of economic growth brought the decline of faith in market-led economic growth as the only chance for better futures. It become accepted that social and environmental needs have to be addressed hand in hand with the issues of economic development. Urban governments should pay attention to balanced development of environmental, social and economic aspects of their areas. They priority must be a sustainable growth and policy-making has to link economic, social and environmental issues (ECSC-EC-EAEC 1996). Respecting principles of sustainable urban development means that the long-term economic and social development (1) must be within the carrying capacity of natural systems and (2) must respect social equity between generations as well as equity within each generation to enhance the quality of life for all urban citizens.

The major issues in creating a sustainable city have been (1) careful use of scarce natural resources, (2) maintenance of the green structure of the city, (3) social equity of urban residents, (4) sustainable transport solutions, (5) regeneration of derelict urban zones. First topic includes careful use of resources and energy, decrease in the production of waste and polluting emissions. The second is concerned with the protection of existing green areas and attempts to increase proportion of natural areas in urban land use. Third addresses the issue of social sustainability of cities, which shall function as coherent communities with some shared common identity and values. The city should care about the quality of life of all citizens stressing equality and social integration and avoiding poverty and social exclusion. It should care about the access of residents to employment, education, social and health services, housing, etc., and offer public (collective) provision of basic services and amenities to whole population. Fourth, sustainable transport solutions are not concerned only with pollution, but also with accessibility of various transport choices to urban residents. Important is to improve accessibility and not simply movement. Attention is given to public transport, cyclists and pedestrians, who are preferred over individual cars. The creation of integrated transport systems for intra-urban and regional commuting offers a viable alternative to the use of individual car. Another key issue in urban sustainability is urban regeneration, i.e. the recycling of previously developed land and buildings. Economic decline of some industries created derelict areas or brownfields within existing urban fabric. Such zones of economic and physical decay usually require public involvement to start their revitalisation and regeneration, for instance through covering the costs of decontamination of polluted soil.

There is an important relation between city competition for inward investments and sustainable development. First, not all investments are equally environmentally friendly.

Cities can provide incentives to inward investments only on types of economic activities, which are more favourable in term of sustainability. However, economic decline in some cities does not give a much choice to their governments, but to accept nearly any investment. Second, new investments do not automatically bring wealth to all parts and all residents of the city and its metropolitan region. Location decisions of investors are highly selective in the urban space with the preference given to urban cores and suburban greenfield sites. Cities should use physical plans and other tools to achieve a more balanced territorial development and economic and other mechanisms to stimulate the use of brownfield areas. Third, city government should keep in mind that many incentives to inward investments, such as the provision of cheap land or infrastructure, are expenditures of local budgets. They are allocated to economic development of private enterprise and will be missing in the provision of collective goods and services, such as children playground in a public park, new vehicles for public transport or urban sewage treatment facility. Finally, "cities perceived as sustainable will in future come to be seen as attractive locations for investment as well as pleasant places in which to live and work" (ECSC-EC-EAEC 1996). Therefore, cities build comparative advantage in competing for inward investment offering pleasant living environment and high quality of life.

4. Urban governance and co-operation between public, private and civil sectors of society

In recent decades, the role of public sector in urban development has been importantly reformulated. Policies of deregulation applied especially during the 1980s diminished the power of public sector in favour of market actors and changed the character of urban planning and policy. The use of blueprints of future shape of cities, which accomplishment was funded from public sources, has been replaced by enabling projects through which cities attract private (and often external) sources of funding. The role of public sector has transformed from provision to promotion. Public-private partnership becomes an important tool for the response to challenges of economic restructuring. Urban policy and planning become increasingly influenced by new corporative bodies, which represent different interests and actors from both public and private spheres. Harvey (1989) and Parkinson (1992, quoted in ECSC-EC-EAEC 1996) have described the emergence of the entrepreneurial city.

However, the pro-entrepreneurial urban policies often increased equity problems. The city governments become aware that social problems arising from social and spatial inequity can directly affect economic growth, as cities with major equity problems become less attractive for investment and residence. Furthermore, the economic growth often generates undesirable environmental impacts. The environmental awareness of general public is increasing and pro-growth urban strategies must pay attention to the demands from civil sector and NGOs concerned with environmentally and socially balanced (sustainable) development.

Throughout the 1990s, critiques of liberal urban economic policies increased. Social welfare of citizens and healthy urban environment can not be guaranteed by the sole free market, where actors are seeking their profit maximization. Market values, that reflect an

interest of an individual market participant, can not serve common societal interests. There are issues in which our solutions should be guided by the interests of society as a whole rather than by narrow self-interests, like it is in pure markets. This implies that individuals voluntarily agree about some collective limitations on their own actions in order to make all people better off. However, as Soros (1998) argues civic society shall be an open society where nobody has a monopoly on the truth. It should be a pluralistic society.

After stressing individual interests during the 1980s, in the last decade people become more concerned with the society, cities and neighbourhoods in which they live and work. Sustainable development became one of the fields where common interests take precedence over individual self-interests. It is more and more recognised that "we all live in it together" and all members of society should take part in responsibility for our common future. The public sector should open opportunities to all members of civil society to participate in the design of desired society, cities and neighbourhoods. It should promote and facilitate involvement of general public in decision-making processes through creating the conditions that enable and methods that encourage cooperation and partnership, coordination and integration, community consultation and active participation of citizens. Beside public partnership with major business actors, communities have to be empowered and their capacity strengthened in enhancing social and environmental sustainability. Furthermore, the trend towards short-term and project oriented urban policies aimed at economic development was reversed and arguments presented in favour of adopting a holistic approach and city-wide management strategies, that integrate economic, social and ecological aspects (ECSC-EC-EAEC 1996). However, the government-directed top-down planning approaches to the city development have to be complemented by local grass-root initiatives of residents seeking sustainable livelihoods (Hanson, Lake 2000).

5. Towards pluralism in urban planning

Major tasks for contemporary urban governance, planning and policy are: (1) strengthening the city competitiveness within the global economy; (2) promotion of economically, socially and environmentally sustainable development; (3) incorporation of various groups from civil society to the planning process and strategic policy-making. The first two tasks concern the object of decision-making and third target changes in procedure of decision-making. First is outward looking and is concerned with the position of the city within the outer world and stress economic issues, while second is looking more on the internal developments of the city itself, especially on social and environmental matters.

The challenges of contemporary developments in society and the successful accomplishment of above specified tasks require a response through a combination of various planning tools, including traditional and new urban planning and policy methods and tools. It requires a plurality of instruments aimed at economic efficiency, social equity and environmental sustainability. On the one hand, there is a need for specific tools of pro-active (offensive) planning, which are designed to promote economic development, to enhance the city competitiveness and to retain or strengthen city position within the global division of labour. Such tools can help the city in relation to outer world. However,

economic development is spatially and socially very selective and produces uneven development. Therefore, there is also a need for reactive, inward looking, comprehensive planning of whole urban territory and its aspects, which aims at balanced city development. The complex problems of contemporary urban development can be successfully tackled only by a combination of several planning tools and methods, which include vision planning, comprehensive planning, strategic planning, physical planning and local economic development programmes.

Furthermore, the city governments are not anymore the sole actors responsible for the city development. After a more active involvement of representatives of businesses to the urban governance and planning processes, citizens groups, neighbourhood organisations and other various NGOs are being involved in decision making about the future development of our cities. The contemporary urban policy and planning is characterised not only by a plurality of instruments but also by a plurality of actors involved in urban governance.

6. Transformation and urban governance in the Czech Republic and Prague

After the political change in 1989, democracy was quickly established in the Czech Republic and rapid economic reform led to the reintroduction of a market economy. By mid 1990s, government-directed reforms were largely accomplished. The transformation quickly installed basic features of market and the Czech political and economic system become compatible with western capitalism. The newly created political, economic and legal environment stimulated internal competition and exposed domestic actors and resources to external forces of global economy. Czech firms, cities and regions began to be influenced by the forces of global capitalism (Sýkora 1994).

The Czech Republic became one of the post-communist countries with the highest inflow of foreign direct investment (second after Hungary if measured by FDI per capita). Internationalisation and globalisation have especially influenced Prague, which is the dominant centre of the settlement and regional systems in the Czech Republic. Prague has the role of gateway into the Czech Republic (Drbohlav, Sýkora 1997) as most contacts between local and international actors are realised in Prague. The international actors played a prominent role in post-communist urban restructuring and had a dominant impact on the changing urban landscape in post-communist Prague. The urban transformation in Prague has been especially influenced by the rapid growth of advanced tertiary activities and their spatial concentration to the city centre and through the commercial (retail, warehousing and industrial) and residential suburbanisation. Post-communist Prague has been characterised by an exceptional dynamic of changes in intra-urban structures (Sýkora 1999).

However, beside the positive effects, such as physical revitalisation and economically more effective utilisation of some urban spaces, particularly in the city centre, the economic growth brought also negative impacts. First is the rapid growth in individual car ownership resulting in traffic congestions, conflicts with public transport and pedestrians and increasing pollution. Second, commercialisation of city core brought rapid

decline in residential function and creation of non-residential zones in the city centre. Third, unregulated suburbanisation has in several instances a sprawl-like pattern, which is not sustainable in the long run.

While the initial requirements of the 1989 "revolution" involved issues of environmental protection and social justice, political priorities moved quickly to economic growth (Maier 1998), especially after the 1992 victory of conservative party, that emphasized immediate economic growth and strong individualism without societal responsibility (Rehnicer 1997).

The first half of the 1990s was characterised by a minimalist involvement of city governments in urban development. The decisions of both the central government as well as local politicians have been grounded in a neo-liberal approach, which has seen the free, unregulated market as the only mechanism of allocation of resources, that would generate a wealthy, economically efficient and socially just society. Politicians in government perceived the state as the root of principal harms to society and the economy in particular. The crucial role of the government was to reduce state involvement in as many matters as possible. The urban planning was perceived as contradictory to the market. Short term, highly individualised, add hoc decisions of local politicians and administration were preferred to the creation of basic rules of the game embedded in a long term plan, strategy or vision of city development. Only since the mid-1990s, work seriously started on new master and strategic plans of the city. This will be investigated in detail in next sections.

7. Institutional framework of urban and regional development planning in Prague

This section investigates the competencies of the city Prague in the field of local and regional development and explores the issue of local independence and/or compliance with planning on other spatial scales/levels, such as regional, national and European.

Prague is a capital city and with population 1.2 million also the largest urban centre which dominates the settlement and regional system in the Czech Republic. The city accounts for 12 % of the population of the Czech Republic, 15 % of jobs and 21 % of GDP. All major banks and more than 36 % of all Czech companies are headquartered in Prague.

Prague has the status of municipality. Municipalities in the Czech Republic have a right to manage municipal property, adopt municipal budget, establish legal entities, adopt a municipal development program, approve local physical plan and issue municipal ordinances. Therefore, municipalities enjoy independence in the spheres of management of their property and financial resources and in the field of local strategic development and physical planning (Balchin et al. 1999). The city is further subdivided into 57 boroughs (Blažek et al. 1994). However, the crucial power is at the municipal level (central government in Prague), which decides about the decentralisation of responsibilities to borough level. For instance, Prague as a municipality is the owner of real estate, however, it decentralise the management of certain properties, such as housing, to boroughs. Urban planning is organised at the central level of Prague's government.

The planning of territorial development in the Czech Republic is conditioned by the local government system. The present system of elected local government in the Czech

Republic consists of approximately 6,200 municipalities and 14 regions. Regions were established on January 1, 2000 and regional governments were elected in autumn 2000. Prague is both municipality and region and from January 1, 2001 the municipal assembly of Prague serves as both city and regional government. Prague is also one of 8 NUTS II regions – territorial planning and statistical units used by the European Union regional policy and planning framework. Furthermore, the city of Prague is a core of a metropolitan region, a specifically delimited large territorial area, which planning is in the responsibility of central government. Therefore, the planning of Prague's development includes several territorial levels of planning: municipal (the territory of Prague itself), metropolitan (Prague and its metropolitan region), regional/national (Prague as a part of the national regional system) and regional/European Prague as a part of European regional system).

The basic local development planning documents at municipal level are the municipal development program (Strategic Plan), that specifies long-term priorities of socio-economic development, and physical plan (Master Plan), that specifies the spatial arrangement and land use in the medium-term perspective. The preparation of municipal development programs (strategic plans) is not regulated by any legislative framework or influenced by any government guidelines. It is at the discretion of municipalities whether they will prepare such document and in what form. The elaboration of municipal physical planning documents is regulated by law.

Territorial physical planning and development control

The principal instruments of territorial physical planning in the Czech Republic are planning documents. They can have the form of (1) a regional plan, (2) a general land-use plan for municipality and (3) local regulation plan for a settlement zone. Regional plans specify major development areas, main corridors of transport and technical infrastructure and delimit protected environmental zones. Municipal land-use plans declare the general regulation of functional-spatial structure (land-use structure) and demarcate heritage conservation areas, environmental systems and bio-corridors and transport and technical infrastructure. Regulation plans regulate functional use and physical character of individual sites or groups of sites.

The metropolitan region of Prague is a special large territorial unit, which spatial delimitation does not correspond with boundaries of administrative regions. The central government is responsible for commissioning regional physical plans in such special cases (the other are for instance national parks).

Prague is also a region and an agent of regional development planning and a subject of national and EU regional policy.

At present the local development in Prague and its metropolitan region is governed, regulated, influenced by several planning documents. The most important include:

- The Master Plan of the Capital City of Prague (approved in 1999)
- The Draft of the Plan of Prague Metropolitan Region (currently in working version)
- The Strategic Plan of the Capital City of Prague (approved in 2000)

The Regional Operational Program (approved in 1999)

Regional development planning and policy
The regional development planning and policy is based on the government's Principles of Regional Policy from 1998. The system of national regional planning and policy respect the principles and framework of the European Union regional policy. Regional planning and policy is conceived as a co-ordinated approach in the field of social and economic cohesion. The national regional planning and policy includes two levels. The central government prepares Regional Development Strategy for the Czech Republic ("The Strategy of the Czech Republic's Regional Development" was approved in June 1999). Regional Development Strategies are also elaborated for individual regions (13 regions and the City of Prague, NUTS III level). The basic document for formulating the EU Structural and Cohesion Funds support is The National Development Plan of the Czech Republic (currently prepared for 2000–2006), which is based on Regional Operational Programmes and Sectoral Operational Programmes. Regional Operational Programmes are prepared for 8 NUTS II regions, which in some cases correspond to administrative regions (NUTS III), for instance Prague and Central Bohemia, and in other cases are formed by two or three administrative regions.

Since 1994, the City Development Office, a principal city agency responsible for urban planning, has been working on two citywide planning documents: new Master Plan (physical plan) and Strategic Plan (plan of socio-economic development). The draft of Strategic Plan, which specified strategic aims and programs (but did not provide the description of mechanisms of their implementation), was approved by the City Assembly in autumn 1998. In 1999, the Assembly of the Capital City of Prague approved two important documents governing urban development: a program of implementation of (selected) strategic priorities of city development in 2000–2006 (in June 1999) and new Master Plan (September 1999). The Strategic Plan of Prague was approved in May 2000.

The regional physical plan for Prague's Metropolitan Region is being prepared under the supervision of the Ministry of Regional Development. Its draft is currently (spring 2000) in the phase of open public discussion.

During 1999, a newly established Prague's Regional Management and Monitoring Committee (members representing city politicians, central government ministries, chamber of commerce, labour office, city transport, NGOs, etc.) with the City Development Office prepared Regional Development Strategy (nearly identical with the Strategic Plan), as a part of the national regional development planning and policy, and Regional Operational Program, as the basic document for biding for sources from EU pre-accession funds.

8. Key agents of planning and preparation of documents

Master Plan of Prague

The work on the new Master Plan of the Capital City of Prague started in 1990. The so-called first reading of the plan provided an indication of future trends and argued for a change in planning principles, particularly for the transformation from monofunctional to

multifunctional zoning regulations. The second reading of the plan was prepared in 1992. It consisted of two parts: the "stabilized areas" and the "variants of development". The plan of the "stabilized areas" was quickly prepared for the city areas with relatively fixed urban structures and where major functional changes are not expected (it was to a large extent "copied" from Master Plan of 1986 with minor changes in the form of zoning regulation, such as polyfunctional zones). The stabilized areas covered about two thirds of Prague's territory. The stabilised areas were approved in 1995 and replaced the old Master Plan from 1986. The territorial development outside of the stabilized areas was prohibited unless the developer/investor paid for the preparation of special detail plan of an urban zone under dispute. The document "Variants of Development" was the basic for a draft of new Master Plan, which elaboration was commissioned by the city government in autumn 1996. The new Master Plan was approved in autumn 1999 and replaced the temporary duality in territorial planning through the plan of stabilised areas and specific requirements in non-stabilised zones.

Plan of Prague Metropolitan Region

The preparation of the plan for Prague Metropolitan Region started in 1993. The concept was prepared in 1994. Following negotiations were lengthy and with non-existent regional government without appropriate support from local administration. In 1999, the Ministry for Regional Development commissioned private firm AURS to work on the draft of the plan for Prague metropolitan region. The draft was submitted for public discussion in 2000.

Strategic Plan of Prague

The preparation of Strategic Plan started at the beginning of 1994. The city of Prague has commissioned a private firm Foundation EcoTerra to work on a project Prague 2010, which will become a base for the preparation of Strategic Plan. Using a questionnaire survey five main areas of problems were selected by professionals, politicians and citizens. Three scenarios of future development (optimistic, realistic and pessimistic) were formulated (see figure). The final document Prague 2010 declared ten main themes for city strategic development planning. Ten cities, which Prague should be, were:

- The Capital City
- City and Its Inhabitants
- Clean and Healthy City in Greenery
- Functioning and Habitable City
- Friendly and Hospitable City
- Safe and Take-Caring City
- Magical and Exceptional City
- City of University and Church
- Rich and Prosperous City
- City in Time

At the end of 1994 a section of strategic planning was established at the City Development Office. Within the new institutional background, the second phase of works

on strategic plan started in summer 1995 with a round-table discussion of politicians and experts, who focused on three questions. How should look the future Prague? What should be the main aims of city development? How to change current functional and spatial structure of the city? Participants agreed that Prague should be a forward-looking city, which will build its future with respect to traditional cultural and spiritual values and using the ability and creativity of its inhabitants.

In 1995–1997 a series of one-week or one-day workshops was organised during which politicians, specialists, entrepreneurs and citizens discussed key themes of Prague's development. Workshops discussed how to change the monocentric structure of Prague into a polycentric one, how to solve problems of Prague transport problems or housing policy and how to correlate the protection of cultural and historic sites with development. Discussions covered the city's environmental problems and ways of solving them, as well as issues relating to the institutional structure of Prague, finance, safety and education etc. The outcomes from workshops lay down the background for the preparation of the concept of strategic plan.

The preparation of the Prague Strategic Plan was guided by an attempt to achieve partnership and dialogue between the public and private sectors, citizens and their associations, entrepreneurs, politicians and specialists, as well as the city and state administration. Workshops, preparatory work and expert assessments have involved the participation of a total of 662 people, 36 of whom were from the British Know How Fund which provided specialist assistance for the strategy preparations.

The Concept of the Strategic Plan was approved by the City Council in July 1998. The new political representation of Prague, elected in the local elections of Autumn 1998, based their programme on principles set out in the Strategic Plan and thus expressed the political will to implement the strategic concept for the city. In May 1999 several programmes and projects of selected strategic aims were approved for implementation during two electoral periods. By the summer 2000 the document will be complemented by the implementation section, i.e., a selection of strategic priorities, programmes and projects for the first stage of the plan to be implemented by the year 2006. The Prague Strategic Plan should be approved by the City Council in 2000.

Regional Operational Program

Based on the Principles of (National) Regional Policy approved by government in1998, Regional Co-ordination Group fro Prague was established at the end of 1998. Its role was to oversee the preparation of Regional Development Strategy (RDS) for Prague. The strategy was prepared by the Strategic Planning Section of the City Development Office. Actually, the existing Concept of the Strategic Plan of Prague was adjusted and reworked according to nationally set standards for the preparation of RDS. The strategy included the situation analysis, the general and specific objectives, and the strategic priorities.

In May 1999, Regional Co-ordination Group was transformed to Regional Management and Monitoring Committee (RMMC). RMMC consists of representatives of state (ministries of regional development, environment, labour and social affairs, economy and trade and foreign affairs), city government, local governments at borough level, Prague's Labour Office, Prague's Chamber of Commerce, Czech Statistical Office, experts from

universities and one representative of NGOs. The role of RMMC is to oversee the preparation of Regional Operational Program (ROP). The ROP selects from RDS those strategic goals, which realisation can be supported from EU funding. The ROP for Prague was finished at the end of 1999. It has been evaluated through the Strategic Environmental Assessment. It also was a subject of ex ante review by EU experts concerning the compliance of ROP with the regulations of the Structural Funds. Both evaluations stressed a weak attention given to sustainable development.

9. Priorities of urban and regional planning and policy in Prague

Master Plan of Prague

The Master Plan specifies allocation of functions in the city and regulates the development process. The main principles, on which the Master Plan, was elaborated include:

- Compact city structure (extension of the boundary of compact city so it allows controled city growth)
- Deconcentration of functions from city centre through the extension of city centre and the creation of secondary centres
- Location of regional shopping centres in outer city
- Residential areas for medium-rise apartment housing located within compact city and low-rise single-family housing in outer city locations adjacent to compact city and existing settlements in outer zone
- New areas for short-term recreation in outer city
- Concentration of development to areas with a good accesibility by public transport and in outer city by railway
- Extension of underground system
- Inner city ring road and outer city express road

Plan of Prague Metropolitan Region

The plan guides the long-term and harmonious development in Prague metropolitan region, which respect cultural and environmental values of its landscape. In time-horizon 2015, it specifies the development of main corridors of transport and technical infrastructure so it is not in conflict with residential areas and zones of protected natural environment. The plan also attempts to direct development to (1) selected growth zones along main transport corridors and areas with good transport infrastructure and to (2) zone adjacent to compact build-up environment of Prague and to larger settlements in suburban zone, which have sufficient social infrastructure (education, health, cultural facilities). The plan aims to co-ordinate development between the city of Prague and adjacent (mostly small) municipalities.

Strategic Plan of Prague

The Strategic Plan of the Capital City of Prague formulates the long-term programme of city development for the next 15–20 years. It declares the will of Prague not to leave the

future fate of the metropolis just to spontaneous development and to chance events that are difficult to control. It is intended to purposefully manage the process of urban change and to co-ordinate the decision-making processes of city administration with the numerous interests, activities and resources of various actors in the city. It is a commitment to fulfil the strategic vision of Prague and define paths to prosperity for the city, to a healthy and cultural environment and to the preservation and development of those values, which make Prague one of the most beautiful cities in the world.

The Prague Strategic Plan is not only an overall vision of the city's future, but it is an agreement between politicians, specialists, corporate sector representatives and citizens of Prague about what the city wishes to achieve in the next two decades and how to proceed in the solving of problems in particular spheres.

The Prague strategy is based upon the city's strengths, especially its unique character and spiritual, intellectual and cultural traditions, quite exceptional natural and urban quality, its economic and human potential, advantageous position in the heart of Europe, its good reputation and its attraction for foreign visitors.

The strategic concept for the City of Prague focuses on five main themes, containing a system of mutually inter-linked strategic directions, aims, policies and programmes.

Successful and respected city (The role of Prague and the city's economy)

Prague aims to become a successful, competitive and respected city with a strong and modern economy generating wealth for its citizens, offering prosperity to entrepreneurs, and generating financial resources to public projects.

Kind and contented city (Quality of life)

Prague wishes to be an attractive city of satisfied citizens and visitors. It is determined to provide a good quality of city life in safe and well-balanced communities with equal opportunities.

Attractive and sustainable city (Quality of the environment)

Prague endeavours to achieve a high quality of both natural and urban environment, while observing the principles of sustainable development. It wants to substantially reduce pollution in the city and create a balance between human settlement and landscape, in order to become a clean, healthy and harmonious city.

Functioning city (Transport and technical infrastructure)

Prague aims to modernize, develop and operate its transport and technical infrastructure to support a well functioning city, its economy, ambition and development. Prague's infrastructure should always be modern, reliable, efficient and environmentally friendly.

Dynamic and welcoming city (Management and administration)

Prague wishes to be a city of dynamic and open administration, efficient in providing services and protecting public interests, co-operating with others along the principles of partnership, thus enabling an active role by others and supporting citizen participation in community management and development.

The strategic priorities of the capital city of Prague are:

- to create a favourable entrepreneurial environment
- to support science and education
- to protect and develop the city's cultural and urban values

- to achieve an efficient economy for all resources (nature, land and property, water, energy and finance) with respect to sustainable development
- to develop a polycentric structure of the city
- to build the Partnership for Prague between the public sphere, private sector and citizens

Regional Operational Program

ROP contains a description and analysis of the city, SWOT analysis, specification of strategic objectives, description of priorities and programmes, financial plan and the implementation institutions and procedures. The main goal of ROP is "to increase the quality of life, to extend and reconstruct technical infrastructure and transport systems and to develop city potential so Prague will become a dynamic metropolis of a future member state of the European Union". Four priorities, which will effectively help to fulfil the main goal of ROP, were selected. These are:

- Functioning and sustainable urban transport
- Reconstruction and development of technical infrastructure
- The development of human resources and non-material conditions of competitiveness
- Integration of Prague to European structures

Each priority will be achieved through a set of 2–3 programmes. The specification of each program include short introductory description, description of objectives, specification of activities, criteria for selection of projects, expected outcomes and impacts on the region, identification of target groups, responsible institution(s), time horizons for implementation, financial allocation and monitoring and evaluation (however, quantifiable indicators are missing).

10. Conclusions

The major achievements of urban policy and planning in Prague during the 1990s were:
(1) planning system was kept in operation despite unfavourable conditions;
(2) basic planning documents, i.e. Master Plan, Strategic Plan and Regional Operational Program were approved by the end of the 1990s;
(3) Strategic Plan pays attention to both urban competitiveness and sustainability.

The major weaknesses of contemporary urban policy and planning in Prague are:
(1) non-existence of city marketing/promotion strategy, city land policy and real estate strategy and policy towards inward, especially foreign direct investments;
(2) very weak consideration of sustainability principles and avoidance of Strategic Environmental Assessment in the case of the Master Plan;
(3) virtually no cooperation between the city and private sector and prevailing relations of confrontation between the city officials and environmental NGOs.

Concerning inward investment, Prague has been in a favourable position. It is a natural gateway to the Czech Republic for most of foreign firms. The city government took the

inflow of foreign capital for granted and up to now there has been a lack of activity in attraction of FDI, city promotion or public private partnership with foreign firms. This task should be a responsibility of Prague's Development Agency, which (conditioned by the approval of City Assembly) is going to be established during 2000. One of the key tasks of Prague's Development Agency should be the development of public-private-partnerships in real estate development, with the city putting construction land into joint ventures with private developers/investors. Such schemes should promote the general urban development and generate revenues that the agency will use for city marketing/promotion.

Despite a number of issues which fall within the range of economic, social and ecological sustainability are present in city planning documents, the explicit declaration of political commitment to pursue the principles of sustainable development are still missing. In the case of the Master Plan of Prague, the city avoided Strategic Environmental Assessment presenting Master Plan as a municipal physical plan. However, in reality it regulates the development of a large territorial area and for such spatial units the incorporation of SEA is a standard procedure. The Regional Operational Programme was the first city wide planning document subjected to SEA. The weak political commitment to sustainability has also been given by the arguments of market fundamentalists, which perceived the idea of sustainable development as another non-market and therefore dangerous vision of society. However, this perception is now being changed under the pressure of local NGOs and EU policies.

The urban governance of the 1990s was characterised by (1) deregulation towards markets and (2) top-down approach to decision-making about public matters. However, the voluntary citizens sector has quickly developed, especially in the second half of the 1990s, and a number of NGOs by their activities increased public awareness of some issues and projects in Prague's urban development. While at the beginning there has been hostility between "city bureaucrats" and "radical environmentalists", some limited opportunities were opened for the involvement of NGOs representatives to the decision-making processes, such as in the case of RMMC. However, it must be omitted that the recommendations of EU in the filed of cohesion and structural policies play a vital role in the involvement of civil sector into local government policy-making.

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GLOBÁLNÍ SOUTĚŽ, UDRŽITELNÝ ROZVOJ A OBČANSKÁ SPOLEČNOST: TŘI HLAVNÍ VÝZVY PRO SOUČASNOU SPRÁVU MĚST A JEJICH ODRAZ V MÍSTNÍCH ROZVOJOVÝCH PRAKTIKÁCH V PRAZE

Résumé

Správu a plánování rozvoje měst v éře globalizace ovlivňují tři hlavní výzvy: (1) globální soutěž mezi zeměmi, regiony, městy a lokalitami o (zahraniční) investice; (2) narůstající pozornost věnovaná udržitelnému rozvoji ve smyslu rovnováhy mezi ekonomickými, sociálními a environmentálními aspekty územního rozvoje; (3) nezbytnost zapojit do řízení a plánování rozvoje měst rozmanité skupiny občanské společnosti. Komplexita těchto výzev vyžaduje využití nových způsobů plánování městského rozvoje založených na využití plurality nástrojů a přístupů. V hlavním městě České republiky Praze byly koncem devadesátých let 20. století schváleny některé důležité plánovací dokumenty, zejména územní a strategický plán. Strategický plán věnuje pozornost soutěži o investice i otázkám udržitelnosti. Plánování rozvoje města však ještě trpí řadou slabin. Mezi ty nejvážnější patří: (1) neexistence marketingové strategie města, městské pozemkové politiky a strategie rozvoje nemovitostí a to zejména ve

vztahu k zahraničím investorům; (2) stále velmi omezené uvažování principů udržitelnosti; (3) velmi omezená spolupráce mezi veřejným a soukromým sektorem a převažující konfrontační vztahy mezi správou města a environmentálními nevládními organizacemi.