## Contents

List of tables	ix
List of figures	xi
List of contributors	
Introduction	1
Antoine Bailly and William Lever	
Agglomeration and diffusion	1
Towards flexible production systems	1
Vertical and horizontal logics	2 3
The organization of the book	3
PART I	11
	k 13
1 Economic restructuring: A conceptual framework	<b>k</b> 13
William Coffey and Antoine Bailly	13
Introduction	15
Functional restructuring	24
Spatial restructuring	31
Innovative milieux: Firm-territory partnerships	35
Conclusion	33
2 Economic restructuring in Western Europe	40
Guy Burgel and William Lever	40
Introduction	40
The contradictions of the present day	42
Urban society: The local and the universal	48
The stakes for the future	52
The mobility of population: Fundamental trends	
for the Western countries	54
Economic change and spatial restructuring	55
Economic accumulation or social equilibrium	58
3 Economic restructuring in Southern Europe	63
Rossetos Fakiolas	
Introduction	63
The political and administrative characteristics	66
Regional differences and recent economic	
developments	70

	Institutional and structural rigidities The structure of employment and output Restructuring through foreign investment Labour market rigidities and mass immigration	73 77 80 85
4	Economic restructuring in Eastern Europe	92
	Paul Hare Introduction Structural change in the early years of transition Industrial competitiveness Longer-term structural change Conclusion	92 95 99 105 111
5	Economic restructuring in eastern Germany	120
	Ludwig Schätzl Introduction	120
	The state of the economy of the GDR before  German unification	121
	Fundamental decisions taken in the transformation of the system	123
	Empirical findings on the process of economic adjustment after German unification	128
	Scenarios for future economic and regional development	135
PAI	RT II	143
6	European world cities	145
	Arie Shachar Introduction	145
	The evolution of the world city concept	146
	World cities' characteristics	149
	The European urban system	153
	European world cities as financial centres	161
	Conclusion	174
7	The European regional dimension	178
	William Lever	178
	Introduction	180
	The new regionalism	186
	Convergence or divergence Macro-economic theories of winners and losers	
	in the European urban-regional system	193
	in the fallocal diparticatoria of the con-	

	Contents	vii
	Corporate control, high-technology and industrial	
	districts	196
	Conclusion	200
_	miles the development system and the economic system	204
8	The urban development cycle and the economic system William Lever and Anthony Champion	
	Introduction	204
	Concentration and deconcentration	206
	New production systems and employment	
	deconcentration	208
	Reconcentration and economic change	214
	Recentralization and economic change	217
	Intra-urban shifts and economic change	221
	Conclusion	224
9	Divisions of labour, production and space:	
,	Classical concepts for the new Europe?	228
	Joan-Fugeni Sánchez, Eric Weiss-Altaner and Antoine Bally	
	The classical economists and the division of labour	228
	Divisions of labour and socio-spatial hierarchies	233
	Towards new forms of the division of labour and the	•••
	division of production	239
	Divisions of labour and reconsideration of the	241
	concept of the region	241
PAR	RT III	249
10	A theoretical framework for analysis of urban	
	economic policy	251
	Chris Jensen-Butler	251
	Introduction	251 254
	Urban economic policy: Theory	254
	Equity	262
	Efficiency	279
	Environmental control	282
	Budget constraints	283
	A typology of urban economic policy Urban economic policy: Conflicts and their resolution	287
	Conclusion	288
11	The administrative structure of the delivery	
	mechanisms	294

294

Joan-Eugeni Sánchez Introduction

#### viii Contents

	The technical and economic dimensions of	
	restructuring	295
	Technical innovation and territory	299
	Linkages between socio-spatial effects	303
	Agents acting in the framework of territorial power	000
	relations	305
	Functional scales within the state: The regional and	
	the local	310
	Agents and metropolitan space	314
12	Urban and regional policy: The political dimension	323
	Chris Pickvance	
	Introduction	323
	The scope for the political dimension in urban and	
	regional policy	325
	Political forces and urban and regional policy	335
	Local government economic development policy	341
	Conclusion	345
Cor	nclusion	348
Ant	oine Bailly and William Lever	
Ind	ex	353

## List of tables

2.1	Attachment of populations to different levels of social	40
	enace	49
2.2	Growth of commuting mobility in Ile-de-France and	54
2.3	France Economic trends in three <i>départements</i> around Paris,	
2.5	1983–1991	57
3.1	Comparison of hourly labour costs, 1991	86
4.1	GDP and industrial output in Hungary, Poland and	
7.1	Russia	98
4.2	Competitiveness results: Bulgaria, Czechoslovakia,	
	Hungary Poland and the Soviet Union	106
4.3	Results of the Industrial Projections Model: Hungary	
1.0	(a) Base case	110
	(b) Slow reform	111
	(c) Accelerated reform	112
4.4	Results of the Industrial Projections Model: Poland	440
_	(a) Base case	113
	(b) Slow reform	114
	(c) Accelerated reform	115
4.5	Results of the Industrial Projections Model: Russia	117
	(a) Base case	116 117
	(b) Slow reform	117
	(c) Accelerated reform	
5.1	Comparison between the indicators of the level of socio-	122
	aconomic development in the GDK and FRG in 1909	124
5.2	Chronological table of the collapse of the GDK	129
5.3	CDP of the Lander in Germany, 1991	149
5.4	Development of the labour market in eastern Germany	130
	(in millions)	150
5.5	The development of gainful employment in eastern	130
	Commany by aconomic sector	132
5.6	Investment expenditure in eastern Germany (in DMbn)	102
5.7	Contributions from west German public budgets to	133
	eastern Germany	169
6.1	Financial sector share of total GDP (%)	187
7.1	European macro-regions	

#### x List of tables

7.2	Predicted change in macro-regions	188
7.3	The poorest and wealthiest regions in the EC	190
7.4	Trends in regional inequalities	192
8.1	Employment change by urban size, 1959–1975	209
8.2	Employment change by urban size, 1980-1984	210
8.3	Good and poor economic performers: Germany,	
	1970–1980	210
8.4	Hypothetical estimates of the proportion of factories	
	experiencing constrained locations	211
8.5	National trends in urbanization and counter-	
	urbanization in the 1980s	215
8.6	Economic activity in major European cities, 1989–1996	218
8.7	Economic indicators: 32 cities	219
8.8	The phases of urban development	222
11.1	Matrix of effects and conditions	304
11.2	Concepts and situations of intervention	317
12.1	Changing definitions of the inner-city problem and	
	inner-city policy	327
	niner-city policy	٦.

# List of figures

2.1	Demographic trends of the French urban network,	
	1962–1990	44
2.2	Demographic trends of the French départements,	
	1962–1990	45
5.1	Development centres in eastern Germany	140
7.1	Growth zones in Europe	182
7.2	The new regional planning zones of Europe	184
7.3	Pattern of regional incomes in Europe	189
10.1	Three-dimensional policy space	258
10.2	Isoquants and capital subsidies	260
10.3	Social and private marginal costs	264
10.4	Abatement and pollution damage costs	281
10.5	Trade-off curves between efficiency and equity goals	288
10.6		
	goals, together with decision-makers' preference	
	surface	289
11.1	The sequence of socio-territorial effects	305