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Strategies of municipal land policies: housing development in Germany, Belgium, and Netherlands

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ABSTRACT

How do municipalities strategically use land policy to develop land for housing? The development of housing is a challenge for many European countries, though the scale and time of it differs. Issues are not always about the absolute number of houses that need to be supplied in a country. The distribution and quality of houses affect the demand for housing. Land policy determines where and how future developments take place, and as a result, it has a considerable impact on both supply and demand of housing. Municipalities use different strategies of land policy to pursue housing goals. This paper aims to explore the rationalities underpinning such strategies of land policy. Therefore, a theory on pluralism – Cultural Theory – is employed to understand municipal strategies in different contexts, i.e. Germany (Ruhr region), Belgium (Flanders), and Netherlands. Applying Cultural Theory to land policy results in four ideal-typical strategies of active, passive, reactive, and protective land policies. Despite the fact that the decisions of municipalities are made within (or constrained by) their institutional environments (i.e. national/regional planning systems, development cultures, etc.), we found that there are key similarities between the strategies of the studied municipalities regardless of their different institutional environments.

1. Introduction

In many European countries, the provision of housing is one of the major challenges of cities (Hartmann and Hengstermann 2020). Thereby, not only social housing, but the mere quantity of housing is an issue. Though the reasons for the housing need vary in different countries. Land policy plays a key role in the provision of housing (Monk and Whitehead 1996; Davy 2012), through incentivising or restricting land uses in different locations, as well as affecting the densities and types of housing. Land policy describes public interventions in the allocation and distribution of land (Davy 2005). Through different policy instruments, land policy – often via land-use

planning – aims to solve a collective problem by influencing the behavior of social groups that is considered to be at the root of the problem or that may solve the problem (Hill et al. 2011). Municipalities have different instruments of land policy at their disposal (Shahab, Clinch, and O'Neill 2019), such as land readjustment, transferable development rights, private law instruments (such as contracts), or strategic land banking (see Gerber, Hartmann, and Hengstermann 2018).

The choice of policy instruments depends on the strategies decision makers adopt. The way these instruments are activated to achieve a certain policy goal can be conceived strategies of land policy. A strategy is thereby considered a deliberate way of using (i.e. activating) instruments of land policy to achieve the policy goal. Strategies of land policy are often classified into passive and active land policy (Hartmann and Spit 2015; Buitelaar 2010; Priemus and Louw 2003; Van Oosten, Witte, and Hartmann 2018), depending on the role of public authorities in the land market. Active land policy refers to public authorities intervening as market actors, next to their role as a public (planning) regulator, by acquiring land and influencing what is developed where and when. Land acquisitions can be part of planned short-term developments in which land is quickly serviced and sold as buildable plots, as well as long-term land banking strategies (Van der Krabben and Jacobs 2013).

This distinction, however, does not cover the variety of strategies of land policies that can be found in practice. Within active and passive land policies, some municipalities embrace more cooperative approaches or rely more on their public power when steering urban development projects (Buitelaar 2010; Van Oosten, Witte, and Hartmann 2018). In recent years, Dutch municipalities increasingly classify their land policy as 'situational', meaning that the strategy and policy instruments to be adopted depend on the characteristics of projects (Nieland et al. 2019; Meijer and Jonkman 2020); however, they might still have a tendency towards one specific strategy (De Zeeuw 2017). Thus, strategies of land policy are very diverse. They are a 'strategic combination of instruments carefully thought through by public authorities in order to impose themselves in front of other private (or public) interests and reach public planning objectives' (Gerber, Hartmann, and Hengstermann 2018, 9).

This diversity can be partly explained by the local context such as the institutional environment, by the rules and regulations laid out in planning law, or the locational-specific challenges (Spit and Zoete 2009). Important influential factors are obviously the land ownership of municipalities and the shared ambition for control over urban development. Previous research on municipal land policy for housing in the Netherlands, for example, showed how different active land policy strategies are applied in practice (Nieland et al. 2019; Meijer and Jonkman 2020). The degree to which different 'planning and development cultures' (Buitelaar and Bregman 2016) put emphasis on active or passive land policy for achieving housing goals varies widely, even within countries. This is also confirmed by Van Oosten, Witte, and Hartmann (2018) that quantitatively explored how small municipalities in the Netherlands apply active and passive land policies.

While contextual differences lead to a huge plurality of strategies, limiting the explanation of such plurality to the contextual factors undermines the ability to learn from experiences with strategies of land policy and develop future strategies. Making sense of the plurality of strategies beyond the contextual factors would enable planning practitioners and researchers to learn from the different strategies and experience with

them. This asks for a neo-institutional approach to understand the diverse approaches of how norms and values of actors influence the decisions (Sorensen 2018; Shahab and Viallon 2020). The plurality makes the analysis of different strategies of land policy a challenging endeavour. This contribution is an attempt to understand the plurality.

This research explores two assumptions. First, different municipal strategies of land policy exist. Second, there are certain types of land policy strategies that are independent of the institutional context, i.e. though the institutional context and the available instruments may differ, there are underlying notions of diverse strategies of land policies that can be found across countries. This is not to assume that institutional environment does not matter – quite the contrary – but we argue that merely analysing such institutional environment is not sufficient to understand the complex behaviours of actors. This is also a reaction to instrumental activism in some countries, where planning problems are sought to be tackled by introducing new instruments of land policy alone. Examples of such instrumental activism are the introduction of urban land readjustment in the Netherlands or building obligations in Switzerland (see Gerber, Hartmann, and Hengstermann 2018 for more examples). This instrument-orientation is challenged in our study.

To explore these assumptions, an explorative in-depth study has been conducted on German, Flemish, and Dutch municipalities. The empirical study tried to (a) reveal the major land and housing issues identified in the municipal level, (b) identify the land policy instruments that municipalities are using (or considering to use) to address the identified issues, and (c) explore the ways in which municipalities are designing and implementing these policy instruments (i.e. their strategy). These strategies are then interpreted and analysed by applying a theory on plurality, Cultural Theory. Through reducing the level of complexity, Cultural Theory presents a parsimonious model that assists in analysing plurality (Douglas 1999).

This paper does not question or analyse housing policy goals. Instead the focus is to explore how the land needed for housing is provided via land policy. To this end, we interviewed municipal officers responsible for housing and land policy in the Ruhr region (Germany), Flanders (Belgium), and the Netherlands. Exploring the plurality of municipal strategies of land policy in these countries is particularly interesting as these regions, and the Netherlands, have been characterized by fundamentally different approaches to land-use planning and property rights (Tennekes, Harbers, and Buitelaar 2015; Hartmann and Spit 2015).

The remaining paper is structured as follows: first, it provides a presentation of the methodology used in collecting and analysing required data; next the paper goes on to discuss the housing challenges in the selected German, Flemish, and Dutch municipalities and the policy solutions that municipal planners use to address such challenges; then it uses a theory of plurality – Cultural Theory – to analyse in the differences and similarities among the municipal strategies of land policy; and finally, it presents the summary and conclusions.

2. Methodology

The most suitable way to reveal rationalities of behaviour that underly a certain behaviour is qualitative research. Key actors of municipal land policies are land-use planners and strategic spatial planners in public authorities. This study pursues a situation-oriented approach,[1] i.e. rationalities are influenced by the respective situation rather than an intrinsic characteristic

of a person. This makes semi-structured interviews the most appropriate qualitative research method, as this allows interviewees to place the answers in a certain situation.

To get sufficient spread of different strategies, different municipalities have been selected as explorative case studies per country (i.e. institutional setting). So, in total four German (Essen, Dortmund, Herne, Marl), six Flemish (Ghent, Leuven, Zoutleeuw, As, Nazareth, Ypres), and four Dutch municipalities (Zwolle, Den Bosch, Diemen, Someren) have been included in the sample. One of the selection criteria for the municipalities was to select cities which are not especially exceptional in terms of the housing challenges. Therefore, in Germany, the focus was on the Ruhr region, where a high density of diverse municipalities within a somewhat similar institutional context can be found. It is important to acknowledge that the interviewees are not necessarily representative of all municipalities in the studied regions. This study, as qualitative research, endeavoured to choose a sample, based on the principle of appropriateness. The selected cases are diverse in terms of size and location. The study did not intend to select a sample that is representative and statistically generalizable.

The interviews were carried out from January to April 2020, apart from the interviews in Zwolle and Den Bosch, which took place in summer 2018.[2] Some interviews have been conducted in person, others via phone in the preferred language of interviewees. The interviews lasted 45–75 min. Open-ended questions were asked within three categories: land and housing situation (i.e. policy issues and goals for housing), policy instruments and their implementation (i.e. the instruments that are at the disposal of (or being considered in) the municipality to realize the goals), and restrictions and constraints (i.e. the factors that hinder achieving the policy goals).

Exploring the plurality of the rationalities in the municipalities of these three neighbouring regions is particularly interesting as they are characterized by different approaches to land policy, along with their different institutional environments (e.g. development regulations and planning and legal systems). While planners in the Netherlands are characterized as to hold a very active role in development processes, as they are directly involved in buying and developing the land in the Dutch market-oriented planning, planners in Germany are primarily described as taking a rather passive role with regards to land policy, with land readjustment as one of the primary policy instruments (Hartmann and Spit 2015; Shahab and Viallon 2020; Tennekes, Harbers, and Buitelaar 2015). In Flanders, a region with one of the highest land takes in Europe, delivering new developments, whilst tackling urban sprawl, remains the main challenging task for planners. The planning system in Flanders can be described as 'landowners' paradise', as opposed to the Dutch planning system being 'planners' paradise' (Faludi and Van der Valk 2013; Bontje 2003). So, the three countries have different approaches to land policy and literature points at rather homogeneous strategies within each country. This is challenged with the study using Cultural Theory.

3. Housing development and strategies of land policies in the Ruhr region, Flanders, and the Netherlands

What are the specific housing challenges in the municipalities? Which instruments of land policy are used in practice? And which strategic considerations are underlying such choices? These three questions are addressed in this section based on the in-depth study of land policies in selected municipalities in the Ruhr region, Flanders, and the

Netherlands. The findings are presented in categories to illustrate commonalities and differences between the municipalities.

3.1. Housing challenges: quantity, quality, and distribution

The major land and housing issues in the selected municipalities can be summarized into three categories: quantitative, qualitative, and distributional considerations of housing.

3.1.1. Quantitative considerations

Ensuring an adequate supply of housing units in general, and affordable housing in particular, remains a key policy issue for the selected municipalities. Based on the current population and projections for future demographic changes, all municipalities have computed an existing shortage and a need for additional housing units in the future. Apart from the need for providing a certain number of housing units in absolute terms, the municipalities have aimed at diversifying the housing supply for all income groups. The interviewed municipal authorities in Leuven, for example, stated that *the single main issue [for our municipality] is the provision of affordable housing. This is our biggest challenge.* They have designed a four-tier system of policy interventions to ensure appropriate housing will be supplied for the needs of each household income tier. In Germany, social housing is subsidized, implying that subsidized developments need to offer affordable housing for a certain period (Sozialbindung). After the end of this period, the landowner is no longer obliged to offer reduced rents. This can lead to a severe shortage of social housing at a municipal level. For example, the city of Essen has recently lost about 80% of their social housing stock (from about 100,000 to 18,000 units), because a large amount of social housing was part of developments which were no longer required to offer affordable housing. This provided major challenges for the city. In the Netherlands, all the municipalities have quantitative housing development targets set in the province level, based on the projections of regional housing needs. A proportion (usually between 25% and 40%) of these units are allocated for social rental housing. Diemen, Den Bosch and Zwolle also have additional targets for middle-income housing, i.e. private rental and owner-occupied dwellings with price-levels in reach of households that do not qualify for social housing but also struggle to find suitable owner-occupied housing within their budget.

3.1.2. Qualitative considerations

Another key policy issue for the selected municipalities is the need to ensure that the provision of housing satisfies certain standards whilst meeting the changing demand for housing. In some municipalities, a key factor behind the existing levels of demand for new housing units is the need to replace old units which fall below quality standards. Some of the interviewed planners pointed out that there has been an increasing demand for larger houses, which needs to be addressed within policy responses. The interviewed local authorities in Ghent, for example, stated that

> the concern is not so much the quantity of houses, but the quality of houses. Most of the [housing] stock is outdated, and the demand asks for bigger apartments. There are many small houses that are old, with structural problems, that need to be replaced by bigger units.

Similarly, the interviewed planner in Herne mentioned that

> a large amount of the existing housing stock comes from the reconstruction after the Second World War. The buildings were built very quickly with the available material. Nowadays, the housing stock needs to be replaced with modern buildings … While the building land commission is aiming at resolving quantitative shortcomings of housing production, the main challenge [in Herne] is qualitative challenges.

Dutch municipalities set some additional qualitative requirements for urban development projects to complement the regulations set in building codes and housing and planning law. In Someren, for example, additional climate adaptivity requirements have been introduced after the municipality was severely hit by a hailstorm in 2016.

3.1.3. Distributional considerations

Apart from the quantity and quality of housing provision, the spatial considerations of new housing developments are of high importance. The studied municipalities are located in the regions with relatively high levels of urbanization, and thereby land take. All the interviewed local authorities highlighted that they are trying to avoid greenfield development as much as possible, whilst promoting developments with higher density. As indicated by the interviewed planner in the city of Essen, *there are barely any possibilities for new greenfield development … so, land thrift is more a reality than a policy goal.* Some local authorities in Ruhr region reported that implementing densification projects is also challenging, given the resistance and NIMBYism associated with such projects. Tackling urban sprawl is a key priority for the Flemish municipalities. As a result of a generous development plan that allocated large areas for residential development, the degree of land take in Flanders is one of the highest in Europe. This has been acknowledged by all the interviewed planners in this region. Dutch municipalities of Zwolle and Den Bosch aim to develop at least half of their new housing units within the existing cities, whilst acknowledging that there are still demands for housing in more suburban environments. Someren and Diemen have not formulated specific targets, but their possibilities to expand beyond the city boundaries are severely restricted by, respectively, the provincial policy and a lack of suitable locations.

So, regarding housing, the municipalities in the sample face quantitative, qualitative, and distributional challenges to different degrees. All the three types of challenges have in common that housing needs to be developed in all municipalities – in some more in terms of quality, in others in terms of quantity or distribution. Even municipalities in shrinking areas feel the need to develop housing, as municipalities with budget freeze do. The subsequent section explores the instruments used by the municipalities to tackle the challenges.

3.2. Land policy instruments

Not one instrument prevailed in the studied municipalities. They use (or considered to activate) a variety of land policy instruments to address the housing challenges mentioned above. The interviews revealed five types of instruments of land policy (in each country the function is a bit different though): land banking, land readjustment, development agreements (contracts), pre-emption rights, and transferable development rights. In some

municipalities, additional instruments have been discussed as well (e.g. Dortmund considers using inheritable long-term leases). Each instrument tries to achieve the housing development goals in different ways.

3.2.1. Land banking

Public land banking is the practice of buying land (mostly undeveloped land or brownfields) by local authorities (Spit 2018). Municipalities strategically purchase land for different purposes, for example in order to take an active role in the land market, to implement development plans, to get directly involved in development projects, etc. In the Netherlands, land banking has traditionally been a common practice in municipalities (Bontje 2003; Hartmann and Spit 2015; Van Oosten, Witte, and Hartmann 2018). This is reflected in our interviews with the Dutch municipalities. For example, the interviewed planner in Den Bosch stated that *the municipality has pursued an active strategy to buy and develop properties for decades.* According to our interviews in Ruhr region and Flanders, land banking is increasingly becoming more popular among municipalities in these regions. For example, the interviewed planners in the municipalities of Herne and Dortmund in Ruhr region and Leuven and Ieper in Flanders stated that they use any opportunity to purchase land. Herne has established an urban design company (*Stadtentwicklungsgesellschaft*), which is owned by the municipality, and strategically buys and sells land for urban development. This construction allows the municipality to engage in active land policy while being on budget freeze due to high debts of the municipality. While Leuven historically owned a very limited amount of land, the municipality has recently been trying to purchase land as much as possible. This active approach to land policy is not limited to land banking. Leuven municipality has recently started playing an active role in providing affordable housing through directly involving in construction stage. In other words, it has begun to build affordable housing in their purchased lands. Land banking – i.e. strategically buying and managing land by a public or semi-public entity is used widely by municipalities. It provides a prime position to use the land for housing development – either quantitively or qualitatively, but also distributional (as land is provided with special conditions).

3.2.2. Land readjustment

Land readjustment is a policy instrument that reassembles property boundaries to make them more appropriate for future development (Shahab and Viallon 2019). While Germany is considered as one of the pioneer countries in implementing land readjustments (Alterman 2007; Home 2007), Netherlands and Flanders (and Belgium in general) have limited experience with this land policy instrument.[3] Land readjustments have often been used by municipalities to realize development plans. According to our interviews, this seems to be changing, at least in some municipalities. For example, land readjustment has not been used in Dortmund and Essen in the recent years. One of the interviewed local authorities in Essen claimed that

> the big times of land readjustment are over … the existing development areas are often small-scale densifications or brownfield developments, where not many owners are involved. Often it is only one plot of land, where there is no need to rearrange property boundaries.

The same applies to Herne, where land readjustment is rarely used because of the prevalence of small-scale developments. However, the municipality of Marl is now trying to realize a new urban development with land readjustment, as the city does not own land itself. Unlike Essen and Herne, the interviewed planner in Marl stated that *land readjustment is becoming an interesting instrument again*. Obviously, land readjustment is embraced, particularly by municipalities with few public land reserves. In addition, the interviewee in Marl doubted on the legitimacy of land banking as a strategy and prefers public policy instruments such as land readjustments.

3.2.3. Development agreements

An urban development agreement, or development contract, is an instrument where developers negotiate with local authorities on the details of the urban development on a specific area. There are various forms of such agreements – ranging from constructs of multiple contracts to simple agreements. Usually, municipalities demand various requirements before granting planning permissions, such as developers are required to meet certain design elements (e.g. green spaces, car parks, etc), provide affordable housing, or pay some development charges. These requirements vary widely across municipalities. In Dortmund, for example, developers need to allocate 25% of their development projects to affordable housing. This requirement is 30% in Essen, while in Ghent, developers are required to provide a minimum of 20% social housing and a minimum of 20% budget housing (i.e. a category between social housing and market housing). Diemen strives for a minimum of 30% social housing for all developments and 100% on municipality-owned building plots. For Essen, development contracts are the standard procedure to develop new areas. Mainly because the city does not have land reserves. Land readjustment is only used in exceptional circumstances, as the city instead can afford to let developers approach the city with requests to develop certain areas. The municipality is then usually not involved in the management of the land itself – this is up to the developers. Ghent and Leuven in Flanders were in the process of introducing development taxes/levies (which will be paid in kind or cash). The aim is to impose tax on new developments based on either the area (square metre) of development projects or the number of planned housing units. This will complement the existing tax in-kind in the form of developer obligations (e.g. developing social housing and infrastructure). The Dutch city of Zwolle established a Concilium together with developers and housing associations to collaboratively decide on how to realize future development and implement housing policy objectives in the city. This is a cooperative model in which developers have a considerable influence on the urban development. Den Bosch in addition has much experience with Public-Private Partnerships, for example in the redevelopment of Paleiskwartier[4] in which public and private actors have an equal stake in the development and the municipality has to protect both public and private interests. Dutch municipalities are obliged to recover costs. Such cost recovery can be achieved using development plans as an instrument. However, as argued by the interviewed planners in Dutch municipalities, given the process involved in designing and implementing development plans is complex and costly, the municipalities use development plans only as a last resort and when development agreements cannot be reached.

3.2.4. Pre-emption rights

Pre-emption rights are a policy instrument that provide local authorities with the right of first refusal on purchasing a property. In other words, local authorities must be offered first to buy a property before it can be offered to any other individual or entity. The use of pre-emption rights is not very common in the studied municipalities. The interviewed planner in Herne argued that *while [pre-emption rights] have rarely been used, they are important in realizing voluntary purchase of land.* The interviewed planner in Marl stated that the limited political acceptability of some of policy instruments, like pre-emption rights, make them challenging to use. Similarly, Dutch municipalities often favour amicable agreements and they are reluctant to confine land property rights through pre-emption rights. Nevertheless, some experiences with this instrument exist. According to the policy advisor of Someren *it is a useful big stick in reserve, but you also put your cards on the table resulting in a higher land value.* The land policy advisor of Diemen, however, stated that they apply the instrument in combination with directive zoning plans and regard it as a suitable instrument to prevent speculative land sales pushing up book values of lands. Together with the use of pre-emption rights they start the process with developing a new master plan. Unlike Someren, Diemen does not aim to purchase land, and instead uses pre-emption rights to keep intended developments feasible for other (current or future) landowners by limiting speculative land sales. Higher book values would make it more difficult to realize a profitable development and complicate the realization of housing policy aims, such as social housing and extra-legal climate adaptive measures.

3.2.5. Transferable development rights

Transferable development rights (TDR) programmes transfer development rights from areas that communities would like to see less developments (sending areas) to areas that are considered more suitable for developments (receiving areas). Planners use these programmes to achieve their preservation goals, whilst tackling the issues surrounding urban sprawl (see Shahab, Clinch, and O'Neill 2018a, 2018b). Flemish municipalities are considering using TDR programmes to tackle urban sprawl through downzoning the areas previously allocated for development in the development plan and directing potential developments to areas more suitable for development from the perspective of planners. The interviewed planners in Zoutleeuw and As questioned the potential effectiveness of implementing TDR programmes in achieving their policy objectives.

### 3.3. Applying Cultural Theory to the strategies of municipal land policies

On the one hand, land policies of municipalities considerably differ within each country. On the other hand, there are similarities in the underlying strategies of land policies across the countries (though the specific instruments may vary). Active land policy, for example, can be found in Dutch, German, and Flemish municipalities, passive approaches are also present in municipalities in different countries, and so forth. In the following section, after providing a brief description of Cultural Theory, this theory of plurality is applied to reveal similar municipal strategies of land policy across the countries.

Cultural Theory has been introduced by Mary Douglas (1978, 1966), an anthropologist, and further developed by different scholars (Dake 1991; Wildavsky and Dake 1990;

Douglas and Wildavsky 1982). Cultural Theory aims to understand pluralistic behaviour. It assumes that behaviour of actors results from a certain worldview – i.e. a certain expectation on how the world reacts (Douglas 1999). Different worldviews exist, none of which can be discarded as irrational or wrong. Because each view is rational on its own; plural rationalities exist. A rationality can be conceived as an internally consistent belief system that affects action. These rationalities are mutually contradictory, and jointly exhaustive (Schwarz and Thompson 1990). This means that each rationality is rational on its own, but irrational from the perspective of the other rationalities (Thompson 2008). They are mutually exclusive. This implies that any solution that appears perfect to one rationality is irrational from the perspective of other rationalities (Verweij and Thompson 2006). Cultural Theory[5] is a social-constructivist approach, which describes such pluralism by reducing the number of rationalities to four: hierarchism, individualism, egalitarianism, and fatalism.

The four rationalities can be placed in a two-dimensional 'grid and group' scheme (Figure 1). Grid concerns the extent to which an actor is bounded to externally imposed structure, rules, and prescriptions. While a high grid indicates a heteronymous decision-making process, a weak grid refers to a high degree of self-determination. Group, on the other hand, indicates whether an individual is willing to join a group or prefers to act individually. The higher the group dimension, the more community-bounded is the decision made (Thompson 2018). This leads to the four rationalities that can be described as follows (Douglas 1999):

- Individualism is characterized by a weak degree of group and a low level of grid. It intends to act individually, rather than collaboratively. Self-determination and individual liberty are the important; it adapts market-based solutions.
- Hierarchism is the opposite of individualism in both grid and group dimensions. Hierarchism generally prefers to follow rules and regulations, whilst respecting the integrity of governmental and non-governmental institutions.
- Egalitarianism is characterized by a high degree of group and a low degree of grid. The central value for egalitarians is the concept of morality. This rationality thereby highly values collaborative approaches.
- Fatalism does not believe in the controllability of the complexities of world. Although fatalism is the passive rationality of the four, it is not a rationality of indifference.
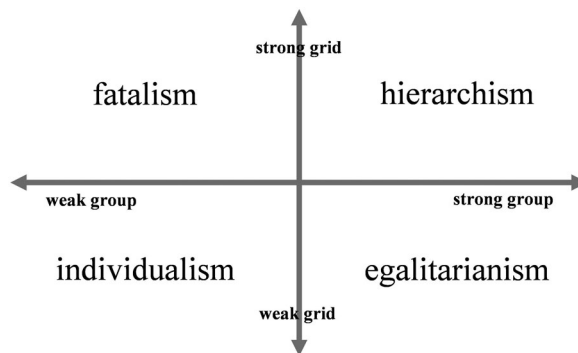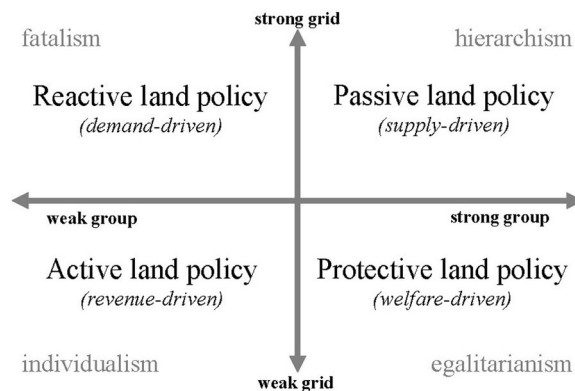

Figure 1. The rationalities of Cultural Theory ('grid and group' scheme) (Schwarz and Thompson 1990, 9).

Fatalists tend to accept externally imposed impacts, which they feel powerless or to wicked to influence.

The four rationalities are – like many social-constructivist theories on pluralism – a simplification. The question 'why four?' is a legitimate one, as is the question what the axes actually represent quantitatively. Admittedly, Cultural Theory has no strong answers to these questions other than 'the four rationalities provide a system of plausible rather than empirically-demonstrably-true rationalities' (Hartmann 2012b): they help to identify the motives behind different and contractionary actions and arguments. Cultural Theory has been employed to various aspects of spatial planning, such as locally unwanted land uses (Davy 1997), European cohesion policy (Hartmann and Hengstermann 2014), urban morphology (Hartmann and Jehling 2019), regional policy (Davy 2008), restricted and shared uses of land (Davy 2012), or participation (Hartmann 2012a). However, it has not yet been used to interpret empirically observed 'strategies' of land policy. How can the rationalities explain choices of municipalities for or against certain strategic elements of land policy? Cultural Theory is suitable for this research for two reasons: first, to understand why municipalities use different strategies to tackle similar problems; second to reveal patterns of behaviour across different institutional settings (i.e. in different countries). This makes it possible to discuss strategies of land policy beyond instruments and its functioning.

Applying Cultural Theory to land policy leads to four ideal-typical strategies of land policies, which can be characterized as active, passive, reactive, and protective land policies (see Figure 2). The names describe the relation of municipal planning authorities with the land market (i.e. private developers and investors). So, each strategy of land policy is driven by different market elements (demand, supply, revenue, or welfare). These four types of land policy strategies are thus linked to certain types of instruments, although this assignment of instruments is not exhaustive and not mutually exclusive. This means that the activation of certain instruments does not automatically hint at a certain strategy, but certain strategies are more likely to activate certain instruments, as they fit a specific rationality. In addition, a municipality might show some elements of different strategies of land policies. In fact, such a mix of land policy strategies is consistent

Figure 2. Cultural Theory and land policies. Adaptation from Schwarz and Thompson 1990, 9.

with Cultural Theory, which assumes that due to pluralistic societies, it is likely that more than one rationality is included in a solution (Hartmann 2012b; Verweij and Thompson 2006). So, a municipality is likely to apply a mix of the strategies, but at the same time, the empirical evidence points for most municipalities at one or sometimes two dominant strategies of land policy.

3.3.1. Active land policy

An active land policy is revenue-driven and fits with individualism. In this type of land policy, a municipality buys land, develops, and sells it (often in collaboration with real-estate developers). Buitelaar (2012, 215) recognized that in active land policy, *land-use plans show more similarity with a contract in which informal agreements are formalized.* Such land policy is at its extreme in the Netherlands (Holtslag-Broekhof, Hartmann, and Spit 2018), but is also custom in several other countries such as Finland and Switzerland, and other countries increasingly embrace it. Instruments that are likely activated are often grounded in private law, such as freehand-purchase, land banking, or long-term leases.

Among the investigated municipalities, the land policies in the Dutch municipalities of Den Bosch and Someren, the German municipalities of Dortmund and Herne, and the Flemish municipalities of Zoutleeuw and Leuven fit this rationality. The interviewed planner in Den Bosch stated that *An active involvement of the municipality is crucial for large-scale housing developments. These developments require an integral approach and a committed actor with a long-term perspective.* The city has a rich portfolio of public land spread across the city, including inner-city locations. Dortmund has benefited from a long-term strategic land management and land banking over the last few decades. The city thereby has considerable land reserves (Sondervermögen), which are in strategic locations and are actively managed. Active land policy is outsourced to private companies that entirely belong to the municipality. Further, the city has been directly involved in land development process in exceptional circumstances (like in the migration crisis). It has developed the land and then sold it to developers based on urban design competitions. The Flemish municipality of Zoutleeuw has recently started developing land policies to steer development. These policies include imposing a levy of €50 per square metre on new development projects. The interviewed planner in this municipality points out that

> in the lack of policy in national and regional levels, the municipality has actively been looking for the regulation frameworks that are not too complicated and do not include too many rules. The levy is a result of that. This is how we want to steer development. It is not just to have an extra income; we want to use it strategically as an instrument.

3.3.2. Passive land policy

Passive land policy is supply-driven, as it offers building land to the land market and developers but does not actively implement such projects (Hartmann and Spit 2015). It is assigned to traditional German planning, so much so, that the German term 'Angebots-planung' (supply-planning) is embedded in the planning terminology (Krautzberger 2010). It can be assigned to hierarchism, as this type of land policy uses hierarchical instruments such as land-use plans and land readjustment. Among the studied municipalities,

the land policies in the Dutch municipality of Zwolle, the German municipality of Marl, and the Flemish municipality of Nazareth are in line with this strategy.

As a result of long-term debts, the budget of the municipality of Marl is in freeze. A similar approach to Dortmund and Herne, where the municipalities establish a new entity (i.e. a company) to play an active role in land market, has not been possible in Marl. This is mainly because the municipality did not have sufficient land reserves to use as a start budget for the establishment of such a company. The municipality thereby utilizes mandatory land readjustment as a policy instrument to provide building land. The use of land readjustment allows the municipality to grant rights to build and also establish land plot sizes and shapes that are suitable to build on without being actively involved in the land development process. The municipality thus stays passive regarding private market actors. The municipality of Nazareth was previously (1960–90) designated as an overflow area for Ghent. Plans in the regional level were changed in the 1990s and the demand for housing did not reach the projections of the Flanders development plan (1970s). Consequently, there has been an oversupply of land zoned for housing (180 ha). The interview planner mentioned that *in the municipality, we hope that a new growth objective will be allocated to the municipal area as part of the regional strategy.* The instruments used by the municipality are predominantly the Structural Plan and the Spatial Implementation Plans in combination with building permits. Since the economic crisis of 2008, the municipality of Zwolle has changed its strategy to a situational but predominantly passive land policy ('passive, unless'). While still about 700 ha of land are owned by the municipality, these land plots are located outside of the existing city. Future development is planned to predominantly take place within the city. The municipality tries to steer investments through collaboration within the earlier mentioned Concilium. They refrain from taking on financial risk through additional land acquisitions.

3.3.3. Protective land policy

Protective land policy can be understood as welfare-driven. It aims to increase public welfare by counteracting various types of market failures that lead to distortions or undesirable effects – such as undersupply of affordable housing or land consumption at the expense of nature or landscape. In pursuit of public welfare, predominantly public-law policy instruments are applied. The impairment of the private rights of individual landowners is justified in this strategy, based on the increased collective welfare resulting from the implementation of such policy instruments.

Although we did not find a municipality that is entirely in line with this rationality, some of the studied municipalities show some elements of protective land policy. The municipality of As, for instance, works together with three other neighbouring municipalities on a housing renovation scheme – the intercommunal cooperation GAOZ (Genk, As, Oudsbergen, Zutendaal). Started over 10 years ago, the scheme is an initiative of the Flemish government that provides subsidies for targeted communes to renovate their housing stock. Another example for this strategy is the collaboration of six cities (i.e. Bochum, Essen, Gelsenkirchen, Herne, Mülheim an der Ruhr, and Oberhausen) in the Ruhr region on the regional land-use plan. This plan is primarily designed to facilitate intermunicipal collaboration. It is a special planning instrument that combines a local land-use plan with a regional plan (Wickel 2018). With this instrument, the participating municipalities establish a regional board that decides on new urban developments within the plan area on a regional

level. Essen and Herne are both part of the regional land-use plan. The interviewed planner in Diemen argued that the available policy instruments have enabled them to effectively pursue their housing objectives without taking financial risks of purchasing land and becoming a landowner. Diemen utilizes a combination of different instruments (e.g. a directive zoning plan in combination with pre-emption rights) to deliver housing policy goals, whilst limiting opportunistic behaviour of other actors.

3.3.4. Reactive land policy

Reactive land policy reacts to demands from developers who want to develop a site on a project-base. So, it is demand driven. Urban development contracts and negotiated land-use plans are typical instruments of such an approach. It is assigned to fatalism, as the land policy is not actively engaging in the land markets and encouraging developers but waits until someone comes along and wants to realize a project. It is an incrementalistic land policy. Among the explored municipalities, the German municipality of Essen and the Flemish municipalities of Ghent and As are good examples of this strategy, whereas the Dutch city of Zwolle, to a lesser extent, follows this strategy.

Mainly because of budget constraints, Essen does not have any strategic land banking in place. Given the scale of development projects that take place in the city, land readjustments are also not employed. Most of the developments in the city are small-scale densifications or brownfield developments in which not many landowners are involved. According to the interviews, the recent developments have been involved with only one plot of land (e.g. a former sports arena or a commercial redevelopment area), where there is no need to rearrange property boundaries. Land readjustment is thus not required because of the type of developments that often takes place. The strategy of land policy in Essen is in line with reactive rationality, which is described by the interviewed planner as *muddling through*. Similarly, Ghent does not own considerable amount of land and does not have a particular plan to buy more. The interviewed planner pointed out that *the municipality could buy land 15 years ago, but it missed the opportunities and now it is too late as the prices have gone up significantly*. Also, the municipality does not have a particular policy for densifications. The main policy is zoning that the interviewed planner finds insufficient. Likewise, the interviewed planner in the Flemish municipality of As mentioned that the municipality is not active in the land market, stating

> we have to wait for developers and cannot be active in the market ourselves … The size of municipality matters. This is not just about the money, but also about the people. Bigger municipalities have more money and people to make a change.

Regarding specific development projects in Zwolle, private initiatives are assessed within the 'control-room' of the municipality, which is an organizational unit in which all relevant municipal departments are represented. The control-room was established to promote and facilitate the responses to private initiatives.

4. Summary and conclusion

Land policy influences the provision of housing. It incentivises or restricts certain land-use allocations and distributions. Municipalities use different instruments of land policy to

achieve their policy objectives. The choice of policy instruments often depends on the strategies that municipal planners adopt. There is a plurality in the municipal strategies of land policy. In other words, such strategies vary widely. The existing literature on land policy often simply classify this plurality into two broad categories of active and passive land policy. Although this classification is proved to be helpful in explaining some of the differences between municipal land policies in a strategic level, it fails to capture the wide variety of strategies of land policy. Also, the active and passive classification is not based on any theoretical framework. This paper addresses this issue through employing a theory of plurality – Cultural Theory – to gain a better understanding of the plurality of municipal strategies. To this end, we interviewed local authorities with responsibilities on land policies and housing in 14 municipalities in Germany (Ruhr region), Belgium (Flanders), and the Netherlands.

Applying Cultural Theory to land policy results in four ideal-typical strategies of active, passive, reactive, and protective land policies. These strategies of land policies are in line with the four rationalities suggested by Cultural Theory; active land policy, which fits individualism, is revenue-driven and describes active involvement of local authorities in the land market and land-use plan implementation; passive land policy, which fits hierarchism, is supply-driven and concerns the use of hierarchical instruments, such as land readjustment, in implementing land-use plans; protective land policy, which fits egalitarianism, is welfare-driven and associates with collective approaches towards land policies; and finally, reactive land policy, which fits fatalism, is demand-driven and describes the lack of active engagement of local authorities in the land market. This paper argues that Cultural Theory offers a more diverse, yet simple, classification for the plurality of strategies of land policy, compared to the existing passive–active dichotomy. Cultural Theory not only provides planners with a theoretical framework for understanding such plurality, but also assists in revealing the rationalities behind the strategic use of land policy instruments.

Our empirical work identified that the selected municipalities face three main categories of land and housing issues, including the quantitative, qualitative, and distributional considerations of housing development. To address these issues, the selected municipalities have different instruments of land policy at their disposal, ranging from land banking and pre-emption rights to land readjustments and development agreements. They have a considerable degree of flexibility in choosing these instruments to achieve their policy goals. They indeed use this flexibility. The findings of our empirical work confirmed the first assumption that there is a wide variety of strategies of land policies in a municipal level. More importantly, there are differences between such strategies within each country, while there are meaningful similarities across countries, confirming the second assumption. This suggests that the variety of strategies cannot be simply explained based on the differences in institutional environment (i.e. planning and legal systems). In our random sample of municipalities, all four theoretically possible types of land policy were found. Reactive, active, and passive land policies were more present, compared to protective land policy. Nonetheless, some municipalities (i.e. Diemen, As, and Herne) show some elements of adopting protective land policy as part of their strategy towards the land market.

In identifying the rationalities behind what the interviewed municipal planners base their policy decisions upon, we attempted to focus on the factual aspects of the municipal land policy, rather than the psychological or behavioural aspects of what interviewees addressed. In other words, we concentrated on the actions undertaken by the municipalities, rather

than merely relying on how a particular planner conceive the situations. However, we acknowledge that the individual planners who are responsible for land policy in strategic levels matter. While it is often assumed that the policy solutions are determined according to the type of policy issues and the relevant institutional environment, the technical, political, and leadership skills of responsible planners can considerably influence policy outputs and their underpinning strategies. This is often neglected in the land policy studies. While it was beyond the objectives of the current paper, we suggest that such influences of individual planners would be a fruitful and helpful area for further research.

Notes

1. see Davy (2004) and Hartmann (2011) for the distinction between situation-oriented and actor-oriented approaches.
2. These interviews were conducted as part of the *Grond voor Wonen* (Land for housing) research project (see Nieland et al. 2019; Meijer and Jonkman 2020).
3. Netherlands has recently introduced this instrument in their panning law, but its implementation has remained limited. Dutch municipalities have used rural land consolidations for decades.
4. A large scale (50 ha) centrally located redevelopment project at a former industrial site.
5. Note that the name of the theory, Cultural Theory, is misleading here. We do not attempt to explore planning cultures, but Cultural Theory is a grand theory on plurality. It is not employed here as a theory of cultural studies. Davy (2008) therefore introduced a different and probably more appropriate name for Cultural Theory: Theory of Polyrationality. However, as the original theory was coined "Cultural Theory" by the anthropologist Mary Douglas, we stick to the original name of the theory.

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