

# The role of the Guggenheim Museum in the development of urban entrepreneurial practices in Bilbao

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## Abstract

*The Guggenheim Museum has had many 'effects' on the lives of local citizens and politicians in Bilbao as well as on wider communities such as architects, planners, cultural policy-makers or museologists. This article, however, deals with the effect that the museum has had on the urban governance practices in Bilbao. Urban policy literature has clearly identified that contemporary cities are adopting an entrepreneurial approach to deal with increasing pressures to compete with each other and attract investment in a globalized world. This approach is connected to neo-liberal state policies that threaten social inclusion and democracy. The Guggenheim Bilbao Museum has to be considered within this wider trend and has played an important role in the consolidation of urban entrepreneurialism in Bilbao. The danger is, as I will show, that these practices can be taken for granted without internal reflection, and can therefore be institutionalized in urban policy.*

## Keywords

entrepreneurial cities  
Guggenheim effect  
urban governance

## The rise of entrepreneurial urban politics

The biggest change that citizens in Bilbao have experienced in the last ten years has not been the construction of a museum in the heart of their city but the transformation in theirs and their leaders' attitudes towards the future. The discourse of urban decline and crisis that dominated the minds of local and regional politicians in the 1980s has gradually given way to a more positive, pro-active and enthusiastic discourse on the future of Bilbao. Since the mid-1990s this new attitude has materialized in a new urban landscape characterized by flagship projects, quality design and participation of prestigious architects, epitomized by the Guggenheim Bilbao Museum designed by Frank Gehry.

Local press, politicians and public opinion all seem to be enthusiastic about this new future for Bilbao, now more linked to the service sector and tourism than traditional heavy industry. Local and regional politicians, inebriated by the success of the Guggenheim, are using new practices and discourse better suited to a much more entrepreneurial, pro-active and risk-taking approach. Despite this, opposition to the new projects and landscapes has been rare and confined to technicalities or delays, and there has been no open debate about how urban governance is changing in Bilbao. In this paper I am concerned with the danger that these practices may become rapidly institutionalized in urban policy as a result of the self-confidence of local governors and the satisfaction of the local population.

Urban entrepreneurialism is indeed not unique to Bilbao and can be considered a major trend in the new urban policies of many cities across the

1. See David Harvey, 'Flexible accumulation through urbanization: reflections on post-modernism and spatial structures in the American city', *Antipode*, 19: 3 (1987); and David Harvey, 'From managerialism to entrepreneurialism: the transformation of urban governance in late capitalism', *Geografiska Annaler*, 71B: 1 (1989).
2. See Patrick Le Galès, *European Cities: Social Conflicts and Governance*, Oxford: Oxford University Press, 2002.
3. See Tim Hall and Phil Hubbard, *The Entrepreneurial City: Geographies of Politics, Regime and Representation*, Chichester: Wiley, 1998; Ronan Paddison, 'Decoding decentralisation: the marketing of urban local power', *Urban Studies*, 36: 1 (1999), pp. 107-19; Ron Griffiths, 'Making sameness: place marketing and the new urban entrepreneurialism', in Nick Oatley (ed.), *Cities, Economic Competition and Urban Policy*, London: Paul Chapman Publishing, 1998; Alan Cochrane, Janie Peck and Adam Tickell, 'Manchester plays games: exploring the local politics of globalisation', *Urban Studies*, 33: 8 (1996), pp. 1319-36; Gordon Waitt, 'Playing games with Sydney: marketing Sydney for the 2000 Olympics', *Urban Studies*, 36: 7 (1999), pp. 1055-77.
4. See Frank Moulaert, Arantxa Rodríguez and Erik Swyngedouw, *The Globalized City*, Oxford: Oxford University Press, 2003;

world in the last twenty years. It incorporates a set of initiatives, practices, language, modes of governance and even a particular type of aesthetics promoting the image of cities as businesses that compete, take risks and have a constant need to innovate. This is normally justified by local actors in the context of a more global and competitive economy where cities compete to attract investors, visitors and citizens.

Scholars interested in urban studies, such as David Harvey,<sup>1</sup> have interpreted this trend in the light of wider structural changes in the capitalist system, where old industrial cities have lost some of their competitive advantages and new elements are playing a greater role in attracting investment and people to them: these include cultural infrastructure, better living standards, urban amenities and good communications. In a globalized world, the positionality and role of cities are also changing, gradually losing the structure imposed on them by nation states<sup>2</sup> and becoming nodes and hubs for transnational relations. Local governments find themselves needing to redefine their roles and in many cases urban entrepreneurialism seems to predominate as a practical strategy.

In the last fifteen years a vast literature on urban entrepreneurialism has emerged, giving evidence of both the common characteristics and basic elements, as well as of local particularities and diversity in practical implementation. Looking at this literature the general features of urban entrepreneurialism can be analysed as containing three key ideas.

First, the contention that will form the backbone of this paper is that entrepreneurial local governments create a *distinctive mode of urban governance*, less concerned with the distribution of goods and services within cities and more worried about promotion and policies for growth, including marketing campaigns, organization of events and shows and investment in aesthetic and image-building processes, in the same way that private companies do when promoting their products.<sup>3</sup>

Second, entrepreneurial cities aim to *create new places*, new entrepreneurial landscapes very often governed by the logic of mega-urban projects, flanked by spectacular buildings and cultural infrastructure like theatres, museums, waterfronts, stadiums or concert halls, a trend that has sometimes been described as 'architecture of the spectacle' or 'architecture as advertising'.<sup>4</sup> The creation of such new entrepreneurial landscapes is not only an attempt to improve the image of the city and attract external attention but 'also plays a role in "social control" logic, convincing local peoples as to the benevolence of entrepreneurial strategies'.<sup>5</sup>

The third idea is that entrepreneurial cities develop economic and political strategies to connect them with higher spatial scales (such as regional, national, international or global) in order to improve their position in the hypothetical global market of localities. These strategies might involve the creation of networks of cities or the improvement of physical and virtual communications. For the small metropolis, these *scalar strategies* often involve little more than the construction of narratives and powerful discourses, such as 'the new localism' which defends the renewed role of cities in the global economy, that provide local politicians with confidence and justification for their risky policies.<sup>6</sup>

Yet, the positive effect of strategies of entrepreneurial urban regeneration has been strongly questioned in academic circles. On the one hand, in a context of flexible global capitalism where uncertainty is the norm, large public investments in events and mega-urban projects carry a risk. As cities inevitably become interlinked within urban networks, these investments increase competition among them with the possibility of ending up in a zero-sum game.<sup>7</sup> On the other hand, entrepreneurial projects can cause social polarization in cities, as, in the words of David Harvey, the enormous amount of public money that needs to be invested to ‘feed the downtown monster’<sup>8</sup> diverts money from public budgets for social action. The creation of these entrepreneurial landscapes can result in increasing urban fragmentation, where selected areas become the façade for global capital, while the rest of the city waits for an uncertain trickle-down effect.

This new type of urban governance has recently been linked with wider trends in neo-liberal state politics that are being adopted by urban policy regimes. Neo-liberal urbanization, as it has been called, poses a threat to local participation and democratic local structures, as well as to socially excluded citizens since the state promotes gentrification and urban renaissance through selected projects.<sup>9</sup> These projects are often aimed at the hard-branding of the city, turning it into the ‘pre-eminent and strategic site for collective conspicuous consumption and celebration’.<sup>10</sup>

In this paper, I will argue that the Guggenheim Bilbao Museum has to be understood as part of this general trend of urban entrepreneurialism and increasing state neo-liberalism. The museum is not the cause of these new practices but has consolidated this trend in local policy-making mechanisms. To demonstrate this, I will look at four important roles that the Guggenheim Bilbao Museum has played in the transformation of urban governance in the last few years. My argument is supported by detailed analysis of urban planning documents and reports, interviews with key players in the regeneration policy, attention to the local media and general observational techniques.<sup>11</sup>

### **Before and after the Guggenheim: from uncertainty to popular contentment**

In 1993, the Museum of Fine Arts in Bilbao hosted an exhibition titled ‘Architectures for Bilbao’, which showed the models and drawings of nine emblematic urban projects for the city, among them the Guggenheim Museum of Contemporary Art, the new underground system and other architectural and engineering designs. The exhibition was received with scepticism by a population still suffering from high levels of unemployment due to the economic crisis in the 1980s, and who found it difficult to believe that their situation would improve with the construction of these prestigious buildings. The exhibition became a laughing stock, a metaphor for the general feeling among the local population, and was nicknamed ‘El Bilbao de las Maquetas’. In fact, by 1993 some of these projects had already been completed or the construction work had at least started, as in the case of the underground metro. The negotiations over the Guggenheim had also already started by then but were secretly kept at

Harvey, op. cit., 1989; Darrell Crilly, ‘Architecture as advertising: constructing the image of redevelopment’, in Gerry Kearns and Chris Philo (eds.), *Selling Places: The City as Cultural Capital*, Oxford: Pergamon Press, 1993.

5. Phil Hubbard, ‘Urban design and city regeneration: social representations of entrepreneurial landscapes’, *Urban Studies*, 33: 8 (1996), p. 1443.
6. Bob Jessop and Ngai Ling Sum, ‘An entrepreneurial city in action: Hong Kong’s emerging strategies in and for (inter)urban competition’, *Urban Studies*, 37: 12 (2000), pp. 2290–315; Jamie Peck, ‘Political economies of scale: Fast policy, interscalar relations and neoliberal workfare’, *Economic Geography*, 78: 3, pp. 331–60. Sara González Ceballos, ‘To be or not to be in the “axis”: the power of scalar narratives in making sense of Bilbao’s urban policy’, Research Committee on Urban and Regional Development of the International Sociological Association’s Annual Conference, Milan 25–28 September 2003.
7. Helga Leitner and Erik Sheppard, ‘The city is dead, long live the net’: harnessing European interurban networks for a neoliberal agenda’, *Antipode*, 34: 3 (2002), pp. 495–518; Jamie Peck and Adam Tickell, ‘Neoliberalizing space’, *Antipode*, 34: 3 (2002), pp. 380–404.

8. David Harvey, *Space of Hope*, Edinburgh: Edinburgh University Press, 2000, p. 141.
9. See articles in *Antipode*, 34: 3 for a theoretical and empirical analysis of 'spaces of neo-liberalism'.
10. Graeme Evans, 'Hard-branding the cultural city – from Prado to Prada', *International Journal of Urban and Regional Research*, 27: 2 (2003), p. 436.
11. This paper draws on part of the fieldwork that I have done for my doctoral thesis titled 'La política de escalas en Bilbao. La construcción socio-política de un área metropolitana' defended in December in June 2003 at the University of the Basque Country. This doctoral work was funded by the Basque government (1998-2002).
12. See Joseba Zulaika, *Crónica de una seducción* (Madrid: Nerea, 1997) for a very detailed analysis of the decision-making process.
13. Marisol Esteban, *Bilbao, luces y sombras del titanio*, Bilbao: Servicio Editorial Universidad del País Vasco, 2000, pp. 218-19.
14. Joseba Zulaika, 'Tough beauty: Bilbao as a ruin, architecture and allegory', in José Ramón Resina (ed.), 'Iberian cities', *Hispanic Issues*, 24 (2001), p. 12.
15. Personal interview, Bilbao, 27 June 2001.
16. Esteban, op. cit., p. 221; Ibon Areso, 'Inversión y no gasto', *Projet Urbaine*, 23 (2001), p. 103; Zulaika, op. cit.

the highest level between regional and provincial ministers of the ruling Partido Nacionalista Vasco (PNV) and Thomas Krens, the director of the Foundation.<sup>12</sup> The Bilbao city council did not take part in these discussions and agreed to give planning permission, but did not provide mechanisms for public consultation other than the formal 'período de alegaciones' which is very rarely used by the general public. The members of the opposition in the Bilbao city council opposed the project and only the PNV was completely in favour.<sup>13</sup>

The project was finally made public in February 1993 with the unveiling of the model in Bilbao's stock market building, by Frank Gehry himself. The project was soon met with criticism from a variety of Basque circles and Gehry himself had to listen to a group of unemployed steel workers gathered at the entrance of the exhibition in the stock market furiously shouting 'thieves!', and 'fewer museums, more jobs!'<sup>14</sup> The general feeling of the time can be summarized in the words of the Director of Tourism in Bilbao:<sup>15</sup>

Lógicamente, cuando se anunció todo esto y se plasmó en maquetas y se hicieron las primeras exposiciones, pues nadie se lo creía, primero porque no entraba dentro de nuestra cultura y segundo porque eran tantas cosas al lado de un concepto que no se entendía ... pues claro surgían muchísimas críticas porque zonas muy degradadas, con nivel de desempleo fortísimo, con muchas necesidades ... y la gente no entendía que las instituciones estuvieran invirtiendo en un museo, cuando todavía no se sabía cómo iba a ser y cuando los barrios o muchas familias lo estaban pasando mal.

Apart from these arguments, critics also deplored the fact that an American company would undertake the historic project of a Basque contemporary art museum,<sup>16</sup> and that most of the regional budget for cultural policy would be absorbed by the Guggenheim Museum.<sup>17</sup> In spite of the public opinion against the project the construction work went ahead in the derelict industrial area of Abandoibarra, and as the bizarre metal structure started to take shape so did the expectations of the local citizens for the possible resurgence of Bilbao. It was the fact that something was finally being done by the authorities, more than the actual content or shape of this, that triggered positive feeling among the citizens. It was the shift from 'El Bilbao de las Maquetas' to the Bilbao of bulldozers and building sites. Far from being a traumatic experience for local citizens, the transformation from a classic city in decline to one with a positive and forward looking attitude has contributed, according to Juan Ignacio Vidarte, the director of the museum, 'to the recovery of self-esteem and trust in our society, bringing elements that increase pride and trust and enable us to confront the challenges of the new millennium'.<sup>18</sup> Indeed, according to Bilbao Metròpoli 30 (BM30), the public/private partnership for the revitalization of the metropolitan area of Bilbao, 56 per cent of the population now feels prouder of Bilbao than they did ten years ago, with a total of 96 per cent feeling equally proud or prouder.<sup>19</sup>

However, these figures have to be understood within the context of my theoretical argument in the first section of this paper. The production of new

entrepreneurial landscapes using city marketing strategies which make use of architecture can be a mechanism for social control, a paternalistic strategy to keep the local citizenry happy, a sort of ‘bread and circuses’ strategy. As Hubbard argues, by adopting the latest architectural fashion the city governors, or in this case the Basque government and provincial council of Bizkaia, contribute ‘to the regeneration [of the city] both materially and symbolically [...] potentially galvanising public support for the entrepreneurial policies being pursued [by them]’.<sup>20</sup>

### **The Guggenheim as a learning process for authoritarian practices of local governance**

The Guggenheim has not only fostered high self-esteem among the local citizenry but also among local and regional governors involved in urban regeneration, most of whom are truly convinced of their success. This attitude can be a powerful resource for positive and creative thinking, but can also engender authoritarian political practices, as politicians feel sure that they have the right answer for the problems of the city without feeling the need for consultation. To argue this, I will look first at the democratic nature of the decision and second at the authoritative character of the Guggenheim Bilbao Museum success narrative.

First of all, the fact that the project was negotiated in a top-down fashion, without the active promotion of public participation mechanisms, at the highest level of the ruling party, PNV, in an atmosphere of secrecy and was later opposed by most of the population, poses questions about the democratic nature of the decision itself. To illustrate the official discourse about this question I reproduce an extract of an interview with the provincial council’s finance minister at the time of the decision, an influential figure involved in the process.

Q: ¿Hasta qué punto en todo este proceso se ha tomado en cuenta la opinión pública?

A: Yo creo que sí se ha tenido en cuenta en la medida en que estamos hablando de un período en que las responsabilidades se otorgan en función de la representatividad de cada uno. Una manera indirecta de atender esa voluntad popular. Todo lo que está soportado en una elección plebiscitaria pues tiene el referendo popular detrás.

Q: Pero, ha existido una cierta oposición hacia algunos proyectos, ¿no?

A: [...] Yo en su día respecto al Guggenheim comenté que si se llega a someter a referéndum, hoy no hubiéramos tenido el Guggenheim eso es evidente y lo mismo con otros proyectos. [...] Las cosas son así, el mayor o menor rechazo a un proyecto tampoco es una garantía de acierto o desacierto, para eso tenemos un proceso previo de selección, votación y al final eso es lo que otorga la capacidad de decisión. Excepcionalmente podrás someter decisiones a votaciones pero con carácter general hay dejar funcionar a las instituciones.<sup>21</sup>

17. See Ramón Zallo, *Industrias y políticas culturales en España y País Vasco*, Bilbao: Servicio editorial UPV, 1995.
18. José Ignacio Vidarte, ‘El Museo Guggenheim Bilbao’, in Gobierno Vasco (ed.), *Euskal Hiria*, Vitoria-Gasteiz: Servicio Central de publicaciones del Gobierno Vasco, 2002, p. 155.
19. *Informe Anual de Progreso 2001*, Bilbao: Bilbao Metròpoli 30, p. 23.
20. Hubbard, op. cit., p. 1445.
21. Personal interview, Bilbao, 4 July 2001.

22. See Arantxa Rodríguez and Elena Martínez, 'Restructuring cities: miracles and mirages in urban revitalization in Bilbao', in Moulart et al. (eds.), *op. cit.*, pp. 199-202, for a discussion about the influence of the museum in the city's economy.
23. Erik Swyngedouw, 'Authoritarian governance, power and the politics of rescaling', *Environment and Planning D: Society and Space*, 18 (2000), p. 64.
24. See Esteban, *op. cit.*, for an overview of urban planning processes in Bilbao.

Two points are worth exploring in this extract. On the one hand, the interviewee reminds us how young Spanish democracy is. According to his view, the fact that politicians have been legally elected by a democratic process is sufficient mechanism to guarantee the participation of citizens. We have to remember that a large proportion of the politicians in Spain are the first generation of democratically elected representatives and thus see representative democracy not as a point of departure for the continued improvement of mechanisms of participation but as a goal which has already been achieved. In addition, the PNV, the key player in the negotiations over the Guggenheim, had, by the time of the decision, been the hegemonic party in the regional, provincial and local council administrations for Bilbao for over a decade. The PNV had by then developed a sense of autonomy in respect to the population and a sense of ownership of public institutions, a belief that, far from being challenged, was positively reinforced after the success of the museum.

The second point worth mentioning from the extract is the assertion by the interviewee that if it had been left to a referendum the museum would never have been built at all, and therefore, that the city would never have been regenerated. The politician here uses a rhetorical trick by making reference to the radical mechanism of a referendum to ridicule the critiques about the lack of public participation. It follows from this that only politicians or experts should decide matters of importance because the local population lacks the knowledge and experience and thus might be wrong in their judgement, as alleged in this case.

The lesson that local politicians have therefore learnt from the Guggenheim is that sometimes decisions have to be made against the opinions of the local population, first because these opinions bear no relation to the success of the project and second, because they have been democratically elected and are therefore entitled to take decisions.

Furthermore, local politicians and media have constructed a hermetic discourse about the success story of the museum that leaves no room for alternative visions or dispute. In the absence of a straightforward causal relationship between the Guggenheim Bilbao Museum and the economic revival of the city,<sup>22</sup> local politicians refer to the indisputable narrative of urban transformation: before, old industrial city in decline; now, post-industrial cultural centre for international tourism and creation of knowledge. This narrative, endlessly repeated by local politicians in Bilbao, becomes self-explanatory, a sort of dogma that cannot be challenged. In other words, borrowing Swyngedouw's<sup>23</sup> description of the myth of globalization, the narrative of Guggenheim success becomes a shorthand to summarize very complex and multiple processes. In doing so it denies those complex processes a spatial, geographical and political context, leaves no space for alternative explanations, and as such makes them profoundly disempowering.

### **The Guggenheim as the culmination of project-led planning**

In the last decade Bilbao has seen a substantial change the way that planning is understood and delivered.<sup>24</sup> The end of the 1980s brought a significant mobi-

lization of local and regional actors, with diverse interests in the metropolitan area of Bilbao, all with the common goal of changing the defeatist attitude that years of economic restructuring, factory closures, unemployment and terrorism had brought to the Basque population.<sup>25</sup> This mobilization found coherent coordination in the Strategic Plan for the Revitalization of Metropolitan Bilbao, initiated by the Basque autonomous government but soon adopted by the provincial government, metropolitan municipalities and other public and private organizations. At the end of the 1980s other local and metropolitan statutory plans started to be discussed, thus making it a period of intense reflection over the future of the metropolitan area of Bilbao. These good beginnings, however, slowly gave way to much more fragmented thinking in the mid-1990s, dominated by the idea of the emblematic project which was to have its culmination in the Guggenheim Bilbao Museum. The museum, by the way, did not arise from any of these planning processes or reflective discussions, but as mentioned before, it emerged from a top-down decision-making process.

More generally in Spain, the 1980s and 1990s also saw the use of urban events and project-led planning as a key policy for urban regeneration, most remarkably in the cases of Barcelona and Seville in 1992. These initiatives signalled a move by public authorities towards preferring flagship projects over comprehensive plans, exacerbated by the incipient crisis in traditional planning.<sup>26</sup>

In the metropolitan area of Bilbao, the crisis experienced by the three main planning documents has also left room for the adoption of project-led planning practices, such as the Guggenheim. The *Plan General de Ordenación Urbana de Bilbao* was finally approved after an extremely long delay in 1994 and based most of its strategy on the city's central area and Abandoibarra, the Guggenheim's 'home', where initially there were plans to build a residential and business waterfront. Subsequent area plans were developed for some of the most important sites, like Abandoibarra and Amezola. These area plans, especially those for Abandoibarra, have been by far the most emblematic and expensive projects attracting a great deal of political attention and conflict.<sup>27</sup>

The *Directrices de Ordenación del Territorio del País Vasco* were planned as a set of guidelines for promoting a balanced vision over the whole Basque territory, identifying possible urban hierarchies, functional relations and standards for housing, transport and environmental policy-making. After a very long and acrimonious process of decision-making, the *Directrices* were approved in 1997 but in a substantially watered-down version, consequently delegating most of the planning powers to the provincial government and the Strategic Plan for Revitalization. In turn, this Plan has also been a sham, as almost fifteen years after the publication of the first draft it has not yet been approved in a final agreed version. Its final draft, presented in February 2003, has been stripped of most of its controversial elements and does little more than offer a rehash of the existing projects that have been developed during its long period of approval, either by private developers or small area plans. The long delays and negotiations over these three plans have been more related to a lack of a

25. See, for example, Antón Pérez de Calleja, 'La reconversión Industrial: el cuento de nunca acabar', *Ekonomiaz*, 2: 20 (1991); or Departamento de Economía y Planificación, Gobierno Vasco, 'Bases para la revitalización económica del Bilbao Metropolitano', *Ekonomiaz*, 15, 1989.
26. Fernando de Terán, *Historia del urbanismo en España II: Siglos XIX y XX*, Madrid: Cátedra, p. 331.
27. Esteban, op. cit.; Arantxa, Rodríguez, Elena Martina y Galder Guenaga, 'Uneven development: new urban policies and socio-spatial fragmentation in metropolitan Bilbao', *European Urban and Regional Studies*, 8: 2 (2001), pp. 161-78.

28. Esteban, op. cit., p. 237; Sara González Ceballos, 'La política de escalas en Bilbao. La construcción socio-política de un área metropolitana', unpublished Ph.D. thesis, University of Basque Country, December 2003.
29. See Rodríguez and Martínez, op. cit., p. 194.
30. *Bilbao as a Global city: Making Dreams Come True*, Bilbao: Bilbao Metrópoli 30, 1999.
31. Beatriz Plaza, 'Evaluating the influence of large cultural artefacts in the attraction of tourism: the Guggenheim Museum Bilbao case', *Urban Affairs Review*, 32: 2, pp. 264-74.
32. Pablo Otaola, 'Learning from cities' conference, 16 October 2000, Bilbao.

collaborative planning tradition between political parties and agencies and power struggles than to inclusive participatory practices.<sup>28</sup>

An effort to prevent fragmentation in planning was launched in 1992 with *Bilbao Ría 2000*, a public and multilevel government partnership which seeks to concentrate the partners' land assets and resources in strategic central sites and then develop them, either according to area plans or in the form of ad hoc projects. However, the accountability of this organization has been called into question as it bypasses the traditional role of local government in planning and is driven by a commercial philosophy rather than a comprehensive view of the city.<sup>29</sup> In the light of this planning deficit, piecemeal projects like the metropolitan railway, the Guggenheim or the Music Hall have been filling the derelict areas and satisfying the need for renewed services in the city. Consequently, a 'Bilbao of the projects' is emerging as a planning mechanism in its own right. In this vision, Bilbao is seen as a blank canvas into which new projects can be accommodated as they come along without having to take into account an overall strategy. Not considering projects in a complex and multifaceted relationship with each other and with the existing urban fabric risks promoting a fragmented city, prone to the effects of social polarization that, as I argued in the first section of this paper, urban entrepreneurialism may bring.

### **The Guggenheim has turned Bilbao into an internationally known 'case study'**

It is one of the most repeated formulas: the Guggenheim has put Bilbao on the map. But on which map? It is hardly arguable that Bilbao has turned into a global city, as BM30 is claiming in one of their latest reports,<sup>30</sup> or that Bilbao has become an international hub for business and financial investment. It is nonetheless undeniable that Bilbao is now a national and international tourist destination, something that was unimaginable only ten years ago, which has in turn brought positive effects for the local economy.<sup>31</sup> The point of this article is to explore both the fact that Bilbao has placed itself very firmly on the map as far as examples or exemplars of urban regeneration are concerned, and the consequences of becoming an internationally known 'case study'.

According to Pablo Otaola, the director of *Bilbao Ría 2000*, there have been three distinct phases in the relationship of Bilbao with other cities and 'cases':<sup>32</sup> During the first phase (end of the 1980s until the mid-1990s) experts from Bilbao went to visit other cities, for example Glasgow and Pittsburgh, to learn from their experiences; in the second phase (1996-97) selected experts either came to visit or were invited to talk about urban regeneration and cultural infrastructure in a two-way dialogue between Bilbao and other places with similar experiences; the third phase, the last few years, has been characterized by numerous visits from planners, architects and academics who flock to Bilbao to learn about the city's experience and listen to the corresponding narrative. Bilbao has made itself a classic exemplar by planning international conferences and attracting networks of experts; study visits from all over the world have also been organized. The local organizations, like *Bilbao Iniciativas Turísticas*, *BM30*, *Bilbao Ría 2000* or the Association of Basque Architects have

also reacted by organizing ‘expert’ trips around the metropolitan area. Bilbao’s airport now has an office devoted to providing information about the city’s revitalization. The ‘case’ is also increasingly used by academics, consultants, policy-makers and journalists in conferences, reports and the media to conjure up particular symbolic images, lessons or arguments.

The danger with these visits and the use of the ‘case’ is that in order for the experience to be transferable it has to be codified in such a way that it becomes simplified and stripped of its contextual references, rendering it anodyne and consequently malleable in different discursive frames. A process of ‘caseification’ begins to take place in which the experience of Bilbao is turned into a myth, acquiring a meaning of its own, somewhat independently of the real experience. But, what is ‘the case of Bilbao’ a case of? The answer should constitute the mirror into which local politicians and citizens of Bilbao should look to see whether they recognize their city. If their city is being used to promote or justify something else then they should be aware of it.

In the United Kingdom, the ‘case’ of Bilbao has been extensively singled out as a prime example for urban renaissance and the success of cultural regeneration. The UK government has promoted the idea that Bilbao is a model for British cities to emulate. In February 2003 the Culture Secretary Tessa Jowell declared in a press release that new cultural projects like the Baltic Museum of Contemporary Art or the Sage, a concert venue designed by Foster, could turn Tyneside into the ‘new Bilbao’. She went further to say that in Bilbao ‘the effect of building the Guggenheim Museum boosted the local economy in a spectacular and enduring way [...] this is being mirrored in the UK, and in particular, Newcastle-Gateshead’.<sup>33</sup> The local media reacted with enthusiasm but only until they found out, two days later, that she had sent similar press releases entitled ‘Move over Bilbao’, with identical statements, to Birmingham, Manchester and Cornwall, forecasting that they could all become the ‘new Bilbao’.<sup>34</sup> Local politicians from Newcastle expressed their disappointment and sense of betrayal by the Culture Secretary whose ‘appalling and incompetent spin’ had proved that the government was taking their region for granted.<sup>35</sup> Similarly, the local press in Bilbao also reported on the story showing disgust at the belief that ‘Bilbao’s reputation and excellence can be improvised and copied by anyone’.<sup>36</sup> As a result of these comparisons citizens in both cities were disappointed by the superficiality with which their problems, anxieties and achievements were being treated.

‘Best practice’ approaches form also part of the neo-liberal doctrine, and are predicated on a ‘one-size-fits-all’ model of policy implementation that assumes the transferability of experiences.<sup>37</sup> It is arguable, on the contrary, that the processes of urban transformation in cities are very complex phenomena with a multitude of possible interpretations and angles, and it is worth considering whether simplifying them into codified ‘cases’, stripped off from their contingencies and context, actually allows us to learn from them at all.<sup>38</sup>

Finally, local and regional politicians in Bilbao may need to reflect on whether they are satisfied with the rather autonomous dimension that ‘the case of Bilbao’ is taking on with the way that ‘the case of Bilbao’ has taken on a life of its own and whether they agree with the way in which it is being used to

33. ‘Praise for Tyneside’s revival’, *Evening Chronicle*, 25 February 2003.
34. Department of Culture, Media and Sport, ‘Move over Bilbao, Birmingham is the new Eurostyle centre’, ‘Gateshead shows what culture can achieve to lift a city’, ‘Move over Bilbao, Manchester is the new Eurostyle centre’, ‘Cornwall shows what culture can achieve to lift a region’, press releases, 25 February, 2003. <http://www.gnn.gov.uk>.
35. ‘Minister’s praise “was spin” claim’, *The Journal*, 27 February 2003.
36. Iñigo Gurruchaga, ‘El plagio del “new Bilbao”’, *El Correo Español*, 1 March 2003.
37. Neil Brenner and Nick Theodore, ‘Cities and the geographies of actually existing neoliberalism’, *Antipode*, 34: 3, p. 353.
38. The so-called ‘Barcelona model’ is an example of how a complex and long process of urban regeneration has been turned into a ‘recipe’ for cities around the world. In-depth studies suggest, however, that we need to be cautious about exporting such contextual and unique experiences. See Maria-Dolors García Ramón and Abel Albet, ‘Pre-Olympic and post-Olympic Barcelona, a “model” for urban regeneration?’, *Environment and Planning A*, 32, pp. 1331–34; Donald McNeill, ‘Mapping the European urban Left:

the Barcelona experience', *Antipode*, 35: 1, pp. 74–94; Francisco-Javier Monclús, 'The Barcelona model: an original formula? From reconstruction to strategic urban projects (1979–2004)', *Planning Perspectives*, 18 (October 2003), pp. 399–421.

promote and justify public investment in large-scale cultural infrastructure and in architectural design in completely different contexts from that of Bilbao.

## Conclusions

In this article it has been argued that the Guggenheim Bilbao Museum is better understood not as an 'effect' but as part of a wider process in which local governments are moving towards urban entrepreneurial practices as a result of a perceived need to develop a pro-active approach to governance. This argument touches upon socio-political changes in the local population of Bilbao as well as in the governing class and the transformation in planning processes. I have argued that there have been four main roles that the Guggenheim has played within the more general process of urban regeneration in Bilbao: 1) The Guggenheim has turned uncertainty over the future of Bilbao into popular satisfaction while the landscape has acted as a mechanism of social control granting civic approval for other projects; 2) the fact that the general public initially opposed the Guggenheim project has reassured local politicians that there is no need to promote public participation and consultation, and that they are already in possession of the right answers to the city's problems; 3) it has reinforced the view that project-led planning is an appropriate approach; and 4) the Guggenheim has turned Bilbao into a case study used superficially to prove that flagship cultural regeneration can have positive results. This does not mean that the Guggenheim is responsible for the rise of these processes but rather that the fact that the Guggenheim was built in Bilbao has created certain attitudes, and that citizens and city governors have learnt certain practices connected with the wider trends in urban policy described in the first section of the paper. Because of the unchallenged success of the Guggenheim, these new practices have then been internalized and institutionalized as part of the course of politics in Bilbao. Therefore there is a real need to reflect on the 'Guggenheim effect' as an example of the neo-liberalization process for urban policy in Bilbao, and on how future projects could show more integrative governance practices.