Territorial development reconsidered

Sucháček, Jan

VŠB - TU Ostrava, Faculty of Economics

December 2008

TERRITORIAL

DEVELOPMENT

RECONSIDERED

Jan Sucháček

Ostrava 2008

Jan Sucháček

Territorial development reconsidered

Contents:

Introduction

Lamentations on societal and environmental developments and voices for the return to humanity become increasingly audible in our times. And since the environment provides the mankind with existence, society should behave accordingly. However, numerous frictions are currently symptomatic for the relation between society and environment.

From chronological perspective, the relation between society and environment has undergone a very important historical transformation. At the beginning, the society in relation to its environment was relatively static and externally directed by natural conditions. But together with the emergence of industrial revolution the relation of the society towards the environment has altered and nowadays is relatively dynamic and internally actively conditioned. Society thus influences and forms the environment and orients itself primarily towards material and technical components of the expansion of civilization.

Talking about societal activities within the environment, we cannot omit their territoriality nor time dimension for the sake of the fact that virtually all societal activities are expressible through time – spatial context. Chronological and namely territorial perspectives and categories thus form the principal axis of the book. However, taking into consideration the multidimensionality of real life, there is the effort to avoid time – spatial fetishism.

It has to be mentioned that there exist ***two mayor principles expressing the interplay between society and territory:***

bottom – up and top – down. Bottom – up approach, which is literally penetrated by self – governing processes, represents one of inherent principles of the initial stages of the society formation. This principle was typical for pre-industrial era when societal development was shaped mainly by natural setting.

On the contrary, top – down approach is typical for later phases of societal development, when elite groups dose the uncertainty to the non – elite ones in order to keep the control over territories. Top – down approach enabled the centralization of power, which stands behind the creation of the modern nation state. Top – down type of territorial management to a certain extent embodies contemporary intensive influence of the society on our environment.

Currently, we can hear almost every day about reaching the balance in a very sensitive triangle economic sustainability – social sustainability – environmental sustainability. But since the majority of big narrations hide the most important issues, we can barely hear about purification and refreshment of self – governance and self – government in our daily life. It is largely omitted that ***concepts of self – governance and self – government constitute one of greatest challenges and opportunities for truly sustainable development in our common future.***

1 Before the Birth of the Nation State: Unlearned and Natural Self - Governance

1.1 From Human Nature to the Self – Governance

No individual exists as an isolated island. In case that individual would live in isolation and out of the environment that reflects his or her existence and influences the human being concerned, he or she could exist without identity. But an individual as a part of the whole is able to realize his or her own peculiarity, individuality. By acting we are realizing the consciousness of identity. Human being with his or her own identity is the basic building stone of the society.

Identity represents the search for the meaning of the individual in relation to the self and to the society. This is about looking for inborn characteristics. In other words, this is gradual process of uncovering the nature. The same nature, which provides us with the urge to live.

During human growth and maturation, people meet with vast numbers of other individuals and experiences. Children encounter first their immediate family, then extended family, and then local community, which is typically school and work. In that way they enlarge the knowledge and develop their identities. And nowadays as we will see later, one identity is not exciting enough to satisfy our needs and that is why we adopt multiple identities.

As people get older, they learn about and form perceptions of existing social structures. During this advancement, they shape

the ladder of their values, world view as well as attitudes toward the larger society. Gaining an understanding of group settings and dynamics and their relations to the individuals constitutes one of essential parts of socialization. Individuals develop interpersonal relationships and in case they are lucky enough they also begin to make choices about whom to associate with and under what circumstances.

In the course of adolescence and namely adulthood, the individual tends to build up a more sophisticated identity since he or she finds itself submerged in an increasing quantity of relations and opinions. To become integral part of the community, one has to have or to develop the sense of belonging. Communities possess their own identities as well and consequently we can differentiate the communities on the basis of their specific identities too.

Community should be generally grasped as a set of organisms sharing a certain environment, normally with shared interests. In human communities, a large number of social characteristics may be present. Altogether, they affect the identity of the participants and their degree of cohesiveness. Not surprisingly, the word community is derived from the Latin communitas, meaning 'the same', which is in turn derived from communis, which means 'common, public, shared by all or many.'

Without doubt, community is vital for humans as it facilitates their life and survival. Animals also form the groups just for the sake of their survival. However, sense of community for humans is naturally much wider and usually includes not only membership in the community, but strengthens individuals'

influences and helps to fulfill their needs as well as share emotions.

Put succinctly, *the concept of the individual is not and cannot ever be separated from the concept of community.* Without the primary community of our family, or the secondary communities of professional, friendly, hobby or other characters, we could not develop stable personalities as individual human beings. Although people and animals share the common urge to live and often also the need of safe territory, the distinctiveness of human communities is apparent.

First communities were formed on the basis of territorial principle because of limited mobility of the population in ancient times. Later on, concurrently with progressing civilization, infrastructure building and augmented transportation possibilities, there emerged the communities that were organized on the basis of shared professional, cultural or other interests. These communities are currently not limited by state borders and function in global arena. Some communities, such as disabled or elderly persons are formed as a consequence of the need.

However, *territoriality is the principle, which is inseparably connected with communities from the very beginning.* In contrast to modern communities, frequently interconnected by electronic devices or transportation systems, traditional communities were bound together not only by relational factors or common interests but also because of territorial proximity.

Together with slowly nonetheless still progressing civilization and subsequent growth of the complexity and institutionalization of the world the conception of self – governance came into existence. Contemporary world incorrectly contemplates the self – governance as pretty wide and at the same time abstract concept that refers to several different spheres of human activity. The notion may refer to personal conduct or family units but more commonly it concerns larger scale activities, i.e. professions, religions, non-profit organizations and territorial units, including aboriginal people or ethnic minorities. Last but not least, the concept is connected also with self-governing regions or autonomous territories within contemporary nation states. Self – governance delimitates the behavior of the members of given entity on the basis of the management stemming from internal structures and relations, i.e. bottom – up approach is typical for this form of governance.

Self-governing entities also embody the culture in the widest sense which includes local/regional songs, dances, handicraft as well as general way of life. From this point of view, the myriads of activities of self-governing territories can be grasped as outer cultural manifestations of inner integrity of particular localities or regions.

Self – governing principles literally emanate also from communities. Self – governance is built upon the communitarian pillars. It can be also perceived as a framework above individual communities. At the same time, it has to be stated that in contrast to communities, self – governing structures are usually composed of much greater number of individuals. That is why they are generally much more heterogeneous than members of communities. Nonetheless,

there still exist common denominators of individuals participating on self – governmental structures, such as common interests, identification with the matter and usually also common will. Rather than communitarian 'sameness' sense of belonging is characteristic for self –governance.

The principal feature of self – governance is that its rules are created and management accomplished in a democratic way. If it is not the case, we cannot speak about self – governance any more. And it differentiates this concept from that of nation state, for instance.

The concept of self – governance contains mainly informal institutions as well as some formal ones. A little presence of formal institutions or bureaucratic elements and mechanisms facilitates advocating self – governmental interests. *The concept of self – government, which is derived from self – governance and which is symptomatic rather for modern times, is much more formal than original self – governance. Self – government can be to a certain extent grasped as 'bureaucratic distillate' of original self – governance that has been modified for the purposes of modern society.*

However, the situation is not so obscure as territoriality is still valid and spatial characteristics of the population, such as regional or local patriotism, belonging or identity still fulfill (at least partly) contemporary self – government with lively stuff. Self – governance is simply inherent to humans which helps to surpass formal and bureaucratized self – government.

In contrast to the society as a whole, both communities and self – governance are based upon the bottom – up approach that ensures their natural character and territorial integrity.

Ancient and namely medieval times witnessed a truly motley mosaic created by communities and self – governing structures. They were largely in compliance with locally or regionally unique social, economic and cultural conditions. Since spatial interactions were practically negligible at that time, localities and regions across the whole planet were rather dissimilar. Pre – modern states by far did not occupy the whole territory of the earth and were not strong enough to make any larger unification on their territories.

1.2 Medieval World: Static but Differentiated Space

Afore mentioned local or regional 'civilization circuits' constitute a certain opposition to the modern world, for which the notion, such as bureaucratization, centralization or 'top – down' governments became the rule. Naturally, the bureaucratization of the administration is very old phenomenon. There are innumerable 'best practices' of bureaucracy influencing everyday life of ancient Greece, Rome, Egypt or China. And it has to be mentioned that they were very sophisticated even in comparison with modern bureaucratic practices. That is why the excursion into ancient world would be very demanding and we have to take with last one thousand years and European civilization room.

For the purposes of our book, it is of great importance that at about 1000 AD the concept of bureaucracy was virtually unknown in European territory. There existed rather specific forms of territorial management without capital cities and paperwork. Power was not concentrated at the ministries but in royal, princely or noblemen' households. Their finance

embodied the state finance, marriages among the members of these families served as international political acts.

Taking into account pretty humble and limited means of transportation as well as the whole infrastructure, these households concentrated namely upon their own maintenance. Noblemen had men-at-arms that helped them to keep the control over the closest territories, however, more distant individuals and households have not been controlled almost at all just for the sake of above mentioned transportation constraints.

The economy was primarily of agricultural character, for which relatively limited production was typical. The division of labor was pretty weak because the production processes were not so demanding and did not require any larger specialized knowledge and capabilities. Households constituted fundamental social and economic units within the space. Incidentally, medieval households were on average many times bigger than contemporary ones.

Put succinctly, in the whole pre-industrial period, life of people was firmly bound to the family. This concerned not only noblemen, but also vassals and serfs. As already indicated, life in the family facilitated the survival. In rural areas, livelihood of the individual was bound to the family almost absolutely, and in cities substantially. Few had a chance to see or hear beyond their own village or city. Only two institutions – army and church – were administered in a different level than that of the household.

Administration of noblemen' household was not a demanding one, only official documents needed a certain portion of

education. That is why the clergy acted as clerks at that time. At the same time, there existed only a little division of labor among these teams governed by noblemen. On the contrary, rudeness, aggressiveness and fierceness were the characteristics that raised the probability of the success of these groups whose main mission consisted in keeping the noblemen households. Similarly to contemporary world, stronger or better arguments did not ensure any victory.

Although it may seem that afore-mentioned administrative system is quite efficient, contrary is often the case. If the nobleman wanted to be respected, he was always compelled to be in the proximity of controlled people. Taking into consideration smaller geographical mobility, it was everything but easy. And this was often misused by his clerks, which transformed the property they administered into their own. And they had plenty of opportunities for doing that. Essentially, this situation resembled nowadays rather popular 'principal – agent' problem.

In remote parts of managed territories, the agents very often established their own households and since they could be only hardly controlled, they frequently omitted whose interests they are representing. The formation of their own domain acted as a truly big bait. And after the creation of their own domain they rented their own clerks and copied the original principal.

Not surprisingly, it resulted in a great fragmentation of Europe. There existed territories non – covered by state power. These territories were managed namely in a 'bottom – up', autonomous way. Territorial power was decentralized as there existed no places in which central power could be concentrated. Social groups had different and rather extensive

privileges, towns, localities and territories enjoyed a rather wide autonomy. Plurality of self – governmental forms has been symptomatic for these times.

It has to be mentioned that generally low geographical mobility of individuals as well as whole groups has been accompanied by a great permeability of borders. Borders served rather as symbolical lines than hindrances for spatial socioeconomic – although minimal - interactions. Generally speaking, empires as a form of pre-modern states were very diverse and at the same time able easily to absorb newly emerging entities and identities. This could be attributed to the fact that absence of the central power formed something that might be called a pre-modern chaotic or non-coordinated development. In other words, for pre-modern society, exceptions rather than rules were typical.

The typical example was the dynamic development of cities from twelfth century onwards. These cities enjoyed rather wide autonomous powers. For instance, the system of Magdeburg law can be in a wider sense comprehended as a predecessor of self – government. In contrast to feudalists that did not distinguish between private and public spheres and namely private and public finance, in cities, private and public spheres were clearly divided. Naturally, this lowered the probability of the misuse of power by city aldermen.

The large development of cities was closely interconnected with a concept of pecuniary housekeeping. Pecuniary economy acted as a fuel of the development of autonomous urban areas. This inspired feudalists, for which natural economy was typical and they started to remunerate their agents in the form of regular salaries. It has to be mentioned

that noblemen got a monopoly on the coinage as well as military power. In that way, they reinforced the control over managed territories.

Medieval Europe could be paradoxically depicted as 'Europe of regions', a concept so popular nowadays. However, from spatial point of view, Europe of that time formed much more fragmented and motley entity enriched by quite a wide scope of autonomous structures that were formally covered by empires.

15th and 16th century brought the top epoch of aristocratic yards. At the same time, this meant also the signal of their obituary because their aspirations were much higher than their real possibilities. Their functioning became increasingly costly. Diplomacy and marriage policies lay behind their very gradual integration into the bigger units.

Moreover, numerous territories became increasingly challenged by extensive conflicts that marked the first symptoms of modern period. Two institutions turned out to be of particular importance: permanent tax and permanent army. While taxes were initially perceived as necessary and temporary evils granting the survival in times of occasional conflicts, lengthy warfare contributed to the introduction of the concept of permanent tax. It has to be stated, however, that permanent tax was initially a product of momentary needs of belligerents and developed in a rather painful and often confusing framework in a very long period. And permanent army proved to be indispensable for aggressions into neighboring territories and further augmentation of the territory.

Sources gathered from households inconspicuously shaped the skeleton of the modern states. At the same time they enabled to establish and later also to foster the formal organizations, almost inseparable parts of modern states. Formal state organizations proved to be noticeably viable and later on, they were quite easily capable to overgrow the church that was originally more profoundly institutionalized.

The process of the decay of the pre – modern empires was launched. Later, they gradually lost their legitimacy either because of the industrial revolution, secularization or military defeats. Old certainties were replaced by a new reality which represented one of substantial turning – points in the development of mankind.

1.3 From Spiritual towards Material Components of the Existence

Generally, in pre-industrial world, existing ideologies, poor technological level as well as generally static character of the society caused that people could not influence so many processes, they were less initiative as natural conditions determined the framework of the life of human society. The traditional world functioned cyclically just in accordance with the changes of the seasons.

As already mentioned, households acted as essential social and economic units and substantially contributed to the functioning of the world in traditional trajectories. Social status of the whole families remained stable for long generations. In this relatively monotonous course of life the notion of time could be characterized as cock – time.

This situation was in compliance with the role of the church in medieval world. Church represented relevant institution of these times. Basically every aspect and process of life in a medieval world was interpreted in spiritual terms. Church acted as an interpreter and intermediary between spiritual world and the society.

Such kind of evolutionary, traditional cock – time with the prevalence of spiritual, immaterial issues over the economy could be lasting a very long time. However, numerous territorial conflicts depicted above started to decay existing societal order.

At the same time, growing institutionalization of the church and its isolation from the society stimulated the transformation of spiritual components of societal life. Specific 'churchism' in combination with non-adequate behavior of the church administration lay behind the disenchantment of the population with the inbuilt spiritual interpretation of the world.

Priests that worked as intermediaries between the Lord and the society in many cases did not behave accordingly. New churches that wanted to avoid these intermediaries emerged. Spiritual fabric of the society was weakened and an uncertainty concerning the position of the mankind in the world as well as the sense of life embraced not negligible part of population.

Old, traditional view of the world started to be increasingly challenged. The whole reality as well as the sense of existence commenced to be perceived from different angle. This formed the preconditions for industrial revolution that essentially

replaced (at least in the West) the spiritual view of the world by an economic, material one. Economy in fact fulfilled the space of uncertainty that could be perceived as a product of fading of traditional medieval world. ***Economy as 'a new certainty' helped the transformation of the cock – time to the clock – time that abandons cyclical development and aims at progress and move from one point to another one.***

The new ideology in European space relied on the values based on ideas of rational cognition, liberty and humanism. The sense of cognition was namely a practical one and should serve as a basis for the perfection of human beings as well as the whole society. Morality was perceived as a practical principle of cognition. From methodological perspective, the principle of critical thinking should ensure the right developmental trajectories.

But in practice, Europeans gradually abandoned and deformed this ideal pattern. In connection with the industrial revolution and an intensive drive of science European space re-oriented itself merely to the objective reality and commenced to strive for its active conversion. People and their development as an original aims were shifted aside of main stream. And this created ideal preconditions for an economization of the world.

Economization of current reality is the result of the long-term orientation on material and technical components of life. And more importantly, in spite of officially proclaimed rationality and efficiency, large and profound myriads of problems surround us in reality.

2 Rise of the Nation State

2.1 The Birth of the Great Protector

Not surprisingly, the birth of the modern state is frequently connected with the Peace of Westphalia that ended the Thirty Years' War in 1648. The Thirty Years' War was a series of wars beginning in 1618 because of conflicts between Protestants and Catholics and political struggles involving the Holy Roman Empire. The Peace of Westphalia, which formed the space for the system of the balance of power, helped to lay the foundations of the modern nation states. In fact, the basis of the modern state was formed after endless, exhausting religious wars.

It was stipulated that citizens of the respective countries should be subjected to the laws and to their own governments. The premises for the bureaucratization of the administration were formed since concrete rulers (such as king or emperor) were replaced by general, abstract and anonymous mechanisms made of laws, rules and regulations. In contrast to previous rulers, such as kings or emperors that were proud of their origin and underlined their stock in practically every moment, new state bureaucracy became much more anonymous. Modern clerks and officials actually do not have an origin and can easily form abstract and anonymous administrative structures.

One of principal tasks for newly flourishing state power was the bureaucratization of the state administration. In that way it was successively possible to neutralize formerly powerful noblemen. The anonymity and unified character of

administrative apparatus became vital for the centralization of the state.

Central power also started to eliminate formerly autonomous cities and transformed them into mere administrative units subjected to state. And the same applied also to other previously self – governing entities. Diverse and ample territorial medieval mosaic has thus been gradually dissolved under the unifying administrative roof of the modern state.

Modern states fortified their power namely via centralization of the administration, which found its spatial manifestation in the concentration and further growth of central authorities in the capital cities. Tax system became increasingly effective which served as the best fuel for further expansion of state bureaucracy.

The power not so long ago freely dispersed through wide territories was increasingly gathered by modern states. This power was subsequently compressed into territories delineated by the state borders. Guarded state borders together with related phenomena, such as customs formed a very effective instrument for the augmentation of the state power. On the other hand, the borders virtually erased previous naturally formed spatial interactions among individual territories, which had formidable impacts on numerous local and regional communities.

Households, communities and self – governing structures that represented basic pillars of medieval societies became somehow redundant in the modern state. Central power gradually took their original functions which led to their slow, non – violent and quite inconspicuous suppression. Systems of

education, health and many others became the domain of the state administration.

System of state taxes ruined numerous households, which facilitated the transfer of traditional functions of households to the state administration. Production of the goods, formerly one of main activities of households removed elsewhere and families were gradually degraded to mere consuming units. Naturally, family businesses meant also bigger communication and subsequent cohesion among family members. In case household serves as a consumer, the communication among family members is not necessary any more.

This was one of steps on the road of growing individualization of the population. Currently, monomial households represent no exception. Social stratification is thus measured rather by professional position than by family status. Formal organizations simply replaced the households and became widely recognized instrument for the solution of the problems connected with survival.

Incidentally, the governments in the 17th and 18th centuries were usually composed of only a couple of ministries, such as the ministry of justice, the ministry of foreign affairs, the ministry of war or the ministry of treasury. Currently, in many countries, we can find several dozens of various ministries. The existence of the state means the presence of well – paid jobs and power for rather massive administration. ***Thus, the existence of the state is the main objective of central state elites.***

From spatial point of view, the replacement of bottom – up principle by top – down management is the most important

feature of the modern states. Contrary to self – governing structures that crystallized out naturally, bureaucratic state administration represents artificially created fabric that overlay original entities. Even more importantly, modern state swallowed many entirely specific entities, regions and localities that had almost nothing in common.

2.2 Industrial Revolution

Almost concurrently with the rise of the modern state the industrial revolution emerged. Industrial revolution is a process that led to the transformation from the old type of capitalist economy to the modern one. The transformations it brought were so intense that they substantially affected the whole societal development. From historical standpoint, industrial revolution is comparable to the transition towards agrarian economy a long time ago.

The process of industrial revolution is closely linked to a small number of innovations accomplished in the second half of the 18th century. They concerned steam power, textile sector and iron founding. Iron and coal were fundamental pillars of industrialization. Industrial revolution started in Britain and subsequently spread throughout Europe and North America and finally basically the whole world.

It is a pretty demanding task to trace up all the factors that lay behind the industrial revolution. The whole set of the factors, such as colonial expansion in the 17th century, technological innovations, protestant working ethics, sufficient natural and financial resources or even effective border controls and subsequent hindrances for the spread of diseases are frequently mentioned. With highest probability, the

concurrence and specific constellation of the factors mentioned constituted a decisive motor for the birth and further advancement of industrial revolution. While GDP per capita was essentially stable before the occurrence of industrial revolution, after its start the indicator grew sharply.

The societal impacts of industrialization became palpable soon. In terms of social stratification, during industrial revolution one could contemplate the triumph of a middle class of industrialists and businessmen over suddenly constrained group of nobility and gentry. Commons found augmented opportunities for employment in new factories, but these were largely under severe working conditions with long hours of labor and the pace of labor adjusted to new machines.

Old world that was embodies by rural life is increasingly replaced by intense industrialization and urbanization. But even more importantly, the realm of politics that traditionally dominated in power relations is complemented by economy more and more. Economy – and more precisely industry – became the criterion as well as an instrument for exercising the power.

Second industrial revolution beginning around 1850 that comprised chemical industries, petroleum refining and distribution and electrical industries and namely later evolution fully confirmed these trends. The sector of economy that was waiting under the protection of the nation state for long decades got a new power and started to expand also behind the borders of the maternal state. In other words the process of the gradual division of the politics and economy became visible and economy formed increasingly independent and at the same time very influential sector.

2.3 Nation State: Outer Homogeneity and Inner Heterogeneity

Industrialization brought not only immense socioeconomic changes but also a great portion of uncertainty for wide masses of people. Ties of their households as essential socioeconomic units of the medieval times were weakened by the advent of the nation state. The traditional world became to crumble. Thus, the whole masses became disorientated in the view of quick societal changes.

However, at the beginning of 18th century the nationalism is coming and offers a safe room for the masses of uprooted people. The whole loyalty of the people is directed to the nation and the territory inhabited by this nation. State power is very well aware of the danger of original local/regional identities or local/regional patriotism as they could weaken the loyalty just to the central authorities.

That is why traditional, genuine and natural local or regional identities have been artificially suppressed and the national identity has been offered as a substitution by official propaganda. Later, the efficacy of this mental massage was multiplied as a consequence of the intense development of media.

The differentiated picture of traditional communities faded more and more and central authorities offered these people artificially created certainty in the form of their new home penetrated by allegedly united national culture. People that had only a little in common could hear almost every day that they are selected sons and daughters of the best traditions of

their nation. In that way, nationalistic figments could materialize.

Naturally, apart from manufacturing, industrialization affected also infrastructure development. Thus, railways, roads, canals, navigable rivers and telegraphs stimulated much higher and intense flows of people, goods, energy and information on the territories delimitated by individual states. At the same time, these networks enabled to bring the population in the nation states under control.

Such kind of 'material ties' was accompanied also by 'immaterial national clues'. The role of the print, which developed namely in the era of industrial revolution was from the perspective of the state establishment an indispensable one. The creation of national systems of compulsory primary education and comparatively uniform curriculum in secondary schools were very efficient tools for spreading the national languages. The schools also taught the national history, frequently in a propagandistic and mythologized version. Compulsory readings of carefully chosen books through the system of national education helped to build the edifice of national identity.

For instance, at the time of Frech revolution, in 1789, roughly only 50 percent of French people spoke some – and by far no perfect – French and only between 12 to 13 percent spoke it fairly. One of the greatest efforts of the French state consisted in unification of rather differentiated dialects into the official French language. And during the process of Italian unification, less than half of the population spoke Italian.

State power intensely utilized guarded and practically impenetrable national borders for the delimitation of the nation. Thus, the conviction that only the state is reliable guarantee of economic prosperity as well as cultural unity of people living in the given state territory, finally prevailed. State came to be known as a new home of people uprooted from their original communities.

And if traditional rural people did not manage to transform themselves into modern entrepreneurs, they still belonged to the nation state. Middle and lower classes of disintegrated population thus gained a new artificially created national identity, which lowered their degree of uncertainty. At the same time, state bureaucracy directed these groups of people in a desirable way via utilization of the technique of nationalism.

Nation state is thus generally perceived as a form of state, which exists in order to provide a sovereign territory for a concrete nation, and which derives its legitimacy from that nation. However, in reality, political boundaries often do not coincide with ethnic ones or cultural ones and nation states are composed of rather heterogeneous and peculiar entities. And it can be seen that state policies are hitherto mostly spatially blind.

Last but not least, the fact that old forms of communities have been decayed is beneficial also for the free market and modern economy in general. Emancipation of the economy from the politics after the industrial revolution became rather palpable and what does free market need are atomized individuals that are capable to respond flexibly to all market signals, i.e. behave in accordance with the concept of homo oeconomicus.

Local or regional patriotism, belonging to the community and other traditional forms of living are perceived as something obsolete as they create the hindrances to the smooth functioning of the economy. This is so simply for the sake of the fact that these ways of living limit the mobility of people and subsequently also the mobility of the work as one of fundamental factors of production.

National economies are composed of individuals that are less submerged in their families and are willing and capable to work for the national economy and to move in its framework just in compliance with quickly advancing needs of industry (in the era of industrialization basically from the countryside to the progressive towns and cities). *Standardized state education also produces standardized individuals and workers that can be easily utilized in industry.*

It is thus only hardly surprising that newly built infrastructural networks follow the territories of the nation states: they enabled the central power to control every part of the society in the area covered by the nation state on the one hand and formed the important premises for the economic growth on the other.

2.4 The Growth of Nationalism

In spite of systematic and intense propaganda, national identity in many cases remained an empty shell, not fulfilled by genuine national pride. Put succinctly, it was not always so easy to transform traditional bottom – up direction of development based on self – governing entities into the top – down command system that would enable the central

authorities to control all subjects within the state territory. Local patriotism or regionalism turned out to be very strong namely in countries, such as Spain, Italy or Germany.

However, if something is repeated persistently, after a certain time it becomes accepted by the majority of population. And nationalism had an opportunity to influence several generations of people and that is why the self-governing nature of the population was generally covered and supressed by the state administration.

Paradoxically, despite the fact that nationalism is directed by central state bureaucracy located typically in the capital cities, it finds its sources of inspiration namely in folk and rural motives. And when many rural people moved to the cities where they were forced to face unnatural and alienated milieu, they found an ally in omnipresent and at the same time chimerical nationalism that provided them with new identity and facilitated their orientation in quickly changing reality.

Nationalism that brings a conception of new home copied a lot of features from traditional, pre – industrial communities. Only the space, in which the concept is applied, is naturally magnified. Nationalism underlines common language, mentality, peculiarities and united culture of the population sharing the territory of the nation state. People subsequently get the feeling that nation state provides them with the same pleasures as their previous communities and even on a larger scale. Nation state and its official representatives became comprehended as the exclusive entity that can bring the well – being to the wide masses. That is why the adoration of the state representatives started to be a rather common practice.

The birth of the institution of national holidays and national ceremonies were also fully in compliance with the preferences of the governing central bureaucracy. The individuals were frequently told that their common denominator consists in nation and all aspects around. In the nation states, history is always an interpreted past.

Nationalism was always accepted by the widest population. These uprooted masses got to know that as members of the given nation they are privileged people. This collective intoxication connected with fabled privileged position can be reached only if we find an entity, which is of lower quality than we are. And these entities are represented just by other nations, from which all members of our privileged nation differ substantially. Since we are better than the members of the other nations, we, members of our nation, are privileged ones. This trick substantially contributed to keeping the obedience of the population constrained by state boundaries and allegedly bound by intense cultural ties, traditions and other specific qualities. Nation state created a safe roof over the nation.

The most ridiculous thing is that nationalism created a common room for many people in the form of their homeland. The homeland allegedly represents one great and genuine community, which in reality has practically no communitarian features. On the contrary, the society is created by anonymous and alienated structures governed by omnipresent bureaucracy. Nation states are actually created by atomized and mutually replaceable individuals.

Although born after industrial revolution, nationalism proclaims that national cultures are united because of common

historical roots and continuity. Nationalism actually shattered traditional communities and traditional homes. That is probably why this concept offers the people a kind of dummy home.

In the nation state, it is always required that citizens see the others living in the common territory as themselves. And what is behind our borders or what came from the other country is perceived with suspicion as strange and different. 'We – others' identity is one of symptoms of the nation state.

National identity is the product of intended governmental policy that should contribute to the unification of already existing state. In contrast to pre-modern empires, the national modern state is largely hostile to the pluralism of identities. Last but not least, it has to be added that in spite of some common features of nationalism, its specific cases are extremely diverse in individual countries and just this diversity in combination with 'we – others' dichotomy became one of underlying causes of formidable conflicts that harshly hit the whole world.

2.5 Disastrous Impacts of Nationalism

The nation state is closely interconnected with practically all modern institutions. In the course of time, the nation states insured and fortified their legitimacy also through the creation of formal attributes, such as national flag, national anthem or national currency, which were resolutely closed by national borders.

Nationalists actually perceive the nations as an essence for the categorization of humans on the basis of their nationality.

Subsequently, human activities are evaluated as national in their nature. Nations thus possess national symbols, cultivate national culture, sing and compose national music and songs and write national literature while using and sharing national language. According to nationalists, a plenty of these national elements are rooted in national folklore and narrations are full of national mythology. Citizens eat national dish and play the national sports, while they can admire national heroes, which have many statues dispersed within the territory of nation states.

Nationalists also frequently talk about national values and mainly national identity embodying the spirit and the best traditions of the nation. Membership in the nation is of involuntary nature and is determined by the place of birth. All of these national narrations cover the simple fact that nation states are in reality composed of large impersonal and often bureaucratic structures that have only a little in common.

The paradoxical thing is that in current times practically all elements concerning the nations became the object of economic calculations. Economy, which for a long time survived under the protection of the nation state, finally got sufficient powers to disaffiliate itself from the boundaries of the nation state. And the same economy gladly utilizes the opportunities created by the nation state story.

National partying, which takes place after the successful match of the national team in football or some other sport, is usually very intense and temporary. In many nation states it is one of few remaining manifestations of the national pride that is either artificially implanted by media or a genuine one, which also may happen after quite a long existence of the

nation state. But from economic standpoint the most important feature of national celebrations after the success of national teams is increased consumption and buying, no matter, whether in the form of alcoholic beverages or national flags and scarves. *So although it is currently commonly claimed that global economy to a certain extent invaded the nation state on the one hand, the very same sector still needs the existence of the nation state on the other* (and not only for the sake of national sport successes as it will be shown later).

There are only a little doubts that territoriality represents one of pivotal components of nationalism. Members of the nation share a certain territory officially called the homeland. Homeland is considered to be their genuine home and that is why there are implicit territorial claims in order to secure the safe home for all citizens. As already stated, the inventiveness of the nationalists is not especially high since they merely inflated the original notions of home, household and community. At the same time, it is worth to notice that *original concepts of self – governing nature, such as localities, regions or communities were silently swept under great national state administrative carpet.*

Nation states always claim that they guarantee the existence of a nation and preserve specific national identities. The population is thus provoked to hide under seemingly safe shelter of national unity. In reality, nation states are composed of isolated individuals that compete in the same or even higher degree than people in traditional communities.

Nationalists like to claim that moral duties of individuals to fellow members of the nation override those to non – members. Nationalism also asserts that national loyalty in case

of conflict should surpass the local or regional ones as well as all other loyalties to family, friends, profession, religion or class. Via afore mentioned 'we – others' philosophy, *nationalists often create the external danger – and no matter whether a real one or a fictional one.* This forms the ground for the misuse of the concepts penetrated by 'national' principles.

Indeed, if it is impossible to stimulate genuine national feeling, the danger of hostile surroundings is utilized rather frequently. Individuals thus exist in order to contribute to the maintenance and strength of their homeland. Although nationalism theoretically does not imply the belief in the superiority of one nation over others, in practical life the nationalists do think in that way. Nationalism cannot be separated from the desire for power. Not surprisingly, in the course of time, imperialism, chauvinism, xenophobia and racism became accompanying phenomena of many nation states.

Racism was one of characteristics of colonialist ideologies, which reached their summit at the end of 19th century. African or Asian colonies were in dissonance with the principles of the nation state as they were not part of the homeland of colonists and their inhabitants belonged to other ethnic, language and cultural groups. Remarkably, these 'impurities' (as claimed by nationalists) did not prevent the leading industrial countries from the ruthless exploitation of overseas colonies.

Nation states and nationalism gave rise also to the expansionism leaning on belief in national superiority and dominance. Some nations are thus believed to possess characteristics or qualities that make them superior in relation

to the others. Expansionist nationalism asserts the state's right to expand its territorial base or economic influence by means of military aggression at the expense of other states. Expansionism satisfied one of the most expressive desires of modern national states for winning overseas territories in order to gain in wealth and power.

Unfortunately, the philosophy of nationalism materialized itself in numerous bloody conflicts that only adumbrated two formidable disasters known as the first and the second world wars. The first war catastrophe, which actually meant fighting between the nation states formed the conflict by that time unprecedented in its cruelty, scope as well as methods of the warfare.

The relation between racism and nationalism reached its top in the fascist and Nazi movements. The specific combination of the nation or people and state with minorities having no authentic or legitimate role in such a state became the typical features of Nazi Germany. In Germany, neither Jews nor the Roma were considered part of the nation and became the target of prosecution. German nationality law defined 'German' on the basis of German ancestry excluding all non – Germans from the nation.

Fascism became an authoritarian political ideology that considered individuals subordinate to the interests of the state. The national unity was based not only on ethnic, cultural, racial or religious attributes but also on the intolerance to the others. Fascist movements claim that they are predetermined to renew the nation from the decadence. In doing so, they stress the authority of the leader above the law as well as the

fact that activities that are beneficial for state should not be subjected to legal or moral limits.

The state was viewed as an organic entity superior to the individuals. State demanded loyalty to the single leader, which led to a cult of personality and the unquestioned obedience to orders. Naturally, the whole system was penetrated by the fear of foreign contamination as only one race was a desirable one.

That is why the motives, which led to the World War II with all its atrocities had also much to do with the conception of the nation state. Holocaust was based on the principles copied from fordist economy and production. Fordist principles were misused for the mass and efficient killing. While in economy these principles meant the progress, in the war they brought a great human decay and shame.

Incidentally, the war (as well as other bigger conflicts) brought also the further technical progress as huge amounts were invested into the innovations in the military equipment, which had some positive unintended effects also in other spheres of life after the conflict. *And although the legacy of both world wars discredited the idea of the nation state in the eyes of many, after 1945 it still constituted the most relevant and internationally recognized territorial unit.*

3 Towards a Contemporary Form of the Nation State

3.1 Fordist Period

Naturally, societal trajectories find their sources as well as reflections also in economy. Industrial revolution, i.e. primarily economic phenomenon, stimulated many developments that finally brought great societal transformations. Pre-modern economic conditions were not sustainable any more and were relatively quickly replaced by new economic milieu that influenced the whole societies framed by the borders of the nation states. Vigorous and chaotic growth of urban structures with smoking chimneys smoothed away previously calm and unchanging rural settlement. Indeed, industrialization is connected with the dominance of towns and cities over old-world, traditional villages.

At the same time, traditional world that was composed of big families started to be gradually expelled by artificially created formal organizations and bureaucracy. One of pivotal features of the modern society is the division of public and private sectors. While public affairs are managed just by formal organizations, traditional households moved or were driven into the private sector. Moreover, needs of expanding industry and intense urbanization led to increasing mobility of the population and further weakening of households.

19th century witnessed the great move of previously small scale activities into larger ones. Production was increasingly transposed from little households to big and strictly organized factories. This formed the suitable premises for transformation

from an agricultural to an industrial, mass consumption economy and society. Put succinctly, craft production gave place to mass production.

Big department stores became a symbol, sui generis, of previously depicted transformations. Traditional little shops could only hardly face the surge of increasingly standardized department stores that utilized the economies of scale widely. However, formal organizations also penetrated practically all other spheres of life and covered different areas ranging from mass education to mass imprisonments, for instance. Large block of flats or mass railway transportation are further representatives of the economization of life.

Fordism was a mode of capital accumulation that originated at about 1910 when Henry Ford introduced a five-dollar, eight-hour workday for the assembly line production of cars. Fords's practices broke down complicated tasks in many smaller and simpler ones, which was in compliance with the capabilities of unskilled labor. These operations spared a lot of time on the one hand and made the production more efficient on the other. This formed the preconditions for mass production of homogeneous products. Average production costs were lowered so much that many products became accessible to the wider public. Regime of intensive accumulation lay behind the intense growth of investments as well as the growth of employees' purchasing power.

Standardisation become very frequented concept of that time, which further supported the rise of giant organisations built upon functional specialisation and the division of labour. Vertically integrated management of fordism had much to do with Prussian administration system ranging from centralised

material requirements via logistical planning, merit principle and functional administrative designs to the decomposition of tasks to their simplest components. Not surprisingly, German military bureaucracy during World War I as well as system of central planning in the Soviet Union called Gosplan were very 'fordist' in their character.

The division of labour was based on the rigorous separation of management functions from individual standardised manual performances of workers, which resulted in a greater productivity. However, this division of labour required a higher degree of labour-discipline and subservience to a central directing authority. Moreover, assembly line production is everything but a pleasant one. Mass production is very monotonous, dehumanising and at the same time physically demanding and requires high degrees of concentration.

The level of depletion of human beings is high indeed as automatisation and mechanisation supersede everything irrational or emotional, simply human. Ironically, Henry Ford confessed that fordist milieu is far from attractive and he personally would not work under such severe conditions.

Existing institutions also started to be more organised in a formal way just in consonance with the fordist thrust. Formal organisation got a new, fresh impetuses for their growth not only in the sphere of administration but namely in the realm of economy. Enterprises gained further self-confidence and independence and nation states finally turned out to be too strait for their unceasing expansionist moods.

The regime of intensive accumulation was formed already in 1930-ies, but mainly after World War II, when it constituted true bait mainly for Western Europe both physically and mentally destroyed by the war. Societal mood was determined mainly by collective bargaining and trade – unionism as well as by intense redistribution processes in the framework of welfare state. The state interventions into the economy were typical phenomenon of the time for the sake of prevailing Keynesian doctrine. Keynesian approach, in a certain sense, represented the application of Fordism at the level of the state.

Welfare state that was created in the fordist era handled very extensive social nets. Strong redistribution processes in the framework of social but also many other policies formed adequate social and economic conditions facilitating the stability of fordist society based mainly on mass production and mass consumption.

Welfare state could be formed also for the sake of the fact that although workers were not so skilled they could form trade unions. These trade unions were rather influential since capital was much more immobile than nowadays. Societal – economic paradigm called fordism was prevailing in basically all advanced countries until 1970 – ies when oil crisis suffocated practically the whole planet.

3.2 Public Administration in the Nation States

In the meantime the nation state matured to the form of an organized political community occupying a definite territory, having an organized government, and possessing internal and external sovereignty. Recognition of the state's claim to independence by other states, enabling it to enter into

international agreements, is often important to the establishment of its statehood. It has to be added, that nation state represents an institution that successfully claims the monopoly of the legitimate use of force within its territory.

There are various ways in which the governments form the activities of population in individual countries. Central government and its activities can be perceived as one of the most important determinants of institutional structures within the country. State constitutes a centralized organization of the whole country.

Since the complexity is immanent to the process of governing, state delegates political power from 'rulers' to 'agents'. The situation essentially resembles principal-agent problem well known also from many other spheres of life. Opportunism more or less conspicuously present in the behavior of state officials or 'hired agents' increases total transaction costs. State succinctly regulates and administers numerous areas of human activity via its bureaucratic hierarchy.

Concurrently with the existence of the nation states, there evolved their individual public administration systems that embody administrative – territorial implications of central power. Public administration can be generally characterized as the system of organizations that manage the state. From the functional point of view, it should be grasped as the summary of all political-administrative activities at all spatial levels. Since the whole system of public administration is based on taxes collected from citizens, it should express the preferences of tax-payers. In reality, public administration works as the extended hand of politicians and fulfills the role of their

agents. Basically, the whole structure of public administration is the question of political consent.

From the formal standpoint, public administration should be comprehended as the system of organizations with given competences, financial resources at disposal as well as duties to be performed. Although public administration is often depicted as abstract system, in reality, it finds itself in particular time-space context and has ample time-space impacts. The importance of public administration stems from the fact that it defines, to certain extent, the constraints and possibilities for other aspects of life in the whole country, as well as in regions and municipalities.

For the purposes of our monograph, it is of crucial importance that all systems of public administration have a territorial dimension just for the sake of the fact that public administration deals with societies that live in particular territories. Structure of administrative functions and organizations is actually always bound to concrete territorial context.

Territorial dimension of public administration should follow several principles, such as desired harmony between administrative and natural territories, co-existential character of territorial systems, sustainability principle or intergovernmental relations principle. These principles contribute to the smooth functioning of territorial administration from both internal and external perspectives.

It is obvious that maximum possible correspondence should be maintained between territorial structure of public administration and spatial distribution and structure of the

society. In other words, administrative territories delimitated by the government should be in compliance with natural ones. Administrative units should take into account the hierarchy of settlement system, existing socioeconomic spatial relations as well as the socioeconomic potential and cultural characteristics of individual territories.

Administrative areas should also be designed so as to make administrative services reasonably accessible for the majority of citizens. Geographical distances to administrative centers and frequency of citizens' contacts with different administrative services are the most important elements in this context. It is also rightful to emphasize the importance of transportation networks as no areas should be isolated from administrative centers.

Various territories are shared by a plurality of economic, political, social or cultural actors whose activities must be horizontally coordinated in order to draw on desirable co-existence and to prevent the conflicts. In case that majority of actors present in the given area is able to identify itself with the given territory, we are entitled to speak about territorial identity. Identity – or non-material territorial clue – should be also respected by public administration.

Briefly speaking, in all advanced countries, territorial administration is organized into several territorially defined tiers. *National administrative bodies, such as ministries are too large to solve particular problems of regional/local character on the one hand, while municipalities constitute too small units for the solution of these problems on the other hand. Therefore, regional level of administration acts*

as the logical supplement to the whole system of public administration.

3.3 State Administration and Self – Government in the Nation States

Central governments decentralize some of their functions to subnational territories, i.e. to self-governing structures. Decentralization means the devolution of state's functions to autonomous territorial governments, which can act, within the scope of decentralized functions, on their own behalf. In this case, we are dealing with territorial self-administration.

As indicated above, there should exist the balance in terms of competences and financial resources between both fundamental components of public administration, i.e. state administration and self-administration. *While state administration can be characterized as public administration performed by the state bodies, self-administration is generally performed by other subjects than state. Self-governing structures of public administration are autonomous entities having a legal status.*

For state administration, hierarchical 'top-down' system is typical. State policies and preferences are accomplished just via state administration and individual incumbents. State administration acts on behalf of the state. While the subject of the state administration is the state itself, the objects of state administration are represented by independent elements, such as firms, households or individuals.

In contrast to the state administration, self-administration utilizes 'bottom-up' approach, based on the needs of territories

and entities present in these territories. Self-administration is based primarily on the accomplishment of its own self-governing power. Obviously, the activities of self-administration are delimitated by the legislation. Self-governing bodies act on behalf of the given territory. Self-governing institutions are the subjects of self-administration, and units that belong to the field of their legally delimitated competences constitute the objects of self-administration.

The power of self-administration essentially expresses the rate of democracy in given country. Not surprisingly, territorial differentiation plays a crucial role in the evaluation of relations between self-administration and state administration. We are dealing with the reflection of the distribution of political power alongside the hierarchical axis state-region-locality. ***In case that self-governing structures are not strong enough to act as the partner or balancing power of state administration, the threat of the emergence of power centralization becomes rather pressing.***

Obviously, territorial distribution of political power turned out to be rather delicate issue many times in the history. Leading political actors may design the spatial dimension of public administration in order to prevent or facilitate regional separatism, or formation of a strong regional government that would challenge central authority or weaken or strengthen the position of regional power elites etc.

Currently, traditional state structures are changing vis-à-vis increasingly stronger globalisation. Paradoxically, this process is of dual nature: while in some respects economy and society are indeed being globalized, localization and regionalisation occurred in other respects. This is just the next argument for

the augmentation of the self-governments' manoeuvring space.

It has to be stated that there exists a great differences in the power of self-administration in various countries. While western countries promoted self-administrative structures as a consequence of many sharp regional declines in 1960-ies and 1970-ies and strived for the fulfillment of the principle of subsidiarity, transitional countries mostly did not settle with unfavorable centralistic institutional heritage of socialistic era so far.

Table 1: Self-governing Regions in European Countries according to the Date of Origin

State	Number of Regions	Date of Origin
Belgium	3	1970
Denmark	15	1970
Germany	16	1949/90
Finland	12	1919/86
France	26	1982
Great Britain	78	1972/73
Greece	13	1986
Ireland	31	1889
Italy	20	1948/70
Luxembourg	3	1868
Netherlands	12	1850
Portugal	7	1978
Austria	9	1918/45
Spain	17	1979/83
Sweden	25	1634/1862

Source: Sucháček (2005)

Territorial administrative structures play one of the decisive roles in the process of socioeconomic development of the whole countries as well as their particular territories, i.e. regions. Adequate system of territorial administration may help in designing the desirable territorial policies, which should bear in mind that *it is better to prevent socioeconomic problems than to cure their consequences.* It concerns both state and regional levels.

Last but not least, it has to be mentioned that there is a big mess concerning the notions that have something to do with territorial administration. The institutions at the local or regional levels vary greatly between countries and even when similar arrangements exist, the terminology often varies. Common names for local or regional governments include state, province, regions, department, county, prefecture, district, city, township, borough, parish, municipality, shire or village. A lot of attention subsequently concentrates rather upon discourses on the proper names of particular parts of the nation states than on truly important solving the relations between state administration and self administration. Obviously, this situation is beneficial for central authorities in nation states as it prolongs their hitherto relatively trouble – free life.

3.4 Subsidiarity: A Purification of Traditional Principle from the Dust

Subsidiarity represents one of the most important democratic principles. It can be generally perceived as a rule, which states that matters ought to be handled by the lowest competent authority. From spatial point of view, it is a principle claiming

that problems should be solved at the level at which they arise and that powers transferred to higher levels of government should only be those which lower level bodies cannot apply.

The whole principle is based on the autonomy and dignity of human beings. At the same time, it stresses the importance of small and medium – sized communities or institutions. The principle was developed in the encyclical Rerum Novarum of 1891 by Pope Leo XIII, as an attempt to articulate a middle course between the excesses of laissez – faire capitalism and the emerging forms of communism that subordinate the individual to the state. In other words, the principle of subsidiarity attempts to search for a golden middle way in the realm of the interactions between bottom – up and top – down principles.

At the same time, the principle of subsidiarity constitutes a certain return to the roots of societal development and to something that is sometimes referred to as grassroots democracy. This means the tendency towards shifting decision – making authority to the lowest geographical level of the entity in question. If one wants democratic power to be best exercised it must be vested in a local community. The rootedness in a given community is the distinctive feature of grassroots democracy. More importantly, it means the purification of original natural communities from the dust produced by the nation states. Ruling authorities in nation states actually alienated people and their naturally – formed communities from their ground and as a consequence they offered seemingly almighty but in reality rather empty construction of the nation state.

The principle should act as one of essential guidelines for defining the powers in the framework of democratically arranged territorial administration. Subsidiarity is applicable at both national and international levels, which means that this principle can cover various territorial ranks of spatial order from municipalities via regions to the individual states or even supranational groupings, such as European Union, for instance.

In European space, the subsidiarity principle plays rather important role. At the local level, it was already a key element of the European Charter of Local Self-Government, an instrument of the Council of Europe promulgated in 1985. In 1992, the subsidiarity principle was introduced in the Treaty of Maastricht. From practical point of view it means that in the sphere of the EU policies, this instrument is taken into consideration, when the EU acts in the areas not coming under its exclusive competence. While at the level of the European Union, the principle of subsidiarity is basically fulfilled, at the level of the nation states, as already indicated, subsidiarity still often belongs to the sphere of theory.

From more general spatial point of view, it is the principle supporting the manoeuvring space of self-governments since it protects lower territorial levels from unnecessary interventions from higher territorial and usually state governmental levels. Such interventions are incompetent in case that the same operation can be accomplished at the lower level, less costly and more efficiently. Moreover, local and regional actors are much more familiar with local and regional problems than their central counterparts, so what the smaller entity can do adequately should not be done by the greater entity unless it can do it better.

As already indicated, one of the basic goals of each country should be the prevention of deep regional socioeconomic inequalities. Such discrepancies are usually named (if at all) after their rise. It is much more efficient to precede the creation and further expansion of such discrepancies. In case that the principle of subsidiarity is duly applied, the probability of the occurrence of dramatic spatial differences is reduced. More precisely, provided that local and regional entities possess sufficient self-governing powers and finance, subsidiarity provides them with a truly useful instrument for the mitigation of numerous threats coming from external environment.

Last but not least, it has to be added that subsidiarity leads to the true liberty of human beings as well as other subjects. It is a principle that has much to do with spiritual dimension of our life. The principle by chance did not emerge just in the period of an economization of the world. Economy is only one of societal superstructures, while spirituality is transcendent component of living, from which the other developments and structures are derived.

3.5 Territorial Development: on the Road to the Duality of European Space

Albeit territorial administration and general approaches to the territorial development might seem to be similar in various nation states, in reality there exists a strong differentiation that can be contemplated for instance between relatively continuously evolving western countries and transitional countries that for a long period suffered from totalitarian regime

in the sphere of politics and central planning in the realm of economy. These differences are reflected also in the evolution of economic – political approaches towards regional and local development in individual countries.

In the course of last two or three decades the move from exogenous approaches towards regional development that rely on inner potential became tangible. However, rather than by remade endogenous doctrine, exogenous Keynesian paradigm was replaced by new neo-endogenous doctrine, which accentuates the creation of general conditions for the stimulation of inner endogenous developmental possibilities in individual regions. Neo-endogenous stream of regional development was formed as an intersection of new conceptions, such as learning regions, flexible specialization or industrial districts that underline the importance of profound spatial differentiation in institutional characteristics. Contemporary neo-endogenous and to a certain extent eclectic stage of regional development is path-dependent upon the history of regional development paradigms.

Currently, basically all transition countries find themselves under the strong pressure stemming from the endeavor to apply neo-endogenous approaches to the regional development that are nowadays in vogue. The key cause of this strain consists in the presence of deformed system macrostructures, which embody the heritage of socialist times. The problem of the tension between neo-endogenous practice of regional development and dysfunctional system macrostructures that actually form the wider framework for all spatial processes in transition countries is stated only seldom, nonetheless it becomes increasingly palpable issue in these economies.

As it is visible in table 2, regional development approaches are distinguishable as follows:

- Interventionist, i.e. Keynesian and extremely interventionist Marxian-Socialist,
- Non-interventionist, i.e. strongly non-interventionist liberal paradigm and rather non-interventionist modern neo-endogenous conceptions of regional development.

In other words it is possible to talk about 'top-down' conceptions that rely upon the outer interventions and are inherent to Keynesian and Marxian-Socialist paradigms on the one hand and 'bottom-up' approaches, which emphasize the stimulation of inner regional developmental potential and are typical for liberal and modern paradigms of regional development on the other hand.

Modern, neo-endogenous approaches towards regional development stress the importance of the stimulation of endogenous potential in the region. At the same time, these conceptions implicitly consider that system macrostructures are distributed in the way, which enables approximately even conditions for the development of individual regions and localities in the framework of the country. In this context, one has to take into account that system macrostructures bear distinct spatial dimension, which principally influences the quality of these macrostructures.

System macrostructures are embodied by public administration (namely the power and manoeuvring space of state administration and self-government from financial perspective as well as the organisation of their competences) or by both physical and social infrastructure.

Table 2: Chronological Development of Regional Developmental Paradigms

General Paradigm	Characteristic Features	Typical Regional Policy
Liberal/non-interventionist/**endogenous development**	Convergent spatial development, there is no necessity to intervene in market forces. Non-interventionist approach.	'Workers to the work' school, instruments increasing the labour mobility.
Keynesian/interventionist/**exogenous development**	Divergent spatial development, it is necessary to intervene in market processes. Interventionist approach.	'Work to the workers' school, tools supporting the inflow of investments into problem regions.
Marxist-socialist/ extremely interventionist**exclusively exogenous development**	Divergent spatial development, necessity of planning and management of spatial development. Extremely interventionist approach.	Central planning and management of spatial development, ignorance of spatial-market signals
Modern/'transformed' **neo-endogenous development**/formation of frame conditions for endogenous initiatives	Divergent spatial development, however, it is necessary to stimulace inner regional potential. Rather non-interventionist approach.	Support of milieu, which facilitates networking, development of small- and middle- sized firms, innovations and learning. Augmentation of institutional thickness, coopetition (co-operation and competition)

Source: author

There should exist balance between state administration and self-administration on the one hand and the spatial distribution of infrastructure should be at least approximately bound to the settlement system as well as the overall socio-economic significance of particular territories on the other hand. All of these system macrostructures determine developmental possibilities and limitations of regions. More importantly, all of these macrostructures are formed on the basis of concrete political – economic decisions.

Adequately distributed system macrostructures ensure approximately even developmental conditions for all regions, which is also the prerequisite for efficient accomplishment of modern, neo-endogenous development. However, in reality of transitional economies, the occurrence of qualitatively good and spatially adequately distributed system macrostructures is rather an exception than rule. From this point of view, administrative, infrastructural as well as institutional system macrostructures in contemporary transition economies find themselves in an embryonic stage of their development (see also figure 1). Obviously, it brings a great augmentation of transaction costs in these countries.

Comparisons show symptomatically great institutional similarity of Central East European economies that underwent totalitarian political regime and centrally planned economy. It is thus only hardly surprising that transitional economies can largely serve as excellent examples of dysfunctional institutions, which are not suitable for modern, neo-endogenous recipes for territorial development.

In practically all Central East European economies, there existed strong administrative-political centralization of virtually all decisive mechanisms of societal life into the capital cities. This

could be perceived as a spatial manifestation of totalitarian political system. This constituted the basis for future developments of these countries which are nowadays strongly path-dependent.

The function of system macrostructures in contemporary transitional countries is often braked and to certain extent deformed by centralizing approach of state administration that does not want to give up its financial resources and competences. Subsequently, the self-government is practically oppressed by an excessive influence of state administration and specific, neo-core-periphery pattern of these countries has evolved.

The key problem consists in the fact that the development in Central East European countries 'jumped over' or more precisely avoided the Keynesian stage of regional development. Deformed system macrostructures that represent the heritage of socialist era disallow an adequate application of modern approaches towards regional development, which are well-known and well-tested in western economies.

In comparison with transitional regions and localities, their western counterparts go from approximately equal technical, competence as well as financial categories that evolved in the framework of market economy and political democracy mainly during Keynesian era.

Figure 1: Discrepancy between Modern Paradigm on Regional Development and System Macrostructures in Transition Countries
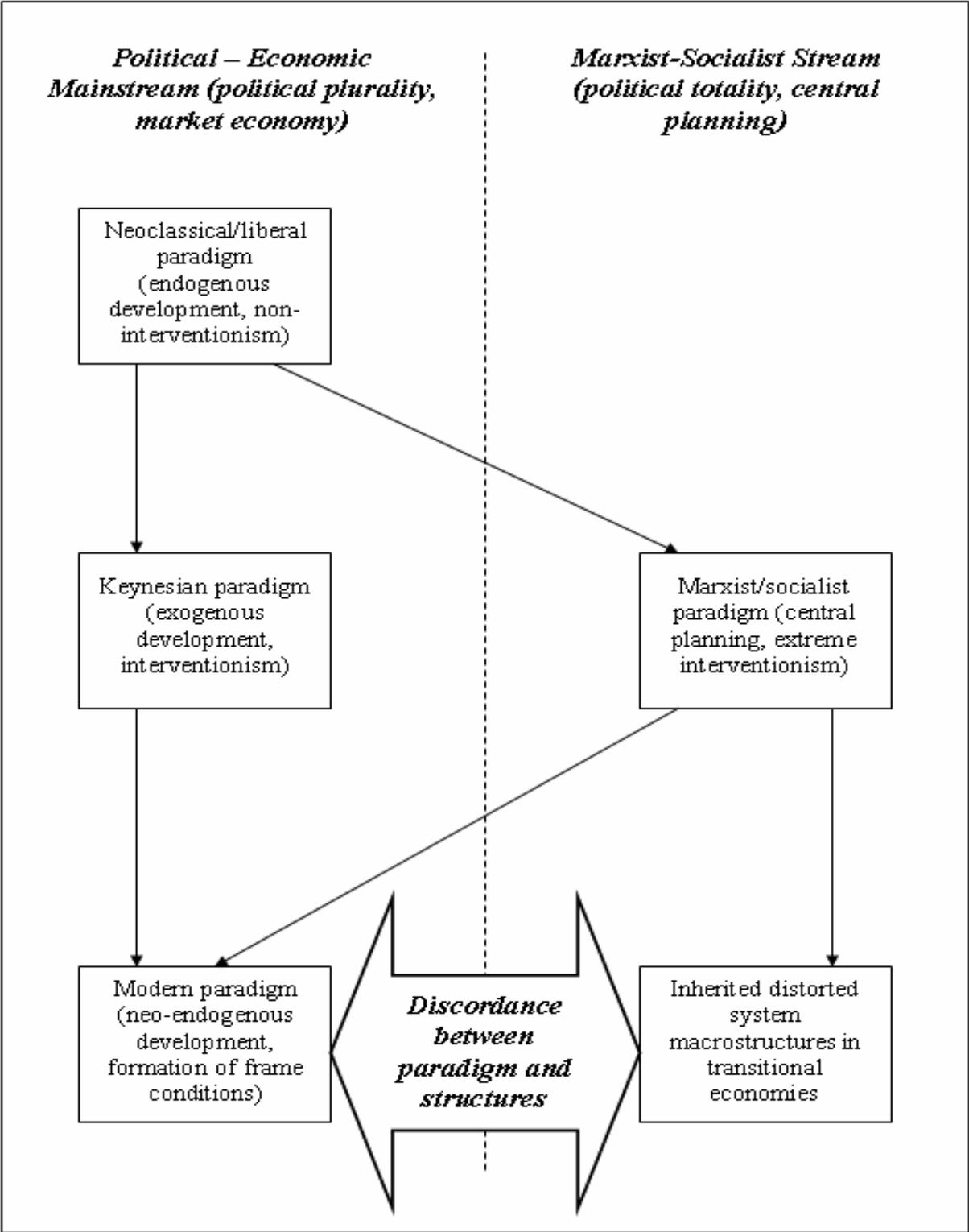
Source: author

Relative consent between transformation of system macrostructures and regional policy paradigm in individual countries can be perceived as probably the most important element of the whole Keynesian period. In spite of interventionist character of Keynesian doctrine, market mechanism was not replaced in any advanced country. Concurrently existing central planning in combination with political totality in Central East Europe brought the deformation and namely centralization of practically all basic components of life.

On the contrary, the countries that applied Keynesian direction of development were generally able to create adequately distributed system macrostructures that facilitate the development of particular regions and localities substantially. Succinctly, advanced countries generally realized that they cannot afford socioeconomic 'black holes' within their own territories and that more or less evenly distributed system macrostructures ensure the socioeconomic development of the whole country. Not surprisingly, a great decentralization combined with the support of local and regional self-governments took place during the Keynesian and Post-Keynesian period in practically all advanced countries.

At the same time, one has to differentiate also among western countries. Evolutionary trajectories in some of them (e.g. Germany or the Netherlands) led to the spatial model which might be called decentralized concentration and which is in compliance with settlement systems in these countries. On the contrary, for some countries (e.g. Great Britain or France), the historical centralization of virtually all relevant aspects of life into the capital city was typical and this changed namely during Keynesian era, when national governments (partly

under external political and economic pressures) understood that location of economic, social and other activities should follow the settlement system as well as developmental potential of individual territories. Thus, in contrast to their transitional counterparts, western countries find themselves on the way to conscious self-governance.

While in advanced countries both formal and informal institutions crystallized out naturally, in an evolutionary way, in transitional economies, for which numerous developmental discontinuities are characteristic, the informal institutions played a relevant role in transitional years (see figure 2). The significance of networking, lobbying or embeddedness is much higher in transitional economies than in their western counterparts. We are talking namely about hierarchical connexions among regional and national actors, which are caused just by insufficient manoeuvring space of self-governments.

Development, which is based on inner regional potential, is both effective and efficient, since it changes the quality of social and economic structures of individual territories. However, in many transitional countries, markedly heterogeneous character of system macrostructures very often distorted or even eliminated the endogenous activites of local and regional actors. The developmental conditions of individual regions in Central East Europe turned out to be rather differentiated and very often, one of the most important criteria of success or unsuccess is both geographical and social distance from the capital cities. *In Central East European localities and regions, the problem of discrepancy between relatively inertial and non-adequately*

distributed system macrostructures and neo-endogenous approaches towards regional development appeared.[1]

Formal institutions were not defined well namely at the beginning of 1990-ies. Corrective processes that concern informal institutions exposed to fifty years long incidence of Marxist-socialist paradigm on regional development, will probably last two or three generations. Obviously, these unfavourable facts afflict the applicability of modern approaches to regional development in Central East Europe.

In contrast to their western counterparts, states in Central East Europe are currently far away from conscious self-governance as they were unable to fulfill their self-government so far. *Development in Central East European countries was strongly path-dependent and we could see just the reproduction and sometimes even reinforcement of original economic-political centrostructures in transitional years.*

The problem of territorial transformational winners (i.e. primarily the capital cities) and losers (i.e. other, mainly non-metropolitan territories) is literally concealed in Central East Europe. Nonetheless, centralization that evolved during

---

[1] The problem can be examined also from the different perspective: apart from 'common' physical geographical distance it is possible to distinguish next three types of distances:
- Psychological distance that corresponds to the perception of particular places. Less developed regions are usually perceived as more remote than they really are. It leads to the creation of mental maps that reflect the image and the reputation of places.
- Economic distance, which expresses the costs necessary for surmounting the certain distance and is dependent on the physical infrastructure.
- Hierarchical distance that reflects the position of municipality within the system of public administration, but also the socio-economic importance of municipality. Big centre is hierarchically much closer with another big centre that lies far away than with the village in the vicinity.

These distances should be relatively (i.e. with regard to the settlement system) as small as possible, mainly if we are talking about the distance between main centres and 'common' municipalities.

socialism persisted or even deepened and finds its more (e.g. Czech Republic) or less (e.g. Poland) intense reflection in unevenly distributed system macrostructures in individual countries.

It is thus possible to state, that location attractiveness and developmental conditions of particular localities are not given, but formed by concrete regional-political decisions and measures taken mainly by central institutions within nation states. Constitution of qualitatively good system macrostructures represents the first challenge in the process of the return to the natural developmental track. However, it is only requisite, but not sufficient condition, since history does matter and the redress of informal institutions is undoubtedly the question of longer time.

Figure 2: Inner Institutional Tension of System Macrostructures in Transitional Economies

System macrostructures in transitional economies

Inertia of informal institutions inherited from socialist period/inner characteristics of the population

Tension between formal and informal institutions

Modification of formal institutions according to the modern paradigm/outer modernization pressure
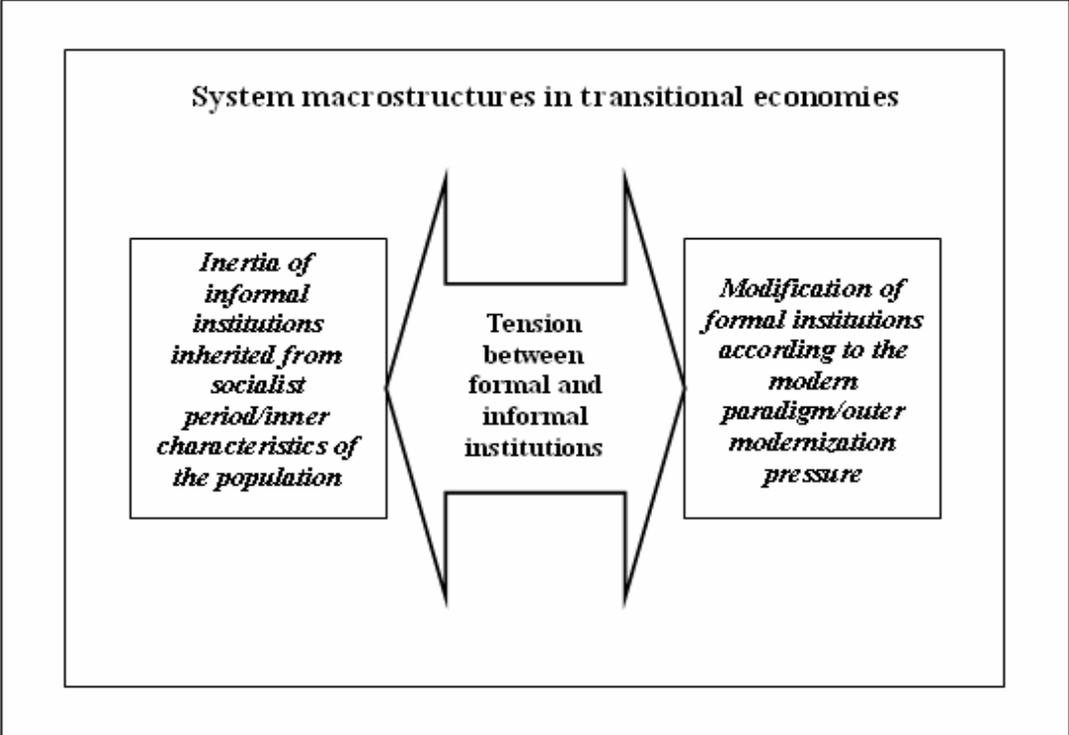
Source: author

One has to consider the influence of system macrostructures, which do not ensure standard developmental conditions for all regions and localities. This fact is detrimental for the application of territorial – developmental approaches in the form known from western economies. Qualitatively well organized and distributed system macrostructures represent one of implicit presumptions of territorial development in advanced western economies.

The subchapter showed that the evolution of regional development conceptions is considerably dependent on institutional rule expressible as 'history does matter'. Neo-endogenous concepts that are currently in fashion are applicable namely in advanced western economies that underwent continuous socioeconomic development. However, this does not apply to Central East European economies suffering from developmental discontinuities and deformed system macrostructures. Unfortunately, regional as well as other policies in transition economies typically omit these facts. Hence, transition economies stay vis-à-vis the great challenge concerning the formation of non-copied, tailored approaches to the regional development. Creation of adequate system macrostructures that comply with settlement system represents the first step on this enormously complex and long road.

Statistics confirms significant disparities in both economic and social indicators between the capital cities and remaining territories of Central East European countries. *These unnatural, system – based but at the same already inbuilt disparities are largely formed by the decisions of central governments.* In the situation, when nation state is increasingly challenged by global

processes, elite groups from elite territories strive for dosing the uncertainty to less powerful groups in 'provincial' territories.

Modern form of blackmailing the population in non – elite regions is closely connected among others with unemployment. Naturally, consciousness of big or growing unemployment[2] partly paralyses human activities in the regions concerned. This is connected with the fear of the loss of jobs, which brings distrust and tension that are then transposed to interpersonal relations. From economic point of view, we are entitled to speak about the rise of transaction costs. This unfavourable situation is further multiplied by media since they write about growing unemployment almost every day.

From this perspective, one cannot avoid the hypothetical thesis **about 'control rate of unemployment'.** This rate, which is hardly detectable, would in practice mean that elite groups can curb the whole regions by persistent media repeating of the high rate of unemployment. If unemployment rate declines under 'control rate of unemployment', media managed by these elite groups would disregard that fact. ***So, it is always worth to ask, how unemployment grows, but also why unemployment grows?***

---

[2] It is not necessary to underline that sacking is as an open wound that harms the whole body of individual, subject, region or state not only economically but also psychologically. In case that enterprise finds itself in the crisis, it is worth to consider carefully the possibilities of more efficient utilization of employees before any bigger dismissals. Usually, dismissals are seen as the painful tool of coping with economic troubles. However, these are mostly routine measures. In most cases, there exist also different routes than sacking, how to improve the economic performance of the firm in question. It is from time to time useful to abandon the routines and schemes of our own thinking.

3.6 European Duality Fortified

After the collapse of the state socialist regimes in 1989, policy-makers and researchers faced the problem of designing the countries' economic, social, and political strategies. In this, they could not refer to any historical precedents of post-communism. Only an overall direction of the desired change, towards a Western-type democracy and market economy, was clear and generally accepted.

Figure 3: Rank-Spatial Differentiation of Transitional Processes

GGMT

SPTE

RDSPTE

GGMT – global general modernizing trends
SPTE – socioeconomic processes in transitional economies
RDSPTE – regional dimension of socioeconomic processes in transitional economies
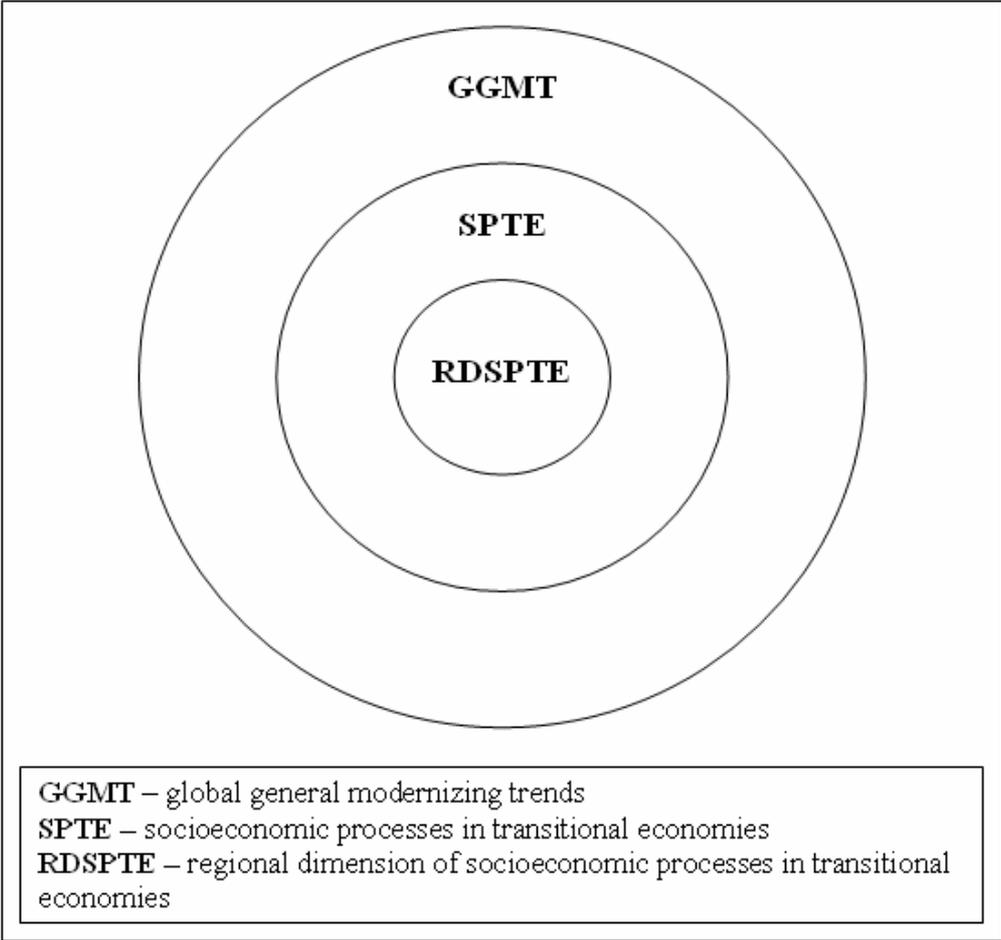
Source: author's illustration

These governmentally directed changes were accompanied by more spontaneous socioeconomic modernising trends embodied namely by the move from fordism towards post –

fordism and framed by the process of globalisation. While western economies cope with these modernising trends two or three decades, transitional economies are exposed to the modernisation categories in much shorter, compressed period. That is why the polarisation of Europe thoroughly depicted in the previous subchapter was further multiplied by these global modernising trends. And just the polarisation between western and transitional countries substantially enfeebles territorial cohesion of Europe.

Spatial polarisation of informal institutions within European space has been confirmed in an aggregate form for instance by The Inglehart values map, which provides us with the basic overview of values in different cultures (see Figure 4)[3].

Consequently, it is only hardly surprising that the consciousness of local or regional development in Central East Europe is in contrast to the situation in developed countries almost negligible. This dismal situation was further multiplied by ubiquitous central planning, which virtually eliminated the notion of territorial development. In socialist milieu isolated from world developmental trends, people were obviously barely able to realize the importance of local/regional development for the improvement of their living conditions.

---

[3] Inglehart carried out four surveys between 1981 and 2002 in the framework of the World Values Surveys that were designed to provide a comprehensive measurement of all major areas of human concern, from religion to politics or economic and social life. They represent over 85 percent of the world's population in 81 societies. The results are compressed into the picture with two dimensions: traditional/secular-rational and survival/self-expression values. The traditional/secular-rational values dimension reflects the contrast between societies in which religion is very important and those in which it is not. Societies with traditional values have also high levels of national pride, and a nationalistic outlook. The second major dimension of cross-cultural variation is linked with the transition from industrial society to post-industrial societies, when an increasing share of the population in rich societies has grown up taking survival for granted. Thus, priorities have shifted from an emphasis on economic and physical security toward an increasing emphasis on self-expression and individualisation.

Figure 4: Inglehart Values Map

Source: http://www.mindspring.com/~dbholzel/maps.html
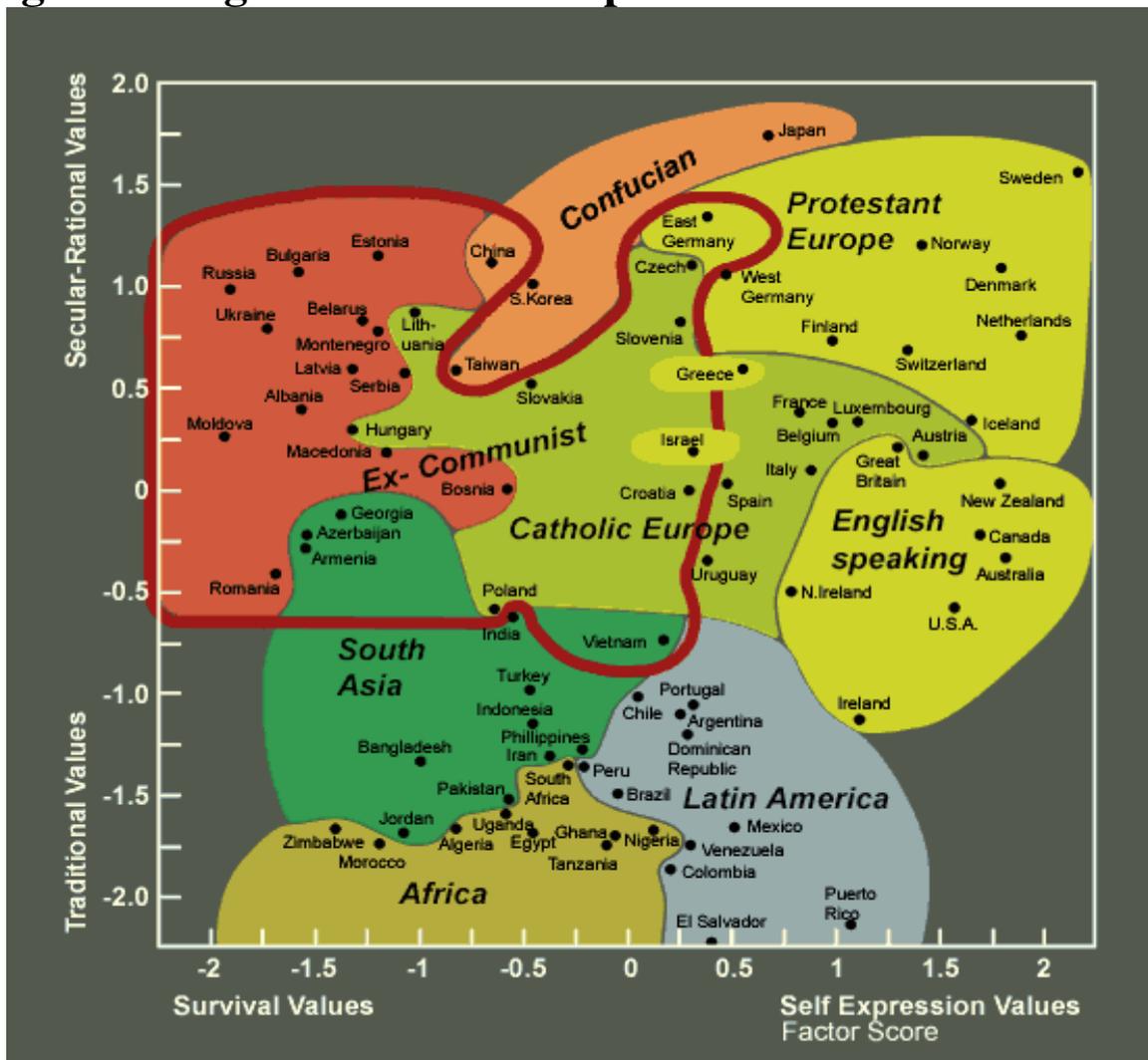
Obviously, institutions beset by totalitarian regimes manifest themselves also in many other spheres of life and as already indicated their remedy will take some 2 or 3 generations. That is why we are actually currently entitled to speak about *two Europes*.

4 Globalization

4.1 Post – Fordism

Relatively idyllic fordist times were broken by formidable economic problems in 1970-ies. Oil crisis in combination with quickly advancing technological development and the rise of globalisation enfeebled the dominance of fordist paradigm. Fordist way of production appeared to be obsolete in new socioeconomic conditions. It was claimed that fordist industrial production is too rigid, non-flexible and finally leading towards the decline of competitiveness. All of these changes finally stimulated the gradual appearance of a new system of flexible accumulation that was based on new core innovations.

New findings in the sphere of microelectronics and information technologies enabled the transformation of production, which begin to utilise flexible computerised and robotic systems. New information and communication technologies enormously speeded up the operations on financial and capital markets as well as transfers of the capital. Finally, the liberalisation of the world trade and quick movement of capital together with deregulation measures shaped the conditions for the appearance of post – fordism.

If rigidity in the labour market, owing to trade-unions or cultural impediments, was the main feature of Fordism, extreme flexibility became the central concept in the post-fordist era. Most researchers agree that on the whole the post-fordist set up resulted in a loss of power for workers. A modified type of accumulation called flexible accumulation is based on a couple of fundamental principles:

Table 3: Differences between Fordism and Post-Fordism

FORDISM	POSTFORDISM
ECONOMY AND THE PRODUCTION PROCESS	
Economies of Scale	Economies of Scope
Mass production of homogeneous goods	Small batch production
Mass consumer's society – less differentiated demand	Differentiation of demand and individualisation of consumer styles
Large stocks and inventory	Minimal stocks (just in time)
Testing quality ex-post (rejects and errors detected late)	Quality control part of production process (immediate detection of errors)
Dominance of industry	Dominance of tertiary sector and rise of quarternary sector – disindustrialisation
Cost reductions through wage control	Learning-by-doing integrated in long-term planning
Payment per rate (based on job design criteria)	Personal payment (detailed bonus system)
Single task performance by worker	Multiple tasks
High degree of job specialisation	Elimination of job demarcation
Vertical labour organisation	More horizontal labour organisation
Trade Unionism	Individualism
SPACE, STATE AND IDEOLOGY	
Welfare state – extensive social security system guaranteed by state	Postwelfare state based on privatisation of social security systems and collective needs
Keynesianism and state interventionism – market regulation	Neoliberalism – deregulations, support of free market functioning
National, central, exogenous regional policy	'Territorialised' endogenous regional policy
Subsidized state/city	'Entrepreneurial' state/city, sharpened interregional/intercity competition
Centralisation – hierarchic top down management	Decentralisation – emphasis on bottom up activities, new public management
Public sector regulates and controls private sector	Public Private Partnership, co-operative behaviour of public sector, which stimulates the activities of private sector

Source: modified according to Swyngedouw (1986) and Harvey (1989)

- Just in time production, which aims at the minimisation of inventory at every stage of production since unused inventory represents unrealized capital.
- Total quality management, when the introduction of quality control circles to check the quality of supplies of components inside and outside the factory.
- Teamwork, which consists in the creation of autonomous task oriented work groups.
- Managerial decentralisation, consisting in the replacement of centrally controlled hierarchies by flexible and somehow flowing organisational styles and practices.
- Flexible labour force implies the possibility of laying off workers during a lean periods and hiring them back in times of prosperity.
- Functionally flexible workers including task integration and/or rotation and multiskilled labour force.

These transformations in the organisation of the work facilitated the further growth of productivity, which became officially proclaimed necessity vis-à-vis sharpened competition at the global level. Increasing differentiation of the society to the bigger number of social groups and the saturation of the high proportion of society with consumer goods in advanced countries changed the patterns of consumer's behaviour and heightened the scope of specific needs and wishes. Enterprises were forced to respond flexibly and started the production of smaller and special series of products. Obviously, those happenings were detrimental to the mass production based on fordist principles.

The implementation of new information and communication technologies further fortified the strike of post-fordist tendencies. Production became flexible enough in order to be

able to respond to the market requirements. Manufacturing capacity that played relevant role in the course of fordism became less important and impulses emanated by demand side turned into decisive factor for the management of the production. Very often, pivotal developmental change is depicted as 'from producer's market towards consumer's market'. And as it will be seen later, the transformation from mass production to the flexible one involved the great transformations also in the structure and character of the society on the one hand as well as the structure and character of territories on the other hand.

4.2 What is Globalisation?

Globalisation can be comprehended as one of the most important phenomena of contemporary world. Concurrently, globalisation has abundant interrelations with post – fordism. Recent years witnessed its quick evolution and global processes shape the relations on our planet more and more. At the same time, global processes create the environment the world has never experienced before. Although we are talking about global processes, at the same time we can contemplate their ample local and regional impacts, which is of great importance for this book.

There are numerous approaches to the definition of globalisation. While some talk about globalisation as a historical epoch, the others claim that it is only one of great narrations well known from the history. Economists perceive almost exclusively economic causes and consequences of globalisation and sociologists for a change its social and societal sources and impacts. Very often, we can hear that this process involves the unification of various cultures and

worldwide spread of western values. Many people think that globalisation represents one of accompanying phenomena of technological revolution. Quick pace of globalisation caused that the process itself is qualitatively ahead of other, e.g. democratic or moral components of space. To sum it up, there is nothing like generally accepted definition of globalisation.

Globalisation as well as other major processes bears many pros and cons. And since the society is more sensitive to its negative aspects, general discourses concentrate namely upon its unfavourable environmental, economic as well as social consequences. The fact that globalization contributes to the dissolution of the nation states, which involves also important territorial-political connotations is stated only seldom. However, the world witnessed the same situation a couple of centuries ago, when nation state practically eliminated the autonomous cities as well as other self – governing entities. Thus, from spatial point of view, we are currently entitled to talk about higher rank of territorial integration.

Global processes bring far-reaching social, economic and cultural implications. Until now they could not be carefully investigated because there is a wide consent that globalisation is at its very beginning. Moreover, the transformations of recent years have taken different forms in different places. Some states, but possibly even more so some companies and communities have been considerably more apt than the others to crop potential transformation benefits from global processes. Other states, companies and communities have received little except increased marginalization.

However, as already indicated, globalisation can be generally perceived as a dominant general trend that changes the

organization of the society at the world level. From the economic perspective that influences remaining spheres substantially, it is a process of change from national to global scale of integration of production, exchange and consumption. This process was enabled mainly by the technological informational revolution that provided the basic infrastructure for the formation of global economy.

4.3 Social and Economic Impacts of Globalisation

Globalisation brings ample social and economic impacts. One of the most serious aspects is the augmentation of uneven social and economic development. It is caused by the different power and abilities of firms, individuals and subsequently localities, cities, regions and states to participate actively in globalisation. The division of the power is not mirrored merely in inequalities between people or enterprises; key players of globalisation influence the character and priorities of public sector. States find themselves under increasing influence of multinational and transnational corporations and world financial markets. Public sector distinctively yields to increasingly aggressive private activities.

One of the most relevant impacts of informational revolution and accompanying phenomena of global character is quickly advancing time-space compression. The concept of time-space compression describes increasing movement and communication in space, widening of social contacts in space and human perception of such changes. Growing spatial mobility and surmounting the spatial barriers are enabled by

technological progress in the field of production, transport, communication and information.

Thus, the size of the world of 1960 was one fiftieth of the 16th century world. Increased functional integration made possible by time-space compression has, in turn, led to the emergence of a global scene of accumulation, consumption, distribution and production, and equally important, differentiation. The role of time and space in our everyday lives has changed dramatically over last few years. World is rapidly diminishing in our perception.

Time-space compression subsequently affects the character of the society. At the same time, one can contemplate also geographical expansion of social contacts. The concept of time-space distanciation depicts the processes leading to the weakening of the integration of social relations in localities and their expansion in virtually global space. It is necessary to underline that possibilities of informational technologies utilization are rather uneven.

One has to notice, that various individuals and social groups play different roles in the framework of our contracting world. There is sharp discrepancy between those that act as parts of global communication network and the others that lack the access to global networks. Uneven distribution of the options of using the global information system (such as internet, for instance) stems from the differences between the industrial developed countries and the third world, younger and older generations or wealth and poverty. This leads to the strengthening of already existing and the formation and proliferation of new social inequalities.

Global processes involve various players, such as nation states, public and private organizations, households and individuals. In principle, they can be involved in globalisation in two ways:

- Activities of some players can actively contribute to the formation of the process of globalisation. The typical example is when multinational company directs its activities into certain area; this has extensive socio-economic implications (including changes in the composition of jobs and consequent impacts on the individuals, connections of the territory with the global environment and many others). Of course, the number of the processes that can more or less directly shape the process of globalisation is quite limited. And another aspect has to be mentioned: globalisation processes induced by such influential players create global external environment in which these players operate. This group is relatively small and relatively powerful and can be succinctly called 'transmitters' of global processes.
- Most actors, as well as their behavior, are influenced by globalisation. They are 'receivers' of global processes.

This division is essential for understanding the impact of globalisation on any locality in general. Looking for comparative advantages is an inherent part of the behavior of players present in the market. They investigate local differences and utilize those, which can relevantly contribute to the competitiveness within the market. Globalisation involves the extension of this process to an international and global level. Global actors are highly selective in entrance to

particular places both in terms of capital and labor opportunities.

Figure 5: Players of Global Processes

```
┌─────────────────────────────────────────────────────────┐
│                                                          │
│                   ┌────────────────────────┐             │
│                   │     TRANSMITTERS       │             │
│                   │                        │◄┄┄┄┄┐       │
│                   │ Multinational Enterprises│      ┆      │
│                   └───────────┬────────────┘      ┆      │
│   GLOBAL                      │                   ┆      │
│                               ▼                   ┆      │
│                   ┌────────────────────────┐      ┆      │
│   SPACE           │       RECEIVERS        │      ┆      │
│                   │                        │      ┆      │
│                   │      Individuals       │      ┆      │
│                   │                        │      ┆      │
│                   │      Households        │┄┄┄┄┄┘       │
│                   │                        │             │
│                   │  Public and Private    │             │
│                   │     Organisations      │             │
│                   │                        │             │
│                   │    (Nation) States     │             │
│                   └────────────────────────┘             │
│                                                          │
└─────────────────────────────────────────────────────────┘
```
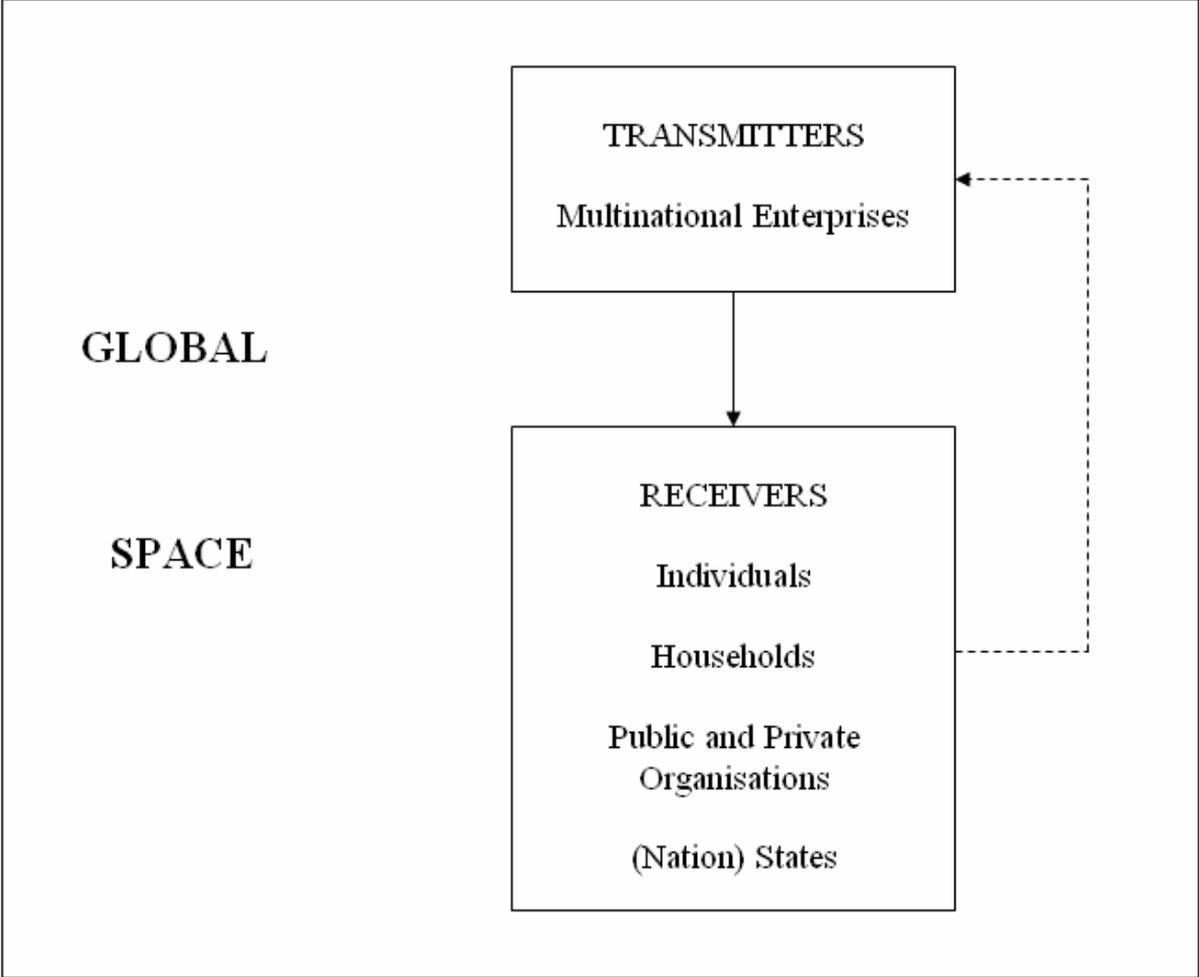
Source: Sucháček (2004b)

Most of the actors, constitutive to globalisation, are located in large global cities. Some of those who are mostly absent from processes that contribute to globalisation, are concentrated in global cities as well. Such simultaneous concentration of executive-professional-managerial technocracy and urban underclass in the urban spaces is reflected in increasing social and economic polarisation. On the other hand, vast majority of receivers of global processes is concentrated in non – metropolitan areas, regions and localities. The destinies of

such territories are increasingly affected just by global, influential and at the same time typically distant actors. Such kind of *intense external control of provincial territories* became one of symptomatic features of modern epoch just due to the fact that this control is performed both in economic and administrative – political terms.

4.4 Globalisation and Dissolution of the Nation State

The relation between the globalization and the nation state can be compared to the relation between the nation state and self – governing cities and other traditional communities in the history. While nation state curbed and oppressed various self – governing entities, multinational corporations misuse their power and move the majority of negative externalities related to their activities to the nation states. In that way, they increase their profits. Nation states thus reap what they sowed many decades ago.

Ironically, nation states unconsciously created the appropriate conditions for the birth and rise of globalization. In spite of the fact that nation states perceive themselves as the final product of the history, they presumably formed only temporary and from historical point of view episodic room for entirely different arrangement of powers. From global and contemporary perspective, modern states served only as a certain incubator for the development of the economy. In contrast to the nation states, enterprises are able to merge on the global scale.

As already mentioned, technologies and infrastructure played a pivotal role during juvenile years of the nation state as they enabled the management of the country from the power centre. Paradoxically, technologies facilitated the penetrability of the national borders substantially in both intangible and material terms. Spatial interactions are thus less limited by the borders which also weakens the position of the nation state traditionally defined just by national borders. International flow of information, energy, goods and people currently reaches the degree the world has never experienced before. That is why the states are barely able to control these flows.

Under global pressures, states are increasingly incapable to perform their traditional functions. Last years witnessed the important transformations in the realm of the nation states. They are forming new larger groupings, such as European Union that represents, sui generis, a legitimate, post-modern form of the state as it partially answers to the distinct democratic deficit of globalization. Even more importantly, we can contemplate the resurrections of localism and regionalism. Splitting of the nation state to larger arrangements on the one hand and to localities and regions on the other hand is accompanying phenomenon of globalization.

While external forces of global nature compel the nation states to group together in order to survive in both social and economic terms, localities and regions represent the territories, which are more and more intensely hit by various social and economic streams and factors. And since the population is sensitive namely to the events in its surroundings, it is only hardly surprising, that original communitarian feelings and activities became in spite of numerous braking factors increasingly tangible. A great advantage is that in contrast to

often artificially bound nation states, regions and localities are integrated in a natural, 'bottom – up' way.

All above mentioned developments irritate the proponents of the nation states and they persistently defend this type of institution. But in reality, nation states are unable to cope with numerous topical challenges. Naturally, nation states cannot cease to exist. On the contrary, their existence with decreasing power is largely beneficial for influential global players. However, the role of the nation state is increasingly determined by the fact that the turnover of ten largest multinationals exceeds the aggregate gross domestic product of one hundred poorest nation states on the one hand and localities and regions are in the information age aware of their self – governing nature more and more.

4.5 On the Relation between Multinationals and Regions

Globalisation brought distinctive erosion of the dominance of the nation state. Paradoxically, the underlying cause of that development can be found just within the nation states and more specifically, in their economic sectors. Accumulation of the capital brought the immense growth of individual enterprises that left the territory of the nation state and became multinational in the course of time.

Naturally, these enterprises follow their urge, which consists in the profit maximization. At the same time, economic transactions became less dependent on the political interests. Currently, central governments in the nation states are still formal political leaders, nonetheless, the world of economy

underwent the process of emancipation and is nowadays more powerful than the realm of politics.

Newly emerging organizations and structures exist more or less independently on the nation states. Apart from the world of economy there exists already quite strong sphere of organizations, such as NGOs. However, in contrast to local or regional self – governments whose members are elected, the members of these organizations and structures are not elected by the population of individual territories. Globalization is free of democratic principles so far.

From spatial perspective, in contrast to the nation states whose power is concentrated into the capital city, there exist more power centers in the economy embodied by the headquarters of biggest multinationals. More importantly, in the world of economic transactions, larger strategic management does not exist and momentary needs represent the variables which are decisive for further developments. No matter that short term gain could lead to the long term pain.

Vanishing borders that are from the long-term perspective beneficial for border localities and regions act as one of greatest motors of globalization. Multinationals and their investments can be characterized by truly great spatial mobility that is further supported by the disappearance of the borders. They are mobile on regional, national as well as global scales. On the contrary, the labor, communities as well as the nature and landscape are much less mobile or entirely immobile.

The degree of the mobility corresponds to the degree of economic – political power. This is so namely for the sake of

the fact that mobile entities can barely have any responsibility for individual localities and regions in which they operate. Negative impacts of the production thus hit other localities and regions than these, which gather the profit as a consequence of such environmentally unfriendly production. Put succinctly, common life is still of territorial nature, while the power got an extraterritorial character.

In this context, the nation state survives as a kind of inflexible and clumsy construction that nevertheless still collects the taxes from its citizens. These taxes are then among others invested into the creation of new or support of existing location advantages for multinational corporations. Local or regional development subsequently becomes indirectly dependent upon the capability to offer an adequate milieu for investments of multinationals.

This changes the character of location factors substantially. Multinationals then locate the production plants into the territories where they can find the cheapest labor while selling their product in territories with biggest purchasing power. And last but not least, these multinationals are delighted to pay their taxes in tax havens.

Thus, the destiny of numerous localities and regions is not in the hands of their managements any longer. The next crucial factor consists in the lack of self – governing space for many localities and regions within their nation states. They simply find themselves under double (global and regional) pressure. It is only seldom stated that in reality, local and regional trajectories are often shaped by decisions and policies created and implemented by distant political or economic actors.

In the sphere of economics itself, we are increasingly entitled to use the notion of mesoeconomics, which is created just by big multinational corporations. Mesoeconomics depicts the economic arrangements which are based neither on the microeconomics of buying and selling and supply and demand, nor on the macroeconomic aggregate indicators. In other words, strict division of economics into macroeconomics and microeconomics is often misleading. One or two percent of all firms is responsible for approximately one half of the total production in advanced industrial countries.

4.6 Networks Instead of Organizations and Projects Instead of Strategies

Globalization brought numerous important impacts also into the sphere of organizational structures of firms and partly also other, non – private organizations. Neo-liberal rhetoric heavily criticizes former formal organizational structures as cumbersome and rather inflexible. On the contrary, elastic, flexible lean teams that are involved in many short – term projects are perceived as a desirable state.

Managerial philosophies of last three decades are penetrated by new, flexible spirit that underlines the importance of the networks. Old hierarchical structures of many firms have been transformed in order to make the run of the organization more efficient. In practice it means that middle managerial staff can be perceived as a principal victim of these profound changes and on the contrary, upper managerial classes and ordinary employees remain the components of the firm's structure.

But more importantly, ordinary workers posses no previous certainties that were inseparable part of big and hierarchically organized fordist structures. On the contrary, they are hired on the basis of short – term, temporary contracts for individual short – term projects. Subsequently, firms can save on nowadays disappearing or nonexistent large hierarchical structures of employees.

However, it has to be stated that less hierarchy does not mean less control within the individual organizations. Hierarchical control is replaced by the market one since firm is able to hire external suppliers and individual employees are hired only for short – term projects. There are no doubts that it brings a great uncertainty on the part of employees that work desperately in order to raise the probability of the next temporary contract in the framework of further project. In contrast to traditional structures of companies, individual employees can be dismissed immediately after their task is accomplished.

At the same time, network structure of enterprises enables relevant changes of the relation between employer and employee. While previously their relations were modified by labor code, currently we can contemplate that their relations are increasingly delimitated by commercial code. In practice it means a great elimination of fringe benefits as well as the fact that employees are responsible for their own personal development. Firms can hire these employees only if it pays off.

Not surprisingly, these transformation stimulate a large uncertainty namely for ordinary workers as well as middle managerial staff. Upper managerial staff and owners are on the contrary benefiting from the world of networks and

projects. Since these changes were introduced by increasingly influential private sector, it is not big surprise that last years witnessed also general decrease in income tax for enterprises and increase in income tax for employees in many countries.

Flexible forms of work are surely beneficial for firms that pay their employees just according to the time really spent at work. Obviously, flexible forms of work are much less beneficial for individual employees. Briefly, flexible forms of work are largely accompanied by a phenomenon called 'flexploitation'.

One of the most important features of above mentioned transformations are projects. Projects generally constitute a very powerful and frequented instrument of our period. In fact, contemporary development became a development based largely on projects. In contrast to the long – term strategies that are indispensable for developments of individual subjects as well as the structures of various kinds, projects commence, continue for a certain time and end. From certain point of view, projects contradict long – term strategic planning.

Projects are truly differentiated as they embraced virtually all components of human lives. What do they have in common is often only the label 'project'. At the same time, their sequence and logic of their succession are drawing on zero. In other words, the whole energy spent on many projects is often lost since new projects typically cannot utilize any single result of previous ones, just for the sake of illogical and practically arbitrary titles of individual projects.

To sum it up, projects with their inherent discontinuity go directly against uninterrupted development and possible synergic effects. Moreover, they enable to keep the large share

of employees in uncertainty, which facilitates their management considerably. Projects partly embody currently frequented preference of short-term thinking and acting just to the detriment of well-considered, long-term visions and activities.

Apart from already mentioned shortcomings occurring in general, projects in the realm of local and regional development bear also other connotations. Local and regional managements are compelled to compete for many projects that typically last only shortly. These managements lose their energy not only for the sake of this competition but also due to the heavy bureaucratical machinery accompanying many projects.

In case they get the project, they can concentrate on its fulfillment. Thus, after certain time, if they succeed in carrying out that project, they reach the desirable state in one or two components of complex local/regional life. But since the projects are largely uncoordinated, further problems may appear in other spheres of life of locality or region in question. Finance bound to the project are thus frequently spent in an inefficient way and positive changes of the quality of local or regional inner socioeconomic structures remain mere illusion. Continual local or regional development can be only hardly in consonance with contemporary practice of projects.

One of the most important features of projects is that they are frequently promulgated in a 'top – down' way, typically from state administration to self – governing structures. Central structures and incumbents have only a vague notion of the true needs of territories in question and they formulate certain problem areas, in which it is possible to write and implement

the concrete projects. It is not necessary to stress that these areas are often distant from real needs of given localities or regions. Thus, a village that builds tennis courts with night lightning and at the same time does not have a sewerage system completed is a typical result of current project era. Obviously, tennis courts in the village have been built in the framework of the project.

As indicated, projects are managed by central administrative structures. For them, projects constitute almost perfect instrument how to control self – governing localities and regions. It takes some hunting down to gain the project and that is why these self – governing structures will not be vigorous enough to be an equivalent partner to the state government. Project – oriented competition among various localities and regions leads to their further weakening in relation to the central power.

These subjects that are interested in projects and live close to the decisive central structures, often benefit from their relative geographical and namely social proximity. That's why their transaction costs are much smaller than these of more distant actors. Subjects living in central areas thus often get the project with higher probability, which further supports the processes of positive cumulative causation in central areas and rises the regional inequalities within the countries.

There are only little doubts that projects introduced new uncertainties for individuals, organizations as well as whole regions. And new uncertainties mean that these subjects and structures can be easily controlled and managed by central actors in individual countries. Under the pressure of globalization these central authorities are gradually losing

their power and that is why they utilize the opportunity to manage individuals, organizations or territories rather intensely.

4.7 Post – Fordist Individuals and Territories

Afore mentioned problems bear abundant macro-micro connotations, which is almost completely ignored. In reality, the world of networks and projects requires certain characteristics of individuals and subjects. Flexibility and mobility belong among the most desirable capabilities. On the contrary, these subjects that are deeply rooted in their households, communities or regions often play a minor role under contemporary circumstances as they are unable to respond to quickly changing market as well as non – market (that are however mostly derived from market ones) challenges.

Opportunism and volatility are the right characteristics for succeeding in omnipresent projects. Taking into account the massive influence of global forces, population yields to the intensity, quantity and complexity of social, economic, cultural and other factors and relations in daily reality since human senses were not constructed to perceive so great number of stimuli from the environment. This leads to the gradual losing of individuality and the growth of conformity. As a response, individuals finally became desperate, aggressive and selfish subjects that strive just for the accommodation of their own needs.

Naturally, networks and projects are supported by these subjects that crop the biggest benefits, i.e. subjects that act as employers or manage the networks. Uncertainty, which is an

inherent feature of networks and projects became somehow inbuilt mechanism of modern daily reality. ***And although media represent almost perfect tool of transformation of global forces into the form that affect human perception of the reality it is still not possible to drown the uncertainty in the floods of the notions, such as competitiveness, flexibility or deregulation.***

People that are constitutive to globalization can be ranked among principal winners of that process. Some parts of the population nowadays travel almost constantly around the globe due to their business and other interests. These people that might be called global population or ***glopulation*** or ***globhabitants*** are very mobile and volatile at the same time and can only hardly determine where their real home is. Nylons (i.e. people living in New York and London as if it would be one city) are just one of species of these globhabitants. Similarly to big transnational corporations, these globhabitants lack the responsibility for the places among which they travel as they can always move elsewhere.

While post – fordist individuals and subjects are to a greater or lesser extent mobile, territories remain immobile by definition. This fact also substantially affects the role they play within globalization. Individual localities and regions are perceived as territories that should be competitive enough in order to attract new investments. In reality, these areas only accept the costs of the multinational corporations. Multinational corporations decide about particular investment just according to the willingness and preparedness of the spot in question. In other words, territorial offer should be attractive enough in order to bait the investment activities of multinationals that search for location advantages on virtually global scale.

Naturally, for politicians, it is of crucial importance to preserve and increase the number of working places available. That is why they offer the multinationals a wide spectrum of various investment incentives, tax reliefs etc.; from different perspective, mobile and almost volatile multinationals to a certain extent blackmail the immobile regions and localities as they can always move to other places. Regions and localities – namely these of non – metropolitan character – thus became a kind of service zones for multinational corporations.

Even more importantly, non – metropolitan regions and localities currently find themselves under double pressure: it is an economic pressure that stems from the behavior of multinational corporations on the one hand and administrative – political one, which is derived from governmental principles at the level of the nation state. The latter is even stronger just vis-à-vis fading importance of the nation state in the global space and convulsive attempts to secure the power of central state authorities at the level of the nation state. And projects represent a very efficient tool how to curb self – governing initiatives.

From more general societal perspective, there currently exists a distinct trend towards the decrease of the middle class. This phenomenon is often accounted for by global socioeconomic processes. At the same time, spatial sciences register that the amount of regions, which responded to the wider economic-societal challenges successfully is growing but the same holds true also for unsuccessful regions that became the victims of these processes. The quantity of regions that react to new socioeconomic reality in a neutral way is nearly negligible.

It seems we are witnessing the process of creation of entirely new – spatial – projections of social stratification. In rich territories, the share of affluent and educated people is growing while in their poorer counterparts, the ratio of socially and economically deprived increases. Subsequently, some regions can be increasingly characterized as regions of wealth and opportunities while less happy territories became endangered by various socioeconomic problems. ***Geography of finance is thus transformed into geography of social strata.***

4.8 Atomization and Uncertaintisation of the Society

Societies progress through several developmental stages and similarly to organisms they start at relatively simplistic levels. Subsequently, societies organize themselves into the higher degree of complexity. Modern societies with intense division of labor, numerous expert systems and high level of technologies reached the high degree of interconnectedness and complexity. One should not omit, however, that all societal superstructures are derived from activities of human beings. So, in spite of the fact we are dealing with complicated economic, social, cultural and other spheres, demography talks.

People create the set of biosocial elements. Although they differ in their qualities and capabilities, we can still consider them as a relatively homogeneous group. This fact is determined by biological and genetic qualities constituting a common denominator for individuals. Individuals also bear

relative resemblance in the sense of similar outer interests conditioned by the urge to live.

Socioeconomic system or a society in a narrow sense is of semi – complex character. In this case we are entitled to talk about inner structure of the society. In comparison with previously depicted individuals this system is already much more heterogeneous. Differences in income, division of power or social prestige are generally much higher than differences in qualities and capabilities of individuals. Moreover, in many cases there is nothing like consonance between characteristics of individuals and their role within the society. Thus, justice can easily become injustice as justice applied is usually that of the privileged.

Finally, from spatial perspective, we are dealing with societal – spatial system which corresponds to the outer organization of the society or the organization of the society within environment. This is a complex system characterized by inner strong heterogeneity of hierarchical type (i.e. hierarchy of states, regions, cities or zones within cities). Initially, such hierarchy was determined by natural conditions and after certain time it started to be shaped by the society and its activities. Currently it is determined almost exclusively by societal activities. In comparison with previous systems, societal – spatial system is strongly heterogeneous. Structures, interactions and developmental mechanisms within and among societal – spatial systems are getting increasingly complex.

Figure 6: Relations among Societal and Governmental Subsystems
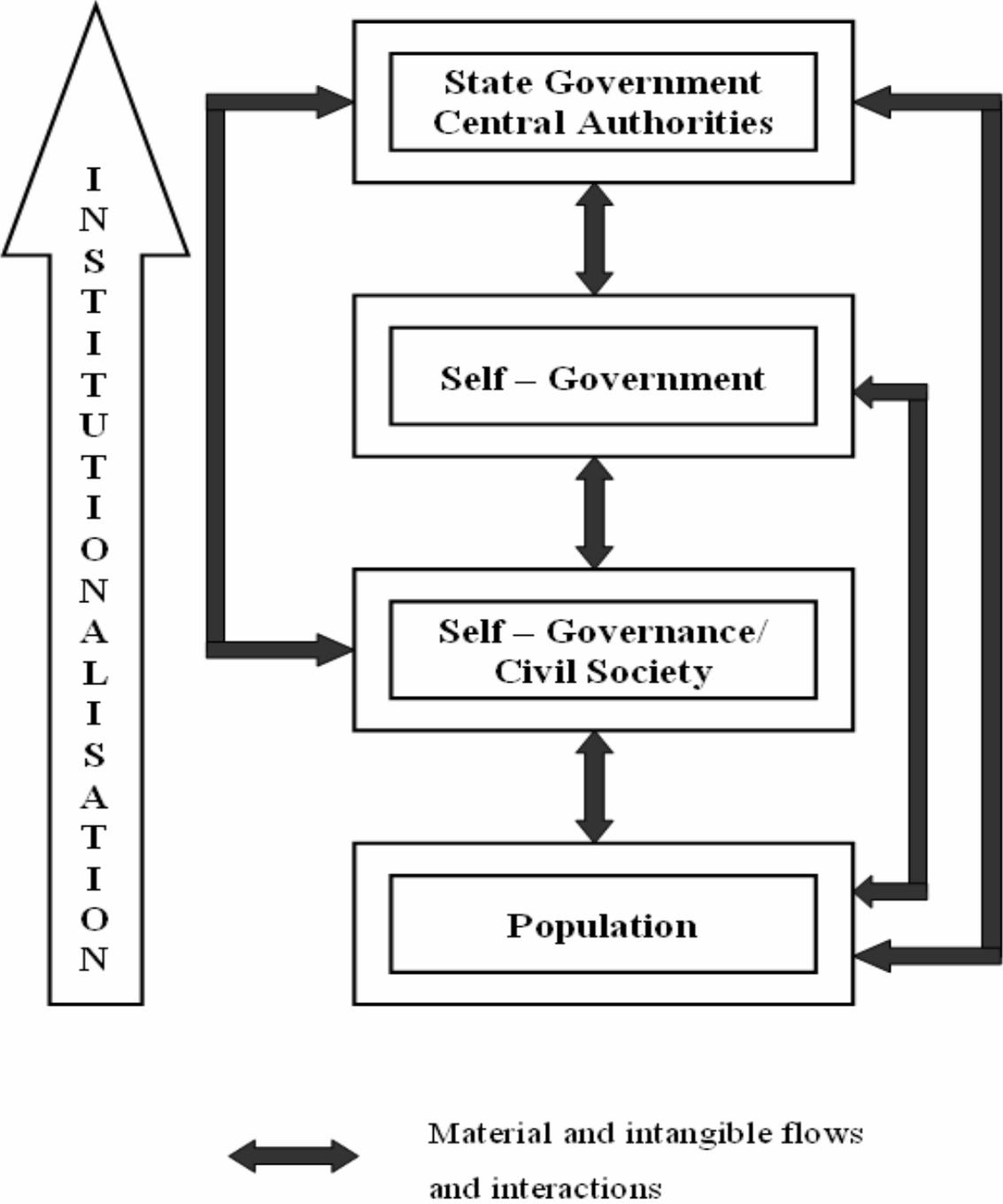
Source: Author's Illustration

Going back to the individual, we can contemplate that complex modern societies are more and more unjust in the

sense that destinies of individuals are almost irrespective of their capabilities and qualities. Semi – random character of life trajectories is delimitated already by the place of the birth as well as social status. While social position used to be decisive one in this context, space and place matter more and more.

The fact that individual is so strongly predestined by societal – spatial context is caused among others by the dissatisfactory state of self – governing structures in many countries. Apart from different and already thoroughly depicted functions, adequately developed self – government and self – governance also serve as a certain pillow that mitigates sharp and profound social and economic turbulences on the one hand and territorially – based disadvantages on the other hand.

When evaluating possible trajectories of individuals, one has to consider also a general decline in solidarity. Diminishing solidarity is one of the most distinctive features of contemporary society. Primary solidarity was inherent to original communities. These naturally evolved groups functioned as self – regulating systems that were kept in balance through the mobilization of their inner resources. Secondary, artificially created solidarity that works in the form of redistribution at the level of the nation state and through formal organizations gave rise to the welfare state. And welfare state is currently challenged by a post-welfare one.

Intense transformation of former welfare states into their post-welfare forms caused that less attention is devoted to the social problems. Big multinational corporations and affluent individuals pay less taxes, which is one of factors causing that post-welfare state is pretty lean and stingy from social point of view. This results in the situation that in many countries rich

get richer and poor get poorer. Currently, practically all traditional forms of solidarity are substantially weakened.

This situation in combination with already depicted uncertainty that penetrated virtually all aspects of life, multiplies the pressure and various kinds of requirements on individuals. Naturally, atomized and uncertain individuals can only hardly form local and regional milieu conducive to positive developmental changes. ***This leads to the situation that individual territories are materially and informationally interconnected but socially and psychologically superfragmented.*** Cult of individualism and individualization thus corrodes the cohesion of the space.

4.9 From the Stable Conception of Identity to the Fluid One

An individual becomes more and more involved in the process of increasing complexity and connectivity of the global world and finds him or herself submerged in myriads of various dialogues, debates and streams. The population is exposed to the widest variety of often contradictory factors and relations. The intensity, quantity and complexity of social, economic, cultural and other factors and relations in daily reality has a pervasive influence on human identities. Identity becomes more vulnerable to the influence of external factors. We can contemplate that not only the relationships between people and happenings transform, but the identities of people also undergo dramatic changes.

As already mentioned, in this monograph, we perceive the notion of identity in its essential sense, i.e. we concentrate on

identity from the individual perspective. Therefore, the identity is understood as the search for the meaning of the individual in relation to the self and to the society.

In the history, the amount of already mentioned 'disturbing forces' coming from outer world was quite limited (at least in comparison with contemporary dynamism). This implies that drawing on the individual's nature was not so difficult as nowadays. Undoubtedly, there was higher probability, that people will relatively easily identify themselves with their jobs, social relations etc. World was quite unchangeable, the pace of life rather slow and the development somewhat sluggish. Not surprisingly, the particular individual identities of that time could generally be described as coherent and stable.

With the globalisation drive the notion of identity has undergone some significant shifts. It is commonly called 'the crisis of the identity'. Identity can no more be fixed and this contradicts with the way identity was perceived before the development of globalisation. In contemporary socio-cultural conditions, it is asserted, an individual is forced to be in the constant search for identities, he or she can not stay committed to one and the same identity for a long period of time. From the postmodern perspective, the notion of identity is not valid any more. Identification with someone or something is not the feature that characterizes the postmodern individual. In order to express the dynamics of 'inner' human perceptions, it is pertinent to examine the 'outer' changes of reality.

In essence, all the problem of the individual's perception has two dimensions: Firstly, we examine the issue from the perspective of human reason. People created complex and

interconnected world, but they are unable to perceive the whole reality in its complexity. They are able to comprehend just segments or particularities of the reality. Contemporary reality can not be grasped by the reason of the individual.

Figure 7: Identity from Chronological Perspective
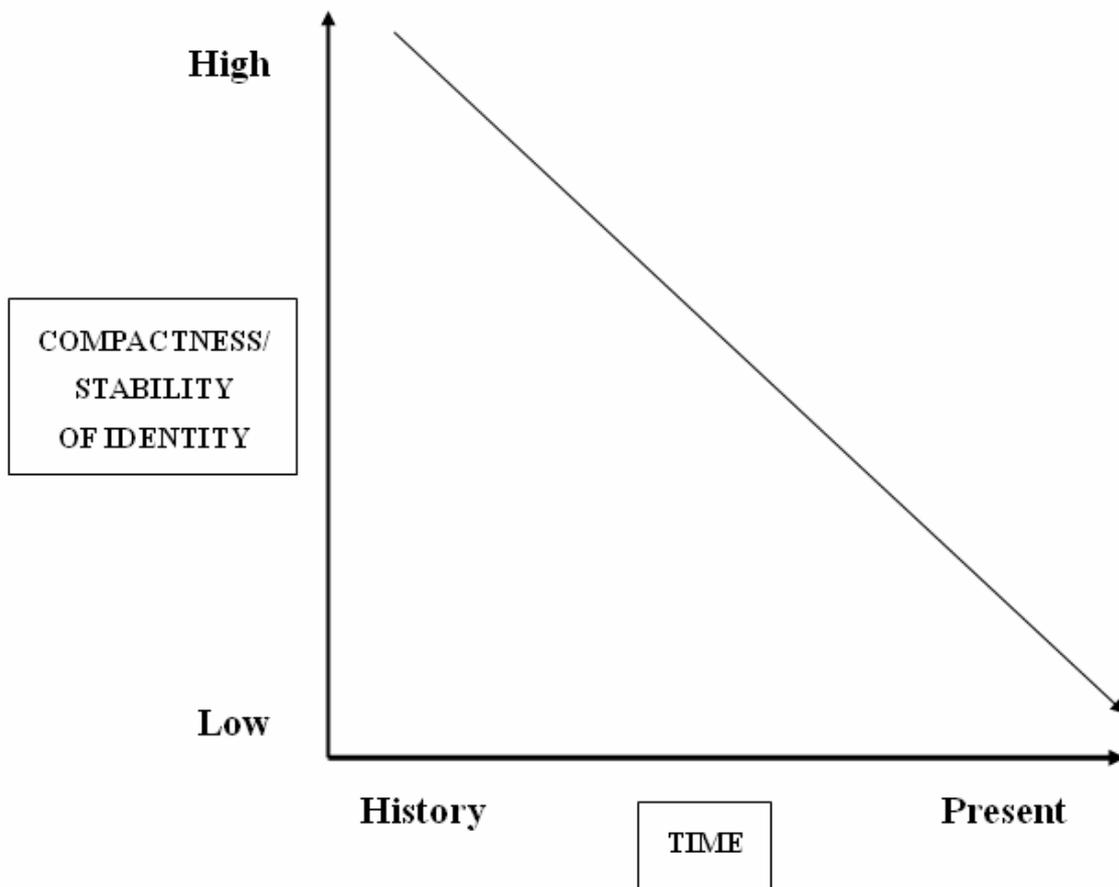
Source: Author

Secondly, we should focus on the question of the sensational reflection of reality. Senses can not adjust not only to quicker pace of life, but also to often illogical and fast sequences of pictures and noises produced both by real and virtual worlds. Our senses are not and can not be prepared to cope with

95

contemporary dynamism. The underlying cause is that they were not constructed from their nature to grasp so large number of stimuli that actually bombard us every moment. These raids were enabled and supported by the quick pace of technological development.

So, we can conclude that the substantial difference between the history and the modern global era is as follows: while formerly people found their identity (or more precisely approached their identity) with higher likelihood and exerted their reason and the nature, nowadays a majority of people resigned to the excessive and intensive stimuli of both real and virtual worlds. The attention of people is too disturbed with many emotions stemming from daily reality. They are unable to conceive the world and often nor the closest surroundings.

The way of thinking as well as behavior could not be transformed so substantially in the course of the history. Our spiritual perception is thus lagging behind the real material development. Overall orientation in the world becomes difficult more and more and human beings are embarrassed to express their own opinion (which is not easy to create, after all).

It is frequently and rightly claimed that globalisation is accompanied also by the transition from modernism to posmodernism. While rational orientation and discovery of meaning through the investigation of the underlying structures of the world around us are typical for modernism, the posmodernism is about a world of shifting surface. There is nothing as 'real', no ultimate meanings can be ascribed to the things and phenomena and reality is fluid.

5 Media: A One-Way Mediator

5.1 Media: More Than a Fourth Power

It is probably not necessary to remind that several powerful actors harvest the main benefits of globalisation. From this point of view, globalization is a very selective process. Gains (if any) of other actors are almost negligible in comparison with the group of influential players constitutive to globalization. Naturally, these actors that benefit from globalization intend to conserve status quo. One of the best strategies is to avoid the informing about crucial issues and to handle the attention of wide masses.

For this purpose, media serve in a very efficient way. As already mentioned media represent the instrument of transformation of global forces into the form that influence human perception of reality. It has to be added that media are not utilized merely by influential global players but also by fading nation states. Obviously, their motives are different: while global forces strive for economic profit, nation states would like to keep their power over regions and localities.

Not surprisingly, 21st century is commonly called the century of information. Informational needs currently represent such an important category that they are comparable with the saturation of physiological needs. Media – and no matter whether printed, such as newspapers or journals, or electronic, such as TV or radio – are undoubtedly the primary source of information. Media play a similar role as print in the period of the birth of nation states. However, technologies are currently much more advanced and sophisticated, which determines the role of media accordingly.

In the world, where the amount of information (as well as the other characteristics of contemporary reality) grows geometrically, it becomes almost impossible to detect the distinction between real informational needs and learnt, semi-artificial dependency on media information. All news have an attractive, colorful and non-boring wrapping, however, closer scrutiny usually reveals their almost negligible informational value.

We are also witnessing a formidable increase in the quantity of information. Information and reports are getting increasingly compressed and shortened. The number of the pieces of information in media grows substantially. Not surprisingly, they become shallow but very easy to swallow. Their informational value on average diminishes as media are penetrated by the trend called infotainment when form supersedes content. People are drowning in the floods of aggressive, noisy advertisements as well.

This development deepens the general passivity of people who are not required to use their own opinion, their own reason. They just perceive pieces or splinters of information without any connecting link. The mediation of experience by the means of mass communication is enormous, and its pervasive influence causes the substitution of the real world for the world of images, signs, and representation, when an individual no more gets involved in the relationship with the reality.

The mission of media is objective, accurate and unbiased depiction of reality. However, contemporary media can be already perceived as co-creators of the milieu we are living in.

Regarding the great and steadily growing interconnectedness of the world, media can show just selective cuts of complex reality. People are thus informed about the events but at the same time the media more or less conspicuously direct their behavior and the perception of reality. Many people even accept opinions presented by media in a very sophisticated way. *Agenda-setting, i.e. accentuation of chosen events or agenda-cutting, i.e. ignorance of selected happenings play increasingly important role in this context. Media are no longer mere observers of events but also their fashioners.*

At the same time, the possibilities to control whether media fulfill their mission, i.e. objective and unbiased coverage are practically eliminated, since there are not so many individuals that possess sufficient time and energy to check the primary sources of information and to verify the validity of media informing. Moreover, the quality of information itself is heavily dependent upon the way of interpretation and explanation of events or phenomena.

From territorial point of view, media constitute certain informational gate between inner, i.e. municipal and regional actors of territorial development and outer groups, such as visitors, potential visitors, investors, non-regional entrepreneurs etc. Local/regional politicians, institutions or entrepreneurial subjects strive for the attraction of media attention and address their voters, citizens or employees just by means of media. And vice versa, these relevant players of local and regional development get the important information for their decision-making through media again. Not surprisingly, media by themselves became relevant actors of territorial development. *Subsequently, rather than about mere territorial development, we are currently entitled to*

speak about media-territorial or directly meditorial development.

At the same time, media formed the environment that directs our everyday activities. Media influence the functioning of individual subjects as well as whole territories. In brief, individuals, enterprises or territories that do not appear in media are losing their existence in virtual world and become inconspicuous also in the real world. ***And what is important even more is that media image of the subjects or territories in question are actually formed in main editorial offices which can be geographically rather distant.***

If the territory in question appears in the media it still does not mean any victory since investors, tourists and the wide public are pretty sensitive on the composition of news about individual territories. If the territory is depicted in a positive way, it often lures the above mentioned target groups; vice versa, negative news repel these target groups and the territory can easily fall into psychological and economic vicious circle. Put succinctly, media in relation to territorial development do matter.

Media are becoming one – way mediators of the information from elite groups towards the wide public. From this point of view, multinational corporations and central authorities within individual nation state entered the strange alliance motivated by different reasons but directed into the same target group. The common denominator of these activities is that both global corporations and central state authorities have only a little interest in bottom – up activities of the population. On the contrary, obedient individuals that are moreover eager consumers are perceived as appropriate ones. And no matter

that nation states are inconspicuously and gradually eroded by global forces.

In democracies the media are often referred to as the fourth power. Media are now so persuasive and pervasive that they are able to shape the whole cultures and values. Their news programs are not merely reporting events but also helping to determine their course, which is increasingly and legitimately called 'mediocracy'. ***Briefly, media have formed the virtual universe and for many people it matters rather how the things look like than how they really are.*** As it will be seen, media constitute very efficient instrument for the formation of the phenomenon of consumerism and its spreading on a worldwide scale, which is beneficial namely for transnational corporations and partly also for central authorities in individual countries.

5.2 TV Reporting as a Powerful Instrument of the Formation of Virtual Reality

Any information needs a time for its putting into the appropriate context as well as for its comprehension. Only in that way it brings real informational value and fulfils its mission. TV has moved old borders and formed a new ones with regard to the speed of information and considering the relations with the other informational resources. Apparently, press is lagging behind in relation to the speed of TV. Naturally, it finds its reflections also from economic or market perspective. Internet as a relatively new medium is drawing on the speed of TV reporting but is not so persuasive yet.

TV constitutes a powerful medium of globalizing trends and is often viewed as an embodiment of superficial images functioning without reference and meaning. Events are assembled as a collage that underlines their heterogeneity and the absence of common base. News, for instance, can serve as the example of the collage: the events reported in a single short news program might share nothing in common but the date of happening. From this perspective we can blame media for being the leading factor in the dissolution of human identities.

TV reporting and news seemingly inform accurately and objectively. By means of the pictures on TV screen they are very convincing. Consequently, high proportion of people takes the presented information seriously. Only some of them are able to realize that such kind of reporting means just the display of quick and if possible amusing and shocking icons and assertions in a fast sequence. Reporting is rather compressed in order to keep viewer's attention. TV screen cannot be boring, therefore information follows information or advertising in a considerably quick pace. Viewer as a customer represents an important element for TVs from commercial point of view. Market relations are the principal ones.

Fast changes of pieces of information presented on TV virtually eliminate the possibility only to say something more serious. There remains no space for any deeper, serious, objective and accurate analysis in such a short time span. If someone wants to be informed more deeply, seriously, accurately or detachedly, he or she is compelled to search for more detailed information in the libraries. The next option is to interview the witnesses of the event or to find some other

'slower' sources. But what part of the population possesses sufficient time and energy to exert the above proposed approach?

TV reporting thus represents a mere notice to the event. But such type of TV reality is hardly legible. As mentioned, quest for the truth or decoding of this TV universe takes some hunting down. Not surprisingly, advertising goes very often under the name of information. If one is not professional, a really important information is hardly distinguishable in the infinite flows of notices, advertisings or amusing shots. To what extent are people able to evaluate the degree of objectivity of TV pictures? Media and the ways of their 'reading' should constitute an inseparable part of compulsory education.

The next feature of TV reporting is its propensity to misuse extraordinary and very often tragic events. Such events are transformed to semi-amusing and almost attractive TV series. Events are labeled by the slogan and inscription on TV screen which is very often accompanied by sonnet in order to increase the total impression. Consequently, wars, earthquakes, floods, murders and other bigger or lesser catastrophes are eagerly expected and passively consumed. Moral questions are silently swept under the carpet. Rather than text, people tend to consume pictures. And media are well aware of this fact.

Afore mentioned features of media cause that for instance terrorism is one of the most efficient activities. There are practically no fields or lines that could reach so huge effects with so small costs. Taking into consideration the pace of events in case of terrorist attack, reports finally bring just

several facts and huge heaps of emotions and conjectures. And the logic of terrorist acts misuses just the inevitable character of the reporting of those tragic events. Media are able to multiply the impact of every unusual or tragic event and made them more impressive. Terrorism would be much less efficient without engagement of media.

5.3 Media and Consumerism

As already indicated media represent a very efficient tool for consumerism spreading. There is strong encompassing consumerist behavior or directly consumerist ethic. In such society the notion of identity depends on the amount of money one can bring into the market. Status is defined by the brands and products one uses. Shopping, buying and consuming is the main way of expressing oneself and ones identity. But the consumption is not only about the needs. Brand symbolism, newness, appearance, fun and enjoyment are the norms that are exerted for the evaluation of commodities, people and interactions. This attitude is not in compliance with the rules of democracy and pluralism. Consumerist ethic and life-style are in sharp discord with the will to inform oneself and to think over information critically. Value oriented action is replaced by a certain kind of passivity.

There are only little doubts that contemporary society is a consumer society. While our predecessors used to live in a producer society, we are living in a consumer society. This means that members of current society are expected to act as consumers. Individuals are evaluated on the basis of their capability and willingness to play that role.

Market in connection with media stimulates people to act and think in a consumerist way. People are required and expected to act in a consumerist way in almost every social relationship. They are apt to satisfy only their own needs and yearn for products or services offered by advertisement in media. Natural desire recedes.

Impatience and impetuousness are the most desirable characteristics of consumers. If consumers are easily excitable and predisposed to quickly lose the interest they are ideal ones. As a consequence of this, the consumptive capacity of consumers can be extended substantially. The desire for the goods is the main principle of luring the consumers. This desire is closely interconnected with the promise of satisfaction and excitement. Consumers are simply hunting for pleasure and sensations. Naturally, ***possible saturation of human needs represents a true bane for producers.***

Human beings are thus forced to consume more than their real needs are. This takes place in sometimes more sometimes less sophisticated way. The power of advertisement is enormous. It is necessary to sell the service or product. Advertising artificially creates the demand for products and services. Subsequently, one can speak about forcing of the needs. In this context, ***it is debatable whether naturally-based demand still exists or whether the whole demand is already artificially stimulated.*** After the formation of the hunger for certain products or services media protect themselves and refer to the needs of the population.

It is also often claimed that the consumer market seduces its customers. But in order to do so, it needs customers who are not strong enough to prevent themselves from this temptation.

For customers, it is quite easy to follow and obey the advertising. It does require his or her own opinion or using the reason. In other words, ***weak identities constitute a true blessing for the run of the consumer society.*** Above mentioned listening to the advertising acts as a fuel of the efficiency of activities accomplished by media.

Globalisation brought also the intensification of economic competition. Rationalization strategies pursued especially by big companies caused that people are compelled to work more hours and with higher efficiency. Their leisure time is diminishing which results in striving for immediate satisfaction of their needs. From this point of view consumerist behavior can be seen as the behavior of rushing and absent-minded people.

5.4 Homo Consumensis: The Aim of Economic and Political Elites

Not surprisingly, less stable human identities became one of the underlying causes of the degradation of the values. Values gradually become empty shells, the voracity of marketisation and mediazation is mirrored by a world with less culture, less values, less reflexivity, less opinions. People lose their individuality and identity and hide themselves under seemingly safe shelter of conformity. ***And in the situation when individuals tend to behave in a conform way, hypocrisy is literally blossoming.***

The nature as a historical environment was replaced by institutions. In fact, once the nature and natural conditions determined the development of the society. In the course of

the history, both parties exchanged their roles. Institutionalized and rationalized society does not provide any fastening points to individuals searching for their own identities. As mentioned, this society is moreover currently 'enriched' by ubiquitous projects and networks. People as natural entities are missing fastening points in the darkly abstract, institutionalized and dehumanized world. Convulsive and desperate endeavor for finding our identity often leads to the membership in small groups of an extreme character. Having fluid identities or no identities people are becoming aimless and disorientated.

Subsequently, the majority surrender to the attacks of reality. Masses get increasingly tired, energy-lacking and passive. They act to certain extent in unified manner, lose their individuality and adjust to the general atmosphere. Such adjusting isolates concrete persons from their nature. By adjusting and resignation we suppress our nature, our capabilities. That is why the individuals are receding and behave in conform way. Conformity means in this sense acting in the way that most other people do. Former heterogeneity expressed in the plurality of behavior of individuals is replaced by the homogeneity of the behavioral conformity.

Our traditional living customs undergo considerable alterations just in view of time-space compression and increased pace of life. Events everywhere in the world grow older as never before. No matter, whether something happened a year ago, a week ago or yesterday – everything is far away, unimportant and we are indifferent to it. Henry Ford claimed already in 1916 that history is essentially nonsense and we do not need tradition. We want to live at the present and the only

history which is important is that we are creating today and now. That is why everyone who wants to be competitive enough in a contemporary world, must be mobile, flexible, variable and not bound by tradition.

Not surprisingly, such circumstances lead to the chain of causes and consequences resulting in the vicious circle of living without responsibility. Decisions are often short-sighted and aim to the mere satisfaction of the needs in a short run. The degree of utility determines the behavior. Deliberate concentration of this book on the reflection of certain, let us say less favourable aspects of the present could spread the pessimism. Sooner or later we should ask ourselves, what is the strategy for future sustainable development. The general answer lies in the communication of various entities. This does mean among others the participation in the decision-making. Communication is substantial part of well-running communities and shapes the space for the whole set of other development-harmonizing practices.

It seems to be absurd that in the era of high technologies and modern communication systems the real communication becomes increasingly difficult. Different interest groups pursue their own objectives. They are responsible just in the small territory bordered by their spheres of interest. Although in recent years we could contemplate the growing number of so-called 'win-win' situations that provided real qualitative move, it is not sufficient. Moreover, the way of thinking and acting remained essentially the same.

And going back to the leitmotiv of the subchapter, one has to ask why our homo consumensis is beneficial for global economic players and elites managing obsolete but somehow

still functioning nation states? The answer is relatively simple: bread and games keep the society satisfied and that is why there is diminished probability of the opposition to the central authorities within particular nation states.

Secondly, for transnational corporations, homo consumensis is a blessing for two reasons: consumers raise the profits of transnational corporations; naturally, these corporations widely utilize the advantages stemming from their positions of monopolies or oligopolies. Media and consumption culture deform the human nature in such a way that possible competition for main influential global players can only hardly grow in such kind of environment. People thus act as obedient consumers and obedient citizens. Such individuals are pretty distant from public affairs in general and even more from self-governing consciousness, feeling and thinking. *That is why both political and economic elites are enormously interested in assembly production of homo consumensis.*

Inability to concentrate on truly important issues is not supported only by the world of media. If we look into the offices of great corporations, for example, we can see big spaces that are separated either only symbolically or by transparent materials. These corporations have no offices in traditional sense any more. Officially, it is claimed that open spaces promote team spirit. The true purpose of these offices is to facilitate practically permanent control of workers that are represented by increasingly atomized individuals. Bosses can check their subordinates at almost any time and their subordinates either work or at least are forced to pretend that they work. At the same time, the concentration of these workers is intensely distracted by open spaces, which naturally leads to the creation of individuals, which have the

characteristics that are most required in current world: volatility, flexibility and inability to concentrate on relevant affairs. In other words, fluid identities are appearing more and more.

6 The Resurrection of Self – Governance and Self - Government

6.1 Spontaneous Fulfillment of Self – Governing Gaps

Profound social and economic transformations are naturally substantially transforming also the characteristics and the behavior of the population. However, since individuals differ they are not affected in the same way. So, while the majority of people behave in a conform – and from central authorities' and global economic players' perspectives – a desirable way, certain portion of the population does not adjust to unfavorable aspects of contemporary reality and responds accordingly. This has much to do also with growing individualization and atomization of the society and belonging to some community can alleviate that feeling.

Thus, we are witnessing a lot of phenomena, such as emergence of non-governmental organizations, new social movements, communitarianism, i.e. thinking in terms of communities or revival of holistic thinking. On the other hand, new forms of fundamentalism, religious sects as well as other organizations of extreme character emerged too. In an aggregate view, all of these movements strive for the mitigation of the current strains induced by global developments as well as a great distance of central authorities from real life in particular territories. Not surprisingly, these tensions manifest themselves mainly in regions and localities externally controlled by spatially and hierarchically distant powerful economic and political players.

The responses to present economic and political deficiencies strive for the move from current surfeit of efficiency to higher degree of solidarity and no matter whether social one or spatial one. In contrast to contemporary modernizing or post-modernizing tendencies, which are based on institutionalization and rationalization, above mentioned counter-effects are more deeply rooted and permeated by emotion. They actually endeavor to fulfill the self-governing abyss between central state management and policies and down-to-earth life of the majority of localities and regions. And the same applies to the mitigation of the dangers created by global market forces that hit mainly powerless regions and localities.

These human activities actually unconsciously return to the original situation before the birth of the nation state when naturally-based and in a bottom-up way created communities played the decisive role in societal – spatial development. However, the great problem of the civil society and other movements is their ad-hoc character. Their members were not elected in official elections and they represent informal, non-bureaucratical structures. At the same time, they exist alongside already established and to a greater or lesser extent mature self-governing structures. So, they should be hitherto perceived rather as an indicator of contemporary socioeconomic territorial problems than as official power entitled and capable to push the things forward.

So, as mentioned, permanent organizational self-governing structures are existing but they are not adequately fulfilled in many cases. This may be caused either by inferior human resources or by the insufficient manoeuvring space of these bodies in terms of finance and range of competences. The

latter is caused by system shortcoming or by central authorities curbing self-governmental initiatives. In case of human resources, self-governing and officially existing structures would desperately need the vigor of spontaneous movements. That is why non-governmental organizations and other activities of similar character should be much more involved in territorial self-government and self-governance. Contemporary territorial self-government forms a certain formal skeleton for the fulfillment of self-governing principles. Promotion of self-governing initiatives via officially existing self-governmental structures raises the probability of their success and forms the space for future creation of conscious self-governance.

6.2 On the Naturalness of the Return of Self-Government and Self-Governance

It is commonly claimed that self-government could fill in the gap between population and central state power. Self-governing structures could and should function as a spatial manifestation of democracy. Self-governments with quality staff and sufficient room in terms of finance and competences are based on the knowledge of the problems in given territories and direct contact with them. That is why we are entitled to talk about higher probability of harmonic solving the local and regional problems by local and regional self-governments. These self-governments are rather thoroughly controlled by local and regional communities that are well aware of their Achilles' heels.

It becomes increasingly apparent that contemporary socioeconomic and namely environmental problems can be

solved only through the utilization of something that might be called spatial feeling or conscious self-governance. Practically every day we can hear about formidable problems of socioeconomic or environmental character, however, their territoriality, i.e. occurrence in a particular place is only seldom mentioned. Social, economic and environmental programmes and measures that do not take into account the spatial nature of the problems they deal with are sentenced to the unsuccess. Support of self-governmental structures and natural creation of conscious self-governance in more advanced countries should be thus seen as one of territorial components of sustainable development. Conscious self-governance involves numerous positive externalities.

As already depicted, multinational corporations and globhabitants cannot be characterized by a strong responsibility to the places among which they tour. In contrast to them, living in the locality and region penetrated by sound territorial patriotism, which should be enabled and stimulated in a reasonable degree by all systems of territorial administration, means primarily territorially responsible living. Continuity is one of fundamental attributes of territorial self-government and self-governance.

Globhabitants and multinational corporations can be on the contrary found anywhere and at any time. Nonetheless, in reality they belong nowhere and time has a meaning only when calculating profits. Time-spatial context of their existence can be thus increasingly delimitated as 'anowhere', i.e. anywhere and nowhere and 'anotime', i.e. anytime and no time.

Self-government and namely self-governance and their principles also directly contradict with 'not in my backyard', i.e. NIMBY approach, which is frequently referred to as one of pivotal hindrances of sustainable development. NIMBY approach is symptomatic namely for former socialist countries beset by their history. During socialism, everything connected with the sphere of 'private' was strongly suppressed. Finally, the imbalance between private and public sectors manifested itself in desperate efforts to protect everything that remained private and the general philosophy of people could be expressed as follows: the things that are behind my threshold do not belong to me.

However, it must be added, NIMBY approach nowadays hits also western countries, in which the general interest in public affairs is steadily declining. In contrast to the transitional counterparts of the western countries, this is not the result of historical developments but rather a consequence of already thoroughly depicted modernizing trends that concern virtually all societies and communities.

As already indicated, in spite of the rising degree of communication and other technologies, the real communication among human beings is difficult more and more. In a rationalized world penetrated by media, listening to the others and empathy are perceived as practically useless activities, unless they do not promise some profit.

Reinforcement of territorial self-government as well as other types of self-governments means the stimulation of the communication among people as a necessity for smooth management and running these entities. Such kind of communication within self-governing structures cannot be

mediated by definition; on the contrary, it is a genuine communication for the sake of common interests and spatial and social proximity of the parties or subjects in question.

Properly working self-governing structures represent also quite an effective defense against omnipresent expert systems and isolationism of various subjects as well as professional bodies. Local and regional problems do require complex solutions and that is why territorial self-governments can act as very efficient platforms of experts from different fields of specialization. These experts generally solve rather abstract issues on a very large territorial scales and fragment already fragmented reality even more, in fact. However, territorially limited (although interconnected) local and regional issues literally call for the application of multidisciplinary approaches. Usual down-to-earth character of these concrete problems in particular territories partly eliminates the peril of multidisciplinary superficiality and clumsiness so typical for the solution of 'larger' issues. From this point of view, local/regional self-government and future conscious self-governance do represent a desirable new synthesis.

Naturally, it does not mean that we educate 'universal professional' for local and regional development; on the contrary efficient communication should be accompanied by the division of labor and specialization since progress can be more likely accomplished in that way. At the same time, division of labor and specialization works properly only if there is mutual communication facilitating complementary and synergic effects within individual regions and localities. Efficient communication is best achieved in conducive local/regional milieu. Local and regional communication

platforms of different specialists represent one of possible ways of sustainable territorial development in the future.

The next issue is closely connected with the phenomenon of unintended impacts or unintended results. This phenomenon consists in the fact that behavior of the individual or subject in general is motivated by the principle of the maximization of the utility or profit and minimization of the hardship or costs. The subjects behave in accordance with this rule. However, what is beneficial for one subject is not necessarily beneficial for the whole society.

If many people start to accomplish the activities, which are beneficial in individual cases, we can get the result which harms all individuals involved. Not so long time ago, when only a couple of individuals possessed the car, they could enjoy big and easy mobility. Mere fact that an individual was owner of the car of any brand, raised his or her (although this was only a rare case) social status. When the car became more or less a mass product, traffic jams reduced the owner's mobility on the one hand and by far not all car brands nowadays ensure the higher social status to the owner on the other hand. *So, if the successful strategy is implemented by higher number of people, final result can easily harm all applying that strategy.*

As a prescription to the cure of unintended impacts of our activities, we can quite frequently hear the motto 'think globally, act locally'. It has to be stated that this rule can be fulfilled only if there is the adequate space for self-government and spatial feeling developing into conscious self-governance. We can think globally provided that we are free and have sufficient sources to act locally.

6.3 Personnel Issues Related to Self-Government

Appropriate territorial self-governments concern also institutional personnel and politicians since the performance of all important structures that influence our lives is based on the quality of human resources. Every upward or downward movement of personnel is accomplished via hierarchically organized system of ranks. Therefore, it is desirable that people working at the central state administration or government positions would be well acquainted also with local or regional levels of administration or government.

Comparisons show that successive 'bottom-up' approach on an axis municipality-region-state acts as a certain prevention of the failure in an important post of state administration. Naturally, these that were capable to manage municipality or region will probably handle the problems at the central level better than placemen that get the position on the political basis. Many politicians of the world rank followed the way of gradual promotion that equipped them very well. Thus, Bill Clinton worked as a governor of Arkansas, Gerhard Schroeder was the head of one of German Länder and Jacques Chirac worked as a mayor of Paris.

The Peter principle explains the upward, downward, and lateral movement of personnel within a hierarchically organized system of ranks. It states that members of a hierarchical organization are in the course of time promoted to their highest level of competence, after which further promotion raises them to a level at which they may become incompetent. Such a level is called the employee's 'level of

incompetence', at which the employee has a dismal or no chance at all of being promoted any farther, thus achieving the ceiling of his career growth within a given organization.

This Peter principle should serve as the natural filter of personnel upward movements. However, in countries, where the system of promotion is not a gradual one that principle cannot work at every level of administration or government.

Moreover, high central posts are often of 'hereditary' character and incumbents endeavor to keep the status quo. This fact may weaken feedback principles substantially. Central administration could become an isolated island that has only a little notion of the reality in different parts of the country. From this perspective, an inflow of people that proved to be competent at local or regional levels into central administration is almost indispensable. These people became acquainted with management of territories of lower rank on the one hand and are more open to the feedback mechanisms from lower territorial degrees on the other hand. In other words, properly working self-governments facilitate also the management at the level of the whole country.

The great advantage of territorial self-governments is that local or regional communities know their representatives better than these at the central level. Moreover, elected representatives do not make their decision-making in big and anonymous spaces but in concrete places. This fact substantially facilitates the control of their decisions and rises the responsibility of territorial managements in relation to their voters.

In contrast to often distant central governments, local and regional self-governments are well aware of the problems of their territories and can check their developments better just for the sake of their generally smaller size. There is also higher probability of the identification of territorial self-governments with their territories.

Last but not least, cohesion and development of the whole countries is fatally dependent upon the cohesion of their individual parts, i.e. regions and localities. And local and regional self-governments are the most pragmatic forms of territorial management.

There are numerous arguments that defend the existence of regional policies. However, from economic point of view, we can barely hear about simple economic calculations that motivate the existence of regional policy. Usual talks about solidarity do not reveal the whole truth, since in case that the demand is spatially more or less evenly (i.e. taking into account the spatial distribution of the population) spread, it means more investments and other stimuli for the whole national economy. In case of centralization, when finance are allocated in one or a couple of centres, the demand of the whole country's territory cannot be naturally so strong and cannot be distributed in accordance with natural developmental premises of the territory and its settlement system, which is detrimental for entire national economy. The existence of strong self-governments promotes spatially more adequate and just distribution of finance.

Similarly to the realm of economy, we can contemplate the beneficial impacts of sound self-governments also in social and environmental spheres. In case that social or

environmental problems are a remote ones, no one strive for their remedies. However, if they touch us personally (and no matter whether we see smoking chimney or we do not feel safe on the streets), we are more stimulated to solve them. Self-governments thus actually monitor and solve territorially delimitated problems and in contrast to state authorities they are often eager to act in order to improve the situation that can be observed with their own eyes.

6.4 Vanishing Borders: The Disappearance of the Artifact

In spite of the fact we are dealing with economic, social, cultural and other factors and structures, we cannot omit the importance of demography. Various kinds of territorial structures get their meaning only through their contextual connection to the population. The number of inhabitants in the given territory always constitutes very important factor for the description and explanation of spatial socioeconomic developments. This is mainly due to the fact that various activities are always connected with the population present in the given spatial framework. The number of inhabitants can be thus perceived as an approximate indicator of the volume of activities in the analyzed area and various territorial policies should take it into account.

Apart from above mentioned societal structures, we have to consider also the phenomenon of borders. As already mentioned, borders and their characteristics and manifestations can be perceived as one of the most important indicators of spatial development. ***Borders are not inherent to the space, on the contrary, they represent an artificial***

product of human activities. And borders also get their meaning in the wider context set by spatial distribution of the population or the settlement system.

Initially, there existed no official borders and the phenomena of physical geography, such as mountains or rivers played the decisive role in shaping the space and population activities. Later on, concurrently with the development of the society and sharpening various interests, people invented borders. It turned out, that borders played one of decisive historical roles in many realms of human activities.

Before the birth of the nation state, the importance of borders was rather symbolic. As already mentioned, initiatives of self-governing character were prevailing and boundaries had generally much lower relevance than today and namely in the last two centuries. Phenomena of physical geography were often utilized for the creation of borders and they started to be guarded more permanently but in no way systematically in 13th century. Typically, there existed rather wide boundary strips than exactly delimitated border lines. Moreover, these boundary lines were overlapping very often. From the modern point of view, the demarcation was of rather inaccurate character.

Taking into account the prevalence of locally-embedded communities as well as self-governing towns, the population was rather immobile. Generally, social and economic interactions within space very pretty low as a consequence of underdeveloped or nonexistent means of transportation. This fact also contributed to rather symbolic than real function of the borders that were not protected on their whole length.

Industrialization and the emergence of the nation state brought a certain spatial revolution as centralized nation states were formed, which involved also strictly delimitated and rigorously protected borders. Capital cities became the power centres of newly formed nation states. At the same time, the infrastructure commenced to be built in accordance with spatial profile of political power. ***While capital cities and their surroundings became the principal territorial winners of the birth of the nation states, severe marginalization strongly beset the border regions in both economic and social terms.***

Border regions typically suffered from the lack of interactions and communications with other spaces. Great transaction and transportation costs often reflected this unfavorable state. ***So, while fixed national borders were beneficial for central state power, they became a true bane for many border regions and localities.*** In contrast to general opinion, border areas initially had quite a great share on the population, area as well as economic sizes of the nation states in question, however, in the course of time they became economically depressed and socio-culturally isolated.

During 19th and 20th centuries, border areas became to be known as territories distant from the centres, territories sparsely populated and with limited infrastructure and communication linking to the rest of the country and territories that were generally at the bottom of governmental priorities (unless there was a hope to gain further border areas of other nation states). Not surprisingly, border regions developed themselves into distinctive type of problem territories. Generally, we are entitled to call them alienated territories.

Figure 8: Importance of Borders from Chronological Perspective

History   Nation State   Today
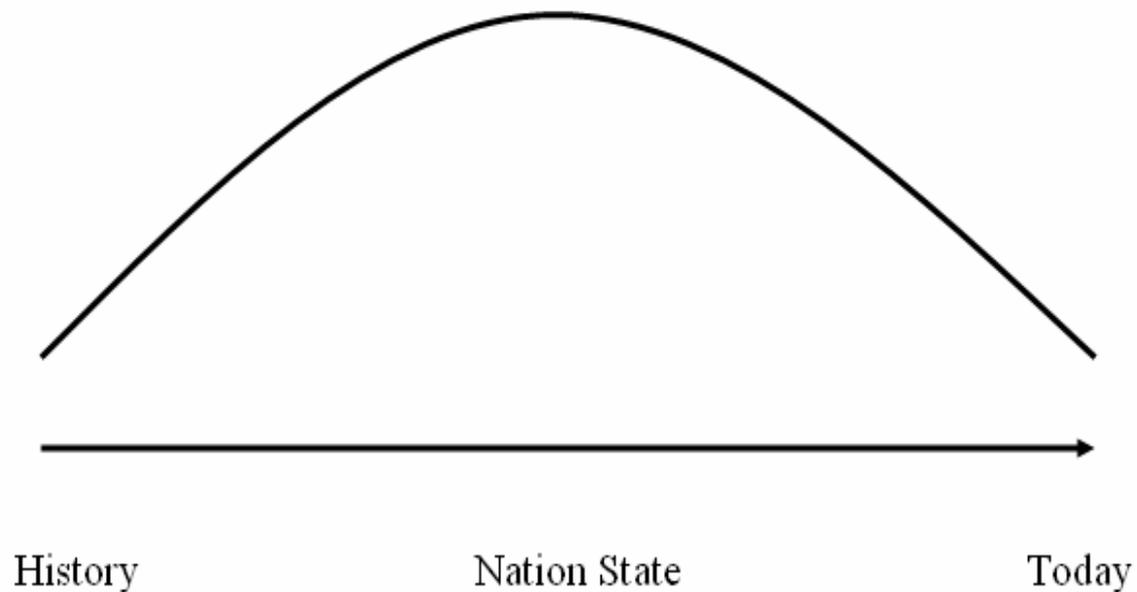
Source: Author

Briefly, frontiers acted as barriers that interrupted natural spatial interactions on the one hand and marginalized extensive regions within the nation states on the other hand. As underlined, borders are an artifact. However, the impacts of this artifact were formidable ones. Apart from some advantages, borders largely mean physical, economic, political, legislative, social and cultural barriers that distort natural developmental premises of namely frontier territories.

Current gradual disappearance of the borders is very well observable namely in European space. However, it has to be stated that vanishing boundaries will have complex impacts on the territories beset by long-term functioning of strictly protected state borders. Apart from the advantages that result

from opening the borders, the regions have to be prepared to cope with sharpened spatial competition and their strategic developmental plans have to be well prepared.

So, vanishing border should be seen rather as one of the conditions of the return to the natural spatial developmental trajectory than a panacea. Nonetheless, in case, there is sufficient manoeuvring space for local and regional self-governments, positive factors of open borders will prevail in the longer run. Open borders represent one of critical conditions for the stimulation of the endogenous potential of self-governing regions and localities. And as already mentioned, endogenous development represent the right way for more harmonic and balanced territorial development in the future.

Opening the borders can be perceived also as giving a new chance to the regions that were discriminated in the epoch of the nation state. Naturally, borders cannot be eliminated en bloc and absolutely, they will exist in a modified form enabling their easy penetrability for the sake of general increase of socioeconomic interactions within the space. In any case, we can see with our own eyes that borders in the European space are getting softer nowadays.

Next problem consists in the fact that in spite of generally sound and desirable developments in the sphere of borders that loose their physical importance, numerous frontiers of psychological nature are still remaining in the heads of population.

Table 4: Borders and their Characteristics

Period	Depiction of the Borders	Mobility of Persons, Goods, Energy and Information	Shape and Character of the Border
History	Vaguely delimitated, high penetrability, partly guarded, partly overlapping borders due to the inaccurate delimitation, physical geography matters	Low intensity of mobility	
Nation State	Exactly delimitated, low penetrability, strictly guarded, shape of borders given by administrative-political decisions and international relations	Medium and large intensity of mobility, however borders acting as barriers and filters of spatial interactions	
Present Tendencies and the Future	Exactly delimitated borders, high penetrability, lower protection, there is still the possibility to protect the borders any time, partly overlapping borders due to the intense spatial interactions	Great intensity of mobility, borders do not stymie spatial interactions and flows in border areas	
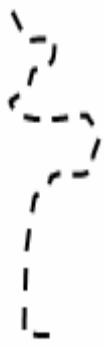
Source: Author

These psychological borders were developed namely in last two centuries which corresponds to the existence of the nation state. Moreover, the redress of these psychological borders will take quite a long time of two or three generations, since formal institutions can be changed practically immediately and informal ones tend to last for a longer time.

It is rightly mentioned that nation state had a direct connection with numerous international war disasters as well as internal catastrophes, such as ethnic cleansing, for instance, within the nation states. However, we can hear only rarely that nation state suppressed original self-governing entities and deformed natural spatial interactions and flows substantially. And it has to be stressed that the cure of these spatial deformations or return to natural spatial developmental trajectories will take longer time.

Currently, the vast majority of territorial managements is of vertical/hierarchical nature. Vertical partnership is a nickname that euphemistically expresses the hierarchical relations among institutions that typically cover different territorial sizes. Vanishing borders and adequate self-government open the room also for more horizontal territorial relations and territorial management that cover approximately the same or similar territorial sizes. In that way, hitherto largely empty notions of partnership and subsidiarity can be fulfilled as horizontal partnership is a genuine one. Horizontal partnership leads to the higher socioeconomic stability of the space. Moreover, getting to know each other through transboundary co-operation also softens the edge of potential conflicts. However, trust and mutual will are necessary preconditions for a truly efficient fulfillment of horizontal territorial partnership.

6.5 Towards the Higher Rank of Spatial Order Supported by Conscious Self - Governance

In the epoch of pre-industrial society, one could find quite a great plurality of self-governing entities. This reflected the fact that self-governance is inherent to original social structures that gathered into various communities in order to facilitate their survival. For that stage that might be called 'unconscious self-governance', natural, bottom-up management was typical. Mobility of the population was strongly limited and people mostly did not reach much beyond the place of birth. People were living in a relative informational isolation and spatial socioeconomic and cultural interactions were rather weak and rare.

Principal transformation was launched during industrialization when population became more active in relation to its surroundings. Agrarian societies permeated by communitarian spirit were gradually replaced by mass societies. Mass societies meant the breakup of original communities. Mass societies were actually composed of alienated and atomized individuals. The inconspicuous move from self-governance covering smaller areas to state administration managing the territories of nation states was initiated.

The ascent of the nation state broke many original communitarian local structures. For nation states, top-down management of the country became symptomatic. This substantially simplified the management of individual localities and regions. Original self-governing relations and structures were strongly suppressed and subdued in order to comply with the intentions of central state authorities that

constituted new territorial elites and principal winners of the emergence of the nation state.

However, nowadays it becomes apparent that nation state is a rather obsolete entity and loses its position vis-à-vis globalization as well as some other processes. Original self-governing entities and towns turned out to be mere historical episode and after a couple of decades or even sooner the same may happen to currently existing nation states. There are no doubts that nation states gradually lose their former importance.

Globalization is often referred to as the mayor source of the decay of the nation state. Globalisation links territorial entities and subjects on the worldwide level. From spatial point of view, it represents a continuation of previous developments since similar shifts could be observed in the past. They concerned the interconnection of smaller territorial entities, i.e. they involved the shift from communitarian or local level to the regional one, from regional level to the national one and last but not least from national level to the international one. *Interconnected space is one of pivotal reflections of the fact that we witnessed more economic, social, cultural and technological changes during last 50 years than during the whole previous history.*

Globalisation undoubtedly constitutes the culmination of modernizing tendencies and from territorial point of view, it brought the higher rank of spatial order and interconnectedness. However, for globalisation, frequent turbulences with intense local/regional impacts are typical, which becomes dangerous mainly in view of the fact that globalisation works as a certain kind of reversed subsidiarity.

Put succinctly, globalization cannot be separated from localities and regions.

It is worth noticing that globalization does not have a management. Naturally, this is detrimental for the general societal-spatial stability and harmony. That is why self-governments composed of formal structures with regionally and locally elected representatives should be fortified as a certain territorial watchman of negative spatial impacts of globalization. Self-governments are desirable also in view of the decaying nation state and spasmodic attempts of central authorities to secure as much political-administrative power and finance as possible. ***Localities and regions, which are usually undernourished as for their self-governing room, are currently exposed to the turbulences of global markets on the one hand and caprices of state power on the other. This peculiar amalgam embodies the principal dangers of non-privileged territories.***

Nation state that stimulated numerous negative developments, is currently embraced by a great fatigue. Moreover, nation state is beset by numerous problems and that is why it raises the pressure on individual localities and regions as an exclusive sources of taxes and subsequently also the survival for the nation state. So what are the pillars that would direct semi-chaotic global processes in socially desirable way? The answer can be derived from the contents of the monograph and sounds as follows: local and regional self-governments enjoying adequate manoeuvring space in terms of both finances and competences. In contrast to historical self-governing forms, for territorial governments, formal administrative structures are typical. This is very advantageous as adequately arranged formal structures bring

numerous synergetic effects and facilitate the concentration of autonomous energy in a desirable way.

Formal self-governments should be fulfilled in order to create the conditions for the return of self-governance in higher, conscious form. Territories simply cannot avoid the natural developmental trajectory and the stage of sound and conscious self-governance can follow only after the fulfilment of formal self-government. Highly formalised structures of the nation state require their self-governing equivalent, i.e. formal self-government.

Moreover, direct jump into the stage of conscious self-governance is neither natural nor desirable. Adequate fulfilment of formal self-government is largely democratic process as it happens through more or less democratic elections and results in officially existing formal structures. This eliminates the danger of the creation of semi-legal or illegal entities. In case that formal self-governments work properly, the room for future conscious self-governance based also on numerous intangible components is open.

Mafia story can serve as a perfect historical warning, what may happen if formal self-government is suppressed. Mafia at the beginning actually replaced the weak or non-existing official self-government in southern Italy. Such kind of jump directly into informal solution of territorial problems finally turned out to be rather sad. Formal skeleton of self-government directs bottom-up vigour in much more harmonic way.

Descent of the nation state is objectively perceptible. Rising abyss in the field of spatial management can be adequately

fulfilled only by self-governing structures. The concept of civil society, which is currently in vogue, is so extensive that it becomes nearly omnipresent. At the same time, that concept often lacks the contents. That is why, the civil society, which is in fact largely about conscious self-governance, should devote its energy namely to territorially sensitive, genuine bottom-up activities that lead to the real local or regional development and general territorial cohesion.

Conscious self-governance constitutes the natural stage based on the evolution to the qualitatively higher territorial order. This means partial return to self-governing roots at a qualitatively higher degree as we have to take into account concurrently existing intense interactions linking the whole planet. Resurrection of natural self-governing principles that are inherent to human nature in the form of official, conscious self-governance would mean the mitigation of contemporary territorial tensions at local and regional levels. Global forces and nation state managements that are both of top-down nature do need a complement and balance in the form of territorial self-governments functioning in a bottom-up way.

Thus, for conscious self-governance an organic territorial responsibility based on democratic principles is typical. More importantly, debureaucratised conscious self-governance means also less financial burden related to the management of the territory – and spared finance can be allocated to the needed activities.

Naturally, the stage of conscious self-governance cannot be reached immediately. Low level of technological development in the era of unconscious self-governance caused that original communities lived in lesser or higher isolation. Undoubtedly,

an individual would be barely capable to survive without belonging to some community at that time.

Table 5: Evolution of Bottom-Up Territorial Managements

Phase	Character	Institutionalization
Unconscious Self-Governance	A genuine self-governance, fits well into local conditions, which are strongly differentiated	Weak
Formal Self-Government	Institutionalized, fulfillment of bureaucratized structures	Strong
Conscious Self-Governance	Multipolar, flexible, pragmatic structures	Weak; developing institutions of different types, such as noosphere.

Source: Author

Contemporary intense interconnectedness of the world that is based on technological advances strongly supported the influence of individuals. They can easily live in some remote place but may have an intense influence on important processes at the same time. That is why there is a distinct need for the creation of multipolar, conscious self-governance adequate to global conditions.

At the same time, it must be mentioned that we are obliged to form an adequate conscious self-governing model based on democratic principles. And since contemporary

socioeconomic conditions can be briefly depicted as turbulent ones, it will arguably take a longer time. Conscious self-governance model should be well structured in order to precede the chaos.

Formal self-government of democratic type is hitherto probably the best of all bad forms of government. That is why the adequate fulfilment of formal self-government constitutes the principal question of the day and supports the way to the future conscious self-governance. This is in compliance with territorial developmental spiral.

Last but not least, *it has to be reminded that some territories, such as western countries can be found higher on the territorial developmental spiral than their transitional counterparts.* These differences can function beneficially for drawing on the conscious self-governance as less developed territories can be motivated to reach (or to draw on) the level of more developed ones provided that it is feasible.

In case that optimistic scenario will materialise and the stage of conscious self-governance will be reached, we can expect the stage of truly sustainable territorial development. Sustainability should be comprehended as relative balance between material and intangible spheres of our lives. While in the sphere of material components of the world we are talking primarily about relocation of the goods in compliance with spatial distribution of the population and natural developmental potential of individual territories, spiritual domain concerns namely the creation of noosphere, i.e. collective consciousness of human beings that follows after the organisation of inanimate matter, i.e. geosphere and biological life, i.e. biosphere.

Figure 9: Territorial Developmental Spiral
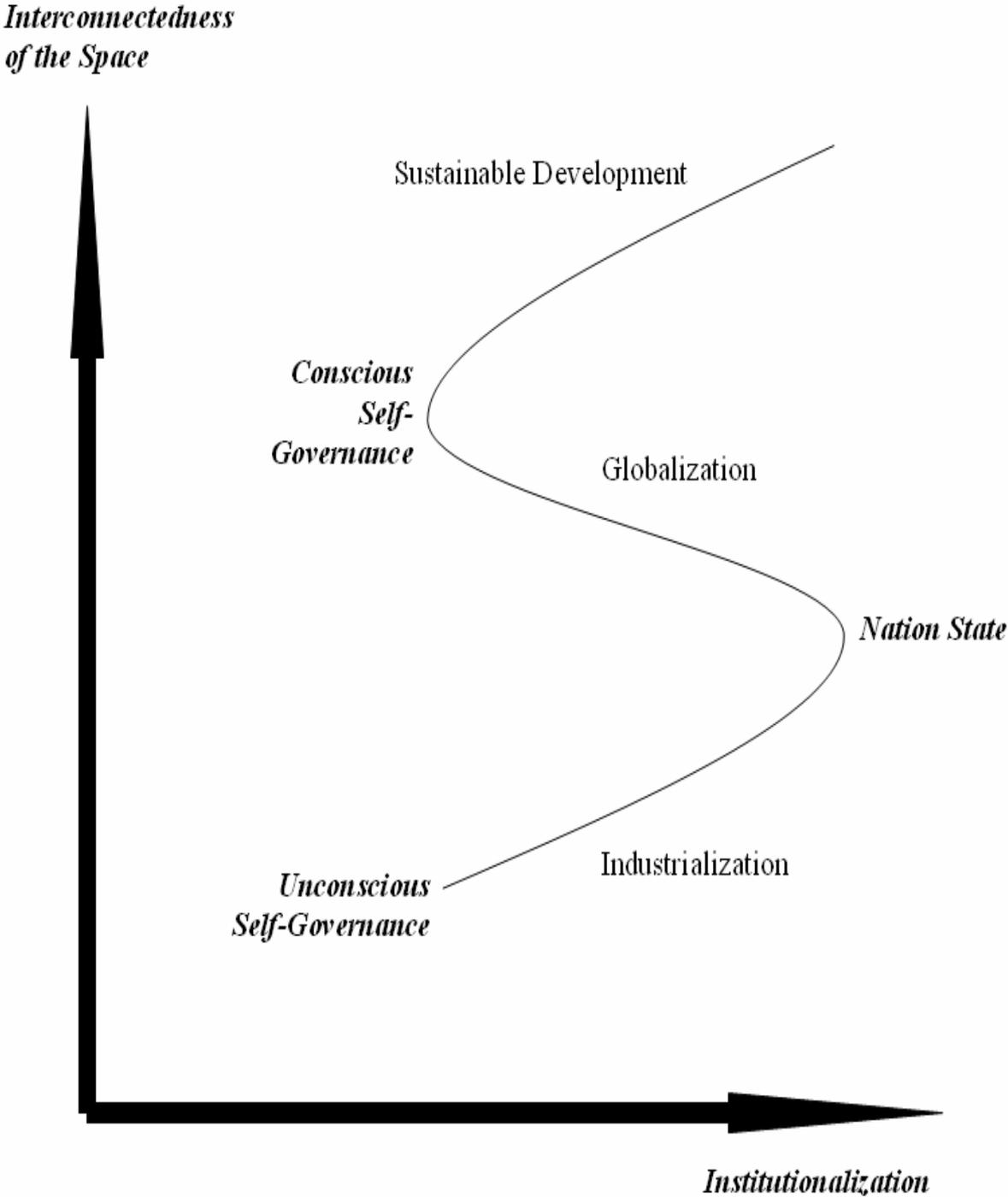
Source: Author

The distinctive feature of conscious self-governance is that it concentrates not only on material aspects of our lives, which is

common nowadays, but also on spiritual components of our being. Conscious self-governance tends to the desirable balance between 'to have' and 'to be' principles and forms the adequate space for positive atmosphere – and subsequent pleasant and harmonic life – in the territories concerned.

Table 6: Individual Processes within Territorial Developmental Spiral

Phase/Process in Territorial Developmental Spiral	Territorial Management	Relation between Society and Environment
Unconscious Self-Governance	Bottom – Up	Society Directed by Environment
Industrialization	Both Bottom – Up and Top – Down	Environment Directed by Society
Nation State	Top – Down	Environment Directed by Society
Globalization	Top – Down	Environment Directed by Society
Conscious Self-Governance	Bottom – Up	Environment Directed by Society
Sustainable Development	Spatially Coordinated and Harmonic Bottom-Up	Society in Harmony and Synergy with the Environment

Source: Author

Conscious self-governance is beneficial also due to the support of the spaces of harmony. These spaces reflect the solidarity of people with their territory. In case that a critical

mass of people in the given territory thinks and acts in a positive and territorially-conscious way, they form the spaces of harmony existing at the intersection of natural territorial characteristics and preferences of the population inhabiting the territory in question.

Critical mass of people always has 'a contagious effect' to the rest of the community in the given territory and pulls previously undecided individuals in the major direction. In that case it is a positive thinking and acting in relation to the inhabited territory.

These people are truly embedded within their areas and charge them with patriotic feeling and public responsibility. And since every territory bears some specific features, strongly differentiated and motley spaces of harmony altogether form sustainable and cohesive space.

From wider perspective, we are entitled to talk about *mutual exchange of positive energies between people and their environment.* This synergy stems from the fact that territorially bound population behaves consciously and positively to the surrounding environment while taking into account its genius loci.

The environment adopts a positive energy of the population, which is based on the admiration of the landscape and soil as well as the layers of the history. Conscious self-governance stresses the value of local/regional milieu. Vice versa, positively charged environment emanates positive energy back to the people. In that way, synergy and harmony between local/regional societies and local/regional environments can be

formed. In other words, when we plant kindness, we harvest love.

7 Instead of Conclusion

7.1 General Evolutionary Tendencies

As it could be seen, self-governance is a notion, which is inherent to spatial development in general. Local or regional cultures are integrated and manifest their activities in a 'bottom – up' way, naturally, thus creating a certain local or regional civilization circuits. These local and regional circuits correspond to the natural species since they are culturally deeply differentiated and occupy different spaces that are in compliance with their nature and behavior on the one hand and co-create these spaces on the other hand. Naturally, localities and regions formed in this way are naturally and quite strongly integrated.

Similarly to animals, human beings also gather in order to survive. However, in animal world, the power is enforced by violence; on the contrary, people created democracy that differs them from the animal world and which is at the same time the basis for the self – governance and manifestations of autonomy. Territoriality is simply one of cardinal substances of our lives.

Individual self-governing entities actually act as the organisms of higher ranks. Synergy of individual activities is visible namely in naturally formed and integrated communities. These territorially delimitated communities follow the behavioral pattern of particular organisms and in synergetic view they form the organisms of higher complexity, sui generis. Individual self-governing entities and their mutual relations can be viewed as relations of territorially interdependent and interconnected organisms. And going to the global level, we

get increasingly popular 'Gaia' conception that perceives the whole Earth as one evolving and physiologically living superorganism.

Tremendous societal and technological developments that took place mainly after the rise of the nation states finally caused that natural territorial entities almost lost their initial self-governing character. Prevailing 'loose' rural areas started to be quickly managed from 'thick' urban areas that to a certain extent symbolized the rise of modernity. Original bottom-up territorial principle was largely repelled by much more authoritative top-down territorial management that pushes through the interests of central state actors pretty distant from the reality of individual localities and regions within the country.

These spatial developments were naturally framed by developments in wider society. For the Middle Ages, differentiated self-governing entities living in the framework of cock-time and permeated by spiritual approach to the life were typical. On an axis 'to have – to be', the high importance was ascribed to the spiritual aspect of life, while material components of life were distinctively subdued. However, spiritual dimension of human life was increasingly framed by institutionalization which led to the encasement of spirituality in life of the Homo Sapiens and caused the general disenchantment in the mood of the population. This led to the saturation by spirituality and formed the ground for the replacement of spirituality by materialism.

Industrial revolution standardized many aspects of living and societies became mass societies. Naturally, industrialization could only hardly happen without centralization of all relevant

spheres of life including also territorial management. Plurality of former self-governing entities was replaced by artificially delivered chimerical unity of the nation state. And since the official truth is on the side of these that possess the power, nation state became 'eventually found outcome of the history'.

In order to limit the uncertainty stimulated by the breakup of originally existing communities, the nation states concentrated on nationalism and found a great ally in industrialization. Spirituality was pushed back and material and technical components of the development became the motto of the day. Building the material civilization started with great vigor.

However, after a certain time it became apparent that nationalism brought much more evils than benefits and the development of material civilization did not fulfill the initial expectations. Rationality and economization, which are not entirely in compliance with human nature, pervaded all aspects of our lives. Currently, we can hear almost every day that people became saturated by economy and strive for more spirituality. Incidentally, the period for the saturation by economy and material world was much shorter than the previous one when the population got saturated by spirituality.

It is increasingly claimed that our lives should be more balanced in the realm of 'to have' and 'to be' principles. Undoubtedly, living should be proportionally fulfilled with adequate spiritual and material wealth. In case that one of these components is of dramatically low level (and no matter whether we deal with spiritual or material aspects of living) life harmony becomes the unattainable objective. Life should not suffer from spiritual nor material deficiencies, on the contrary, adequate material and intangible wealth represent the

desirable state. At the same time, we can enjoy the principle 'to have' only if we are well acquainted with the principle 'to be'.

After the period of economization and rationalization, people spontaneously start to call for the higher balance of the spiritual and material components of our being. They should already become aware of the fact that rules set by belief are very positive ones, however, they should be practiced and should be lived at the same time. Desirable human activities are thus expressible as practised faith and living in the truth.

As already mentioned, the optimal result would consist in the spatial harmony in the distribution of material elements of reality in combination with spiritual consciousness of individuals culminating in the formation of noosphere. And noosphere would substantially contribute to the stabilization and solidification of currently volatile and fluent individual identities.

Naturally, all afore mentioned tendencies can be directed to the desirable trajectory only by following the territorial principle, i.e. through the concentration on localities and regions as problems are best solved directly in the places they occur. Only in that case we can draw on the harmony on the whole planet that would lean on the unity of human beings and other living organisms. Put succinctly, conscious self-governance creates a very pertinent coat for the Earth.

It is worth to notice that on the territorial developmental spiral, we ascend to the phase of self-governing, bottom-up and autonomous approach to the management of the territory corresponding with social and communitarian essence of

humans. Naturally, in this phase of development and taking into consideration the higher level of territorial interconnectedness, unconscious self-governance is not an appropriate form of territorial management any more. In the future, we will be entitled to talk rather about conscious and finely structured self-governance.

As already stated, due to the continual development, western states find themselves generally higher on territorial developmental spiral than their eastern transition counterparts. In the West, we can find also more developed self-government as well as deeper consciousness of self-governance. Last but not least, conscious self-governance can be reached much more easily if there exists sufficient material wealth in the territory concerned; conscious self-governance, which is one of manifestations of spiritual maturity, actually balances the higher levels of adequately distributed material wealth.

Plenty of arguments for the enlargement of self-government and self-governance and reaching conscious self-governance can be actually found in the whole book. Nonetheless, it has to be added that modernizing tendencies by themselves form the reason for the renovation of self-governing principles. Under the standardization strike the variety of local/regional cultures is jeopardized. The situation is concurrent to the imperilment of the variety of species in the nature. Only through diversity we can reach stability of the current systems on the Earth as well as harmonic and truly sustainable future development. Currently, it is frequently omitted that *people should obey the Mother Nature; unfortunately they obey the other people so far.*

7.2 Towards a Transformed Rank Differentiation of Space

Within intensely interconnected planet, nation state gradually loses its foundation and is fading away. Naturally, it cannot disappear immediately nevertheless its glory is largely the matter of the past. Minimal attention is devoted to the fact that we presently witness the transformation of spatial hierarchy. Contemporary policies, measures and other – both theoretical and practical – activities are hitherto frequently defined in accordance with the territorial axis locality-region-nation state-global space. However, this can change dramatically in a couple of years.

As already indicated, main mistake of contemporary approaches to societal and developmental issues is their orientation on external milieu. The common approach is to study the activities of humans rather through their activities and behavior than via analysis of their inner values, habits, attitudes and stereotypes. Subnational regions and localities are integrated just for the sake of similar values of the groups of inhabitants. These territories can be differentiated on the basis of informal institutions.

The same does not hold true for artificially formed nation state that created national culture and national values in similarly artificial way. In contrast to truly integrated smaller territories, the cultural clue at the level of the nation state is largely an officially proclaimed illusion that cannot uproot naturally evolving cultures at the lower territorial degrees. In contrast to localities and regions derived from original communities, national cultures do not find their sources in the nature of people but rather in propaganda.

However, the concept of the value differentiation of territories can be applied also at a higher spatial rank composed typically of many nation states that might be called macroregion. These macroregions are formed as a consequence of people's cultural and religious identities and that is why contrary to the nation states they do not miss the features of natural integration.

The cultural identities serve as a basis for differentiation of these macroregions, which in fact form specific civilizations. We can thus observe western civilization, macroregion of Far East, the Muslim world etc. Exact spatial registration of these civilizations is not so easy since there is nothing like precise cultural boundary. This is in consonance with overlapping and disappearing borders so typical for globally connected space. So, in reality, we can contemplate overlapping civilizations though based on differentiated value systems.

Dynamic interdependency and interactions of cultures caused that civilization macroregions simply cannot be self-contained today. And that is why drawing the accurate map of world cultures is impossible. At the same time, one cannot eliminate the different value fundament of big macroregional civilizations. As mentioned, in the era of great communication technologies, genuine communication principle is largely underestimated and omitted at the personal level; and the same applies also to the level of civilization macroregions.

Dialogue and communication among civilizations represent the practical instrument how to cope with the danger of the clash of civilizations. Intercultural dialogue and communication would help to overcome the barriers of

various types and to mitigate the extreme moods. Sensitive approach to the communication of cultures and civilizations would disclose that spatially enormously differentiated activities and behavior actually stem from much less differentiated values; albeit it must be stated the values are still differentiated enough to create the specific civilizations.

Afore mentioned intercultural communication undoubtedly stimulates the fine mixing of norms and values of all important civilization systems that are delimitated just on the basis of informal institutions of the population groups. Only in this way we can approach the global values that would accompany social and economic globalisation. A certain agreed global values stemming from human nature would facilitate truly sustainable development and would draw the world on the noosphere.

The situation is comparable with several tableclothes distributed on the table. Each tablecloth or set covers the field of one cultural system. In the middle of the table we can find an intersection of those tableclothes or sets – global values common to the global community. Every culture thus contributes to the global value system. All the cultures could in this way contribute to the common cultural wealth but at the same time they could bear their own distinct features. Taking into account contemporary circumstances from the realistic perspective, this approach is the least conflicting as it keeps the motto 'unity in diversity'.

This does not mean chaos, this means living together and alongside at the same time or the unity in diversity. Unity is certainly important but at the same time there arises the question of the protection of the maximum of macroregional,

regional and local particularities. Only by preservation of these specific cultural features in various territories we can avoid the danger of the uniformity hidden under seemingly safe shelter of unity. This is the right way how to cope with and regulate contemporary global chaos.

Figure 10: Values in a Globalised World
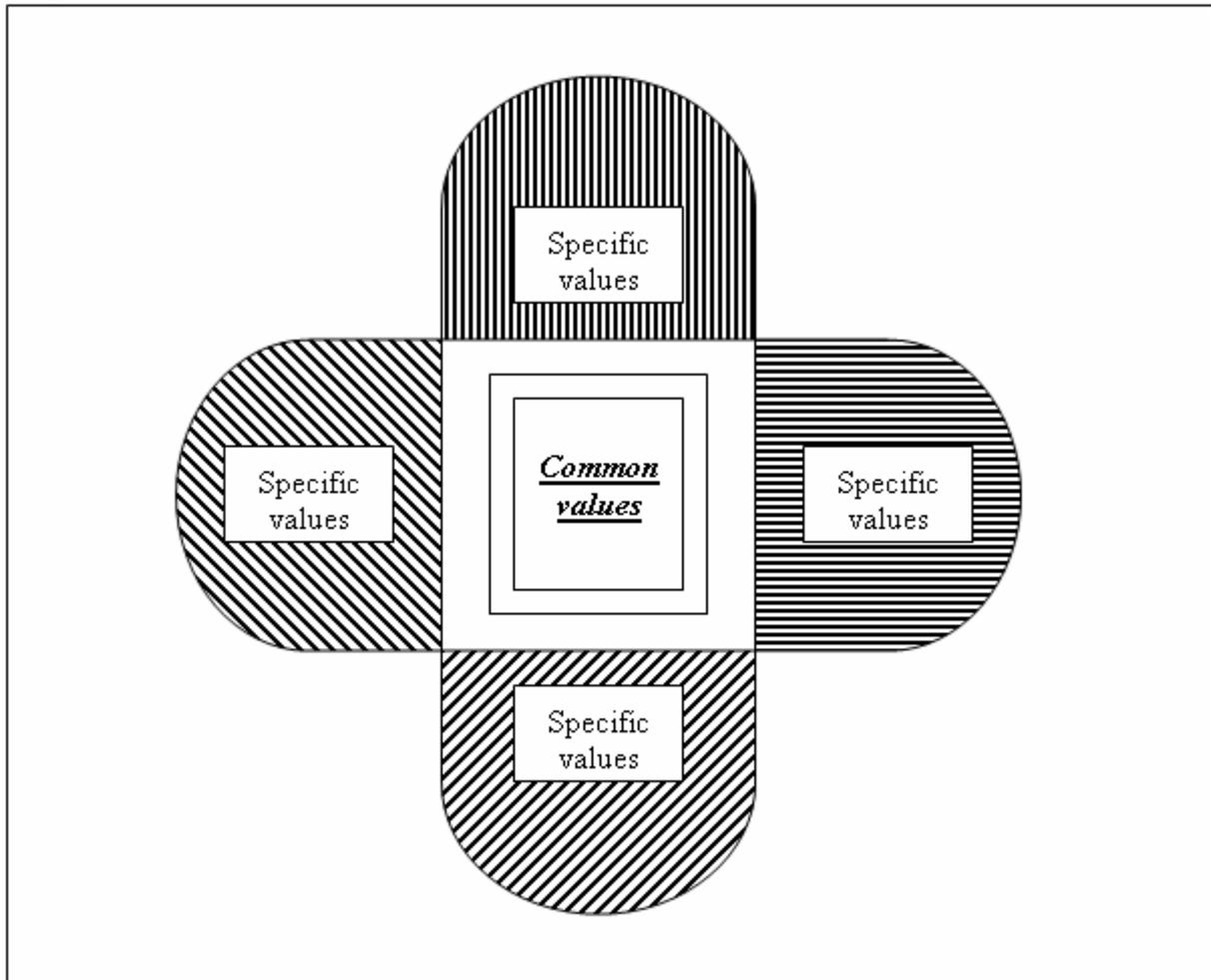
Source: Author

The great advantage is that this scheme can be applied at various territorial levels (including localities, regions or macroregions) provided that common values in individual territories will not be in an antagonist positions.

Kant's categorical imperative is expressible as follows: 'Act only according to that maxim whereby you can at the same time will that it should become a universal law.' That is, each individual agent regards itself as determining, by its decisions to act in a certain way that everyone (including itself) will always act according to the same general rule in the future. This expression of moral law, Kant maintained, provides a concrete, practical method for evaluating particular human actions of several distinct varieties. It often emerged in various contexts but mainly in times of crises. So, we can perceive it as further theme determining the formation of global values.

The mission of our time is apparent: we should identify the way how to live together and alongside at the same time and how to share a certain common values as a safest prevention of territorial or intercultural conflicts. Subsequently, it is possible to live without any major tensions and in accordance with specific cultural spaces.

All cultures should go in this way. They will live according to their specific and peculiar natures and at the same time will contribute to the global balance. And in connection with afore mentioned principles and approaches of diversity and plurality we can speak about the higher probability of global governance and subsequently also global noosphere. In other words, macroregions will play increasingly important role on our globe.

Generally speaking, future ascent of both self-governing regions and big culturally diverse macroregions is in compliance with the purification of the original societal-spatial principles on the higher developmental rank in the framework of territorial developmental spiral. So, future territorial axis

acting as a lead for both theoretical and practical use could possibly look as follows: locality – region – macroregion – global space.

7.3 On the Glocal Nature of Current Societal Problems and the Heritage of the Nation State

There are only little doubts that particular manifestations of global processes can be contemplated in concrete localities and polarity between the global and the local is not accurate. The global does include local and globalisation means also linking the localities. Global and local represent two sides of the same coin and the nature of contemporary time-spatial processes may be better understood by recognizing and analyzing social and economic aspects of specific phenomenon of glocalisation. Global-local nexus is inherent to the character of spatial processes in general since global processes would not come into existence in case that there would be no localities.

This confirms the validity of the slogan 'think globally and act locally'. Global balance is reachable only if there is the balance in individual localities and regions. As already mentioned, globalization comprises relevant social and economic processes but lacks the management at the same time. To avoid profound and dangerous spatial discrepancies that are inherent to global processes, one has to consider local and regional dimensions. Actually, the stability of systems can be reached only via functional interconnectedness of their individual parts, which are in our case represented by localities and regions.

Naturally, self-government plays a crucial role in this context. Positive transformations or the developments of individual territories take place in these parts of the world that enjoy active self-governing structures framed by adequate competences, finances as well as the spirit of self-governance. Moreover, the genuine development, which is in compliance with internal potential of the territory in question is bound to the endogenous or bottom-up approach provided that there are adequately distributed system macrostructures.

There are only little doubts that system macrostructures that developed in individual nation states in the course of history form the developmental premises of localities and regions. Capital cities and other metropolitan areas benefit generally in the best way. In other words, contemporary world is based on *spatial predestination.* In case that capabilities of two individuals or subjects are similar or equivalent, they should have at least approximately the same chances to 'sell' them. However, they live in different territories, which influence their destinies substantially. Lower transaction costs in the centers, typically capital cities, favor the individuals or subjects located in these happier areas to the detriment of the others located in provincial or remote territories. Undoubtedly, adequately working self-government and self-governance would principally mitigate afore mentioned spatial predestination.

At the same time, genuine regional development can be reached only via the stimulation of inner endogenous potential of localities and regions. Exogenous interventions cannot be entirely eliminated but they should act just as a complement to the endogenous activities of localities and regions.

Development, which is based on inner regional potential, is both effective and efficient, since in contrast to exogenous strategy it changes the quality of social and economic structures in individual territories.

It is obvious, that only the change of existing socio-economic territorial structures can initiate true regional development. However, the process of the change of the quality of these structures does not necessarily come after the external interventions. Excessive exogenous interventions always involve the threat of the ossification of old, inertial social, economic and institutional structures in the given region. ***Moreover, it is better to instruct the marginalized groups and territories how to catch the fish and not merely to supply them with the fish.***

But probably the most important reminder is that endogenous development (or in current circumstances the combination of exogenous and endogenous development, more precisely) can be accomplished only in the framework of adequately organised system macrostructures. Spatial distribution of these macrostructures, such as infrastructure or territorial administration should be approximately bound to the settlement system and should enable approximately even conditions for the development of individual regions and localities. Well organized system macrostructures mitigate and can almost eliminate the problem of spatial predestination. In other words, modification of centralized macrostructures that developed during the period of the nation state remains largely the question for the future, which is topical namely in transition countries.

7.4 Some Proposals Related to Contemporary Societal Problems or the Way to Conscious Self-Governance via ABCDE Agenda

Actually, recommendations concerning the solution of current societal problems deal with both material and immaterial spheres. As already indicated, these problems take place in concrete localities and that is why our attention should be focused accordingly. In other words, spatial interests and aims should be reformulated in accordance with self-governing principles.

Self-governance means among other the responsibility and care for the surroundings including also other forms of life. Properly working self-governing entities should actually function as the bridges between individuals and the global environment from material perspective and individuals and noosphere from immaterial point of view. Genuine self-governance creates an antipode to social engineering that misused many times in the history.

But what are the concrete challenges for harmonic development in both material and intangible spheres of life? Basically, we are entitled to talk about ABCDE agenda, derived from the initial letter of the words altruism, belief, communication, decentralization and education.

Altruism can be generally characterized as selfless concern for the welfare of others. Altruism focuses on a motivation to help others or a want to do the good without reward. Altruism is a value that should be brought into the consciousness of the population. Altruism in practice means the elimination of selfish behavior.

There is only a little doubt that investing in values and social fabric within societies and between societies represent one of possible practical instruments how to cope with contemporary shortcomings. However, promoting value systems will succeed only if every single person involved has a consciousness and notion of values as well as the willingness to be educated and trained permanently.

Natural places for breeding and feeding the consciousness of values are families, neighbourhoods and communities. This refers implicitly to the principles of solidarity and subsidiarity: taking responsibility for one's neighbourhood instead of leaving the problems to the neighbour or to a 'higher level'.

It is also necessary to advertise the elementary human values as a supplement to the traditional commercial advertising. Promotion of the basic human values should be one of the primary functions of all governments. This should become so obvious as for instance compulsory education in a school age. Such a support should work as an equivalent of the taxation. People pay taxes and have right to claim the creation of harmonic conditions for the development.

The typical example how to support the values and spread altruistic behavior is common restoration of historical landmarks. In that way, we can purify the memory of the territory from the dust and get more positive relation to it.

Naturally, altruism represents an ideal, which happens only occasionally in real life. Majority of people tend to behave in pragmatic and in the best case, the win-win way. Win-win situations as often claimed can be reached mainly in financial

terms. However, for instance in case that pensioners living alone go to help to the schools or some other institutions (e.g. they can take care of the green) they can be rewarded by internet or computer classes or some other courses for free. Moreover, useful intergenerational socialization can be reached.

The next pillar of the return to the conscious self-governance is belief. Belief is composed of the whole set of spiritual activities. As already mentioned, the excess of material elements of life calls for brushing the spiritual consciousness of human beings. And the same applies also to the formation of noosphere, i.e. collective consciousness of humans that follows after the structuration and organization of inanimate matter and biological life.

Way of thinking finds its ample reflections in the energy as well as the atmosphere of places. Belief widely contributes to the positive relation of people to the inhabited territory, which is the basis for shaping the spaces of harmony. People and their environment can subsequently exchange positive energies, which is accompanied by harmonic, environmentally and socially conscious and truly sustainable development. Positive energies in prayer places can constitute a certain model for the atmosphere of spaces with conscious self-governance. Last but not least, territorial embeddedness promotes spatially differentiated creativity and diversity continuing to emerging noosphere.

The next item of ABCDE agenda is embodied by communication. Communication is generally one of main developmental principles. Its influence on various entities is legitimately compared to the circulation of the blood in the

human body. It has to be stated that we are talking about both material and immaterial communications as both of them co-form harmonic and balanced spatial development. At the same time, efficient and adequate communication represents the essential presumption for carrying out other recipes related to genuine progress towards conscious self-governance.

Communication that includes also empathy should be fostered at both individual and large-scale levels. The good news is that increasingly vanishing borders form the room for the communication among different self-governing entities. However, as already mentioned, individual level of communication is in spite of more and more developed technical devices gradually fading and individuals are beset by isolationism and distrust. That is why our attention should be concentrated accordingly.

Support of roundtables concerning public affairs or regular meetings of people sharing the same hobbies can be ranked among principal suggestions how to elevate the spirit of communication in individual localities and regions. The same applies also to sport as slogan 'sports and games make friends' turned out to be valid many times.

Sports direct the energy of people in a creative way, which can serve as one of truly practical suggestions how to cope with crime. Moreover, these people strengthen their health and are taught to sport behavior. This subsequently opens the space for genuine co-operation as well as creativity. Communication is supported mainly through collective sports. Generally speaking, various forms of communication form the space for other development harmonizing practices and they should be

promoted in the future as contemporary situation is far from satisfactory one.

Further part of ABCDE agenda is embodied by decentralization. Decentralization should be generally understood as the transfer of authority and responsibility for public functions from the central government to subnational (i.e. regional or local) levels. In that way we can draw on conscious self-governance as decentralization is generally about moving the decision-making closer to the citizen.

At the same time, decentralization means also fiscal decentralization. Regional and local authorities are able to perform decentralized functions efficiently if they possess sufficient revenues and competences to make decisions about their expenditures.

However, if we have decentralization without democracy, our hall of fame can easily transform into hall of shame. In spite of the fact that there is no universally accepted definition of democracy, two conditions must be fulfilled: all individuals of territorial entity in question have equal access to the power on the one hand and all of these individuals enjoy universally recognized freedoms, liberties and last but not least, responsibilities.

Indeed, democracy must be closely connected with the responsibility. In case of low degree of responsibility, local or regional entities are entitled to use various restrictive instruments, such as publication of the names of people breaking the law. Thus, they will be able to hamper the misuse of democracy.

It is relevant to perform the decentralization also in intangible or spiritual terms. This includes namely the positive relationship to the inhabited territory that stimulates further positive externalities culminating in mutual synergy between local/regional population and their locality/region. Positive territorial identities emphasize the territorial genius loci and should contribute to non-conflicting socio-diversity supporting spatial integrity.

This is actually in consonance with the principle of subsidiarity that stresses autonomy, dignity and public participation of individuals and holds that other forms of society, from the family to the state and the international order, should be in service of the human being.

Undoubtedly, conscious self-governance creates an appropriate framework for genuine subsidiarity. Conscious self-governance means not only the development of territories but at the same time also the development of their inhabitants. Essential rights, such as right to work, decent housing, adequate healthcare should be thus framed by the right to self-governance.

Last but not least, our ABCDE agenda would be incomplete without underlining the importance of education. Comparisons show especially the success of lifelong education. Very often, the subject (and no matter whether an individual or firms) can unconsciously spread some negative social or environmental externalities, which are based on its habits and standard behavior. Proper form of education usually leads to the remedy or at least mitigation of these negative externalities.

Apart from lifelong education, sufficient attention has to be devoted already to the compulsory education. Institutions we get during the youth tend to accompany us in the course of the whole life. That is why the education should not be directed merely to the knowledge and skills but also to capabilities how to live, how to behave to the others and to our environment.

Education is indispensable already in view of learning ABCDE agenda, in which all items mentioned represent practical dimension of the move on the road to conscious self-governance and genuine self-determination. Briefly, education is an investment that pays off.

References:

BAUER, W., M. (1997): Tyranie blahobytu, Volvox Globator, Praha.

BAUMAN, Z. (1999): The Self in a Consumer Society, In: http://religionanddemocracy.lib.virginia.edu/hh/fall99/BauSelfVol1.html

BAUMAN, Z. (2002): Tekutá modernita, Mladá Fronta, Myšlenky series, Praha.

DYER, J. (1996): Antioch bookmarks, Lands End Children`s Catalog. Yellow Springs, US.

GIDDENS, A. (1990): The Consequences of Modernity, Polity Press, Cambridge.

GRÜN, A. (2006): Pracovat i žít. Napětí mezi profesním a osobním životem, Karmelitánské nakladatelství, Kostelní vydří.

HARVEY, D. (1989): The Condition of Postmodernity. An Enquiry into the Origins of Cultural Change, Basil Blackwell, Oxford.

HIGGOTT, R., REICH, S. (1998): Globalisation and Sites of Conflict: Towards Definition and Taxonomy, CSGR Working Paper, University of Warwick, UK.

JOHNSON, P. (1991): Dějiny 20. století, Rozmluvy, Praha.

KELLER, J. (1992): Nedomyšlená společnost, Doplněk, Brno.

KELLER, J. (1998): POLITIKA S RUČENÍM OMEZENÝM. PROMĚNY MOCI NA PRAHU 21. STOLETÍ, EVROPSKÝ LITERÁRNÍ KLUB, PRAHA.

KERN, J., MALINOVSKÝ, J., SUCHÁČEK, J. (2007): ON THE DICHOTOMY OF CONTEMPORARY REGIONAL DEVELOPMENT IN TRANSITION ECONOMIES. IN: KERN, J., MALINOVSKÝ, J., SUCHÁČEK, J. (EDS.): LEARNING REGIONS IN THEORY AND PRACTICE, VŠB-TECHNICAL UNIVERSITY, OSTRAVA, PP. 214-225.

LUBBERS, R. (1998): INTERNATIONAL RELATIONS I: GLOBALIZATION. TILBURG UNIVERSITY, TILBURG.

LUCAS, R. (2003): THE INDUSTRIAL REVOLUTION: PAST AND FUTURE, AVAILABLE AT: HTTP://WWW.MINNEAPOLISFED.ORG/PUBLICATIONS_PAPERS/PUB_DISPLAY.CFM?ID=3333

MAYSTADT, P. (2007): BOHATÁ EVROPA, CHUDÁ EVROPA. IN: EKONOM JOURNAL, ECONOMIA, PRAGUE, NO. 40, PP. 51

MLINAR, Z. (1995): LOCAL RESPONSES TO GLOBAL CHANGE. IN: ANNALS OF THE AAPSS, NO. 540, JULY 1995, PP. 145-156.

REDFIELD, J. (1993): CELESTINSKÉ PROROCTVÍ, KNIŽNÍ KLUB, PRAHA.

SUCHÁČEK, J. (2002): GLOBAL STIMULI FOR URBAN SOCIO-SPATIAL DIFFERENTIATION. IN: ECON '02 (SELECTED RESEARCH PAPERS), VOL. 9, VŠB-TECHNICAL UNIVERSITY, OSTRAVA, PP. 197-208.

SUCHÁČEK, J. (2004A): CZECH REGIONS AND THEIR PAINFUL DRAWING ON EUROPE OF REGIONS. IN: BULLETIN OF LVIV NATIONAL POLYTECHNIC UNIVERSITY, NO. 517, LVIV, PP. 246-253.

SUCHÁČEK, J. (2004b): MEDIA IN THE CONTEXT OF GLOBALISATION – GOOD SERVANTS BUT BAD MASTERS. IN: KAKANIEN REVISITED, VIENNA, AVAILABLE AT: HTTP://WWW.KAKANIEN.AC.AT/BEITR/FALLSTUDIE/JSUCHACEK 2.PDF

SUCHÁČEK, J. (2005): RESTRUKTURALIZACE TRADIČNÍCH PRŮMYSLOVÝCH REGIONŮ V TRANZITIVNÍCH EKONOMIKÁCH, VŠB-TECHNICAL UNIVERSITY, OSTRAVA.

SUCHÁČEK, J. (2006a): REDISCOVERY OF EUROPEANNESS AS A PATTERN OF THE DEFENSE AGAINST GLOBAL TENSION. IN: SIEN QUARTERLY, VOL. 4, NO.1, SIEN PÉCS, PP. 4-7.

SUCHÁČEK, J. (2006b): CENTRAL EUROPE AS SEMI-BORDER AND SEMI-URBAN REGION AND ITS MARKETISATION. IN: TARRÓSY, I., ROSSKOGLER, G. (EDS.): SOCIAL, ECONOMIC AND POLITICAL COHESION IN THE DANUBE REGION IN THE LIGHT OF EU ENLARGEMENT. EUROPE CENTRE PBC, PÉCS, PP. 12-19.

REBER, U. (2004): PUBLISHING A NEW EUROPE OR TRANSEUROPEAN NETWORKING? VISIONS, EXPERIENCES, AND RESULTS AFTER TWO YEARS OF REVISITING KAKANIA/CENTRAL EUROPE. IN: KAKANIEN REVISITED, VIENNA, AVAILABLE AT: HTTP://WWW.KAKANIEN.AC.AT/BEITR/THEORIE/UREBER3.PDF

SOROS, G. (1998): THE CRISIS OF GLOBAL CAPITALISM (OPEN SOCIETY ENDANGERED), LITTLE, BROWN AND CO., LONDON.

SWYNGEDOUW, E. (1986): THE SOCIO-SPATIAL IMPLICATIONS OF INNOVATIONS IN INDUSTRIAL ORGANISATIONS, WORKING PAPER NO. 20, JOHN HOPKINS EUROPEAN CENTER FOR REGIONAL PLANNING AND RESEARCH, LILLE.

SWYNGEDOUW, E. (1996): PRODUCING FUTURES: INTERNATIONAL FINANCE AS A GEOGRAPHICAL PROJECT. IN: DANIELS, P., LEVER, W. (EDS.): THE GLOBAL ECONOMY IN TRANSITION, LONGMAN, HARLOW, PP. 137-166.

THOMPSON, F. (2007): FORDISM, POST-FORDISM AND THE FLEXIBLE SYSTEM OF PRODUCTION, AVAILABLE AT: HTTP://WWW.WILLAMETTE.EDU/~FTHOMPSO/MGMTCON/FORDISM_&_POSTFORDISM.HTML

TURKLE, S. (1995): LIFE ON THE SCREEN: IDENTITY IN THE AGE OF THE INTERNET, AVAILABLE AT: HTTP://WWW.UMSL.EDU/~RKEEL/280/TURKNOTE.HTML

Internet References:

HTTP://WWW.WIKIPEDIA.ORG/

HTTP://WWW.MINDSPRING.COM/~DBHOLZEL/MAPS.HTML

HTTP://EC.EUROPA.EU/ENVIRONMENT/URBAN/PDF/AALBORG_CHARTER.PDF

HTTP://CONVENTIONS.COE.INT/TREATY/COMMUN/QUEVOULEZVOUS.ASP?NT=122&CL=ENG

Appendices:

EUROPEAN CHARTER OF LOCAL SELF-GOVERNMENT

Preamble

The member States of the Council of Europe, signatory hereto,

Considering that the aim of the Council of Europe is to achieve a greater unity between its members for the purpose of safeguarding and realising the ideals and principles which are their common heritage;

Considering that one of the methods by which this aim is to be achieved is through agreements in the administrative field;

Considering that the local authorities are one of the main foundations of any democratic regime;

Considering that the right of citizens to participate in the conduct of public affairs is one of the democratic principles that are shared by all member States of the Council of Europe;

Considering that it is at local level that this right can be most directly exercised;

Convinced that the existence of local authorities with real responsibilities can provide an administration which is both effective and close to the citizen;

Aware that the safeguarding and reinforcement of local self-government in the different European countries is an important contribution to the construction of a Europe based on the principles of democracy and the decentralisation of power;

Asserting that this entails the existence of local authorities endowed with democratically constituted decision-making bodies and possessing a wide degree of autonomy with regard to their responsibilities, the ways and means by which those responsibilities are exercised and the resources required for their fulfilment,

Have agreed as follows:

Article 1

The Parties undertake to consider themselves bound by the following articles in the manner and to the extent prescribed in Article 12 of this Charter.

Part I

Article 2 – Constitutional and legal foundation for local self-government

The principle of local self-government shall be recognised in domestic legislation, and where practicable in the constitution.

Article 3 – Concept of local self-government

1 Local self-government denotes the right and the ability of local authorities, within the limits of the law, to regulate and manage a substantial share of public affairs under their own responsibility and in the interests of the local population.

2 This right shall be exercised by councils or assemblies composed of members freely elected by secret ballot on the basis of direct, equal, universal suffrage, and which may possess executive organs responsible to them. This provision shall in no way affect recourse to assemblies of citizens, referendums or any other form of direct citizen participation where it is permitted by statute.

Article 4 – Scope of local self-government

1 The basic powers and responsibilities of local authorities shall be prescribed by the constitution or by statute. However, this provision shall not prevent the attribution to local authorities of powers and responsibilities for specific purposes in accordance with the law.

2 Local authorities shall, within the limits of the law, have full discretion to exercise their initiative with regard to any matter which is not excluded from their competence nor assigned to any other authority.

3 Public responsibilities shall generally be exercised, in preference, by those authorities which are closest to the citizen. Allocation of responsibility to another authority

should weigh up the extent and nature of the task and requirements of efficiency and economy.

4   Powers given to local authorities shall normally be full and exclusive. They may not be undermined or limited by another, central or regional, authority except as provided for by the law.

5   Where powers are delegated to them by a central or regional authority, local authorities shall, insofar as possible, be allowed discretion in adapting their exercise to local conditions.

6   Local authorities shall be consulted, insofar as possible, in due time and in an appropriate way in the planning and decision-making processes for all matters which concern them directly.

Article 5 – Protection of local authority boundaries

Changes in local authority boundaries shall not be made without prior consultation of the local communities concerned, possibly by means of a referendum where this is permitted by statute.

Article 6 – Appropriate administrative structures and resources for the tasks of local authorities

1   Without prejudice to more general statutory provisions, local authorities shall be able to determine their own internal administrative structures in order to adapt them to local needs and ensure effective management.

2 The conditions of service of local government employees shall be such as to permit the recruitment of high-quality staff on the basis of merit and competence; to this end adequate training opportunities, remuneration and career prospects shall be provided.

Article 7 – Conditions under which responsibilities at local level are exercised

1 The conditions of office of local elected representatives shall provide for free exercise of their functions.

2 They shall allow for appropriate financial compensation for expenses incurred in the exercise of the office in question as well as, where appropriate, compensation for loss of earnings or remuneration for work done and corresponding social welfare protection.

3 Any functions and activities which are deemed incompatible with the holding of local elective office shall be determined by statute or fundamental legal principles.

Article 8 – Administrative supervision of local authorities' activities

1 Any administrative supervision of local authorities may only be exercised according to such procedures and in such cases as are provided for by the constitution or by statute.

2 Any administrative supervision of the activities of the local authorities shall normally aim only at ensuring

compliance with the law and with constitutional principles. Administrative supervision may however be exercised with regard to expediency by higher-level authorities in respect of tasks the execution of which is delegated to local authorities.

3 Administrative supervision of local authorities shall be exercised in such a way as to ensure that the intervention of the controlling authority is kept in proportion to the importance of the interests which it is intended to protect.

Article 9 – Financial resources of local authorities

1 Local authorities shall be entitled, within national economic policy, to adequate financial resources of their own, of which they may dispose freely within the framework of their powers.

2 Local authorities' financial resources shall be commensurate with the responsibilities provided for by the constitution and the law.

3 Part at least of the financial resources of local authorities shall derive from local taxes and charges of which, within the limits of statute, they have the power to determine the rate.

4 The financial systems on which resources available to local authorities are based shall be of a sufficiently diversified and buoyant nature to enable them to keep pace as far as practically possible with the real evolution of the cost of carrying out their tasks.

5 The protection of financially weaker local authorities calls for the institution of financial equalisation procedures or equivalent measures which are designed to correct the effects of the unequal distribution of potential sources of finance and of the financial burden they must support. Such procedures or measures shall not diminish the discretion local authorities may exercise within their own sphere of responsibility.

6 Local authorities shall be consulted, in an appropriate manner, on the way in which redistributed resources are to be allocated to them.

7 As far as possible, grants to local authorities shall not be earmarked for the financing of specific projects. The provision of grants shall not remove the basic freedom of local authorities to exercise policy discretion within their own jurisdiction.

8 For the purpose of borrowing for capital investment, local authorities shall have access to the national capital market within the limits of the law.

Article 10 – Local authorities' right to associate

1 Local authorities shall be entitled, in exercising their powers, to co-operate and, within the framework of the law, to form consortia with other local authorities in order to carry out tasks of common interest.

2 The entitlement of local authorities to belong to an association for the protection and promotion of their common interests and to belong to an international

association of local authorities shall be recognised in each State.

3 Local authorities shall be entitled, under such conditions as may be provided for by the law, to co-operate with their counterparts in other States.

Article 11 – Legal protection of local self-government

Local authorities shall have the right of recourse to a judicial remedy in order to secure free exercise of their powers and respect for such principles of local self-government as are enshrined in the constitution or domestic legislation.

Part II – Miscellaneous provisions

Article 12 – Undertakings

1 Each Party undertakes to consider itself bound by at least twenty paragraphs of Part I of the Charter, at least ten of which shall be selected from among the following paragraphs:

– Article 2,
– Article 3, paragraphs 1 and 2,
– Article 4, paragraphs 1, 2 and 4,
– Article 5,
– Article 7, paragraph 1,
– Article 8, paragraph 2,
– Article 9, paragraphs 1, 2 and 3,
– Article 10, paragraph 1,
– Article 11.

2 Each Contracting State, when depositing its instrument of ratification, acceptance or approval, shall notify to the Secretary General of the Council of Europe of the paragraphs selected in accordance with the provisions of paragraph 1 of this article.

3 Any Party may, at any later time, notify the Secretary General that it considers itself bound by any paragraphs of this Charter which it has not already accepted under the terms of paragraph 1 of this article. Such undertakings subsequently given shall be deemed to be an integral part of the ratification, acceptance or approval of the Party so notifying, and shall have the same effect as from the first day of the month following the expiration of a period of three months after the date of the receipt of the notification by the Secretary General.

Article 13 – Authorities to which the Charter applies

The principles of local self-government contained in the present Charter apply to all the categories of local authorities existing within the territory of the Party. However, each Party may, when depositing its instrument of ratification, acceptance or approval, specify the categories of local or regional authorities to which it intends to confine the scope of the Charter or which it intends to exclude from its scope. It may also include further categories of local or regional authorities within the scope of the Charter by subsequent notification to the Secretary General of the Council of Europe.

Article 14 – Provision of information

Each Party shall forward to the Secretary General of the Council of Europe all relevant information concerning legislative provisions and other measures taken by it for the purposes of complying with the terms of this Charter.

Part III

Article 15 – Signature, ratification and entry into force

1 This Charter shall be open for signature by the member States of the Council of Europe. It is subject to ratification, acceptance or approval. Instruments of ratification, acceptance or approval shall be deposited with the Secretary General of the Council of Europe.

2 This Charter shall enter into force on the first day of the month following the expiration of a period of three months after the date on which four member States of the Council of Europe have expressed their consent to be bound by the Charter in accordance with the provisions of the preceding paragraph.

3 In respect of any member State which subsequently expresses its consent to be bound by it, the Charter shall enter into force on the first day of the month following the expiration of a period of three months after the date of the deposit of the instrument of ratification, acceptance or approval.

Article 16 – Territorial clause

1 Any State may, at the time of signature or when depositing its instrument of ratification, acceptance, approval or accession, specify the territory or territories to which this Charter shall apply.

2 Any State may at any later date, by a declaration addressed to the Secretary General of the Council of Europe, extend the application of this Charter to any other territory specified in the declaration. In respect of such territory the Charter shall enter into force on the first day of the month following the expiration of a period of three months after the date of receipt of such declaration by the Secretary General.

3 Any declaration made under the two preceding paragraphs may, in respect of any territory specified in such declaration, be withdrawn by a notification addressed to the Secretary General. The withdrawal shall become effective on the first day of the month following the expiration of a period of six months after the date of receipt of such notification by the Secretary General.

Article 17 – Denunciation

1 Any Party may denounce this Charter at any time after the expiration of a period of five years from the date on which the Charter entered into force for it. Six months' notice shall be given to the Secretary General of the Council of Europe. Such denunciation shall not affect the validity of the Charter in respect of the other Parties

provided that at all times there are not less than four such Parties.

2 Any Party may, in accordance with the provisions set out in the preceding paragraph, denounce any paragraph of Part I of the Charter accepted by it provided that the Party remains bound by the number and type of paragraphs stipulated in Article 12, paragraph 1. Any Party which, upon denouncing a paragraph, no longer meets the requirements of Article 12, paragraph 1, shall be considered as also having denounced the Charter itself.

Article 18 – Notifications

The Secretary General of the Council of Europe shall notify the member States of the Council of Europe of:

a   any signature;

b   the deposit of any instrument of ratification, acceptance or approval;

c   any date of entry into force of this Charter in accordance with Article 15;

d   any notification received in application of the provisions of Article 12, paragraphs 2 and 3;

e   any notification received in application of the provisions of Article 13;

f   any other act, notification or communication relating to this Charter.

In witness whereof the undersigned, being duly authorised thereto, have signed this Charter.

Done at Strasbourg, this 15th day of October 1985, in English and French, both texts being equally authentic, in a single copy which shall be deposited in the archives of the Council of Europe. The Secretary General of the Council of Europe shall transmit certified copies to each member State of the Council of Europe.

CHARTER OF EUROPEAN CITIES & TOWNS TOWARDS SUSTAINABILITY

(as approved by the participants at the European Conference on Sustainable Cities & Towns in Aalborg, Denmark on 27 May 1994)

- Part I: Consensus Declaration: European Cities & Towns Towards Sustainability
- Part II: The European Sustainable Cities & Towns Campaign
- Part III: Engaging in Local Agenda 21 Processes: Local Action Plans Towards Sustainability

Part I

Consensus Declaration: European Cities & Towns Towards Sustainability

I.1 The Role of European Cities and Towns

We, European cities & towns, signatories of this Charter, state that in the course of history, our towns have existed within and outlasted empires, nation states, and regimes and have survived as centres of social life, carriers of our economies, and guardians of culture, heritage and tradition. Along with families and neighbourhoods, towns have been the basic elements of our societies and states. Towns have been the centres of industry, craft, trade, education and government.

We understand that our present urban lifestyle, in particular our patterns of division of labour and functions, land-use, transport, industrial production, agriculture, consumption, and leisure activities, and hence our standard of living, make us essentially responsible for many environmental problems

humankind is facing. This is particularly relevant as 80 percent of Europe's population live in urban areas.

We have learnt that present levels of resource consumption in the industrialised countries cannot be achieved by all people currently living, much less by future generations, without destroying the natural capital.

We are convinced that sustainable human life on this globe cannot be achieved without sustainable local communities. Local government is close to where environmental problems are perceived and closest to the citizens and shares responsibility with governments at all levels for the well-being of humankind and nature. Therefore, cities and towns are key players in the process of changing lifestyles, production, consumption and spatial patterns.

I.2 The Notion and Principles of Sustainability

We, cities & towns, understand that the idea of sustainable development helps us to base our standard of living on the carrying capacity of nature. We seek to achieve social justice, sustainable economies, and environmental sustainability. Social justice will necessarily have to be based on economic sustainability and equity, which require environmental sustainability.

Environmental sustainability means maintaining the natural capital. It demands from us that the rate at which we consume renewable material, water and energy resources does not exceed the rate at which the natural systems can replenish them, and that the rate at which we consume non-renewable resources does not exceed the rate at which sustainable renewable resources are replaced. Environmental sustainability also means that the rate of emitted pollutants

does not exceed the capacity of the air, water, and soil to absorb and process them.

Furthermore, environmental sustainability entails the maintenance of biodiversity; human health; as well as air, water, and soil qualities at standards sufficient to sustain human life and well-being, as well as animal and plant life, for all time.

I.3 Local Strategies Towards Sustainability

We are convinced that the city or town is both the largest unit capable of initially addressing the many urban architectural, social, economic, political, natural resource and environmental imbalances damaging our modern world and the smallest scale at which problems can be meaningfully resolved in an integrated, holistic and sustainable fashion. As each city is different, we have to find our individual ways towards sustainability. We shall integrate the principles of sustainability in all our policies and make the respective strengths of our cities and towns the basis of locally appropriate strategies.

I.4 Sustainability as a Creative, Local, Balance-Seeking Process

We, cities & towns, recognise that sustainability is neither a vision nor an unchanging state, but a creative, local, balance-seeking process extending into all areas of local decision-making. It provides ongoing feedback in the management of the town or city on which activities are driving the urban ecosystem towards balance and which are driving it away. By building the management of a city around the information collected through such a process, the city is understood to work as an organic whole and the effects of all significant

activities are made manifest. Through such a process the city and its citizens may make informed choices. Through a management process rooted in sustainability, decisions may be made which not only represent the interests of current stakeholders, but also of future generations.

I.5 Resolving Problems by Negotiating Outwards

We, cities & towns, recognise that a town or city cannot permit itself to export problems into the larger environment or to the future. Therefore, any problems or imbalances within the city are either brought towards balance at their own level or absorbed by some larger entity at the regional or national level. This is the principle of resolving problems by negotiating outwards. The implementation of this principle will give each city or town great freedom to define the nature of its activities.

I.6 Urban Economy Towards Sustainability

We, cities & towns, understand that the limiting factor for economic development of our cities and towns has become natural capital, such as atmosphere, soil, water and forests. We must therefore invest in this capital. In order of priority this requires

- investments in conserving the remaining natural capital, such as groundwater stocks, soil, habitats for rare species;
- encouraging the growth of natural capital by reducing our level of current exploitation, such as of non-renewable energy;
- investments to relieve pressure on natural capital stocks by expanding cultivated natural capital, such as

179

parks for inner-city recreation to relieve pressure on natural forests); and

- increasing the end-use efficiency of products, such as energy-efficient buildings, environmentally friendly urban transport.

I.7 Social Equity for Urban Sustainability

We, cities and towns, are aware that the poor are worst affected by environmental problems (such as noise and air pollution from traffic, lack of amenities, unhealthy housing, lack of open space) and are least able to solve them. Inequitable distribution of wealth both causes unsustainable behaviour and makes it harder to change. We intend to integrate people's basic social needs as well as healthcare, employment and housing programmes with environmental protection. We wish to learn from initial experiences of sustainable lifestyles, so that we can work towards improving the quality of citizens' lifestyles rather than simply maximising consumption.

We will try to create jobs which contribute to the sustainability of the community and thereby reduce unemployment. When seeking to attract or create jobs we will assess the effects of any business opportunity in terms of sustainability in order to encourage the creation of long-term jobs and long-life products in accordance with the principles of sustainability.

I.8 Sustainable Land-Use Patterns

We, cities & towns, recognise the importance of effective land-use and development planning policies by our local authorities which embrace the strategic environmental assessment of all plans. We should take advantage of the

scope for providing efficient public transport and energy which higher densities offer, while maintaining the human scale of development. In both undertaking urban renewal programmes in inner urban areas and in planning new suburbs we seek a mix of functions so as to reduce the need for mobility. Notions of equitable regional interdependency should enable us to balance the flows between city and countryside and prevent cities from merely exploiting the resources of surrounding areas.

I.9 Sustainable Urban Mobility Patterns

We, cities & towns, shall strive to improve accessibility and sustain social welfare and urban lifestyles with less transport. We know that it is imperative for a sustainable city to reduce en-forced mobility and stop promoting and supporting the unnecessary use of motorised vehicles. We shall give priority to ecologically sound means of transport (in particular walking, cycling, public transport) and make a combination of these means the centre of our planning efforts. Motorised individual means of urban transport ought to have the subsidiary function of facilitating access to local services and maintaining the economic activity of the city.

I.10 Responsibility for the Global Climate

We, cities & towns, understand that the significant risks posed by global warming to the natural and built environments and to future human generations require a response sufficient to stabilise and then to reduce emissions of greenhouse gases into the atmosphere as soon as possible. It is equally important to protect global biomass resources, such as forests and phytoplankton, which play an essential role in the earth's carbon cycle. The abatement of fossil fuel emissions will require policies and initiatives based on a thorough

understanding of the alternatives and of the urban environment as an energy system. The only sustainable alternatives are renewable energy sources.

I.11 Prevention of Ecosystems Toxification

We, cities & towns, are aware that more and more toxic and harmful substances are released into the air, water, soil, food, and are thereby becoming a growing threat to human health and the ecosystems. We will undertake every effort to see that further pollution is stopped and prevented at source.

I.12 Local Self-Governance as a Pre-Condition

We, cities and towns, are confident that we have the strength, the knowledge and the creative potential to develop sustainable ways of living and to design and manage our cities towards sustainability. As democratically elected representatives of our local communities we are ready to take responsibility for the task of re- organising our cities and towns for sustainability. The extent to which cities and towns are able to rise to this challenge depends upon their being given rights to local self-governance, according to the principle of subsidiarity. It is essential that sufficient powers are left at the local level and that local authorities are given a solid financial base.

I.13 Citizens as Key Actors and the Involvement of the Community

We, cities & towns pledge to meet the mandate given by Agenda 21, the key document approved at the Earth Summit in Rio de Janeiro, to work with all sectors of our communities - citizens, businesses, interest groups - when developing our Local Agenda 21 plans. We recognise the call in the European

Union's Fifth Environmental Action Programme 'Towards Sustainability' for the responsibility for the implementation of the programme to be shared among all sectors of the community. Therefore, we will base our work on co-operation between all actors involved. We shall ensure that all citizens and interested groups have access to information and are able to participate in local decision-making processes. We will seek opportunities for education and training for sustainability, not only for the general population, but for both elected representatives and officials in local government.

I.14 Instruments and Tools for Urban Management Towards Sustainability

We, cities & towns, pledge to use the political and technical instruments and tools available for an ecosystem approach to urban management. We shall take advantage of a wide range of instruments including those for collecting and processing environmental data; environmental planning; regulatory, economic, and communication instruments such as directives, taxes and fees; and mechanisms for awareness raising including public participation. We seek to establish new environmental budgeting systems which allow for the management of our natural resources as economically as our artificial resource, 'money'.

We know that we must base our policy-making and controlling efforts, in particular our environmental monitoring, auditing, impact assessment, accounting, balancing and reporting systems, on different types of indicators, including those of urban environmental quality, urban flows, urban patterns, and, most importantly, indicators of an urban systems sustainability.

We, cities & towns, recognise that a whole range of policies and activities yielding positive ecological consequences have already been successfully applied in many cities through Europe. However, while these instruments are valuable tools for reducing the pace and pressure of unsustainability, they do not in and of themselves reverse society's unsustainable direction. Still, with this strong existing ecological base, the cities are in an excellent position to take the threshold step of integrating these policies and activities into the governance process for managing local urban economies through a comprehensive sustainability process. In this process we are called on to develop our own strategies, try them out in practice and share our experiences.

Part II

The European Sustainable Cities and Towns Campaign

We, European cities & towns, signatories of this charter, shall move forward together towards sustainability in a process of learning from experience and successful local examples. We shall encourage each other to establish long-term local action plans (Local Agendas 21), thereby strengthening inter-authority co-operation, and relating this process to the European Union's actions in the field of the urban environment.

We hereby initiate The European Sustainable Cities & Towns Campaign to encourage and support cities and towns in working towards sustainability. The initial phase of this Campaign shall be for a two-year period, after which progress shall be assessed at a Second European Conference on Sustainable Cities & Towns to be held in 1996.

We invite every local authority, whether city, town or county and any European network of local authorities to join the Campaign by adopting and signing this Charter.

We request all the major local authority networks in Europe to undertake the co-ordination of the Campaign. A Co-ordinating Committee shall be established of representatives of these networks. Arrangements will be made for those local authorities which are not members of any network.

We foresee the principal activities of the Campaign to be to:

- facilitate mutual support between European cities and towns in the design, development and implementation of policies towards sustainability;
- collect and disseminate information on good examples at the local level;
- promote the principle of sustainability in other local authorities;
- recruit further signatories to the Charter;
- organise an annual 'Sustainable City Award';
- formulate policy recommendations to the European Commission;
- provide input to the Sustainable Cities Reports of the Urban Environment Expert Group;
- support local policy-makers in implementing appropriate recommendations and legislation from the European Union;
- edit a Campaign newsletter.

These activities will require the establishment of a Campaign Co-ordination.

We shall invite other organisations to actively support the Campaign.

Part III

Engaging in The Local Agenda 21 processes: Local Action Plans Towards Sustainability

We, European cities & towns, signatories of this Charter, pledge by signing this Charter and joining the European Sustainable Cities & Towns Campaign that we will seek to achieve a consensus within our communities on a Local Agenda 21 by the end of 1996. This will meet the mandate established by Chapter 28 of Agenda 21 as agreed at the Earth Summit in Rio in June 1992. By means of our individual local action plans we shall contribute to the implementation of the European Union's Fifth Environmental Action Programme "Towards Sustainability". The Local Agenda 21 processes shall be developed on the basis of Part One of this Charter.

We propose that the process of preparing a local action plan should include the following stages:

- recognition of the existing planning and financial frameworks as well as other plans and programmes;
- the systematic identification, by means of extensive public consultation, of problems and their causes;
- the prioritisation of tasks to address identified problems;
- the creation of a vision for a sustainable community through a participatory process involving all sectors of the community;

186

- the consideration and assessment of alternative strategic options;
- the establishment of a long-term local action plan towards sustainability which includes measurable targets;
- the programming of the implementation of the plan including the preparation of a timetable and statement of allocation of responsibilities among the partners;
- the establishment of systems and procedures for monitoring and reporting on the implementation of the plan.

We will need to review whether the internal arrangements of our local authorities are appropriate and efficient to allow the development of the Local Agenda 21 processes, including long-term local action plans towards sustainability. Efforts may be needed to improve the capacity of the organisation which will include reviewing the political arrangements, administrative procedures, corporate and inter-disciplinary working, human resources available and inter-authority co-operation including associations and networks.

Signed in Aalborg, Denmark, 27 May 1994