MILAN AND BUDAPEST: METROPOLITAN POLICIES FOR INTEGRATED DEVELOPMENT?

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1. Theoretical considerations about the role of metropolitan areas in the integrated development of cities

The different challenges urban areas face (demographic, employment, environmental, social) require integrated policy answers, otherwise the policies tackling any of these challenges create huge problems (externalities) regarding the other challenges (European Union, 2011). In order to integrate the different aspects of urban development the following three approaches have to be applied simultaneously (Jacquier et al, 2007): coordination across policy areas (horizontal), across administrative areas (territorial coordination, across the functional urban areas) and across government levels (vertical coordination, multi-level governance).

Our interest in this paper concentrates on the topic of territorial coordination. Integrated policies need a proper territorial base for which the outdated administrative borders of the European cities are in most cases not adequate. There is a growing need for cooperation between municipalities beyond the administrative boundaries of the cities. In fact a number of reforms related to the revision of territorial geographies and organisation of institutions have been experimented in the last decade in many European countries (Tosics, 2011) in order to introduce wider and thicker territorial coordination.

The functional urban areas (in the case of large cities we call these as "metropolitan areas" defined by the interaction of people living and working in similar areas) of the cities are in most cases large enough to deal with the externalities of each of the policy domains. Strengthened collaboration and joint planning in such areas might lead to more integrated solutions – without necessarily creating any new form or level of universal public management or administration. Nevertheless, in most cases, functional urban areas are far from being used as the basis for the redesign of governance forms or even the management of specific policies.

The EU2020 Strategy aims at a balanced development regarding economic, environmental and social aspects. In order to achieve it, European policies increasingly acknowledge the growing importance of integrated planning across functional urban geographies. Thus metropolitan areas (as larger scale functional urban areas around cities) should get more and more attention in Europe. In fact, with respect to the recently starting EU programming period, a specific focus on coordination and integration on metropolitan areas has been introduced. Both the new Integrated Territorial Investment (ITI) and the Community-Led Local Development (CLLD) deal with the necessity to support integrated actions, multidimensional and cross-sectoral interventions and provide suggestions for innovative actions in metropolitan areas (Svanfeldt, 2013).

However, the reference to „metropolitan" could frighten rural stakeholders who might think that cities will take over. Moreover, the residents of urban areas do not even understand the term, despite the fact that their daily practices are evidently metropolitan under many respects (mobility, housing, entertainment are more and more related to a larger urban scale than that of the traditional city). The administrative regions, who understand the term, are in many cases against the metropolitan idea, protecting their power. In order to overcome the governance challenge, a stronger citizens' support would be required but public awareness is quite limited and people are quite reluctant to support anything which might result in new administrative units to develop.

The main tools to achieve coordination in the functional urban area, across territorial boundaries are the following: creating metropolitan institution, launching sectoral cooperation agreements (e.g. transport association, water sector cooperation, …), initiating strategic planning, organizing large event Tosics, 2013).

There is in fact, a growing concern over the difficulties that metropolitan cities and urban regions are experiencing in the field of governance and local democracy, in their capacity to respond to the needs, emergencies and the living practices of those who dwell in them in different ways and with different rights. And therefore there is also a major concern over the policy tools or institutional forms that could help dealing with this problem. According to Cinthia Ghorra-Gobin, this thinking can be brought down to two opposing viewpoints, essentially based on two different principles: on the one hand governance as the art of governing without government, creating consensus promoting a diffuse and flexible democratic participation and representation, and, on the other hand, pointing at a principle of re-organization of the state, taking seriously and explicitly in consideration the issue of metropolitan space, (Ghorra-Gobin, 2008, p.166). This generates two types of viewpoints on metropolitan cities: on the one hand there is considerable literature on the new forms of *imaginable and existing governance*, produced to invent the way in which the nexus territory-sovereignty-citizenship can be redefined within a fairly traditional approach. On the other hand there are cases of experimentation (in the research as well as in practices) which bring tools, mechanisms and projects into play (Lefévre, 2009), which have nothing in common with the more conventional solutions. Both viewpoints observe metropolitan areas to the extent that, faced with the effects of new territorial configurations, they are more or less able to make efforts to produce new forms of democracy and decision-making (Frug, 2002; Bender, 2006; Amin & Thrift, 2004; Mongin, social studies, 2009) that deserve new cooperation and integration modes.

In the following chapters we will explore how the issue of territorial cooperation emerged, how these tools have been experienced and applied (or not) in the case of two important European cities, Milan and Budapest.

The reason for such a comparative effort is rather simple. We aim to look at different cases of metropolitan cities, investigating how and to what extent they provide interesting elements to support the debate about new integration and coordination modes in metropolitan areas.

The two cases differ under many aspects, but, at the same time, they present some similarities that allow us to discuss about the current limits of integration in two main urban areas in Europe and the evident necessity to implement such an integration in order to achieve efficacy in tackling with metropolitan problems.

Both cases clearly represent the mismatch between functional and institutional areas, and the negative effects of such a mismatch on the quality of livability and competitiveness. Both cases also represent the efforts for and contradictions and failures of processes and coordination. In fact they clearly represent the necessity but limited feasibility of institutional solutions, while highlighting the potentialities and weaknesses of some modes of coordination and interaction built around specific projects and occasions.

Chapter 2 presents the two cases from a metropolitan perspective, providing a comparative description of the two metropolitan areas. In the third chapter, on the basis of their coordination and integration modes the two cities are put into European comparison using the Eurocities survey "Metropolitan Areas in Action". Chapter four describes the "stories" of the metropolitan agendas in Milan and Budapest, while chapter 5 includes in-depth descriptions of specific coordination attempts that highlight the potentialities and limits. Finally in the conclusion we present some comparative reflections that contribute to the EU debate which is still underdeveloped regarding the metropolitan perspective.

2. Milan and Budapest in metropolitan perspective: introducing the two cities in a comparative way

2.1 Exploring the different territorial collaboration areas around Milan and Budapest

The administrative areas of the two cities do not cover the real urban area. This is particularly true for Milan: the mayor is elected by 1,25 million residents while there are at least 3 million people living in the dense urban area which the OECD Metropolitan Database defines as 'core city'.

In the following we describe the different territorial collaboration areas around the cities of Milan and Budapest, in growing order. In the case of MILAN, the "core city" is made by 3 million metropolis and consisting of 115 local governments, one of which is Milan city with 1,25 million residents. The whole metropolitan area covers more than 4 million people (2010 statistics), with a total land area or more than 2.600.000 km2. Inside this area, but also trespassing it, we can find mainly the following coordination forms:

1. A large number of functional/policy **coordination areas** are available, often related to a specific infrastructural management objective: water management (for example: 2 *ATO,* city of Milan and the rest of the Province of Milan; 18 districts for social facilities – *ASL*, again one for the city of Milan and the other on subareas of the Province); this kind of policy areas have been defined mainly top-down in order to subdivide the Provincial territory in smaller units for specific function and purposes;

2. A large number of intermunicipal multi-scope **coordination territorial areas** are available, mainly bottom-up built, based on voluntary cooperation between municipalities composing the Province and related to multiple objectives: for example the "Patto per il NORD Ovest, covering the 16 municipalities around the International EXPO area due in 2015 and conceived as a space for coordination related to the opportunity provided by a special event . Some of these experience were founded on voluntary base; some were supported by the Province, which in the last decade has subdivided its territory into subareas in order to foster and support voluntary coordination between municipalities on some general competences, like spatial planning;

3. **Milan Province** (covering **155 municipalities** and **3.038.000 inhabitants**). The Province of Milan was instituted by national law in 1990 with the role of promoting coordination between municipalities; it has directly elected leadership and is a second tier of government available all over the country. It was provided a limited number of shared functions, like spatial planning, mainly with a coordination role between municipalities; guidelines for socio-economic programs; environmental and landscape planning; ecologic networks; heritage and conservation; agriculture; integrated water service plan, waste management plan, cycle ways plan. The province is the geography of coordination for a number of policy issues, e.g. Local Development Agency. Recently it has been promoting a form of voluntary and not binding strategic planning (2005-2009). At the same time the Province was also the space for coordination between mayors, compulsory by law, within the Conference of mayors, including all the mayors of the provincial territory. The province promoted in the recent past a number of metropolitan agreements at large scale: Housing Metropolitan Agreement, Job metropolitan Agreement; most of them, however, failed after some years. According to the recently approved law, the Province is going to become a "metropolitan city", a new institutional form, that is expected to produce some innovations in terms of effectiveness and legitimacy of public action in a metropolitan context;

4. there are **forms of coordination which exceed, or have exceeded, the province and the metropolitan area as defined by OECD, sometimes related to functional reasons and policy issues, sometime to symbolic or strategic policies**. An example is the Foundation Province of Nord Ovest, founded in 2009 and now almost dead, gathering 22 province in the north of Italy on a voluntary base, in order to promote coordinate economic development initiatives. At the same time a recent new law instituted a new mobility agency and district over the

province of Milan, Monza and Brianza, Pavia and Lodi, still to be implemented; while mobility is managed by the city of Milan municipal Agency for Milan and the first ring of municipalities

BUDAPEST has a typical mono-centric urban area in which the core city with its 1,7 million population within the administrative boundaries more or less covers the dense urban area (as a consequence of the 1950 extension of the city borders). Outside the core city three territorial collaboration areas can be defined.

1. **Budapest Agglomeration** (2,5 million people, including the 1,7 million Budapest city and the 800 thousand Budapest Agglomerational Belt with 81 municipalities). It has been established in 1971 including 43 agglomerational settlements (approximately 400000 persons), extended in 1997 to 78 settlements (800000 persons). At the beginning the agglomerational area was defined only for statistical purposes. Since 2005 this area became one of the specifically mentioned areas in the Hungarian Spatial Plan – the other being the Balaton area. Due to the importance of this area in the 2000-s also a new institution has been formed: the Budapest Agglomeration Development Council. This, however, had never real power and financial resources and has been terminated in the beginning of 2011.

2. **Central Hungarian Region**, since 2011 Consultation Forum for Territorial Development of the Central Hungarian Region (2,8 million population, 188 municipalities, including the 1,7 million Budapest city and the 1,1 million Pest county). Since 1999 Hungary established 7 development regions, one of which named as Central Hungarian Region, including Budapest and Pest county. The CHR had a delegated Development Council, which played some role in the allocation of EU Structural Funds money. In 2012 the development councils of the regions have been dissolved and replaced by a much looser form of cooperation, the consultation forum.

3. **Budapest Business Region - Urban Economic Zone** (appr 3,5 million population, 100 km radius) – Budapest is surrounded with a circle of medium sized (50-100 thousand population) cities in a distance of 80-100 km-s, all being outside the Central Hungarian Region. All these cities can be approached within one hour travel from the Budapest airport, therefore in economic sense they belong to the Budapest economic area. The strong economic ties did not lead to any administrative or institutionalized cooperation, only a cluster-association has been formed (involving mainly real-estate developers) with the name of Budapest Business Region.

2.2 Comparative data about the functional urban areas of Milan and Budapest

Instead of taking the two cities as administrative units with 1,25 million residents (Milan) and 1,7 million population (Budapest) the following table shows comparative data about the metropolitan areas of these cities, as they are included into the OECD Metropolitan Database.

Table 1. Comparative analysis of the Milan and Budapest metropolitan areas

	Milan	Budapest
Population 2010	4.060.624	2.846.464
Share of national value 2010	6,73	28,42
Population change (annual average pop growth) 2000-10	0,54	0,21
Population density	1539	470
Population of the core area	3.058.123	1.718.670

Total land area 2010	2638	6057
Urbanised area	741	949
Urbanised area growth (2000-2006)	0,49	0,42
Green area per capita	23	417
GDP	180.506	80.888
GDP growth 2000-2010		3.16
GDP per capita	44.453	28.417
GDP per capita growth 2000-10		2.94
Labour productivity 2010	100.193	67.662
Labour productivity growth		2.77
CO2 emmission per capita 2010	7.43	9.45
CO2 emmission per capita from transport 2010	3.08	1.72
CO2 emmission per capita from energy industry 2010	0.67	1.90
Air pollution 2010	36.46	19.72
Employment 2010	1.801.586	1.195.474
Concentration of population in the core 2010	75.31	60.38
Sprawl index 2006 (change of built up area vs population)	-0.16	1.36
Local governments 2010	252	183
Local governments in the core 2010	115	1
Territorial fragmentation (local gov per 100th pop) 2010	6.21	6.43

Source: OECD Metropolitan database (http://measuringurban.oecd.org)

In the OECD way of measuring metropolitan areas „Milan core city" is understood as a 3 million metropolis (consisting of 115 local governments, one of which is Milan city with 1,25 million residents). Furthermore, the „Milan metropolitan area" is delimited as an area with over 4 million population. Comparatively Budapest is smaller: the core city corresponds to the administrative definition of Budapest municipality (1.7 million people) and the metropolitan area has 2,85 million population[1].

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[1] It can be interesting to remind that OECD has provided recently a new methodology to calculate functional urban areas: the interpretation is based on new criteria if compared with those previously used, distinguishing between a urban core and urban hinterland: "An urban core consists of a high-density cluster of contiguous grid cells of 1 km2 with a density of at least 1,500 inhabitants per km2 and the filled gaps (…). .An important innovation of this methodology identifies which urban areas have such a polycentric structure. This is done by simply looking at the relationships among the urban cores, using the information contained in the commuting data. Two urban cores are considered integrated, and thus part of the

The more populated Milan metropolis covers an area which is less than half of that of Budapest, thus the population density in the Milan metropolitan area is more than three times higher than in the Budapest case.

The population growth between 2000-2010 was over twice larger in Milan than in Budapest. On the other hand the size of the urbanised area grew in the same pace. Consequently, the urban sprawl was less substantial in this decade in Milan than in Budapest, at least if regarded inside the boundaries of the OECD area.

The economic data show a substantially stronger economy in Milan than in Budapest although the dynamism of development is reverse (Budapest was developing much faster – though from a much lower level).

According to the environmental indicators CO_2 emission per capita is a bit higher in Budapest while the level of air pollution is double in Milan compared to Budapest. The main contributor to the high air pollution in Milan is private mobility.

There is a huge difference in green area per capita, showing Budapest as a much greener metropolitan area than Milan. This can be explained by the high urbanisation rate of the Milan metropolitan area.

3. Territorial collaboration structures around cities – an European comparison

In order to analyze the cooperation structures around Milan and Budapest in European perspective we apply the approach of the Eurocities survey "Metropolitan Areas in Action". Eurocities (through its Metropolitan Areas Working Group) requested its member cities in the course of 2012-2013 to answer a questionnaire which aimed to explore how many territorial arrangements the cities have around their administrative city border, what kind of collaborations are established, and to what extent do these arrangements work in reality. As a result of that survey (Eurocities, 2013) it is possible to classify the cities on a scale how strong metropolitan areas they have and which functions these cover.

Milan was not among the 40 cities which answered the Eurocities survey. However, we managed to include the city with simplified answers into the structure, describing the current situation which is, as we will see, a pretty dynamic and changing one, due to a recent law.

Cities have a number of cooperation areas around their administrative border, with varying functions, institutions (if at all) and strength.

For the specific aim of our paper we are looking for those collaboration areas which are closest (in terms of number of population) to the Functional Urban Area (FUA) that means the zone around the city in which day to day connections (e.g. commuting) can be observed.

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same polycentric metropolitan area, if more than 15% of the residence population of any of the cores commutes to work in the other core (…) Urban hinterlands are defined as all municipalities with at least 15% of their employed residents working in a certain urban core. Municipalities surrounded by a single functional urban area are included and non-contiguous municipalities are dropped"[1]. This methodology is illustrated in depth in the 2012 publication "Redefining "Urban" A New Way to Measure Metropolitan Areas". This new methodology is providing consistently different outcomes in terms of identification of the metropolitan area. In fact, in 2006 OECD based its interpretations on four main criteria: minimum population size of 1.5 million people; minimum population density of 150 people per km2; contained labour markets with a maximum net commuting rate of 10% of the resident population; and one city that is under the threshold of 1.5 million people but which accounts for more than 20 % of their national population . on the base of this methodology the interpretation of the metropolitan area in Milan was the following: "Commuting flows suggest that socioeconomic linkages have expanded even farther than the boundaries of the Province of Milan, which then results in a definition of the Milan metropolitan region with more than 7 million people") .

It is not easy to spatially delineate the FUA area. We use the recent OECD[2] attempt to determine metropolitan (FUA) areas around larger cities in the OECD countries. We have to remark that there is no common understanding/definition on what a FUA is (for a number of cities the OECD definition differs quite substantially from the ESPON[3] research determining FUA areas). Official definitions – when existing – are quite different from one country to another.

According to **the OECD approach the FUA area covers 4,06 million people in Milan while 2,91 million in the case of Budapest**. This FUA definition might be quite debated in the case of Milan while it can be accepted as close to the reality in the case of Budapest.

According to the analysis of the results of the questionnaires (Tosics-Gerőházi, 2013) the links between the core city and its neighbouring municipalities can be of very different types with very different intensity of cooperation. The main types of relations are listed below in the order of growing strength of cooperation:

- *Statistical Unit*: the area is only registered for statistical purposes, or is indicated in scientific or spatial planning documents with no administrative or political relevance.
- *Networking*: neighbouring settlements cooperate with each other in a loose connection in order to reach certain goals, like jointly lobbying towards upper government levels, creating common brands to strengthen the economic, touristic potential of the given area, coordinating the planning documents for using the EU funds more effectively. In some cases not only the public authorities cooperate, but other non-profit or for profit organisations are also involved.
- *Weak* (non-binding, visionary) strategic planning: neighbouring settlements create the organisational framework/cooperation mechanism in order to elaborate common strategic plans concerning certain sectors (like transportation, local economy, education) or wide scale regional planning – however, these plans have no binding power towards the participants of the collaboration.
- *Single function collaborations:* the neighbouring settlements provide/coordinate one common service for the inhabitants (this is in most cases public transportation).
- *Multiple function collaborations*: neighbouring settlements provide a branch of common services for the inhabitants of the common area (in most cases transportation, housing, culture, health). It can happen that there is a common budget to finance these services but in most cases only the coordination of services is provided on the upper level while the services themselves are managed and financed on the lower level, by the municipalities.
- *Joint strategic planning with binding power:* a joint organisation of the settlements – based on strong legal framework – has the right to create a strategic/spatial plan which is binding for all participating municipalities (e.g. the SCOT system in France).

These types are very different regarding the strength of the cooperation between the municipalities belonging to the same urban area.

The MAIA data-base includes the description of over hundred collaboration areas around the nearly 40 cities which answered the questionnaire, concerning the size, layout, functions, organisational structure and financial instruments applied in the given collaboration areas[4].

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[2] OECD data: http://stats.oecd.org/Index.aspx?Datasetcode=CITIES downloaded 03.11.2013. This database (the Metropolitan database) contains data for 275 metro areas with a population of 500,000 or more over 29 OECD countries. These metro areas follow a harmonized functional definition developed by the OECD, in cooperation with the European Commission.

[3] ESPON, 2007: Study on Urban Functions. ESPON Study 1.4.3 IGEAT, Brussels. Final Report March 2007. (Data represent 2004.) www.espon.eu

[4] Due to the fact that information has been collected by questionnaires, voluntarily filled in by the cities, the quality of the answers is very different across the cities. More precise information, however, could only have been collected with the use of much more costly methods.

In our analysis we join together the territorial and the functional aspects. For each city we analyse first of all those collaboration areas which were closest in size to the population number of the FUA area in the OECD and ESPON databases. Besides of the analysis of these areas we also explore collaborations in smaller and in larger areas than the FUA.

The following table summarizes the main results of the categorisation of the cities, applying the two dimensions to the MAIA database. One city can be represented in more than one cell of the table as several cities have more than one territorial collaboration form on (or close to) the FUA level.

It is important to note that many cities did not supply enough detailed information. Consequently this table can only be regarded as a hypothesis – some classifications can be false due to the lack of detailed information. [5]

This table is an important starting point to formulate some statements about the links between the type/size of the urban area and the functions delegated to it. Regarding the collaboration forms (functions), a vertical red line separates columns 1 and 2 from columns 3-5. The former can be considered as weaker, while the latter as stronger collaboration forms. Regarding the territorial aspect, the main interest of this study is on the FUA level (row B).

The table shows that the B-5 cell is empty, i.e. there is no European example (at least among the cities included into our analysis) for a city which would have the strongest collaboration form exactly on the functional urban area level. The closest example to this "optimal" case is Stuttgart, which established the strong collaboration on a slightly larger territorial level than the FUA.

Regarding those cities which have collaboration on the FUA level, but not enough strong, there are 8 cities in the B-4 (and 2 more in the C-4) cell. These cities are fairly close to establish a "full" metropolitan governance on the territory of their functional urban area. However, it is not at all easy to make this missing step, as the example of Stockholm illustrates.

In Stockholm the directly elected county self-government covers the functional urban area. However, Stockholm County's 26 municipalities have not yet been able to reach a consensus on bolstering regional governance. The current institutional arrangements are relatively de-centralised and split-up. They are indicative of a political culture marked by a very high degree of collaboration and negotiation, framed by an overarching context of trust and transparency. But the frequent meetings and negotiation are rendered less effective than they might be due to the absence of a more empowered regional institution.

The 11 cities in B-2 are relatively further away from strong metropolitan governance as their collaboration is based on voluntary decisions.

In Bratislava the regional level (with delegated leadership) covers the functional urban area. Strategies, programmes, land-use plans and mutual goals for sustainable urban development exist but the efficient management of their implementation is missing.

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[5] It is important to note that many cities did not supply enough detailed information. Consequently this table can only be regarded as a hypothesis – some classifications can be false due to the lack of detailed information.

Table 2. Classification of cities based on the size and functions of the different collaboration territories

Size of the collaboration	1. Statistical unit	2. Networking, weak strategic planning	3. Single function	4. Multiple functions	5. Strong strategic, spatial planning of binding nature
A) Smaller than FUA	Budapest, Brussels	**Ghent, Malmö**, Vienna, Zurich.	**Frankfurt,** Helsinki[6], **Katowice,** Warsaw	**Amsterdam, Rotterdam MILAN (Province)**	Lille[7], Lyon, Rennes, Strasbourg MILAN (future Metropolitan city)
B) FUA	Berlin, BUDAPEST, Ghent, Linköping, **Lisbon, Strasbourg,** Vienna, Warsaw	**Amsterdam,** Birmingham LEP, **Bratislava (Region),** Brno, Brussels, **Göteborg,** Katowice, **Lyon**[8], **Malmö,** Sofia[9], Terrassa,		Helsinki[10], **Madrid (Region), Munich,** Manchester, **Oslo,** Preston, **Stockholm (county), Tampere (region)**	
C) Somewhat larger than FUA	Sofia	BrabantStad, **Zurich**	Brussels	**The Hague, Torino (Province), Helsinki (region)**	**Stuttgart**
D) Much larger than FUA (larger economic zone)	Birmingham BUDAPEST,	Amsterdam, Bratislava, Frankfurt, Ghent, Göteborg, Hamburg, Katowice, Lille, Linköping, Lyon, Malmö, Oslo, Rennes, Stockholm, Strasbourg, Stuttgart, Tampere, Vienna, Zurich	Rotterdam – The Hague	Katowice (Region), Lisbon (Region),	Berlin, Malmö (region)

Cities in bold: some type of metropolitan organization exists.

The 8 cities in B-1 are even further away from metropolitan governance, as their functional urban area is only statistically defined and not even voluntary collaboration exists on this level.

Regarding those cities which have strong collaboration but not exactly on the FUA level, the case of the cities in the C-3, C-4 and C-5 categories seems to be manageable, as their collaboration is in wider area as the FUA, from which to narrow it down in territorial sense to the FUA should in principle not be so difficult.

Those cases, where strong collaboration forms have been established on smaller territorial basis than the FUA, seem to be more difficult. Cities in the A-5 cell (Frankfurt and four French cities) have strong collaboration the territory of which, however, does not cover the full functional urban area. Similar is the case of the two large Dutch cities and Milan (A4). In these cases the existence of the strong

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[6] There are two different levels smaller than the FUA around Helsinki: a common Environmental Service Authority for 4 municipalities and a common transportation authority for 7 municipalities.

[7] Lille has two levels that are smaller than the FUA and they operate several common services – for 85 municipalities – and a SCUT system for 124 municipalities. (The FUA would consists about 150 municipalities.)

[8] The Metropolitan Cooperation around Lyon consists of 4 metropolitan areas that are not connected directly (so this area is not exactly a FUA). They promote common policy development.

[9] Sofia agglomeration was defined in the Operational Programme Regional Development (2007-2013) as an area for strategic planning.

[10] In the Greater Helsinki area not really common services were organised, rather special contracts with well defined targets in the area of social housing, homelessness services and employment programmes.

collaboration on the smaller territorial level can in fact be a bottleneck for the FUA level cooperation as the missing territories are probably not willing to join to the existing collaboration.

In the case of Lille (and all other French cases), for historic reasons the territory of strategic planning is smaller than the functional urban area, while the urban communities were created on a even smaller territory. This spatial mismatch creates significant problems.

Besides the functional urban area level, most cities aim also at some type of collaboration on wider territorial basis. Almost 20 cities are included in the cell D-2, showing that weak (vision-building, marketing) planning is the most usual form of governance in the larger economic areas.

This static picture, of course, does not show the dynamism as well as the efforts to change the existing situation. The changes towards stronger functional urban area level cooperation might have two dimensions.

The 'territorial adjustment' refers to the process of extending the territory of the collaboration area towards the functional urban area (from A towards B). There are clear signs towards such changes e.g. in some parts of the Netherlands (see the example of the Rotterdam – The Hague region) although it is not clear whether the government plans to change the system of city-regions (Stadsgewest) will allow for larger territorial units to be formed, adjusting better to the expanding metropolitan areas, or just the opposite.

The 'functional expansion' refers to change, keeping the same territorial level, the functions of the collaboration towards stronger cooperation (from 1-2 towards 3-5). This might be done increasing the number of joint functions and/or with the introduction of more binding elements into the collaboration. Bratislava, Brno, Brussels, Warsaw are just a few examples where serious discussions are going on between the different levels of government about expanding the functions on FUA level (the only case where opposite changes happen, towards decreasing the importance of metropolitan cooperation, is Budapest).

From the MAIA database we can identify different institutional forms (ordered by increasing strength) that are created on the functional urban area level.

- No formal cooperation but occasional meetings of the political leaders is organised. This organisational form could be observed in those cases where the organisational process is just in its starting phase (like in Brno) or when the cooperation is tied to certain decisions (like in case of EU programming in Katowice or Sofia).
- Formalised cooperation with different decision making bodies like councils, boards, working groups with delegated participants. Loose cooperation and strong cooperation can also belong to this category as the organisational form itself could be implemented in several ways and the functioning of it depends rather on the depth of functions and the mechanisms of voting and implementation.
- Delegated (from below, i.e. from the municipalities) decision making systems and common operational organisations/agencies. This form is most common in cases where transportation association is in operation in the metropolitan area with own transportation authority or company (e.g. Helsinki Regional Transportation Authority), but it can also be discovered in the case of spatial planning when a special organisation is responsible for setting up and controlling the meeting of the obligations (e.g. Regional Planning Association in Munich area).
- Elected entities for decision making bodies (like elected regions) with several implementing organisations, companies, agencies.

From the examples and the self-evaluations from city representatives it follows that in order to achieve stronger metropolitan collaboration, steps have to be taken towards the establishment of more binding institutional forms on the functional urban area level. This, however, raises the issue of flexibility. Fixed boundary, directly elected institutional systems cannot cope with the quickly

changing economic reality which would require dynamically changing composition of metropolitan areas. The latter can only be created in the form of delegated leadership (which can easier be changed in a flexible way). This, however, raises the issue of decreasing democracy and transparency. Thus we arrived to the trade-off between efficiency and representative democracy.

The analysis of the MAIA data-base of nearly 40 European urban areas has shown that there are big variations regarding the types of collaboration. In only a few cities, relatively strong structures exist on the functional urban area level. The more general case, however, is the existence of only informal collaborations, which have serious limits in addressing the basic challenges of sustainable urban development. It is of high importance to turn the informal, weak collaborations into stronger, more binding forms of cooperation on the functional urban area level. This can be approached basically in two ways:

1. to strengthen (give more power, functions) to existing weak collaborations on FUA level, i.e. moving from B-4 towards B-5

2. to expand in territorial sense the existing strong collaborations to better cover the whole area of the FUA, i.e. moving from A-5 towards B-5

The MAIA study includes examples of such efforts. Regarding the first version, there are many cases (e.g. Zürich) where the existing metropolitan collaboration aims to get more functions and power from below (the municipalities) and from above (the region). In regard of the second version many cities aim to merge with the administrative level which covers best the FUA area (see the Italian efforts to join the provinces to the core city in the case of the ten largest Italian cities or the discussions in France to merge the "department" level to the urban communities in the case of the largest urban areas).

It is a crucial question how the resulting new level of governance could fit the already overcrowded system of administrative levels: besides local authorities, provinces, counties/regions, national states it would be very difficult to establish a new general administrative level for metropolitan areas. It is clear that parallel competencies between the different governance levels have to be avoided. The two versions highlighted above give two possible patterns for such change: create metropolitan governance around the largest cities

- as a collection of some competencies transferred down from the upper regional level and some competencies delegated upwards from below, from the municipalities;

- dissolve the existing administrative level around the large cities and merge them with the city into a metropolitan unit, while keep this level unchanged in other areas.

In both cases the metropolitan government will only exist around large cities, in the first version distinguished from the rest of the administrative structure by its functions, in the second version by its territory. In both cases the creation of a new, general level of territorial administration has been avoided.

The level of cooperation (regarding both the common functions and the organisational forms) depends mainly on the following two factors:

- the existence of strong top-down national framework that initiates (in some cases obliges) the formation of cooperation across the administrative boundaries
- the spreading out of bottom-up initiatives, in the form of cooperation agreements between political leaders of settlements belonging to the same functional urban area.

Stronger metropolitan collaboration requires both top-down policies and frameworks and bottom-up cooperation efforts. The required more formalized cooperation forms (with some types of administration or organization) have to be established as a combination of these two different but equally important processes/efforts.

Cities have to play a leading role in the initiation of better FUA level collaboration. In some cases this needs careful supervision of existing relationships – it is not rare that already now too many collaborations exist around the city which differ from each other in functions and/or territories.

Besides the cities themselves it is the national level which has the most important role to play in strengthening the agglomerational and the metropolitan cooperation around larger cities. Good examples of national policies/initiatives towards metropolitan cooperation can be discovered in Belgium, Finland, France, Germany, Italy, Netherlands, Norway, Poland, Switzerland, just to mention a few countries.

The two cities in the focus of our analysis are in quite different positions regarding metropolitan cooperation. Milan has apparently already quite strong cooperation on the province level (and this will even become stronger with the establishment of the citta metropolitana). It is a huge question, however, whether this cooperation can be enlarged territorially to cover the missing parts of the FUA area which belong to different provinces. Another question is to what extent the provincial level will be able to grant real coordination (as described in the following section).

The case of Budapest is quite special. While in most European cities there are efforts to increase the size and the functions of metropolitan cooperation, Budapest moves in the opposite direction: the previously existing metropolitan functions and institutions (like the Budapest Transport Association and the Budapest Agglomerational Development Council) were recently dissolved. This is largely due to the national policy to dismantle the regional level but also reflects the mutual inability of the capital city and of the municipalities of the surrounding area to cooperate with each other (as described in the following section).

In the following chapters we will present first a more developed overview of the history and results of territorial cooperation processes in the two cases, followed by more in depth descriptions of relevant examples, chosen for their potentiality of developing coordination or their limits.

4. The history of metropolitan level territorial cooperation in Milan and Budapest

4.1 Milan, a mix of coordination modes, producing a weak coordination milieu

The case of Milan urban region can be described as an **imperfect mix of three integration modes**: in fact it provides different examples of them, seemingly working, but actually quite problematic: 1) apparently *high territorial integration* (the province so far, the "città metropolitana" since 2014, have been institutionalised as space for coordination on a territorial base, but just over a part of a wider urban region or FUA that seems in any case to escape any kind of clear boundaries and simple interpretations); 2) *highly regulated vertical coordination* across different government levels (subsidiarity principle and function-sharing model have been introduced since the late 1990s, but at the end of the day they seem to be unable to produce the necessary integration of actors and policies) 3) *soft integration across policy areas* (often provided by semi-public agencies, which allow an overall acceptable functioning of the urban region and competitiveness, but are also contributing to a scarce liveability). As we will see, the different modes have developed through the last decades in a complex and contradictory way, alternating innovation and regressions in terms of coordination effects.

4.1.1 The institution of the province in the 1990s

The Italian local government system is a three tiers system based upon Regions, Provinces- as forms of coordination between Municipalities- and Municipalities. In the case of Milan, we have the Region Lombardia, 9 million people, made of 12 provinces among which the Province of Milan, 3 million

people distributed in about 150 municipalities, amid these the Municipality of Milan (which counts about 1.2 million inhabitants). In addition to that, since the nineties, Milan, as other urban areas in Italy, has been recognised a "metropolitan condition", and the consequent necessity to institute a metropolitan government (National Law 142/1990). Nevertheless "metropolitan areas" have never been instituted so far, due to both a lack of political leadership/interest among the local politicians, conflict between the capital city and surrounding municipalities- worried to lose their autonomy -, or even between the capital city and the region- the latter in particular worried to lose part of their quite recent power. As a matter of fact the institution of the Province has been for the Milan context producing an apparently high regulated context, but with a limited efficacy in terms of coordination[11].

These three institutional levels have quite strong regulated relationships: according to recent constitutional reforms, actually the tradition hierarchical top-down relationship has been turned into a system based on subsidiarity and competence-sharing. Nevertheless the situation is not so clear. Italy has been described as an incomplete federal government: on the one hand, with the institution of the Regions, Italy has introduced a sort of federalism (where regions have consistent economic budgets and legislative power). On the other, the state has maintained a relevant power, while local administrations have remained autonomous in many decision making fields, but lacking fiscal autonomy, and finally regions themselves are playing a sort of recentralisation process, unwilling to implement a real devolution at local level. This is also true in the field of EU resources: both the state and the region play a relevant role in redistributing money, often with a limited attention and interest to promote coordination between municipalities.

This is particularly true, for example, in the field of spatial planning: regions, provinces and municipalities share the competence, with different roles: the strongest powers remain actually those of municipalities which are responsible for adopting and approving land use plans, while the regions are responsible of planning legislation and can reject or appeal against local plans when they do not respect regional indications. Provinces, in charge of the Territorial Coordination Provincial Plans, remained a rather weak ring in the chain of land-use planning. Actually they were conceived, as we have seen, as a space for coordination between the decisions of municipalities; in so, far particularly in large urban regions, they have continued to suffer from lack of real autonomy and role, stopped on the one hand between central cities, and surrounding municipalities, both equally jealous of their historical autonomy, and limited on the other hand by the emerging role of regions, modern institutions, unwilling to decentralise the recently received competences and powers.

At the end of the day, once instituted in the nineties, the Province became, rather than a "working site" to promote new coordination, a sort of sepulchre for any integration, vertical or horizontal. In fact the Province assumed a number of ordinary competences top-down designed at the national level, but mainly shared with the other levels and with very limited roles. Apparently a number of significant functions, actually quite limited ones, since just partially devolved to the province and mainly still in the hands either of regional or municipal institutions. At the same time the geography

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[11] Actually Milan had been a very innovative case in the previous decades. In fact during the sixties a specific moment of cooperation was promoted on a voluntary base by the central city and a number of municipalities around it, mainly the first and second ring municipalities of the existing Province. Known under the name of Piano Intercomunale Milanese (PIM), it was promoted by local administrations that had realised the necessity of a form of coordination in the field of spatial planning. Despite a strong ethos, that experience failed, in particular in the planning field, being probably too much affectionate to a traditional idea of holistic planning- which was no more the case in such a complex context. Since then no other consistent forms of coordination at the metropolitan level, nor at the larger scale nor in the smallest scale, was really implemented- even in the following phase in the seventies with the so-called "comprensori".

of the province, as defined by law, became the main geography of policy in some of the above mentioned fields, without any sound reference to the real geography of practices and functional boundaries: mobility issues, as well as, economic assets, as well as environmental problems, or residential patterns have in fact during the time completely bypassed the institutional provincial borders, without any effect on the governance form.

During the nineties actually a number of policy innovations were introduced at the national level in order to facilitate integration and coordination among public actors. In particular the so called "conferenza di servizi" aimed at fostering vertical integration between institutional actors, by obliging all of them to meet at a common table to produce shared decision, related to main strategic projects or ordinary decisions. It was a pillar of a new deal for institutional integration and in fact it was the base for many projects to be approved with a higher rate of legitimacy and efficacy. All stakeholders had to be officially involved at the same time and formal meetings were organized in order to improve efficacy of the process and to speed up decision making processes. Decisions taken together could lead to "accordi di programma" delivering decisions that could be implemented in shorter time. Actually during the nineties and the 2000s these innovative tools were central to achieve major vertical integration. Nevertheless, if one consider the case of Milan urban region, cannot but notice that a consistent number of decision making processes are still characterised by problems of vertical coordination[12].

4.1.2 Experimenting a possible new deal for the Province: 2005-2009

While the province's boundaries had became 'the institutional boundaries' of Milan urban region, the province promoted itself as the space for integration on specific policy issues, on the one hand, on the other tried to support coordination processes from below and finally promoted a new deal for the institution, supporting a project of strategic planning.

In the first direction, the province actually failed in trying to reproduce an institution able to cope with a general coordination over its territory. For example it absorbed a special Agency for local development, initially promoted by four active local municipalities in the northern part of Milan, and transformed it in a provincial agency for economic development, which for some years tried to play a role, but was recently closed, after economic failure. In the field of mobility and transportation, even if the Province was in charge for planning in the field of infrastructures, modal integration and management of public transport, actually, public transportation at the urban region level remained mainly managed by ATM, the Milan municipal agency for public transportation and a number of small scale local mobility agencies; at the Regional Scale a regional system was introduced with the construction of an underground regional railway link, which works as a metro inside the city.

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[12] In particular infrastructural projects have been characterized by a strong contraposition between the region, the province, the city of Milan or other municipalities. Two other examples can be particularly clear to describe this condition of lack of vertical integration. The first is typically the case of the EXPO 2015 event as we will describe in the next paragraphs. The second can be clearly represented by the lack of coordination in the case of particulate matter reduction policies. The city of Milan and the whole urban region have been affected in the last decades by a high level of PM10 and PM 2,5. A large and conflictual policy arenas is there: on the one hand the Region is in charge for citizens health, making laws that banished a number of pollutant sources. On the other hand the city of Milan decided to introduce a congestion charge to limit the use of private vehicles inside the historic centre. Evidently the limits of such a geography could not provide major results: some of the city of Milan first ring municipalities could decide to adopt the same limitations in emergency situations. But this was not coordinated and resulted in limited impacts of the policy promoted by both the city and the region. Only in a second moment, with a strong investment on public transportation by the city of Milan, able to convince metro commuters to use public transportation and higher fees being introduced for congestion charging, better results were achieved. This is a very strong case of evidence of lacking vertical integration.

Integration between State railways and private Ferrovie Nord, was the result of a complex agreement between the state railways and local private railways and the region was a central actor in this process. Even if the network is quite integrated, the larger urban region identified by a number of scholars and consisting in more than 8 million people (Balducci, Fedeli, Pasqui, 2011), suffers from the lack of a real integrated system of fares and services which could provide real answers to the mobility problems of the citizens of the urban region. No metropolitan agency has been instituted so far to be in charge of mobility at the metro level. At the same time the new "città metropolitana" will have to deal with this and similar tasks. In fact like Mobility, Energy, Housing, Water supply, Waste Management and other important issues in the urban region are mainly in the hands of either the region or the municipalities and this constitutes, as OECD highlighted already in 2005, a clear obstacle to GDP and competitiveness. At the same time some public-private actors have gained spaces and built up functional geographies (the Energy company A2A is now serving a sort of sub-regional territory); other sectoral policies have developed in the absence of any kind of integration (water management, with different consortia serving the city and the province).

Already during the end of the previous administration Ms Colli's government, and then more consistently during Mr Penati's Administration one should also mention, that the Provincial government decided to support and fund forms of voluntary cooperation between municipalities interested in working, sometimes in cooperation with the province itself, in order to co-produce spatial planning decisions, but also to manage facilities. Library intermunicipal systems, cultural districts, facilities systems, intermunicipal parks were the focus of the attention of a number of self promoted coalitions of municipalities, some of which supported by the province. As a result , in a few years, one of the province characterised by the smallest number of "unions of municipalities" in Italy - the form designed at national level to promote coordination, weakly supported by national policies and mainly designed for rural areas and small municipalities – became a space for voluntary experimentations of coordination by project and on policies, promoted through these forms of horizontal coordination. It was a rich season, characterised by a high degree of innovation, based on political entrepreneurship: it was able to promote innovation at the whole provincial level and to feed it. These forms of integration could be read as a mix between horizontal cooperation and policy areas ones, since on the one hand many of them were functional integration forms of coordination, but at the same time promoted on a intermunicipal scale.

During the same period 2005-2009, the centre-left government tried and interpret its role as the "Province of the municipalities": the idea was that of becoming an institution able to support municipalities in copying with wicked and complex problems. In this perspective the Provincial administration promoted a process of "strategic planning", conceived as a working site for policy innovation and institutional innovation. The main idea was to foster a process of governance innovation able to renew contents and aims of planning, promoting the Provincial institution as a space for strategic coordination of actors. Rather than looking for a new metropolitan institution or for a traditional statutory planning process according to legal competencies, the Penati government tried to promote a new deal for the Provincial institution, seen as a space for integration between different cities of cities inside a "urban region" (as we will see in the next paragraphs). Unfortunately the new centre right coalition winning after the 2009 elections, abandoned this perspective.

Fig. 1 The city of Milan, in red; the Province of Milan in light red, all around Milan; the Province of Monza and Brianza on the north; the Lombardy Region on the background (DASTU, POLIMI, 2013).
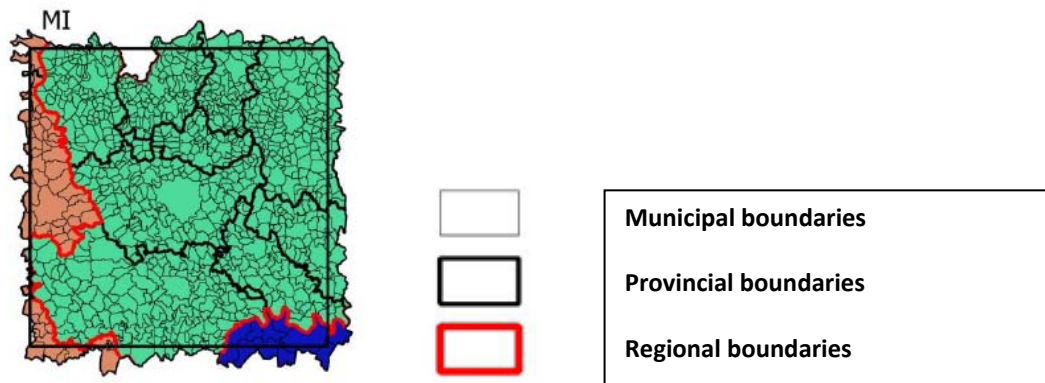

	Municipal boundaries
	Provincial boundaries
	Regional boundaries

Fig. 2 Institutional boundaries and municipal fragmentation (DASTU, POLIMI, 2014)

Fig. 3 Sub-areas of voluntary intermunicipal cooperation promoted by the Province of Milan (Province of Milan, 2005)
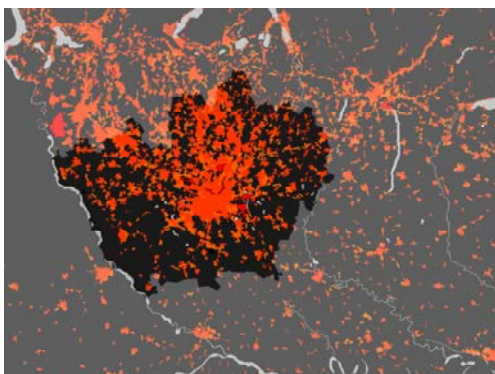

Fig. 4 The Province and Milan Urban region as proposed in the "Strategic Project Città di Città" (DASTU, POLIMI, 2005)

4.1.3 The institution of the città metropolitana in 2014

In April 2014, after a number of political and legal troubles, a new law has been approved, favouring, for economical reasons, the cancellation all over Italy of the Provinces as shaped by the L142/90 in the form of a directly elected second tier of government. In metropolitan areas, there will be a new form of government, indirectly elected by people and having the status of a metropolitan government. Together with the case of Venice, Turin, Florence, Rome, Naples, Bari and Reggio Calabria, the Milan urban area, are becoming with the publication of the law, "città metropolitane", through an institutional process that has recently started but should be completed by the end of 2014. This could be a final move towards the implementation of the original law, dating as well ar 1990, even if the debate is open whether or not this new law will be able to avoid the problems of implementation of the previous one, and at the same time, if the governance model it is proposing will be able to deal with the contemporary social and urban problems. In fact the law almost automatically turns the old boundaries of the Province into the boundaries of the new "metropolitan city". Even if in the next few months, the Mayors' Assembly will have time to provide, through the local and negotiated definition of a Chart, the details related to the territory and functioning of the "città metropolitana", the "Città metropolitana" (to be instituted by law) will be in trouble with the problem of representing the complexity of an urban agglomeration whose boundaries are quite difficult to define. [13] What will it be the new born "città metropolitana"? According to the law, it will mainly absorb some of the competences of the Province, but apparently reinforced: for example it is expected not just to produce coordination in the field of spatial planning at municipal level, but to produce strategic planning. At the same time, the president of the new "città metropolitana" will be directly elected only if the city of Milan will reinforce decentralisation zones within its boundaries and define homogeneous zones within the metro boundaries). Otherwise it will be the mayor of Milan. All in all one can see some contradictions between the expectations towards a new form of metropolitan integration by institutional design and the paradoxes of a less democratic then before "metropolitan citizenship". This is particularly evident if one considers that the metropolitan city will be exactly designed on the former provincial boundaries, and no innovative reflection will be held on the geography of the new metropolitan government.

Finally one should mention that during these last two years the city of Milan has undergone a dramatic political change: in fact the 2010 elections brought the success of a centre-left coalition after twenty years of centre right government. The winning mayor, Mr. Giuliano Pisapia, is actually an independent politician, coming from civil society. After his election, he nominated a councillor in charge for Decentralisation and the institution of the Città Metropolitana. This was a relevant innovation, after years in which the city of Milan had almost opposed or not even considered the possibility of coordination with other municipalities. Even if the engagement of the Milan mayor towards the institution of the metropolitan government have been relatively weak until now and his political interest in this opportunity quite limited, nevertheless this interest should be considered a consistent change of direction.

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[13] In addition to that, one should consider that in the last decades a number of processes have gone in a direction opposite to the design of a univocal governance form: for example the Province of Milan, made originally of 188 municipalities, has been recently split into two- Provincia di Milano and Provincia di Monza e Brianza, due to the pressure of fifty northern municipalities politically lobbying to gain their autonomy. When, almost two years ago, the Central Government, president prof. Mario Monti, decided for the abolition of the province as a step to reduce public debt, the process of redesign was characterised by a strong opposition by the Provincia di Monza e Brianza to become part of the new Metropolitan city of Milan. And this is still today the situation: the new città metropolitana will not see the reconstitution of the two territories if not proposed by the single municipalities now part of the province of Monza and Brianza

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4.2 Budapest: a metropolitan area with great potentials but no territorial cooperation

The Hungarian territorial administration system has two sub-national tiers: the counties and the municipalities. There are 19 counties in the 10 million Hungary and Budapest is considered as the 20th territorial unit with county rights. The city of Budapest had a population of 2,059 million in 1980 which decreased (due to the effects of natural loss and suburbanization) to 1,733 million in 2010. Budapest is surrounded by Pest county, the population of which has been increasing in the same period, from 973 thousand in 1980 to 1,223 million in 2010 (mainly as a consequence of suburbanization and also as a result of urbanization from other parts of the country). The joint population of Budapest and Pest county (the so called Central Hungarian Region, CHR) has lost 2,5% of its population between 1980 and 2010 while the whole country has lost 7%. Thus the relative share of the CHR, the far most developed part of the country, has been increasing in Hungary.

The functional urban area of Budapest has never been precisely delineated. The area of the most direct influence was called "agglomeration belt of Budapest" which has got official definition in 1971, including 43 settlements with approximately 400 thousand persons. This definition has been revised in 1997, when the agglomeration belt area has been extended to 78 settlements. From the beginning on the agglomeration area was defined only for statistical purposes. The population of this area (regarding its present definition of 78 settlements) was 657 thousand in 1980 which grew to 808 thousand by 2010.

4.2.1 Legal and financial regulations creating disincentives towards territorial cooperation

At the beginning of the transition period, in the early 1990s, the long-existing two-tiered system of government in the capital has been reinforced with weak municipal power and fairly autonomous city districts. This situation gave limited opportunities for the municipal level for efficient citywide coordination of development and investment decisions. The large autonomy acquired by the local governments resulted in a situation that the municipality of Budapest had no planning authority at all beyond its administrative boundaries. The same applied, by the way, to the Pest County government regarding to the municipalities within its territory which could make their development decisions autonomously.

Besides the law-based autonomy of local governments the other major factor is the regulation of the financial system of development and taxation. Local municipalities got also tax autonomy (receiving a share of the Personal Income Tax paid by their residents and even more importantly the whole amount of the Business Tax paid by the entrepreneurs having their ventures in the settlement area) which created interest to increase their tax revenues, raising in this way the tax-competition between settlements[14]. The pre-requisite for any coordinated territorial development would have been the equalization of taxation throughout the metropolitan area of Budapest, which, however, is unimaginable. Regional tax equalization, which has been used as a basis for creating agglomeration associations in France and other countries in Europe, has never been an issue on the political agenda in Hungary.

4.2.2 Attempts in the 2000s to create institutions for territorial cooperation

In the second part of the 1990s the regions have been established in Hungary (as a new territorial level, being part of the process to prepare for EU accession). Seven regions have been established, six of which were consisting of 3-3 counties, while Budapest and the surrounding Pest county

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[14] Typical examples can be found around Budapest, where many municipalities decreased the rate of business tax very much below the 2% of business turnover (which has been defined as upper limit by a national law). On the other hand, this tax was always on the 2% maximum level within Budapest. There are companies known which moved out their seats from Budapest to one of the agllomerational settlements partly because of the lower business tax rate.

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constituted the Central Hungarian Region. The regional level was weak in the sense that it only had a Development Council, consisting of delegated politicians from the counties, lead on a rotating base by one of the presidents of the countries belonging to the region. On regional level only broad strategic planning documents were prepared. In the case of Budapest two higher level institutions have been established, the Development Council of the Central Hungarian Region and the Budapest Agglomeration Development Council. These were also weak institutions, neither of them having any influence over investment and development decisions made by local governments. Even so, some level of cooperation among the players was fostered by the process of allocating EU Structural Funds, in which the Development Council of the Central Hungarian Region had an advisory role. Instead of real joint planning across the Central Hungarian Region, however, the reality was a political decision to split the EU money roughly equally between the two entities and perform separated planning for development.

The fragmented regulatory environment over the local governments started to change very slowly in the mid 2000s with the 2005 initiative to curb suburban sprawl. The Hungarian Parliament passed the Act on Spatial Planning in the Agglomeration of Budapest. With the adoption of this act the settlements of the agglomeration belt around Budapest have lost their exclusive planning rights with regard to their territory – including the right to rezone land. This meant that for any further land use change they had to acquire the consent of the Parliament. Unfortunately, the seven years of heated negotiations preceding this law gave enough time for the settlements within the agglomeration belt to make precautionary steps, i.e. to rezone most of their green and agricultural land to urban uses. It has been estimated that the amount of these territories could accommodate 40 years of intensive growth (experts quoted in Szemző and Tosics, 2005). The reality of this amount of 'reserve' land available for development seriously undermined the success of any future visions aimed at promoting compact development in the Budapest metropolitan zone.

According to information acquired from Péter Schuchmann (from a presentation in a Budapest conference in April 2012) almost 7 thousand hectares have been rezoned in the agglomeration-zone into residential land (10% of the total residential area) on which no development has been started yet. The land reserve for economic development is even larger, 7,5 thousand hectares (one third of the total area which can be used for economic development!) with no hope for any development in the near future.

4.2.3 The 2010s: strong political control, weakening the options of metropolitan cooperation

After the 2010 national elections the winning right-wing coalition acquired very strong political power, reaching two thirds of the seats in the Parliament. This opened up the possibility to change all aspects of the legal and institutional establishment. From the perspective of integrated metropolitan development the first sign was promising: the 2005 law has been modified, as it did not prove to be successful. The modified law (having taken force in 2011) further reduced the freedom of agglomerational settlements to rezone their green areas to allow development functions. As a further novelty of the new regulation there is a possibility of "exchange of territories": territories which were rezoned into development area but lack any real development chances, can now be "zoned back" to agricultural land, while the settlement gets the right to re-zone other parts of its territory to development land.

The extreme power of the new government could have led to even more important changes in metropolitan sense, e.g. to strengthen the regional level (turning it into directly elected government) and to establish a formal governance system for the agglomeration area. Also the problems of the Budapest two-tier government system could have been eased with strengthening the upper, municipal level. Unfortunately the activity of the government went exactly in the opposite direction, effectively decreasing the opportunities for metropolitan cooperation. Since 2010 the new government has dissolved the regional development councils, as well as the Budapest Agglomeration

Development Council. This is a radical change compared to the previous period which aimed at the strengthening of the metropolitan level – even if these institutions did not prove to be efficient. In Budapest the district level has gained ground against the municipality, thus the problems of the two-tier system became even larger.

4.2.4 The present reality: lack of stable and long-term territorial cooperation

The last few years show political and regulatory changes which are totally opposing the idea of metropolitan collaboration. Under these unfortunate circumstances only bottom-up endeavours have some chances to create cooperation. In the second half of the 2000s the preparation of an area-wide strategic plan and the development of integrated public transport program were the promising steps in this direction. However, as there are no regulations, institutions or incentives introduced for territorial cooperation by the new political power, there is no hope that the dissolved regional and agglomeration institutions will be replaced in the short run by bottom up cooperation structures. The new law allows for the voluntary cooperation between the municipalities of Budapest and Pest County but there was no concrete step done into this direction, except for the signature of a quite general document and the organization of a conference so far.

From this short overview it can be see that Budapest is not a success case from the perspective of metropolitan level cooperation. This monocentric urban area has large potentials for good collaboration across the administrative borders both in the agglomeration area of everyday relationships (2,5 million population) and in the wider economic area of win-win type economic cooperation (3,5 million population). However, neither of these potentials has been realized in the last 25 years. The short-lived regional structure of Hungary gave a huge potential to Budapest, as the county around Budapest was also involved into the capital city region, thus there was no regional split within the metropolitan area (which was not the case in Prague or Vienna where the influence area of the capital city has been cut off from the city in the form of independent region). The legal and financial regulations of local governments, however, gave total independence to local municipalities and this proved to be a very strong counter-interest against all attempts of territorial cooperation. On national level there was never a political will in this 10 million country to support strong cooperation across the 2,5 million agglomeration or the 3,5 - 4 million economic area – these would have been probably considered as too large units of political power, compared to the size of the country. Moreover, since 2010, also many of the legal and financial regulations have been changed, taking away a substantial share of local municipality institutions, revenues and decision-making rights. In the last few years not the selfish behavior of the local municipalities is the biggest obstacle of territorial cooperation any more but the lack of interest of the new political power to allow for bottom up collaborations.

As this short overview has shown, from the perspective of territorial cooperation the balance of the last decades is very poor in the Budapest urban area. Neither in the first decade of transition, nor in the 2000s (when EU resources arrived) could ideas based on broader territorial visions overcome the narrow interests of the individual local municipalities. Moreover, in the 2010s the direct political interventions into territorial development with the elimination of all cooperation bodies further decreased the chance for that. As a result the 1,7 million Budapest remained alone within its administrative borders and has no chances in the foreseeable future to create stable conditions for sustainable development across its agglomeration area and will not be able to become more competitive on European level with the potentials of its large economic area.

5. Concrete examples highlighting the need for stronger territorial cooperation on metropolitan level in Budapest and Milan

5.1 MILAN

5.1.1. Strategic planning: Città di città Strategic Project

Between 2005 and 2009, in collaboration with Politecnico di Milano Department of Architecture and Planning, and Milano Metropoli (the provincial public local development agency), the Province of Milan promoted a strategic planning process under the title "Progetto Strategico Città di Città" ("Strategic Project Cities of Cities"), The idea being that of promoting and supporting a process of innovation of public action, built upon a vision and a series of feasible projects, animated by the multiple actors composing the wider urban region.

The Strategic Project focused in fact upon three main families of activities and related research hypotheses:

• Producing and offering new interpretative frameworks for social, economic and territorial processes of change in the city and the urban region, regarded as a composite territorial context whose complexity requires new ways of describing, interpreting, planning, and governing contemporary cities that go well beyond the current models of governance and planning (like that of the "metropolitan area" and the provincial territorial plan, both regarded for a long time as necessary answers, but in the end been never implemented. In this sense there was the need and the opportunity to promote a larger debate on the nature of the urban phenomenon in the case of Milan, trying to reduce the gap between the "de facto" city and the "de iure" one and promote different - not to be taken for granted - governance solutions;

• Enhancing the rich, plural and differentiated resources of local societies, trying to treat the problem of the fragmentation of decision-making typical of contemporary metropolitan contexts as a resource for the project. In fact, the local debate recognized that, over the last decades, Milan has been characterized by increased and widespread construction and activation of social capital, by-and-large more innovative than the available institutional capacities; in other words, the ability of local public institutions to innovate policies and ways of acting. In this sense the Strategic project did not aim at proposing a rational approach to strategic planning, nor even referred to strategic management in the private sector. It was actually based on the hypothesis that the "intelligence" of society (Lindblom, 1965) can contribute to renewing forms, modes, contents of public action, and more in particular, planning. Therefore a traditional ordinary and statutory plan could not be considered as an effective and legitimate policy tool in a complex governance arena, with multiple forms of agency;

• Creating and discussing a vision based on new strategies that can couple the imperatives of competition with those of the quality of life and social/territorial cohesion, promoting, selecting and fostering projects to improve the habitability of the urban region. The central idea was based on the perception of the need to restructure local policy agenda in order to face the persisting and unresolved problems that have afflicted the urban region for many decades and which do not seem to have obtained any real attention by public subjects. In this sense the Strategic project was conceived as a mix of visions and projects able to support a better liveability as the necessary complement to a simple economic competitiveness strategy.

The four-year process based on these hypotheses was essentially based on the idea that the general context was mature for change in terms of both interpretative and operative frameworks; that the resources for producing change were available despite the fragmentation; and finally that what was necessary was a space for common thought and action different from those already available. The focus of the entire process, in fact, in a possible ex-post reading, can be seen essentially in the construction of this space and devices that can activate coordination and communication between actors, interests and cultures in innovative ways.

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Two concepts were placed alongside these devices at the heart of the process, animating it:

- the issue of habitability as the main urban challenge for the public agenda: it was assumed that the Milan urban region had a deficit in terms of livability understood as a multifaceted qualitative concept concerning all dimensions of inhabiting a place; and that any planning process or project should focus on this deficit going beyond the well-established rhetoric of simple competitiveness and attractiveness;

- the idea that Milan cannot be seen and governed as a city within its administrative boundaries since it is part of a large urban region – a more extensive conurbation in the northern Italian region and a field of interaction of different territorial and social configurations ("cities of cities") in which proximity and mobility, belonging and rooting are always at play in a continuous process of construction, deconstruction and reconstruction of territories, that also redefine and challenge the condition of citizenship. In this sense, the "city of cities" is the city of multiple resources, practices and problems; at the same time it alludes to an idea of governance that goes beyond the traditional idea of metropolitan government widespread throughout Italy.

Through these elements the process of strategic planning made it visible how, even in the absence of an institution and copying with the limits of policy tools, the Province could become a building site for promoting different forms and modes of coordination between actors. In particular the "Competition for Ideas" launched at the core of the process and based upon the above mentioned principles and keywords, produced the opening of a non-traditional design and policy ideas and a governance arena highly experimental and challenging, for all social, political, institutional and economic actors.

This new policy stile was unfortunately abandoned, despite the positive reactions from both institutional actors and civil society, after the 2009 elections, when the centre-left coalition lost and was substituted by a center right one. The results achieved during these period nevertheless can be considered quite relevant, in so far there was the opportunity to experiment a new approach to planning based on an open dialogue between actors which had been called to contribute with their ideas and projects to the shared target of livability. The necessity of dealing with a larger urban region, but recognizing at the same time the complex articulation into 'city-like' formations, offered a way to produce a trans-scale interpretation of regionalization of the urban as well as its possible operationalisation based on actions supporting horizontal coordination between municipalities. In the perspective of the constitution of the new "Città metropolitana" a number of these experimental approaches could be relevant again to be implemented. Such is the idea to build the future organization of the metropolitan government upon the positive and permanent experiences developed so far of inter-municipal coordination. Also the idea is important of assuming the "città metropolitana", not as the final and definitive institutional solution, but as an "intermediate" institutional level, that has to provide connections between a larger urban region and the multiple urban formations that constitute the metropolitan city. Finally there is the idea of developing a strategic approach to planning, aimed at producing a new policy agenda and new visions for the metropolitan scale, addressing the challenges of the emergence of a new urban questions.

5.1.2 Expò 2015[15]

Milan Expò 2015 is an interesting case of a big event with features, potentialities and expected impacts at metropolitan or even regional scale, which seems to have not produced – so far at least – innovative forms of inter-institutional cooperation, able to create a shared and coordinated management of the event and its further legacy. Since the beginning, over the years, we could assist

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[15] This description has been prepared by Antonella Bruzzese, Politecnico di Milano

to a process of progressive reduction, first of all, of the project's original and experimental characteristics (from the masterplan of a "global garden" as in the first proposal done by Boeri, Burdett, Busquets, Herzog, McDonough to a more traditional idea of Expò equipped with pavilions), secondly, of its fields of intervention. Several projects, in fact, that were proposed in the first documents as integration of the Expò proposal have been cancelled or drastically reduced, such as the so called *Landways* or *Waterways* or the interventions on Farms. These projects could have made the Expò project more significant for a wider territory and a real occasion of collaboration and development at the territorial scale. Moreover, the post Expò management, even if the will to open up to the private actors' collaboration is declared, does not seem that this opportunity is fully exploited.

Milan submitted its candidacy in 2007 and, winning the final competition with Izmir in Turkey, one year later was appointed to host the event, with the theme: "Feeding the planet, energy for life". Milan's application was promoted in 2006, by a Committee composed of Municipality of Milano, Province of Milan, Lombardy Region, Chamber of Commerce of Milan and the Fondazione Fiera Milano. The Committee chose an area of approximately 1,100,000 sqm in the north-west part of the city, near the Rho-Pero Fair, for its 90% located in the municipality of Milan and for the remaining 10% in the neighbouring municipality of Rho. The area, a wide enclave fenced by infrastructures, is easily accessible through the underground M1, the high speed train and other two railways, several highways, and it is also not far from the Milanese airports Malpensa, Linate and Orio al Serio. In 2008, few month after the assignment, the Municipality outlined an Agreement (Accordo di Programma) that defined the set of strategic interventions with territorial value: from the preparation of the area, to the public works; from the construction of infrastructures for the local and metropolitan mobility, to the creation of a park for the areas now surrounded by highways and railways. To manage these interventions, between 2008 and 2011 two companies have been founded. *Expo 2015 SpA*, established by the Ministry of Economy and Finance (40%), Region Lombardy (20%), the Municipality of Milan (20%), Province of Milan (10%) and the Chamber of Commerce of Milan (10%) has the task of organizing and managing the international event. *Arexpo SpA* is composed of the Region of Lombardy (which holds 34.67% of the capital), the Municipality of Milan (34.67%), Fondazione Fiera Milano (27.66%), the Province of Milan (2%), Municipality of Rho (1%), and has the task of obtaining the possibility to use the Expò areas acquiring them from the owners and then of converting them when the Expò will be over.

In 2008 the economic crisis reached its peak and the funds allocated for Expò started to drastically decrease (from 3.228 million € in 2007 to 1.305 million € in 2013). The economic situation, together with difficulties in management, and the following delays brought a series of changes and reductions to the initial program. The *Landways* - an urban route that would have linked the Expo site to the historic city center, accomplishing "an overall plan for urban redevelopment"- was stopped for lack of resources. The same happened both to the program aimed to enhance and regenerate many Farms underused and, partially, also to the *Waterway* project, that had to build a new linear park able to connect a wider system of green areas and the Navigli water canals.

The interventions for two new lines of undergrounds (M4 and M5) and three important motorways (the *Pedemontana* highway in the north, the so called *Brebemi*, connecting Milano, Bergamo and Brescia and the new ring road in the east part of Milan- are still on the table, but they were already in the public agenda since years far before Expò, and their realization – even if can take advantages of the presence of Expò – is partially independent from it.

Despite the fact that on the media and in public communication a strong accent has been given to Expò and to its role as big "occasion" for the city at large (21 million visitors are expected) and the fact that the localization of Expò is on a consolidated axis of urban and economic development (which starts from the centre of Milan where the recent transformations of Porta Nuova took place, crosses some important brownfields, Farini railway yard and Bovisa area, and finally reaches the Fair area), at the end of the day the regional role of the event has remained almost unexplored, while the

national and international one are more evident. As well as it is still missing a precise vision for the future role of the area of Expò, which has not yet been proposed as an issue to be discussed and decided at local, metropolitan and regional scale. In particular some crucial issues are debated like the green areas, the services at urban and metropolitan scale, and in general the role of that specific part between Milan and other five smaller municipalities (Rho, Pero, Bollate, Baranzate Arese), where many functions have been located which were traditionally pushed out from the city as the prison, the hospital, the, industrial areas, the fair.

Moreover, what will be the legacy of Expò is still out of focus. *Arexpò* has gathered several suggestions from private actors and/or possible investors, having launched a call for general proposals to which only 15 groups have answered. The shortage of time at disposal and the weaknesses in the process seems to have led to not find out the demands and requests of the territories and to effectively match them with the interests and offers coming from the possible investors.

In conclusion, the progressive reduction of projects, the consequent concentration of intervention mainly within the boundaries of the Expò area (with few exceptions in the city centre such as the Expò Gate pavilion and the Darsena project, to mention the main one), the uncertainties in the method of involvement of private actors seems to weaken the project, especially in its possibility to have a role in planning and designing the city and the territory in a metropolitan perspective. At a urban region level, actually the main legacy of EXPò will be related to infrastructural works which will serve the area, but at the end of the day are expected to solve a mobility deficit of the whole urban region, in particular breaking down the traditional centripetal network and answering to the emergence of new spatial patterns.

At the end of the day, what is clear is that, after a first period of strong integration of institutional actors in order to support the application for the EXPO at international level, the most powerful institutions like the Region and the city have reduced the potential for innovation by such an event. In fact, even if in the official rhetoric the EXPO is mentioned as a strategic resource for the whole country, actually its aim and objectives were progressively reduced to the EXPO site, while it have been interpreted in a traditional idea of urban competitiveness in the global sphere. Other local actors and resources had a very limited voice over the project and quite limited opportunities to gain from it; also infrastructural projects to support the EXPO event, though initially thought to serve also the local context in the future, seem to be interpreting the opportunity in a very limited way. Much more could have been done in this sense, interpreting the EXPO as a diffuse event, involving the whole urban region, following the positive example of what has happened in these years with the "SALONE del MOBILE", dedicated to interior design, which is organised in the city Fiera pavillon, but engages the whole city of Milan over all the "Salone week", with parallel events, and it is now felt as a resource for the whole city and not only for specialised participants. The reasons for this can be read in relation to the persisting unbalances between the strong power of the region and of the city on the one hand, and on the other the lack of real coordination and leadership of both the province and the other municipalities.

5.2 BUDAPEST

5.2.1 The short fame and quick death of the Budapest Transport Association[16]

At the beginning of the 1990s public transport was the dominant mobility mode in and around Budapest. With the transition into the market economy this picture has started to change: the number of cars increased dramatically while there was not enough money to modernize the extensive but outdated public transport system. The share of public transport decreased from

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[16] Thanks for the contribution to this case from Antal Gertheis and András Ekés (Metropolitan Research Institute, Budapest).

around 80% to 50% regarding the travels within the city while to 30% in the travels crossing the city border. The accelerating suburbanization further aggravated the congestions on the roads. Soon it became clear that mobility emerged to one of the most important problems in the Budapest area – a problem which can only be solved in the cooperation between the core city and the municipalities of the surrounding area, supported also by the county and the state institutions (as owners of public transport companies).

The experiences of European cities shows that public transport is an economic function which might become the driving force for metropolitan cooperation. A good functioning, cross-border public transport system is in the interest of all partners, i.e. it is a win-win situation (as opposed to the NIMBY goods, e.g. wastewater or garbage). This win-win situation, however, can only be achieved if the different partners trust each other and are ready to give up their vested interests in the hope of future gains. Moreover, to assure the attraction of cross-border public transport systems substantial public subsidies are needed on an ongoing basis.

The idea to organize a transport association for the Budapest area emerged already in 1993 when a preparatory office has been established for this purpose. Its task, that of creating a coordinated public transport system with a unified fee structure, however, proved to be very difficult. In the case of the Budapest area public transport has traditionally been delivered by three main service providers: the Budapest Public Transport Company (BKV), the Pest County Bus Company (Volánbusz) and the Hungarian Railway Company (MÁV). These service providers belonged for a long time to three different owners, in respective order: Budapest Municipality, one of the Ministries and the Hungarian State. Although all the three were publicly owned institutions, to come to an agreement between them was never easy. A unified fee structure would have required to agree on how to share the financial losses (which were small for the bus company, substantial for BKV and extraordinary high for MÁV).

It took more than 10 years, until 2005, when the first small step towards a unified structure was achieved: a new monthly public transport pass was introduced in Budapest, with a 10% higher price than the normal pass, allowing travellers to use also the Volánbusz and the MÁV services within the borders of Budapest. This was advantageous for the travellers commuting to Budapest but created revenue loss for the service providers. According to the agreement 2/3 of the loss was financed by the Ministry, the rest by Budapest.

In 2008 the Budapest Transport Association has also formally been established (with 8 employees) as an agreement between Budapest and the Ministry. The BTA announced very ambitious plans: to achieve a coordinated public transport system of BKV, Volánbusz and MÁV with a unified fee structure also outside the borders of Budapest, to introduce a unified electronic ticketing system and to harmonize the timetables and even the future development plans of the three networks.

However, real life took a different direction. Soon after the 2010 election (which resulted in right wing political majority also in Budapest, for the first time since 1990) a new organizational structure has been introduced in Budapest for public transport. A new institution, Centre for Budapest Transport (BKK), has been established, based on similar principles as "Transport for London". The aim was that BKK should become integrated transport authority for transport management, not only for public transport but also for road management and maintenance, parking and central transport information system. These steps and ideas were reasonable. A hidden aim might have been for BKK also to become the integrated transport authority (besides Budapest) also for the agglomeration area or even the whole region.

However, very soon, at the beginning of 2011, unexpectedly, the Budapest Transport Association has been dissolved. First it looked as BKK would take over its tasks; but this turned out to be an illusion and in 2014 almost the opposite happened: the Ministry wanted to take away from BKK all those bus lines which were crossing the city borders to reach some of the agglomeration settlements. Finally a

compromise has been reached: these lines remained managed by BKK, but the service provider has been changed to Volánbusz.

Thus, similarly to the elimination of the regional development idea, also the idea of a strengthened agglomerational transport cooperation has been killed. This is particularly threatening as public transport could have become the easiest and for this reason the initial step towards other types of cross-border, agglomerational cooperation. Today Budapest is further away from a coordinated transport system across the agglomeration area than it was 10 years ago.

5.2.2 Metropolitan planning ideas in the custody of legal, financial and political interests

The urban area of Budapest offers good opportunities to analyse the reason why in the last 25 years visionary planning ideas (such as the notion of metropolitan area wide cooperation) could not break through and become reality.

In the early 1990 some planners raised the idea of metropolitan-wide cooperation including not only the agglomeration belt but also the circle of medium sized (50-100.000 population) cities in a distance of 60-100 km-s from Budapest, all being outside the Central Hungarian Region. The rationale behind the idea was that the whole area delineated by the circle of these cities in economic sense belonged anyway to Budapest since all these cities could be reached within one hour travel from the Budapest airport (this being the criteria developers and entrepreneurs are using in their thinking about economic development areas). Such a large metropolitan area, covering some 3,5 million people, could have given much stronger weight to Budapest in the international competition than its original (half the size) population number within the administrative borders of the city.
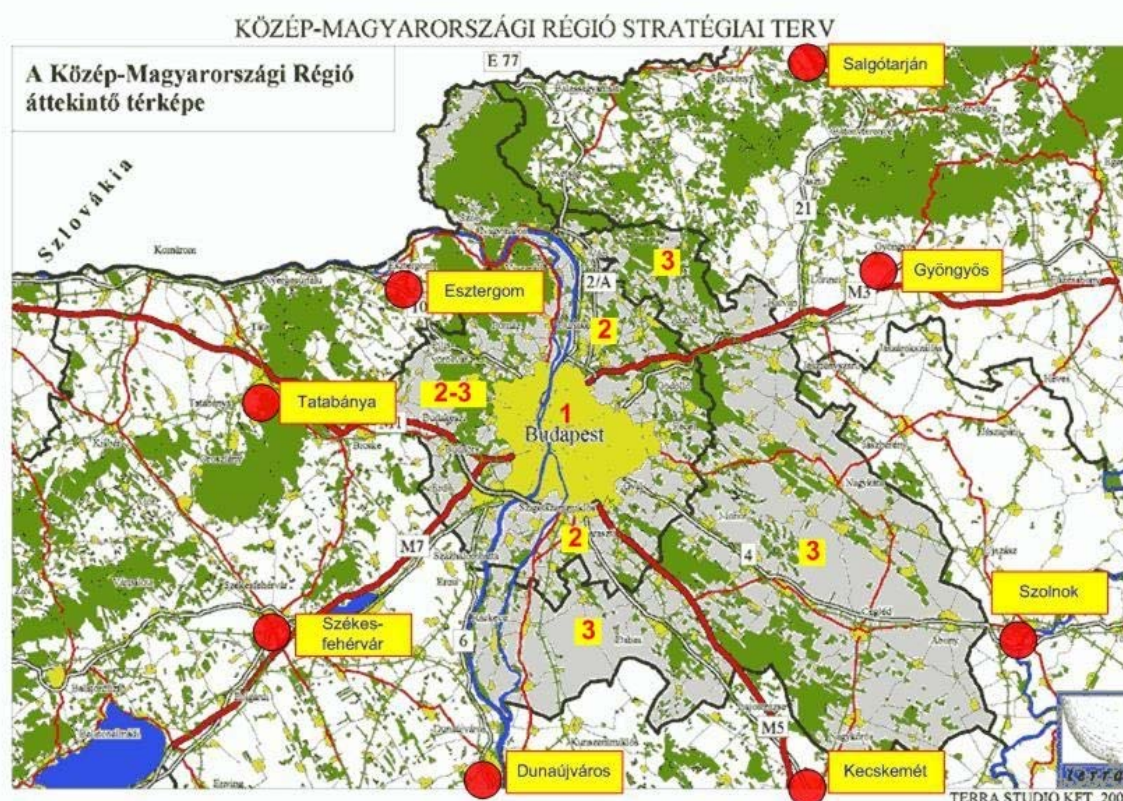
Source: Terra Studio Kft, 2001. Explanation: 1: Budapest (1,7 million population) 2: Budapest Agglomeration (2,5 million) 3: Central Hungarian Region (2,9 million) 4, the circle by the red dots: Budapest Metropolis (appr, 3,5 million)

During the years, in the 1990s and 2000s, some discussions started about this "Budapest Metropolis" vision, many meetings and conferences were organized without, however, producing any tangible results, binding outcomes. None of the institutional stakeholders of the area (Budapest Municipality, Pest County, the relevant Ministries, the leaders of the surrounding cities…) supported whole-heartedly the idea. There was no one forward-looking champion among the politicians who would have changed the rules of the game, breaking through the narrow self-interests towards broader territorial cooperation. Consequently, the vision remained on the level of planning ideas, mentioned in many planning documents but never coming close to any form of institutionalization.

Budapest Circle[17] organized recently a discussion about the spatial aspects of the development of the Budapest urban area, looking back to the last 25 years. In this debate one of the arguments against the Metropolis vision was the lack of real interest in common development. "What should we say to the other mayors, why should we cooperate if there is not enough money even to fulfil our own plans?" – asked once the chief architect of Budapest. The implicit assumption in this statement was that there was no point in any cooperation if this did not lead to immediate financial gains to all cooperating partners.

This standpoint was criticized by many participants of the Budapest Circle debate. According to them the public sector, especially Budapest Municipality, as the strongest player in the area, has the right to develop a vision about the wider surroundings of its territory. There are many European examples of visionary mayors brushed up such ideas and succeeded to gain the cooperation of the other stakeholders of the area. Of course such ideas should never be based only on the wishes of the core city but have to incorporate ideas of the other municipalities and even those of the larger private actors. Meetings, "Metropolitan Conferences" are useful first steps into this direction but have to be followed by systematic planning work, approaching all larger players of the metropolitan area, explore their interests and ideas and develop compromise options for potential coordinated metropolitan development frameworks.

Here is the point where the first obstacles can be discovered regarding the Budapest case. After 1990, when the post-socialist development period started in Hungary, planning was seriously discredited by its socialist past (when it was totally subordinated to direct political interests). Consequently, planning departments of cities were seriously reduced and were dealing almost exclusively with every-day planning tasks. The Chief Architects' Office in Budapest was running with 17 employees – which is in stark contrast e.g. with the 400 employee planning department of Amsterdam (a city less than half the size of Budapest…). The tasks of the planners were limited to the narrowly defined competences and obligations of Budapest Municipality – all the issues beyond these were considered as matters to be solved by the market.

The situation has changed, unfortunately not to its advantage, in the mid 2000s with EU accession, when more money became available for development. Theoretically area-wide joint planning was considered as important, and since Budapest and Pest county belonged to the same NUTS II region (the Central Hungarian Region), joint development strategies were also administratively required to be prepared. However, in this situation, it was not the long-term planning visions gaining ground but the short term political interests of the stakeholders. The larger projects to be financed from EU money were determined by the political leadership (separately for Budapest and for the rest of the region and its settlements). It was also clear that no links could be established to the outer circle of cities of the metropolitan area as these cities belonged to other planning regions, not the CHR.

Thus visionary or strategic planning has been discredited by politics already before 2010. The situation further deteriorated since 2010 with the total shift of power to one of the parties, having

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[17] Budapest Circle has been established in 2004 as an informal group of planners, economists, sociologists, architects, urban historians who worked together on the Strategic Development Concept of Budapest (approved in 2003 by the Municipality of Budapest). Since 2004 the group meets every month and discusses urban development issues which are directly or indirectly linked to the development of Budapest.

gained political control over all parts and stakeholders in the Budapest urban area (and also in the rest of the country). If in the 1990s and 2000s there were some, very limited, opportunities and hopes of planners to influence the thinking about the development in the metropolitan area, this has vanished in the last years in which politics again became totally dominant.

Recently there is only one loose cluster-association existing in the Budapest Metropolis area, called Budapest Business Region, involving some 28 real-estate companies who would like to develop the brand of this 100 km radius metropolitan area. This meager outcome shows that the planning vision, based on economic potential, did not lead to any administrative or institutionalized cooperation. From our brief overview it must be clear why the Budapest Metropolis cooperation idea can be considered as a lost opportunity.

6. Summary and outlook to the future EU urban agenda

Milan and Budapest represent well the problems of increasingly complex and interwoven challenges of urban development. The 'history' of planning and governance decisions taken in these cities in the last decades show the difficulties to change towards a more democratic and efficient way of development in European metropolises.

Both cities have outdated urban geographies. The city boundaries are especially problematic in Milan with its tiny 1,2 million administrative size compared to the at least 3 million reality. Territorial governance is especially lacking in Budapest where never any efficient coordination existed across the 2,5 mill agglomeration and the 3,5 million economic area. In both cases it is clear that the functional area is well beyond the administrative boundaries.

Strategic planning could be an answer only if it is interpreted (as it is partially in the economic literature) as an open exploration of potentialities and production of coalitions of actors around multiple strategic processes. The examples from the two cities illustrate how strategic planning is distracted from this ideal model and becomes dominated by the strongest actors.

Metropolitan cooperation can be fostered also by other means, among which one is the "big project". The Milan EXPO shows the difficulties to use such a rare opportunity for a metropolitan agenda. Budapest did not have so far such an opportunity (in fact the city itself has rejected to go for it). A special event or project can potentially catalyze the attention of different actors and request for coordination and integration, reducing competition among different territories. In order to achieve these outcomes the big projects have to be well managed on a higher (e.g. regional) level in order to make them part of a broader territorial strategy while also integrated with local resources.

In many cases the real metropolitan solutions have to face also serious political difficulties: a 4 million Milan within a 9 million Lombardy or a 2,5 million Budapest within a 10 million country are difficult to imagine, especially if these would have directly elected leaders.

The experiences of the two cities (and also others) show that there are many preconditions for the successful functioning of metropolitan areas, among which tax-equalization across the area and the establishment of an integrated mobility system can be considered to be the most important.

For any change in metropolitan cooperation strong national will and also innovative regulatory and financial frameworks are needed. Both countries show examples on determined, strong national policies. In Italy the Città Metropolitana is recently probably the most innovative metropolitan policy on European level (facing, of course, very difficult questions to answer: how to determine the boundaries of the new metropolitan entities; how to include the new level into the existing system of administrative levels). The recent law can be considered as promising, even if having several contradictions, as being linked with an original idea of reducing public spending, and not yet being coordinated with the ongoing discussion on a national urban agenda. In Hungary, on the contrary,

the politically determined changes are much less forward looking and are, in fact, significantly decreasing the chances for metropolitan cooperation.

The EU has limited opportunities to influence the administrative-territorial policies of the member states. The new tools of Cohesion Policy, especially the Integrated Territorial Investment (ITI), seem to be a good incentive towards metropolitan cooperation. However, its potential effects depend very much on the national regulations. This means that the local and regional reform policies have to build up links to and also have to influence the national application of EU level policies.

To achieve good metropolitan cooperation even more things are needed. Besides having appropriate national framework, it is also very important to have visionary politicians who understand the long-term advantages of steps which might have short-term difficulties. Also new types of planning procedures are needed, differentiating between different types of cooperation zones (FUA, larger economic zone) which require different functions.

This is, in our understanding, the point where the EU could have an important role: besides aiming for EU-wide policies for countries which are in quite different positions regarding the problem and also their achievements, the EU could do much more in fostering exchange and learning, initiating pilot projects, giving trainings to politicians about good practices and cooperative strategies. Such exchange programmes are already existing (e.g. URBACT, Interreg) but their scope could be enhanced and metropolitan planning and governance could be included with more weight.

Contemporary European cities are very different from their earlier forms in the nineteenth century. Under the present reality of blurred boundaries between more and less urbanized areas revolutionary approaches are needed in planning, governance and public policies. The lack of coordination and integration in urban development is a basic obstacle that must be tackled as much as possible, since it limits considerably the efficacy of public actions. The EU cohesion policy and the urban agenda will remain inefficient until the integration and coordination problems get due considerations and solutions are found to reduce the coordination gap and the mismatch between "città de facto" and "città de iure".

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