

POLICY DEBATE

The Revitalization Process of Metropolitan Bilbao: A Model of Public-Private Collaboration

O Processo de Revitalização da Metrópole de Bilbao: Um Modelo de Colaboração Público-Privada

Idoia Postigo ^a

1. Introduction

The origins of Bilbao and its metropolis are linked to its strategic location, the sea, trade and its gradual conversion into the great economic reference of the Basque Country and one of the largest in the South of Europe. A major economic development took place in Bilbao and its metropolitan area during the second half of the nineteenth and early twentieth century, due mainly to the emergence of the iron and steel industry, of shipyards, of port activities and iron ore mining, reaching levels that made Bilbao and its metropolis a point of reference at a European level.

However, industrial decline began in the second half of the 70's and during the 80's, which left Bilbao and Biscay in deep crisis. Unemployment rose significantly reaching as high as 35% in some municipalities in the metropolitan area. After losing world-class business groups, the crisis left behind a physically and environmentally severely affected environment due to the previous industrial development, as well as emigration processes, stagnant population and the emergence of social exclusion problems.

This bleak picture for Bilbao and Biscay was defined by elements such as economic crisis, characterized by the obsolescence of the productive sectors that should be adapted to new modes of production incorporating clean technologies, the lack of infrastructures capable of responding to needs and contingencies of the inhabitants of the metropolis and an unattractive urban environment not conducive to investment and economic development of the area.

The crisis scenario in which the Metropolitan Bilbao was immersed in 1988 required a rethinking of the future development of the metropolis capable of regaining the city's protagonist role that it had reached thanks to its pioneering position in the industrial development. This required the construction of a post-industrial city in which services and new technologies would play a central role in the new economic development, with the physical and urban environment as a variable not previously considered but now essential to take into account for future plans, in order to ensure high quality of life for citizens and a high degree of international competitiveness. In short, a reflection about a profound transformation of the economic base of Bilbao was necessary. Economic strategic planning as well as the metropolis' own infrastructures and services were needed.

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a) 1991-2000. INFRASTRUCTURES

The Strategic Plan for the Revitalisation of Metropolitan Bilbao

Established the need to initiate the transition to post-industrial city, the guidelines for future urban development were laid down through an ambitious renovation that would cover the entire lower area of the Nervion estuary in order to develop it as a modern metropolis. The Strategic Plan for the Revitalization of Metropolitan Bilbao was developed within the organisation of Bilbao Metropoli-30. It aimed to establish a coherent set of short and long-term objectives that would summon the will and coordinate the activities of the different institutional levels.

The Strategic Plan of Metropolitan Bilbao defined eight critical subjects for the revitalisation process:

- Human Resources
- Advanced services in a modern industrial region
- Mobility and accessibility
- Environmental regeneration
- Urban regeneration
- Culture centrality
- Public-private cooperation
- Social Action

The Strategic Plan was not an isolated initiative; it coincided with other activities at different levels that conveyed the importance of Metropolitan Bilbao's revitalization of as a critical factor in the development of the Basque Country. This multiplicity of initiatives and points of view evidenced the sensitivity of society and its institutions towards the role to be played by Metropolitan Bilbao. A deep concern was felt about the distance of Bilbao from the modern urban metropolis and their articulation axis and, above all, the unequivocal will to become consolidated in the future was expressed.

The Strategic Plan for Metropolitan Bilbao, developed in the newly created Association for the Revitalization of Metropolitan Bilbao, would be the instrument for change, extending the bridge between past and future, thus making the metropolis an environment prepared to meet future challenges.

The objective pursued with the implementation of the plan was twofold. First of all, obtain, from a global reflection perspective of the city and its surroundings, a diagnosis of the situation at the time that synthesized, from the internal point of view, the strengths and weaknesses to be examined in light of the area's tendencies expressed in the form of threats and opportunities. On the other hand, an external analysis that was of great importance to compare Metropolitan Bilbao's situation with competing cities in order to evaluate its position. The main contribution of this analytical effort was the identification of a reduced number of critical issues around which both the Strategic Plan and Bilbao Metropoli-30 would concentrate on.

Secondly, involve organisations and individuals in the revitalization project of Metropolitan Bilbao. For this, the idea was presented to the main economic, social and political players, therefore earning their adhesion to Bilbao Metropoli-30. The Strategic Plan was set up as a city project that allowed commitment from bottom up of all influential bodies in the metropolitan area's future.

The scope of regeneration was both physical and socioeconomic, based on the eight main axes for intervention. Some axes such as external accessibility and internal mobility of the

metropolis, or environmental and urban regeneration are more concerned with the physical or urban fields, whereas others, such as investment in human capital and technological investment, or cultural centrality and social action, correspond to the socioeconomic sphere.

In short, over the past years the revitalization of Metropolitan Bilbao and the work of Bilbao Metropoli-30 has become an international reference model for those cities affected by industrial decline that need to reinvent the foundations of their prosperity, by defining and implementing innovative strategies.

Prestigious institutions such as the DG REGIO of the European Commission, the OECD and World Bank have highlighted the achievements of this revitalization process, rooted in a strong collaboration between government, businesses, universities and the third sector.

b) 2001-2010 VALUES

“Bilbao 2010”. Strategic Reflection and the Strategy

Metropolitan Bilbao and Bizkaia's situation at the end of the century was very different from the crisis situation it had gone through ten years ago. The metropolis was now strongly supported by the public administrations, counted on broad social collaboration and catapulted, by the commitment in its Strategic Plan, had undergone a vigorous revitalization process in all areas.

However, the success of the revitalization process was not itself a guarantee, and it became necessary to investigate the constraints imposed by the evolution of the global socio-economic context, together with historical, social and cultural characteristics of the metropolis itself, to be able to identify a leitmotiv, a basic idea, capable of exploiting the inertia of the past and serve as an engine to provide a strong impetus for the future.

About 1,000 professionals representing Bilbao Metropoli-30's members, as well as nearly 200 world-class experts came together to study the changing global environment, the new knowledge society and analyse the city's strengths. The aim was to identify, through a Strategic Reflection process, the basic idea for the future by 2010, which properly nurtured and strengthened, would allow the city to gain higher levels of quality of life for all residents, advance in the pursuit of excellence and become a metropolis of global reference.

The result was the identification of a vision, the key that would help achieve high levels of growth, wealth creation, improved quality of life and global recognition for the city and in general Biscay. This would imply seeking, identifying and taking advantage of our own or foreign ideas to turn them into concrete realities. Ultimately, create and take advantage of opportunities that came up in the global market.

We needed to build a city in which all ideals are possible; a Bilbao capable of identifying, attracting and materialising good ideas in benefit of all the community; a Bilbao in which ideas are fostered and flow. In short, a Metropolitan Bilbao that welcomes dreams and is an ideal city for people who love new ideas and identify with them.

Consequently, based on the Strategic Reflection, the document “Bilbao 2010. The Strategy” was drafted. The strategy is based on three basic elements: people, the activity of the city and the attractiveness of the metropolis.

At the end of the previous decade, the development of infrastructures in Metropolitan Bilbao were completed, the projects identified in the Revitalization Plan transformed the urban environment and significantly improved business competitiveness and quality of life of its inhabitants. However, in the case of urban environments, and taking into account that physical infrastructures are essential,

it is the activity of people and their behaviour that really allows to value infrastructures and turn the city into a suitable setting for personal development and satisfaction of citizens, creating an environment conducive to the generation of services and activities.

In other words, physical infrastructures are needed, but it is the intangibles in the city that really bring forth added value. Intangible are based on skills, attitudes and activities of individuals or groups.

As a result of the previous Strategic Reflection a series of fundamental values for the competitive and sustainable development of Metropolitan Bilbao were defined. These values were the basic concepts for the International Values Forum that took place in 2006 and can be identified as follows:

- Innovation: Capable of being ahead of changes, introducing novelties and new ways of doing things.
- Professionalism: Person or organization's ability to carry out its activity with the relevant capacity and application.
- Identity: Individual or collective's set of traits that characterise them.
- Community: Sharing a long-term project with a group of people with common interests.
- Openness: Open to other ideas, cultures and creative differences.

The objective of this second phase was the change of paradigm of infrastructures to values, the culmination of Metropolitan Bilbao's regeneration process thus consolidating on an international scale its strategic development process. It aimed to explain to the society and its leaders the importance of values for the long-term development of cities, and in this particular case, Metropolitan Bilbao. The development of these values in society requires a progressive strategy. In addition, leadership, exemplariness and credibility of the people who promote them are indispensable.

c) 2011-2030. Search for the new paradigm

One can undoubtedly argue that Metropolitan Bilbao's revitalisation process phase based on infrastructures from 1988 to 1998, has successfully completed the cycle, in which the best expectations were surpassed - the metropolis is physically transformed, enriched, with a better quality of life and internationalised to standards that initially were inconceivable.

The launching of the values phase, although not completed, is well in place - public institutions, companies and society as a whole are sensitised towards the change of paradigm towards intangibles advocated by Bilbao Metropoli-30.

Bilbao Metropoli-30's has always been concerned with long term and has been working consistently on the launch of new paradigms based of the so-called triangle: Mission, Vision and Values, which managed to maintain and increase the metropolis' success during the infrastructure phase. The Association's philosophy has always been to prepare the next challenge, whether or not we are living in prosperous times. We always assumed that short-term vision would inevitably mean the beginning of failure for the metropolis.

The current economic crisis does not make Metropolitan Bilbao an exception. It has been a justification for Bilbao Metropoli-30 to prepare the leap forward towards the new paradigm that should guide the metropolis' strategic decisions for the next decade.

Nowadays there are many elements from the crisis of the late 70s and 80s that are also present in today's context, namely lack of social optimism and hope in the future, loss of entrepreneurialship, etc. We also face similar challenges: the need to believe in a project capable of catapulting Metropolitan Bilbao to the past glory gone; the need to promote change, to have a clear vision of the future we want, of leadership that incorporates civil society and the absolute certainty that we must resort to the fundamental asset that has made this land a prosperous place throughout its existence: the spirit of professionals, of good work, of sacrifice, of a job well done and of risk. This has been and should be our bet for the future of Metropolitan Bilbao.

BILBAO METROPOLI-30: ACQUIRED KNOWLEDGE AND INSTRUMENTAL ENTITY

The Association for the Revitalization of Metropolitan Bilbao, Bilbao Metropoli-30, was established in 1991 and took direct responsibility for completion of the Revitalization Plan and implementation of its strategic priorities.

Bilbao Metropoli-30 was legally set up as a Promotion and Research Association, with the objective of regenerating Metropolitan Bilbao, defined as the urban agglomeration of the Nervion estuary, or more so as a social and economic reality without precise territorial limits that projects itself in a regional and international environment. Therefore, Bilbao Metropoli-30's scope of intervention does not correspond to any existing public institution, but transcends the geographical boundaries to become a link between ideas and thoughts in the long-term benefit of the metropolitan concept.

The Association was recognised in 1992 as "Public Utility Entity" by the Basque Government, for contributing to promote the general interest of Euskadi through the development of its activities and especially given that the community of the Metropolitan area of Bilbao is the recipient of the benefits of the Association's activities. Therefore, the association has the necessary legitimacy to develop a project like this one.

In any case, there are certain specific features of Bilbao Metropoli-30 that make it the ideal tool to develop long term strategies that bind to the metropolitan area in which it works. Its success is dependent upon its capacity to convert itself into a meeting point for all sectors, which warrants its ability to unite the public and private forces.

Bilbao Metropoli-30 has been described by an OECD study in 2009 about the Role of Development Agencies as visionary, collaborative, ambitious, agenda-setting, nimble and focussed.

Some of these features will be analysed bellow.

Public Private Collaboration

Public-private collaboration has been the defining element of the Association's work and its principal asset. The Basque Government, the Provincial Council of Biscay and the City of Bilbao established the Association in 1991. During the same act, 19 institutions and companies became founding members. Currently there are over 140 members that undoubtedly ensure the active participation of broad sectors of society of the metropolis. Bilbao Metropoli-30 works with institutions and businesses in planning for the future of the metropolitan area. Its success depends on its capacity to convert itself into a meeting place for all sectors, which warrants its ability to unite the public and private forces.

Bilbao Metropoli-30 helps to facilitate practical coordination for achieving the development strategy, helping to overcome the limitations resulting from multiple fragmented jurisdictions and providing a means of coordination with the private sector and civil society. Bilbao Metropoli-30 is the fundamental practical mechanism for coordinating multi-lateral actions. In fact, since its establishment Bilbao Metropoli-30 has worked and has been enriched by the contributions of some 1,000 professionals in its environment and about 200 international experts.

Bilbao Metropoli-30 has been without a doubt one of the best know examples worldwide of an effective and active public-private organisation in the urban planning field. It has taken advantage of the wealth of contributions from the social base with which it works in benefit of their environment through empowerment mechanisms that currently are being claimed by the citizens.

Apolitical nature

Another fundamental aspect that characterises Bilbao Metropoli-30 and makes it a useful tool to address the future strategy of the metropolis of Bilbao is its specific apolitical nature. Its neutrality is reinforced by the fact that its members develop an essentially technical role in relation to the organization's activities.

In the context of global uncertainty and complexity, especially in local or regional levels, the opportunity to have a neutral and technical instrument such as Bilbao Metropoli-30 that works in the long term, is of fundamental importance to safeguard the vision of short-term interference. In conclusion, Bilbao Metropoli-30 is an independent forum in which different perspectives can be reconciled and aligned in order to shape a long-term goal beyond the specific constraints of the electoral cycle.

Strategy and Long-term

Although originally Bilbao Metropoli-30's primary responsibility was to work on the implementation of the Revitalization Plan, this was translated and materialized in areas related to the design of long-term strategies.

Bilbao Metropoli-30 becomes a neutral forum that offers its partner institutions the possibility of thinking long term about the future of Metropolitan Bilbao, in a rich and participatory manner, along with the collaboration of the rest of the disinterested agents linked to various aspects of the metropolis. Therefore, the Association's exclusive trait is its strategic nature and long term.

Acquired knowledge

Since its founding in 1991, Bilbao Metropoli-30 has not only created a knowledge base related exclusively to the geographical area in which it works, but also international exchanges in other regions of the world that one way or another can be of great interest for the development of the metropolitan area of Bilbao and Biscay.

On the other hand, Bilbao Metropoli-30 has been using cutting edge methodologies in its activities that have enabled them to do forward thinking and place itself as a scouting party for developing initiatives and projects that consequently have been proposed to its members (public institutions, private companies and organizations).

International promotion

Bilbao Metropoli-30 also oversees actions that arise from the Strategic Plan that are entrusted to them by its members. In particular, this includes projects that aim at improving the internal and external image of Metropolitan Bilbao. The Association also conducts studies and research projects related to the revitalization of Metropolitan Bilbao and analysis of other cities that can be useful in Bilbao. It also participates in conferences and forums and, as a result of all of these actions, it has developed a long list of contacts and networks that have proved very useful in defining the future vision of the metropolis.

Social integration. Civil society empowerment

Since the launch of the Strategic Plan, one of the key concerns of Bilbao Metropoli-30 has been to ensure that the development and wellbeing achieved in the metropolitan area is distributed evenly among all its inhabitants and that the progress accomplished will benefit all municipalities.

Bilbao Metropoli-30 also draws on the contributions of member representatives and professionals involved in working groups that the Association establishes and organizes. Future strategies that the Association proposes are previously agreed by a wide network of experts in order to enrich the contributions and proposals made, including, as mentioned, a great number of local professionals and international experts. Therefore, Bilbao Metropoli-30 becomes a tool for empowerment of civil society and an example of empowerment of citizens in the metropolitan area.

Work for leadership

Bilbao Metropoli-30's contributions are aimed to nurture local leadership, with a high degree of social consensus. The long term oriented thinking and strategy are not targeted at executors, managers and technicians responsible for the development and implementation of initiatives. It is aimed towards those natural leaders from the metropolis' Public Administration, business-world, Universities and Civil Society in general, whom are responsible for transmitting with conviction to citizenship the vision of the future of the metropolis and build confidence and enthusiasm in the project.

Bilbao Metropoli-30 takes advantage of its members' executive, political and economic capacity. Its' associated entities and companies, whom are the main agents responsible for the future of the metropolis and the physical or practical implementation of projects, must support all proposals.

The role of Bilbao Metropoli-30 is, therefore, to act as an initiator or trigger of proposals and strategic thinking that in later phases materialise in concrete projects developed by its partners.

Flexibility

Bilbao Metropoli-30 facilitates effective planning and achievement of development goals. It is a flexible organization that can adapt work effectively and accurately to what is needed. In fact, its objectives, activities, structure, tools, role and strategies show a high degree of diversity. It also pursues future opportunities more quickly with highly innovative tools and at a larger scale than is normally possible for organizations subject to find solutions to everyday problems. Also, metropolitan scale is likewise a significant source of added value, given that the challenges of urban development are often focused on the local or sub-regional level.

In summary, the reasons that have made Bilbao Metropoli-30 the ideal instrument for the development of strategic thinking in the metropolitan area of Bilbao and that could be replicated in other cities and metropolises across the world, would be:

- Legitimacy
- Representativeness
- Long term
- Integration and social enthusiasm
- Public-Private Partnership
- Metropolitan Scale
- Work for leadership
- Initiator or triggering
- International connections. Benchmarking
- Detailed knowledge of the metropolitan area
- Strengthening Civil Society