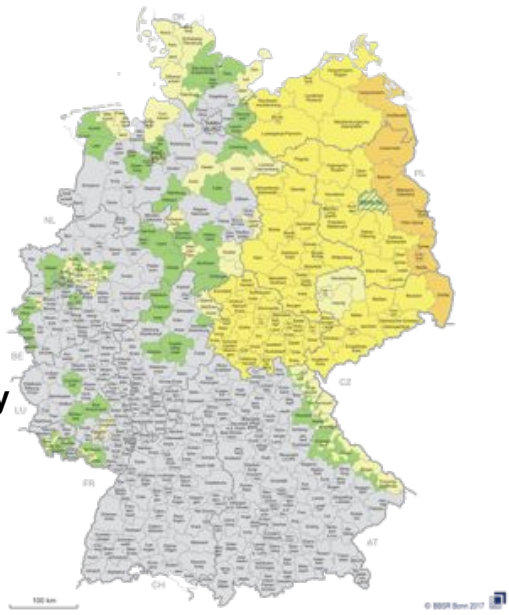


# Understanding Urban Development in Germany

University of Thessaly, Volos  
 Department of Planning and Regional Development, School of Engineering,  
 April 2018

GRW-Fördergebiete 2014 - 2020



Fördergebiete der Gemeinschaftsaufgabe "Verbesserung der regionalen Wirtschaftsstruktur" im Zeitraum 2014 - 2020 in gemeinschaftlicher Abgrenzung

100 km  
 © BGR Bonn 2017  
 Datenbasis: BGR, Bundesministerium für Wirtschaft und Energie, 31.12.2011  
 Bearbeitungs- & Layout: ...

Prädeterminiertes C-Fördergebiet  
 Prädeterminiertes C-Fördergebiet mit Grenz-  
 zuzugriff gemäß Rz. 178 Regionalstruktur  
 Nicht-prädeterminiertes C-Fördergebiet  
 Nicht-prädeterminiertes C-Fördergebiet  
 (davon Städte/Gemeinden teilweise)

D-Fördergebiet  
 D-Fördergebiet  
 (davon Städte/Gemeinden teilweise)  
 Teilweise nicht-prädeterminiertes C-  
 teilweises D-Fördergebiet  
 Nicht-Fördergebiet

Grenz-Ländersch bzw. kreisfreie Stadt  
 Grenz Bundesland

## Outline

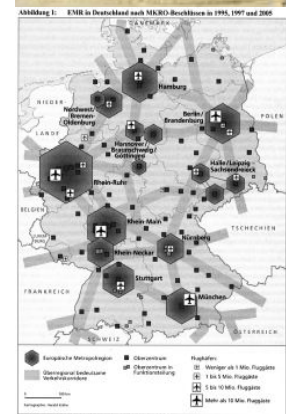
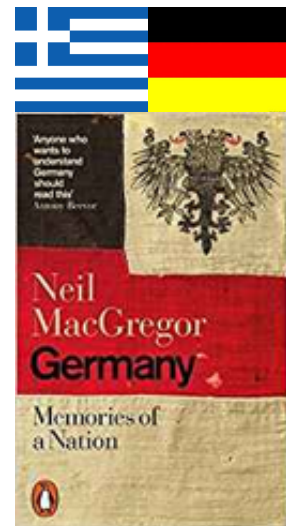
1. Germany: A concise introduction
2. Germany for planners  
 > The German Planning System
3. Germany: Challenges 2018
4. Understanding Urban Development in Germany
5. What can be learnt?



## Understanding Urban Development in Germany

# Germany: A Concise Introduction

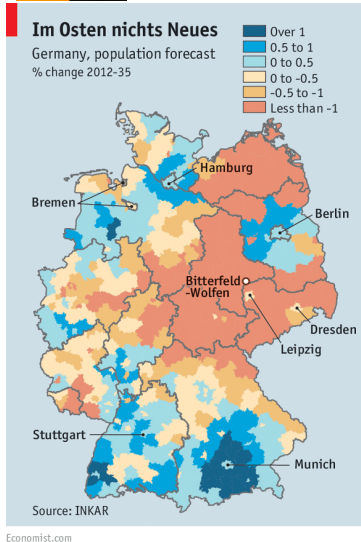
- Population 2017 82 million > Greece : 11 million
- Foreigners 9.2 million : 81.6 million
- Life expectancy 81.1 : 132.000 km2
- Territory: 357.000 skm
- Boundaries with 9 countries
- Federal State > 13 states,  
 and 3 city states Berlin, Hamburg, Bremen
- 500 hundred years of local self-government
- Capital: Berlin > population 3.5 million > Bonn
- 11 metropolitan city regions
- Burdened by history
- Established 1870
- Divided after 1945
- Reunified 1989
- Social market economy
- GDP/Person 2016: 42.326 > Greece 18.078
- Industrial employment 28% 15.0 %
- Unemployment 2016 3.6% 20.7%
- Co2 emission >tons/capita: 11.6 6.18



# Germany: Challenges 2018 (1)



- Still a mentally and economically divided country  
 > **East-West, North-South**
- Aging population > 2016: 17.5 million over 65l
- 41% single person households
- Immigration > **integration, inclusion**
- Shrinking cities in the East and in the Ruhr
- Erosion of public services
- Ongoing structural change
- High dependency on car industry and car export
- Ongoing energy shift > towards **renewable resources**
- Laggard in digitalization
- Shortage of affordable housing > **gentrification**
- Traffic congestion in city regions

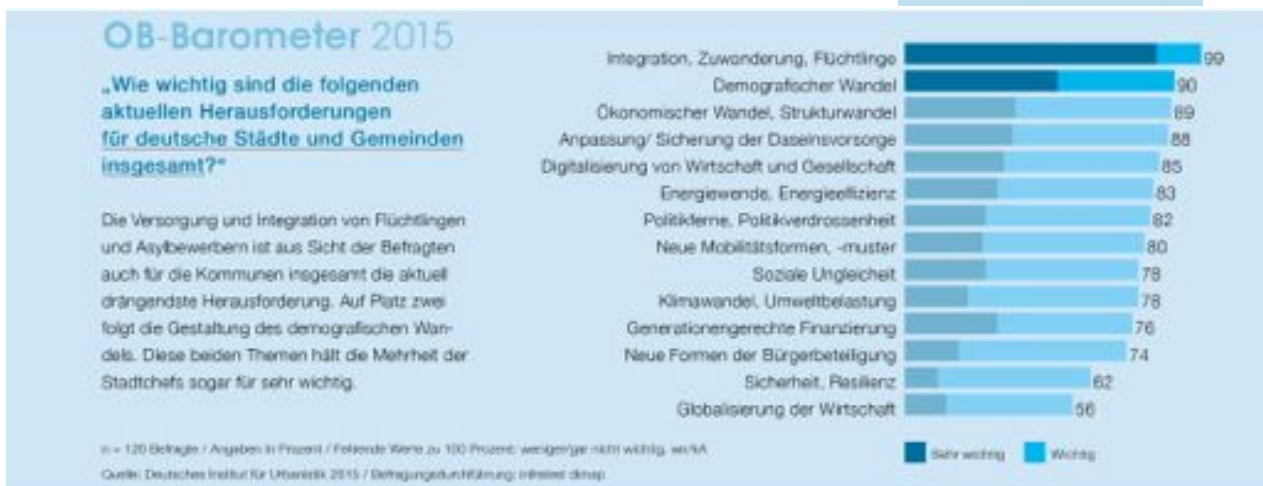
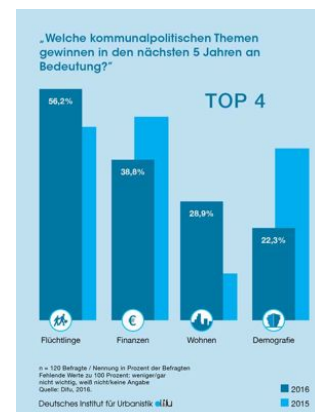


# Germany: Challenges 2018 (2)

## Biggest challenges 2017 expressed by German mayors

1. Integration
2. Digitalization
3. Mobility

Source: DIFU > 113 Mayors of cities above 50.000



# Germany: Planning Successes (1)

What did urban and regional planning contribute?

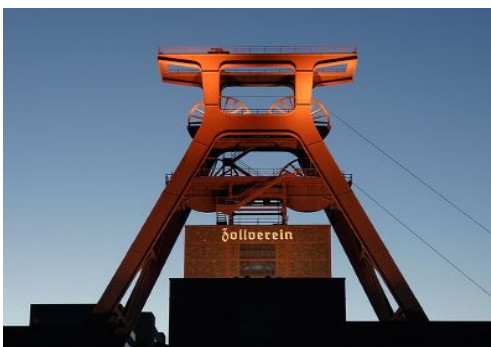
- Reconstruction of war demolished cities
- Conservation of historical, also industrial heritage
- Balanced urban development
  - > avoiding metropolization and promoting small and medium-sized centres
- Controlling urban sprawl
- Maintaining urban and rural identity



# Germany: Planning Successes (2)

What did urban and regional planning contribute?

- Gentle, careful, cautious urban redevelopment > **Behutsame Stadterneuerung**
- Addressing poverty in neglected urban areas > **Soziale Stadt**
- Taking sustainable urban development serious
- Taming developer-led urban development > e.g. **Allotment gardens**
- Conversion of military sites after 1990
- Federal and state Garden shows > **BUGA, LGA**
- Launching project based approaches to integrated urban development
  - > **IBA**



# Understanding Urban Development in Germany

1. Federalism and multi-tier governance
2. Germany, a welfare state
3. Why is the urban system of Germany balanced?
4. A society rooted in nature
5. Identity and history matter
6. The power of local self government
7. Land ownership and and land management
8. Locally rooted enterprises
9. Where does the money come from?
10. Higher and dual education
11. Consensus orientation
12. A strong civil society



## 1 Federalism and multi-tier governance

The Federal system is the legacy of more than 1000 years of feudal states and of powerful city states that had developed over centuries, while boundaries of the states (Laender) frequently changed.

Last changes made by the Allied Forces after 1945, and after 1990:

- Prussia abolished, replaced by North Rhine-Westphalia and Brandenburg
- Baden and Württemberg united
- Pfalz > Reno-Palatine

The federal states are responsible among others, for

- Education and higher education (universities)
- Culture (no federal ministry of culture)
- Public health and police

**Spatial, regional and urban development**

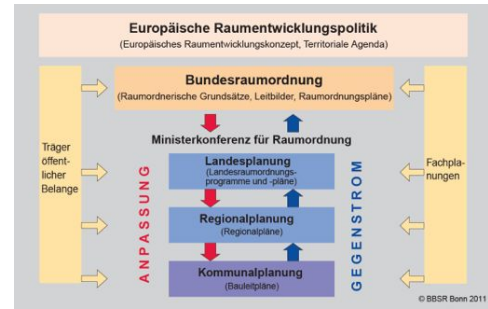
**Tax equalisation among Federal states**

> Munich and Stuttgart pay for Berlin and Brandenburg

Planning and decision-making is characterized by strong cultural & economic regionalism



# Germany for Planners



- **European Territorial Agenda > formerly ESDP**  
> an instrument to distribute favours, not really a spatial development concept
- **Federal Spatial Planning (Bundesraumordnung) :**  
> an information and communication tool for guiding spatial development, though not an investment instrument > more a paper tiger
- **State planning (Landesplanung)**  
> Protecting the environment and guiding infrastructure investment
- **Regional planning ( Regionalplanung)**  
> Protecting the environment and guiding infrastructure investment  
> Controlling local land use plans
- **Local planning in cities, towns and counties (Kommunalplanung)**  
> Strategic planning (Stadtentwicklungsplanung)  
> Land use planning (Flächennutzungsplanung)  
> Legally binding construction planning (Bebauungsplanung)

# The German Planning System



# 2 The German welfare state

- 1880s Bismarck introduced the compulsory public German Social security system
  - > health and old age and invalidity
- 1930 Employees and employers co.finance the health care system
- Health insurance is obligatory for everyone who is living in Germany with a permanent residence permit.
- 2002 Controversial unemployment regulationi introduced (Hartz IV)
- Ongoing discours on unconditional basic income, replacing all other social programmes of state support



# 3 Balanced urban system

No metropolis; polycentric system of a few larger cities; most people life in small and medium-sized cities, where quality of life is as good as in large city regions, or even better, where jobs are available for almost all qualifications.

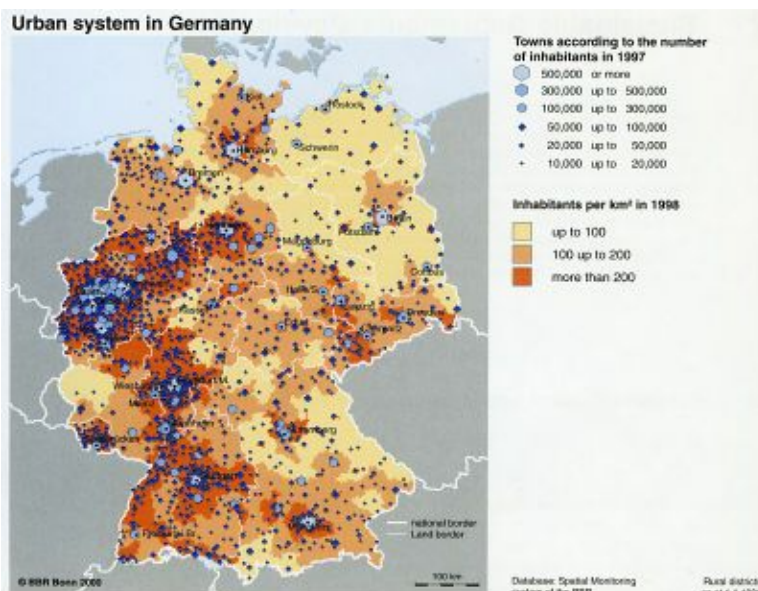
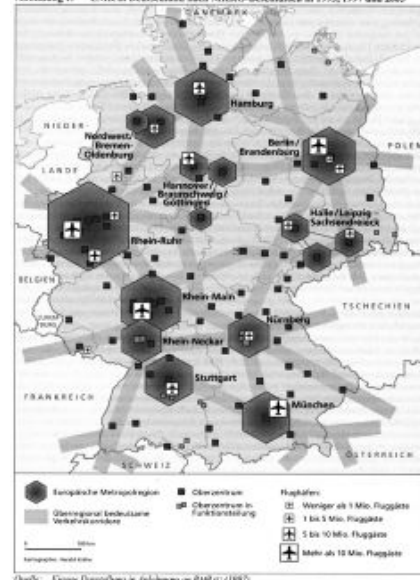
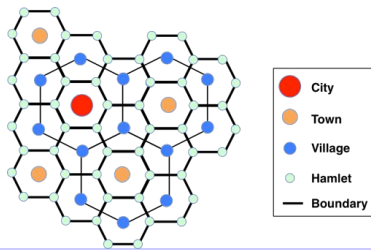


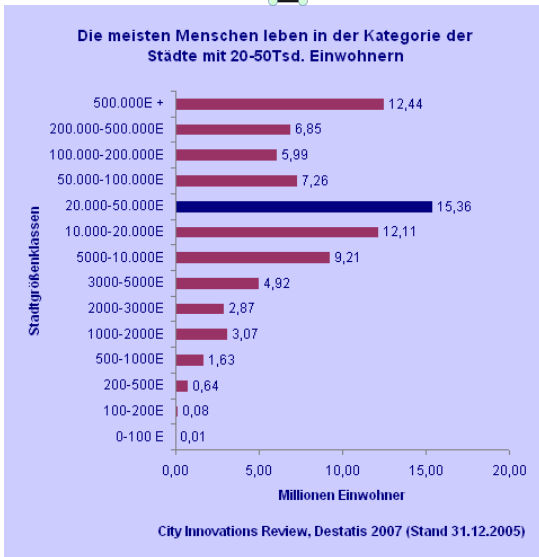
Abbildung 1: ENR in Deutschland nach MKRO-Beschläßen in 1995, 1997 and 2005



# Small & medium-sized cities are important



**Most Germans (27%) live in cities with in between 10.000 to 50.000 inhabitants**



## Why?

- High degree of liveability
- Locally available jobs
- Good schools
- Proximity to bigger cities and nature
- All high quality public services accessible locally or within 30 km
- Difficult local government consolidation
- Well guided central place policies

> Support from housing saving banks

# 4 Rooted in Nature



- Sustainability is a key concern of the society. Nature conservation has a long tradition. German forests are UNESCO heritage forest!
- German Romanticism, the dominant intellectual movement in philosophy, the arts and the culture of German speaking countries in the 18th and early 19th centuries.
- An influential NGO (BUND) representing environment and nature, the driving force to sustainable urban development.
- Green parties are very influential > around 10% in the German parliament  
 A former foreign minister (Joschka Fischer) , 2018: one prime minister (Baden-Württemberg and a few mayors in a few large cities.  
 ➤Tübingen, Freiburg.

## Policy issues are:

- Affordable housing
- Gentrification
- Neighbourhood development
- Compact city urban sprawl
- Sustainable mobility



# 5 Identity & history matter

Historical heritage is well protected, conserved and occasionally even rebuilt > **memory architecture**

➤ Potsdam, Dresden, Frankfurt),  
War memories still play a big role;

Public sector support for conserving historical heritage

Stick (control) and carrot policies > subsidies and tax incentives) .



Potsdam



Dresden

# 6 Local self-government

- Local governments enjoy a long (more than 500 years) tradition of relative independence > *Stadtluft macht frei*
- The power of urban planning ( land use planning) is with the local government, regulated under Federal planning legislation
- Local planning departments exists in all cities (and counties) with more than 50.000 people
- Integrated urban development is done by professional planners, who have gradually replaced architects as professionals in many local governments; > 2<sup>nd</sup> state examination as professional planner
- A policy oriented Research institute (DIFU) is advising and training local governments
- Influential intermediate institutions are
  - > Chamber of Commerce
  - > Chamber of Trade and Crafts
- Other influential stakeholders are:  
Churches, city utility corporations, BUND, unions

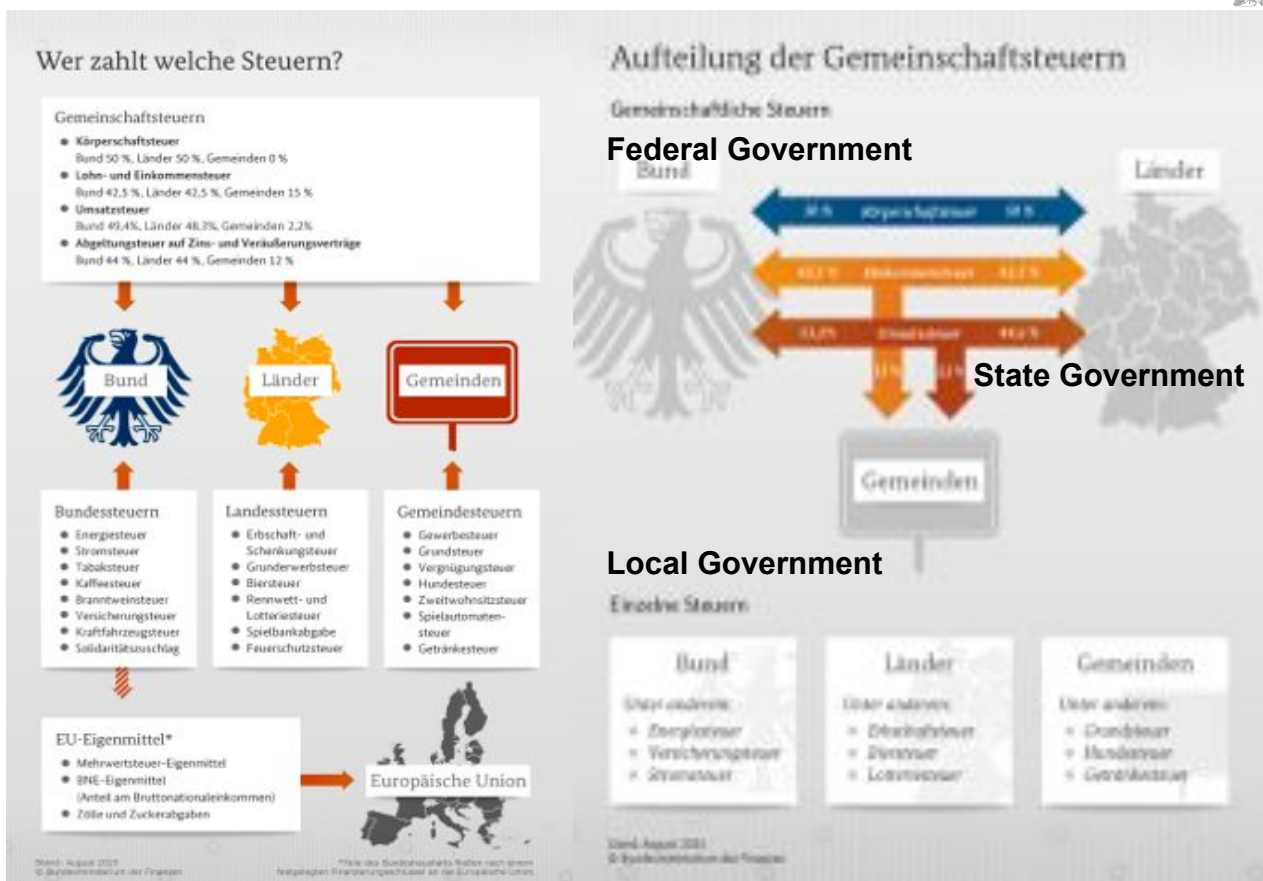




# 7 Where does the money come from?

- Affluent local citizens and successful locally registered industries are the key factors of the wealth (or the poverty) of a local government.
- Corporate ( 50%, 50% ) , Income (42,5%, 42,5%, 15%), and value added tax (53,2%, 44,6% 2,2%) are shared between local, state and federal governments
- Local governments have their own tax income such as
  - Trade tax > which differs from city to city
  - Property tax > comparatively low
  - Tourism tax
  - Second home tax
  - Dog tax
  - Beverage tax

In addition local governments receive financial contributions from state, federal and European programmes for local project





# 8 Small & Medium sized enterprises

“German Mittelstand”

- Predominantly located in small and medium-sized cities in city regions
- **Locally rooted, globally competitive**
- Many family owned enterprises
- Not listed at stock exchange
- Highly relying on qualified loyal local labour
- With own innovative R&D divisions
- Investments usually paid out of profits

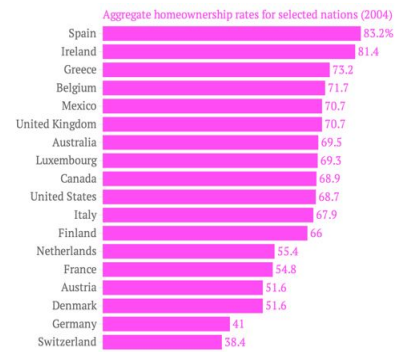


## Herzogenaurach



# 9 Who owns the land?

- No statistics on land ownership
- Growing concentration of rental housing in the hands of a few real estate corporations > **Deutsche Annington und Vonovia**



## Key stake holders of urban land :

- Private land owners
- Local governments
- German railways
- Church properties > church tax
- State development corporations
- Pension funds
- Property tax > comparatively low
- Property transfer tax > Berlin 6%
- Inheritance traditions for farms differ from state to state



# 10 Higher and dual education

**Dual education** is a solid fundament of the German economy.

**Universities** and colleges are accessible for everybody near the home town. Apart from architecture, the arts and medicine there are no access examinations. Ranking is not important for undergraduate and graduate degrees. Equal quality is assured-across the country by regulations of state governments.

**Professional education** is chosen by around 50 percent of an age group in more than 250 fields (from baker to plumber, from bricklayer to car mechanic and cabinet maker, from hairdresser to saleswomen or nurse to electronic specialist or tourist manager). Organization of professional education is mainly organized by the private sector >Chambers of trade, crafts and commerce .

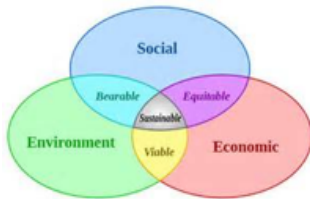




# 11 Consensus orientation

The civil society is very strong. The Christian values determine politics. As a rule, efforts are undertaken to find consensus among stakeholders: moderation is used as an instrument to find a compromise between different groups or positions;

Public interests have priority: urban development is not developer-led  
**People matter!**



# 12 A Strong Civil Society

- The Christian values determine politics.
  - Numerous church supported institutions
    - > kindergarten, schools, hospitals senior homes
- Many health services are in the hand of voluntary organisations
  - kindergarten, emergency health care
- Food for low income households > **more than 900 Tafeln**
- Voluntary fire police
- Nature protection guards



# What can be learnt?



- Context matters (history, traditions, culture, language, economy, society, environment, legal and political system, administrative organisation etc.)
- Values differ from society to society, as do planning cultures
- Transferring planning systems from one country to another does not make sense
- Planning successes in another country can inspire local approaches and solutions to local challenges, but are difficult to replicate under different socio-political conditions.
- Learning from others raises knowledge and helps to understand the mechanisms of one own's planning culture> it is not a one way street!



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