City-ranking of European Medium-Sized Cities

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Abstract

Against the background of economic and technological changes caused by the globalization and the integration process, cities in Europe face the challenge of combining competitiveness and sustainable urban development simultaneously. Very evidently, this challenge is likely to have an impact on issues of Urban Quality such as housing, economy, culture, social and environmental conditions. This contribution, however, does not deal with the leading European metropolises but with medium-sized cities and their perspectives for development. Even though the vast majority of the urban population lives in such cities, the main focus of urban research tends to be on the 'global' metropolises. As a result, the challenges of medium-sized cities, which can be rather different, remain unexplored to a certain degree. Medium-sized cities, which have to cope with competition of the larger metropolises on corresponding issues, appear to be less well equipped in terms of critical mass, resources and organizing capacity. On the other hand, medium-sized cities may offer assets not available in larger cities.

This paper emphasises the role city-rankings can play in identifying best practices of regional development strategies for medium-sized cities. The 'tool' of ranking cities is explored profoundly, elaborated by a case study and recommendations for designing meaningful comparisons of medium-sized cities and for interpreting their results are provided. It is particularly emphasised that the ranking of cities should be part of a more general process of lesson-drawing and policy transfer between medium-sized cities.

Biography

Rudolf Giffinger is professor in Regional Science. His main focus of research is urban and regional development. He has published books and articles on urban development, segregation and integration as well as on urban/metropolitan competitiveness of selected cities and respective strategic issues.

Christian Fertner studied Urban and Regional Planning at the Vienna UT and the KVL Copenhagen/Frederiksberg and finished in 2006. His research interest includes international urban and regional development, city-regional co-operation and competitiveness.

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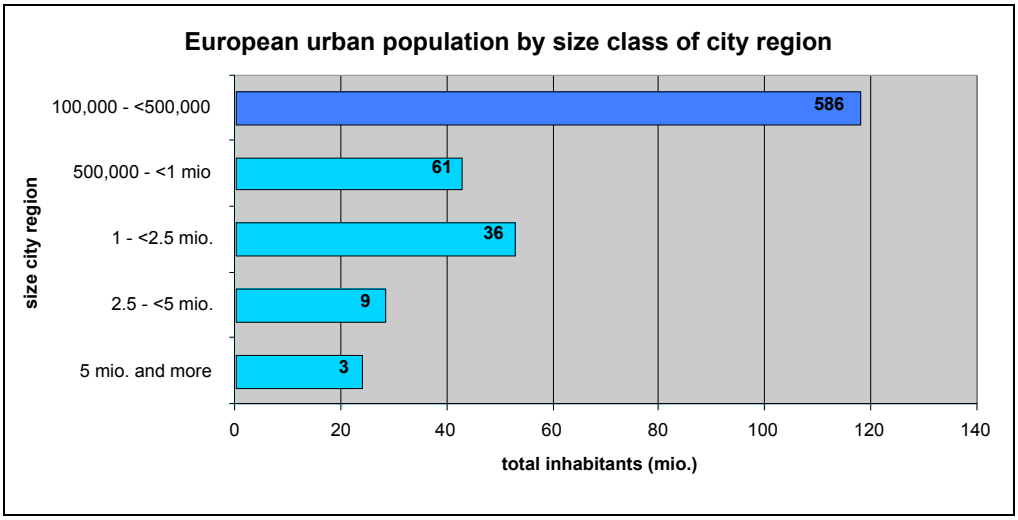
The main focus of Dr Evert Meijers' research is the development of urban systems. He has published many books and articles focusing on polycentric urban regions, polycentric development, urban governance and regional development issues.

Introduction

More than half of all humans will soon be living in cities according to a recent forecast by the United Nations. Europe (including Russia) is even more urbanised as 72 percent of its inhabitants live in cities. Although most attention tends to be drawn to the largest metropolitan urban regions, this is definitely not the category of cities in which most European urban inhabitants live. Of around 260 million Europeans (EU27+NO+CH) living in city regions with more than 100,000 inhabitants[1], only 20 percent live in city regions of more than 2.5 million people, while almost half (44 percent) of all urban inhabitants live in city regions of less than 500,000 inhabitants. The latter category of cities can be considered to be 'medium-sized' on a European scale.[2]

Figure 1: European urban population by size class of city region, 2000



Source: Data derived from database on Functional Urban Areas from Espon 1.1.1 (Nordregio *et al*, 2004). The number of city regions in each particular size class is incorporated in each bar.

Despite the dominance of medium-sized urban regions, the literature on economic, social, environmental and technological changes caused by globalisation and integration is focused on the largest 'global' metropolitan regions (Friedmann, 1986 and 2002; Sassen, 1991; Scott, 2001; Taylor, 2003). In this paper this deficit in literature is addressed by exploring medium-sized cities and their perspectives for development. It is argued that the challenges faced by these cities can be met more precisely with a better knowledge of the positioning of cities and efficient strategies to cope with them. Contrary to the larger metropolises, relatively little is known about efficient positioning and effective development strategies based on the endogenous potential of medium-sized cities. Therefore a recommendable approach is to draw lessons from successful development strategies applied in other medium-sized cities tackling similar challenges and issues. In order to identify best practices, several tools can be distinguished, such as benchmarking and city-ranking. This paper pays special attention to the specific characteristics of city-ranking as a tool to identify a city's position and enabling lesson-drawing from other cities.

First, the specific situation and potentials of medium-sized cities with respect to competitiveness and sustainable development will be identified. Conditions for lesson-drawing from apparently successful approaches in other medium-sized cities are discussed leading to city-rankings. Existing city-rankings are compared with regard to their specific advantages and disadvantages as well as to their methodological characteristics, examined in reference to their usability as a tool for learning from better performing cities and the findings are applied in a small city-ranking. The last section gives recommendations for designing successful development strategies of medium-sized cities by identifying and enhancing their specific urban assets.

[1] According to data from the Espon 1.1.1 project (Nordregio et at, 2004)

[2] The meaning of 'medium-sized' depends on the scale one looks at. What appears medium-sized at the European scale, may be considered large at the national scale or small on the global scale.

The challenge of competition for medium-sized cities

Globalisation, the transformation of former East European countries and the European integration process are regarded as the major driving forces behind the increasing pressure of competition between cities (Begg, 1999; Pichler-Milanovic, 2005). This competition takes place on all spatial levels affecting specific fields of development. On the urban level, cities strive after an improvement of their competitiveness and hence, a better positioning in the European or national urban system.

Along with these global trends, the European integration process has diminished economic, social and environmental disparities throughout the EU. In particular the adoption of EU standards and norms in the accession countries has accelerated this trend (Pichler-Milanovic, 2005), which leads to a growing common market between nations. At the same time, however, these changes in economic, social and institutional differences make cities more similar in their conditions and competition is scaled down from the national level to the level of cities and regions (Storper, 1995; Scott, 1998; Meijers *et al*., 2003). This trend enhances the importance of local characteristics, providing comparative advantages in the competition for increasingly footloose and mobile global enterprises, investors and capital (Parkinson *et al*., 2003; Giffinger *et al*., 2003). Correspondingly, the integration process in Europe enforces each city to improve its very specific urban-regional profile. Facing this trend, urban competitiveness and corresponding strategic approaches with specific goals and modified instruments have become important efforts of urban politics (Tosics, 2003a, 2003b).

Evidently, there are different reasons why larger cities have a stronger position in the international competition between cities: Agglomeration advantages in general and urbanisation economies in particular are considered a function of a city's size or scope (Parr, 2002a): the larger the city, the higher productivity and innovation, the greater the variety of consumer products and input factors and the higher the well-being of citizens (Quigley, 1998; Catin, 1995). A doubling of city size is typically associated with an increase in agglomeration economies of somewhere between 3% and 10% (Quigley, 1998; Graham, 2005; Strange, 2005) and sometimes even 20% (Shefer, 1973). From that point of view medium-sized cities have a much weaker position than large or metropolitan cities.

There are, however, reasons to assume that medium-sized cities have specific potentials in the competition with larger cities. In the first place, agglomeration disadvantages such as traffic congestion, high property prices, social segregation, crime and environmental pollution also tend to increase with city-size and, consequently, appear better controllable and manageable in medium-sized cities. In the second place, there is increasing evidence that size alone is not a sufficient explanation of a cities' competitive position. In the real world, size does not always determine a city's function. There are examples of smaller cities which are endowed with specific specialized functions normally only to be found in larger ones. It appears that the spatial organisation of cities fundamentally influences their efficiency, growth, productivity and sometimes even their specialisation (Capello & Camagni, 2000).

Competitive urban development, however, does not seem to be a function of its agglomeration effects only. Other factors like historical experiences are likely to determine opportunities for competitive and sustainable future development in a more efficient way. In particular, a specific kind of local dependency in form of 'untraded dependencies' will occur the more urban or regional development is driven by corresponding networks or enterprises which are well embedded into urban-regional structures (Storper, 1997, p.80, according to Boddy, 1999, p. 831). Therefore the development of a city is strongly influenced by its ability to handle strong economic structural changes over time.

Apart from city size, competitive urban development depends on the city's historical pathways and recent ability to elaborate a pro-active and effective urban development strategy fostering its innovative or creative power in cultural, social and economic terms. This ability to meet respective challenges, however, is not necessarily a function of size because even medium or small-sized cities may have this ability. Due to policy reasons it has to be considered that a city's institutional capacity presumably increases with

- the importance of economic activities in relation to the national level
- the position within the national or international/global urban system and
- the ability to lobby its needs and interests and to compete for public funding within the hierarchic institutional system.

Not surprisingly, in many countries the institutional context favours larger cities as they tend to get disproportionately more funding from the central government than smaller ones.

Lesson-drawing to improve the competitiveness of medium-sized cities

Obviously, the positioning of a city within the urban system is the result of a complex interplay of economic, geographic and socio-cultural conditions, which are only partly locally determined. At the same time, a city's position is influenced by its strategic development strategies as a specific aspect of urban governance. Amongst other instruments the comparison and ranking of cities is one of the most productive approaches to identify a city's comparative advantages, potentials and weaknesses in relation to other cities. Lessons can be drawn from such rankings to improve a city's position in the European urban system.

Confronted with their particular challenges governments of medium-sized cities continuously search for answers in the form of policies and programmes. Facing global trends with rather similar challenges across distinct European cities it is likely that governments elsewhere have experiences in policies and programmes that address these challenges. Developing urban development strategies based on experiences from other cities is often referred to as 'policy transfer' and 'lesson-drawing'. These partly overlapping concepts try to apply experiences made elsewhere by learning from trials, errors and the efficiency of policy strategies already in operation. Whereas policy transfer focuses on the decision-making process (Dolowitz and Marsh, 1996:344), the lesson-drawing literature, most notably the work by Rose (1991, 1993), tries to identify the conditions under which policies operate in "lending" and "borrowing" political systems and asks how these conditions can be created (Page, 2000). Obviously, lesson-drawing is pro-active and may result in a voluntary transfer of policy.

Lessons can be drawn from different sources, which have to be selected with care. Prior research indicates that there are typical borrowing and lending countries and that these roles seldom change (Robertson, 1991; Robertson and Waltham, 1992, Rose, 1993, in Dolowitz and Marsh, 2000). Local governments are likely to look to nearby locations, assuming that they are confronted with similar challenges. In this sense, subjective identification, political values, ideological compatibility, similarities in resources, psychological or cultural proximity, the availability of evidence and interdependence are the main factors to be considered (Rose, 2001). They need to be taken into account when selecting cities to be included in a city-ranking in order to guarantee that lessons can be drawn and experiences can effectively be transferred into applicable policy strategies.

The role of city-rankings in regional competition

City-rankings have become a central instrument for assessing the attractiveness of urban regions over the last 20 years. In these kinds of comparative studies cities are evaluated and ranked with regard to different economic, social and geographical characteristics in order to reveal the best (and the worst) places for certain activities. Consequently city-rankings are often used by the cities themselves to sharpen their profile and to improve their position in the competition of cities: a top-rank in a highly reputed city ranking helps to improve the international image of a city and can therefore play a central role in its marketing strategy. Examining and comparing different city-rankings in Germany, Schönert (2003) found out that they are targeted on different goals and that they significantly differ in methods and results. According to the chosen indicators and their weights many cities showed rather different ratings in the city-rankings considered. Furthermore there is no evidence that the evaluations are reflected in actual economic performance: Schönert (2003, pp.6) shows that in Bremen the number of new firms has significantly increased during the 1990ies, although the city did not perform well in the majority of rankings.

Based on a detailed analysis and comparison of 10 German rankings[3] Schönert (2003) points out the following assets of city-rankings:

- City-rankings draw public attention to major issues of regional science
- City-rankings stimulate a broad discussion on regional development strategies
- Regional actors are forced to make their decisions transparent and comprehensible
- Positive changes are also registered outside the region
- The results in detail may initiate learning effects of local actors

On the other hand he considers some handicaps:

- City-rankings tend to neglect complex interrelations in regional development

[3] The city rankings considered have been published by the magazines Focus, Capital, Impulse and Bizz between 1994 and 2003.

- The discussion is mainly focused on the bare rank
- Long-term development strategies may be threatened
- Existing stereotypes may be strengthened
- Badly ranked cities tend to ignore the results

In order to get a more detailed insight into the diverse methods, objectives and results of different city-rankings, some international examples (as listed in table 1) are described and compared. 3 main aspects of rankings should be noticed: The objective of the ranking, the methodology and the final dissemination of the results. The different characteristics from the chosen rankings will be used to illustrate these aspects.

Table 1: Elaborated city rankings

No.	Name	Author	Published in	Spatial scope
1	Quality of Living Survey	Mercer Human Resource Consulting	2007	200 cities worldwide
2	Canada's most sustainable cities	Corporate Knights – The Canadian magazine for responsible business	2007	Large Canadian urban centres
3	How the world views its cities	Anholt City Brands	2006	60 cities worldwide
4	Worldwide cost of living	Economist Intelligence Unit	2006	130 cities worldwide
5	Dritter Großstadtvergleich	IW Consult GmbH / Institute of the German industry	2006	50 German cities
6	Europas attraktivstes Metropolen für Manger	University of Mannheim / Manager magazin	2005	58 European cities
7	Les villes Européennes. Analyse comparative	UMR Espace (Rozenblat, Cicille)	2003	180 Western European cities

Objectives

The objective of a ranking is not only specified by its aim and its target audience but also by its spatial scope and the desired factors and indicators behind the ranking. The rankings chosen for elaboration include between 50 and 200 cities – at least nation-wide but often also worldwide. This spatial scope depends of course on the aim and the target audience.

The target audience of most rankings are either companies which have to relocate executives (expatriates) or the (future) expatriates themselves (1,3,4,6), or political leaders of cities and communes which stand in direct competition with others (2,5,7). Hence, on the one hand a ranking can be used to rate certain costs of living or individual development chances, and on the other hand to illustrate lacks or advantages in a certain current state of development of a city opposite its direct competitors.

Additional to the spatial scope, the chosen factors (and later the indicators) are certainly bound to the actual aim and target audience of a ranking. Rankings focusing on managers and expatriates mainly focus on individual living conditions for that certain group (1,3,4,6). Rankings mainly focusing on the development state of cities include a broader choice of factors ranging from demographic factors, goods turnover to tourist attractivity etc. (5,7). However, rankings can also be used to analyse a certain characteristic of the cities state, as e.g. environmental sustainability (2).

Methodology

Methodology does not only include the way of data collection and processing but in a first step also the actual limitation of the selection of cities examined in the ranking. Certainly, a broad spatial scope is already defined by the objectives (e.g. only European cities). Still, as there are usually not enough resources to include all cities within this broad scope a further selection is necessary. Many rankings select cities on the basis of their population size (2,5,7), others by their importance in matters of global significance or perceptional importance for their target audience (1,3,4). Quite a comprehensive selection method was chosen for ranking 6: First a list of 643 European cities was elaborated which fulfilled one of various criteria (e.g. capital function, at least 100,000 inhabitants, listed in certain other rankings or at least one company headquarter according to Forbes 2000). All cities got a score for each criterion which was the basis for the selection of 58 cities for the actual ranking. Finally, data availability (for the subsequent ranking) also plays an important role in the selection of the cities if resources are limited.

The collection of data is then mainly a question of available project resources. Some data for rankings were elaborated by field research, mainly by interviews (1,3), the majority of data, however, was acquired by desk research analysing primary and secondary data (2,4,5,6,7).

A crucial point which has to be considered in the methodology is the use of weighting. Usually it is necessary to weight factors or indicators due to their influence or importance for the aim of the ranking. This is typically done by the executing agencies themselves, which have the aims and targets in mind. Nevertheless it is also possible to assess the weight of the factors for the ranking by interviews again (1) if the target group is clearly defined.

Dissemination

The way, how the results are evaluated, interpreted and presented is crucial for the impact of the ranking. An overall list of cities ranked is the typical result of city rankings. All elaborated rankings include such a list, some studies also include more differentiated results. One differentiation refers to the difference of the current status of a city and its recent development. In ranking 5 two rankings over all cities, a "Niveau"-Ranking and a "Dynamik"-Ranking were elaborated. Therefore cities with a lower state but with a recently very positive development were rated also high in the final ranking. Another approach was chosen in ranking 6: As the target group of the ranking were managers, 3 types of different managers with different demands were elaborated which influenced the weighting of the factors used. In ranking 7 a typology of core function(s) for each city was additionally elaborated through the performance within the different factors. This approach focuses especially on the strengths of each city. Another part of the dissemination aspect is the final availability of the results. Mostly the overall list (or the top) is available free of charge. On the contrary, partial results and interpretations or deeper insights are often not freely available. This might also be a reason for the sole public attention on the final results as addressed below.

In brief it can be stated that there is a broad variety of how to do a ranking and it seems that rankings focusing on a more detailed and clearly defined issue provide more applicable results than rankings providing 'just' an overall list. Not only when analysing and interpreting existing city-rankings but also when developing a new one, it is important to consider these three aspects, giving evidence on their objectives, methodologies and dissemination. One serious problem of all city-rankings seems to be the fact that public attention is mainly focussed on the final ranking without considering the methodological aspects behind the ratings. This selective public perception of results enforces a confirmation of existing stereotypes and clichés neglecting the specific strengths and weaknesses of the cities in detail. The rankings are excessively acclaimed by the "winners" in order to improve their public image, while the "losers" tend to ignore the results which might threaten their position in city competition. Consequently both groups of cities pass up the chance to make use of the results in a constructive and positive way by discussing the main findings in detail. Only a serious examination of the results reveals actual strengths and weaknesses of cities and can therefore be used as an empirical base for detecting future fields of activity.

Another major handicap of most city-rankings, which is especially relevant for medium-sized cities, lies in their generalistic approach: Since many financiers ask for clear results which can easily be communicated in public, most rankings aim at finding the "best" or "most attractive" city in general terms. Consequently these studies try to cover all fields of local attractiveness totally ignoring the fact that different activities need different conditions. It is quite obvious, however, that a city that offers a high quality of life does not necessarily have to be the ideal location for all industrial branches. This is especially true for medium-sized cities, which are not able to compete in all fields of economic activity, but have to focus on selected branches. This strategy of specialisation is based on an accurate examination of existing economic, social and environmental potentials in order to find specific niches in which the city is able to establish some competitive advantage. For that reason it does not really make sense to compare medium-sized cities generally and to evaluate their attractiveness in total. Even more than in the case of metropolises, city-rankings of medium-sized cities have to be highly specific in their approach and always be related to a particular aspect of attractiveness: The results of rankings focussing on quality of life or on cultural potentials will strongly diverge from the findings of studies which try to evaluate regional conditions for tourism or innovative industries. Consequently, rankings comparing medium-sized cities have to be interpreted thoroughly and with caution and the results should not be published without mentioning the factors and indicators considered.

Ranking European medium-sized cities

Subsequently, a small example of city ranking based on the quality of the health conditions of European medium-sized cities is elaborated.

Objective

The objective of the ranking is to provide a simple comparison of the health conditions of European medium-sized cities. The health conditions can be seen as part of the general living conditions and therefore as an important aspect of a city's competitiveness. The spatial scope is related to medium-sized cities in Europe.

Methodology

There are almost 600 cities/city-regions in Europe which are considered as medium-sized, so with a population between 100,000 and 500,000 inhabitants. However, this number is reduced stepwise due to the following selection criteria (see table 2):

Table 2: Selection of a city sample

Step	Description	Cities
0	Base – Espon 1.1.1 project *(all functional urban areas in EU27+NO+CH)*	1,595
1	Population 100,000 – 500,000 *(considered size of medium-sized cities)*	584
2	Catchment Area less than 1.500,000 *(exclude cities which might be dominated by larger city)*	364
3	Covered by Urban Audit *(essential as Urban Audit is important source of data)*	101
4	Further adaptation of the sample by the project team	**66**

When implementing a ranking of 66 or more cities it is often inevitable to rely on different sources: In this example data from Espon (Espon project 1.1.1) and a corresponding sample of medium-sized cities of the Urban Audit database are used, both referring to the city or city-region. However, as further data is necessary, we also need to include available data on other spatial levels: The Eurostat database corresponds to the NUTS-2 level (regions, provinces), while Eurobarometer, which provides data from special surveys, only gives information about whole countries (NUTS-0). All these databases have a European (or EU) focus which will keep individual data collection to a minimum.

For this small ranking on the quality of the health conditions only 3 indicators providing statistical key numbers (Urban Audit and Eurostat) and 2 indicators providing perceptions of the inhabitants were included (see table 3).

Table 3: Indicators for quality of the health system

Indicator	Year	Level	Source	Weighting
Life expectancy at birth for males and females	2001	City	Urban Audit	80 %
Number of doctors per 1000 residents	2001	City	Urban Audit	
Infant mortality rate (3 years average)	1999-2001	NUTS 2	Eurostat	
Access to the health system - % of "Satisfied"	2004	NUTS 0	Eurobarometer	20 %
Quality of the health system - % of "Satisfied"	2004	NUTS 0	Eurobarometer	

For reasons of comparability the values of each indicator were grouped in 5 classes with equal distribution of the cities (this means, in quintiles). The use of classes allows avoiding problems with missing data: Every city is classified only by the available indicators. The general classification of every city is based on the average across them and the final rank is divided into 5 classes. At the same time, a weighting system was introduced to favour the statistical key numbers (80 %) against perceptional indicators. Additionally each indicator is weighted by its coverage rate, so e.g. an indicator covering all 66 cities gets a higher weight than an indicator covering only 50 cities. However, this is only a small correction as the indicators were chosen also by their high coverage of our sample. Furthermore, the perceptional rating is used for the evaluation of the final ranking.

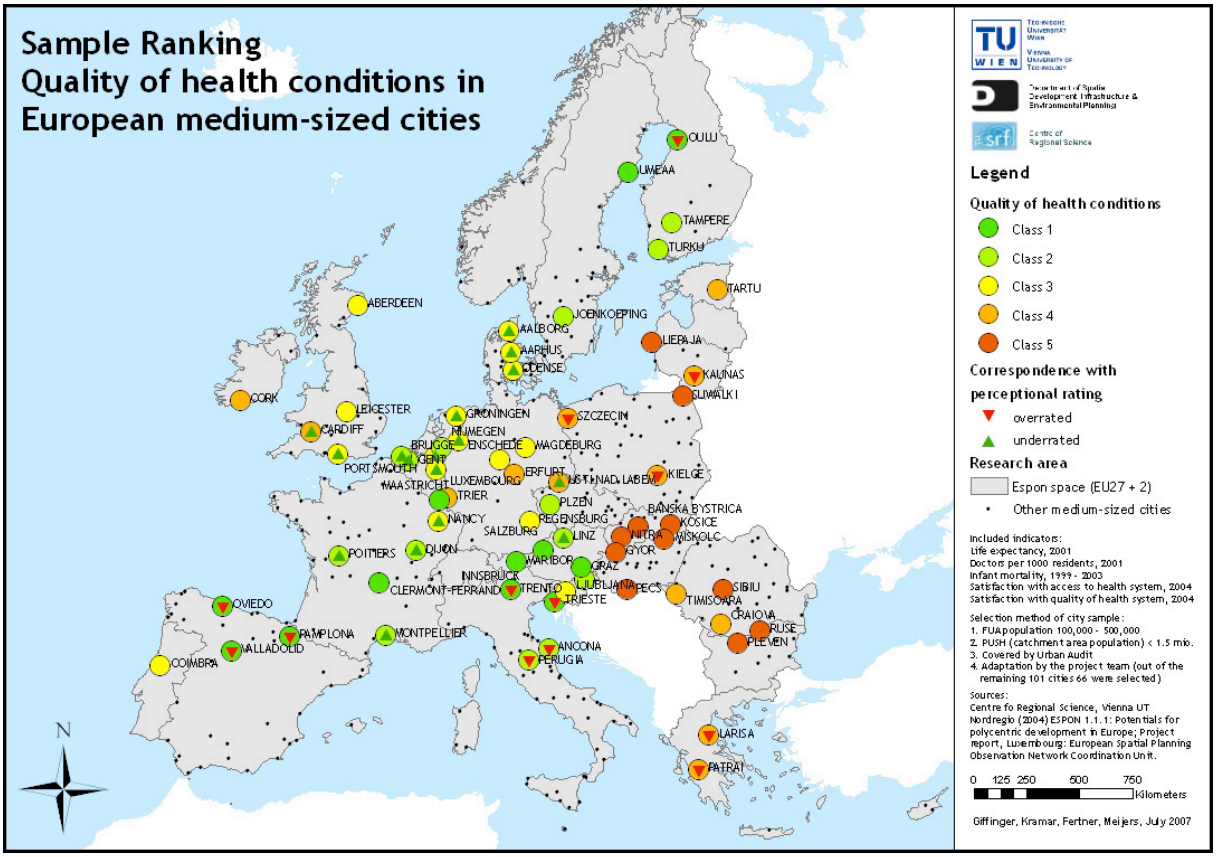
Dissemination

Following this approach the city sample is evaluated by respective values of the indicators. The ratings from perceptions are not only used as an input indicator but also as a control and correspondence information for the final rank. If the aggregated class for the 3 statistical key numbers is more than 1 class lower or higher than the class achieved through the aggregation of the 2 indicators on perception, the city will get a rate of +1/-1, otherwise 0 (see table 4 and figure 2). This rating probably indicates inconsistency in data but certainly can also illustrate a discrepancy between health conditions, which are objectively described and their subjective perception by the residents. In any case it is an indication that further research is necessary.

Table 4: Quality of health conditions in European medium-sized cities

Quality of Health Conditions	Cities	Correspondence with perceptional rating
Class 1	Salzburg, Graz, Innsbruck, Luxembourg, Umeaa, Clermont-Ferrand	0
	Oviedo, Pamplona, Valladolid, Oulu, Trento, Trieste	-1
Class 2	Gent, Linz, Dijon, Poitiers, Brugge, Montpellier	+1
	Tampere, Turku, Joenkoeping, Nijmegen, Plzen, Maribor	0
	Ancona, Perugia	-1
Class 3	Nancy, Eindhoven, Enschede, Maastricht, Aalborg, Odense, Aarhus, Groningen, Portsmouth	+1
	Goettingen, Aberdeen, Leicester, Ljubljana, Regensburg, Magdeburg, Coimbra	0
		-1
Class 4	Cardiff, Usti Nad Labem	+1
	Cork, Trier, Erfurt, Tartu, Timisoara, Craiova	0
	Larisa, Patrai, Kielce, Szczecin, Kaunas	-1
Class 5		+1
	Suwalki, Banska Bystrica, Nitra, Sibiu, Pecs, Kosice, Ruse, Liepaja, Gyor, Miskolc, Pleven	0

Figure 2: Quality of health conditions in European medium-sized cities



Concluding this case study some specific problems can be identified, which may occur when elaborating a certain ranking of medium-sized cities:

- *Data availability:* Most data on cities on an international scale are only available for the capitals and large cities. Urban Audit covers only 128 of the 584 medium-sized cities identified in the introduction.

- *Regional/national data:* For the previous reason it is necessary to include data from other sources which cover other spatial levels. This is certainly a problem when cities are dominated by others or if they are very untypical compared to the regional or national average.
- *Number of medium-sized cities:* Only in the Espon space (EU27+NO+CH) almost 600 medium-sized cities were identified. This number is not feasible when data collection has to be done manually. A limitation of the sample of cities is inevitable.
- *Delimitation of medium-sized cities:* Rankings comparing major metropolises just include the largest cities within a certain space. When talking about medium-sized cities a reasonable delimitation has to be found – and also applied including difficulties caused by the different delimitation of cities (administrative border, functional area, potential catchment area etc.)

General conclusions

Medium-sized cities constitute the most important class of cities in Europe in demographic terms. Since they are obviously characterised by specific attributes, the challenges faced by medium-sized cities differ from those faced by leading metropolitan cities:

- Medium-sized cities have to cope with competition from the larger metropolises on corresponding issues, but appear less equipped in terms of critical mass, resources and often also institutional and organizing capacity.
- Medium-sized cities may experience disadvantages because of lacking size but may offer assets not available in larger cities.

City-rankings can be a helpful instrument to improve the competitiveness of medium-sized cities as they pinpoint the best performing cities as prototypes for future development. These cities, which perform well in a certain field, set the benchmark for all the others. Policy-makers can either learn a lesson from the past, speculating about the effectiveness of a new innovative programme or draw evidence-based lessons from current experiences in other places, which appears more efficient in most cases. The challenge of lesson-drawing is not whether we can learn anything from what is happening elsewhere, but when, where and how well we do it (Rose, 2001:2). This means that lesson-drawing is not only about evaluating the effects of a policy programme in a particular setting, but also about assessing its transferability.

However, the practice of drawing lessons and transferring successful development strategies from one place to another is much more complex than it may appear at first sight (Wolman, 1992). Even though city-rankings might reveal interesting experiences from different cities, this does not mean that are transferable. Based on Dolowitz and Marsh (2000) we suggest three factors, which may impede the transfer of experiences:

- *uninformed transfer*: the borrowing city has insufficient information about policies / institutional structures in the lending city
- *incomplete transfer*: crucial elements of policies, strategies or institutional structures, which assured success in the lending city were not transferred
- *inappropriate transfer*: insufficient attention was paid to economic, social, political and ideological differences in the lending and borrowing city

Despite these potential risks, a ranking of medium-sized cities would be very helpful to identify best practices of development strategies and to avoid a 'reinventing the wheel'-approach by every medium-sized city. The considerate examination of city-rankings suggests the following recommendations for designing meaningful comparisons of medium-sized cities and for interpreting their results:

- City-rankings are a proper instrument to evaluate economic, social and environmental conditions in different cities, revealing their specific strengths and weaknesses.
- City-rankings should be based on a clear and well structured approach serving a clear purpose.
- The decision-makers should not concentrate on the final rank of their city, but rather use the results in detail for identifying endogenous potentials which can be developed.
- The comparative description and evaluation of cities should be interpreted thoroughly and translated into applicable strategies for future city development.
- The evidence of existing handicaps and assets should be used as an empirical base for detecting and defining specific fields of economic activities as a precondition for specialisation.

- City-rankings for medium-sized cities have to be more specific than evaluations of metropolises and should always be related to a particular aspect/function (eg. living quality, cultural aspects, financial services, biotechnology, ICT,…)

More generally, city-rankings cannot be separated from lesson-drawing and policy transfer. The identification of best practice strategies is a basic requirement for supporting competitive and sustainable urban development. City-ranking and lesson-drawing can be considered as familiar issues, which can both help to define effective policies and strategies for medium-sized cities, which increasingly have to face growing international competition.

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