URBAN DEVELOPMENT POLICY CHALLENGES IN EAST-CENTRAL EUROPE: GOVERNANCE, CITY REGIONS AND FINANCIALISATION

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ABSTRACT: This paper responds primarily to current innovations that have emerged in urban development policy during the last decades also in East-Central Europe. Prior to the change of the social regime, we notice more traditional approaches in the urban development policy – public consumption, economic development and environmental issues. Among current urban development challenges in this region we may focus on governance, city regions, and financialisation. Besides an outline of a general framework, their application is studied in the case of Bratislava. We argue that especially economic development and environmental issues were neglected in the urban development policy during the socialist period. More elementary development issues obtained priority as policy positions during the early transition period. Taking up more current challenges was delayed compared with western cities, and they have specific features. Nevertheless, it seems that cities in this region recognised the importance of the mutually multiplying effects of governance, city regionalism and financialisation in an urban development policy.

KEY WORDS: urban development policy, governance, financialisation, city regions, Bratislava

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Introduction

Urban development policy has faced quite rapid changes and increasing complexity. From a longer-term perspective, we can observe more phases characterised by diverse approaches, and focus on specific fields of activity and changing development goals. These also differ according to the actors involved and their roles. The key position is usually held by urban governments, depending on powers transferred and the level of autonomy in decision-making. Local élites, representing other sectors of local life, also play an important role in these processes, and so does the central state and its policy toward cities. Nevertheless, urban development policy has also international and globalisation features and actors. Besides important policy transfers by various means (e.g. McCann 2011, Clarke 2012), cities in Europe seem increasingly influenced, for example, by the framework of EU urban development policies (e.g. European Commission 2014). Despite this more general framework, cities operating in various local social and economic conditions respond differently to main challenges of urban development policy. Such variations offer a good reason for a more detailed investigation in the case of individual cities, in

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our case Bratislava, the capital city of Slovakia. Like other cities in East-Central Europe (ECE), Bratislava developed primarily under the influence of two different societal systems: socialist (until 1989) and post-socialist. We would like to answer the question: to what extent cities in this part of Europe have responded to current trends in urban development policy, or to what extent urban development policies here are similar to or different from those in Western Europe.

We can consider urban development policy as a very traditional part of socio-political life, with more typical fields of activity. At the same time, it is a common space for innovation and creativity, with the ambition to inspire, or to be open to inspiration from the outside. Among well-established expressions of the 20th-century West European urban development policy, we can mention such basic agendas as territorial planning and housing – influential issues in some countries already during the interwar period (Novy et al. 2001). Post-war urban development policy reflected goals in economic growth and welfare expansion driven by the central state (e.g. Le Galès 2005), with a strong perception of urban policy such as the provision of local public services and infrastructure (e.g. Dunleavy 1980). This pragmatic and reduced policy scope was challenged and changed in the West European context during the 1970s and '80s. We can observe attention turning towards economic development and a more entrepreneurial policy, accompanied later by increasing sensitivity to environmental issues. Urban development policy has changed even more rapidly since the 1990s, facing new challenges at the end of the first and beginning of the second decades of the 21st century. Taking into account the existing scientific discourse on urban development policy (e.g. Pierre 1999; Jonas, Ward 2007; Rodríguez-Pose 2008; Weber 2010; Miller, Lee 2011; McGuirk 2012; Christopherson et al. 2013; Sokol 2013; Rodgers et al. 2014), what we can consider as the most relevant challenges concerning cities in ECE are governance (in brief – the involvement of many actors outside local government in managing local affairs), city/metropolitan regions (an integrated perception of a city with its hinterland), and financialisation (a growing role of financial issues, financial institutions, financial markets and financial élites).

East-Central European cities have enjoyed about one quarter of a century of development since the socialist regimes collapsed. This unique period of changes has also meant a significant transition to a new urban development policy. It is considerably different from the policy that prevailed here earlier. The period prior to 1989 was characterised by the subordination of urban development and local government in cities to the central state. A powerful tool in this was central economic planning and the total control of local governments by dominant communist parties, with their interests and practices. Nevertheless, urban development policy existed also under such conditions and focused on the provision of basic public services and goods (e.g. mass housing), although often available only at an unsatisfactory scale and in poor quality. However, as pointed out by Musil (2001), while there were big differences in the early period, later on urban trajectories in Eastern Europe started to converge with trends in Western Europe. Cities in former ECE socialist countries sought to be at least partially comparable to the urban 'West'.

Urban development policy issues are covered in a less complex way in the case of ECE cities, despite quite a lot of attention on urban affairs in geography (see e.g. the review paper by Kubeš 2013). There is a lot of knowledge about the urban transformation and partial processes experienced by cities, summarising various stages of post-socialist urban change (e.g. Andrusz et al. 1996; Hamilton et al. 2005; Borén, Gentile 2007; Sýkora, Bouzarovski 2012), or focusing on individual cities (e.g. Keresztély, Scott 2012; Kostelecký et al. 2012; Parysek, Mierzejewska 2006). Covered less extensively have been national urban policies in ECE, reflecting also the lack of such policies in many ECE countries (e.g. Van Kempen et al. 2005; Tosics, Dukes 2005). The situation is similar in the research on post-socialist Bratislava. While urban physical development and transformation issues are frequent (see e.g. Smith, Rochovská 2006; Ondoš, Korec 2008; Matlovič et al. 2009; Korec, Ondoš 2009), more rare are studies focusing on urban development policy and its conditions. More explicitly is such a research direction evident in studies focusing on diverse urban development policy issues, for example in Buček (2002, 2013), Buček and Korec (2013), Machala (2014), Šuška (2014a), or Šveda and Šuška (2014).

This paper has two partial goals. It seeks to present selected main trends in urban policy development in a longer-term perspective (1), and to document to what extent they are reflected as challenges to urban development policy in ECE cities in the case of Bratislava (2). We opted for Bratislava due to its leading role in the Slovak urban system. As the capital and by far the largest city, it is a crucial urban centre of the country. We cannot overlook the crucial role of Bratislava and its region in Slovak economic and social life. For this reason, it is also expected that it should serve as a showcase to other Slovak cities and to be comparable with other larger ECE cities. It should respond quickly and transform current trends into its own policies, leading to its better positioning in the international inter-urban competition. Besides a general framework as a broader urban development policy framework, we use the context of ECE cities (cities in Poland, the Czech Republic, Hungary and Slovakia). We cover quite a long period – since the last decades of socialist urban development, followed by the post-socialist transition period of development (since 1989), the period after joining the EU (2004), and the period of a financial and economic crisis and fiscal consolidation (since 2008). The study is divided into two main sections. The first part briefly summarises urban development policy until 1989, while the second focuses on the period after 1989. We pay more attention to the role of local self-governments.

It is not possible to cover comprehensively all trends and issues in urban development policy discussed currently in geography (urban geography, urban social and political geography), planning, or political science. We deal with more general priorities and widely accepted concepts. Our interest concentrates on those trends which are important from the point of view of East-Central European urban development. The 'development' aspect is not perceived only as physical or population development, but as progress in a more complex and qualitative sense as well. We address changes in urban policy and the policy context of development that is happening in cities throughout this region. The currently prevailing perception that urban development policy is influenced by many actors and not only city governments (for example – civil society, developers, etc.) is also respected. We are aware that there are numerous other concepts, partial policies, policy approaches and measures dealing with very serious challenges to cities that do not get much of our attention (such as planning policies, integration policies, urban shrinkage, etc.).

More traditional approaches in urban development policy

Although urban development policy has a very long tradition, we focus on approaches important during the last decades before 1989. It is an era of the birth of a modern urban development policy and a foundation for later policies as well. This period had a different societal framework if we focus on similarities and differences in this policy in ECE cities and in western ones. Theoretically, there exists a well-meant presupposition that all cities (regardless of the regime) should be interested in the development and good provision of public services to citizens. The main difference is in the limited scope of the initiative and freedom of urban governments and other potential local actors under socialism. In both contrasting regimes, we could observe a strong role of the central state. However, it was of a different nature in the western world (pluralist, democratic, framework-based) and more of a 'command and control' type behind the 'iron curtain'. As well-established priorities in urban development policy until 1989 we consider those based on (1) public consumption, (2) economic development, and (3) environmental issues. While in this basic orientation we can find certain similarities, e.g. during the 1960s and '70s, urban development policies started to be more divergent from the late 1970s and during the '80s. Among similar features we can mention great attention paid to public services, although more successfully in western cities. However, socialist cities were not able to respond sufficiently to new approaches focusing on economic development and environmental issues. They kept to their old development approaches, central planning, uniform services, absence of efficient local initiatives, and less respect for environmental issues.

Local public consumption and its improvements are usually considered to be the most traditional feature of urban development policy. It is very close to the primary needs of citizens and

the local meaning of a modern state. This prevailing perception of the main role of this policy culminated in 1960–1980. Urban governments concentrated on the roles that the public sector usually guarantees at the local level – from education and health to infrastructure and utilities of various kinds. West European cities fulfilled such tasks assigned by the central state, with less autonomy and fewer own resources. During this period, Dunleavy (1980) characterised urban policy as being a study of decision processes that concern collective consumption. Saunders (1982) also emphasised that, while in the centre it is a class policy based on the politics of production, in the case of the local or urban level it is a policy focusing on the administration of consumption. Since the end of the 1970s and during the '80s there were more and more opinions that the concentration of attention on the 'local welfare state', or urban physical development regulation, as urban policy priorities was not sufficient. The pressure of economic development issues, as well as rising interest in the quality of the urban environment, came to the top of urban development policy debates. The complexity of urban development policy began to grow also thanks to the rising position of local governments induced by decentralisation reforms, growing ambitions of local leaders, rising professional capacities of local bureaucracy, as well as the expansion of more liberal thinking in society.

Urban development policy expanded its agenda step-by-step until the end of the 20th century. Cities and their élites started to take over a larger share of responsibility for economic and social development in their territory. From a scientific perspective, there appeared new approaches with a set of new concepts and related terms known as 'city limits', 'growth machine', 'local economic development', 'urban entrepreneurialism', and 'new urban politics' (Peterson 1981; Logan, Molotch 1987; Harvey 1989; Leitner 1989; Cox, Mair 1988; Cox 1993). While they started in the USA, they quickly penetrated throughout the urban world, also inspiring many European cities. This was mentioned, e.g., by Harvey (1989), who emphasised that managerial approaches, sometimes prevailing and concentrating on the provision of public services and goods in cities, gave way to more initiative-based forms of 'urban entrepreneurialism', focused on an active policy of economic and social urban development. What was remarkable was that these approaches attracted attention and were applied across countries as well as in political parties and ideologies. There grew a fascination with economic development issues in cities, accompanied by a search for new approaches seeking to improve their economic performance. Closer cooperation between urban governments and local businesses emerged as one of the key features. The business community recognised the usefulness of cooperation with the urban government for strengthening its own chances to expand market opportunities and generate more profit (first of all among more locally dependent developers, service providers, retailers, etc.). It also reflected a growing awareness that development was more in the hands of the private sector's activities and depended on the quality of the local business environment (e.g. Blakely, Bradshaw 2002). Such an approach was backed by central states as an opportunity for them to withdraw from many local matters. It was also influenced by other processes, for example by rising globalisation and inter-urban competition.

More and more attention to environmental issues penetrated into political life in developed countries, especially since the 1980s (although emerging already in the 1970s). Urban citizens, environmental activists, and increasingly influential green parties, demanded a better living environment in cities. Under such pressure, this issue shifted to one of the priorities of urban development policy. We could observe a rising number of conflicts between development-oriented interests and environmentally based, sometimes even 'conservationist', interests. There emerged new concepts seeking to harmonise economic development with the environment in cities. Among them we can mention such influential concepts as 'sustainable city', 'compact city', 'self-reliant city', or 'green city', complemented with the expansion of well-prepared environmental planning for cities (see for example Elkin et al. 1991; Haughton 1997; Ekins, Newby 1998).

The sphere of public consumption can be regarded as one with the highest potential for finding parallels between socialist and western urban development policies during this period. The urban development policy in Bratislava until 1989 had features observable in many similar

socialist cities. It focused on rapid quantity-based and ideologically interpreted planned growth as a sign of the regime's success. It was observable, e.g., in population terms, industrialisation, or large-scale physical development, being most visible in large housing estates (see, e.g., Szelenyi 1996). However, such development, despite official proclamations and the attempt to satisfy citizens' needs, suffered from many shortages in various spheres of public consumption. The dynamically developing Bratislava experienced the scarcity and insufficient quality of many basic public services. This concerned fields like housing, education, public transport, public green spaces, as well as the development and maintenance of infrastructure, not to mention other services, in many cases guaranteed by that period's local government due to the absence of a private sector (many development policy shortcomings in Bratislava are summarised, e.g., in Zemko et al. 1984).

A locally initiated urban development policy focusing on economic development and based on any kind of market-oriented initiatives was not possible at that time in Slovakia. The most important social and economic development issues were controlled by the central state and its hierarchically subordinated administration supervised by the Communist Party (as summarised for that time in Czechoslovakia, e.g. by Dostál and Kára 1992). A very important role in coordination was played by the centralised planning system that also managed activities concerning local economic development issues, such as the location of state enterprises, production, employment, volumes of new investments, etc. It is difficult to estimate the role of a local government, a local party organisation and a local managerial élite in the allocation of resources and capacities in Bratislava's development. Final decisions on big investments were in the hands of central state institutions, although some 'local voices' and 'regulated' debates were allowed on some occasions and in some cases (as documented in the case of an important bridge over the Danube River during the 1960s by Bútora 2011). Nevertheless, local leaders were more closely connected with 'national' institutions located in Bratislava. They were able to influence not only the location of large investments like housing estates (e.g. Petržalka, the largest), but also those in infrastructure (the new SNP bridge across the Danube), in the university sector (new buildings for some faculties of Comenius University and the Technical University), or large hospitals, etc. Later on, it was expressed in an effort to locate new investments (for example in the car industry and electronics). Among the actors influential during this period we cannot underestimate the role of big local state enterprises that were obliged to participate in local development (see e.g. Illner 1992). They contributed to various aspects of life in the city (e.g. nursery schools, social and health services, culture and free time), but also influenced such sensitive issues as the allocation of housing to their employees (in the state of a permanent housing shortage). The position of Bratislava in terms of local development played a part in upgrading its status to the capital city of one part of the then Czechoslovak Federation (formally introduced in 1968). The post-war development of Bratislava was quite impressive despite its border position. Large investments in the economy and infrastructure (e.g. the large oil refinery Slovnaft) were located there. Due to the fact that across the border was Austria as a neutral state, strategic limits on investment were not so strict there. During this period, Bratislava's urban development was a mixture of local, Slovak and federal interests.

The incorporation of environmental issues into urban development policy in Bratislava was more complicated. Those issues were neglected for a long time during the socialist period. Although such aspects were rhetorically mentioned from time to time, they were subordinated to the prevailing traditional development priorities (e.g. Barnovský 2007). However, surprisingly, we can observe a movement in Bratislava similar to environmental activism in western countries, especially during the 1980s. As stated by Sarre and Jehlička (2007), the policies of *glasnost* (openness) and *perestroika* (restructuring) opened up the opportunity for protest. Environmentally and ecologically oriented movements emerged in Bratislava already in the early 1980s (see e.g. Šuška 2014a). Originally, conservation-oriented activists drew up a strongly critical document *Bratislava Nahlas* ('Bratislava Loudly') in 1987. It focused on urgent environmental problems such as nature degradation, pollution, or health in the city, etc. This initiative introduced a strong

environmental momentum into Bratislava's development policy, although it was not applied immediately. This group of activists opposing the establishment in the field of environmental issues during the 1980s contributed to the erosion and then the collapse of the communist regime. They initiated a more or less stable environmental advocacy in the city also for the following decades.

Latest challenges for urban development policy

The expansion of the latest approaches in urban development policy has been induced by a set of motives. Among the most important is the strong dominance of neoliberal political thinking leading to a changing perception of the role of the public sector in development and collective consumption. Such development has been accompanied by the strengthening role of the financial sector in society. Also important has been an increasing awareness of the crucial role of cities in economic development. On the other hand, the traditional pillar of urban development policy – public consumption and its upgrading – is still important as well, even though it can be regarded as a more routine part of urban policy-making nowadays. Economic development-oriented and environmental approaches also transform into more elaborate forms. As a response to societal development, there has emerged a set of new approaches representing influential conceptual innovations. Their understanding and reasonable application substantially influences the processes and outcomes of urban development policy. In the case of large metropolises, their successful application can significantly enhance development in their regions and, in the case of capital cities of smaller countries, even the growth of the whole country. They reflect the processes of globalisation, as well as transfers of policies and concepts across the urban world (e.g. Clarke 2012).

East-Central European cities are interested in well-operating and competitive cities comparable with those in the most developed countries. It is an inevitable part of the convergence process in those countries. This ambitious task was executed in the post-socialist 'time contraction'. This means that cities had to implement many traditional tasks (e.g. in public consumption), as well as introduce many new approaches into their policies during the complicated transition period and in quite a short time. As a result of the introduction of local self-government, decentralisation, and joining the EU, urban policy has transformed seriously in ECE. It now approaches global trends and many of those cities actively search for possibilities to implement urban policies fully compatible with other cities and be successful in social and economic terms. As already indicated, we focus on three main concepts: governance, city/metropolitan regions, and financialisation. We demonstrate the extent to which they are reflected in Bratislava's urban development policy. It documents many attempts, progress, as well as existing limits to and contradictory features in their application.

Governance

The diffusion of the concept of governance (e.g. as urban governance) has influenced considerably recent urban development policy. It reflects the realisation that urban development and the functioning of cities is not the exclusive agenda of local governments. Decision-making in this field is now based on wide-scale interactions of many actors representing various sectors and institutions. The most visible shift towards governance can be observed in the rising number and multiple forms of inter-sectoral 'partnerships'. The larger number of directly involved actors reinforces total opportunities and capacities for urban development. Governance in its well designed practices is more open to various forms of participatory democracy, with more respected positions for citizens' associations, community-based organisations, as well as individual citizens/voters. In Bratislava governance structures are still under formation, expanding over the last decade. This development is not without controversies (e.g. asymmetries in treating particular actors) and a search for suitable arrangements. We can observe progress in such fields as service delivery, strategic planning, and participatory budgeting.

The concept of governance has penetrated into the practice of local governments as a direct reflection of the changing conditions of their functioning. Today cities have significant powers

and greater responsibility for economic and social development. They face rising expectations from their citizens and offer an arena for ambitious politicians. Traditional approaches have been challenged by the spread of new forms of service provision and urban development management. Decision-making and implementation of development policies have opened to many diverse actors, such as service contractors, developers, business associations, or citizen groups/NGOs. As a result, urban development policy can no longer be perceived as fully under the control of elected representatives. Taking into account the institutional perspective, it generates a more complicated environment linking together elements and rules of previously quite separate environments. Actors meet here in manifold combinations with their specific managerial, professional, legal, and value-based approaches and interests. In this perspective, governance cannot be perceived as a simple 'technical' coordination or any consultation process (Lowndes 2009). It is a rather demanding model of coordination of activities in cities, representing a change in the distribution of real power and development approaches. It is a highly vital and flexible concept which exists now in various forms (e.g. as multi-level governance, networked governance, good governance, etc.) and local mutations.

'Secondary' cities (such as Bratislava) are significantly influenced by decisions adopted outside their local environment. For their success, a good implementation of the governance principle is a very important, although highly complicated, task. Urban development policy is a multi-hierarchical and multi-actor activity, confronted with structures of the public, private and non-profit sectors, working in local (and sub-local), regional, national, European and global dimensions. Cities are confronted, for example, with strategies of multinational corporations, or initiatives of European and global institutions. Efficient urban governance is not an easy task, especially when we are aware that the concrete local form of governance is unique and changes over time. It has a distinctive organisational constellation, mix of actors, own rules, reflects the influence of the local culture and traditions, and has specific approaches to the implementation of general rules. This specific local urban governance constellation significantly influences the final outcomes of urban development policy. Among the most successful cases we can mention the steadily growing operations of the VW corporation in Bratislava (more than 9,000 employees in 2014), as a result of the cooperation of many actors: the company (with its headquarters), the national government, the city government, the local education system (university and secondary levels), etc. On the other hand, governance structures were not successful e.g. in protecting the UNDP regional office in Bratislava against its relocation to Istanbul (with its ambition to form a new UN hub here).

The system of public administration organisation is among the key elements of governance. Many various actors of all levels and lines of administration are involved in the development processes in Bratislava (including specialised agencies, as for example heritage protection offices). We have to take into account, e.g., the two-tier model of local self-government applied in the city, with elected bodies at the city and city-quarter levels (17 city quarters). Their relations are influenced by diverse interests between the city level and that of the city quarters, as well as among the quarters themselves, varying in size, location, or functions (see Buček 2013). Some of the obstacles in the multi-level governance perspective have been generated by instabilities in the public administration system. The system of self-government has long been more or less stable (the number of self-governments since 1990; powers and resources since the decentralisation reform implemented between 2002 and 2005). However, this is not the case with state administration. There were more offices of general and specialised state administration with their own powers during the last decades. It underwent more stages of reforms with extensive reorganisations (cancellation of district offices and regional offices of general state administration, integration of specialised state administration offices). Too many public administration bodies, diverse interests and instability have limited progress in governance efficiency.

The scale of urban development in Bratislava and its capital city position often requires the involvement of higher levels of government. It is often not easy to achieve concord, or compromise with upper levels on development issues and priorities. The city area is part of the Bratislava

self-governing region with its own elected bodies. Although powers are allocated to different bodies, cooperation is needed in many overlapping and emerging issues. The capital city also needs the attention of central-state institutions (ministries, specialised national agencies). Central-state bodies tend to be criticised for their lack of interest in supporting the development of the capital city, although selected individual investments have been supported. There has long been calls for changing the tax base and financial transfers in favour of the capital city (e.g. during the 2014 local elections). Since Bratislava belongs to the most developed region in the EU, it has limited access to EU funds. Nevertheless, selected projects have been approved and the city and the Bratislava self-governing region actively search for more opportunities to be involved in EU development policies. From the multi-level governance perspective, the situation has also improved in that there have been more participatory approaches to shaping national urban policy over the last few years (under the auspices of the Ministry of Transport, Construction and Regional Development), with a more extensive involvement and more roles for large cities, including Bratislava.

The delivery of public services and the provision of utilities are among the most important fields influenced by governance. Local self-governments can act as owner, co-owner or contractor in this field. Bratislava self-government uses various municipal organisations and companies (see e.g. Buček 2015). For example, it is the majority owner (57%) of the regionally operating Bratislava Water Company (BVS a.s.), in partnership with other local self-governments in the region. Another case is full ownership of DPB, the city's public mass transport company (a joint-stock company, with 100% city ownership). On the other hand, Bratislava self-government contracts summer and winter road maintenance services to an external private provider (Technické služby – A.S.A s.r.o., owned by the Spain-based multinational company FCC). The practice of governance is influenced by the legal forms of these companies in the case of (co)ownership, or by the conditions and procedures of making contracts. In fact, decisions in those issues are predominantly a matter of the city council, professional staff working in the city magistracy, and by managers, partners or contractors, while it is less influenced by citizens/customers or other actors. Nevertheless, even those less influential parties are able to protest and ask for changes if needed. However, there were many tensions in selected service provision companies and their operation: among city councillors, city councillors working also as Board members in those companies, managers (Board of Directors), employees, citizens – customers in the case of BVS a.s. Part of the problem is the lack of transparency and a less favourable financial behaviour of a company when the city is in a difficult financial situation (e.g. SITA 2015). Repeated disputes also concerned contracts for summer and winter road maintenance.

The absence of well-developed structures of governance is responsible for more cases of contradictory development processes in Bratislava. It reflects an insufficient regulatory environment, unsuccessful coordination of more tiers and lines of government, as well as insufficient and asymmetric opportunities for the cooperation of various actors. Such contradictory cases in Bratislava's urban development were studied by e.g. Buček (2006) and Šuška (2014a). So far the existing development approaches have led to deep and long-term disputes with many actors involved (with many critical situations such as street protests). They were the result of uncoordinated development and the absence of wider societal support, and led to negative intervention into potential historical heritage protection sites and the use of public spaces, or less successful regeneration projects (e.g. the demolition of old industrial buildings, the case of *PKO* – the city's traditional cultural centre, and the development of areas around the Bratislava castle – '*Podhradie*', etc.). It was caused by less transparency and a period of more neoliberal approaches to urban development policy, especially during the first decade of the century (Buček, Korec 2013, Šuška 2014b). Urban development policy had been driven by private business initiative (e.g. selected developers), in a less precisely regulated planning framework, and with a weaker position of environmental activists or the public. Nevertheless, we have to mention that there have also been cases of major development projects finally accepted by the public as successful (e.g. the Eurovea project on the Danube river bank).

Among the fields confirming the expansion of governance structures in Bratislava we can mention strategic planning and economic development programming. This is especially true when we compare earlier attempts at strategic development planning in Bratislava (in the 1990s), and approaches used in the last strategy adopted in 2010 (Academia Istropolitana Nova 2010). While older strategies were prepared by a limited number of local experts and professionals working in the city magistracy, the latest one was the outcome of more participatory, collaborative approaches now prevailing in strategic development planning (e.g. Healey 2004; Albrechts 2012). The city self-government was able to attract to development programming numerous actors/ stakeholders and experts from outside local self-government and its institutions (Buček 2014). Among them we could find, for example, representatives of the Bratislava self-governing region, the main local universities and research institutes, key ministries, representatives of other state institutions, and a large number of participants from the rich local non-governmental sector (including influential environmental organisations), not mentioning various local associations. We can also consider as relevant the participation of the private business sector, combining a set of very influential companies and various associations of entrepreneurs, chambers of commerce, etc. It initiated a more transparent cooperation of many actors in the identification of development policy priorities. Despite this positive shift, the real implementation of the development programme and its particular measures is less optimistic. Cooperation is less regular and implementation monitoring less systematic.

We can include participatory budgeting in the standard approaches related to the concept of governance and increased involvement of the public in decision-making (e.g. Sintomer et al. 2008). In this field Bratislava is among innovators in the ECE framework. Nevertheless, despite many experiences with this form of budgeting, it still plays a marginal role in the preparation and implementation of the local budget. Although introduced in 2011, for example in 2013 there were only a meagre EUR 46 thousand available for setting such citizens' priorities (with Bratislava's city-wide self-government expenditure at EUR 230 million) (Utopia o.z. 2013). It is incomparable with many other cities around the world which decide on up to 10% of the budget, or allocate resources in millions of euros. Since 2015, it has been presented as the *Citizens' budget* with some other innovations possible (Bratislava City Magistracy 2015). Despite signs of positive development, the scale of this participatory and governance tool is very limited. It can still be considered more an experiment, influenced also by the worsened situation in local finance.

City regions

The spatial dimension of the urban development policy is also changing significantly. In the times of large urbanised areas, the perception of a city within its administrative borders is an anachronism. The spread of urbanised areas and their role in social and economic development has led to a general shift in favour of concepts linking a city and its region, or the formation of metropolitan areas. An expansion of this approach has a solid base in the decades of debates on metropolitan government (e.g. Barlow 1991; Van den Berg et al. 2004). There prevails now a more pragmatic and integrative thinking linking together the urban core and its hinterland, based e.g. on the usefulness of bridging workplaces and housing (e.g. Savitch, Vogel 2000). Into the forefront of scientific debates joining 'city regions' and 'city regionalism' came terms like 're-scaling', or 're-territorialisation' (see for example Brenner 2004; Jonas 2012; Jonas, Ward 2007; Tosics 2007). In this 'package' of conceptual innovations, the city region perspective is among the most accepted. It has influenced not only global cities, but cities in general. Many city-region activities have emerged around the world, with various institutional and spatial frameworks. There have also been attempts to adjust this relation in a formal way by establishing formal administratively consolidated urban areas uniting cities and their hinterlands, but they have been less common. It is generally recognised that city regions concern distributive and urban development policies, as well as inter-urban competitiveness.

The city-region concept has also penetrated into urban development policies in East-Central Europe. Great attention to this issue has been paid in Poland, with its polycentric urban system and a great number of large cities (e.g. Kaczmarek,

Mikuła 2007; Smętkowski et al. 2011; Lackowska, Zimmerman 2011). However, while in Poland more attention is paid to development policy coordination and governance in city regions, in the Czech Republic, Hungary and Slovakia the focus is on a less ambitious spatial identification and the planning framework, with growing attention paid to capital city regions and slowly rising collaboration among actors at least in some fields (see e.g. Ouředníček et al. 2014 on Prague, or Egedy, Kovács 2010 on Budapest). The growing awareness of the city-region issue in Slovakia and Bratislava is confirmed by debates in the association of cities (Union of Cities 2013), or in the ministry responsible for urban and regional development in Slovakia (the Ministry of Transport, Construction and Regional Development) and large cities. Apart from pressure from below based on a transfer of experiences, an important factor in this development has been pressure from the EU to support urban development during the 2014–2020 programming period. What we focus on, besides the lack of clarity in spatial delimitation, is the set of functions usually regarded as the most suitable for a more integrated city-region framework (planning, transport, utilities networks), as well as formal institutional development and governance in the case of the Bratislava city region.

The spatial delimitation and perception of a city region is an important but often no easy task. A grouping of administrative units or a voluntary self-organisation of actors is possible, but not always satisfactory or efficient. While the core city in the case of the Bratislava city region seems clear (the city in its current administrative borders), it is not so clear what the 'region' is. The currently existing (since 1996) regional administrative unit – the Bratislava region – is not a truly bounded region (e.g. in the sense of Bennett 1997), because it does not cover part of Bratislava's functional region if delimited, e.g., by the commuting area. In Bratislava's self-governing region there are 89 local self-governments/communes (and Bratislava's city-wide self-government). However, due to dynamic social and economic development, the city's influence extends far beyond its borders, predominantly thanks to suburbanisation processes. Studies of suburbanisation in Bratislava's hinterland (e.g. Slavík et al. 2011; Šveda 2014; Šveda, Križan 2012) usually analyse 108–113 communes as delimited by daily commuting flows (derived according to Bezák 2000). The latest research by Halás et al. (2014) led to the delimitation of Bratislava's functional region with 96–95 communes (using the 2001 census data). This means that the Bratislava functional region overlaps the neighbouring administrative Trnava region in several sections of their joint border.

Local self-government units in the Bratislava hinterland are not equal in the level of their development and their linkage to the core city. Šveda and Podolák (2014) demonstrated that immediately behind the city's administrative border there was a zone of very dynamically growing communes with very close linkages to Bratislava. These authors also stress limits of existing data that could confirm even closer links (due to population registration practices). In reality, there are local self-government units immediately beyond the city border (e.g. Ivanka pri Dunaji, Chorvátsky Grob) which are already much bigger than some Bratislava quarters. This reality has been reflected in the delimitation of a narrower functional Bratislava region covering altogether 52 local self-governments (and Bratislava's city-wide self-government) for the application of selected development measures in the EU 2017–2020 programming period (Bratislava City Magistracy 2014). A specific issue is the cross-border part of this city region. Involved in suburbanisation and intensive linkages to Bratislava are already 5–10 communes in Hungary and Austria. Clear signs of intensive housing and commercial linkages can be observed, for example, in Rajka and Bezenye in Hungary, as well as Wolfstahl, Berg, Kittsee and Hainburg in Austria. Such diversity complicates the formation of a city region and its ability for joint action (different problems, capacities, even competing interests).

It is not so urgent to have a clearly defined Bratislava city region. It is more important whether such a densely populated (the Bratislava functional region has about 650,000 inhabitants, 2011) and economically very important territory is well managed, functionally integrated and finally competitive. It is especially crucial for various fields of public consumption or development planning. There are cases of already existing functional integration, but its progress is slow. The most risky is the absence of good working

planning coordination in the city region (strategic development as well as master planning). This is well documented by quick and chaotic, insufficiently regulated residential development beyond Bratislava's administrative border, documented e.g. by Šveda and Šuška (2014). An unclear legal environment, planning documents, and controversial decision-making procedures have led to the development of large suburbs without adequate infrastructure and services for citizens. Despite the adoption of a larger number of planning documents at all levels, they are not sufficiently integrated and implemented comprehensively.

Another case of slowly developing cooperation in the region is integrated public transport. A complicated transport situation with frequent congestions led to the founding of a specialised company (*BID – Bratislavská integrovaná doprava* in 2005), owned by the Bratislava self-governing region (65%) and Bratislava self-government (35%). It was supposed to integrate various public transport services for citizens in Bratislava and its hinterland (including those living beyond the Bratislava region's administrative border). Despite quite a long time of its operation, its real impact is reduced. Limited integrated transport was only introduced in the north-western part of the Bratislava region (in 2013). It seems to be very complicated to coordinate and harmonise many public and private actors in several kinds of transport – transport providers, regulators, subsidy providers. Further progress depends on disputes on the optimum division of the financial burden (the division of losses and a system of subsidies) and the use of transport capacities of the partners involved (SITA 2014). Public mass transport still functions as a group of separate companies with their own interests and initiatives. Since those involved are also big public transport companies (such as railways), central state intervention seems inevitable.

The situation is different in other distribution policies. An important agenda with no well-prepared regional coordination is waste collection and disposal. It is fragmented into numerous providers with a set of problems (e.g. waste disposal sites). Less coordinated is the system of the development and maintenance of roads and motorways under several administrators (e.g. motorway development is in the hands of the central state, local roads are administered by local self-governments). On the other hand, there are large regional companies (with even larger spatial coverage) running water and sewage networks (BVS a.s., partially serving also 5 communes in Austria), and the electricity (ZSE a.s.) and gas distribution networks, the latter two now operating in a competitive environment (more distribution companies).

Efficient city-region governance has thus far been less developed. The idea and sense of the Bratislava city region is not motivating enough for many actors operating in the region. For years, a vital governance-based institutional platform has been missing. The most serious issue is the absence of any vital bottom-up voluntary, associative structures covering and representing the whole region and its important actors. Surprisingly, although there are regional associations of communes in smaller sections of the region, they are not integrated in a body representing the Bratislava region as such. Bottom-up regional structures are absent, or there is less initiative also in other fields of social and economic life. The most important is the absence of this kind of governance-based structure focusing on the development of the region. In this respect, the Bratislava city region is behind other cities in ECE, e.g. when compared with institutional development in Polish city regions, as documented in the case of the Poznań Metropolitan Area (Mikuła 2015).

An important stimulus in the move towards well developed governance structures can come from central state intervention. It was only after the adoption of new legislation (Act No. 91/2010) that there started to emerge more vital cross-sectoral activities in tourism. A regional tourism organisation has been set up (Bratislava Region Tourism) as well as the Bratislava Tourism Board and the Region Senec (in the western part of the region) area-based tourism association, with members from public, private and non-profit non-governmental sectors. They coordinate their activities and organise many actions also thanks to the support of state subventions and EU funds (see e.g. Bratislava Region Tourism 2015). They have substantially contributed to destination management and city-region promotion.

It seems that governance is dependent on initiation/pressure or motivation (e.g. financial)

'from above' – from the central state and EU levels. As a step forward we can consider an initiative focusing on a set of projects prepared within integrated strategies of urban areas development in the Bratislava Region during 2007–2013 (EU Bratislava Region Operational Programme, 2011). The next development stage will take place in the 2014–2020 programming period in which the Bratislava city region will work more in favour of integrated development (as integrated territorial investments, and sustainable urban development). This means the elaboration of the Regional Integrated Territorial Strategy, as well as the Integrated Strategy for Sustainable Urban Development on the cross-sectoral partnership principle. It offers a chance for strengthening the cooperation and coordination of activities, as well as for new institutional developments.

Financialisation

Financialisation has penetrated deeply into the sphere of the public sector and public policy during the last few decades (see e.g. Leitner 1994; Jessop 1998; Weber 2010). Current urban development also needs very sophisticated financing schemes and tools, a combination of various resources. As a primary factor of this development we can consider the scarcity of resources in the local public sector if compared against its tasks, or ambitions. The generally increasing impact of the financial sector and its innovativeness cannot be ignored either. An increased interdependence between the financial sector and cities influenced activities in the public and private sectors in cities before and during the global financial crisis. Due to very diverse national and local conditions, as well as to related decision-making outcomes, financialisation is also typified by a wide variety of approaches and impacts in cities. These factors cause an intensifying interest in urban finance and financialisation research (see e.g. Kamal-Chaoui, Sanchez-Reaza 2012). We can find studies paying attention to the ever-wider use of innovative tools in municipal finance, in many cases accompanied by huge losses (e.g. Hendrikse, Sidaway 2013), or local budget cuts with a reduction of public services (e.g. Meegan et al. 2014). Other authors focus on real-estate aspects, mortgages and housing (e.g. Coq-Huelva 2013). There are frequent debates on the interconnected nature of current urban policy, capitalism and neoliberalism (e.g. Krätke 2014).

Financial issues have moved into the forefront of the local agenda in many ECE cities. They were influenced by a specific, less generous financial framework of the post-socialist transition, but they were also incorporated into pre-crisis economic growth processes. On the other hand, cities had to cope with the crisis and post-crisis financial hard times. Financialisation in the framework of an urban development policy can have specific features there. As far as Bratislava is concerned, we document various aspects of financialisation in the case of the changing situation in local finance (such as extensive borrowing and reduced development budgets), housing market development (the most sensitive issue for households), as well as urban development financialisation by means of big physical development projects that emerged after the turn of the century (with the important role of private resources).

It has to be mentioned that financial aspects have always been very important in urban development policy from a local-government perspective. However, there prevailed more traditional principles and procedures of public finance (e.g. as local budgeting). Cities also intervened to various extent in spheres linked with the current perception of financialisation, for example in public housing. At the same time, urban local governments were an accustomed object of the financial sector's interest. For a long time cities preferred more simple financial tools (such as credits or municipal bonds) used in public services and public infrastructure development. The growing variability and complexity of urban life, new powers, and more ambitious urban policies have made it necessary to update approaches and use more sophisticated financial tools. It also requires more professional staff dealing with local finance in cities.

Despite many reasons for the expansion of such approaches, the imbalance between the decentralisation of powers and fiscal decentralisation should be emphasised. It has caused a lack of public resources available for the powers allocated at the local level (worsened during the crisis). The inadequacy of resources generated by traditional sources (e.g. local taxes and fees, shared taxes, own property yields, central-state grants) has initiated the introduction of various

internal financial restrictions as well as greater dependence on external non-public financing and financial markets (more innovative credit techniques and financial tools). It has also led to the application of new approaches in public service provision (e.g. new public management approaches) and in urban development. This has been accompanied by the privatisation of municipal services companies, turning to more sophisticated forms of public-private partnerships (with a higher share of external financing), and the commodification of municipal property (e.g. rent or sale). It can be concluded that the key policy ambition – not to stop urban development – is motivated towards financialisation in its various meanings and forms.

Bratislava is a good case documenting various features and phases of financialisation in this part of Europe. The first post-socialist years – early transitional financialisation – were characterised predominantly by the instability of the economic and financial frameworks, scarcity of resources, and limited chances for a more active urban development policy (e.g. low investment activity). It focused on the financing of primary local public consumption. Later on, the city obtained more powers and stagnation replaced the effort for rapid development during the positive phase of the economic cycle, also thanks to a consolidated financial sector (late transitional financialisation after the year 2000). At that time, local political élites were offered good conditions for private sector investments. An ambitious development policy based on entrepreneurialism and neoliberal ideas predominated in this period, linked especially with the Bratislava self-government led by mayor A. Ďurkovský (Buček, Korec 2013). The latest, current, phase is influenced by the impact of the global economic and financial crisis (crisis and post-crisis financialisation – since 2009). It is accompanied by growing indebtedness (with minimum chances for new credit) and rapidly dwindling local self-government investments. Private development initiatives and foreign resources also withdrew during the crisis. The city government had to turn to sources available from EU funds (limited due to the fact that the Bratislava region belongs statistically to the richest regions in the EU) and larger involvement of the central state in Bratislava's urban development. Such development constraints have initiated a debate on the threat to the competitiveness of the city in the ECE region if the financial background of its development does not improve.

Surprisingly, already the early years of the post-socialist transition had good cases of financialisation. The difficult first decade of the transition was typified by various forms of financial scarcity and limited access to resources. Urban development policy stagnated at that time in Bratislava. The lack of resources in both the public and private sectors (an underdeveloped private sector, high rates on credits) led to a collapse in new construction activities (e.g. including new housing). The activities of the local self-government in Bratislava were also limited by ambiguous transitional processes (e.g. privatisation, restitutions). Nevertheless, with time, Bratislava self-government became relatively rich thanks to the return of historical municipal property (land, buildings the city owned before socialism) and the property received during the transition (e.g. linked to their powers, municipal companies). In a situation of financial scarcity it started to sell real-estate property mostly to private investors (e.g. in the city centre). It generated additional resources needed for operating costs and minor development projects (e.g. the revitalisation of public spaces).

Specific cases of financialisation expressed deeper Bratislava self-government linkages with the financial sector that existed already during the first decade after 1989. The city government capitalised part of its assets and property in financial institutions. This was the case of the Istrobanka bank (18% share of the city), or the Hasičská Insurance Company (17% share of the city). They were sold later in the processes of the financial sector concentration and consolidation. Although losses due to bad financial investments are usually discussed in the framework of the financial crisis one decade later, Bratislava lost money in a 'bad' bank (attractive by its unusually high rate of profit) at the end of the 1990s. The city transferred about SKK 370 million to the later bankrupt Slovenská Kreditná Banka (app. EUR 12 million at an exchange rate when joining the Eurozone in 2009) in the mid–1990s, with only a marginal payback (*Bratislavské noviny* 2001). Maybe thanks to this experience, as well as to stricter central-state regulations on

municipal borrowing (introduced after the near financial collapse of some large Slovak cities such as Košice and Banská Bystrica), financial behaviour has been more prudent since then.

The city of Bratislava was not able to mobilise enough resources for any significant development projects in its own fiscal framework during the 1990s. As a result, it turned to the most standard tools – credits and municipal bonds. The city has functioned on borrowed resources permanently since the mid–1990s. Taking new credits to pay off previous ones has also become the standard approach. Specifically, these 'earlier' resources were provided by foreign financial institutions. This was the case of the municipal bonds released via the NOMURA International in 1995 (Kresánek et al. 1998), or the credit provided by the Deutsche Bank Luxembourg in 2000 (Bratislava City Magistracy 2003). Since 2003, the city has used predominantly Slovak banks for private external financing of its needs. This has been possible thanks to the better situation in the Slovak banking sector after its consolidation and privatisation at the turn of the century. Thanks to the withdrawal of the preferential tax regime for municipal bonds in Slovakia, bonds were no longer used in the case of Bratislava. It was not difficult to obtain credit at good rates from Slovak banks, also thanks to the better macro-economic situation in the country.

The impact of the financial and economic crisis lasted much longer in the case of the public sector and it led to more years of fiscal consolidation in many countries (Silva, Buček 2014). The consolidation of public (primarily state) budgets seriously limited urban development initiatives. While during periods of economic growth we could observe important development expansion and a shift towards deregulation, later on the reverse process started. Numerous new regulations and limits were introduced in many states on local finance (together with other interventions in public finance). The financial crisis and post-crisis public finance consolidation worsened also the financial situation of Bratislava's local self-government. The main sources of income dwindled or stagnated (e.g. shared tax yields), and so did the income from selling municipal assets. Bratislava's total budget culminated in 2008 (if financial operations are excluded in 2009), followed by a decreased volume of resources in 2011–2012. The situation was worse in urban development, with dramatically reduced capital budget expenditures (Fig. 1). This was caused not only by fewer resources, but also by rising current expenditures (spending on basic local public services and administration since 2013). The city almost totally gave up any larger-scale investment in 2011–2013. Most expenditures were current expenditures, mostly mandatory (e.g. salaries, contracted services). The total debt of the city oscillated between EUR 160–180 million in 2008–2013 (credits and liabilities). This is a very high level of debt, e.g. when compared against annual current expenditures, which were only rarely above EUR 200 million during that period. However, we have to take into account also credits taken by city organisations (its investment managing company GIB and the local public transport company DPB). This was an additional EUR 65 million of debt. Significant funds were required for the financing of the ice hockey arena prior to the Ice Hockey World Championship in 2011, or the purchase of new buses and trolleybuses (Bratislava City Magistracy 2013). Most of the credits were provided by local banks, although all of them are part of big multinational banking corporations. Due to the improving situation of financial markets, the city could restructure its debt in 2014–2015, also thanks to the Council of Europe Development Bank – CEB.

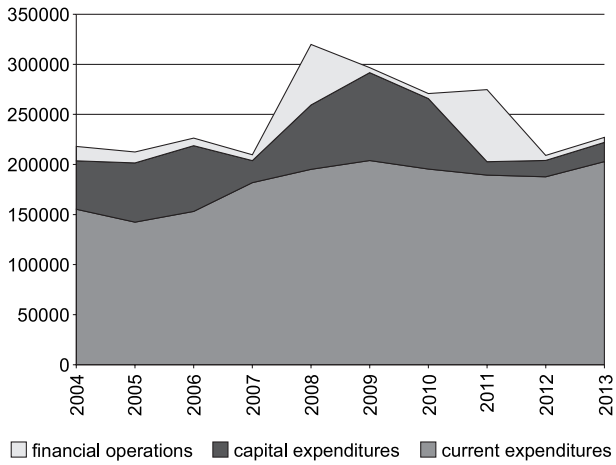

Fig. 1. Expenditures of Bratislava city-wide self-government (in thousand euros).
Source: Bratislava City Magistracy: Final Accounts.

The post-socialist transformation also introduced more extensive financialisation of selected fields of urban household life. The involvement of the public sector in such fields changed

in favour of private responsibility accompanied by various financial tools. This is especially the case with housing, but also public transport and basic utilities. In many cases, they went beyond direct provision by local governments. This meant opening an arena for new important actors in very sensitive fields of local life (developers in housing, mortgage banking, private utility companies). This trend, from the point of view of Bratislava households, can be seen especially in housing. Almost all housing stock in Bratislava is now private, due to the housing privatisation process completed as part of the post-socialist transition. New housing development is fully dominated by private developers. Nevertheless, despite the development boom prior to the economic and financial crisis, the housing market was not extremely overheated and housing prices in Bratislava fell by about 20% in the years following the crisis (National Bank of Slovakia 2015). The impact of the crisis was also limited due to the good situation on the labour market and only a minor increase in the unemployment rate. Lower prices of housing and an improved situation in mortgage accessibility (low rates) are going to be helpful in restarting new housing construction.

Rising inter-urban competition and the effort for growth led to a search for more flexible and innovative ways of launching and financing large-scale, or flagship, development projects. The interests of the business sphere (including transnational) and local politicians started to overlap. Together they now look for new development opportunities, good locations and appropriate financing. Big urban development projects are built around the world in a multi-actor framework with the public sector participating in various extents and forms (Swyngedouw et al. 2002; Temelová 2007; Tasan-Kok 2009). They include large office and housing zones, leisure (sport, culture) projects, extensive rehabilitation zones (river banks, harbour areas, old industrial zones), and costly infrastructure projects, e.g. in transport (underground lines, airports, bridges, etc.). In most cases, this requires a significant volume of local public resources (financial or property participation) and long-term financial liabilities. Mixed financing is often the only way to finance such urban projects. The share of partners involved varies, with an important contribution of private capital.

Urban development in Bratislava focused on inevitable improvements needed immediately after the socialist period. We could observe many individual projects, but big projects (as measured by the cost or size) were absent during the 1990s. The most important outcome of this period was the revitalisation of many historic buildings in the city centre thanks to the interest of private investors. As to new construction, we could observe mostly solitary buildings with various functions (offices, housing). Among the rare larger 'zone' projects initiated by the self-government already in 1995 was Zámocká Street, adjacent to the Bratislava Castle (Buček 2006). However, due to a lack of resources, this project was 'sold' and completed by a private developer only in 2004. Development accelerated during the next decade (see e.g. Ondoš, Korec 2008), with Bratislava changed into a booming city with numerous construction activities. Lack of local public resources was compensated for by extensive development led by the private sector, including foreign investors (e.g. developers). Among the first were large shopping areas on the edge of the built-up city area. However, much more attention was attracted by flagship private projects in the prime location on the Danube bank: Eurovea and River Park (each with a single developer). They were completed as private investments, with good conditions provided by the local self-government in Bratislava (land, planning regulations). There were also clusters of other, e.g. office development, projects, for instance in the new Bratislava business centre (east of the old city centre). The central state substantially assisted the local self-government in the construction of the new Apollo Bridge across the Danube. The local self-government entered into the financing of big projects at the end of the decade by participating in the National Tennis Arena, and especially in the afore-mentioned ice-hockey arena (the city paid about EUR 56 million of the total EUR 96 million cost).

The global financial and economic crisis decelerated development activities in general. A positive aspect was that most of the projects started before the crisis had been completed (with a certain time shift until 2010). This also concerned central-state investments in the city (modernisation of the airport terminal, reconstruction of the Bratislava Castle). However, no new major

projects were launched. Private-sector investments waited for a better phase of the economic cycle, the city government was in debt, and the central state focused on public finance consolidation. A better stage in the investment cycle started in 2014–2015 (e.g. in housing, office, and retail development). Private investors are still more careful and started with only sections of their larger projects (e.g. in the river bank/ castle area 'Zuckermandel', the area of the central bus terminal 'Twin City'). Under such conditions, the city has focused on EU funds and obtained resources for the reconstruction of tram lines, as well as a new tram-line extension with complete rebuilding of one bridge across the Danube (total costs of about EUR 70 million). Important big projects in favour of Bratislava have been announced by the central state. Primarily, those are decisions on the public-private partnership procurement of an important motorway city by-pass (D4 and R7 with expected construction costs of app. EUR 1.3 billion), a new university hospital (construction costs estimated at EUR 200–250 million), and smaller projects also related to the Slovak Presidency of the EU (second half of 2016).

Conclusions

All the mentioned challenges – governance, city region and financialisation – are interconnected and important for the development of any city and its region. Lack of progress in any of those fields can diminish advances in the others. Despite many signs of progress, a more significant shift in urban development policy in Bratislava requires more resolute activities in all these fields. The existing shortcomings or contradictions reduce the development potential of the city and its region. This is an important message, taking into account Bratislava's key role in the social and economic development of Slovakia. There are also signs that the existing mixture of policy approaches is less well-prepared and lags behind those in cities in other ECE states. It is probably influenced by the nature of the Slovak urban system (with a smaller number of large cities in Slovakia), less intensive competition among urban regions, and a less complex perception of urban development policy which persists in Slovakia. We can also conclude that the urban dimension of development was underestimated in Slovakia in a long-term view, e.g. in comparison with sectoral approaches, or regional policy.

The progress of urban development policy in the Bratislava city region suffers from a lack of true leadership and the culture of cooperation. There is a set of important and partly competing actors (e.g. city government, regional self-government, the central state, dynamically growing suburban centres) active in the region and representing diverse interests. Bratislava city self-government, as an institution with the greatest capacities, should probably take over the role of the real leader in developing its 'own' region. Too strict a focus on its own territory is short-sighted; more initiatives outside its border could be useful. The Bratislava self-governing region should be more active in bridging the interests of Bratislava and its hinterland. It should attract the rest of the communes and other potential partners to mutually rewarding cooperation. Multi-level and horizontal aspects of governance should be taken into account, as well as the incorporation of partners from outside the public sector.

All public administration actors in the Bratislava city region should overcome its prevailing focus on its own territory and its own powers, and should adopt a more extensive, flexible and cooperative perspective. Although the issue of the city region has already been debated, it is without good visible outcomes. A blurred spatial perception and partial interests seriously limit any ideas on the Bratislava city region and its development. There should be a vital institutional environment working in the city region, with many multi-tasking and single-purpose bodies. It is a question to what extent the existing formal administrative and spatial arrangements are too complicated and should be modified. Although it is highly unlikely, there are more options, e.g. enlarging the Bratislava territory, enlarging the Bratislava self-governing region, upgrading Bratislava into the position of a self-governing region, etc. However, more soft forms of cooperation and joint collaborative planning are available more quickly than waiting for new legislation and it subsequent adaptation.

The case study of Bratislava confirms that any progress in urban development policy also needs a more active involvement of the central state, the EU and the private sector. Urban

governments have an often weaker legal position and limited resources. Central states should reconsider possible improvements in the urban development framework. There is a feeling that the central state is much less involved in Bratislava's development than it was in the socialist period. Bratislava self-government is in fact only 'first among equals' in comparison with other local self-governments in Slovakia from a legal point of view. Calls for a new framework of its operation in selected fields seem rational (e.g. the Mayor of Bratislava I. Nesrovnal in the daily newspaper *SME* 2015). Besides fostering cooperation and governance, it is especially the case of the financial capacities of Bratislava's self-government (e.g. new rules for the allocation of the personal income tax as a shared tax, reflecting the real number of people living in the city). It should improve its capacity for more autonomous decision-making and a more extensive direct involvement of local self-government in urban development. The currently under-financed local self-government is limited in its activity, despite its important role in planning and regulation. This means a prolongation and multiplication of the dependence in urban development policy on the involvement of the central state, measures and resources available from EU funds, or private development initiatives. However, such development has produced a contradictory effect in diminishing 'true' self-government and the influence of local democratic institutions.

This study offers a chance to respond to the issue of convergence in urban development policy in Western Europe and ECE (mostly based on Bratislava's experiences). We can agree that there were similar urban trajectories before 1989 (e.g. Musil 2001). However, this was not so in the 1980s in the field of urban development policies. At that time, the regime circumscribed local opportunities to respond to challenges in economic development and environmental issues. It was limited by the nature of the regime. This inability to respond was part of the processes leading to its collapse. Later on, during the first decade of post-socialist development, ECE cities started to improve their urban development policies in traditional fields (public services and infrastructure, environmental issues). The convergence to dominant neoliberal, economic development-oriented, large-scale property-led development approaches started on a larger scale with a time shift – after the year 2000. Nevertheless, they often took a simplified form, suffering from an inadequately regulated planning and policy environment, with less respect for public interests in some cases. It was the influence of the transitional situation that generated specific features and specific phases, e.g. in the financialisation of urban development policy. On the other hand, we could observe selected development activities with a quick adoption of Western approaches. An interesting issue is that of transfers of urban development policy and the ability of its adaptation to and implementation in local conditions, which makes significant differences among individual cities.

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