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# Observations from the Field: A Synthesis Report (SUSTAINLUX)

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## ABSTRACT

The primary objective of the current and fourth paper is to present the findings of the SUSTAINLUX interviews. The methodology behind the document analysis and interview process is explained. This is followed by a structured summary of the observations, in which the textual data gathered from the interviews is structured along the following categories, considered the primary axes of integrated sustainable development in Luxembourg: Meaning of Sustainable Development; Small State Government Structures; Power and Property Markets; Integrated Spatial Planning; and, Perceived Challenges. The paper concludes with a synthesis of the data, and some conceptual considerations with respect to the international debates.

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## FOREWORD

Through its CORE Research Programme, the Government of Luxembourg's *Fonds National de la Recherche* (2010) stated that:

"Luxembourg is facing a number of challenges with an important territorial dimension that have to be addressed by spatial planning and development. [...] It is essential to find new ways of living (manufacturing, housing, mobility) that allow for a sustainable development and sustainable land use [...]. The geographic challenge consists in promoting a controlled urban development,"

The researchers co-ordinating the SUSTAINLUX project aimed and examining and assessing these challenges. Given recent economic and demographic changes and strong pressures on land-use, SUSTAINLUX focuses on an evaluation of the existing planning policy instruments and governance patterns with respect to spatial development in the Grand Duchy in general, and of housing policy and transport in particular. In the end, this FNR CORE funded project aims to provide information about the strengths and weaknesses of current policy tools, and hence reveal potentially new tools and approaches towards more sustainable systems of urban and regional spatial development. At the same time, our findings will contribute to the broader international discussion on sustainable development and thus enhance our wider understanding of urban and regional studies at large.

A series of Working Papers were written for SUSTAINLUX with can be understood as yardsticks that indicate the progress of the three-year project. The first working paper (Carr, Hesse, and Schulz 2010) introduced the conceptual groundwork, identified the central problems and contradictions, and outlined a research methodology. The second working paper evolved from the completion of the first stages of the research process, namely the document analysis and carrying out of exploratory conversational interviews. It

aimed to answer some of the preliminary questions that were outlined in the original CORE proposal: How did Luxembourg get to where it is today? Who put sustainability at the top of the policy agenda in Luxembourg, why, and how? What was the political economic context of such a development and what were the implications? 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? The research process was thus able to identify the links between the European and Luxembourg national levels of government and the role of sustainable development as a normative spatial planning policy, in achieving some of the policy agendas defined at those circuits.

The third working paper (Carr 2012), addressed the questions: How do the current administrative and legal structures respond to the requirements of the sustainability objective laid down in the *Programme Directeur d'Aménagement du Territoire*? What kind of barriers and obstacles can be observed in the field of housing, mobility, and spatial development, regarding the implementation of the related sector plans? Ongoing document analysis and further interviews, both with and eye to governance in Luxembourg revealed significant barriers in place that prevent policy implementation in Luxembourg. Conceptualizing the problem through debates on policy mobility, wider global circuits of sustainable development policy were identified, that Luxembourg taps into.

This document constitutes the fourth working paper of the SUSTAINLUX research. The objective here is to categorize and present the data that was collected from 30 recorded and transcribed interviews, as well as a wide array of relevant policy documents. This paper thus acts as a synthesis report – one of the delivera-

bles as promised in the FNR CORE proposal.

This paper, however, also stands parallel to a publishing strategy that seeks to ratify our results in international discourse through the scholarly peer review process. "Discourse Yes, Implementation Maybe: an immobility and paralysis of sustainable development policy" was submitted for review to the European Planning Studies (IF 0.976) after helpful feedback at the Regional Studies Association in June 2012 that was jointly funded by the FNR and the RSA. Together with Julia Affolderbach (FNR, NEBOR), a second manuscript was also submitted for review as part of a special issue of the Journal of the Regional Studies Association (IF 1.784) on the topic of scale bending. Further publications in progress include: 1) together with Markus Hesse, an article on the contradictions of integrated planning in an environment of fragmentation is headed for the International Journal of Urban and Regional Research (IF 1.339), and has been accepted for presentation at the Spaces and Flows conference 2013; 2) together with Christian Schulz, an entry International Journal of Environmental Policy and Planning (IF 0.615) on multi-level governance ; and 3) a chapter to "Adventures in Urban Sustainable Development: Theoretical interventions and notes from the field" (MIT Press).

Lastly, while this paper largely concludes the SUSTAINLUX research, it should be mentioned here that a research extension entitled SUSTAIN\_GOV was granted under the 2012 CORE program, and is scheduled to begin April 1, 2013. Redirecting the research focus to integrative sustainable planning and participatory processes in the Glattal Stadt of Zürich Nord, SUSTAIN\_GOV will add an international and comparative dimension to the project. The procedures in SUSTAIN\_GOV also foresee further involvement of local Luxembourgish actors, towards the deepening of our understanding of domestic sustainable spatial development and governance processes. Special thanks are extended Professors Markus Hesse and Christian Schulz and the strong

team at the Geography and Spatial Planning Research Centre, for their continual commitment to and feedback on the SUSTAINLUX project. Special recognition and appreciation is also extended to Prof. Dr. Robert Krueger, who also extended continual support during his stay as a Visiting Scholar, and later as an appointed Guest Professor at the University of Luxembourg. The research presented here also of course rests on the co-operation of a variety of interviewees, whose names can only be published *in camera*, but whose participation is greatly appreciated. The SUSTAINLUX team has also had the pleasure to welcome graduate student research assistants, Franklin Bahfon Feyeh, Karin Paris, Soraya Martel Felipe, Bamdad Goudarzi, Hannah-Sophie Neurath, and Justyna Kmiecik, all of whom are thanked for their vigorous participation that greatly accelerated the data collection process.

## INTRODUCTION

The primary objective of this fourth paper is to present the findings of the SUSTAINLUX interviews. The results are presented topically rather than conceptually, in order that the data is presented as plainly as possible. In this way, this Working Paper serves as a data source for future and more conceptually oriented peer-reviewed papers.

The methods are reiterated in the following section, which includes a description of the document analysis and interview process. This is followed by a section on observations, where the data has been structured and synthesised into discursive categories. This paper ends with a conclusion. What is found is that at the heart of the discourse on integrated sustainable spatial development in Luxembourg is a problematic concerning democracy, participation, and land use.

## METHODS

The methods of the greater 3-year SUSTAINLUX project involve collecting and surveying relevant Luxembourgish planning documents, the performing of a series of conversational interviews, and participant observation. The documents

serve as a reference to contextualize the data collected through the interview process. The presentation of the interview data here can thus be understood as a first reconstruction of the discourse. Reflexive grounding of the voices presented can be further distilled after another round of feedback (constituting Delphi-like methodology), combined with a Q-analysis of participant subjectivity (see Working Paper 1). This final analysis is foreseen in the final and upcoming working paper. In this section the document analysis and interview process will be described.

## Document Analysis

The section on methods in Working Paper 2 (Carr 2011) explained in detail the document survey. For ease of comprehension, they are reiterated once again as follows. Those already familiar with the second working paper can skip to the next section entitled, "Interview process".

The scope of governmental policy documents that address the many themes of sustainable development is wide and diversified. A variety of cross-ministerial and cross-societal groups have been working on various projects to address emissions reduction or economic instability or mobility of human capital or a variety of other socioeconomic and/or environmental problems, the amelioration of which can be argued to better our human environment for the benefit of our children's children. L'Empreinte Écologique du Luxembourg showed that if the entire world lived like the average Luxembourger, 12 planets would be required (Conseil Supérieur pour un Développement Durable and Global Footprint Network 2010: 6). Partenariat pour l'environnement et le climat is a cross-societal initiative to look at ways of reaching climate control goals. Other non-governmental milieu include, but are not limited to, Friends of the Earth Luxembourg (Movement Écologique), Greenpeace, Caritas, Climate Alliance Luxembourg, Action Solidarité Tiers Monde, and the University of Luxembourg, University of Luxembourg's Sustainable Development Working Group, and the Global Development Rights Framework Luxem-

bourg. Furthermore, a comprehensive list of businesses active in Luxembourg on the topic of sustainable development in some way, shape, or form, can be found at the website of the Movement Écologique – the organization that hosts annual eco-fairs at the LuxExpo on Kirchberg. Together, these organizations form a wide-reaching network of trade and commerce whose primary objective is the creation and distribution of products that support the objectives of sustainable development defined as the recognition of closed ecosystem circulatory systems and the protection of natural resources (Movement Écologique and Oekozenter Lëtzebuerg 2010)

Sustainable development is a hot topic in Luxembourg that is being assessed and addressed with by a wide variety of governmental, non-governmental, private, and semi-private actors, who, at the very least, if they are not democratically elected officials, are public opinion and capacity building bodies. The project of SUSTAINLUX acknowledges these processes but cannot address each of the discursive policy-making spheres.

The Luxembourg documents that inform sustainable spatial development Luxembourgish planning and policy, are those largely imported from international forums, where Luxembourg has active membership. A document survey must thus go back to the 1980s and review the Brundtland Report, the Leipzig Charter, and strategies of Lisbon, Göteborg, and Europe2020. These international commitments sparked the policy responses within Luxembourg such as the Plan National pour un Developpement Durable (PNDD) (Ministère de L'Environnement 2000; 2010) and the Luxembourg2020 strategy (PNR luxembourgeois 2010).

With respect to various spatial planning specifically in the Grand Duchy, two documents are of particular significance: 1) the planning law of 1999 (*loi l'aménagement du territoire* 1999); and, 2) the Programme Directeur d'Aménagement du Territoire (Ministère de l'Intérieur 2003). This latter document provided an overarching spatial vision along which growth

in Luxembourg could be managed. Sector Plans (for transport, housing, landscapes, and economic zones), which were anchored in these national directives, further referred to more specific planning goals. It must be noted, however, that the government was only able to provide draft versions of the Sector Plans for study.

The Département de l'aménagement du territoire of the Ministère du Développement durable et des Infrastructures is the primary administrative body of the national government that orchestrates spatial plans for all of Luxembourg. The documents that they produce play a central role in this paper. Their work arises in close co-operation with the Department of Geography and Development of the research institution, CEPS/INSTEAD, who also produce high quantities of documents concerning spatial planning in the Grand Duchy.

### **Interview Process**

The second part of the research process involved conversational interviews with key actors in the Luxembourg field of spatial planning and development. One hour conversational interviews were thus performed with applied geographers, media analysts, activists, home buyers, real estate agents, bank officials, architects, and government officials. Over thirty interviews were performed under the conditions of informed consent. All information provided was done so voluntarily, and in accordance with internationally recognized ethical standards related to the collection, analysis and documentation of people related data.

The interviews unfolded as conversations. An interview guide (Box No. 1) was used to steer the conversation and keep it focussed. However, for the purposes of flexibility and adaptability, the interviewee was encouraged to add or delete questions as necessary. This allowed for participants to bring in individual nuances and their own strengths with respect to the discourse. Methodologically, this flexibility also helps bring out the subjectivity of the participant, and an actor-oriented framing of the research.

The interviews were then transcribed verbatim, and analysed with the help of MAXQDA. The texts were coded for topical, normative, epistemological, and impressionistic characteristics – each category containing sub-categories (sub-codes), and of those some has sub-sub-categories as well. A total of over 2400 coded segments were extracted categorized into 117 codes. Wright, Nyberg, and Grant (2012: 1457) called theirs “nodal points’ around which stories, narratives, and discourses in the text were identified.” In this way, the interview transcriptions could be thoroughly catalogued and archived, and prepared for systematic analysis. As Luxembourg is small, many found it important to be able to participate anonymously. To protect thus interviewee identities, code names were applied for the purposes of quotation and referencing. Lastly, this article is, in part, a trilingual paper. This will be evident to the reader as the French and German quotes were not translated. Left in their original form, they retain their finer nuances and meaning.

## **Box 1: Interview Guide**

### A. Interviewee's general background

What is your story?

How did you get involved in your current position?

What are your main responsibilities and challenges?

### B. Land Use

Can you explain your perspective on the real estate market situation in Luxembourg?

How has it developed or changed in recent years?

What actors were/are involved in the process?

### C. Policy

What are the key milestones that informed the planning system in Luxembourg?

What were the important drivers of those initiatives?

Where was the pressure for change coming from?

### D. Participation

How do you feel about stakeholder involvement?

What groups are well represented in the discourse of urban transformation?

How could this be improved?

### E. Sustainable Development

What does sustainable development mean to you?

How consistent is the approach in the realm of housing and mobility policies?

### F. Outlook

What do you think are the important challenges for Luxembourg today?

**Box 2: List of interview respondents**

Interview Category	Position	Code
Geographer	Research Associate	R1
Geographer	Research Associate	R2
Geographer	Research Associate	R3
Geographer	Research Associate	R4
Geographer	Research Associate	R5
Architect/Urbanist	Director	A1
Architect/Urbanist	Director	A2
Architect/Urbanist	Director	A3
Architect/Urbanist	Director	A4
Government Official	Ministry Representative	G1
Government Official	Ministry Representative	G2
Government Official	Ministry Representative	G3
Government Official	Ministry Representative	G4
Government Official	Ministry Representative	G5
Government Official	Ministry Representative	G6
Government Official	Ministry Representative	G7
Government Official	Party Representative, Councilor	G8
Government Official	Party Representative, Chamber Deputy, Mayor	G9
Government Official	Party Representative, Chamber Deputy, Mayor	G10
Government Official	Committee Representative	G11
Government Official	Councilor	G12
Government Official	Ministry Representative	G13
NGO	Representative	N1
NGO	Representative	N2
NGO	President	N3
NGO	President	N4
NGO	Representative, Social Finance	N5
Other	Home Buyer	O1
Other	Home Buyer	O2
Other	Lawyer	O3
Other	Media Representative	O4
Other	Mortgage Broker	O5
Other	Real Estate Developer	O6

## OBSERVATIONS

A MAXQDA analysis of the interviews exposed certain recurring themes in the discourse. Below, the textual data gathered from the interviews is structured along the following categories: Meaning of Sustainable Development; Small State Government Structures; Power and Property Markets; Integrated Spatial Planning; and, Perceived Challenges for Luxembourg. These can be thought of as aggregated categories of sustainable development in Luxembourg with respect to the spatial planning of housing and transport. A summary of tables and angles is presented at the end of this section in Box 3.

### Meaning of Sustainable Development

While it should be noted that sustainable development can be traced back as a century old concept, it arose in late 20th century North American and European debates largely as a consequence of the observation that mass production and consumption would ultimately lead to pollution if not depletion of natural resources. It was largely championed by radical environmental groups of the 70s and 80s, and then legitimated, perhaps even commercialized, at the United Nations in 1987 with the production of *Our Common Future*. Since then, it has been applied worldwide so broadly that no *a priori* meaning of sustainable development can be assumed. For this reason, in part, SUSTAINLUX aims not at assessing the sustainability of Luxembourg development through, for example, the application of indicators as is widely performed elsewhere. Rather, it aims to understand the role of sustainable development as an epistemological background to existing social political and economic trends. It is thus first necessary to ask participants what their opinion of sustainable development is, and to distil the meanings that they themselves extract from the concept. The various answers were categorized, and it can be seen that certain discourses are informing participants. Some recognized from the get-go that sustainable development is a very general and ambiguous notion. Some

viewed it as a scale against which stakeholder or governing interested can be weighed. Only one viewed it specifically as a means to assess whether a development process is durable over time. Many employed the term to reflect the necessary response to limited resources. One viewed it as a means of protecting the natural world specifically. What follows is a list of quotes that capture the variety of responses:

Some recognized from the get-go that sustainable development is a very general and ambiguous notion (See Table 1). Some viewed this aspect as worthy of closer analysis precisely because it is an open concept and therefore potentially something quite encompassing. Others understood the vastness of the concept as negative because it risked the overlooking of critical aspects, or it was potentially meaningless and ultimately added little new to the debates.

Some viewed it as a scale against which stakeholder or governing interested can be weighed (See Table 2). Imbalances were perceived primarily in one of two dimensions: either as a measurement of democracy and participation or as a measurement of sector imbalance. Concerning the former, many alluded to the need for participation in governing processes. Concerning the latter, many alluded to the three pillars of sustainability.

Some viewed sustainable development as primarily a response to societal conditions in the context of a planet with limited resources (See Table 3). Finding practical answers to broad and pressing questions was the motive of sustainable development. One, in particular, viewed it specifically as a means to assess whether a development process is durable over time. In the foreground of this discussion are grave perceptions of failing nature protection, imminent peak oil, and excessive CO<sub>2</sub> emissions.

#### Notes and Comments

The textual data shows which issues are perceived as most important, how the

issue is framed, and where the emphases are placed.

“Was ist der Wert eines Vogels?” (N3)

Although this interviewee carried forth with a discussion on local community action, it was the only instance in which an interviewee made reference to other value systems. Although some placed emphasis on landscape protection, and biodiversity, all interviewees framed sustainable development around human needs, and Luxembourgish development needs more specifically. There was no mention of more radical ideas circulating around culture-nature relationships, or radical political debates such as animal rights.

Perhaps also surprising was the tendency view sustainable development as entirely a local project, whether that be how to respond to Peak Oil, or how to build neighbourhoods and cities with efficient mobility, or how to include local actors in debates of national significance. With respect to sustainable development, specifically, little reference was made to the international interwoveness of Luxembourg society (although it was often mentioned elsewhere in the context of perceived challenges for Luxembourg).

These surprises are reflective of the milieu of actors that were chosen, and the interview guide that was constructed to steer the conversation in a certain general direction (planning and governance). A large percentage worked for the Luxembourgish government, a vast majority of the interviewees were Luxembourgish citizens, two groups who have direct access to the governing sphere. That is, many interviewees were individuals whose daily activities involved addressing the very specific issue of how to organize domestic and internal affairs.

**Table 1: Sustainable development as an open concept**

Angles	Examples
Positive and important	<p>"Integrated sustainable development is on the one hand something where you have horizontal and vertical integration. The fact that you try to integrate environmental aspects, social aspects, economic aspects is something very interesting. It's been neglected for quite a long time. You worked according to sector. If you had an economic problem, you make economic project which completely left out the social dimension or the environmental dimension."</p> <p>"Ich finde [sustainable development] extrem wichtig, weil die ganze Zukunft des Landes da drauf beruht [...] man hat diese drei.... also.. le sociale, l'économique et l'environnement.. also dieses Gleichgewicht muss man zwischen den drei Ebenen richtig finden damit wenn der eine ah.. vielleicht mangel bekommt, dass andere ein bisschen übernehmen kann. Aber das Problem ist, dass um effektiv zu sein, soll Nachhaltigkeit generell formuliert sein und diese generelle Formulierung macht, dass man alles mit Nachhaltigkeit begründen kann. Das ist was für mich ein Problem macht: dass dann installiert sich so eine Sorte Moral, die führt dazu, dass man dann nicht mehr kritisch manche Sachen kuckt und wir müssen sehr schnell in Luxembourg in der Selbstkritik sein, damit wir unsere Schnelligkeit nicht verlieren. Aber die Nachhaltigkeit ist für mich extrem wichtig."</p>
Negative and meaningless	<p>"[sustainable development] is yeah... compact city ...ah...trying to get jobs closer to where the people live. Having smarter public transportation ...yeah, really nothing original [laughs]."</p> <p>"Es ist schwammig, denn niemand wird ihnen auf die Frage antworten, "ich halte überhaupt nichts davon." Jeder ist dafür. Jeder ist für nachhaltige Entwicklung."</p> <p>"Nachhaltigkeit ist in meinen Augen auch ein Modewort geworden in den letzten Jahren. Jeder macht irgendetwas nachhaltig."</p> <p>"I mean sustainability is so large, as a word. I don't need it very much in the European context, so there it is more a label."</p>

R3,A3,R1,G9,N4,R4

**Table 2: Sustainable development as a scale of governance**

Angles	Examples
Actor interests and participation	<p>“So schief läuft es, wenn man Planungen die selbstverständlich auf nationaler Ebene geführt werden müssen, wo man auch nicht versucht muss die Regionen ins Boot zu kriegen. [...] Das ist dann für mich keine nachhaltige Entwicklung. Wenn die Menschen selbst, wenn die Gemeinden in der Region selbst nicht am Prozess von vorne herein beteiligt sind, und auch ein ordentliches Mitspracherecht haben, dann kann ich mir eine nachhaltige Landesplanung nicht vorstellen.”</p> <p>“When you have unsustainable development that means that you have an imbalance of interests. And sustainable development and any approach of sustainable development would say that we have to sit together and try to rearrange these imbalances.”</p> <p>“Was ist die Rolle von den Gemeinden? Und das ist eben auch im Sinne von einer nachhaltigen Gesellschaft [...] Wir brauchen Bürger von innen, die sich für andere Wohlstandsmodelle einsetzen.[...]Wir brauchen nationale Kohärenz. Aber Bürgerinnen von unten.”</p> <p>“Was sind die Kriterien einer nachhaltigen Entwicklung einer nachhaltigen Landes? [...] Auf viel, muss man sich einigen, und da muss man schon schauen, wie breche ich die jetzt rund auf konkrete Projekte? Und da gibt es dann immer wiederum verschiedene Zielkonflikte.”</p>
Sector imbalance	<p>“I think we should more involve the social actors, trade unions and so on. Definitely. [...] And of course the cross-border dimension has to be much much stronger.”</p> <p>“Well, take Dici, for an example. It focuses very much on economic development and social aspects are missing. [...] It's all about transport and economic development, mobility issues. You can find aspects of environmental issues and social policy, but they are not - not very clear.”</p> <p>“I have so far never heard that the social dimension of the territorial cohesion is such a strong concern for Luxembourg. The IVL does not address it at all. There was not a single sentence about the social dimension of the urban development or the spatial development. It was about economy about transportation and a little bit about environment.”</p> <p>“Sustainable development is not only about environment and not only green thing, but also social objectives.”</p> <p>“The social is not present in fact, I think. [...] There are always very precise points regarding the economy and the ecology, but the social aspects are more difficult to grasp it, I think.”</p>

G8, N1, G8, G9, G4, R3, R1, G7, G3

**Table 3: Sustainable development as a response to a finite planet**

Angles	Examples
Durability over time	"Nachhaltig ist ja eigentlich, wenn ich jetzt was mache und es dauert längere Zeit positiv an. Ich setze Nachhaltigkeit in den Bereich von was Positives, von etwas Positives umsetzen. [...] wenn wir eine Forstwirtschaft von einem Wald machen, dann bewirtschaften wir diesen Wald so, dass er für die nächsten 100 Jahre noch erhalten werden kann."
Nature protection	"Das wären die konsequente -- im räumlicher Planung -- die konsequente Überlegung: da wo städtische oder zentrale Strukturen sind [...] beziehungsweise da wo eine gute Mobilitätsverbindung ist nur noch da zu siedeln als oberste Priorität. Und auf der andern Seite, aber auch wertvolle Naturräume zu schützen -- flächensparender zu bauen. Also ich meine die ganzen Themen, die könnte man umsetzen, aber man muss das konsequent machen. Der Staat muss es auch konsequent machen."
Resource management	<p>"The whole discussion is related to shortage in energy, in the coming fossil energy shortage. It's related with oil and gas price going up fast and it's related to all kinds of tensions and threats related to this situation."</p> <p>"[sustainability] means our resources are limited and knowing on [...] that if every country in the world would work like Luxembourg we would need 5 planets [...] having in mind the context of a small country, with no real resources."</p> <p>"We are not thinking that this growth will be sustainable for, for a lot of points. Ah...first of all, yeah, because of the dependency of on the financial markets is too high. And we know that, it is not a secret and that it is not healthy for the long term. And secondly, well ah, you know that Luxembourg is one of the biggest countries if you look on the emission of [...] CO2 -- also thanks for the low price of the oil here. And well, this is a lot of, of income for the Luxembourg state for sure, but is it really sustainable well we clearly doubt that. This will not be sustainable for 20 years now it's clear, that's the point."</p> <p>All die Massnahmen um jetzt energetisch besser zu bauen, ja, finde ich nachhaltig. [...] Da merkt man im Bau, dass momentan eine Art Revolution dabei ist und die Bau, der traditionell Jahrzehnte so gemacht wurde, wird jetzt ganz revolutioniert mit andern Bauweisen."</p>

N4, A2, A4, G2, N1, O5

## **Small State Government Structures**

This section focuses on Luxembourgish government: describing its structures, and listing perceived weaknesses that SUSTAINLUX research participants hold.

There is no regional level of government in Luxembourg. Rather, and due to the small size of the country, Luxembourg is divided into national and municipal levels, each of which are structured and organized with respective administrative bodies. There is a Canton level; however, its sole function is for electoral purposes. There is no cantonal administration. The national government functions in the form of a constitutional monarchy, where the Head of State is transferred along hereditary lines. While sovereign power is constitutionally guaranteed to the citizens as represented in the Chamber of Deputies, the monarch's status is awarded considerable powers including inviolability, the right to override the penal decisions of the court, and the power to appoint and supervise administration and military officials (Le Gouvernement du Grand-Duché de Luxembourg 2010). To counter-balance, any undertaking by the Grand Duke must be co-signed by a member of government. While this governing structure is perhaps less directly relevant to land-use and planning, which are co-ordinated at the ministerial and municipal levels, this structure is relevant to political participation as discussed later in this paper.

The national Parliament (Chamber of Deputies) houses the 60 elected representatives, and is the assembly arena of the elected ruling government. The programme of the government is in turn administered by the nineteen ministries. Of particular relevance to SUSTAINLUX are the following: the Ministry of Sustainable Development and Infrastructures; the Ministry of Housing, and the Ministry of the Interior and the Greater Region. The responsibilities of these ministries span planning, housing, transportation, environmental awareness, and planning.

In addition to the national level there are 106 Municipalities in Luxembourg. This number is slowly being decreased as

negotiations are underway to fuse some of them. The Municipalities are each equipped with Municipal Councils and retain significant regulatory powers that are defined in a decree of 1789. These powers include police regulations, infrastructure for primary education and child care facilities, water supply, sanitation and sewage evacuation, and road maintenance. The Municipalities also maintain the civil registries and administer social assistance. For SUSTAINLUX perhaps the most relevant obligation/right that municipalities have is overseeing municipal planning and urban development. That is, they formulate general city plans, regulate zoning, and dispense building permits.

Against this background, interviewees repeatedly identified perceived imbalances in the government structure (See Table 4). They consistently referred to the size and capacity of the Municipalities, and the relative power and influence of the property market. It is generally agreed that smaller Municipalities lacked specialist staff who could focus on planning, structural and legal instruments to co-ordinate development, as well as financial resources. Most Municipalities were considered too small. In contrast, those involved in larger Municipalities expressed optimism and potential.

Some perceived the decision-making opacity of top-level officials as problematic (see Table 5). The national government was often charged with not involving the Municipalities in a timely or reliable manner. This was again perceived as a result of limited human resources; however, not only at the Municipal level, rather the national level as well. There also remains work to be done with respect to how Inter-Municipal co-ordination might occur. Many respondents were very clear that Inter-Municipal or nation-wide development was necessary. It was not clear how participation of interested parties could be consistently and reliably guaranteed.

Top-down was also the perception of those in the building sector, who seek approvals for building projects. Several complained that conditions for one permit conflict with conditions for another permit.

Regulations for the national approval of Municipal PAGs and PAPs have become so complex that it takes years to complete a single building project – a process that drives land prices higher still. This frustration was also seen as real estate agents refused interviews, cussing that if we were so interested in knowing how land use development in Luxembourg worked, then we should ask the government (see Table 6).

Some explained that the Ministries often operate following separate logics. For outsiders this can appear incoherent and obscure. However, this problem is compounded by cleavages along party lines and personal networks (see Table 7).

The above problems contribute to an overshadowing and perhaps still greater problem: that the national government frequently breaks its own rules, thus diminishing its own credibility (see Table 8).

#### *Notes and Comments*

The SUSTAINLUX textual data reveals much about the government structures of small states. Dilemmas are easily seen in the case of Luxembourg such as the, limited human resources and the sometimes unavoidable conflict of interests, the heightened awareness of national sovereignty. The frustration among governing authorities is readily evident. The hyper division of the country into tiny autonomous municipalities – which may have made sense once upon a time -- renders more of a “divided and conquered” situation, than one of empowered local communities. This is reinforced by a national government that is perceived of as top-down.

While problems are clearly more pronounced in the smaller municipalities where population is small, and municipal offices are sparsely staffed, the national government was perceived as solving these problems via means of a top-down approach. These perceptions unfolded in at least five ways. First, some perceived a lack of bottom-up participatory processes (see Table 5). Second, some were frustrated with the building process, as the

application procedures for permits were lengthy and incoherent (See Table 6). Third, some explained that there were colliding Ministerial logics and cross-Ministerial conflicts of interest that could be perceived as conveniently incoherent. Furthermore, these were obscured by cleavages among the parties (see Table 7). Fourth, top-down approaches were particularly poorly perceived in instances where the national government itself didn't follow its own directives (see Table 8). The end result of these processes is that architects, mayors, real estate agents, and the general public perceive a top-down power at work that operated through a complex web of administration.

One interviewee informed me (January 19, 2012), „Es gibt da ein Sprichwort "Ein Bürgermeister, wenn er will, ruft er Morgens an und sitz am Nachmittag beim Minister auf dem Canapé". This is a growing problem that can, in part, be traced back to the smallness of the population, and respective close relations among those active in governmental circles. It is also a signal that affected stakeholders are wishing for a different form of participation as Municipalities are strong in bargaining power, but weak in strategy-making.

These problems can be traced back to the smallness of the population, and respective close relations among those active in governmental circles: few actors, limited human resources, people wearing double hats, short distances between actors. To a certain degree they are unavoidable. However, in its current form, they are quite problematic. The end result of these processes is that architects, mayors, real estate agents, and the general public perceive a top-down power at work that operated through a complex administration, whereby many are confused as to who is actually making decisions and how decisions are made. Moreover, one gets a sense of deep reaching dissatisfaction, mistrust, and frustration among governing authorities *at both levels*, leaving one to wonder how progress on any one topic can be made, let alone the topic of integrated sustainable development.

**Table 4: Perceived imbalances in government structure**

Angles	Examples
Small Municipalities are weak	<p>“Die Kommunen – Das grosse Problem ist das eben die kleinen Kommunen relativ wenig Kompetenzen haben.”</p> <p>“Die kleinen Gemeinden haben in der Tat die Strukturen nicht, um auf große Aufgaben eine Antwort zu finden.”</p> <p>“It is much easier to do something quite fast in a small Commune where you have a plot of land, where you have small technical staff, [and] nobody can really discuss things. You try to get the Mayor on your side and you are already on the winning side. That's it.”</p> <p>“The municipalities are sometimes not in a position to negotiate [...] with the builders, because they have strong means and they can convince local authorities that it is good, and that they will get some money out of it, and so they let go. [...] There is a Municipal autonomy but [...the] Municipalities do not really benefit from this autonomy because they are too weak. They are too small. If you don't have the resources your autonomy is reduced to just something written on a paper.”</p> <p>“In den 2000er Jahre und Ende 90er, es wurde auch mal diskutiert, dass man den Gemeinden auch Mittel zur Verfügung geben müssen – ein Regionalfonds – damit ... ein Kulturzentrum nicht nur auf sich [...] bezieht, sondern auf eine Region. Aber die Gemeinden hatten auch nicht die Mittel.”</p> <p>“There is no decision-making capacity [of the Municipalities], and so it doesn't matter on what kind of topic you talk [about].”</p>
Larger Municipalities have possibilities	<p>“Das was in der Stadt Luxembourg und in Esch, zumals den ganz grossen Gemeinden passiert ist, ist viel kohärenter, als das was so in den Mittelgemeinden [z.B.] Strassen, Hesperange und so weiter. Von kleiner Landgemeinde braucht nicht zu reden. [...] die Vorschrift die jetzt kommt in dem Gesetz, dass man sich ab einer gewissen Grösse mit den nötigen Kompetenzen, Architekten und so weiter [bekommt]. Das kann -- Ich hoffe, dass irgendwas da was passiert.”</p> <p>“Da gibt eigentlich sehr sehr viele Möglichkeiten umm.. man hat als Kommunalpolitiker mmmhh... Man hat sowohl die rechtlichen Möglichkeiten da was anzustossen, als auch die politischen Möglichkeiten da was anzustossen. Es gibt zunächst mal dann das ganze Baurecht und so weiter, und dann liegt dem Gemeinderat da... kann man natürlich schon entscheiden: auf welches Quadratmeter Grundfläche; welche Aktivität kann da stattfinden; wie möchte ich, dass die Stadt sich entwickelt; möchte ich, dass wir eher von Innen raus wachsen; möchte ich, dass wir das das Grossflächen nach Aussen tun; möchte ich eher Flächen reservieren für jetzt Wohnbebauung, oder für wirtschaftliche Aktivitäten, oder für Freizeit Aktivitäten; wie viele Grünflächen möchte ich ausserhalb meiner Ortschaft und innerhalb der Ortschaft halten. Das ist ja alles ein Thema [...] Es gibt die politischen Möglichkeiten.”</p>

G12, G6, G4, R1, A2, R4, G8, G9

**Table 5: Perceived lack of participatory processes in national policy making**

Angles	Examples
Shortage of human resources	<p>[The Municipalities] don't know what is going on until it is too late. [...] Okay, in my opinion, it's very good at the national level that takes all these initiatives [...] But most of our politicians at the local level- are part-time politicians. They still have to work to support themselves, so they don't really have the time to really engage - to really [...] learn more, to inform themselves, to go to all the meetings that are being offered to them."</p> <p>"Viel zu viel wird von oben nach unten gemacht. [...] Es ist [aber] ein gravierender Personalmangel, einfach. So gut die Leute das auch machen und zum Teil tun oder tun wollen. Die paar Leute, die da rum rennen, können keine gute Partizipation gewährleisten auch wenn sie es wollen. Partizipation, von wem auch immer, erfordert Zeit. So wenige Menschen, wenn man sieht, was die alles machen sollten: Naturparke-Begleitungen, die die Konventionen mit den Gemeinden in punktuellen Sachen, Parkraummanagement, Pläne voranbringen, Landesplanungsgesetz, vorrangig Regionalpläne erstellen. Das sind Aufgaben, die ein paar Leute nicht bewältigen können."</p>
Necessary Inter-Municipal coordination	<p>"Die Sektoren Pläne, das sind Pläne vom Staat. Bei einem Sektorplan wurden die Gemeinden auch mal informiert, war auch ein bisschen beteiligt aber bei den andern drei nicht. Das heisst, die Gemeinden sind da schon sehr gespannt was kommt da jetzt auf uns zu und da werden wir jetzt wieder voll geplant und wir hatten da kein Mitspracherecht. Das kann man diskutieren. Ich ich sehe auch, dass der Staat auch irgendwann sagen muss, bestimmte Definitionen, bestimmte Regeln, bestimmtes Verhaltensweise, bestimmte Planungsarten, bestimmte Ziele müssen National definiert werden."</p> <p>"die Sektoralpläne, die sollen ja jetzt fertig gestellt werden und Ich habe nur die große Angst, dass das wieder ein Diktat von oben nach unten wird, denn mit den Gemeinden wurde noch kein Wort gesprochen. Die Gemeinden pochen auf ihr Selbstbestimmungsrecht, und da glaube ich schon, dass es noch Ärger geben wird."</p> <p>"...the law of '74: It was a pure instrument of top-down – to give the government the opportunity to say to the communes, "You have to do this because of economic interests." and the law of 74 was the framework for the industrial conversion in the '70s, and in '78 we had a plan for reusing the old industrial areas. [...] The law of '99 was a totally different conception based in spatial development, but also based on a combination of top-down and bottom-up. So, the philosophy was to have a set of instruments for the government, and those are the Plan Sectoriel [...] projects from the government, top-down. But we also had the idea of the Plan Regionaux, and not one has been finished until now, [...] But in my eyes, and in the eyes of the people that worked on the law of that time, there was a balance between the top-down plans, sector plans, and the bottom-up plans, the plans régionaux. The plans régionaux was the idea of Communes working together to define their vision of regional level of spatial development, and then the government coming top-down with the sectorial plans, and in fact, to have dynamic between both instruments. But now we are in the situation that regional plans are still in the law, but there's no substance behind them. So we have only top-down instruments."</p>

R3, N3, A2, G6, G3

**Table 6: Lengthy and incoherent permit application procedures**

Examples

"Man sieht die Prozeduren wurden ein bisschen gekürzt, aber so richtig optimistisch bin ich da nicht. [...] da warte ich jetzt seit Julli letzten Jahres auf ein Gutachten des Ministers und das liegt noch immer nicht vor."

"Jede Gemeinde wurde auch verpflichtet [...] eine Analyse zu machen und aber auch Szenarien zu entwickeln, um zu erklären warum sie so wachsen möchten [...] dann wird höchstens gesagt "Nein, Ihr dürft das jetzt nicht." Auf der anderen Seite, werden sie aber angehalten von einem Konvention Pacte Logement zu wachsen. Das heisst, dass das nicht alles kohärent ist."

"Enorm viele Gesetze habe sich geändert in den letzten Zeiten [...] Es ist fast undurchsichtig zu wissen wie viel Zeit man braucht um etwas zu machen. [...] d.h. dass die Planer und Architekten haben immer weniger Zeit das Projekt zu machen, weil immer mehr Zeit nötig ist, um zum Grundstück zu kommen, die Prozedur zu machen, die Genehmigung [zu kriegen]. D.h. es geht zur Schaden der Qualität. [...] Wir hätten gerne, dass es schneller geht. [...] Aber seit 2004 [braucht man eine] völlig neue Art und Weise die Planung zu denken. [Die Gemeinden] haben sich gut dran gewöhnt, verstehen dass man fast alles begründen muss im Sinne Nachhaltigkeit.[...] Früher hat man eine Zone gemacht, [...] wurde bestempelt fertig. Heutzutage, muss man ungefähr so ein [dickes] Dokument machen für jeden Strich.[...] Der Ziel ist okay. Aber da gibt es enorm viele Form Sachen in den Gesetzen.[...] PAG und PAP z.B. haben eine öffentliche Prozedur von 30 Tagen. Während diese Tagen, kann jeder sagen "Ich habe hier ein Problem," und der holt sich dann ein Rechtsanwalt, und kuckt in dem Dossier wo irgendein Artikel fehlt. [...] Es führt dazu, dass die Leuten sich die Formfehler suchen um Projekte zu bremsen oder einfach deren eigenen Interessen zu verfolgen. Das führt dazu, dass zum Beispiel eine Planung die vielleicht 6 Jahre gedauert hat mit der Gemeinde, die ist die die aber teuer ist für die Gemeinde [...] und während diese 6 Jahre sind mindestens 4 oder 5 neue Gesetze gekommen."

"We organised an internal watch of regulations of certifications and technologies. So we have a library which is evolving [...] and we do it mostly by going to learning sessions. [...] I really spend a serious part of my time going to learning sessions, spreading the word internally and explaining it. [...] It's changing a lot. [...] It's endless, it's just endless, but we do it." (A4)

"viele Leute sind verunsichert.. das das ist ganz klar alsooo.. Die Kunden sind verunsichert, sie wissen nicht richtig was sie machen sollen und enn.. aber das.. ich hoffe das das sich jetzt ändert, nach und nach.. in den nächsten Jahren.."

" Umweltministerium, die sagen "ist okay" aber vielleicht für das gleiche Projekt haben dann die Leute vom Innenministerium ein Problem oder umgekehrt."

"For me [a lawyer], it is genius. It is impossible to understand anything at all. I need a lawyer here who is doing all day, nothing else than paying attention that we are knowing all the different laws and so on. I think that if they are going on like this, in 5 years, it is impossible to build a house without a lawyer [ ... ] I saw the Minister [...] at a meeting, and I told him, "Listen, this is impossible what you are doing," and he told me, "yes, now I have the possibility to cancel nearly any PAG," and I answered him, "So do I. I have also the possibility." And from this moment on, it is a national sport to attack any PAG or PAP."

G9, A2, A3, O5, G9, O3

**Table 7: Cross-Ministerial conflicts of interest and cleavages among the parties**

Angles	Examples
Ministerial conflict	<p>"The City of Luxembourg – the urban planning department – they are quite defensive. [...] it's a sort of situation where [...] Luxembourg is a liberal state for development basically [...] the private actors have quite a lot of freedom. It's not always easy to influence them. And if you, as a City, if you want to operate on your own ground, then you risk the critique of competing with the private sector."</p> <p>"Die Behörden haben schon Vereinfachungen also das Ministere de l'Interieur hat Vereinfachungen in dem Gesetz gebracht.. das das ist klar. Aber es gibt noch andere Behörden die deren eigenen Gesetzen des Environnement macht sein eigenes, jetzt Amenagement du Territoire wird sein.. sein eigenes dann euh.. es war Gestion de l'Eau ist gekommen, Pacte du Logement ist gekommen und so weiter.. es ko es kommen dann alle Plan Directeur Sectoriel.. wenn die jetzt bevor die Abgabe der PAG's raus kommen, was machen wir?.Fangen wir von Anfang an?"</p> <p>"Das Problem bestand auch im Niveau von der Landesplanung selbst.. [...] zum Beispiel hat die Landesplanung irgendwelche Vorschriften gemacht.. eben auch die anderen Ministerien betroffen hat, und es wurde nicht koordiniert."</p> <p>"Das scheint so, dass die Landesplanung nicht kohärent von der Regierung verfolgt wird. Da hat ein Minister sich gegen sein andern Ministerkollegen - der damals die Landesplanung unter sich hatte – ausgeschaltet. Er hat sich durchgesetzt. Und, ja, die Landesplanung -- kann man sich fragen ob die gewollt ist. Seit Jahren kann man sich das fragen."</p> <p>"Wir haben ein kleines Problem. Hier hat jeder Minister vor den anderen Ministern den gleichen Stellenwert, also den gleichen Rang. Und deswegen ist das für den Landesplanungsminister sehr, sehr schwer, sich gegenüber anderen Fachplanungen durchzusetzen."</p>
The black box of financing	<p>"Egal welche Regierung jetzt da ist, [...] es gibt überhaupt keine Tradition, dass die Minister [...] facherübergreifend miteinander reden, geschweige denn planen. [...] Jeder Minister sitzt mit seinem Topf an Geldern, und ist ganz [bedacht], dass da niemand ihm reinredet [...] Ein paar Abgeordneten versuchen seit 15 bis 20 Jahren herauszufinden wie einzelne Ministerien ihre kommunale Zuschusse verteilen. Das kriegen sie nicht hin, das kriegen sie nicht hin, da ist absolute Dunkelkammer. Das ist so die parteiische vetternwirtschaft wo ich ihnen gesagt habe: Wenn der CSV Bürgermeister zum CSV Minister geht dann kriegt er ein ganz anderen Zuschuss zu seinem Kulturzentrum als wenn [ein Andere] zur schwarzen Kulturministerin geht."</p>

A4, A3, G12, A2, G6, G8

**Table 8: National government loses credibility**

Angles	Examples
National government breaks its own rules	<p>“Zum IVL ist noch zu sagen, dass sehr viele Kommunalpolitiker natürlich auch nicht mal dran glauben, weil auch die Regierung nicht mehr voll hinter dem IVL steht. Das ist ja ein Konzept, dass jetzt sie fast 10 Jahren schon auf dem Buckel hat, und auch die Regierung ja sehr oft schon dagegen gestossen -- gegen Prinzipien die im IVL eingeschrieben waren. [Ich] denke an das Fussballstadion und Einkaufszentrum in Leiveng. Das dürfte eigentlich nicht genehmigt werden von der Regierung aus, wenn sie IVL noch ernst nimmt. Und das hat natürlich auch dazu geführt, dass sehr viele Gemeinden sagen, "Ja gut, Wenn sie sich selber nicht daran halten [...] dann mache ich was ich will."</p> <p>“Im Programme Directeur steht alles drin. Nur die Regierung hat sich aber nicht nur einsatzweise an diesem Programme Directeur gehalten. Ich sag ihn zwei Beispiele: Das Lyzeum in Mamer. Fahren Sie mal dahin, in der Pampa. Theoretisch hätte das Gymnasium also nach Steinfort kommen müssen, in ein CDA. [... Aber] in Luxembourg, fallen die Landesplanerischen Entscheidungen: wenn ein Bürgermeister ein Minister relativ gut kennt und der Minister hat ein Problem [...] Dann sagt der Bürgermeister, „Ich lös dir dein Problem, aber ich will ein Gegenstück.“ So ist das Mamer Gymnasium [entstanden], und jetzt kommt zu dem Mamer Gymnasium die Europa Schule [...] Jetzt wird für ein Wahnsinnsgeld in einer Gemeinde von 4000 Einwohner in Luxembourg, [wird] man eine Unterführungen die Milliarden kosten bauen.”</p> <p>“Gerade in den letzten Jahren, sind Projekte entwickelt worden, im Süden des Landes, die offensichtlich nicht ganz kohärent sind, zur Landesplanung.. [Sie] wurden aber von hoher Seite unterstützt.”</p>
Different form of participation	<p>“Another problem is that the decision making at the state level in the last months has not been very convincing. The whole discussion about the football stadium and Livange -- the way the government is intervening in the affaires of the local. It's not convincing now. It is probable that the local referendum is going to oppose the building of this stadium now, which is a very bad sign when you talk about the government trying to influence local affairs. [...] They should use more soft power. If the government wants to show that they want to offer more on the spatial level – spatial planning – they should make it attractive, and they don't.”</p>

G9, G8, A2, A4

## **Power of Property Markets**

While government bodies may attempt to create mechanisms for strategic planning, participative planning, or sustainable planning, efforts are undermined or indeed overridden by powerful circuits of land-use development, which is an underlying factor in all transport and housing development, “sustainable” or not.

The property market is characterized by private ownership to an extent that is much higher compared to other countries. This is easily seen in the housing sector, which evolved out of an old aspiration of single family detached home living, and now caters to high-end luxury living (see Table 9).

Table 10 summarizes the perceptions of the property market supply and demand in Luxembourg, which is characterized by a general absolute limitation in volume because Luxembourg is a small state; high land prices that are not likely to fall; and a probable high degree of speculation. The volatility of the private property further has unfolded as a democratic deficit, as it is feared that politicians are more likely to listen to investors (see Table 11).

### *Notes and Comments*

Planning in Luxembourg cannot be perceived of independently from the reality of the market, and the gains that are to be made at various levels, as the private property market is proving lucrative to some: the sellers. This situation has unfolded in a country that had no history of social housing, and it is proving necessary to have more and more capital to enter the market. This is particularly a problem for younger generation Luxembourgish residents, and lower income families. While one clearly needs more and more capital to enter the property market, those that do own land are potentially wealthy. This further begs several questions: Does an individual who is well served by the market (negative integration) have need for a functioning government (positive integration)? Does an individual who is well

served by the market, require “sustainability” correction?

**Table 9: Ideology of home ownership and private property**

Aspects	Examples
Private property an older ideology	<p>“...weil das Idealbild [vor] 20, 30 Jahren anders geprägt war. Man hat immer das isolierte Einfamilienhaus auf dem großen Grundstück, der [lebt] mit der lieben Familie, zwei Kinder, ein Mädchen und ein Junge. Das war so der Traum, der auch von der Immobilienwirtschaft immer wieder verkauft wurde. Diesem Ideal hängen noch viele Leute nach. Auch das muss einfach [...] umdenken.”</p> <p>“The normal Luxembourgish ideal is to have a uni-family house in a garden with green around it and the next neighbour 100m away.”</p> <p>“Also wenn ich so sehe, [in die] 70er Jahre wo meine Eltern gebaut haben. Sie haben ein grosses Haus auf ein grosses Grundstück gebaut – wie es damals gebaut wurde. Die Grundstücke waren billig verhältnismässig. Alleinstehende Haus war irgendwie so eine Mode in den 70er Jahre geworden.”</p> <p>“räumt ja auch jeder von seinem kleinen Hügel mit seinem Haus, einer Riesenmauer, wo er den Nachbarn nicht sieht, weil er das dann nicht mehr braucht. Ich kriege es ja mit, weil wir bei den Offenlegungen der PAGs mit den Leuten in diesen Orten zu tun haben, die vor 10 oder 5 oder 20 Jahren von irgendwo dahin gezogen sind und deren Priorität, die ist, dass keiner dazu kommt und dass sie möglichst wenig mit ihrem Nachbarn zu tun haben müssen.”</p> <p>“Das ist auch erklärt Ziel unserer Regierung. Die Regierungen der Nachkriegszeit sind der Meinung gewesen, dass die Eigentumsförderung ein sehr gutes Instrumentarium zur cohésion sociale darstellt.”</p> <p>“Aber die Erwartungen der Leute, hier in Luxemburg ans Wohnen sind, dass du eigentlich nicht mehr vor die Tür gehen musst. Also, du fährst in deine Garage rein, Fernbedienungen, und dann bist du in deinem Universum. Du brauchst nicht mehr in die Kneipe zu gehen, um Leute zu sehen. Du hast Skype. Du brauchst nicht mehr einkaufen zu gehen, weil du eine Riesentiefkühltruhe hast. Deine Kinder, die brauchst du nicht zu Fuß in die Schule zu begleiten, und du brauchst auch niemanden ‚Hallo‘ zu sagen, weil du sowieso im Auto sitzt, möglichst mit viel Blech drum rum.”</p>
Luxurious standards	<p>“Sie wollen nur 400 m2 mit swimming pool, am liebsten goldene Wasserhähne. Whirlpool muss sein. Das ist das mindeste. [...] Die standard die die Luxemburger gerne hätten, ist sehr hoch.”</p> <p>“Immer Wohnung bleibt noch immer in Luxembourg teuer weil auch die Leuten viel verdienen und sich das leisten können.”</p> <p>“Die Ideen sind hier in Luxembourg etwas anders. Mit 20-22 Jahre, man geht Samstagabends in der Disco, trifft eine Freundin, geht mit ihr ins Bett, den ganze Sonntag durch,. Montagmorgens geht man zu Notar und um irgendwo ein Stuck Land zu kaufen. Die haben wohl die Tassen nicht alle im Schrank. In Deutschland, Amerika, oder egal wo, kann man seine erste Wohnung mit 35-40 Jahren. Hier, will man die erste [...] mit 20 Jahren kaufen. Das ist das Absurdes.”</p> <p>“The reality is that Luxembourg decided to become- to stay a small paradise of privileged people.”</p>

G6, N2, O6, A1, G6, A1, O3, O5, O3, N5

**Table 10: High demand in a limited supply of land**

Aspects	Examples
Housing prices	<p>“Der Grundstückspreis wird niemals fallen. Das ist Quatsch. Das ist eine Utopie. Die Grundstücke gehören einer Kategorie von Personen, die ihre Grundstücke nicht verkaufen müssen. Wir sind ein kleines Land und der Druck wird immer bestehen bleiben. Ja. Und wenn jemand nicht das Geld für das Grundstück bekommt, was er sich in den Kopf gesetzt hat, dann verkauft er einfach nicht. Es sind ja keine armen Leute, denen die Grundstücke gehören. Und ich sehe keinen Anhaltspunkt, warum der Grundstückspreis fallen sollte. Er wird sich höchstens stabilisieren.”</p> <p>“Was die Preise angeht, soll man sie nicht darauf beziehen was die Preise die in den Zeitung sind, oder die Preise in den Internet. Das sind alle phantasie preise. Das entspricht gar nicht der Wahrheit. [...] [the real estate agents] have to go down. Even if they are announcing 5000€ per square meter, they know that they have to go down to 4700 or so.”</p> <p>“Aber man hat keine Blase hier in Luxembourg ganz klar ne, das ist ja oft das Problem wenn man jetzt Spanien nimmt oder so.. wo eine Immobilienblase entstanden ist aber es ist ein stabiler Markt in Luxembourg. [...] Man merkt das es keine Fluktuationen sind im Markt. Wir hatten vor 5-6 Jahre eine Situation die ganz speziell war in Luxembourg. Da war der Gebrauchtmärkt vom Real Estate so teuer wie der neue Preis. Normalerweise müsste ein Abschlag von 15-20% sein, und da das ist jetzt nicht mehr der Fall. Der Markt ist jetzt gesunder. Aber trotzdem ist die Nachfrage noch immer hoch gegenüber des Angebots. Das an sich kein Problem ist. Also das es keine Blase ist.”</p> <p>“Ein Grundstückpreis war [früher] 1/4 und 1/3 des Preises der Immobilien. Heute sind wir schon bei 50 %, 60 % ist der Grundstückpreis (lacht) und der Rest ist das Haus also ist irgendwie disproportioniert das Ganze.”</p>
Speculation	<p>“Es sind viele Grundstücke die an sich da brach liegen weil die Leute nicht.. es nicht verkaufen müssen, es ist eine eine Geldanlage. Wenn man jetzt viele Grundstücke hat die die im Bauperimeter liegen, muss man nicht mehr Steuern zahlen.. Man muss einfach... also das ist eine eine Geldanlage die an sich rentabler ist als irgendwelche Geld -- und stabiler als irgendwelche Geldanlage die die es jetzt existiert und da ist auch kein Druck seitens des Staates und da eben die Steuern, die die die Grundsteuern in die Höhe zu setzen zusumm zum Beispiel die Leute zu forcieren zu verkaufen.”</p> <p>“Man sieht nur in Stadt Luxembourg wie viel Baulücken sieht man überall.. man braucht nur durch die die die Viertel zu fahren. Da sind unheimlich viele Bauplätze noch frei.. die liegen da brach also die bekommen jeden Tag mehr Wert. Also man lässt die liegen.”</p>
Limited land	<p>“The small size of the country. If you look for places to build, [the number of] places – the sites – where you can clearly say: “This is exactly the right site for that kind of purpose,” [...] is] less and less. And we have to be able, in the future, to deal with second or even third class sites because there is nothing else left. [...] It is easier in bigger countries to find places – areas – where this or that makes particular sense. [...] But here, everything becomes difficult because everywhere you are close to this or that. [...] It is easy to say in a big country: “Now we urbanize this part, but we will compensate it by doing this and that in other areas.” But what [about] Luxembourg? Are you really able to fully compensate? I'm not sure. [...] There are limits. [...] That is a big problem.”</p>

G6, O3, O5, O5, O5, O5, G4

**Table 11: Private property and democratic deficit**

Angles	Examples
Big money first	<p>“If I do not have [...] the possibility of exception in my system, what do I do? Do I change my system then when something comes that I have not predicted? No. I think it's wiser to open a very small door with certain criteria and to let the whole system work well for the rest. I don't know, if in five years [...] some big business wants to come to Luxembourg, where it would be obvious that that would bring a lot of money, you know as well as I do: If we don't have the exception in our rule system, then the parliament will change the rules in no time.”</p> <p>“At the end, it is not the spatial development that matters nor the IVL, nor even the Programme Directeur. It's about the deal with some international investors that are going to put some billions or hundreds of millions – I don't know – in Luxembourg, and some agreements between different people ... yeah, to get a share of this. But this is I think usual business. It happens in other countries as well so, I don't want to blame Luxembourg also for things that are probably wide spread.”</p>
Mayors speak to land owners	<p>“One difference between Luxembourg and other countries is the one that we have probably by far the highest proportion of owners and ah...very low proportion of renters. Um...and this so the normal Luxembourgish ideal is to have a uni-family house in a garden with green around it and the next neighbour only 100m away. So the first thing is already that social housing normally means very, very many people together on a smaller space. So that's already against the Luxembourg ideal. Secondly then because of this high proportion of owners um...of course in reality ah...those who are renting and those who are renting especially social housing , social flats um...are those people who have the less money. And those people who have the less money are not the ones who are, who have a big image in the municipality and where the elected people in the municipality want to act first for. So they act first for the 2/3 of the other ones who are the well settled people and it's very difficult for them to do something in the other direction. Um...then you have always ah...you have also among these people who are renting you have more foreigners than Luxembourgers and the first thing about foreigners until some years they had not the right to vote. Now they have in the municipal elections they have the right to vote. But still they are not voting all, so only a very small part of them are voting. So this is not the people where someone who wants to be elected will address himself too. So his population is more the well settled Luxembourgers.”</p> <p>“There is no pressure on an efficient use of land in Luxembourg. That's very clear and the fiscal tax that you have to pay on grounds, on housing is very ridiculous. It's so long. If you have a dog, you pay more tax than on housing. Okay, if you have two dogs, let's say that.”</p> <p>“Also es gibt immer mehr Unterschiede zwischen Inhaber und nicht Inhaber. Also Leuten die mieten haben absolut keine grosse Macht, ausser zu wählen [und] haben auch nicht viel Gewicht.[...] Aber diejenigen die viel Grundstücke haben, die muss man - mit denen muss eine Gemeinde gut umgehen können, wenn sie sich entwickeln will.”</p>

G4, R1, N2, N1, A3

## Integrated Spatial Planning

In the previous sections, one can already find the seeds of a call for regional (cross-Municipal) development in Luxembourg: The perceived weakness of the Municipalities, the perceived incoherent strategies of the national government, the perceived immanent problems, and the volatility of the high-stakes property market, all feed a broad consensus that a co-ordinated action is urgently needed and desired.

There is a broad consensus that urban development along the lines of central place theory is the way to go. Densification is popular concept. Densification could be seen in three major spheres: 1) the Ministry of Housing and their strategies associated with the *Pacte Logement*, 2) DATer and the *Programme Directeur* and Sector Plans; 3) other alternative projects (e.g. eco-housing projects initiated by the Fonds Logement, the One Planet project initiated by real estate agents, urban densification pushed forward by architects and urbanists). Some are market oriented approaches and some are public approaches (see Table 12).<sup>1</sup> While rather diverse in their paradigmatic approaches, and different in terms of their political acceptance, all three models promote densification.

Many were convinced that the Municipalities were the scale of government that would be most appropriate for asserting spatial planning. However, the success rate of policy implementation is highly variegated, as Municipalities seem to have trouble balancing conflicting interests. Sometimes residents do not want densification: sudden increase of population and associated pressures of infrastructure provision. Sometimes Municipalities look out for their own strategic interest. A still greater issue, too, is that two milieus meet

in agreement: planners and property developers.

The repeated claims for a coordinating body for planning could be interpreted as a call for spatial planning. While the national government was often criticized, there was sympathy for Spatial Planning - a department that is constantly defending its existence and legitimacy (see Table 14; recall also Table 5, top).

### Notes and Comments

Concerning integrated spatial planning, that there was a broad concern and call for regional (cross-Municipal) development in Luxembourg. Municipalities that perceive themselves as weak, the perceived incoherent strategies of the national government, the perceived immanent problems that Luxembourg faces, and the volatility of the high-stakes property market, all fed a broad consensus that a co-ordinated action was urgently needed and desired.

What is striking in these results is that all dreams of regional co-operation or public space development seem relegated to just that: dreams. There is not only a sense of desperation and futility about these quotes, but they unfold in an environment void of any history of public spatial planning. Rather, spatial planning as a practice finds itself in a situation where it has to justify its presence and significance, amidst an open and free property market. Furthermore, spatial planning demands definitive action, which has the potential to set in stone a development trajectory for Luxembourg, which could jeopardize those large investments that do not fit the vision. A trajectory that relies solely on the private property market however foregoes, of course, any coherent spatial strategy on a larger scale. One thus sees contradictions in spatial planning practice in the specificity of Luxembourg, where one wonders if a co-operatively planned strategic development is possible, and whether or not dreams can be acted on and realised.

<sup>1</sup> SUSTAINLUX is also involved in an international comparison investigating precisely the institutional approaches. Results to be published in a further paper.

**Table 12: Various institutional approaches**

Aspects	Examples
Market oriented	<p>"There is densification going on all over the country but it's not linked to a rule that was implemented by the state. It's just linked to the fact that the plots are so expensive that the builders get more money out of it when they do flats instead of single houses."</p> <p>"Man müsste aus Luxembourg raus [...] irgendwo hinfahren und zeigen, dass es zwischen [...] den freistehenden Einfamilienhaus und dem fürchterlichen Apartmentblock noch Zwischenlösungen gibt, wo man dichter baut aber auch Lebensqualität [schafft]."</p> <p>"[Es war] wilder Wachstum. Irgendwo wurden drei Einfamilienhäuser eingerissen, [dann] kam neues Appartementhaus hinzu. Oder aus eine Villa wurde einfach einzelne Stockwerke aufgeteilt oder ein einzelne Studios da eingerichtet. So, da wo vorhin nur eine Familie gewohnt hat, auf einmal 5 oder 10 Familien im gleichen Haus wohnen. Da kann man natürlich nicht von qualitative Entwicklung [sprechen]."</p>
Public oriented	<p>"Also, ich finde ja diese value oder dieses Leitmotto von Jan Gehl „a city on eye level“, das finde ich, fehlt hier in Luxemburg. Es wird einfach nicht genug, auch physisch, in dieser Kategorie gedacht, weil „a city on eye level“ bedeutet, dass man zu Fuß geht, dass eine gewisse Geschwindigkeit da ist und die auch nicht überschritten wird. Das heißt aber auch, dicht bauen und das dichte Bauen geht eigentlich nur, wenn du die Möglichkeit hast, auch große Weiten zu erleben. Wenn du in walking distance etwas anderes erleben kannst, aber wenn du mitten in der Stadt einen Parkplatz pro Wohneinheit haben musst oder zwei, dann vergiss es! Ja? Du ziehst ja den ganzen Verkehr rein. Und diese ganzen bad habits haben einen direkten Einfluss auf das soziale Verhalten."</p>

R1, G8, G9, A1

**Table 13: A call for regional planning**

Angles	Examples
Inter-Municipal co-operation	<p>"Ich habe zweimal probiert die Regionalplanung im Westen mit anzukurbeln. Da gabs auch die eine oder andere Versammlung gegeben, wir haben haben angefangen Statistiken zu sammeln und danach kam nie mehr was. [...] Dreizehn Jahre sind vergangen, und es gibt noch nicht ein einzigen Regionalplan. Das ist ganz alleine die Schuld der Regierung, weil sie sich nicht die nötigen menschlichen oder finanziellen Ressourcen gegeben hat in die Regionen zu gehen. Also, ich habe der Öfteren die Bereitschaft angemeldet, dass ich in unsere Region, Canton [...] mehr als bereit wäre solchen Regionalplanung anzugehen. Ist aber nie -- ausser die eine oder andere Versammlungen ( aber nicht auf Ministerielle Ebene sondern eher auf Beamten Ebene) – nie mehr was gekommen, und irgendwann kommt man sich dann doch recht verblödet vor. Man macht Vorbereitungsarbeiten, sammelt Statistiken, bringt die ein, und dann kommt nie mehr was."</p> <p>"Die Regionalebene hat hier nie funktioniert. Das versteh ich nicht, warum. Seit je hat man vier Planungsregionen. Man hat den Norden, man hat den Osten, man hat den Westen, man hat den Süden mit dem Zentrum. [...] Also, mit den Gemeindefusionen, da scheint ja in die richtige Richtung zu gehen. Aber das dauert noch 30 Jahre, bis das abgeschlossen ist. Das geht zu langsam."</p>
Municipal self-interest	<p>"[Die] Gemeinde [...] die wurden gewählt von Leuten, die da wohnen, und die wollen jetzt nicht unbedingt, dass wieder 2000, 3000 neue Leute dahin kommen. Ich wohne zum Beispiel in [einem Municipalität nah an Luxembourg], und da sollte ein grosses Viertel neu gebaut werden, und da haben allen die Anwohner eine Interessegemeinschaft gemacht, eine Bürgerinitiative gegen das Projekt zu ziehen. [...] Und da sieht man wieder, dass das die Mentalität der Leute, und auch die der Druck der Gewählten, dass sie auch [...] fürchten dass sie [...] ihrem Wohnkomfort durch neue die da kommen [...] und da sagt dann der der Verantwortlicher der Gemeinde, "Okay, dann mache ich was für meine Wähler" dann machen wir es kleiner oder wir lassen das Projekt fallen. Ja, und dass ist auch das Problem bei den Gemeinden. Die schauen natürlich nach ihren Interesse, und nicht nach nationale Interesse unbedingt. Das ist oft das Problem."</p>

G8, G6, O5

**Table 14: A call for integrated spatial planning**

Angles	Examples
Planning legitimacy	<p>"The future comes to Luxembourg but it's not a planned one."</p> <p>"What is missing in Luxembourg is a culture of [...] what used to be called 'Town and regional planning' spatial development planning. It is not in the, in the institutional system. It's something quite recent here which is not taken that seriously I would say by most of politicians. [...] As long as the country is having a GDP growth that is good, why should [they] care?"</p> <p>"Es gibt da ein grundlegendes Problem, dass viele nicht einsehen, wo und warum sie lange planen sollen, wenn es auch dem kurzem Weg geht."</p> <p>"The danger is once you build up a big city and suddenly the sector falls away, you then have like the situation in Detroit, where you have a big city and no work. Or do we want to be careful and develop the city very slowly but let all the people go everyday by bus and car to come here? They had to decide which one and there were a lot of discussions here. Which way do we want to take? And they didn't decide so both, they, the town planning was working like there were both possibilities still there, but there was never a decision."</p>

N2, R1, R1, G8, N5

## **Perceived Challenges for Luxembourg**

At the end of interview, most participants were asked to identify the biggest challenges ahead for Luxembourg. (For time reasons, not all were asked). These responses could be grouped into four broad categories: Luxembourg's sovereign niche strategy, social disparities, lack of vision for the future, and democratic structure.

As one of the smallest nations in Europe, Luxembourg has always needed to pursue a clear geopolitical economic strategy for its sustenance. This is seen in the strategies of networking that were undertaken by Luxembourgish entrepreneurial elites with the German Customs Union (Zollverein) after the Belgian War. Prior cross-border relationships have also been discussed by scholars of Luxembourgish history (see Peporte, Kmec, and Majerus 2010). Luxembourg's current political economy has also been widely discussed (see Schulz and Walther 2009; Schulz 2009; Beyer 2009; Becker and Hesse 2010; Affolderbach and Carr submitted for review). It is a prosperous but volatile internationalized economy based primarily on the financial sector and the European institutions. After an hour of discussions of sustainability, many of the SUSTAINLUX interviewees expressed concerns of Luxembourg's capacity to continue in its ability to adjust to current shifts in domestic and international political economic climates. In two cases this capacity to adjust was formulated generally. Most often it was formulated as a comment on the Luxembourgish tax base (see Table 15).

Although the discussions were about sustainable development and spatial planning, many of the respondents, at the end of the interview, addressed integration and growing social disparities as the most pressing issue (see Table 16). These were perceived in direct relation to the growth trajectory of Luxembourg.

Further, many of the interview participants perceived a lack of vision for Luxembourg. This arose as either a desire

for some form of strategic planning or forecasting or as a desire for more discourse on more fundamental issues (see Table 17).

Several perceived fundamental challenges in democratic structure concerning leadership and participation. This arose as a desire for participation, as mentioned above, but also as a desire for a more deliberate and purposeful approach to decision-making -- one that would make Luxembourg more noticeable on an international stage. Luxembourg's failure to make a mark (e.g. creation of tram) was perceived as a reflection of noncommittal governing styles (see Table 18).

### *Notes and Comments*

It was surprising to see the sheer number of participants who identified the sovereign niche strategy of highest importance (Table 17), of how keenly aware residents of a small state are of their nation's fragility. Even much of Table 17 can be understood as framed by worries of national sovereignty. It is also surprising to see that many chose social aspects as the most pressing – whether they concerning cultural integration, widening social disparities (Table 16), or democratic restructuring (Table 18). These were perceived in direct relation to the growth trajectory of Luxembourg, which shows no sign of slowing.

**Table 15: Perceived challenges of sovereign niche strategy**

Angles	Examples
Capacity to adjust	<p>“[Herausforderungen], ich denke [..an] alles das was mit der Wirtschaftskrise und Umstellungsprozessen zu tun hat. Luxembourg war sehr verwöhnt die vergangen 20 Jahre mit einem durchschnittlichen Wachstum von 3-4%. Man soll mal davon ausgehen, dass das es nicht so bleiben wird, und da Anpassungsprozesse notwendig sein wird.”</p> <p>“[Die grösste Herausforderung ist] dass Luxembourg seine Anpassungsfähigkeit behält. Also ich sehe [...] dass auf allen Ebenen dass man sich anpassen kann, integrieren kann [...] Wir haben überlebt, weil es andere Länder rundherum gibt. [...] deshalb muss man diese Anpassungsfähigkeit behalten. Aber wie sie gestaltet wird, weiss ich noch nicht. Manchmal habe ich mir gedacht, "Es ist gut dass Luxembourg ein eigenes Staat sei, weil sonst wäre es verkauft gewesen schon längst.”</p>
Dependence on the financial sector and/or oil prices	<p>“Most of Luxembourg's growth is built on a parasitarian fiscal system. If we have fuel tourism, we are doing tax robbery to our neighboring countries. [...] I think that a lot of our Finanzplatz is also a way of tax robbery to other countries. If we have this huge level of fiscal engineering that allows European and world wide companies to build so many subsidiary entities in order to evade tax in bad areas where they really produce economic added value that is a form of tax robbery. And that is the central core element of the financial industry in Luxembourg.”</p> <p>“How well Luxembourg manages to become less dependent of its financial sector. That's for sure that's the biggest [challenge]. Secondly, [...] how Luxembourg could [...] change it's economy to be less and less dependent on cheap oil prices.”</p> <p>“Ich frage mich ob der Finanzplatz, wie es jetzt ist, seine Legitimierung hat. [...] Wenn der Motor nicht da ist, dann gehen alle Entwicklungsprozesse in der Planung umgedreht.”</p> <p>“I think this is really a major challenge for us to develop other fiscal incomes in order to make it possible to become independent.”</p> <p>“Something that people often know is that we are quite depending on Russian gas, but we are much more dependent on Russian diesel. Our dependency on diesel is tremendously high and mainly from Russian refineries. So this is quite the most important challenge for the coming years. Especially knowing that oil consumption in Luxembourg [...] is extremely high.”</p> <p>“Our banks, because they change. We are depending on them on 39%. Imagine that one year they are not making a profit. Than we collapse once. We are too much depending from our banks. One of the vast challenges. For me the vast danger here in Luxembourg.”</p> <p>“Tank tourismus” -- finding a solution to this problem is really a big, big challenge. In climate context, but also in the context of the financial situation of Luxembourg because I think that up to 15% of our national budget comes from this.”</p> <p>“It is also very clear that in the very future, we cannot rely on 40% of the national tax income coming from the banking centre. It will also be not possible to continue endlessly with one tenth of the tax income coming from so called tanktourismus.”</p>

G9, A3, N1, N5, A3, N1, N1,O3, G2, N2

**Table 16: Perceived challenges of social disparities**

Angles	Examples
Integration	<p>“Die große Gefahr sind die sozialen Probleme. [...] Wir haben ja einen Viel-Kulturen Standort, und durch mangelnde attraktive urbane Räume und mangelnde Aktivitäten in diesem urbanen Raum entstehen keine connections. Für mich sehe ich ganz klar, sind die verschiedenen Nationalitäten dabei, kleinere Gruppen zu bilden. [...] und jetzt mit den Krisen in den Ländern wird das verstärkt. [...] Für mich ist einfach der urbane Raum derjenige, wo acquaintances passieren müssen, und wenn das nicht gegeben ist [...] wie jetzt die Stadt Luxemburg, oder wenn man für jede Aktivität ins Auto steigen muss, kommt da nichts zustande.”</p> <p>“Staatsfinanzen, Sozialsysteme und so weiter dass sind grosse Herausforderungen. Ich denke aber, dass die grösste Herausforderung wird noch sein die Integration innerhalb der Bevölkerung.”</p>
Disparities	<p>“... lower prices for people that cannot afford the high prices [of housing] we have now. [...] We need also to have a percentage in each project for social housing. For our project], we hope to have a high target but it's also depending on the politics of the city.”</p> <p>“..die Preise irgendwie zu stabilisieren, dass irgendwie für junge Luxemburger noch immer die Möglichkeit besteht hier im Land wohnen zu können und arbeiten zu können, und irgendwie dass man sich trotzdem etwas leisten zu können ohne sich über 50 Jahre zu verschulden. Das ist irgendwie der grosse Challenge.”</p> <p>“There are a lot of very very rich people here and there are also a lot of very very poor people here um...20% maybe even 30% are at the risk of becoming poor [...] But what if they would be, what would happen if there would be a crisis? There could be real social conflicts raising here, because this is a very wealthy country, but not everybody gets a part of the wealth.”</p>

A1, G9, O6, O5, N5

**Table 17: A perceived lack of vision**

Angles	Examples
Strategic planning	<p>"We have now the project of the pension reform, which is built on an economic growth for the next 50 years at 3% per year, which will lead us to some 1.5 million workplaces, and let's say between 2 and 3 million inhabitants. Maybe this is the issue, but then it has to be planned, and should not come simply as a byproduct of pension reform."</p> <p>"It will be most interesting if it just goes on growing here. Will they really succeed to build more highways, and to organize the trains in a better way, and to link it to the other metropolitan regions, and to organize the settlement areas in a better way to achieve a real polycentric territorial development?"</p> <p>"The challenge to create efficient regulatory tools. For example, the Plan Sectoriel. The four Sector Plans will be, from my point of view, very crucial to guarantee a kind of respect of the main orientations. Without, the Sector Plans, you cannot do anything in this country."</p> <p>"Wenn wir auf 700000 wachsen möchten, was wir offensichtlich meinen zu müssen, dann müssen wir gucken wie unsere Dichte aussieht, damit wir nicht alles kaputt machen, und überall die gleiche Stil von Wohnungen hinbringen [...] die Identität der Ortschaften geht verloren also und das ist aber das was den Gemeinden sehr wichtig ist."</p> <p>"I would start by saying that the first point is that Luxembourg is not thinking about 2020 or 2030. It is thinking about 2014 at the maximum. [...] So Luxembourg is not planning its future. [...] which means evaluation of [...] the attractivity of the territory [...] global aspects, environmental aspects and mobility, [...] issues about youth, migration and culture [...] aging, poverty, and inclusion, [...] and governance for the future of Luxembourg in the greater region."</p> <p>"Ich habe wirklich die Angst, dass man dieses schöne Land in den nächsten 20 Jahren kaputt wachsen lässt."</p>
A discourse is needed	<p>"Was in der Landesplanung seit fünfzehn Jahren diskutiert wird, ist recht konsistent. Aber die Implementierung in die Praxis ist ein Problem und aber auch ein Diskurs darüber. Das sind dann eben Pläne, Strategien, Direktiven, Programme Directeur vor allem, die von einer Reihe von Akteuren erstellt wurden, die aber noch nicht verinnerlicht wurden. Es findet eigentlich nicht immer ein realer Diskurs darüber statt. Und insofern ist die Verinnerlichung bei den Personen, die sie verinnerlichen müssen, auch noch nicht erfolgt. [...] Wir brauchen noch einen weiteren Diskurs darüber, und wir brauchen auch eine reale interne Implementierung in der Politik."</p> <p>"The country is developing. And I would be very happy if we could come out of the situation of, if we could persuade people that nature development and landscape protection is a part of an asset for competitiveness. That's what I would wish. But I don't think that we are going there."</p>

N2, R4, R2, A2, N2, G8, N3, G3

**Table 18: Perceived challenges of democratic structure**

Angles	Examples
Leadership	"[One aspect is what will happen] when Jean Claude Juncker goes ...The next thing is the Euro debate because if we have a real economic crisis that will demolish the banks here. I don't know what would then happen then here in the region. I think that this is dangerous in a way so I think these are hot topics."
Participation	"Wir haben eine Situation, dass in der Privatwirtschaft arbeiten immer mehr ausländische Arbeitnehmer, und die Luxemburger konzentrieren sich sehr oft auf öffentlichen Dienst. Die Ausländer, die in der Privatwirtschaft eigentlich den Reichtum erschaffen, haben kein Wahlrecht und können nicht mitentscheiden wie dieser Reichtum dann später verteilt wird und konsumiert wird. Das ist doch sehr gefährlich. Also ich denke, dass man da [...] sich klar machen muss, dass wir sind nicht alleine und es kann nicht auf Dauer so sein, dass unsere Kinder bei der Stadtverwaltung oder beim Staat arbeiten und da überdurchschnittliche hohe Gehälter beziehen, und dass ja nach jeder Generation immer wieder mehr Menschen aus dem Ausland kommen die dann in der Privatwirtschaft das ganze System am Laufen halten, ohne politisch mit bestimmen zu können."
	"[We need] a fundamental change in our political system. [...] I don't know the exact figures, but nearly 50% of the Members of the Parliament are also Mayors and responsible on local levels. So how do you want to have an objective discussion about finding new governance between local and national level when in the parliament, half of the members are also Mayors, and of course they don't want to lose their competence on local level. So that, that for me is a really big problem because we are circling around."
Role model	"Wenn man wirklich dann von Nachhaltigkeit redet, dann auch konsequent, so dass der Staat dann auch mit dem bestem Beispiel vorangeht."  "I think it would not have been so difficult to really take some actions that would have put Luxembourg on the map at the European, or even the global, scale to be a kind of a good example of what can be done. I am thinking about the putting of a tramway in the City. Every single town and city in France has done it during the 20 last years. How the hell is Luxembourg not able to put this tram line in? We are talking about one line. They discuss it now, I don't know, for a decade? What did they wait for? [...] well, they could have done it in the early 90's like Strasbourg or Grenoble or Lille or Cities in Switzerland or Germany, and add to that some nice slow mobility infrastructures so on and, and chase those cars out of the city, forbid the four-by-fours from the city and things like this. To just show: Luxembourg, we are driving towards a smart inclusive, sustainable urban development. Look how smart we are we are in advance. I understand in countries where the public finances are in a bad state: It is difficult and you struggle with other things. But here, they had lots of money, and they could have done it, and they could have put themselves on the map as good examples. They did not."
	"wenn wir es fertig bringen würden, Lebensräume zu schaffen, und unsere Städte so aufzustellen, dass sie eine hohe Lebensqualität vorweisen können. Ich denke jetzt an Zürich und auch an Wien. Das sind die beiden Topplätze der Welt, wenn man die Lebensqualität überprüft, und wir sagen: Rang 19, ja, meistens so 18 - 19 hat die Stadt Luxemburg."

A4, G9, G2, G1, R1, R1, G6

### **Box 3: Summary of axes, tables, and angles**

#### Axis: Meaning of Sustainable Development

1 Sustainable development as an open concept	Positive and important; Negative and meaningless
2 Sustainable development as a scale of governance	Actor interests and participation; Sector imbalance
3 Sustainable development as a response to a finite planet	Durability over time; Nature protection; Resource management

#### Axis: Government Structure of Small State

4 Perceived imbalances in government structure	Small Municipalities are weak; Larger Municipalities have possibilities
5 Perceived lack of participatory processes in national policy making	Shortage of human resources; Necessary Inter-Municipal coordination
6 Lengthy and incoherent permit application procedures	n.a.
7 Cross-Ministerial conflicts of interest and cleavages among the parties	Ministerial conflict; The black box of financing
8 National government loses credibility	National government breaks its own rules; Different form of participation

#### Axis: Power of Property Markets

9 Ideology of home ownership and private property	Private Property an older ideology; Luxurious standards
10 High demand in a limited supply of land	Housing prices; Speculation; Limited land
11 Private property and democratic deficit	Big money first; Mayors speak to land owners

#### Axis: Integrated Spatial Planning

12 Various institutional approaches	Market oriented; Public oriented
13 A call for regional planning	Inter-Municipal co-operation; Municipal self-interest
14 A call for integrated spatial planning	Planning legitimacy

#### Axis: Perceived Challenges

15 Perceived challenges of sovereign niche strategy	Capacity to adjust; Dependence on the financial sector and/or oil prices
16 Perceived challenges of social disparities	Integration; Disparities
17 A perceived lack of vision	Strategic planning; A discourse is needed
18 Perceived challenges of democratic structure	Leadership; Participation; Role model

## **SYNTHESIS & CONCLUSION**

Box 3 (above) summarizes the tables and angles, and shows that the topical and underlying problems identified by interview participants are vast. The categories along which the textual data was structured can be understood as the primary axes of integrated sustainable development in Luxembourg, as there were the recurring themes throughout. To reiterate, these are the Meaning of Sustainable Development, the Government Structure of Small State, Power and Property Markets, Integrated Spatial Planning, and Perceived Challenges.

A look to the international literature in urban studies and governance can provide hints as to these processes be conceptualized and addressed. Integration versus fragmentation, governance, scale of a small state, and enclaved space are recurring themes.

Firstly, it would appear that the integrated approach (see Working Papers 2 and 3) is flawed in design, contested in implementation, and thus ineffective with respect to their impact. The centralist approach failed in meeting its mark, because instead of addressing problems of uncoordinated and conflicting authorities within and beyond the nation (shown in this paper), they assumed a clean system-wide durable “Russian Doll” architecture of state and institution. The result is further fragmentation through integration.

Secondly, in their research on policymaking and governance in the European Union, Sabel and Zeitlin (2010) uncovered an architecture of “experimental governance” (EGA) which does not conform to conventional views of good governance. They named four conventional views as examples. However, perhaps useful here was their first example, the notion that the making of markets (negative integration) should be governed by unambiguous, nearly self-enforcing rules, that market correction (positive integration) should be performed by independent and delegated regulatory authorities, and that social solidarity unfolds as a political compromise of

the above two. This conventional view would render both the market-public dichotomy mentioned and the dilemma of social polarity or internationalization mentioned in the previous section, unsolvable conundrums. However, regulation in EGA, rather, as Sabel and Zeitlin (2010) have shown, takes more the form of contestable rules to be understood as guidelines. Instead, policies and directives are characterised by measurable framework goals, lower-level autonomy, and recursive revision in light of implementation experiences. EPA is thus a more flexible system of governance. What might, then, be the internal and cross-border experimental governance structures in and around Luxembourg?

Third, Luxembourg is a good example of the difficulties faced by small states, in practical and conceptual terms. It benefits neither from vast territory nor higher populations; thus, its political economic development has historically been plainly and overtly interconnected with cross-border flows (see Peporte, Kmec, and Majerus 2010; Wille 2012). This set of factors pose questions of scale (see Mahon and Keil 2009), and “borrowed size” (Alonso 1973)-that is, the inflated functional importance of cities relative to their size of their area or population.

The notion of scale received much attention in recent years (Sheppard and McMaster, 2003; Mahon and Keil, 2009). It has been useful as a way of understanding the vertical regrouping of authorities up and down, to and from, the nation state. Recent work has expanded on this definition to capture relational and multi-scalar analyses that demand more fluid imagination of actor relationships Brenner (2001). Above all, scales must be understood relationally to other scales (Mahon and Keil, 2009, p 8). In this sense, the ‘Russian Doll’ multi-level governance is but one specific structural organization of scales in a particular organization of decision-making. A multi-scalar and multi-layered understanding of urban and regional because this more accurately reflects actual governance processes in Luxembourg.

Fourth, Luxembourg resembles an,

"enclave [...] governed by a range of legal norms and bounded in an array of formal and informal means that frequently cut across established state boundaries," (Sidaway 2007: 332).

As a bordered space, various dimensions of seclusion and exclusion can be identified, as Luxembourg develops its niche in wider flows of development and reterritorialization (e.g. through business development, or the development of transport nodes).

These issues will be further discussed in the journal articles that are being prepared for peer review. Still, these dimensions indicate the given framework conditions render it exceedingly difficult to arrive at a comprehensive policy agenda. How this will be achieved, the problems and barriers that stand in the way remains to be seen. The objective of this paper was to present the textual data from the interviews. In a final step (see Working Paper 5), exactly this data will be presented to the interviewees in a Stakeholder Workshop. This final methodological step will function as a final Delphi-round where the group of participants can: a) negate or confirm the analysis; and b) consider development scenarios and priorities for Luxembourg against the dilemmas seen in the data. Stay tuned.

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