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Learning in Urban Regeneration
The Case of Phoenix in Dortmund¹
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1. Introduction

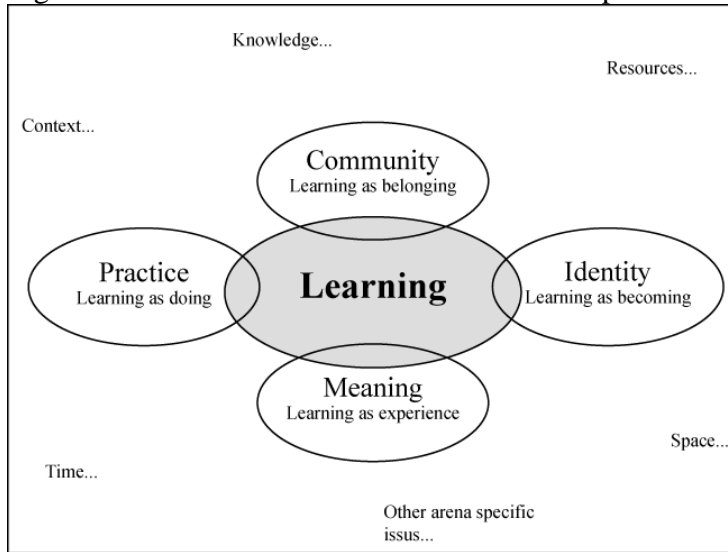
Urban regeneration is a permanent task and challenge for cities. Thereby three types of projects can be identified: dockland style projects, housing based estate development projects, and district/quarter redevelopment projects. Often these projects play a “role of hope”, they are symbols for a positive future of a city and are accordingly treated with high priority by the local policy. The importance of such projects is even higher in cities and regions which are shaped by a strong structural change due to their old-industrial past like the Ruhr in Germany.

Cities and regions have a vital interest in implementing such projects successfully. At this point urban regeneration implicates a learning dimension. Questions which arise are related to participation of actors, form and characteristics of networks, culture of collaboration, or the implementation of leadership and governance. Theories and concepts dealing with learning aspects to explain why some cities and regions develop better while others do worse are widely discussed. Creative milieus, industrial districts, learning regions and regional innovation systems are such (mainly industrial development related) approaches which have in common that they more or less strongly emphasize the meaning of knowledge (implicit and explicit one), of learning (individual and organisational one), of human and social capital, and of interactions/networks.

In the context of the CRITICAL project Etienne Wenger’s communities of practice, a social learning theory approach, have come into focus to explain how organisations, associations, networks, and communities work and to identify conditions and factors which allow groups of people to learn as a collective. The present paper deals with learning in urban regeneration by investigating the case of “Phoenix” in Dortmund and it pays particular attention on the following aspects which are in the focus of Wenger’s concept (figure 1): actors and network, resources, activities and practices, meaning and identity, learning and knowledge, and leadership and governance. Conclusively it is roughly discussed whether the Phoenix network can be named a community of practice.

¹ The case study has been developed in the context of the international research project CRITICAL (City-Regions as Intelligent Territories: Inclusion, Competitiveness And Learning) which is funded by the European Commission's 5th Framework Programme for Research and Development

Figure 1: CRITICAL model of communities of practice

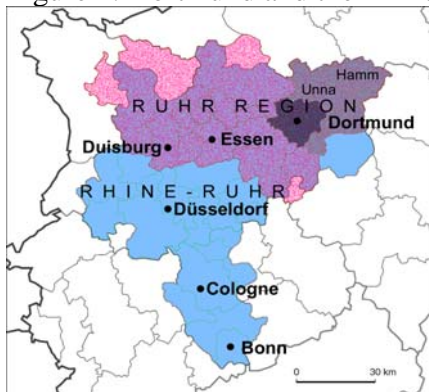


Source: Wenger 1998; modified version

2. Local and Regional (Policy) Context

Dortmund, as the Ruhr in Germany as a whole (figure 2), is strongly characterised by structural change. Shaped by the coal and steel industry for decades the process of change started in the early 1960s and it even continues. Transformations have taken place in various ways and fields. Today on the one hand Dortmund is perceived as a service sector and high-tech location, on the other hand the industrial mono-structure of the past continuous to have its negative effects. The loss of 75,000 jobs in the heavy industry during the last 40 years could not be fully compensated by jobs in new industries up to now. In this respect, the city is still confronted with a lack of 35,000 jobs. As result the city is still economically behind the most German cities of Dortmund's size while compared to the other communities of the Ruhr agglomeration the situation is above-average.

Figure 2: Dortmund and the Rhine-Ruhr Region



Source: Brödner, Rucker 2003: 2

As a consequence of the economic problems the City of Dortmund has made strong efforts for some decades to substantially change the economic structure. The establishment of the Technologiezentrum and the Technologiepark on the campus of the University of Dortmund in 1985 - meanwhile with 250 companies and 8,500 employees one of the most successful technology clusters in Europe - is one milestone of this policy. Especially in the last years Dortmund has achieved an image to follow innovative economic and urban development concepts. This is primarily expressed by the so-called “dortmund-project”, a public and private partnership (City of Dortmund, ThyssenKrupp corporation, others), which has been run since the year 2000 advised by McKinsey & Company at the beginning. The dortmund-project focuses on three fields:

- Support of the development of industry clusters in certain fields
- Strengthening of soft location factors
- Provision of attractive locations for business and housing by implementing the concept of the Zukunftsstandorte

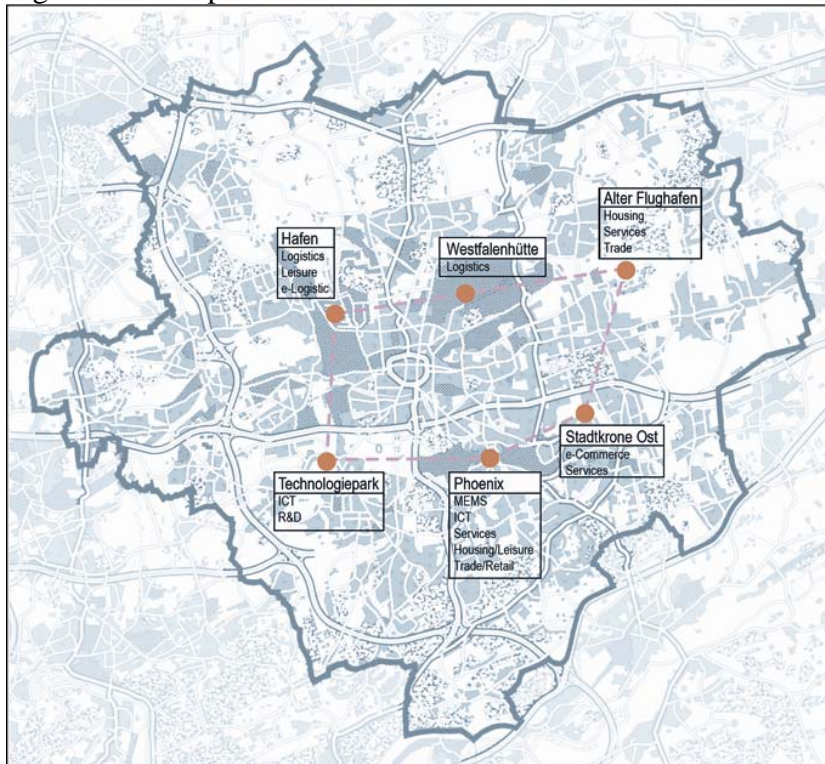
Such as the City of Dortmund the State of Northrhine-Westphalia has played an important role in promoting structural change during the last years. That has been mainly done by two approaches, competence field policy (or cluster policy) on the one hand and an urban regeneration policy on the other hand, the latter often in connexion with the “International Building Exhibition Emscher Park” (IBA), which promoted urban regeneration in the Ruhr, especially brownfield redevelopment and cultural industry projects, in an innovative and exemplary manner (cf. Kunzmann 2004). The IBA finished 1999 but its spirit partly continues. The state government is still making efforts to develop and to implement projects which are estimated as crucial for structural change within the Ruhr. Thereby it runs an approach of concentration, i.e. the state primarily supports flagship projects. The Phoenix project is one of them. Hence, it is not just the top-ranking project in urban regeneration within the city but within the whole state as well.

3. Concept of Zukunftsstandorte and Phoenix project

The concept of Zukunftsstandorte (“future locations”) of the City of Dortmund consists of relatively central located mostly huge development areas surrounding the city centre (figure 3). These areas which former functions and uses were given up years ago represent a significant potential in urban regeneration and development which is used by the City in the form of the concept in order to promote the formation of technology clusters and to complete the provision of quality housing within the city.

The individual locations belonging to the concept are in very different development stages: the Technologiepark at the university campus is nearly fully developed and hardly dispose of reserve areas. The e-business focused Stadtkrone Ost, formerly used as barracks by the British Army, is already home of more than 60 companies with over 1,300 employees, whereas further development capacities are available. The area combines working and housing. The Hafen, an old inner harbour environment, is traditionally used as a logistic location and shall be transformed to a modern harbour location which is symbolised by the “e-” for “electronic logistics”. Meanwhile, the so-called e-port has been established there as a centre for start-ups belonging to this special sector. The Westfalenhütte, a further former steel work, and the Alter Flughafen (Old Airport) have not been started to be developed as “future locations” yet.

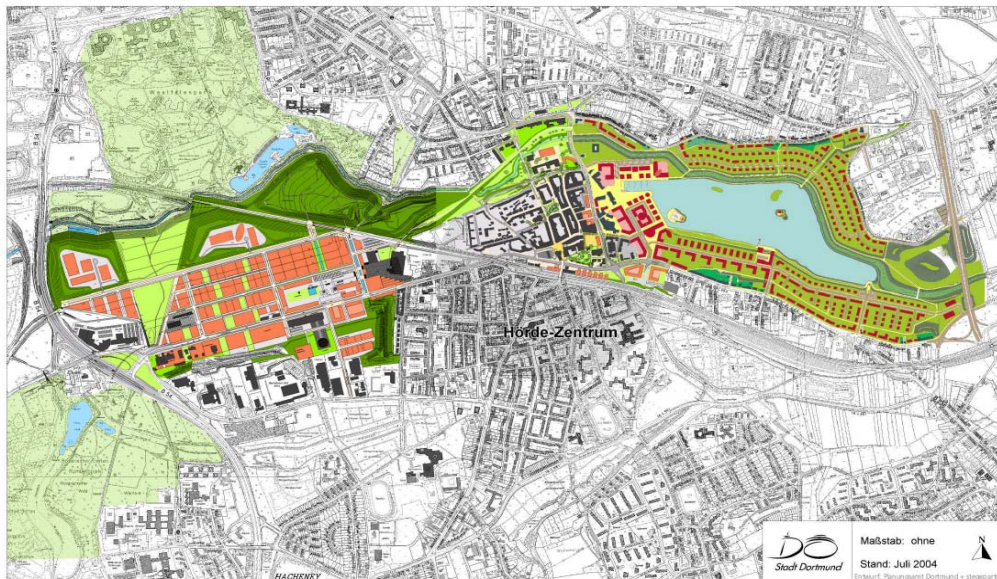
Figure 3: Concept of Zukunftsstandorte Dortmund



Source: Stadt Dortmund 2004; modified version

Phoenix, a former steel work with nearly 40,000 employees in the 1960s, is currently considered as main “future location. With a space of 200 ha it is one of the biggest development areas in Germany. It consists of two parts for which different uses are planned (figure 4): the western part includes mainly spaces for high-tech industries, the eastern part predominantly leisure and quality housing which is connected with the creation of an artificial city lake (36 ha). With the lake project Dortmund acts according to the zeitgeist: attractive waterfronts are more and more perceived as an important location factor. In addition to a promenade a marina will be developed. Therewith, high-income earners, who are able to effort this kind of housing and living, shall be kept respectively attracted. By implementing the project, which presumably will take place in 2007, the surrounding neighbourhood of Hörde, a traditional district of blue-colour workers, will change its social structure and character. The western area is already home of the co-called MST.factory dortmund, a centre for companies from the MEMS sector which shall act as nucleus of a MEMS cluster. The IT industry is seen as second focus of the location. In total, Phoenix shall become a working place of 15,000 people.

Figure 4: Zukunftsstandort Phoenix



Source: www.phoenixdortmund.de

4. Phoenix Network and Main Actors

Different actors care about the development of Phoenix. Players of the network are the City of Dortmund with its planning chief and its Department of Planning on the one hand and the dortmund-project on the other hand, the Landesentwicklungsgesellschaft NRW GmbH - Bereich Dortmund ("Development Corporation of the State of NRW Ltd. - Dortmund Office"), the Wirtschafts- und Beschäftigungsförderung („Business and Employment Promotion“) of the City of Dortmund, the Phoenix See Entwicklungsgesellschaft mbH ("Phoenix Lake Development Corporation Ltd."), the Emscher Genossenschaft ("Emscher Cooperative") and the Project Ruhr GmbH as regional development corporation of the State of NRW for the Ruhr area. These actors form a complex network containing much political power respectively strong stakeholders and difficult decision-making processes.

In detail the mentioned actors have the following functions:

- The Department of Planning of the City of Dortmund bears the responsibility for the formal planning with its usual instruments, especially the Bauleitplanung ("urban land use planning").
- The dortmund-project runs the Phoenix-Büro ("Phoenix Office"), i.e. a team of project managers coordinates and moderates the processes in a more general way on behalf of the lord mayor.
- The State Development Corporation (short LEG) is responsible for the infrastructure development of the Phoenix West area, it is the owner of the area and acts as a trustee for the state and as a developer for the State and the City. It does not have to sell the properties. This task is done by ...
- ... the Business and Employment Promotion Dortmund which is officially responsible for the property marketing.

- The Phoenix Lake Corporation (PLEG) is a 100-% company subsidiary of the Dortmunder Stadtwerke AG (DSW), the local public electricity company (City of Dortmund is the only shareholder), and acts as general developer of the area. The area is property of the DSW which bought it from the City of Dortmund. The City itself had bought the area from the local steel company ThyssenKrupp to – as it is said – too positive conditions for the company. The Phoenix Lake Corporation will have fulfilled its task if all properties are sold.
- The Emscher Cooperative (EG) is relevant in the context of the Phoenix See as it cares about the water system of the river Emscher. The Emscher Cooperative, founded in 1899, includes 153 members (cities, companies, mining sector).
- The Project Ruhr GmbH acts as a regional outpost of the State Government. Affairs which actually have to be discussed with the State Government are in the first instance often placed there.

All identified actors clearly work on the project and the common aim to develop Phoenix. Nevertheless, the network they build has no strict formal frame. Instead, they are integrated in a broad structure of working and decision bodies (cp. figure 4). Core players the study mainly deals with are the City of Dortmund, State Development Corporation, Phoenix See Corporation, Phoenix Office, and partly the Emscher Cooperative.

5. Resources

For Phoenix West all in all 127 Mio. Euro are forecasted to be invested during the next years. A huge part of it is covered by the Regionale Wirtschaftsförderungsprogramm (RWP) („Regional Economic Promotion Program“) which includes funds from the EU („Target 2“), the federal government, and the state for developing the area (clean up of former waste deposits, preparation of land, infrastructure like the MST.factory). A smaller part of the total amount is made available by the so-called Grundstücksfonds („Property Fund“) of the state of Northrhine-Westphalia. Profit is expected to be generated by selling the pre-developed properties to private investors such as companies which want to settle there.

In the context of the financing of Phoenix East/Sea mainly public means are used as well. Beyond the City of Dortmund again they are made available by the EU, the federal government, and the state (RWP, urban regeneration funds, ecology program means). These means are primarily provided for the coverage of the whole area as preparation for the estimated use. The DSW as owner of the area intend to make profit by selling the high-quality water front realties from 2009.

In view of the core network each of the three key players have mandated at least two employees to care about the development of the areas. All are not paid just on a project-basis but are permanently on the payroll of their employees. The on the first view most direct relation to the project and the highest dependency have the two business managers of the Phoenix Lake Corporation which only exists to develop the eastern part of the whole area. But the meaning of this employment relationship is qualified through the fact that both are the responsible managers for the Stadtkrone Ost Entwicklungsgesellschaft mbH („Stadtkrone Ost Development Corporation“) as well, an enterprise similar to the Phoenix Sea Development Corporation) in structure and

function. All involved organisations have in common that they invest in time resources which naturally effect as indirect financial resources as well.

6. Activities and Practices

The wider network is shaped by a complex committee structure to which the core players in all cases belong (figure 5). Working levels which have been established are:

- The Lenkungskreis Phoenix (“Steering Committee Phoenix”) acts as a kind of advisory board on a very representative level. Members are the top-level representatives from the City of Dortmund, the State Government, the Dortmunder Stadtwerke, the State Development Corporation, the Projekt Ruhr, and the Emscher Cooperative. It meets once a year.
- Both areas dispose of so-called Projektkonferenzen (“Project Conferences”) which act as operational steering organisations. West consists of the project managers of the State Development Corporation, the Phoenix Office, and of representatives of the Department of Planning, its East counterpart replaces State Development Corporation through Phoenix Lake. Meetings take place monthly.
- The Koordinationskreis (“Coordinating Committee”) combines both Projektkonferenzen that means their participants are present to inform each other, that happens monthly.
- For each of the areas five working groups exist. They meet more often and represent the “real” operational level, means: at this level concrete activities are organised and implemented.

The activities are embedded in a slightly contradictory context: on the one hand, the collaboration is politically motivated and follows a clear top-down approach (cp. Leadership and Governance), i.e. the core actors are forced to collaborate in view of the political interest of the lord mayor; on the other hand, the organisations which have been built to collaborate have a quite loose character, i.e. the mayor’s leadership is restricted and indirect – apart from the staff directly belonging to the City Council – as the participants are primarily bound to their employers and their certain interests. Consequences for the daily work are:

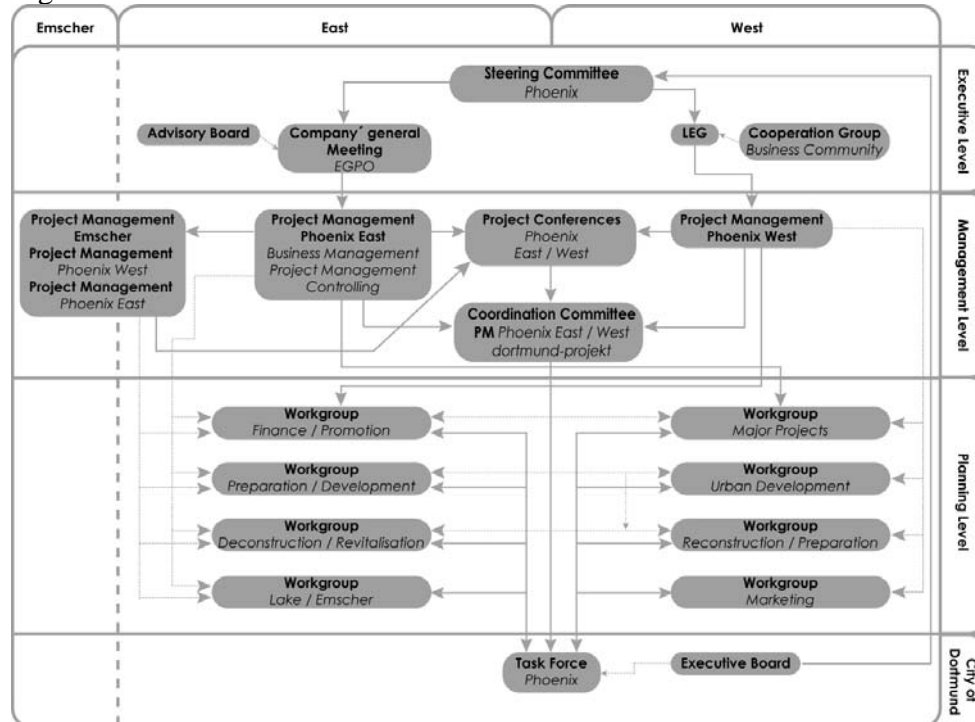
- Diverse decision makers have to be involved.
- Interests and personal egoisms have to be balanced.
- Decisions have to be negotiated.

The vision which is shared is to cope with one of the most ambitious development projects in Germany and to finally implement the planning. Further common visions have not been developed. Instead, a culture of professionalism and pragmatism has been evolved which shapes the daily work. The communication on the operational level is characterized by lots of informal exchange (per phone and e-mail). Thereby an intensive exchange between the Phoenix Office and the State Development Corporation can be recognized whereas the Phoenix Lake Corporation works more autonomously.

For external communication matters a website has been launched (www.phoenixdortmund.de) which is mainly used as a marketing and hardly as an exchange tool. The presentation is divided

into the sections “Experiencing and Exploring”, “Living”, “Profiting”, and “Investing” and provides contact opportunities for each section. In addition, beside brochures and other media an “Info-Point Phoenix Lake” has been established to visually illustrate the planning. Responsible for a coordinated external communication for the project as a whole (e.g. press relations) is the Phoenix Office which however have partly to deal with the “unilateralism” attitudes of the partners.

Figure 5: Wider Phoenix Network



Source: own illustration

7. Meaning and Identity

Phoenix is a huge and ambitious project which physically symbolises structural change in Dortmund and the whole Ruhr and the common willing to put it into practise is noticeable with regard to different hierarchies of actors – political stakeholders as well as project managers. First and foremost the project is connected with the lord mayor who values and markets it as a symbol of the “New Dortmund”. Critical observers of the political scene maintain he intends to create a steady physical monument to illustrate next generations the deep relevance of his term for the future of Dortmund (cp. Frankfurter Allgemeine Sonntagszeitung 2005). Hence, success and failure of Phoenix will potentially decide on his further political career, or at least the aspect will have an influence on the external perception of the quality of his term as lord mayor.

Phoenix is marketed as flagship project not only by the City of Dortmund but the state government as well which tried to win the recent state election in May 2005 amongst others by referring to this ambitious project. Even the new EU commissioner has recently visited the area to get an

impression of its development. That shows the high political value which is attached to Phoenix from the local to the EU.

It is not surprising that the members of the core network stress the importance of Phoenix as well and their interest to further develop the projects. For the managers it is one of the core tasks they have to fulfil. However, it has become clear that the State Development Corporation and in particular the Phoenix Lake Corporation, beyond the general rhetoric, in the first instance are interested in their areas, means West respectively East/Lake, instead of recognizing Phoenix as a whole. It is one core role of the Phoenix Office operating as an organisational frame for the project as a whole, being a broker between the different individual interests, and in so doing creating empathy and a common identity. The impression is that this function is implemented only to some extent.

As mentioned different interests exist. For example, as the Phoenix Lake Corporation is mainly interested in selling properties it refuses to be confronted with too strong council building regulations which could scare off potential investors, while the planning chief of the City of Dortmund is interested to implement some regulations to ensure outstanding solutions in urban design. Under these conditions it is difficult to create a shared vision and a joint identity below the main objective to develop Phoenix.

8. *Learning and Knowledge*

In the Phoenix arena learning and knowledge evolution processes are not very obvious/transparent and therefore difficult to identify. The actors are long-experienced public project development people who have known each other for years, also from other project contexts. What might be new is to stem such a huge and complex project, so learning takes especially place regarding dimensions. For example, for the project managers of the Phoenix Office the moderation and coordination requirements are higher than they know it from former projects. A further individual learning aspect might be to make experiences in “interest keeping” as the interests of the participating organisations are not transparent as they on the first view appear to be.

The arena as a whole profits from a governance structure which on the first view looks confusingly (figure 5) but which - all things considered - seems to be the right organisational frame for a project of that dimension and complexity. Hence, with regard to the community “learning governance” and “learning to ensure efficiency in collaborating” might be issues. One interviewee further stresses that procedures have been accelerated during the last years, so that in this respect learning effects can be also identified (“learning acceleration”).

Controlling and evaluation mechanisms are integrated in the formal governance structures in so far as the “Steering Committee Phoenix” acts as a kind of advisory board, i.e. it can operate as a corrective. In addition, the participating organisations have to report to their individual supervisory boards. In the cases of the Department of Planning and the Phoenix Office the City Council has the controlling and corrective function as politically authorised institution. Regarding Phoenix East/Lake it is planned to establish a further advisory board including the lord mayor, representatives from the parties belonging to the City Council, and further representatives from

the local community in order to make use of the input of the relevant decision makers and stakeholders more directly.

Civil participation as an adjustment factor and as an opportunity for external exchange and knowledge transfer takes place in the context of the formal urban planning participation procedures, i.e. citizens are involved according to law. In addition, the Phoenix Lake Corporation deals with a civil action group which mainly cares about the interests of the bordering real owners. Further a Kooperationskreis Wirtschaft ("Cooperation Group Business Community") exists which is mainly interested in developments related to Phoenix West, and diverse contacts to universities are in place which are mainly used as a learning forum for students (disciplines: architecture, property management, arts).

9. Leadership and Governance

There is one high-ranking and inter-organisational policy target, namely to implement Phoenix in order to further promote structural change in Dortmund. Naturally, the lord mayor is the one who leads and who governs from the top, the more so as he promotes the project, which is also strongly supported by the State Government, as one of the core activities of his policy and his term of office. On the part of the City of Dortmund a further influential actor is the planning chief as he holds the responsibility for all formal planning decisions. The Phoenix Office however, officially also part of the City of Dortmund, does hold a relatively weak position as any formal leadership function is missing.

Influence is naturally also exerted by the State Development Corporation and the Dortmunder Stadtwerke AG (DWS) as owners of the properties. On the other hand both are quasi ordered by the City of Dortmund to develop the spaces which might normalise their position. It has to be considered that the relation between the City of Dortmund and the DWS is a special one: as 100-% subsidiary the DWS is formally depended from the City to a certain extent, but as the DSW is responsible for many business activities of the City of Dortmund (in addition to electric power supply, public transport and airport) it holds a rather powerful position within the local governance structure. A special role within this relation is played by the executive director of the DSW who was some years ago employed as Oberstadtdirektor ("City Director") - a function which meanwhile has been assumed by the lord mayor after the according law of the state changed. The personal relation between the executive director and the present lord mayor is in general characterised as a "complicated one" – a situation which shapes the quality of the collaboration on the operational level in the context of Phoenix as well. As mentioned the Phoenix Lake Corporation likes to behave autonomously within the processes.

10. Conclusion

On the first view Phoenix is not a project which stands for “learning in urban regeneration”. Individual and collective learning processes, main features of Wenger’s communities of practice (figure 1) are hardly to identify (figure 1):

- Neither knowledge is explicitly shared – in contrast, knowledge is partly used for the sake of action and control – nor the actors are explicitly interested in developing innovative solutions. Instead, primarily each actor is in debt to his employer considering and preserving his individual interests.
- The actors partly mistrust each other, so that the necessary openness for learning processes is not given.
- The group is to a less extent shaped by a common identity (learning as becoming), the members neither use a group-related language nor they have developed a perceivable own culture. The same applies for meaning (learning as experience): a shared understanding is only partly given (between individual members).
- The activities and practices (learning as doing) naturally bind the members together to a certain extent, in so far “mutual engagement” exists but not on a self-determined base. Other criteria Wenger values as dimensions of practice (shared repertoire, joint enterprise) (cf. Wenger 1998) do only play a subordinate role.

However, the case should not be described worse than it really is. In fact, it more or less represents “normal life” as usually in such political environments questions of power and influence combined with certain kinds of behaviour automatically arise. In that respect the case seems not to be a negative exception.

All in all, Phoenix is not a learning network, at least in so far as Wenger understands collective learning. Considering other networks Wenger describes it could be classified as a “project team” (table 1). Indeed, the Phoenix community is clearly task-/goal-oriented and project-based, i.e. that means as soon as the task is fulfilled the collaboration between the actors will be finished. It seems to be a very pragmatic approach. At the end the network and the collaboration will have succeeded as soon as Phoenix is developed. That this will happen is absolutely not unrealistic. Considering these thoughts the following questions have not been clarified yet:

- Can a project such as Phoenix succeed without learning?
- How do learning processes occur in networks which are obviously different from communities of practice?
- How do project teams learn collectively?

Table 1: Communities of practice and other networks (focus on intra-organizational aspects)

	<i>What's the purpose?</i>	<i>Who belongs?</i>	<i>Who holds it together?</i>	<i>How long does it last?</i>
Community of practice	To develop members' capabilities, to build and exchange knowledge	Members who select themselves	Passion, commitment and identification with the group's expertise	As long as there is interest in maintaining the group
Formal work group	To deliver a product or service	Everyone who reports to the group's manager	Job requirements and common goals	Until the next reorganisation
Project team	To accomplish a specified task	Employees assigned by senior management	The project's milestones and goals	Until the project has been completed
Informal network	To collect and pass on business information	Friends and business acquaintances	Mutual needs	As long as people have a reason to connect

Source: Wenger/Snyder 2000

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