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**National and Kapodistrian
University of Athens**
— EST. 1837 —

***How have cities achieved innovation?
Reflections on the discursive
conditions of innovations in German
and Greek Cities***

A Policy Paper



HELLENIC REPUBLIC

**National and Kapodistrian
University of Athens**

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1. Introduction: In search of the innovative city

Good local governance includes the ability to meet challenges in a timely, politically legitimate, and state-of-the-art manner. Within an extremely competitive and demanding environment, cities must improve their resilience and their efficiency to resolve both conventional and novel problems, such as climate and demographic change, urban mobility, or the emergence of new social divisions. In times of unprecedented agility, cities are eager to demonstrate their competitive advantages, display an attractive image, and acquire distinguishing labels, titles, and awards, such as 'smart city', 'resilient city' or 'business capital', 'culture capital', 'capital of innovation' and the like. Ambitious urban leaders and stakeholders are searching for new ways and inventive methods to tackle unsolved problems or further consolidate existing advantages. Sometimes invention is also seen as a way out of a crisis and/or the lack of resources. Cities are obviously in search of innovations, but how is the notion of 'innovation' being perceived?

There are numerous approaches on innovation in cities, and although these are accompanied by a multitude of concepts with overlapping meanings, innovations are widely seen as attempts to solve urban challenges or to improve policy interventions. In this sense, the narrower definition seems to center on policy innovations and public service innovation, where the former usually focuses on process and the latter on product innovations. Others, however, focus on a third subject – namely innovation policy. This is a policy field that aims at creating favorable conditions for the development of innovations within a given context. Policy entrepreneurs may perceive these contextual circumstances as constraints or opportunities to frame collective actions. Other approaches would highlight the relevance of policy networks as decisive factors of innovation.

The debate about innovation policy is actor-centered insofar as attention is paid to the collaboration between various public, social, and private actors which jointly create conditions favorable to the development of innovation. The debate about innovation policy can refer to national, regional, and urban innovation systems. Studies on these systems have highlighted several conditions that are conducive to their development, such as proximity, favorable infrastructural conditions, networks, and trust between partners, and complementary or shared knowledge. Concerning urban governance, cooperation of actors was a key issue in the debate on urban regimes. Its focus was on how these actors were able to dominate local politics – not only through institutional and economic power but above all through hegemonic domination of the local public discourse. The hegemonic dominance of local public discourse was a core issue of the project on 'Conditions for Institutional and Cultural Innovations' (CICI) because it focuses on the formation of a dominant local understanding about what innovations could and should be achieved in a particular local context through communicative interaction.

At the national and the regional levels, the debate on innovation systems often reveals a particular understanding that is limited to promoting economic growth and competitiveness. But in cities, the main question is not how to turn the cities into 'urban growth machines'; moreover, interest is focused on innovations leading to achieving and sustaining an 'inclusive city'. The approach to such innovation sometimes adopts a normative tone that is oriented

towards ‘innovation in social relations based on values of solidarity, reciprocity, and association’. The approach of this policy paper rather perceives urban inclusion as a process involving the development of shared understanding of what can be done that leads to action. Within this framework, innovation is no longer primarily seen as a process of discovery, but rather as a non-linear process of learning, whose dynamics are sometimes crisis-driven.

Efforts to achieve and secure an inclusive city are often connected to a particular aspect of process innovation – namely democratic innovations. These innovations are intended to broaden and deepen the process of public participation, thus improving the quality of democracy in general and the inclusiveness and responsiveness of policy making in particular. Participation in this sense does not only refer to participation in decision-making, but even more to problem-solving through the mobilization of already existing (and often overlooked) resources, capacities and potentials in civil society and the business sector.

Cities are subject to different local contexts and different needs and priorities. In this policy paper the notion (meaning) of innovation which developed in the context of a specific city was taken seriously, because such a perspective is essential for an interpretive approach which focuses on discourses, communicative mechanisms, shared meanings, and local narratives that dominate in a particular spatial context, in other words, a city (s. below).

Furthermore, innovations are understood as ‘consciously and purposefully introduced with the aim of [an improvement] within one [city], irrespective of whether the innovation in question has already been tried out in another [city]’. This specification is important, for it allows to seriously take into account different perceptions of actors in particular cities, such as why they have ‘consciously and purposefully introduced [one thing] with the aim of improving’ something – whether or not this is something new for other cities too. This applies, for example, to some innovations in the provision of social services by civil society groups that have emerged since the outbreak of the financial and economic crisis in Greece at the end of the 2000s, while such kinds of civil society activation have been common in other countries for many years.

Thus, this policy paper starts with a simple definition of innovation – namely the view that innovations are ‘new ideas that work’, and we specify innovations in terms of the ‘material or social artifacts which are perceived by observers as both a novelty and an improvement’. Innovation is furthermore understood as an “action” that is defined and structured by intentions, rather than as an abstract behavioral phenomenon. Still, as already outlined, we do not explain innovations only in terms of the intentions of the actors involved in pertinent interactions. We include socially constructed meanings from which the intentions of the actors emerge. In doing this, we adopt an interpretative approach that attempts to capture the conceptual distinctions and intentions of the agents involved.

Innovation, however, does not flourish everywhere and quite often, observers perceive cities as ‘frozen landscapes’ and the lack or the deficit of innovation is obvious. Indeed, some cities manage to mobilize innovation potentials and respond effectively to challenges such as climate change and economic restructuring, while others do not. This policy paper will

address the problem of failure to innovate by asking the following question: What are basic conditions for the development of local innovation?

2. Conditions for Innovation and local discourse

Concerning the conditions for innovation, a broadly accepted distinction is between exogenous and endogenous conditions. Institutionally determined (a) local autonomy in general and in particular (b) fiscal capacities as well as (c) organizational capacities/competences of local government might be considered as exogenous conditions for innovation in local government and local civil society. In respect to endogenous conditions the following characteristics might be seen as fundamental: (a) the particular structure of the local economy, (b) the specific fiscal financial situation of the analyzed municipality, and (c) the social capital of the local community (i.e. social networks [incl. particular actor constellations], shared norms, and trust).

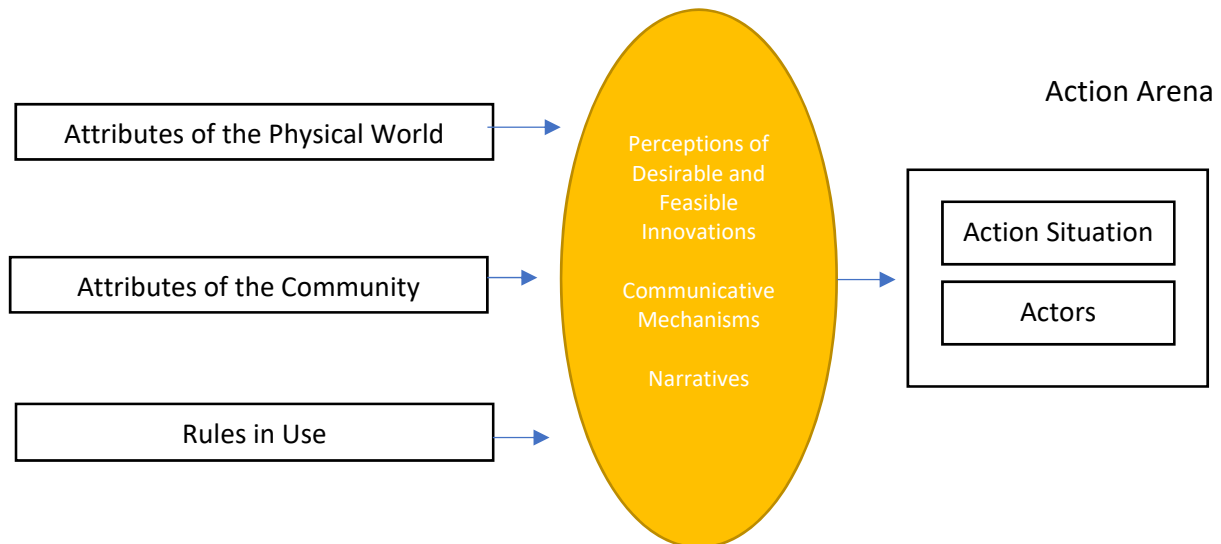
These conditions are captured by the Institutional Analysis and Development (IAD) Framework of Nobel Prize winner Elinor Ostrom as 'attributes of the physical world', 'attributes of the community' and 'rules-in-use'. More precisely, when actors have to decide whether and which innovations are possible, they find themselves in an 'action situation', according to Ostrom's terminology. This action situation is not located somewhere, but in a certain 'action arena' embedded in particular contextual conditions. Such contextual conditions can be differentiated into specific 'attributes of the physical world' (i.e. the physical environment, including technical infrastructure), 'attributes of the community' (i.e. the social structure of the population and its behaviour) and also institutional rules ('rules in use'). The latter can, for example, refer to the power relations within a municipality (the relationship between mayor and council) and to the relationship of the municipality vis-à-vis upper levels of government.

However, these contextual conditions do not have an immediate effect on the actors who have to make decisions in an 'action situation' – at least not in a mechanical sense, as though actors behave like puppets on a string. The IAD approach in looking for conditions for innovations leaves two questions open: (a) How do these conditions impact on the interaction of the actors when they have to take a decision about innovations? And – even more relevant to the question dealt with in this policy paper – (b) how do actors recognize and use these conditions to implement not only innovations in general, but the innovations they consider achievable and desirable under these circumstances?

Actors need to develop an understanding of constraints and opportunities, of possibilities for action – for example, regarding certain innovations – that the given contextual conditions offer them. Of course, this can be done by each actor individually, but political decisions require processes of understanding or sense making among the people who have to make and/or support those decisions. In other words, actors have to know what constrains them and have to develop an understanding of what they can achieve, how, and with whom. External factors do not directly define the choices of actors, they should rather be conceptualized as knowledge held by actors about these factors. This means in respect to the

question outlined in the introduction of this policy paper that actors have to develop a joint understanding about the conditions for innovations in their city. This understanding gives meaning to action, and it has to be developed through communicative interaction. To take effect, i.e. to make action meaningful, this understanding needs to be constantly reproduced or – in respect to innovation – it has to be transformed during communicative interaction. Consequently, this interaction is essential, because it leads to the joint identification of possibilities and limits for action arising from the contextual conditions.

Figure 1: Contexts, Actor’s Perceptions and Actions



Reference to the requirement for actors to develop an understanding of what can be achieved together under the given circumstances does not mean that everything is possible everywhere. Particular contextual conditions limit the choices of action. However, there are usually more than one choice (or options for action), and this also applies to decisions regarding innovations.

Local actors make sense of their context by developing narratives with story lines for their own city within the confinements of given discursive possibilities. Such a storyline is convincing in a given local context with regard to what is causally correct and (normatively) appropriate. Accordingly, some statements are considered reasonable and others not – or even sheer nonsense or inappropriate. Such a storyline may express a hidden ‘map’ for outsiders. Moreover, it is the medium through which actors try (sometimes strategically) to impose their view of reality on others, suggest certain social positions and practices and criticize alternative social arrangements.

Whatever an understanding of the conditions for innovation in a particular city may mean in terms of content, it should be borne in mind that it does not necessarily mirrors what is ‘objectively’ possible. It is therefore not to be understood as a representation of reality but as a social construction that may rely on truthiness but also on ignorance. However, every understanding of the conditions for innovation has to ‘pass the double test [...] of:

- its effectiveness concerning the effects of actions based on specific causal assumptions, and

- its legitimacy in terms of achieving expected normative goals’.

This double test is an integral part of its development (including its possible changes) through the communicative interaction of the actors in the concerned (urban) context. In these communicative interactions, communicative mechanisms (see Section 4) and certain narrative patterns come into play.

A coherent narrative pattern can provide a basic communicative infrastructure and eventually guide local practice because it is an expression of a particular understanding of how the world is functioning and how it should function and, therefore, why certain innovations can and should be achieved. Although these local narratives are or can be city-specific, there are some general discursive patterns. It will be later outlined how through these discursive patterns, a ‘story line’ can be established and make a narrative convincing – at least plausible in a certain local context.

3. The CICI Project

The Research Project on *Cultural and Institutional Conditions for Innovation* (CICI) has been supported by the German Federal Ministry for Research and the Greek General Secretariat for Research and Technology. The research teams (a German team from the TU Darmstadt and a Greek team from the NK University of Athens) selected, as case studies, 10 cities in total (5 from each country). These were cities of different sizes and contexts (see Table 1 below). The research started at a point where the researchers were able to speculate about the conditions in which local innovation occurred but did not know exactly which communication mechanisms were applied in which city and how they brought about innovation. Thus, any city could have been the starting point for this study because all should reveal the same communicative interaction effects. As the empirical analysis has shown, this is indeed the case. A comparison of German and Greek cities is of particular interest because local actors face quite different circumstances, not only regarding the overall political and socio-economic conditions but especially in connection with the autonomy of local government.

Table 1: Cities selected for case studies

City	Population	Population Change in %	Employment Change in %	Revenue p.c. €	Debt p.c. €	Tertiar. Loc. Economy %
Athens	664,046	-12.0	-15.0	342	233	92.5
Bensheim	40,456	2.1	19.5	1,934	1,313	66.7
Chania	108,642	6.5	3.2	273	41	82.0
Elefsina	29,902	-23.7	3.0	533	129	61.7
Frankfurt	753,056	13.3	33.2	3,312	2,233	89.3
Kalamata	69,849	21.2	-8.0	288	111	74.0
Kassel	201,585	3.8	30.2	1,459	2,312	79.2
Leipzig	587,867	14.0	45.1	931	1,118	84.2
Offenbach	128,744	8.2	37.6	1,214	7,495	79.9
Thessaloniki	325,182	-10.0	-17.0	355	92	81.8

**Population data for Greek cities refer to 2011, employment data to 2017 and economic data to 2015. German data refer to 2018 apart from municipal data that refer to 2016. Changes retrospectively cover a decade including the data reference year*

The cities that were selected were cases in which local actors themselves and external observers assume that innovations were achieved. However, some of the cities selected were characterized by a lack of innovation in the past but were later able to implement remarkable innovations. This applies to Athens, Thessaloniki, Kassel, and Offenbach. Thus, also former failures of innovation that eventually managed a paradigm shift were included.

The study of local discourses on innovations in the ten selected cities, of the implementation of these locally perceived ‘novelties and improvements’, and of their possible changes is based on empirical analysis of various sources. Next to local newspapers, minutes of council meetings, relevant policy documents (particularly master plans, urban development plans, and strategy papers) and ‘actors’ positions’ (party programs, statements of various local actors) were studied, mainly for the period from April 2016 to the end of December 2019, but also beyond.

Finally, interviews with local politicians, (high-ranking) employees of the municipal administration, representatives of local interest groups and associations as well as local journalists and businessmen played a crucial role in the analysis of the ten selected cities. On average, 20 interviews were conducted per city (based on a topic guide developed jointly by the German and Greek project partners). The interviews were particularly important for reconstructing a wider time span than the one covered by the aforementioned documents.

The documents mentioned above, and the transcripts of the interviews were collated and transformed into a dataset that could be processed with the qualitative analysis software MAXQDA. This software was used especially for the comparative analysis of the cases. To ensure inter-case and inter-coder reliability for the comparative analysis, the German and Greek project partners jointly developed a codebook for the corpus analysis using MAXQDA.

Table 2: Number of documents in cities and document types

City	Actors' positions	Concept papers	Council minutes	Media	Interviews	Total
Athens	92	10	20	210	19	351
Bensheim	103	12	0	286	17	418
Chania	24	6	19	89	21	159
Elefsina	19	11	13	96	24	163
Frankfurt	160	26	38	230	22	476
Kalamata	8	11	5	79	11	114
Kassel	134	14	0	367	14	529
Leipzig	158	10	52	202	13	435
Offenbach	89	17	0	37	11	154
Thessaloniki	26	16	39	161	21	263
Total	813	133	186	1,757	173	3,062

Using the example of the selected 10 cities, the research project CICI empirically investigated communicative interaction that has led to a shared understanding of relevant restraints and possibilities of change, moreover of the desirability and feasibility of certain innovations. The CICI project focused on communicative mechanisms that are regularly (or at least frequently) used in these interactions.

4. Communicative Mechanisms and Local Narratives

Communicative interaction that leads to shared understanding of actors and eventually to cognitive coordination and action mobilization was previously rarely specified through the identification of particular mechanisms applied in such interactions. In a 2015 study on local climate policy, it was possible to identify communicative mechanisms relevant for explaining differences in local climate policies which have also proven in the CICI project to be relevant for communicative processes leading to local innovations. Some of these mechanisms were already mentioned in the literature.

This applies particularly to **observation of others and orientation towards them** as a collective process involving the communication of those observing others. It can result in *imitation of others*, *competition to them*, or *even delineation from them*. This mechanism implying orientation towards others, could also be labelled as 'adaptive expectations', meaning that people act in accordance with signals from others about the likely value or necessity of an act. It has to be emphasized that what is called 'observation of others and orientation towards them' is not something which is taking place without communication (e.g. in the actors themselves). Rather, it is crucial that actors point in communicative interaction with others not only to what they are observing, but also to the reason why they think that their observation is relevant for them respectively their collective actions – being fully aware that referring to the observation is relevant for the partners in this communicative interaction because they either identify themselves with the observed third party or are competing with them or delineate themselves from them. In general, the mechanism of

observation of others and orientation towards them (or adaptive expectations) implies justifying and motivating one's own activities (e.g. in respect to innovations) by reference to those of others. This is a mechanism that is often activated at the beginning of an innovation process, when actors seek a new orientation, as especially the examples of Kassel, Offenbach and also Athens and Thessaloniki have shown, in the CICI project. Once such an orientation is stabilized, other mechanisms are used more frequently.

It is not enough to agree that something new must be done which will improve a given situation because others also do something which is seen as an improvement. Obviously, what can be observed usually differs and thus does not give a clear orientation for own activities. Also, action orientations usually differ among actors who are looking around and seeking for inspiration that could be offered by the practice of others. Therefore, a common reference point for own activities must be agreed upon. This depends on patterns of communicative interaction which represent a further mechanism – namely the **discursive development of reference points for further communication**. More precisely, through this kind of discursive processes, reference points for communicative interaction are developed. Reference points make argumentative communication possible because arguing is characterized by a 'triadic' structure of reasoning exchange, as *participants refer to relatively well-defined, commonly shared, and accepted definitions of challenges and a basic understanding of how the challenges should be addressed adequately*. The discursive development of such reference points can be achieved by referring in communicative interactions to '*epistemic authorities*' within the municipality (e.g. in the city administration) or elsewhere (e.g. in universities, or ministries). In Leipzig, such an epistemic authority was the head of the municipal building department, propounding the diagnosis of Leipzig as a 'perforated city' (due to the vacant buildings). This was the reference point for innovative activities leading to the revitalization of building fabric in many cases. In addition, reference points for further communication can be developed by institutionalized as well as informal *community involvement*. In this way, actors from city hall together with actors from local civil society define common challenges and measures seen as appropriate to meet them and refer to the results of such interaction with societal actors in future debates about innovations. Athens seems to be a good example in this respect (see below). However, such a point of reference for argumentative exchange can also result from the fact that something is simply regarded as *self-evident* ('everybody knows it!') or *associated with a tradition* by emphasizing: 'This has long been known!' or 'We have always done it this way!'. In documents examined by the CICI projects, *the mechanism of reference points* appears most frequently in concept papers of German cities who mainly address stakeholders and/or the municipal administration, while in the Greek cities this is the case in actor's positions who address the general public, usually during the election campaign or during a debate on a contested project.

Furthermore, another mechanism can be called **framing**. The abstract generalizable causal relationship of interaction captured by this mechanism is that *the perception and assessment of the world is determined (i.e. framed) according to the pre-decided relevance of a particular policy choice setting a specific frame*. This mechanism becomes manifest where there is an *unquestioned orientation of actions* (and decisions on which these actions are based) at such

a frame. Such behavior is complemented by an ongoing (self-)explanation and thus stabilization of *a particular way of dealing with challenges* as well as *priorities* regarding innovations. The latter is made clear in the unquestioned orientation of particular activities in Bensheim (see below) with the reference to remaining a city that on the one hand is a place with a flourishing economy, and on the other hand, a place where one can say with a full heart: 'Here I am at home!'. The (self-)explanation and thus stabilization of a certain way of dealing with challenges arising from this particular mechanism is expressed above all in the fact that it is regarded as a matter of course.

A mechanism by which a particular local understanding of what can and should be done is protected from being questioned can be called **immunization**. Such immunization usually takes place by referring either to a *self-commitment* entered into earlier or the *status as a role model* for others (for other cities), claiming that this would be put into question if leaving the chosen path. Furthermore, reference to *decisions made by other authorities*, particularly upper levels of government, and the resulting restriction of local discretion, can have an immunizing effect. This applies in particular to decisions by other authorities on financial means.

Finally, there is a mechanism which can be called **issue relabelling**. It implies an upgrading of a measure (an innovation) by referring to its positive effects on other policy areas. In minutes of Greek municipal assemblies, this mechanism appeared quite frequently in order to highlight positive effects of the relevant policy choice on other policy objectives, in an attempt to gain the support of a broader spectrum of stakeholders. Cultural innovation linked to the improvement of the economic development of a city (from the settlement of enterprises to the attraction of tourists) can be cited as an example for this mechanism. This was obviously the case in *Kassel* (Dokumenta), also in *Kalamata* (Dance Festival) and *Thessaloniki* (Multi-cultural heritage of the city). However, issue relabelling can also take place in another direction insofar as measures in other policy fields are upgraded by highlighting their contribution to the innovations pursued in the given context.

Besides this outline of communicative mechanisms, the following should be emphasized. In the course of the formation, stabilization, and change of a particular understanding why innovations are feasible and desirable, the individual mechanisms are interconnected and each one plays a specific role. Thus, the *observation of others* can contribute to the development of a *reference point* for communication which, in turn, is the basis for effective *framing*, and the mechanism of *immunization* has meaning only when a certain understanding of what can and should be done has been formed, which must be protected against questioning. In addition, the mechanism of *issue relabelling can be connected to reference points and/or framing*. This implies also the fact that the proportional contribution of the different communicative mechanisms is changing over time, during the innovation process.

Table 3: Communicative mechanisms – their effects and their materialization in particular contexts through practices or strategic adoptions

<i>Mechanisms</i>	<i>Their Effects</i>	<i>Materialization</i>
Observation of others and orientation to them	Justification and motivation of people's own activities by referring to those of others	<ul style="list-style-type: none"> - comparison <i>and imitation</i> of activities of others - comparison <i>and competition</i> with others - comparison <i>and delineation</i> from others
Discursive development of reference points for triadic communication	Enabling of argumentative communication (of arguing)	<ul style="list-style-type: none"> - something which is seen as self-evident - a tradition ('We have always done it this way!') - recognized expertise or epistemic authority - results of public debates
Framing	Perception and assessment of 'reality' according to the pre-decided relevance of a particular policy choice	<ul style="list-style-type: none"> - Ongoing orientation and justification of actions and decisions - (self-)explanation and stabilization of manners [ways] of dealing with problems - (self-)explanation and stabilization of priorities regarding particular measures
Immunization	Protection of a particular local understanding of what can and should be done from being questioned	<ul style="list-style-type: none"> - agreed (self-)commitments - status as a role model for others - decisions made by other authorities
Issue relabelling	Upgrading of a policy measure by referring to its positive effects on (solving problems of) other policy fields	<ul style="list-style-type: none"> - contribution of the innovation concerned to achieving other policy objectives - contribution of other policies to achieving the innovation in question

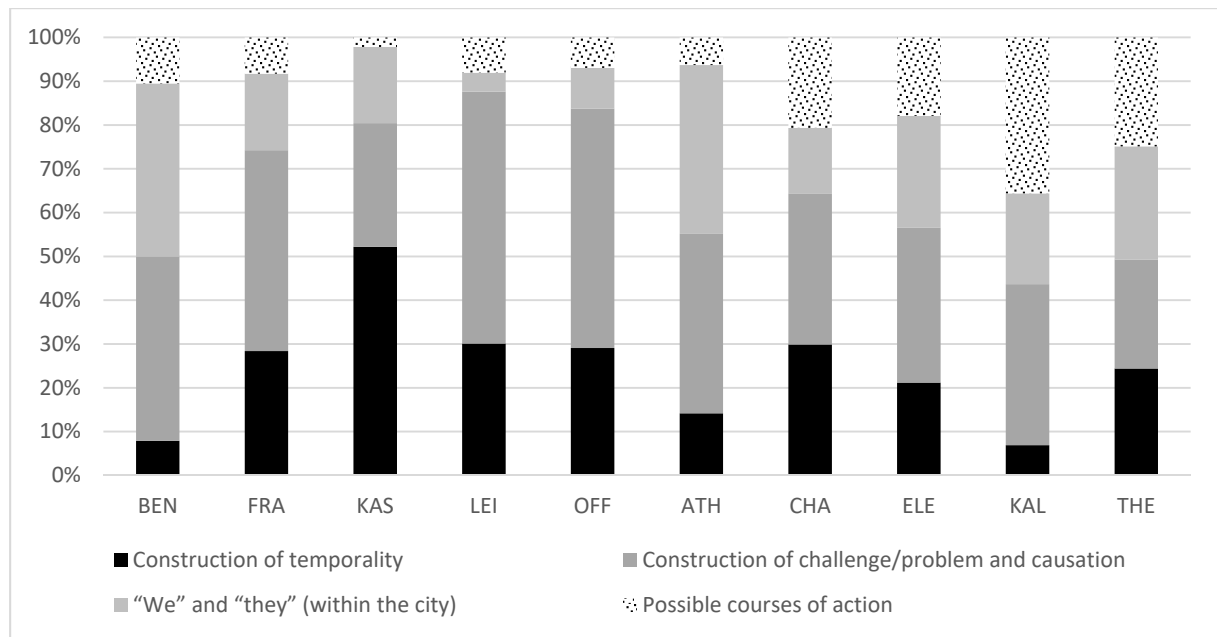
However, these communication mechanisms cannot be applied easily and in the same dosing in every city – even if they have proven successful in achieving innovation elsewhere. Rather, the crucial point is that these mechanisms must be linked to basic communicative infrastructures, to locally prevailing narratives about the particular city. These narratives constitute specific lines of argumentation and at the same time convey the impression of clarity, stability, and order. Narratives express a certain self-image of the city or its inhabitants – and thus an essential aspect of local identity. To be convincing as a narrative (at least to those who tell them to each other), they must have a certain story line. A story line results from the site-specific mixture of particular elements that are inherent in narratives. The following **elements of narrative** appear frequently:

- To tell a plausible story about opportunities for innovation, **the cause of the challenge** (including the assignment of responsibility for relevant problems) that is to be addressed by the intended innovation must be constructed. For instance, the case of *Thessaloniki* shows that a combination of introvert city-politics, obsolete economic structure and the financial crisis created a challenge that could be addressed through a new extrovert orientation of the city and a new focus on dynamic economic sectors such as high-tech parks and city tourism. The new label of an extrovert 'cosmopolitan city' was crucial in addressing perceived challenges and bringing about change through innovations driven by a new image of the city shared by more and more people.

- A plausible story of innovation usually implies that ***past, present, and future*** are convincingly related. Concretely: Current activities designed for the achievement of a specific aim in the future are convincing if it can be pointed out that the same or similar thing has already worked in the city in question in the past. Achieved innovations in *Offenbach* were possible because past, present, and future were related discursively in a particular way. It was argued that Offenbach has always been a city of migration since it opened up for Huguenot refugees in the 18th century. The image of being a 'workers' city' continued this tradition in the 19th and 20th centuries, and the new role as an 'arrival city' represented a positive approach to the fact of acting as a gateway city for migration in the greater Frankfurt/Rhine-Main region.
- Narratives live from a ***distinction between 'us' and 'them'***. This is often connected to conflicts within the community or to others (such as upper-level governments or other cities) and to obstacles for action that are usually detrimental to innovation. Conducive to innovation is, however, the identity-building effect of this distinction ('we are the innovators, and the others are laggards/reactionaries') and the widespread attitude that people must stand together as local actors or as a local community to achieve or maintain improvements through innovations. This means that a community as 'us' or 'we' must be contrasted with the others as 'them'. This is often the case in environmental innovations confronting traditional perceptions of 'growth', or innovative measures promoting integration of immigrants and confronting xenophobia (e.g. in Athens), or the choice for small-scale tourism confronting some business interests (e.g. in Chania)
- A story line promoting innovation must point out relevant ***innovation capacities and possible courses of action***. In other words, a narrative aims at persuading that certain innovation is feasible in a particular city because the required *capacity for action* already exists, and the necessary *potential* is available or/and can develop. In addition, a convincing narrative must indicate possible (and credible) *courses of action*. This has obviously been the case in Athens where the overlooked potential of civil society and citizens' initiatives has been coordinated and further mobilized by city leaders in order to tackle a series of social challenges and problems that dramatically worsened after the outbreak of the crisis (unemployment, impoverishment, homelessness....).

These four elements of narratives are mixed according to a particular context to yield a certain narrative pattern. A narrative will be plausible and effective in a particular local context if one or several of the above-mentioned communicative mechanisms are used accordingly. As the findings of the CICI project have shown, the mix of narrative patterns that have been used in the ten different cities under investigation has been different in each one of these cities, reflecting the interplay between narrative patterns and local contexts:

Figure 2: Proportion of the individual dimensions of narratives detected across 10 cities



Source: Own compilation and calculation.

* Percent figures indicate what proportion the individual dimensions of narratives had in the coded occurrence of all these dimensions in the respective city.

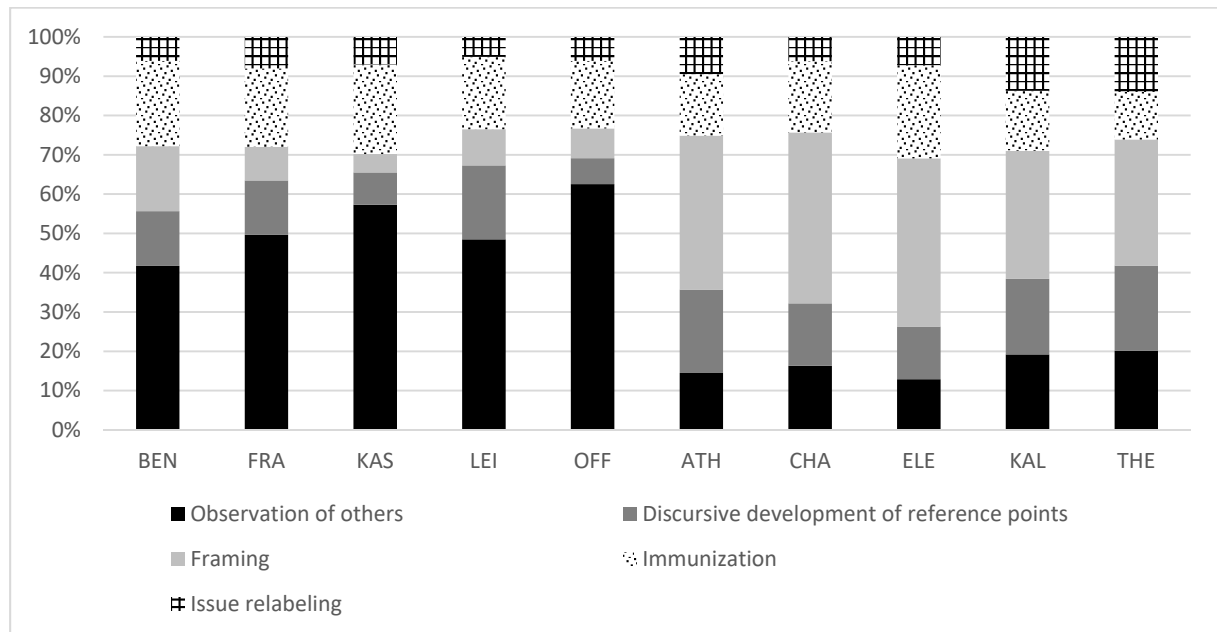
Considerable deviations across the different cities have also been found regarding the mix of communicative mechanisms. Concerning the latter, however, there is an obvious linkage to national contexts: This applies mainly to observation of others (frequent among the German cities, infrequent among the Greek ones) and framing (infrequent among the German cities, frequent among the Greek ones). This may be a result of the different institutional settings the cities are embedded in.

In Germany, cities enjoy a considerable degree of autonomy, setting up and maintaining their administrative structure, deciding on their own policies, to a high degree raising their own income, and employing significant numbers of personnel. Consequently, it is very common in Germany to compare cities with another; in some ways, German cities are frequently perceived as being in a highly competitive environment regarding population, resources, the attraction of industries/employers, the well-being of the citizens, air quality, traffic management, and various other indicators. In some Länder, the performance of cities is virtually put to the test by using benchmarking processes.

Greek cities, on the other hand, are highly dependent on state budget transfers and their resources hardly depend on attracting large and medium-sized businesses. A local corporate or business tax such as found in other countries has not been introduced in Greece, and even local taxes on tourist businesses have been minimized in recent years. Consequently, Greek municipalities have no incentive to attract investment and businesses. They are more interested in small local businesses, providing a small but not negligible share of municipal resources, especially in tourist and shopping areas. Finally, it is also important to take into account that responsibilities for physical planning, environmental protection, and

development policies are allocated to regional and state administration, while the functions of municipalities are restricted to an advisory and/or complementary role in these policy fields. Therefore, it is more important for Greek municipalities to explain, in public discourse, policy priorities and manners of dealing with challenges within a given and stabilized frame.

Figure 3: Proportion of communicative mechanism detected across 10 cities



Source: Own compilation and calculation.

* Percent figures indicate what proportion individual communicative mechanisms had in the coded occurrence of all these mechanisms in the respective city.

Both in Greek and German city cases, however, it became obvious that a ‘good story’ is not sufficient on its own to change or maintain a local decision about innovation. Only when the communicative mechanisms are used and a ‘good story’ about innovation fits to a locally prevailing narrative pattern, a strategic and actual change becomes possible. When this is the case, local actors can be convinced to follow the new narrative about how to be innovative in a particular local context.

5. Lessons learned from the cities studied

In the following a short illustration will be given of what has been identified for the selected cities as dominant local narratives guiding discussions on innovation. Because what is considered a feasible and meaningful innovation in a city results from struggles over ideas in the local community, it is important to identify dominant local narratives that influence these struggles. This is especially important for local actors who need to know what needs to be said, and how, to get their ideas accepted. Successful actors – particularly politicians – either know this or do it intuitively. And outsiders who want to engage successfully in local struggles

over ideas should first *listen carefully* and find out what should be said and how to say it in order to be understood and accepted.

For **Bensheim**, this means that the question ‘How can you become a ‘sticky place’ where you can find sites of global companies, such as European headquarters of Suzuki, TE Connectivity and Dentsply Sirona?’ can only be answered against the background that people are convinced that Bensheim is and should remain an economically flourishing city where people feel at home. This dominant idea, reproduced by the narrative about the city, has led to the conviction that the municipality must be an active property owner to be able to sell real estate only to companies selected according to clear rules set by the city and promoting relevant policy targets and priorities. Furthermore, in the business park owned by the municipality, as an active property owner the municipality was also able to offer companies what they could not develop on their own – such as day-care facilities, sports and fitness centres or a hotel. In simple words, the city of Bensheim, having a clear vision, has been strategically using city assets in order to steer the development of the city.

The same can be learnt from **Chania**. To answer the question ‘How can the characteristics of the city be preserved and it be ensured that small hotels dominate – instead of big hotels as in neighbouring cities?’ it has been crucial to develop and reproduce a dominant local narrative emphasising that it is important to improve the living conditions and to keep the old city centre intact, because this will ensure the attractiveness of the city for tourists and thus provide the economic basis for the wellbeing of all inhabitants. And to preserve the characteristics of the city a traffic management system was introduced which made it possible to remove motor vehicle traffic from the old town and create extensive pedestrian zones in it. Based on this common understanding of what had to be done for the wellbeing of all inhabitants the municipality was also able to *improve the image of the city* regarding cleanliness and become a forerunner in environmental matters by creating a recycling system (whereas previously the city was considered the ‘black sheep in waste management’).

Leipzig presents a case which not only shows nicely how largely focussing on local narrative helped create a narrative that was also actively used. The dominant local narrative is centred on the notion of Leipzig’s freedom (Leipziger Freiheit). In this notion, past, present and future have been narratively linked – not only with regard to the long history of a cosmopolitan urban centre of trade, but also to the city’s role in the ‘peaceful revolution’ of 1989 and the experimental socio-political atmosphere of the period that followed. The image of the city associated with this notion was used purposefully not only in Leipzig’s city marketing until 2017, but also recently in the context of the innovative municipal housing policy. The City of Leipzig has declared itself in favour of strengthening cooperative forms of housing. It thus supports housing project initiatives by allocating municipal properties.

Kalamata is another case where a dominant local narrative was actively used. This narrative was created in the 1980s, after the successful response to a devastating earthquake which attracted nationwide and international attention. The almost forgotten provincial city took advantage of this positive publicity in order to implement a dynamic and innovative cultural policy and acquire a position in the circle of cities which organise internationally renowned festivals. Following an internationally oriented, inclusive and participatory cultural policy, the

city managed to brand itself as a stronghold of contemporary European civilisation. This asset has been used for the promotion of tourism and local products of high quality; moreover, it shaped the main line of argument for Kalamata's attempt to become the European Capital of Culture for 2021.

However, it is not only dominant local narratives and their underlying storylines and core notions can be deliberately used for innovative policy measures. A dominant local narrative and the story it tells as well as core notion can also be *intentionally changed* in order to foster innovation. This is demonstrated by **Offenbach**. Offenbach was and still is known as the 'problem child' or an 'island of poverty' of the economically flourishing Rhine-Main region around Frankfurt. Most of the city's social problems are related to the fact that Offenbach has the highest rate (around 62 percent) of inhabitants with a migration background in Germany. Interestingly, Offenbach has succeeded in turning the negative image of an immigrant city into a positive one – namely that of an 'arrival city' that fulfils for centuries (since the settlement of Huguenots back in the 17th century) a crucial role within the Rhine-Main metropolitan area as the entry and starting point for integration into the region, if not into Germany. However, not only must the story be an authentic one that fits the dominant characteristics of the city, it must also be backed up by corresponding results. And such results can be achieved through innovation. Accordingly, Offenbach is recognised as a pioneer in the integration of migrants, local labour market policy and administrative reforms.

The city of **Elefsina** on the outskirts of Athens had a glorious past as an important cultural and religious breaks centre in antiquity, but after WWII it became the symbol of unscrupulous industrialisation and environmental disaster. Elefsina has been described in Greece as 'the wounded child of the 20th century,' which was facing deindustrialisation, high unemployment, and impoverishment even before the financial crisis of 2008. Yet the city adopted an innovative approach to develop social cohesion and environmental protection through open cooperation and networking both with private businesses and the local civil society; moreover, it undertook the endeavour to transform itself into a city advancing services and cultural development and finally managed to be proclaimed as the European Capital of Culture 2021.

In a similar way **Kassel** was able to enhance its image by means of two complementary story elements. On the one hand a new narrative was created that Kassel is an often underestimated city full of variety and stark contrasts, which, after closer consideration, has quite a lot to offer. On the other hand, the narrative now dominant in the city emphasises that networks play a key role in its development. This allows local actors to find answers to the question: 'How is it possible for a city along the margins to rise like a "phoenix from the ashes"?' For local actors, it was initially important to recognise that after German unification and the eastward expansion of the EU the city had moved from a peripheral location (on the former 'iron curtain') to the geographical centre of the continent – which made it interesting for companies to locate there (especially companies from the international freight forwarding sector). Furthermore, members and graduates of the local university were discovered as a resource and were offered development opportunities by means of the Science Park Kassel. This occurred in the context of the development and strengthening of open, but nevertheless

goal-oriented networks (so-called 'cluster initiatives') in which actors from the economy, research and local, but also regional politics collaborate.

Athens is another case in point, from which it is possible to learn how to change not only the image of a city from the perspective of its inhabitants, but above all political practice and the development of innovations. However, this case also makes it clear that successful innovation depends on actors who change the narrative that is told in urban society about the city: Namely that the city would be following a participatory approach and is counting on cooperation to be able to face challenges in a flexible and innovative way. Furthermore, this narrative emphasised that Athens has not only historic and symbolic capital but also a high level of human capital that is active in all kinds of international networks. On the basis of this new understanding of the city's potential for innovation it became possible for the city to become open and attract previously unexploited knowledge and capacities. In this context the municipality acts as a multiplier of creativity that launches innovations even in the hard times of crisis. The former mayor emphasised: 'I personally tried to approach [...] people in order to obtain input of ideas from the civic field. We jointly elaborated different sorts of platforms and organisations in order to join forces. The municipality has a dynamic strategic vision that has been open enough to integrate a wide range of input. I was impressed by the richness and the originality of ideas and actions that already existed in Athens but remained unacknowledged and sometimes could barely be sustained because they were completely deprived of any kind of institutionalised recognition or support.'

Something similar happened in **Thessaloniki**. In this case, too, the a mayor and his supporters succeeded in helping a new narrative to break through, culminating in the following thematic focus: Provinciality is not a characteristic feature of Thessaloniki. The rediscovery of the multicultural heritage was one way of rebranding the city as open and cosmopolitan and thus winning the future in a globalised world. Based on this broadly shared narrative it was possible to integrate a multicultural heritage into the city's identity, which enabled bonds to be created with the city's multi-ethnic diaspora and to rebrand Thessaloniki as a traditionally cosmopolitan city. This was decisive for attracting tourism, events, investment and businesses.

Local political leadership can also be relevant for innovations in cities like **Frankfurt**. That is, in a case where, on the one hand, a narrative prevails that the city is a fast-moving place that wants to move forward because it is changing quickly and adapting to global trends, making innovation a necessity rather than a side-effect. On the other hand, Frankfurt is a case of a local community taking care of itself and not waiting for initiatives from city hall. However, even under such conditions political leadership can be important – particularly when it comes to establishing innovations that will last. This is shown by Frankfurt's GrünGürtel, an urban green space roughly encircling inner Frankfurt and, at around 8,000 hectares, covers about one third of the area of the municipality. Tom Koenigs, who was head of the Environmental Department of the City of Frankfurt am Main from 1989 to 1999, played a crucial role in setting strict rules – namely the so-called GrünGürtel Verfassung (Green Belt Charter) – by a unanimous decision of the municipal council to secure this urban green space for the future. However, a great strength of the green belt is that citizens are intensively involved. This

means that ongoing public debates must be ensured so that preserving and, if possible, expanding Frankfurt's Green Belt remains a crucial reference point for policy choices in Frankfurt.

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