

**Summary of Interim Report of the ESPON project on
Secondary Growth Poles and Territorial Development in Europe:
Performance, Policies and Prospects – “SGPTDE”**

This project looks at the 31 ESPON countries and on the performance of urban areas that are not capital cities. The main hypotheses are:

- *Deconcentration matters.* This hypothesis essentially argues that the benefits of an urban system where public and private investment and resources are concentrated upon the capital city are smaller than those of a more deconcentrated, territorially balanced urban system where growth and resources are spread across a range of different sized cities in a wider territory. It implies that: national economies will be more successful when the gap in economic, social and environmental performance between the capital and secondary cities is smaller and more successful national economies have more secondary cities performing well.
- *National policies - and levels of centralisation - matter.* This argues that the performance of secondary cities is significantly affected by national government policies - implicit or explicit, direct and indirect. In addition, secondary cities will perform better where national and regional policy making systems are horizontally and vertically aligned to focus upon place making.
- *Local factors matter.* Secondary cities are path dependent and are constrained by external factors - historical, cultural, structural, political and institutional. But those factors are not determinant. The economic performance of cities will depend upon their strategic capacity to manage those constraints.
- *The key drivers of territorial performance are innovation, human capital, connectivity, place quality, and governance capacity.* Policies on those dimensions are crucial and again should be explored and assessed.
- *Territory matters.* This argues that globalisation makes the governance capacity of place more important. It will be increasingly multi scalar. Economic governance in secondary cities should be located at the highest achievable spatial level. Secondary cities need strategies to shape the different territorial roles they play regionally, nationally and in Europe.

Selection of cities

The report provides a rationale for which 124 secondary cities should be included – those contributing 66.7% of total metropolitan region population excluding capital cities. For the UK these are 13 cities: Manchester, Birmingham, Bradford-Leeds, Glasgow, Sheffield, Portsmouth, Liverpool, Newcastle-upon-Tyne, Nottingham, Stoke-on-Trent, Bristol, Cardiff and Leicester. Belfast and Edinburgh have also been added. Data is being analysed for this set of cities.

There will also be a selection of case studies, which include Leeds. In these case studies the team will collect data at national, regional, metro region, city and within city on indicators which combine the 'harder' economic ones that are being collected for all the secondaries with some 'softer' social and environmental measures: Population, Total GDP, GDP per capita, GDP per person employed; Total employment, Employment by sector, Employment rate, Unemployment rates; High level of education; Patent applications; Potential accessibility: air, road, rail and multi-modal; Journeys to work by car/public transport/on foot; Net migration rates; Proportion of the population with no qualifications; Air quality; Average earnings; Crime rates; Poverty or deprivation measures; Housing costs and quality. "We want to track performance in quantitative terms on the first four indicators of competitiveness – innovation, human capital, connectivity, and place quality. Strategic decision-making capacity will be addressed in more qualitative terms through the interviews. We will also want to conduct some internal comparisons between, for example: the best performing areas of the city, the city region, the region, the capital and the nation."

Some preliminary findings

In the UK Greater London is dominant but the second tier of large cities had seen some growth up to 2007. Thus several UK cities (led by Leicester) recorded a higher employment % change than London 2001-7. While the gap between London and the secondaries is very wide on GDP in PPS, it is much narrower in GDP per capita. In the rate of growth of GDP 2000-7 Edinburgh outstripped London, though overall London's share of total UK GDP increased over that period.

Lead Partner: European Institute for Urban Affairs, Liverpool John Moores University

Other Partners: Metropolitan Research Institute; Budapest, University of Tampere; Université Paris Est Marne La Vallée; University College London.

Related ESPON projects: FOCI, KIT, RISE.

Future Reports: Draft Final Report – 28 February 2012; Final Report – 30 June 2012.

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