



## Case 36 Place Branding in Bilbao, Spain

### Problem to resolve

Some cities or regions with strong industries have lost their economic power due to technological change and are now faced with high unemployment rates and expensive infrastructure expenses.

### Place branding - a counter strategy:

Commercial city marketing, usually referred to as 'place branding', actively promotes the international reputation of a city – or sometimes of an entire region where individual cities are not strong enough on their own. Apart from world scale events, like Olympic Games or World Exhibitions, an iconic building designed by a famous architect can have a supporting effect, like the Sydney Opera House, the Sony Centre in Berlin and, of course, the Tower Bridge in London or the Eiffel Tower in Paris serve for promotion. →Tool URR 2

### The Bilbao experience:

Bilbao – once an important port city and industrial centre for the region - was badly affected by the industrial crisis of the 1970s. Within the metropolitan area, 80,000 jobs in industry were lost. Finally, its politicians, institutions, and citizens decided to switch to delivery of services to become the principal economic activity for Bilbao, offering a high quality of life, turning brown fields into parks and other green infrastructure. The harbour area was to undergo an innovative urban renewal effort that would engage the public interest and make the city more attractive as a site for international forums. New installations include, among others, the Euskalduna Conference Hall, the Airport, the Metro,<sup>1</sup> the tramway and the Uribitarte promenade along the Estuary River and of course, the Guggenheim Bilbao Museum – all built by world-renowned architects. The names include Gehry, Foster, Pelli, Legorreta, Isozaki, Calatrava, Sterling, Soriano and others. The Bilbao Renewal Program received the UN Habitat Best Practice award in 2014.<sup>2</sup>

The most well-known development on the site is the landmark Guggenheim Museum designed by the architect Frank Gehry. The museum opened in 1997 attracting over a million visitors in its first year and it immediately became a major tourist attraction. Bilbao's recovery from industrial decline has by now become one of the most well-known success stories in Europe. It has been said that Bilbao is a city "actively engaging in globalisation strategies and getting transformed in the process".<sup>3</sup> →Tool URR 2





*Bilbao Harbour before urban renewal intervention<sup>4</sup>*



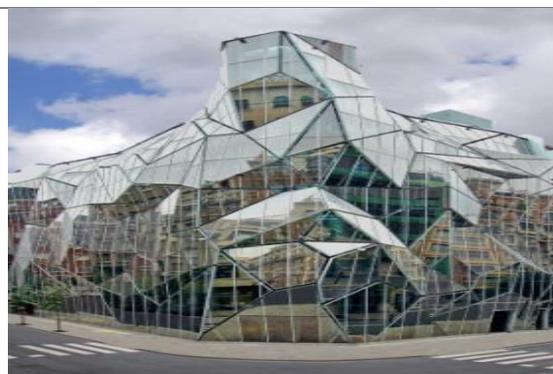
*Guggenheim Museum Bilbao by F Gehry<sup>5</sup>*

There was also a big increase in airport passengers from 1.4 million in 1994 to 3.8 million in 2005. The sheer scale of added tourist numbers seems certain to have created many smaller service outlets, bars, shops, cafes, small hotels, restaurants, guides, tourist mementos and so on. The indirect knock-on effects in the city are extremely wide if immeasurable, which has been referred to as ‘Guggenheim effect’ on Bilbao’s city economy, which many other cities try to replicate. ‘Due to a successful image change, the city is now internationally recognised as a successful example of urban recovery. Some voices have however criticised the strong focus on urban marketing that prioritises ‘putting the city on the map’, for example the costly subsidies to the city’s only really global attraction, the Guggenheim Museum.’<sup>6</sup>

New housing was also built to replace the congested living quarters close to river, but criticism was formulated in respect to the low number of flats provided – and even more of the emerging new social segregation pattern created that way. On the positive side it is worth mentioning that the Bilbao Urban renewal effort was able to overcome the burden of administrative fragmentation by founding the development agency Bilbao Ría 2000, S.A., to co-ordinate and carry out regeneration initiatives in Bilbao. Set up in November 1992 as a private firm of public shareholders (50 percent central and 50 percent local and regional administration), Ría 2000 operates in practice as a quasi-public agency, a planning and executive body in charge of specific urban renewal operations in the metropolitan area of Bilbao. The Development Corporations were first tested successfully for the New Towns in Britain, like for Milton Keynes.<sup>7,8</sup>

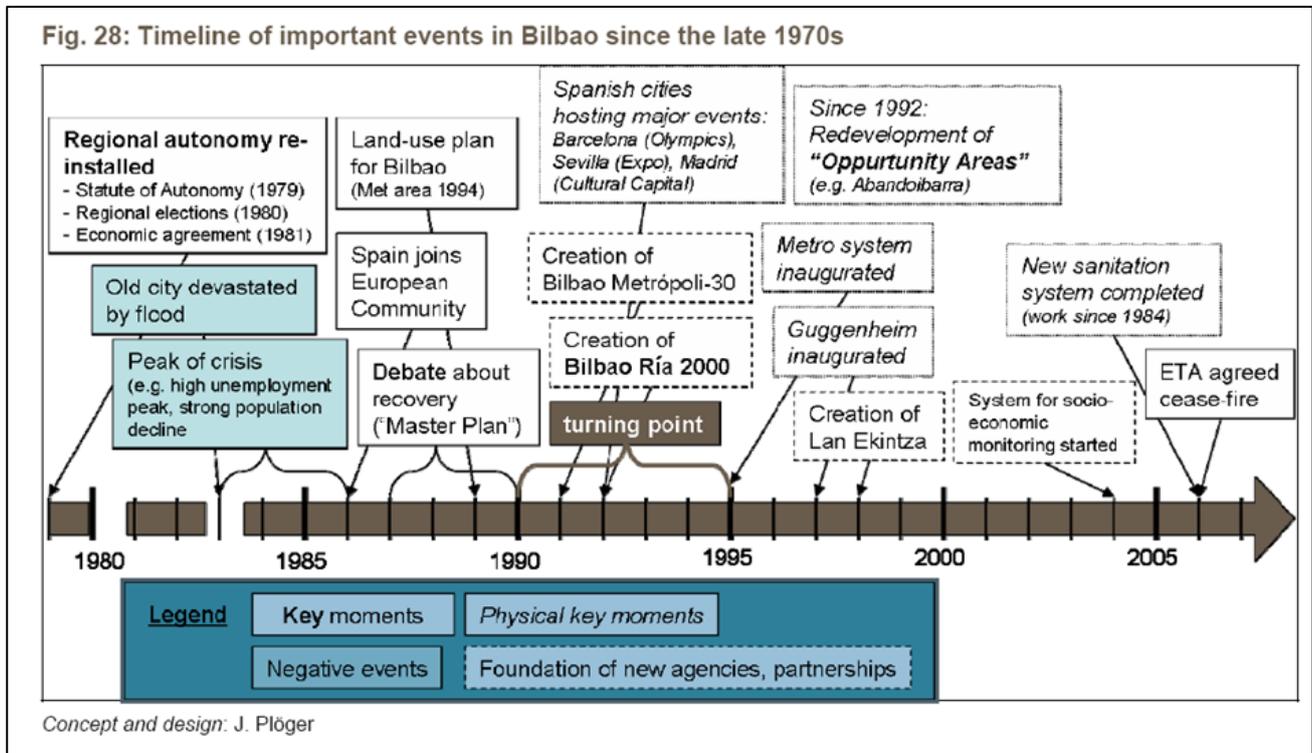


*Bilbao Metro Entrance. Arch.: William Forster<sup>9</sup>*



*Bilbao department of Health<sup>10</sup>*

In sum, the significance of Ría 2000 lies in its considerable potential as a co-ordinating and executive agency and its capacity to act as a unified body in urban redevelopment schemes in metropolitan Bilbao. However, Ría 2000's status as a private firm poses critical questions regarding the 'privatization' of planning and lack of political accountability. Moreover, the imperative of short-term profit logic introduces a speculative bend to the agency's operation, which severely undermines its regeneration objectives. If urban regeneration means something more than physical renewal, then equity and redistributive considerations must mediate efficiency criteria. →Tool URR 2



## Credentials

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