Urban Settings in the Competition among Cities

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1. Reurbanisation and Economic Transformation

An urban setting as a concept is a result of the observation that urban matters and cities generally have undergone a considerable revival. It is not only the regional and related sciences that consider the urban question in a growing extent as a major issue for research (MacLeod et al. 2003) but also empirically a trend back to the city can be stated, a so-called reurbanisation. In the 1990ies, in many central cities population decline has slowed or even turned. This has been the case in New York and London. After years of exodus to the suburbs growing numbers of people with higher incomes settle again in city centres. Several countries and cities welcome this trend back to the city and have installed policies to support the trend (HUD 1999). Higher population densities in the core cities are favourable to lower energy consumption and high salary households contribute to tax incomes.

The urban socio-economic structure has quite changed. On the one hand jobs in industrial production are lost as firms closed down production or transferred it to low wage countries. On the other hand the flexibilisation of production has brought new forms of work. The amount of skilled industrial workers in regulated jobs with salaries to make a living of came down to a neglectable size in most cities in industrialised countries. The percentage of industrial labour forces as part of the population used to be around 60% in urban regions in the 1960ies. Structurally the loss of these jobs brought also the vanishing of traditional working class neighbourhoods in the 1970ies and 1980ies.

The number of employees in the service sector, in banking, insurance, enterprise oriented services etc. has grown and new kinds of jobs have been created like work in call centres, security and surveillance for buildings, machines, events, but also in the so-called cultural industries. Generally, a divide of low and high profile jobs has occurred whereas the demand for labour with good skills in industry has almost disappeared. This polarisation means that the weakest parts of population, often migrants, are providing the affluent with all sorts of services: pizza, polish, prostitution and it is the striking model of the global cities thesis that low wage deregulated and high salary jobs meet in the same city centres (Sassen 1991).

2. Competition among Cities and the Change of Locational Factors

"Be one step ahead!" That was one of Peter Hall's statements as president of the board for the Urban21 conference 2000 in Berlin. Cities have to do everything to be better than other cities (1). Like enterprises compete for higher performance, better shares of the markets, innovative products and services cities more and more took over entrepreneurial strategies to compete (see Harvey 1989). Restructuring administration through outsourcing of municipal services and reduction of services under the label of new public management helped to lower costs in times where tax income have become weaker and weaker. To generate income has become the new credo for governments independently of what party colour they are.

The competition among cities has risen since regulatory frameworks in and in-between nation states have broken up - or in Le Galès words: "competition between urban regions reflects the decline in state regulation". The question is how to sell a city. Investment in infrastructure, research institutions, reducing taxes or generally spoken the improvement of locational factors are common strategies of cities to attract and keep firms in the town for decades. Competing for central government programmes and infrastructure intensified the competition within countries, competing for EU money within Europe. A battle to get central financial and governmental sectors was added. Attract enterprises to invest and allocate. Another important component of a city's income is high salary population who pays taxes. And last but not least tourists bring in money from outside and tell how great a city is when they are back home. „Competition between cities has led to a rapid movement of imitation/distinction among urban local authorities. The following actions for instance, are initiated in many cities: major projects; development of strategic planning; creation of a science park; development of prestigious cultural events and spectacles; marketing policy; modern collective transport systems; flagship projects with prestigious international architects; operas, theatres, museums and exhibition centres. Some neo-Marxist political economy of culture is therefore still very useful for analysing the rise of urban projects and the growth coalitions (Logan and Molotch, 1987) which are mobilized in bidding for architectural projects, museums (Guggenheim Bilbao), and also international exhibitions or festivals" (Amin 1999, 296).

All together many strategies have been developed to fulfil these pretensions for generating income for the public sector. Attempts to position cities themselves are undertaken by means of town planning enhancing shopping and leisure: shopping malls and urban entertainment centres in inner cities are part of reurbanisation; spectacular and prestigious architecture for office buildings, museums, operas, theatres, convention centres, bridges and towers help to draw worldwide attention to the own city. Perfect examples are the Sydney opera house, La Défense in Paris or the Guggenheim museum in Bilbao. Strategies of marketing and advertising cities worldwide are of relatively recent date. The selling of cities is a major new task for the cities. Tourist offices, inward investment agencies are present worldwide and try to sell a feeling, sell an image, praise the beauty, vigour and advantages of the their respective city.

One of the key agents in the competition among cities are locational factors. The quality of locational factors shows a city's advantages and weaknesses compared to other cities. Locational factors are evaluated in so-called benchmarking studies which aim to find out whether an urban region fulfils the conditions for investment or the allocation of enterprises. In inquiries of locational factors enterprises are asked what they think are the most important factors a region has at its disposition to operate in and from it. Accordingly municipalities invest in the adjustment of a city´s locational factors according to the results of these studies.

Tab. 1. Ranking of Importance of locational factors for diverse enterprises in several countries (BAK 2001) (2)

Important to very important location factors	Fairly important location factors	Less important location factors	Location factors of little or no importance
Availability of highly qualified labour	Cost of capital	Environmental laws and regulations	Energy costs
Cost of highly qualified labour	Flexible working hours	Availability of floor space	Employee influence on company decisions
Work permits for foreign labour	Cost of floor space	Patent protection	Private transport infrastructure
Availability of telecommunications	Proximity to research institutes	Proximity to market	Availability of unskilled labour
Quality of university graduates	Cooperation with universities	Public sector demand	Proximity to competing companies
Predictability of legal/political	Proximity to	Cost of unskilled	Cooperation with

environment	demanding customers	labour	technical colleges
Cost of highly qualified labour		Quality of public transport in the region	Proximity to suppliers
Company taxation			Government sponsorship of research
Availability of highly qualified labour (3)			Business promotion by financial incentives
Labour-management relations			Access to venture capital
Quality of life in the region			Other forms of business promotion
Acceptance of new technologies			
Income taxation of highly qualified labour			
Work permit procedure			
Access to EU market			
International transport connections			
Cost disadvantages due to separation of production site from market			
Quality of technical college graduates			

Locational factors change over time as economy and production systems are transforming. .A quite radical change in enterprises' demands towards a location's profile can be stated. Increasing international division of labour makes different requirements on locational factors evident. Compared to earlier studies factors like "private transport infrastructure", "proximity to market", "environmental laws and regulations", "employee influence on company decisions" have lost most of their former weight. Even "environmental laws and regulations" lost their importance in urbanised areas of the world market. The list of locational factors in table 1 shows the unrivalled importance of qualified and highly qualified labour. Among the ten most important factors are seven that touch on qualified and highly qualified labour. The first non-labour factor is the availability of telecommunication (rank 4). Legal/political predictability has rank 6 and company taxation rank 8. The eleventh rank is the factor "quality of life", which is also a concept of qualified labour attraction. Of course this change is an undoubtful sign of a growing knowledge based information and network society which is most developed in the urban centres and is due to changes in information and communication technologies, in transport infrastructure, state regulations and the flexibilisation of production systems. Advanced urban economies fulfil traditional locational factors and compete with new factors.

Urban life has become a value by its own, a new feeling. One of Switzerlands few famous musicians declared in a local newspaper the other day: "I like to come back to Zurich. This is the place where I had my first urban experience". Recent studies about locational factors include in their questionnaires facet's of quality of life, cultural life and more and more even urban life (von Stokar 2001). The new interest in urban life and the reurbanisation process, is nurrished by a set of factors which goes beyond what is called locational factors. This set of factors makes cities worth to stay and live in with a new understanding of what quality of life is. There is a rising amount of studies that compare quality of life among cities. Many of these surveys have been conducted among managers and executives of transnational enterprises. These results are widely used by those cities that are high up in the rankings like Zurich, Vienna or Vancouver to compete with other cities.

It seems that the central question in regional sciences is not anymore where do enterprises settle but where does qualified and highly qualified labour settle? As a consequence the question needs to be asked: what are the needs of the urban qualified labourforce? And the thesis here is that they demand an attractive urban setting. The factors that make up this new quality of urban life are material and non-material, real and non-real, a thing and its image at the same time. All together they form an urban setting. A space is shaped that is a stage, an image. It is an urban environment that fulfils people's wishes to have good times. Highly qualified labour demand attractive urban settings.

3. Qualified labour and the city

Growing economic sectors in global cities have been the finances, enterprise oriented services and consulting. With the total increase of employees in these sectors also the number of qualified labour increased whereas the number of employees in industrial sectors decreased. High rates of growth are to be found in the cultural industries (media, film, music industry). These branches experienced concentration processes in nodes of the world economy, in global cities (Krätke 2002). Another sector that experienced high rates of growth in the past twenty years is the high-tech sector, including information and communication technology. As Florida (2002) points out qualified high-tech labour are attracted by cities with an active cultural life. They seek an inspiring environment which is important not only for leisure but also for work. Florida (2002) examined the relationship between the presence of artists or bohemians and the presence of high-tech businesses in US cities, and found a significant correlation between them. Above-average clusters of high-tech enterprises were found in metropolitan areas where artists and bohemians also concentrated. This was especially noticeable in the San Francisco Bay area which evolved in the 1990ies to a leading centre for hard- and software technology worldwide (Apple, Adobe, Netscape, Sun Microsystems etc.). This sector further developed to a "Digital Content Design Industry". Although the media were not routed in the region before a content and multimedia cluster has arisen. Egan and Saxenian (1999) explain this development with the availability of creative and qualified labour and the presence of artists and art schools. Puchinger (2003, 11) too, refers to innovative activities: "innovations are born where people feel physically and mentally comfortable, where a positive attitude to life can be best combined with a positive style of life. Some people need a café or club style atmosphere to achieve this, others prefer a resort or lakeside setting." And he adds: "… the notion of what 'the availability of skilled labour force' will mean in the future has been transformed. … The conventional 'skilled worker' or 'university graduate' will gradually yield to the 'creatively unconventional' figure. … Increasingly, the evaluation of a location is starting to include the whole environment into which an 'available skilled labour force' is embedded (Puchinger, 15f.) ". And this is where we come back to the urban setting: Qualified labour demand an attractive urban setting. The urban setting as top of locational factors.

4. Urban Settings: a Toolbox in the Competition among Cities

A concept of urban settings as a toolbox is a suggestion for a view on recent economic, political societal and generally on urban developments. It is not that easy to layout what the ingredients and contents of an urban setting are but the following definitely belong to it. *Long-term/durable ingredients* of urban settings are buildings, public spaces, parks and the natural environment. Buildings are used for entertainment or culture like cinemas, theatres, concert halls, shops, shopping areas, malls, museums, galleries, exhibition centres, party sites, stadiums, entertainment centres and artificial worlds. They do not only serve as places for leisure and pleasure but are also used as landmarks like . beautiful bridges and towers., because an outstanding architecture draws local and international attention to the city. And image production seems to be crucial in the competition among cities. Natural advantages like lakes,

rivers, beaches, hills, woods have gained new attention. The new affection to water is quite important in this change of values and perception. Whereas until recently in most cities the role of waters, lakes, rivers, seas used to be a production factor. They served as spaces for infrastructure like harbours and as medium to deposit waste and introduce sewerage. Waterfront developments can be found all over. A complete change in image, perception and appreciation of these areas has taken place. Today, these natural ingredients are used as plates for biking, skating, jogging, partying, surfing, climbing and so on. Restaurants and bars fulfil a crucial role. They are the places where people meet and where belonging and distinction to or from groups are defined. They also put new places, hot spots and cool neighbourhoods on the city map when they start with success (Zukin 1995). *And short-term ingredients:* Events, Parties and festivals of all sorts. Sports, Music, Theatre, Movies, Exhibitions, cool neighbourhoods And there are some other ingredients: advertisement, drugs, image production, glamour, skylines.

5. The Production of Urban Settings

The production of urban settings is the shaping of space, is the adding of values, codes and signs to the urban environment. City governments follow several strategies of realizing urban settings to compete with other cities, attract investors, companies, qualified labour, high-income citizens, tourists and attention. As changes in the global order of cities, economy and politics have taken place the production of an attractive urban setting seems to be an unavoidable strategy for cities to "be one step ahead".

Yet, the production of an urban setting is provided not only by governments, administration units and big enterprises but also by the people of a city, by certain groups and in a quite considerable extent by sub cultural scenes. This means it is not only flagship projects and festivals that shape a city's image but also the production of new spaces or newly codified spaces such as cool neighbourhoods.

In the production of urban settings two streams can be differentiated: a top-down strategy and a bottom-up emergence. The latter, with close connections to subculture, often gets integrated in or adopted by top-down strategies, similar to the process of avantgardistic art becoming mainstream culture. But as several authors (Shaw 2003, Lange und Steets 2002) state it is not that easy to declare that these strategies are just sucking out sub cultural production.

Tab. 2: The Production of Urban Settings: ingredients and actors

	What?	Who?
Top-down strategies	Image production, set up and keep running cultural infrastructure such as museums, theatres, operas, stadiums, festivals. Investment in cultural Industries, movies, tv, broadcasting, shopping centres and malls, integration of bottom-up produced urban settings. Regeneration processes by the means of culture.	governments and municipal administration, city marketing units, invard investment and tourist agencies, enterprises as sponsors or investors, maecenas, artists, architects, designers, shopkeepers, planners.

Inbetween	Cool neighbourhoods, advertisement, media, transfer of bottom-up emergence urban settings to top-down strategies.	Cultural entrepreneurs, advertisment companies, trend scouts, artists.
Bottom-up emergence	Parties, techno, raves, squatted houses and factories, autonomous cultural and social centres, deprived neighbourhoods, with shops, bars, restaurants, sub cultural production.	artists, people that keep running cultural and social centres, alternative innovative restaurant, bar and shop keepers, squatters.

5.1. Top-down strategies

The production of images of a city is very much related to space and its perception. That is why culture is a suitable means to transport images from spaces to people and back. Urban settings are culturalised spaces, spaces enriched by codes and signs.

But not only in the production of urban settings but also in the economic development generally. Executing top-down strategies in the production of urban settings, many cities have invested in the production of image and used culture in attempts to entice national capital and international investment (Harvey 1989, Zukin 1995, Griffiths 1999, Le Galès 1999). The entrepreneurial cities followed the same paths as did most transnational enterprises: image production and marketing, mainly through the means of culture. In the 1990s the production of images became a major task for enterprises. Klein (2000) describes the process in which the production of brands became more important then the very products. To produce signs for people in the Bourdieu context of identification and distinction became a crucial strategy. „We mean that production has become not just more knowledge infused, but more generally cultural; that it has become, not just a question of a new primacy of information-processing, but of more generic symbol-processing capacities. In the culture industries the input is esthetical rather than cognitive in quality. … Whereas the esthetical component in manufactured products (and services) has in particular come to the fore in recent times, the culture industries have always operated through this aesthetic sensibility (Lash and Urry, 1994, 123). Hence, the increase in advertising expenses was exceptional. Walt Disney´s advertising budget, for example, rose from 150 million US dollars in 1985 to 1.3 billion US dollars in 1995 (Klein 2000). Other super brands, such as Coca-Cola, McDonalds, and Nike, exhibit similar developments. The design of products is an essential carrier of not only content, but also identity. "Goods for consumption have become equally valuable to their owners - either as status symbols, cultural objects or defining symbols - as symbolic capital in the competition towards societal recognition (Helbrecht 2001). " Among the most important signs in the culturalized economy are logos or brand names. Klein (2000) describes the emerging entrepreneurial tactics that emphasizes the priority on the production of brands and not the product itself. Enterprises concentrate on the development of brands and a corresponding feeling. Culture has become a vector in the distribution of brand names. Through the sponsoring of cultural events such as festivals, concerts, exhibits, techno-parties, and cinema, many transnational enterprises discovered that they were able to reach mass numbers of individuals, in addition to advertising in mass media. The economy of signs and spaces as Lash and Urry (1994) described these processes of commodification of culture flew over from enterprises to the entrepreneurial city.

In the entrepreneurial city these processes are very similar. Marketing of the city, inward investment agencies and image production belong to the municipal strategies. Zukin (1995) speaks of the symbolic economy and illustrates it as follows: "Visual representation became a

means of financially re-presenting the city. By the 1990ies, it seemed to be official policy that making a place for art in the city went along with establishing a marketable identity for the city as a whole (Zukin 1995, 23)." Governments and their administrative bodies followed strategies of urban marketing by producing festivals, media events, and unveiling flagship projects -- for which internationally renowned architects were often solicited -- such as operas, theatres, museums, stadiums or congress centres.

Generally, a major economic transformation has happened and stands behind this observation. This transformation is marked by two processes: culturalisation of economy and commodification of culture. Some parts of cultural production grew into an important component of the economy contributing to employment. This is welcomed by local, regional and national elites: "With the disappearance of local manufacturing industries and periodic crises in government and finance, culture is more and more the business of cities." (Zukin, 1995). It is not easy to define the cultural sector and differentiate it from other sectors of economic activity. Scott studied the industry of cultural production in Los Angeles and concluded that this industry may not have been the largest but, indeed, the fastest growing. Scott also showed that the cultural production industry had the potential to become the, "most vibrant industrial complex of the twenty-first century," and, therefore, advised politicians to protect this sector (1996, 319). Furthermore, it could also be observed that employment rates in this sector had grown - not just in Los Angeles, but also worldwide. Culture has become one major tool of transnational enterprises and cities in competition.

Urban settings are part of the symbolic economy. Building and planning are used by public administration for the production of images of a city. This means an image is produced through the planning of a material urban setting, represented by museums, stadiums and other buildings. An exceptional skyline is an extra of a material setting and an immaterial perception and feeling. Quite a successful strategy of producing urban settings is the realisation of museums and clusters of museums. Examples for this are Museumplein in Amsterdam, Guggenheim Museum in Bilbao, New Tate in London. 50% of the people that visit a city visit museums (van Aalst and Boogaarts, 2002) which makes a noticeable factor for local economy. It is not surprising that city councils want to benefit from the attractiveness of museums. Besides the image production museums are used as a tool to regenerate or redevelop city centres and also to breathe new life into impoverished neighbourhoods (van Aalst 1997). Museums attract restaurants and bars, galleries, cinemas, book and other shops which put down roots in the vicinity of the museum. The presence of artists and creative enterprises also raises the attractiveness of respective neighbourhoods; thereby, increasing investments in housing, local retail and business endeavours. Gentrification starts. Rents for flats and rooms increase, and as a consequence, poorer inhabitants, shop keepers, and entrepreneurs are pushed out. The new inhabitants and visitors that want to enjoy the new leisure facilities breathe a new and different life into the neighbourhoods. A new urban setting is produced. "But the goal of much redevelopment strategy is to upgrade areas so that property values rise and low-rent uses are excluded. This raises the threat of displacing artists and performers, and replacing them with stores and residents that can pay higher rents. By the same token, many jobs for cultural producers created by new culture industries pay so little these artists cannot afford to live in the city. They move away, reducing the city's attraction as culture capital." (Zukin 1995, 284). Today, some municipalities have realised that bottom-up emergence of urban settings are important for economy and society. There are attempts to preserve places of alternative subculture as cultural heritage. Such strategies are found for instance in Amsterdam or Berlin (Shaw 2003).

5.2 Bottom-up emergence of urban settings

Great cities entice good feelings, great adventures, new hope. They give a smell and shine of unlimited possibilities. Whereas breathtaking skylines, steel and glass facades evoke hunger for investments and great businesses, the canyons behind the sky scrapers promise adventure, party, excitement, underground. And this is where the other urban setting is emerging from bottom-up, where new cultures, new signs and new codes are produced. Deprived neighbourhoods on the one hand and abandoned industrial areas on the other are the spaces and places where new urban settings and urbanity are produced. The relation between these spaces and subculture is very tight and definitions of subculture very often operate apart from social characteristics with spaces: "Generally, they (contributions in the subcultures reader) highlight the most important ways in which sub cultural groups both differentiate themselves from others and identify amongst themselves, that is, through the appropriation of space, through modes of visual and aural self-representation and through selective mediated symbolic interaction." (Thornton 1997, 7). Trying to approach a definition Thornton (1997) explains "that subcultures have something in common with each other (i.e. they share a problem, an interest, a practice) which distinguishes them in a significant way from the members for other social groups." and "It is also often assumed that there is something innately oppositional in the word 'subculture'. While struggles over territory, place and space are core issues, subcultures would appear to bring a little disorder to the security of neighbourhood. Subcultures are more often characterised as appropriating parts of the city for their street (rather than domestic) culture." But it is also important to highlight two more aspects of subculture: first, "social groups labelled as subcultures have often been perceived as lower down the social ladder due to social differences of class, race, ethnicity and age. (Thornton 1997, 4). And second, the will of living an own culture which is self organised and independent from economic life and the use of culture. Of course this is also a form of distinction, the one from mainstream culture.

Abandoned industrial areas have a function as unplanned, interstitial and unregulated space where everything can happen (Shaw 2003). They are playground for experiments, for parties, for fun and for business (Klaus 1996). Structural change from industrial to service sector economy brought about huge vacant areas, some of them amidst the cities. In the 1970ies and early 1980ies these areas were targeted by expanding service sector demands for office space in those cities that had not undergone a major economic crisis. Some cities experienced squats of abandoned industrial areas. The people that entered these places set up so called cultural centres, places to be and to work on alternative expressions of culture in music, painting and also in being together (Klaus 1996). A rich tradition for these alternative cultural centres can be found in German, Swiss, Danish and Dutch cities. One of the most famous is the "Fristat Kristiania" (free state Christiania) in Copenhagen, Denmark, starting in the early 70s. In Italy in all major cities people realized so called "centri sociali". Like in the alternative cultural centres in other countries cultural and social experiments are realised. On the same time many of the centri sociali are also places of solidarity for example with Albanian refugees. The Centri Sociali are still today a movement for alternative politics and culture, whereas in Northern European cities many of the alternative cultural centres have turned into leisure centres mainly for cultural consumption with a touch of sub cultural history and contributing to the cultural industries. Many of them were conquered and accompanied by political battles. Today they decorate the pages of tourist guides and are part of the urban setting and provide quite an amount of jobs. But all these centres have also been contributing to the production of urban settings during the last twenty years. As bottom-up emergence they have been contributing to the culturalisation of urban society and through that to a culturalisation of economy. The signs of alternative culture and of subculture have found a way out. Famous artists' careers started in these centres and other people gained skills in cultural management (Wolff 1998), and in entrepreneurship which they could use in the cultural industry and the production of urban settings later on. Alternative cultural centres have been one of the bottom-up emergence of culture and the urban setting.

In the 1990ies these former areas of industrial production became sites for raves, techno-parties and new electronical music experiments. Originally illegal, in the course of time they have become an economic factor. Exorbitant entrance fees and high prices for drinks have made many of them rather exclusive for the young urban qualified labour. "Spaces that originally

retained the status of underground or subculture have become home to advertisements for cigarettes, beverages, telecommunications (Klaus 1998)."

As subculture has become "cool" and as such a selling factor neighbourhoods where subculture is present have become cool too. The ways how neighbourhoods change from ghettos to cool neighbourhoods has been described exhaustively in literature under the keyword of gentrification. In the emergence of urban settings these specific neighbourhoods are of major interest. Deprived areas are full of signs that are codified as cool. These urban spaces stand for adventure, rebellion and subculture. Transnational enterprises like Nike, Adidas or Tommy Hilfiger discovered this coolness in the 1990ies and made it to their new entrepreneurial philosophy. Sub cultural codes and signs began to be appropriated by professional "coolness hunters" who actively scanned poor neighbourhoods for signs to transport back to transnational enterprises (Klein 2000). More then any other enterprise it was Tommy Hilfiger that consequently transformed ghetto coolness to desirable clothing design and sold it in suburban shopping malls to millions of young people. MTV (Music Television) sustained this transformation process substantially. Middle class youngsters all around the world have copied Hip Hop culture thanks to watching video clips in TV. The culturalisation of economy is far reaching.

Big cities attract young people, artists, performers, homosexuals, students and migrants offering a more liberal atmosphere and a broader spectrum of possibilities to survive than a village or a middle town. Artists and many students depend on low rents for living and work space and settle in deprived neighbourhoods which turn to clusters of creative people. "Often their very presence puts the seal of cultural innovation on a „hot" area for restaurants, art galleries, and real estate" and pushes "a neighbourhood on the road to gentrification {Zukin 1989/82}". Even though the majority of the population still belongs to low income households these neighbourhoods already belong to an attractive urban setting. Tourists and visitors from other parts of a city come here to enjoy themselves. In such neighbourhoods trendy bars and ethnic restaurants, new cinemas, theatres and party sites are found. They have become "cool" neighbourhoods" and cool neighbourhoods are a must for a city to answer the highly qualified labours needs to have a thrilling and entertaining leisure time. But still, squats, alternative cultural centres, bars and restaurants, concert, party, theatre and performance places are the spaces where independent and new culture is produced. Artists and activists create culture and define spaces which together become urban settings. With culturalisation of economy and commodification of culture these processes were possible in an increasing amount.

In recent years new kinds of professions and activities have emerged. Artists have become entrepreneurs. With the processes of culturalisation of economy and commodification of culture the demand for cultural products has grown. As culture has become a selling factor, cultural entrepreneurs are needed in a greater extent than ever before. The widespread adoption of "coolness" and signs of subculture in products and services is enabled by the intermediate role of cultural entrepreneurs. As avant-garde they define new places and produce urban settings in abandoned industrial areas and cool neighbourhoods (Lange, Steets 2002). Cultural entrepreneurs are trying to make a living out of the art, by designing annual reports for transnational enterprises, by producing jingles and videos for advertising companies and so on. The growing cultural sector required labour skilled in managing concerts, exhibitions, parties etc. As producers of urban settings they are agents between world economy and subculture (Klaus 2004). Although many of these creative and innovative micro enterprises turn up in the high glamour brochures of tourist offices, or in the design of business reports of large banks, or as national artists with international recognition, their profits very often remain below average.

6. Conclusion

In the competition among cities there is one main locational factor remaining: qualified labour. In the 1990ies qualified labour has been increasingly attracted by cities - by cities with an outstanding urban setting. The reurbanisation process is underway and there are several parts of society contributing to attractive urban settings. Cities are an utopia – at least for a certain part of the urban population: whereas the ones can enjoy an exciting urban setting, the others have to provide that the urban setting is maintained, cleaned, guarded, and kept running. Cultural entrepreneurs consolidate the production of sub cultural and cool signs for the world market. They create new designs, new music styles, new accessories and so on. On the same time many of them can hardly survive. The sector of cultural production is one of the most deregulated ones in the whole economy. Exploitation of ideas, creativity and culture is easily done.

Urban settings are used in the competition among cities and are produced by top-down strategies and the adoption of bottom-up emergence. Even though transnational enterprises try to integrate youth culture and subculture in their marketing strategies, or city governments try to further culture and even seek protecting sub cultural places not all politicians welcome a culturalisation of economy and society. Culture to them and many other people is still something suspicious. And that is what one role of culture still is: a place for reflection of economic and social processes. It is important that politicians and economical leaders realise that culture is not only an instrument for better performances, something to be added to their products. Urban settings are not only a means to attract highly qualified labour in the competition among cities but to keep free spaces and democratic places.

Urban settings can be a tool to understand many elements of how cities work, how economy, society and nature interrelate. But, first of all, exploring the production of urban settings in the competition among cities should unveil the mechanisms of putting the city to the affluents' disposal.

Notes

1. The term cities of course means municipalities with governments, parliaments and administration.
2. This list is an amalgamation of several surveys conducted by partner institutions of the IBC. Surveys include Headquarters (1994 and 1997), small and medium sized enterprises 1999 in Switzerland, private households in Germany, France, Switzerland and the USA as part of the project "Regional Monitoring of Economic, Ecological and Social Sustainability Against an International Background". Another survey among "young" enterprises (2000) in Austria, Southern Germany, parts of eastern France, parts of northern Italy, Switzerland) is also included.
3. this locational factor is noted twice in the original publication.

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