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Unpacking Luxembourg Governance through Sustainable Development Policy Mobility **(SUSTAINLUX)**

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FOREWORD

The Government of Luxembourg's *Fonds National de la Recherche* is actively engaged in generating quality scientific research across six thematic domains. This research intends to satisfy the objectives outlined in the CORE Thematic Research Priority of "Sustainable Resource Management in Luxembourg," and more precisely, to the thematic research priorities described in "Spatial and Urban Development" (Fonds National de la Recherche Luxembourg 2010: 10). Given recent economic and demographic development dynamics and the strong pressure on land-use, SUSTAINLUX focuses on an evaluation of the existing planning policy instruments and governance patterns in respect to spatial development in the Grand Duchy in general, and of housing policy and transport in particular. This FNR CORE funded project shall provide information about the strengths and weaknesses of current policy tools, and hence reveal potentially new tools and approaches to more sustainable spatial development policies.

Special thanks are extended Professors Markus Hesse and Christian Schulz for their continual commitment and solidarity to, and feedback on, the SUSTAINLUX project. Special recognition and appreciation is also extended to Prof. Robert Krueger, who also extended continual support during his stay as a Visiting Scholar at the University of Luxembourg. The research presented here also rested on the cooperation of a variety of interviewees, whose names can only be published *in camera*, but whose participation is greatly appreciated. The SUSTAINLX team has also had the pleasure to welcome three research assistants, doctoral candidate,

Franklin Bahfon Feyeh, and MASDA students, Karin Paris and Soraya Martel Felipe, all of whom are thanked for their vigorous participation that greatly accelerated the data collection process in the fall of 2011.

The purpose of the overarching SUSTAINLUX study is to identify development trends and ascertain the impacts and potential of existing and forthcoming planning instruments. The objective is thus to generate and provide valuable information concerning patterns of policy-making, decision-making, and governance, as well as configurations of social spatial transformation to planners, relevant practitioners, and other interested parties. At the same time, our findings will contribute to the broader international discussion on sustainable development.

This document constitutes the third of five working papers generated throughout the course of the SUSTAINLUX research. Working Paper 2 (Carr 2011) addressed the following research questions highlighted in the CORE proposal: (a) How did Luxembourg get to where it is today? (b) Who put sustainability at the top of the policy agenda in Luxembourg, why, and how? (c) What was the political economic context of such a development and what were the implications? (d) To what extent and how has the concept of sustainability become part of spatial development and planning policies in Luxembourg? How consistent is the approach in the realm of housing and mobility policies? What kind of guiding principles and which discourse patterns can be identified? What are the different conceptual "forms", "modes" or "models" of governance this particular practice can be referred to? These questions were investigated by tracing the policy circuits, and respective contexts there-

of, concerning sustainable spatial development, and analyzing barriers to implementation in the system of governance.

This Third Working Paper situates the empirical findings of the previous working paper into some of urban studies literature: policy mobility and relational comparison in particular. This paper was presented at the 2012 Annual Meeting of the Association of American Geographers in New York, at which scholars from abroad proofed the conceptual basis. A version of this paper that accommodates this feedback is targeted for *Environment and Planning A*. This paper was also presented at the IPSE *Seminaire des Doctorants* – an audience ready to assess the empirical findings that characterise Luxembourg. A version emphasizing these feedbacks is targeted for *Regional Studies*. These forums have provided invaluable insights, and thus deserve my deepest thanks. This paper also forms the base of another paper entitled, “*Machtstrukturen und (ihre)Nachhaltigkeit: z.B. Stadt- und Regionalentwicklung in Luxemburg*,” to be delivered at the *AK Stadtzukünfte der Deutschen Gesellschaft für Geographie* held in Freiburg, addressing the topic of “*Soziale Dimensionen nachhaltiger Stadtentwicklungen*”.

INTRODUCTION

This paper hopes to respond to recent literature on policy mobility by such authors as Ward, McCann, and Gonzalez. McCann and Ward (2006; 2010b) examined the emergence of entrepreneurial urban governance arrangements in the UK, in particular the emergence of Business Improvement Districts and New Urbanism as an innovation in local governance and planning. Gonzalez (2010) exam-

ined the policy tourism of the Barcelona Model and the Bilbao effect and the phenomenon of their international and selective diffusion. Together, these authors have examined how policy ideas travel globally and imprint themselves asynchronously across territories that by other means of measurement appear disconnected.

This work constitutes an important contribution to urban studies at large in at least four ways: First, as these authors observe the negative effects and expansion of territorially unbounded capitalism, they can easily target and criticise the neoliberal policy agendas and strategies that are being imprinted around the globe (McCann and Ward 2010). Second, this work moves beyond traditional literature on policy transfer (*ibid.*) by (a) recognizing discourse as contextually grounded, and (b) examining the scales of discourse and policy production, the mechanisms through which policies shift and change as they move, and the power dynamics that characterize the process. Third, this work offers new insights into how the immense diversity of cities and/or urban and regional spaces are interlinked and interconnected with one another. This “comparative turn,” as we see in Robison’s (2011) work, aims at ways of understanding urban spaces as constitutive of and by their relations with each other, while transcending the boundaries and divides that have been thrown up by modernist notions of cities as distinct, particular, and incommensurate. Fourth, the concept of policy mobility also maps nicely onto deeper and much older philosophical conceptions of discourse and space, and moreover the materiality and spatiality of discourse. McCann and Ward explain:

“...The policy world seems to be in constant motion. In a figurative sense, policy-makers seem to be under increasing pressure to ‘get a move on’ – to keep up with the latest trends and ‘hot’ ideas that sweep into their offices, to convert those ideas into locally appropriate ‘solutions,’ and ‘roll them out’ [...] Contemporary policy-making, at all scales, therefore involves the constant ‘scanning’ of the policy landscape, via professional publications and reports, the media, websites, blogs, professional contacts, and word of mouth for ready-made, off-the-shelf policies and best practices that can be quickly applied locally. It is in this context of ‘fast policy transfer’ that figurative motion in the policy world becomes literal motion,” (McCann and Ward 2010a: 175).

This space of network and flows is reminiscent of the body of post-structuralist discourse theory literature emerging from Foucault and taken up by Butler (2006). But it wasn’t until recently that scholars began to trace the materiality of discourse. Massey (2005: 140-142) wrote of a “throwntogetherness” of multiple and coeval trajectories throughout social space. Individuals, groups, populations, and even inanimate objects travelled around the earth on their own time-space trajectories. Everything is in motion, and matter and discourse are the products of interrelations and the possibility of multiple relations. Massey was one of the few poststructural theorists who have shown that space matters. Policy mobility can also be understood as an important contribution to this work.

This paper examines sustainability policy and its mobility in Europe and immobility in Luxembourg. It might be noted here as well, that Temenos and McCann (forthcoming) also recently wrote of the mobility of sustainability in the case of Whistler. In contrast to Temenos, however, sustainability is not being simply cookie-cuttered in Luxembourg. In fact, the case of Luxembourg reveals a virtual policy import stop: Despite efforts to bring in policies in from abroad, despite vast discussions in and across various discursive spheres, local Luxembourg governance structures derail or prevent implementation processes. The reasons behind this de facto policy import stop can be unpacked by examining the conflicts between traditional and modern land-use management styles, the structure of government, and the political economic structure of land use and respective prosperity, wealth, and protectionism.

The research presented in this paper thus sits at the nexus of three wider scholarly discourses: 1) sustainable development as a normative planning and policy model; 2) Luxembourg applied urban and regional planning; and 3) policy mobility.

METHOD

Luxembourg offers an interesting case example for such studies because of its modest territory of 2500 km² and population size of ca. and half a million, of whom over 200,000 are landed non-voting immigrants (Statec Luxembourg 2010). Luxembourg is profoundly intertwined with international flows as a major banking centre and the seat of several EU institutions (Chilla 2009; Schulz and Walther 2009). Furthermore, it receives an additional 140,000 daily commuters from Germany, France and Belgium that form this labour force that generates over half of the GDP.

The State of Luxembourg is characterised by two levels of government --116 Municipal jurisdictions and national government that has been “stabilized” by coalitions with the Christian Social People’s Party since the Second World War. The government is further backed by a healthy public sector, that employs 20% of working age Luxembourg citizens (a sector not open to immigrants) (Lorig and Hirsch 2007). Luxembourg thus represents a complex set of multi-scaled global relations unfolding within a small frame.

Its smallness further renders itself an object of analysis that can be thoroughly examined to a high degree of certainty. We examined policy mobility by reconstructing and critically discussing the different ways in which sustainability was placed on the public agenda in Luxembourg: ascertaining by whom this was pursued, and on which basis the arguments were framed. A three-pronged constructivist approach was thus undertaken. First, relevant policy documents in Luxembourg were collected and surveyed. These included policy guidelines developed at the international level as well as those developed domestically. Second, over 30 one-hour qualitative conversational interviews with local planners, geographers, journalists, activists, home buyers, and government officials, were performed. Third, context and general construction of wider discursive fields was generated through participant observation.

FINDINGS

The mobility of sustainable development policies observed in this research were unfolding during a poignant moment in Luxembourg’s history: when sustainable development is as ubiquitous as never before across policy fields in Luxembourg

yet scrutinized as never before by scholars worldwide (Krueger and Gibbs 2007; Buckingham-Hatfield 2000; Agyeman, Bullard, and Evans 2003); when transformation is occurring at a rate that is increasingly difficult to reign in and control and the necessity to find solutions is more urgent than ever in terms of commuter balance, landscape protection, and gasoline tourism (to name a few) (Interviews with Government Officials, July 13 2011, January 19th 2012); when land owners, as gatekeepers to land use with rising property values, may be less motivated than ever to open up space (Interviews with Home Buyer, July 27 2011; with Government Official February 6 2012); when democratic participation has never been more out of balance, where those with voting power constitute less than half of the population (Interview with NGO Representative July 6 2011; with Government Official February 6 2012); when the GNP per capita income is the highest in the world (OECD 2007).

One of the peculiarities of smaller nations is the necessity to provide enough infrastructure and labour force to cover all spheres and jurisdictions of nationhood. This leaves Luxembourg in a perpetual state of limited human resources, and the problem of deficient domestic competencies exists for policy-making as well (Interview with Applied Geographer May 27 2011). International forums thus provide logical venues for Luxembourgish politicians to learn, exchange, and generate internationally legitimized policy mechanisms (Interview with Government Official July 19 2012). Luxembourg was involved in many of the international treaties concerning sustainability: Brundtland Report, Rio Declaration, Vienna Convention, Montreal Protocol, UN Framework Convention on Climate Change, Kyoto, Lisbon and Gothenburg Strategies, the

Leipzig Charter. It is from these meetings that integrative sustainable development was inspired in Luxembourg (Interview with Government Officials June 28 2011, July 7 2011, July 19 2011; and with Applied Geographer May 29 2011).

The Department of the Environment and the Department of Spatial Planning (which is only 12 years old) are the two national bodies that generate integrative and sustainable development strategies, and as both sit on the pivotal axis bridging international policy flows and domestic politics, they form the primary conduits of policy importation. Respectively, they produced the National Plan for Sustainable Development (Ministerium für Nachhaltige Entwicklung und Infrastrukturen and Spangenberg 2011) and the Directive Program for Urban and Regional Planning (Ministère de l'Intérieur 2003). They both target polarization trends in Luxembourg with regards to the scarcity of housing, automobile dependence, and social fragmentation, and stress their amelioration with integrative approaches. Most striking, however, is that after 10 years in the making, they still have not received legal backing or implementation (Interview with Government Officials July 13 2011, July 19 2011, July 7 2011, June 28 2011; with Applied Geographers June 30 2011, May 27 2011, January 31 2011). They have received several rounds of consultation, and have been widely publicized in the media. They remain, however, discourse.

Policy-makers introduced these new planning strategies into a governing system that (a) had no history of cross-sector, cross-disciplinary planning (Interview with Government Officials June 30 2011, July 13 2011, July 19 2011, March 7 2012); with Architects February 16 2012, February 7 2012); (b) had mechanisms in place

that supported only very localised and compartmentalised development strategies, grounded in a high degree of municipal autonomy, and individual private property rights (Chilla and Schulz 2011) rendering land-owners the gatekeepers to land-use; and (c) operates with an apparent circular decision-making structure where one third of the Chamber of Deputies fulfil a simultaneous second function as members of Municipal Councils. Indeed, spatial planning itself was an imported concept that emerged hand in hand with sustainable development. Historically, the 116 municipalities (with modest voting membership and limited sociospatial political economic reach) relied mainly on laws that designate land-use and adjust tax redistribution to finance municipal projects (see Chilla and Schulz 2011). These structures remain in place, and are the primary instruments that regulate change, and moreover, steer the nation towards materialized dispersion and social spatial corporeal disparities (Interview with Government Official January 19 2012; with Architects February 16 2012 and February 7 2012). Furthermore, while politicians representing both national interests as well as particulate interests of individual municipalities are incapable of ratifying policies that do not speak to both circuits at the same time (Interview with Government Official July 7 2011; and with Applied Geographer May 27 2011), many of the integrative planning policies cannot get legally endorsed because they demand constellations of cross-municipal co-operation and inclusion that may or may not be desired.

Thus, because integrative planning measures are so difficult to pass, national policy makers are left with one of three options. One is to maintain the flow of ambiguous discussion, and forgo conclu-

sive action. That is, to persist in a perpetual stasis of post-political consensual and immaterial discussion. A second option is to resort to legal mechanisms that override local decision-makers and enforce sustainability. Yet, while it is perhaps easy to criticise that integrative sustainable development policies are not receiving legal backing, it must also be noted that legal enforcement would likely spark outrage across Luxembourg land-use management circles who claim municipal jurisdictional autonomy, and proclaim the lack of credibility of national initiatives. A third option is to water down the law in such a way as to dilute it of all meaning, or in such a way as to leave a back door open so that anyone can refuse the goal in the end. Either way, sustainable development, as a policy in circulation carrying with it a normative point of departure, loses all impact and consequence.

REINTERPRETATION THROUGH IMMOBILITY

Policy circuits in Luxembourg thus implicate some interesting lessons on policy mobility as is discussed in urban studies in recent years. Until now, many authors have criticized the mobility of policy on the grounds that neoliberal strategies are being imprinted around the globe. The case of Luxembourg, however, represents some dilemmas to the perhaps polemic tone. Clearly, policy mobility does not work: Policies cannot be cookie-cuttered onto any space at will, as is shown in the research presented here. Policies generated at the European or wider international levels are imported to Luxembourg, but then circulate through the particular political dramaturgy that is characterized by a stable and well-to-do Westphalian state, wrought with conflicts of interest and problems of failing competency and legitimacy. The end result is that, without ac-

tion, imported policies do not get beyond the discussion stage – immaterial discourse, post-political as it were.

One might recognize this power to reject as a triumph to the local level in its capacity to hold on to and take place. This, after all, has been the subject of much urban studies literature of the last two decades, as seen in embodied politics (Fraser 2010), transnationalism and migration studies (Pratt 2004), and Right To The City literature (Parnell and Pieterse 2010; Gilbert and Mustafa 2008). Researchers of policy mobility (Ward 2006; McCann and Ward 2010), on similarly epistemologically informed stand point suggest that people in places might do better to reject policy importation. But what about Luxembourg, where fragmented and uncoordinated growth each day further intensifies trends of polarization, and where for this reason and alone for the reason of absent domestic competencies and resources that characterize small states, policy imports might be a good idea? Moreover, it is difficult to determine who shall decide: the national government (or Christian Social People's Party) that regulates and administers tax revenues from the tertiary economy; the municipalities who have, by international comparison, extraordinary veto power, and whose citizenry who have reaped immense individual and collective profits from the political economic system, regardless of whether or not they have ideologically supported it; of the other one half of the population, the majority of whom have immigrated within the last five years, and do not participate at all. It is difficult to determine how the decision-making impasse shall be broken, to demand new structures that can deal with integrated sustainable spatial development. These are some of the uneasy questions that residents of Luxembourg are addressing

today, which have a profound impact on the ability of the nation as a collective unit to co-ordinate and steer an inclusive and participatively defined sustainable urban and regional planning at the various necessary scales.

With respect to concept of policy mobility, we can add to the geography of global webs and flows or embodied and logcio-epistemological knowledges. Indeed, Luxembourg can be found on the web of discursive and material relations that interflow across this urbanized planet. For one, Luxembourg can be found in the broad web of flows that connect the spaces listed by Ward (2006), McCann (McCann and Ward 2010), and Gonzalez (2010)– namely the multi-level spaces of global capitalist policy transfer. More specifically, relations can be drawn to other similar places such as financial centres with strong governmental apparatuses also propagating sustainable development. But we can also now connect Luxembourg to more distant places like Whistler, whose sociopolitical economic formation may greatly differ, but remains bound on the same circuit of sustainability policy. On this map of flows, for better or for worse, Luxembourg appears as a discursive blockage.

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