Harmony and discord in planning: a comparative history of post-war welfare policies in a Dutch–German border region

Marijn Molema

This chapter focuses on the process of consensus-building within the domain of policies and politics. It concentrates on Dutch and German regional economic development policies, to illustrate the similarities and differences in the policy-making processes. Regional economic policies flourished in the 1950s and 1960s, when most developed countries were implementing them. Industrial subsidies and infrastructure investments were intended to strengthen the economic structure of those regions lagging behind the standards of national growth. This post-war history of regional policy will be investigated, using the northern Netherlands and north-west Germany as examples. Parallels and divergences between concepts, instruments and administration will be scrutinised from a comparative perspective. Similar patterns in Dutch and German regions point to a European consensus on how to develop ‘backward’ regions. Differences in and between the regions will be explained on the basis of variations in planning traditions on a national and even regional scale.

Introduction

In the peak years of the modern European welfare state, when the administrative apparatus still exercised broad-ranging authority and its credibility remained unassailed, a remarkable consensus was achieved.¹
This is one of the insights offered in Tony Judt’s eminent work on Europe’s post-war history. The British historian commenced his narration of socio-economic policies in the 1950s and 1960s by stating that these policies were an act of ‘remarkable consensus’. This can indeed be seen from an analysis of broad processes in contemporary history and their underlying structures. Further investigation of these European processes could also encourage comparisons between individual nation-states. Such an intellectual endeavour is rewarding because comparisons between nation-states enable us to draw out more precisely the shared European characteristics, but also to discuss and understand differences between individual countries. We can even go a step further and articulate the regional differences in European welfare state policies. According to the British political scientist Michael Keating, European nation-states are full of ‘territorial politics’, which means that political needs and goals are formed within territories at a subnational scale. These are brought into national political arenas and influence the construction and deconstruction of consensus.

This chapter records consensus on a particular branch of the European welfare state: the political concern for economic development in regions lagging behind national average growth rates. In a comparison between Dutch and German approaches, a more precise analysis of general assumptions and instruments of regional-economic policies is offered. Moreover, the chapter aims to analyse national and regional particularities within these regional economic policies. Notwithstanding the common ground in regional politics, territorially bounded planning traditions have affected regional economic policies, thus giving rise to subtle but far-reaching differences between and within European countries. To illustrate this, the analysis is concentrated on two regions in the Netherlands (the provinces of Groningen and Drenthe) and two regions in Germany (East Frisia and the Emsland). As regions remote from national industrial centres, they shared a vulnerable economic structure which resulted in policy interventions in the 1950s and 1960s. Consensus on the industrial development of those regions evolved in those two decades. However, there remained differences between the Dutch and German approaches, and policy differences between East Frisia and the Emsland illustrate the regional particularities of economic politics.

The guiding research question focuses on the description and explanation of policy differences: what can explain the differences between regional policies executed in Groningen, Drenthe, East Frisia and the Emsland between 1950 and 1970? After a short description of the regions, we will look at the early phase of regional policies during
the early 1950s. We will then investigate the merging of spatial planning and regional policies in the late 1950s. The last part will depict the 1960s as the heyday of regional industrialisation policies and as marking the end of the old consensus and the beginning of a new era around 1970.

The northern Netherlands and north-west Germany

The border between the northern Netherlands and north-west Germany begins on the shores of the North Sea; the Ems-Dollart Bay marks the divide between the two countries. The River Ems flows on the German side from south to north along the border and ends in the Ems-Dollart estuary. In modern times, Autobahn A31, also called the ‘Emslinie’, has been the most important north–south connection in this border region. The area shares cultural similarities and economic interdependencies, but national differences have increased due to the increasing influence of nationalism from the late nineteenth century. These differences are of particular importance in the administrative structure. Groningen and Drenthe are two of the twelve provinces – the principal level of regional governance – comprising the Dutch constitutional monarchy. Provincial governments consist of five to seven elected deputies and are headed by a Commissioner appointed by the monarch. These Commissioners and their deputies are responsible for the execution of central government tasks, but can also develop economic, cultural and social policies themselves. Regional government is held to account by a regional parliament, the States-Provincial, an old institution which dates back to the Middle Ages. In the period under study, the provincial parliaments of Groningen and Drenthe were not dominated by a single political party or faction, although the Social Democrats were often the strongest party in both provinces.

On the German side of the border, East Frisia (Ostfriesland) contains various local administrative districts – Landkreise or (in the case of larger cities) Kreisfreie Städte – including Norden, Aurich, Wittmund, Leer and the Kreisfreie Stadt Emden. The East Frisian people have a strong regional bond and sense of belonging, expressed through local habits such as tea drinking and through their dialect. Regional culture in the Emsland is influenced by Catholic norms and values. From the first national elections in the nineteenth century, the Roman Catholic party Zentrum was the dominant political force. These well-defined but different regional cultures have hampered cooperation between East Frisia and the Emsland. The latter region owes its name to the River Ems,
which flows through the length of the region, and was made a Landkreis in 1977. That year, Aschendorf-Hümmling, Meppen and Lingen merged into the largest German Landkreis of the time.9 Until 1978, East Frisia and the Emsland were part of the governmental districts of Aurich and Osnabrück respectively. These governmental districts were administrative bodies of the State of Lower Saxony, which executes its policies through the districts. At the head of each district is a district president (Regierungspräsident) who runs the administrative apparatus. However, in contrast to the Dutch provinces, there is no direct political representation of the people living in the districts.

From an economic and demographic angle, the four regions of Groningen, Drenthe, East Frisia and the Emsland have shared many characteristics, especially since the Second World War. After 1945 the process of population growth, which had stagnated due to the Second World War, resumed at a rapid pace. During the 1950s and 1960s, the Western European population grew by 0.7 per cent each year.10 The northern Netherlands and north-west Germany were not excluded from this general population growth, as can be seen in Table 9.1. Population forecasts caused people to realise that new jobs would be required in the near future. Economic life in Groningen and Drenthe, as well as in East Frisia and the Emsland, had hitherto been mostly related to agriculture. Cattle and arable farming provided employment for many labourers. Due to the mechanisation of labour, concentration on specific products and increases in scale, the numbers of people needed to work in the agricultural sector decreased. In the early twentieth century, approximately a quarter of the West European labour force worked in the agricultural sector. This number had fallen to 12.8 per cent by 1960.11 Between 1947 and 1956 the percentage of the nation’s male workers employed in the agricultural sector fell from 29.3 to 22.9 per cent in Groningen and from 44.5 to 34.0 per cent in Drenthe.12 In East Frisia the number declined from 46.4 per cent in 1946 to 30.2 per cent in 1961.13 The same happened in the Emsland, where more than half the population worked in the agricultural sector after the Second World War; by 1970 this had fallen to less than 23 per cent.14 Furthermore, many peat diggers, especially in the province of Drenthe, lost their incomes due to the rise of alternative fuels, and the consequent collapse of the peat sector.

These economic and demographic processes had an extraordinary impact on the northern Netherlands and north-west Germany. Industry was not totally absent; in Groningen, and to a lesser extent also in Drenthe and East Frisia, agricultural products were processed into sugar, potato starch, strawboard and dairy products.15 East Frisia and
Groningen were also home to some shipyards. However, these industries could only absorb a fraction of the people who lost their jobs in the agricultural sector. This all resulted in higher unemployment rates than the national average. Young people left the region and moved to national economic centres or tried their luck abroad. East Frisia headed the outward migration figures in the 1950s, when it saw a net emigration of 68,000 inhabitants (see Table 9.1). Regional politicians and policymakers were concerned about the future development of their provinces and districts; they feared that their socio-economic problems would further worsen in the near future. Something had to be done to arrest their regions’ decline.

Programmatic approach in Groningen and Drenthe

The first ten years after 1945 can be considered to be the ‘formative period’ of regional economic policy. As a result of post-war reconstruction, this new policy field took root in the administrative system. National parliaments decided on the first measures and an apparatus was established to govern the regional economies. Several development programmes were implemented in the Netherlands and Germany, drawing

Table 9.1 Socio-economic indicators

<table>
<thead>
<tr>
<th></th>
<th>(a) Groningen</th>
<th>(b) Drenthe</th>
<th>(c) East Frisia</th>
<th>(d) Emsland</th>
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<tr>
<td>1. Population</td>
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<tr>
<td>1946/47</td>
<td>430,000</td>
<td>262,000</td>
<td>360,000</td>
<td>177,000</td>
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<tr>
<td>2. Population</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>1987</td>
<td>558,000</td>
<td>434,000</td>
<td>415,000</td>
<td>256,000</td>
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<td>3. Migration</td>
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<td></td>
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<tr>
<td>balance 1950s</td>
<td>–40,000</td>
<td>–20,000</td>
<td>–68,000</td>
<td>–19,000</td>
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<tr>
<td>4. Unemployment</td>
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<tr>
<td>rate 1950</td>
<td>3.6%</td>
<td>6.5%</td>
<td>23.1%</td>
<td>–</td>
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<tr>
<td>5. Unemployment</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>rate 1957</td>
<td>3.7%</td>
<td>3.8%</td>
<td>12.1%</td>
<td>8.2%</td>
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<tr>
<td>6. Unemployment</td>
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</tr>
<tr>
<td>rate 1965</td>
<td>1.8%</td>
<td>2.3%</td>
<td>3.3%</td>
<td>2.2%</td>
</tr>
</tbody>
</table>

*Note: The numbers at 3c and 3d are for the years 1950–59 and 1949–57 respectively; the unemployment numbers for East Frisia are based on data from the Employment Centre of Emden.*
partly on pre-war ideas. From a comparative perspective, the most obvious difference between Groningen/Drenthe on the one hand and East Frisia/Emsland on the other is the level of unity in policy programmes. While East Frisia and the Emsland went down different policy paths, the two regions in the north of the Netherlands adopted a joint approach to their development plans. There was striking agreement about the most important direction in which the regional economy had to develop: the attraction of industry was expected to resolve the problems of unemployment and underdevelopment. The path to industrial development was paved in both regional and national debate. Local and regional governors had already begun arguing for industrial incentives in the late 1930s. The Commissioner of the Queen in Groningen, Johannes Linthorst Homan, for example, organised regional conferences in 1938 and 1939 in which the economic development of the province was discussed.17 Backed by the provincial governments of Groningen and Drenthe, a Northern Economic–Technological Organization (NETO) was founded in 1937. The NETO advised on technological questions but also on more strategic matters, such as the economic prospects of agribusiness. A sense of urgency was also felt in south-east Drenthe, especially in the mid-sized town of Emmen. This was the centre of peat-digging activities, which disappeared almost entirely in the early twentieth century. The local government established an industrialisation committee in the mid-1930s, with the aim of attracting new industries. The reaction of J. A. de Wilde, Minister of Internal Affairs on behalf of the (Protestant) Anti-Revolutionary Party, is representative of the national ‘support’ for local initiatives. In a letter, De Wilde warned against state subsidies for private companies.18 Confessional parties, which ruled the national administration, opposed an active role for the state in economic affairs. This position was challenged by the Social-Democrat party.19 This party, however, did not have enough power to convince the government to actively support local and regional industrialisation policies.

All this changed after a working visit to Emmen from the new Dutch Minister of Economic Affairs, Jan van den Brink, in 1948. Van den Brink was affected by the desolate state of the area, which was the result of the collapse in the region’s core economic activity, peat-digging. According to regional and national politicians, the state needed to stimulate the restructuring of south-east Drenthe by shaping and stimulating conditions for an autonomous process of industrial growth. Concrete proposals led to infrastructure investment. The South-east Drenthe Welfare Plan, which was approved by the Dutch Parliament in July 1951 and part-financed by the Marshall Plan, consisted of the improvement of
the Emmen–Zwolle highway, the construction of thirty bridges, and the enhancement of a canal (the Hoogeveensche Vaart).\textsuperscript{20} Although a member of the Catholic Party, which did not favour political leadership in economic matters, Van den Brink played a supportive role in economic policy. The young politician (he was only 38 when he took up his ministerial post) was unaffected by the liberal dogmas which had dominated the Dutch government before and immediately after the Second World War. Moreover, he was a former professor of economics and an expert in the theories of Keynes, the well-known British economist who argued for an active role for the state in times of recession. He was willing to put parts of Keynesian theory into practice, based on the implementation of financial and non-financial incentives aimed at the industrialisation of the Dutch economy.\textsuperscript{21} Regional industrialisation policy became part of this national industrialisation policy, thus giving regional policy the benefit of falling under a larger political project. Taking the South-east Drenthe Welfare Plan as its model, the Ministry of Economic Affairs selected eight ‘development areas’.\textsuperscript{22} The development areas of southwest Groningen, eastern Groningen and eastern Friesland were all situated in the northern provinces.

Three statistical categories played a significant part in the selection of these development areas.\textsuperscript{23} First, the number of registered unemployed was calculated. Second, the workforce which was not registered as unemployed, but was nevertheless jobless, was roughly estimated. Third, regional population forecasts were examined, indicating how great the demand for jobs in a particular region was expected to be up to 1970. In July 1953 another instrument was added to the regional development plans. Industrial entrepreneurs could receive a refund of up to 25 per cent of their investment in new industrial construction. This measure was only applicable in ‘centres of industry’ (industriekernen). Every development area had approximately four centres of industry. In working out the development plans, the Ministry of Economic Affairs relied heavily on the provinces. National policy-makers consulted the provincial boards frequently. Regional politicians relied on advice from the NETO, which evolved into their own administrative apparatus (in 1946, the province of Drenthe decided to leave NETO and establish its own economic–technological institute). In the construction of development plans, the economic–technological institutes functioned as contact points between the national technologically-oriented policy-makers in the Ministry of Economic Affairs and the regional politicians on the provincial boards. Instructed by regional politicians, the institutes provided statistical, economical and geographical knowledge about the
development areas. Their recommendations were often incorporated into the official views of the Provincial Boards, which granted a great deal of authority to the expertise of the academically-trained employees of the economic-technological institutes. Their expertise also provided a common ground with national policy-makers. National and regional policy-makers shared an academic, economic approach to reasoning which resulted in well thought out development plans. National policy-makers provided the framework while the economic-technological institutes filled in the details.

**Industrial plans for East Frisia**

The formative period in north-west Germany was a testament to the greater regional diversity that existed in various policies, resulting in considerable differences between East Frisia and Emsland. From September 1949 on, several parties asked the government to assist economically vulnerable regions called *Notstandsgebiete*, literally ‘emergency areas’. This literal meaning reflects the fierce and emotive language in which the Nazis had framed their economic policies. In the late 1930s, the Nazis’ anti-liberalist stance shaped regional programmes in the *Notstandsgebiete*. The ideas behind these regional economic policies, and the meaning of the word *Notstandsgebiete* itself, endured into the post-war process of ideological cleansing. Under pressure from the German Parliament, the National Ministry of Economic Affairs led an inter-ministerial committee on questions concerning the *Notstandsgebiete*, which met for the first time in March 1950.

Its first task was to specify the meaning of the word. Some members of the inter-ministerial committee were against the use of statistical standards: they felt that every case should be judged individually. However, officials from the Treasury and the Ministry of Economic Affairs were fiercely opposed to this approach. Objective norms were necessary, in their opinion, because otherwise all of Germany would declare itself one huge ‘emergency area’, as every region stood to profit from the regional policy measures. This opinion held sway, and a number of statistical criteria were defined for areas containing at least 100,000 inhabitants. These areas needed to have an average unemployment rate above 25 per cent or an average of 2.2 people per residential unit. The East Frisia region was identified as being in need on these criteria. Between 1951 and 1955, the inter-ministerial committee
distributed 9.3 million German marks in East Frisia. In the official policy discourse, the term Notstandsprogramm (‘emergency programme’) was changed to the more neutral Sanierungsprogramm (‘healing programme’), a metaphor which implied that some German regions needed to recover from economic illness.

As with the regional policy in the Netherlands, the Sanierungsprogramm measures consisted of infrastructure investments and subsidies for industrial construction. However, unlike the Dutch development plans, the budget was not allocated to plans after a process of mutual consultation between the regional and national levels. Regional policy in East Frisia was a more ad hoc venture. Every year, community districts (Landkreise) in East Frisia were responsible for the submission of concrete projects. A list of projects would be submitted by the Regierungsbezirk (Government District) of Aurich, one of the districts in the administrative system of Lower Saxony. After its approval, the Aurich Government District would send the list to the Lower Saxony Ministry of Economic Affairs. From the desks in Hanover, the state capital, the lists were forwarded to the National Ministry of Economic Affairs in Bonn, who decided which projects would be funded and which would not.

The Emslandplan

The Emsland received no consideration for the Sanierungsprogramm, because this region occupied an unusual place in Germany’s economic policy. On 5 May 1950, the German Parliament approved an Emslandplan in which the German Ministry of Agriculture, the state of Lower Saxony, and eight Kreisen (administrative units made up of several municipalities) all agreed on long-term economic investment in the Emsland. A special agency, the Emsland GmbH, became responsible for carrying out these investment projects. Although the plan envisaged the ‘integral’ development of the Emsland, industrial measures were subordinated to purposes intended to improve the agricultural structure. During the period 1950–75, only 6 per cent of the budget was spent on industrial parks. Other categories, such as water management (40 per cent) and agriculture (26 per cent), consumed the larger part of the available resources.

The agricultural primacy of the Emslandplan was rooted in earlier land cultivation initiatives, which had been carried out from the 1920s onwards. Due to the loss of land after the First World War, the
Prussian state encouraged the ‘inner colonisation’ of Germany: uncultivated parts of Germany needed to be improved to increase the nation’s productive land. Building on individual and private initiatives, regional politicians in the 1930s promoted a more holistic approach aimed at the integral social, economic and cultural development of the Emsland. When the Nazis designated the Emsland as one of their Notstandsgebiete, at least part of this development idea was included in a Four Year Plan. All initiatives were ended due to the Second World War, but shortly after 1945 the same integral development ideas flourished again.

Through political cooperation between the Regierungsbezirk Osnabrück (one of the administrative districts in Lower Saxony) and the state and national governments in Hanover and Bonn, a new Emslandplan was prepared and approved. Konrad Adenauer assigned the principal authority for the Emslandplan to the national Ministry of Agriculture. Germany’s Chancellor connected the cultivation works to the need to place families of East German refugees. New farms on new land were intended to reduce the refugee problem. The government of Lower Saxony, which covered half the annual costs of the Emslandplan, also made their Ministry of Agriculture primarily responsible for the plan. This institutional link between the agricultural ministries and the Emslandplan, rooted in pre-war cultivation initiatives, resulted in an agricultural focus for these projects.

**Spatial planning: the Dutch west/north divide**

In its early years, the political legitimacy of regional policy was founded in economic and social arguments. The thinking was that lagging regions should be stimulated to enable them to contribute to national economic growth. In addition, the concentration of unemployment could lead to poverty and social disruption, which should be prevented. However, from the late 1950s onwards, a third element was added: a concern with spatial development. During the early twentieth century, people became increasingly aware of the rapidity of urbanisation. During the inter-war period, the first calls were made for national spatial policies in both the Netherlands and Germany. Such policies were intended to direct the urbanisation process and prevent pollution, overcrowding in cities and congestion. However, it was not until the late 1950s that these calls were reflected in government strategies attempting to direct spatial development on a national scale.
Regional economic policy became an important instrument in spatial planning strategies. Increasing the regions' economic importance was intended to help avoid congestion, prevent migration to already overcrowded cities and distribute the population across the country. These ideas, which were embraced by national politicians and policymakers, were very welcome in the regions. Regional actors, including provincial boards, local political party associations and chambers of commerce, saw the popularity of spatial planning as an opportunity to campaign for increased investments in the regional economy. Regional economic policy and national spatial policy thus crossed paths and intensified each other in the late 1950s.

The Netherlands illustrates this 'cross-fertilisation' between regional industrial policy and national spatial planning. One influential example of the many reports written at the time was entitled The West... and the Rest of the Netherlands. This concise report, published in 1956, reads almost like a marketing brochure. Its brief, clear text transmitted a simple message: that the Netherlands was in danger of becoming seriously skewed. The west of the country was growing so fast that the quality of the natural environment was threatened, while many other areas had fallen behind on key indicators. Graphs and statistical charts were used to underline the argument, giving scientific authority to the planners' statements. Something had to be done – a policy was needed that would help distribute the Dutch population rationally throughout the entire country.

Soon after the publication of The West... and the Rest of the Netherlands, the three northern provinces of Groningen, Friesland and Drenthe responded with their own report, entitled The North of the Netherlands. This communicated the same alarming message: that the north was threatened by emigration, unemployment and an ageing population, while the west was struggling to deal with the consequences of overdevelopment. The report argued that the north could help relieve the west by following a policy which supported provincial development. Instead of new solutions, the report proposed an enlargement and reinforcement of measures that were already being implemented. What was new, however, was the political cooperation between the northern provinces. Groningen, Drenthe and the province of Friesland were all involved in regional policy. Popular attention to the problems of congestion in the western conurbation helped reinforce this policy. Regional politicians decided to join forces and increase their political influence in the national political arena. In this same year, 1958, the Dutch Parliament asked that special attention be paid to the development of
the ‘northern part of the country’. The ‘northern Netherlands’ became a widely used expression in political and social discourse. The whole northern Netherlands was labelled a ‘problem area’, reflecting the alarming messages of planners and regional politicians. Industrial subsidies were reinforced and directed towards ‘primary and secondary development centres’. These centres were intended to be the driving force for the surrounding area, giving the entire region an economic–industrial impulse.

Distance between the region and the state in Germany

Spatial planning was disliked by German politicians and the general public because of its resemblance to the centralistic and compulsive approach of the Nazis before and during the Second World War. The reactivation of spatial politics after 1945 was therefore belated compared to what was happening in the Netherlands. Nevertheless, the merger between regional policy and spatial planning also occurred in Germany. German policy-makers at the national level sought the spatial concentration of policy measures, in the same way as the Dutch. The annual Sanierungsprogramme, which were renamed Regionale Förderungsprogramme (‘regional advancement programmes’) from 1954 onwards, remained untouched. However, in 1959 the Ministry of Economic Affairs in Bonn started a ‘central place programme’. Infrastructural arrangements and factory premiums were concentrated in sixteen ‘central sites’. In this sense, German regional policy also intersected with spatial planning. Following recommendations by spatial planners, regional centres were renamed ‘federal development sites’ (Bundesausbauorte) in 1964. However, achieving a political conceptualisation of the divide between a rich core and a poor periphery, similar to the Dutch north/west divide, was not attempted (in the Emsland) or did not succeed (in East Frisia).

In the Emsland there was no direct need to strive for special status. Clear ideas about the development of the region were laid down in the Emslandplan, including spatial charts. Its execution was in full swing and its funding was guaranteed for years. For this reason, but also because of inter-regional, cultural differences, it was unlikely that Emsland and East Frisia would join forces as Groningen and Drenthe did. There was mutual suspicion among the respective elites of the German regions. People from East Frisia (who were mostly Protestants and cultivated their own administrative independence) were at odds with Emslanders (who
were predominantly Catholics and cherished their own *Emslandplan*). Instead of having a distinguished, regional plan, East Frisia was an incontrovertible part of the national framework for regional policies. Regional towns such as Aurich, Leer and the city of Emden were ‘central places’, to which industries were attracted by state subsidies. The district and its president (*Regierungspräsident*) took a bureaucratic approach to their duties and responsibilities. They were therefore remarkably absent from the political arena in which the debate about the scale and the future of regional policy took place.

When Hans Beutz, the new *Regierungspräsident* of East Frisia, took office in 1960, this situation changed. Beutz (1909–97) was an active member of the Social-Democrat Party of Germany (SPD) in Wilhelmshaven, the harbour city in the redevelopment of which he took a leading role in 1947 as city administrator (*Stadtdirektor*). He took his experience in local development planning with him to Aurich, in which he initiated a spatial plan for East Frisia. Although this development plan had a wider impact than economic planning alone, it was a collective reference point for the regional economic outlook proposed by the district of Aurich. To Beutz’s disappointment, the development plan did not convince governors at the level of the State of Lower Saxony and the German federal government to adopt additional measures to benefit the region of East Frisia on top of existing national frameworks. The persevering *Regierungspräsident* argued in 1968 again for targeted action, this time launching the idea of an *Ostfrieslandplan*. This argued that a set of coordinated policy actions needed to be taken up to 1975, aimed at the structural improvement of the region’s economy. One final attempt at securing additional political support, again unsuccessful, was Beutz’s idea of making East Frisia an ‘example region’ (*Beispielregion*, in modern terminology: ‘pilot project’). This status could legitimise the execution of additional policy measures to decrease the welfare differences between East Frisia and the national average.

The reason for Beutz’s failed attempts can be located, from a comparative perspective, in the fact that the idea of a spatially unbalanced country was not regarded as such a problem in Germany as it was in the Netherlands. German spatial development was more multifaceted and contained many urban areas, rural districts and in-between zones. Therefore, it was unlikely that rhetorical concepts, such as the Dutch idea of an overdeveloped core opposed to an underdeveloped periphery, played the same role as in the Dutch debate. Accordingly, north-west Germany had a different connotation from the northern Netherlands: Beutz could not profit from alarm at a ‘deprived’ East Frisia
within a country as rich as Germany. Moreover, regions within north-west Germany did not enter into political alliances as they did in the northern Netherlands. Related to this was the limited incentive for cooperation. Regional alliances at the scale of north-west Germany could not have had the same political impact as the regional coalition in the northern Netherlands. Compared to the situation in the Netherlands, the political arena in Germany was enormous and much more complex. The states, their administrative districts, and countless pressure groups filled the arena with many actors, but the national state and its administrative apparatus were bigger. Even if the regions in north-west Germany had spoken with ‘one voice’, the chance that they would be heard by influential political actors was much less than in the Netherlands.

The heyday of regional industrialisation and its aftermath

In the late 1960s and the early 1970s, the system of subsidising industrial developments in specific towns and cities was extended and brought to perfection in both countries. The consensus on how to develop underdeveloped regions was strengthened and more strongly fixed into policy structures. This process is most visible in Germany, where older concepts from 1954 (Regional Förderungsprogram), 1959 (‘central place programme’) and 1963 (Bundesausbauorte) merged from 1968 into annual ‘action programmes’.

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In the same year, 1968, the status of Groningen, Drenthe and the province of Friesland as development areas was extended. As in the German action programmes, subsidies were distributed among ten
first-order and thirteen second-order development towns. Meanwhile, politicians and civil servants at the provincial level worked on social, economic and spatial development plans. The idea of industrialisation was the principal concept in such development plans. Leading concepts of development in the Emsland converged on industrial progress in the late 1960s. While the Emsland GmbH paid increasing attention to industrial infrastructure and facilities, the important towns of the Emsland also became part of the national regional-economic policies. In its formative period, the Emsland was not selected as an industrial development region because it had already received its ‘fair share’ through the considerable state investments in the Emslandplan. However, as regional industrialisation policies became an increasingly regular domain for state welfare policies, the Emsland could also profit from that. In the late 1950s, some parts of the Emsland had already been admitted to the regional advancement programmes of the German government and the State of Lower Saxony. With the proclamation of the action area of north-west Lower Saxony in 1968, there were no longer any differences within East Frisia: both regions could profit from the same industrial policy programmes. The Emslandplan continued to exist until 1989 and maintained its agricultural focus. However, in the late 1960s the dominant development aim in all four regions was industrial growth.

Meanwhile, the economic structure of north-west Europe drifted into a process of fundamental change. The post-war ‘Golden Age’ of economic growth ended with the 1960s, due to a combination of factors including market saturation, stagnating labour productivity related to outmoded production methods, the rise of competing economies in Asia and southern Europe, and a decrease in world trade because of monetary instability. Those macroeconomic developments had a major impact on regional economies. In the province of Groningen, whole sectors, such as strawboard production and textiles, disappeared during the 1970s. Established factories in the province of Drenthe were forced to close. One of the victims of the economic crisis in East Frisia was the Olympia typewriter factory, which closed its doors in 1983. Economic losses in the Emsland concentrated in the construction trade and the textile industry. The process of deindustrialisation had a huge impact on the regional labour market. Unemployment figures increased again, and the peak of the crisis in Groningen and Drenthe came in 1983, with 23.4 and 18.6 per cent of the population of each being unemployed respectively. The employment centre in Leer registered a record unemployment rate of 23.1 per cent in 1984. In the Emsland, 1986 was the peak year with more than 18 per cent unemployed.
The enthusiasm for industrial enterprise was unharmed by economic events. During the 1960s, increasing attention was paid to the negative impact of industrialisation on nature and the landscape. The international report *Limits to Growth* (1972) sparked intense debate on the quality of the environment and the sustainable use of natural resources. Environmental politics lodged itself in the consciousness of political parties, policies and ministries. As a consequence of these unforeseen developments, a new state of ‘diminished expectations’ emerged. Within the field of regional policy, these expectations were built on the assumption that new economic growth was intertwined with industrialisation, and that newly attracted factories functioned as the catalysts of regional development. New circumstances gave way to a process of reflection on the basic assumptions of regional policies. Alternative conceptions of regional development were built upon fresh academic theories. Leading academics argued that regional development was something that could not be achieved by state-led industrialisation policies alone. On the contrary, every sector, such as tourism, agriculture and services, had the potential to become the driving forces for regional economic growth. Regions had to seize the opportunities of ‘endogenous growth factors’, the set of economic qualities which were special and could be strengthened by strategic interventions.

As in most regions where regional industrialisation policies had been carried out, the 1970s was a decade of fracturing consensus in the border region of the northern Netherlands and north-west Germany. Slowly but surely, the region abandoned the coherent set of ideas that had seen industrial development as spreading evenly across the region from a concentration in key towns and cities. This process was not without political struggles and even social unrest, a process which cannot – for reasons of limited space – be included in the scope of this chapter. The same is true of the new regional economic strategies which filled the void left by the diminished expectations of regional industrialisation policies. In Groningen/Drenthe and East Frisia/Emsland, regional actors organised strategic discussions in the 1980s aiming to recognise their endogenous growth potential.

**Conclusion**

Without doubt, we can clearly discern a European history of regional industrialisation policies as an aspect of the twentieth-century welfare state. In the 1950s peripheral areas were labelled by national and
regional politicians and policy-makers as regions with weak economic structures. Orientating towards the industrial catalyst of macroeconomic growth, consensus on a subsidy system for regional towns and cities evolved, aimed at the industrialisation of these core areas to make them regional catalysts. The merging of economic policy and spatial planning in the late 1950s strengthened the case for regional development. Individual observations were interpreted with the help of a collective framework in which the underdeveloped and overdeveloped parts of the country were viewed as two sides of the same coin.

Under the surface of European similarities, however, are the structural differences which offer insight into the national and regional characteristics of political consent. This chapter has illustrated that the unfolding of a regional industrialisation policy was remarkably faster and more uniform in the Dutch regions. This stronger position was already in existence in the early days of regional policy. In Germany individual plans and projects were financed on an ad hoc basis. Moreover, the *Emslandplan* served as evidence that national politics did not aim at industrial development in every region. In the Netherlands, regional policy and spatial planning were more likely to merge too, and gave a stronger impetus to policy than was the case in Germany. In the Netherlands cooperation between regional and national actors occurred sooner and more often, enabling the development of a nationwide system of detailed plans. In Germany, however, the distance between the actors was much greater. Important intermediate administrative units, such as states (*Bundesländer*) and their government districts were located between national and regional actors. If regional actors wanted the national government to act, they first needed to convince the district and the state. Communication among all these layers created agreement on general lines, and the details were worked out later. Moreover, a government district was primarily administrative in nature. It did not have a representative body concerned with political interests. This contrasts with the Dutch provinces, which did have political authority. As a result, Dutch provincial politicians were able to discuss their needs with politicians at the national level. In addition, the provinces in the northern Netherlands collaborated and in so doing presented a stronger front towards national actors.

Regional policies were also influenced by the formation of understandings of the geographical structure of both countries. The frightening vision of overdeveloped conurbations and underdeveloped rural regions had a much greater effect in the Netherlands. The image of
spatial development in Germany was more nuanced. The country had more urban areas and more rural regions. The dichotomy in the Netherlands between the urban west and the rural regions in the rest of the country did not have an equivalent in Germany. The idea of an imbalance in spatial growth was therefore easier to propagate within the Dutch debate than within the German one.

To sum up, we have discerned two variables to explain the differences identified. First, historical political-administrative structures are of great importance. The political and/or administrative representation of regions and their political and cultural connectedness to other areas do matter. Second, and intertwined with the first variable, is the geographic scale of regions within a national state. This is an important aspect in determining the extent of the interaction between the region and the state, and to the representation of regional differences within a country. This chapter has provided insight into the European consensus of regional economic policy, but has also revealed that consensus can have national/regional particularities. During the ongoing process of European integration we have been confronted with fundamental differences between countries and regions. Historical knowledge about their causes and origins can help us understand these differences, and may help bridge them.