

The Barcelona Metropolitan Region: From Non-Existence to Fame

MONTSERRAT PAREJA-EASTAWAY

A lot of attention is currently paid to the success or failure of European cities in terms of competitiveness. Barcelona is usually viewed as a successful city, performing well in terms of its business indicators and considered as an international cultural reference and an attractive location for creative and knowledge workers. Some authors attribute this success to the good job that the city has done in promoting the Barcelona's brand. On the contrary, others highlight the importance of the joint effort that institutions, policies and actors have put forward in embracing coherent long-term objectives for the development of the city. Both arguments will be discussed in this paper as well as the challenges and opportunities that the city is facing today in terms of its future development.

Barcelona: A Rising Star

Barcelona has recently emerged in Europe as a good place to locate a business and to live in. Simultaneously, Barcelona, as the second city of Spain, competes within the country to attract investment and foster national and international economic synergies.

Barcelona Metropolitan Region (BMR) Facts

- ♦ Comprises six counties and 162 municipalities
- ♦ Occupies 4,320 km²
- ♦ Makes up 80 per cent of the Barcelona province
- ♦ Has a population of 4.4 million
- ♦ Has no common administrative authority

Today, the Barcelona Metropolitan Region (BMR) shows a high degree of economic diversification and can be characterized as 'specialized in diversity' (Pareja-Eastaway *et al.*, 2007). Since the end of the 1990s, the economic dynamism of the BMR has been the result of a conscious effort to re-orientate the area towards advanced industrial and tertiary

activities. However, the steady growth of the regional GDP has been based on low productivity and weak innovative patterns (Vives and Torrens, 2004).

An in-depth analysis clearly reveals the persistence of some traditional industrial sectors such as textile, automobile, metallurgy-machinery and chemistry-pharmaceutical products as major economic sectors for the BMR. Over the last decade, these sectors have been forced to choose between a traditional model of production and the emergent knowledge economy in order to survive the current global economic challenges. Nevertheless, companies located in the BMR are better positioned than those in other parts of the country to face these challenges as the reorientation of the local industrial fabric started a long time ago thanks to local political strategy.

Many authors, such as Trullén and Boix (2003), point out the singularity of the Barcelona Metropolitan Region's urban economic fabric: a polycentric area with a main core – the city of Barcelona, surrounded by multiple smaller centres of economic activity.

While the centre, the City of Barcelona, is mainly oriented towards the knowledge and creative sectors; the rest of the metropolitan region is still producing the largest part of the manufactured goods for the rest of the country and export. The concept of 'industrial district', applicable to the development of the BMR at an early stage, has greatly influenced the future transformation of the region towards a creative and knowledge economy. The previous existence of economic networks and synergies between companies and individuals has become an attractive asset for the region and has supported the high degree of diversification of the new emergent sectors.

Although now labelled 'Barcelona, the city of knowledge' or 'Creative Barcelona', the contribution of the creative and knowledge economy to the metropolitan region's employment is still far from being highly significant (around 22 per cent in 2006). However, a long run analysis unveils a dynamic sector, especially in those activities related to culture, with a growing participation of new technologies and research & development (R&D) enterprises (Ajuntament de Barcelona, 2008).

The next sections explore how the BMR has managed its transition towards the creative and knowledge economy in the past 20 years and what are the challenges and opportunities that the city is facing today in terms of its future development.

Path Dependency and Urban Trajectory in the BMR

Political and economic struggles characterized the 40 years of dictatorship after the Spain Civil War (1936–1939) which represented a turning point in the economic and political development of Spain. A lack of competition, scarce public investments in infrastructure, constraints on private initiatives and strong political control exerted on basic social freedoms shaped the development of the BMR, condemning the region to a perpetual

obsolescence compared with the international waves of modernization and competition. With the end of the dictatorship in 1975, a series of major structural changes in many spheres were needed in Spain to overcome these effects. This was particularly true for the BMR.

In a relatively short period, the BMR experienced the transition from a Fordist production model to a more flexible one, which affected the working and residential patterns in the metropolitan area (Catalan, 1998). From a political perspective, the new democracy was accompanied by a process of decentralization of powers and policies. In social terms, the BMR inherited from the dictatorship a considerably segregated society: over half of the families were low-middle income whereas around 20 per cent enjoyed high or very high incomes (Subirats and Lozares, 1992). These transformations were accompanied in the pre-Olympic period by the need for the city of Barcelona to convince international business circles of its potential and its 'normal' functioning as a Southern city. Consequently, the 1990s was the decade of great transformation for the BMR with the celebration of the Olympic Games in 1992 acting as a major catalyst in a series of public works and private related developments. These years also evidenced a clear political strategy as a major driver for the improvement of the regional competitiveness.

The traditional factors of competitiveness of the BMR became obsolete, especially after Spain became a member of the European Union. A new urban model of development was needed which required deep economic, social and political transformation of the metropolitan area. Several initiatives were put in place in order to improve the connectivity, infrastructure and quality of life of the BMR in order to encourage the location and emergence of service-oriented sectors, in particular creative and knowledge-based companies. It is important to note that the process did not start from scratch and that

the structural change of the region also drew strength from the transformation of existing traditional sectors (Trullén, 2001). Nevertheless, despite this substantial transformation, the BMR, like the rest of Spain, is still today characterized by a production model based on low salaries and low productivity.

The Creative and Cultural Industries in the BMR

Creative industries, especially the more cultural ones contribute greatly to the BMR economy today.¹ The growing importance of the cultural sector is particularly evident according to the following data: in 2006, it represented 1.2 of the Catalan added value and around 0.9 per cent of the Catalan employment (Cultural Department, Generalitat de Catalunya, 2006). Among the cultural industries, the audiovisual and multimedia industries play a key role. Some traditional cultural sectors are also undergoing major transformation with the development of the knowledge economy. This is the case of the publishing sector, which has historically played a leading national role.

The origins of the cultural prominence of Barcelona date from the beginning of the nineteenth century. At the time, Barcelona was one of the main European artistic vanguards. The cultural atmosphere could be breathed in all kind spheres in the city, which was one of the main centres of European visual art (Hughes, 1992). The city also saw some major transformation in terms of urban development. For instance, Barcelona was the first European grid city (Cerdà Plan). Not by chance, the cinematographic movement arrived to Spain through Barcelona. Finally, the event-related city development, using cultural features so famous today, originated the celebration of the two Universal Exhibitions in 1898 and 1929.

However, the Dictatorship put an end to the cultural prominence of Barcelona and favoured more conservative tendencies

as well as the development of Madrid as the capital of the country (Lozano Moya, 2003). Consequently, during the 1960s, the City of Barcelona evidenced the image of a retrograde Spain. Nonetheless, the 1960s also saw the emergence of a generation of talented writers, artists, architects, politicians and economists who started to assert the so-called '*fet diferencial*' on the basis that Barcelona was different from the rest of Spain and closer to Europe. These people tried to recover some of the excitement provided by the city back in 1880. Not surprisingly, many of them became key actors in the city's transition to democracy after the Dictatorship, occupying important roles in the political and economic life of the city.

From the 1980s onwards, Barcelona focused on the rediscovery of its cultural past, in order to identify new cultural poles and urban references and, especially, to link them to the existing challenges of the city. Barcelona unified creativity and culture in its policies. The objectives were not only to stimulate economic growth but also to improve the general quality of life of its inhabitants. Since then the use of culture has been a distinctive feature of many strategies and policies adopted by the city: the revitalization of the periphery through masterpieces of art and architecture (for example, Calatrava's bridge in the Llobregat area) and the renewal of some areas through the provision of new cultural equipments (for example, MACBA – Museu d'Art Contemporani de Barcelona – in Ciutat Vella, Jean Nouvel's Agbar Tower in the new innovation district of 22@, and the future building designed by Oriol Bohigas which will accommodate the recently created Barcelona Design Centre) are manifest examples of this long-term local strategy.

In summary, the BMR's current economic situation is the result of an ongoing transformation towards a creative and knowledge economy where cultural industries have played a distinctive role. However, this pattern of change has not been spontaneous but is the outcome of a long-term



Figure 1. Barcelona, view of Port Vell.

strategy initiated in the 1980s by some key metropolitan actors. This pattern was reinforced with the celebration of the Olympic Games in 1992, which initiated the first example of a shared strategy between public and private actors and civil society. The next section examines how this shared strategy has been followed afterwards in terms of the strategic planning and the development of the city.

Stimulating Creativity and Innovation: Actors and Policies in the BMR

Today, the BMR benefits from a high quality of life which plays a key role in the city's competitiveness. This creates a propitious environment for the location of creative and knowledge-based industries. However, as Santacana and Madrigal (2007, p. 54) summarize 'creativity is not only about the creative industries, nor is it about a particular economic sector – rather it is about a positive attitude to innovation and entrepreneurship'. This positive attitude towards innovation and entrepreneurship has been internationally acknowledged through a successful city branding. In addition, flexible strategic planning has accompanied the popularity achieved by the city region by giving Barcelona a clear long-term vision which, since the end of the 1980s, has targeted knowledge as the main goal of the city economic redevelopment and later on, creativity and innovation. Further, strategic planning policy has fostered a form of collaborative governance, mobilizing the various actors of the metropolitan region and initiating a variety of top-down strategies like the 22@ district. As it will be shown in this section, both strategies are complementary and have contributed to the current success of Barcelona in the urban competitiveness arena.

Branding Barcelona

Profiting from the momentum gained during the Olympic Games in 1992, Barcelona made tremendous marketing efforts in developing what is today known as 'the Barcelona brand'. This strategy's aim was to benefit from the international popularity provided to the city by the Games. It also sought to promote some sectors which were considered as priorities in the economic transformation of the BMR. These priorities have changed, shifting from the focus on the higher education and tourism sectors to the cultural industries and information technologies. It is worth noting that all these sectors promoted under the umbrella of the Barcelona brand are related to the main goal of the local government: targeting creativity and knowledge as engines for local development. The Design HUB Barcelona (DHUB), Digital Barcelona Foundation, Barcelona Media Park and Barcelona Logistic Centre are, among others, key achievements of this strategy.

Even the well-known 'Barcelona model', described in Walliser (2004), might be understood as a successful effort to become internationally known and attract entrepreneurs. This model synthesizes an effective implementation of an already established urban strategy of regeneration together with certain specific conditions, such as the recent development of democracy in the country, the active participation of citizens and the role played by some architects and planners.

The Barcelona brand has certainly profited from the attractiveness of the city in terms of cultural background and creative atmosphere. This image has contributed to attracting businesses and talented people looking for inspiration and a comfortable place to live. It has also stimulated successful projects (for example, international fairs such as Bread and Butter Barcelona, or the launch of the Institute for Research in Biomedicine – IRB Barcelona), which have increased the creative and innovative image of the city. However, today, two elements are important in this

debate. On one hand, it has become clear to local authorities that the effort in selling the Barcelona image must not blur the need to improve the infrastructures necessary for the creation of knowledge (universities, research centres) and its transmission and dissemination. On the other hand, they have also realized that the current contents of the Barcelona brand needs to be redeveloped and updated by including new targets in order to guarantee its attraction and its success in terms of external competitiveness within a context of internal cohesion.

The Role of Strategic Planning

Today Barcelona and its metropolitan region play a leading role in terms of strategic planning. In 1988, a non-profit association was created by some local key actors (i.e. Chamber of Commerce, Barcelona City Council) to act as a 'think tank'. This organization had the responsibility for conducting a detailed assessment of the local situation and of reaching agreement over the long-term strategies and policies shaping the BMR's economic and social transformation. Despite the non-compulsory character of the recommendations made by this strategic thinking, the fact that the political colour of the municipality had been stable for more than two decades favoured the adoption of some of the recommendations proposed by the actors engaged in the strategic planning. This has also influenced the way the city is planned today.

We can characterize the strategic planning in the BMR as follows:

- ♦ Representatives of private and public institutions work together to achieve a consensus over the development of the region.
- ♦ Academia and practitioners (politicians, stakeholders and trade unions, among others) operate under the same framework of action (Commissions) with equal power of influence.

- ♦ Strategic planning is flexible enough to accommodate changing priorities from improving infrastructure to guaranteeing social cohesion.
- ♦ Over time, strategic planning has been modified to cover changes in the geographical territory of the urban region (from the City of Barcelona in the first three Strategic Plans – 1990, 1994, 1999 – to the first Metropolitan Plan in 2003).
- ♦ Strategic planning in the BMR has been able to identify, well in advance, the main threats to the successful development of the region and in many cases its recommendations have been followed by key political actors.

The current strategic planning horizon for the BMR is 2020. The strategy mainly focuses on the formalization and reformulation of metropolitan governance and on the reinforcement of policies aimed at solving the existing shortcomings in the economic performance of the region. Certainly, strategic planning has been a facilitator in bringing together institutions and representatives of civil society; it has positively contributed to establish an agreed path for regional development and to identify the main issues to take into account in this process. However, given its lack of coercive powers, its role is limited and basically oriented alerting about potential threats and to stimulating multiple endeavours towards competitiveness. It is up to the actors to follow, or not, its recommendations.

The Innovative 22@ District

More recently, 22@ in Poblenou, the Catalan Manchester, has seen an attempt to create the environmental conditions for the location of highly innovative and creative enterprises in a particular cluster in the city. This project is not merely a planning project. It has signalled a new form of understanding of

the city (Oliva, 2003) and might be viewed as the centrepiece of the major project of the municipality of Barcelona to develop 'Barcelona, city of knowledge'. The main objective of the project is to transform what used to be the paradigm of the industrial society in Barcelona into one of the leading areas of the knowledge society, with activities related to and requiring education, creativity and innovation. Certainly, 22@ is an example of political discourse transformed into a specific and tangible reality. This project is still in development today. While the urban transformation of the area is almost finished, the city's challenge is now to attract companies as well as to achieve higher embeddedness of the project in the territory. To do so, many initiatives are being launched in order to attract, produce and keep knowledge and talent around five main strategic clusters: media, biomedical, ICT, energy, and design. All of them involve companies, institutions, specific areas, universities, technological centres, incubators, and housing jointly with dissemination areas. In addition, the district has been one of the most successful and active scenarios for cultural production; some factories have been transformed and used by artists. Future collaboration is expected between the district and the representatives for the cultural strategic plan of the City of Barcelona.

In the 22@ area, both the elements of the city branding and the strategic plan have worked together to contribute to the launch of this 'innovative district'. The ability of the Barcelona branding to position the city in the international landscape favours the attraction of creative and knowledge enterprises and talents to the district.

Enablers and Inhibitors, Challenges and Threats to Successful Urban Development

The excellent position of Barcelona in the rankings of European cities' competitiveness suggests that the BMR policy strategy that has guided and orientated development

of the metropolitan region over the past 20 years has been successful. A key factor in that strategy towards competitiveness has been the acceptance, at an early stage, that the BMR's position in the European urban competition landscape relied strongly on the economic contribution of creative and knowledge sectors. Since then, the transformation of the economic basis of the Metropolitan Region of Barcelona has been explicitly re-oriented towards creative and knowledge-based services as the basis for growth in innovation and talent. This has represented the main challenge after the success of the Olympic Games in the early 1990s. The move from traditional sectors to innovative and creative activities required a change in the attitude of public entities and the economic and social agents involved. This has been possible through the strategic planning process which has been of critical in accelerating and ensuring the long-term commitment to such an ambitious target. However, although the political dynamic and metropolitan strategy have enabled the BMR to make the most of its assets to lead the city towards a creative and knowledge economy, there have been some inhibitors to overcome (table 1): the low salaries and productivity model that governs the local economy

and the related low level of investment in R&D; the limited capacity of the region to attract multinationals; inadequate transport infrastructure; weak educational structures; a lack of coordination between the various local governments and the over dominant leadership of the city of Barcelona. The impact of these challenges can be seen in the contribution of the creative and knowledge sectors to the regional GDP.

New guidelines have been formulated in the most recent BMR strategic plan with horizon of 2020 to reflect the new challenges that the BMR faces, for example:

- ♦ To reformulate the model of competitiveness to include the real dimension of the metropolitan region and spaces of dialogue and consensus, and to ensure the co-responsibility of all actors involved.
- ♦ To renew citizens' trust in the future of the metropolitan region.
- ♦ To guarantee that international competitiveness does not restrict public authorities in their duties to their citizens.
- ♦ To complement the existing location factors, which are mainly based on 'soft' attractive-

Table 1. Enablers and inhibitors for successful urban competition.

<i>Enablers</i>	<i>Inhibitors</i>
✓ <i>Trust</i> gained in the political strategy by the success of the Olympic Games organization	✓ Difficulties in changing the productive model: <i>low salaries</i> and productivity
✓ Definition of <i>long-term strategies</i> , agreed by key actors (public and private)	✓ <i>Scarce investment</i> in R&D
✓ Availability of ' <i>soft</i> ' location factors	✓ Limited capability of the region to attract <i>multinationals</i> and large leading companies
✓ <i>Cultural asset</i> used as international references	✓ Deficits in quality and quantity of <i>transport infrastructures</i>
✓ The <i>Barcelona brand</i> as competitive advantage for priority sectors	✓ Weak <i>educational</i> structures to provide high-qualified labour force
✓ <i>Political stability</i> of the Barcelona city council – same political colour since the arrival of democracy-	✓ Lack of <i>coordination</i> between the different local governments at the metropolitan region
✓ General <i>macroeconomic growth</i> at a European scale.	✓ An ' <i>excessive</i> ' leadership assumed by the city of Barcelona due to the lack of metropolitan institutions
✓ <i>Top-down approach</i> in providing facilities like the innovative district 22@	

ness, by strong provision and upgrading of 'hard' factors;

- ♦ To renew the Barcelona brand still currently based on the internationalization process initiated since the Olympic Games.

These guidelines highlight some of the conflicting agendas guiding the development of the BMR: on one hand, internationalization and promotion of economic development and on the other hand ensuring concern for citizens' quality of life, which may have been considered secondary so far. The attachment of economic success to the image of Barcelona promoted through the city branding strategy is not enough. Efforts are being made towards the inclusion of other aspects in the city brand linked to social cohesion and citizens' inclusion in the new Barcelona official discourse.

REFERENCES

Ajuntament de Barcelona (2008) *Evolució de l'economia de Barcelona*. Informe per a la Comissió de Promoció Econòmica. Available at: <http://w3.bcn.es/fitxers/premsa/informeevolucieconomia.novembre2008.335.pdf>.

Catalan, J. (1998) El creixement de la indústria: miracle o miratge? (The growth of industry: miracle or mirage?) in Molinero, C. (ed.) *Història, política, societat i cultura dels Països Catalans* (History, policy, society and culture of Països Catalans), Vol. 11. Barcelona: Enciclopèdia Catalana.

COMPETE Network (2007) *The COMPETE Network: Final Report. Messages for Competitive European Cities*. Available at www.compete-eu.org/publications/COMPETE_final_report.pdf. Accessed 26 March 2009.

Cultural Department, Generalitat de Catalunya (2006) *Cultural Statistics of Catalonia*. Available at: cultura.gencat.net/estadistiques/index.htm

Hughes, R. (1992) *Barcelona*: Vintage.

Lozano Moya, R. (2003) *La irrupció de les avantguardes a Sabadell (1939–1959) (The Emergence of Vanguardists in Sabadell(1939–1959))*. PhD Thesis, University of Barcelona.

Marshall, T. (2002) (ed.) *Transforming Barcelona*. London: Routledge.

Oliva, A. (2003) *El districte d'activitats 22@bcn*. (The District of Activities 22@bcn). Barcelona: Aula Barcelona.

Santacana, F. and Madrigal, M (2007) *Creative industries and urban competitiveness: Barcelona*, in COMPETE Network (2007), chapter 4.

Subirats, M. and Lozares, C. (1992) *Enquesta de la Regió Metropolitana de Barcelona 1990: condicions de vida i hàbits de la població*. Barcelona: Institut d'Estudis Metropolitans de Barcelona.

Trullén, J. (2001) El projecte Barcelona ciutat del coneixement, des de l'economia (The project Barcelona city of knowledge. From the economy). *Els monogràfics de Barcelona Metròpoli mediterrània*, 1, pp.16–31.

Trullén, J. and Boix, R. (2003) *Barcelona, metròpolis policèntrica en red* (Barcelona: Polycentric Metropolis in network)> Cerdanyola del Vallès: Departament d'Economia Aplicada, Universitat Autònoma de Barcelona.

Vives, X. and Torrens, L. (2004a) El posicionament de la Regió Metropolitana de Barcelona davant les regions europees (The position of the Barcelona Metropolitan Region in front of European regions). *Nota d'economia*, 79, pp. 103–128.

Walliser A. (2004) A place in the world: Barcelona's quest to become a global knowledge city. *Built Environment*, 30(4), pp. 213–224.