Four centuries of translocal development in cities and regions in Northwest Germany

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ABSTRACT

This paper analyses how the fate of different peripheral localities (Emsland, Gütersloh and Lippe in Germany) was linked to the outside world in the course of the 17-20th century. In the first centuries the translocal relations of these localities with the world-economy were dominated by the relations with the Netherlands. Later the German context became more important for these translocal relation and development. But this paper shows that there are underlying continuities in local developments from the era before the rise of the nation states through to the current era of relative de-nationalisation and globalisation. This paper shows that local development very much depend on the local ability to 'link' up with development corridors, sometimes through seasonal labour migration, but also by trade and other relations. Long term development trajectories also show how local autonomy can obstruct development. Regional development policies and private sector behaviour are also crucial. All these cases show that translocal development is regionally based and embedded in social and political contexts and decisions.

Keywords:

translocal development, border region, development corridor, development chain
1 Introduction

This paper analyses how since the end of the 16th century the development of three peripheral localities in Germany (Emsland, Gütersloh and Lippe) is formed through their relations with their more developed context. Although these three localities lack the glamour of merchant cities like Amsterdam, or industrial regions like the Ruhr area, or world cities like New York, this paper shows that their development has always been formed through the interaction between local structures, actors and the relations with their context. This changed from the Dutch dominated emerging world-economy of the 17th century, to that of the emerging German nation-state in the 19th century, to the current era of mass consumption and globalisation. These different periods gave actors in these three localities different options to adapt their individual livelihood strategies and their political strategies to the possibilities and constraints of these external links.

This historical translocal perspective can help to look further than the dominant view of globalisation as a recent and international phenomenon (Held and McGrew, 2000; Sassen 2010). It can help to avoid what Saskia Sassen calls the endogeneity trap of limiting analyses to the subject studied. “(W)e cannot understand the x - in this case globalization - by confining our study to the characteristics of the x itself - i.e., global processes and institutions.” (Sassen 2008:4). Analyses of globalisation should thus not be limited to the burgeoning worldwide trade, new communication technologies, the emerging global institutions, the growth of transnational corporations, and the decline of the nation-state since the 1980s. The local scale and a longer timeframe are necessary to better understand globalisation. To avoid the endogeneity trap one must look beyond simple dualities of scale and time. Studying the different relations between the local and many other scales avoids the scale duality between the national and the global. Studying the period before, during and after the golden age of the nation-state, avoids the time duality which contrasts the period of the nation-state with the current period of globalisation (Sassen 2008: 394).

The nation-state is not a kind of primordial condition which is now challenged by globalisation. There were also important long distance relations before the period of the nation-state. This does not suggest that that there are no fundamental changes between the 16th and 21st centuries (Wallerstein 1974). Analysing earlier periods gives a much more nuanced and complex picture than “models of current social change, which are typically geared toward isolating key variables to create order where none is seen. (…) Looking at this earlier phase is a way of raising the level of complexity in the inquiry about current transformations.” (Sassen 2008: 11). History is important to understand the continuities and changes of the building blocks on which assemblage the general structure of these periods is based. Saskia Sassen uses the organisation of territories, authority and rights to show how trans-historical components become assembled into different historical formations (Sassen 2008: 4). Each new phase reassembles the constituent elements of the previous period in a new way. To understand globalisation it is therefore important to study the evolution of these building blocks and how these become transformed in different assemblages like the nation-state and globalisation (Sassen 2008: 13).

Globalisation is not something happening outside the nation-state, but is taking place inside the national in an enormous variety of micro-processes, such as translocal relations and world cities (Sassen 2008:2, 383; 2010). Many geographers like Doreen Massey (2005),
Erik Swyngedouw (1997) and Neil Brenner (2004) draw attention to these linkages between the local and the global. These linkages between the global and the local show that scales are not fixed and mutually exclusive (Sassen 2010: 6). Scale boundaries are interfaces. Not only do larger scale entities (global or national) contain smaller scale entities, but the larger scale entities are at the same time contained within smaller scale entities (Howitt 2000). Local practices are more than simply an outgrowth of practices at higher scales. Local agency positions themselves not only towards the national, but towards other scales and horizontally towards other localities (Sellers 2005: 425-433; 2002). “Beyond top-down logics of politics and policy, this approach emphasizes bottom-up logics that are particular to a given place. The nation-state, beneath its ordered, rationalized appearance from above, emerges as archipelago of local and regional logics that are ordered from below. In each urban setting, these logics depend on relations and coalition building within civil society.” (Sellers 2005: 433). Detailed multilevel accounts can help to understand the historically grown specific interplay between local actors and processes at different scales and scopes, in the form of ‘thick social environment’ (Sassen 2010:3), ‘geoinstitutional frameworks’ (Brenner et al. 2010) or ‘infrastructures’ (Sellers 2005). The physical and social infrastructures in which localities operate reflect centuries of accumulated influence from multiple levels. Comparing the development of different localities using grounded theory in partially different and similar spatial contexts over a long period, can contribute to a better understanding of how different temporal and spatial orders, like the nation-state and globalisation, are wired into local material practices, infrastructures, and institutional framings (Sassen 2008: 75, 402; Sellers 2005).

The concept of translocal development can help to develop grounded theory on the relations between the local and the global. Instead of vertical perspective on the relation between the local and the global, it gives a horizontal perspective on the locally embedded relations between different localities. The connections people have with faraway places have an important influence on the development of these connected places. These relations do not determine local development. Translocal development is also the outcome of the decisions made by local actors to participate or abstain from translocal relations (Grillo & Riccio 2004; Zoomers & van Westen 2011). Translocal development is also closely linked to the spaces through which these relations take place. Interactions concentrate in space along specific routes which help these interactions and can also stimulate the development in the spaces and places connecting important development centres. These connected spaces create what can be labelled development corridors. Translocal development is not only connected to space through development corridors, but also influences the long term development paths or development chains of all the affected localities (Zoomers & van Westen 2011). Translocal development, development corridors and development chains can help us to bridge the gap between specific local development studies and general ideas on the relation between globalisation and local development. These are not only theoretical concepts but are also linked to geographical structures. They connect the local scale with the global by positioning individual places in their changing spatial context (Zoomers et al. 2011). This article applies these concepts to examine the development of Western European regions and places which have a very long history of strong translocal relations (Terlouw 2009a).

Translocal relations were essential for the development of capitalism and are not limited to the current phase of globalisation. In Western Europe trade based commercial capitalism already became dominant after the Middle Ages. It was based on the relation
between cities and between cities and their hinterlands (Terlouw 2009a). Industrial capitalism was also based on interconnected cities rather than on national territories (Halperin 2007). This article examines the development chains of three German areas in the relatively wealthy countryside not far from the Dutch border (See Figure 1). Gütersloh is a medium-sized town (96,000 inhabitants) and the centre of an administrative district (354,000 inhabitants). It houses the headquarters of two important German companies. Miele and Bertelsmann were important for the development of Gütersloh from a rural village to a wealthy urban centre. In contrast, the neighbouring region of Lippe is a stagnating rural district (353,000 inhabitants) with a very distinct regional identity. Before industrialisation Lippe’s developed rural economy, merchant towns and political autonomy overshadowed Gütersloh. The Emsland is a rural district (313,000 inhabitants) bordering the Netherlands. In the last decades it has experienced a strong economic growth transforming it from ‘the poor house of the nation’ in 19th century Germany to one of the strongest developing regions in 21st century Germany (Hucker et al. 1997: 348).

FIGURE 1

This article compares the role of translocal links in the development of these three areas in Germany in three successive periods. In the 17th century they were linked to the prospering Dutch economy. Industrialisation and German state formation changed the context for development in these localities in the 19th century. Globalisation and European Integration again transforms the linkages between these localities and the world. Table 1 gives an overview of the main developments in the three areas in the three periods. The rest of this article analyses how local groups and institutions react to changing circumstances.

TABLE 1

2 The German peripheries and the Dutch core in the 17th and 18th centuries

In the 17th century the Dutch established a hegemonic position towards others core states like France, England and Spain through their sea power and dominance in world trade. Dutch hegemony depended not only on the glamorous long distance trade with America, Asia and Africa. Relations with nearby areas were less visible than the iconic sailing ships, but also very profitable for the Dutch. The adjacent German territories formed an important periphery for the Dutch economy. All localities studied here had very strong, but different relations with the Dutch core. The Emsland was a source of seasonal labour, Lippe supplied grain and textiles, while in Gütersloh the textile industry dominated.

2.1 Emsland

The poor and scarcely populated Emsland appears unaffected by the Dutch economy in the 17th century. Its huge bogs along the Dutch border in the West were largely unexploited, despite the extensive use of peat in the Netherlands. Dutch peat was better in quality and cheaper to transport. In addition in the Dutch merchant republic investors were better organised and their legal interests better protected than in Germany where the nobility controlled the states (Steinwascher 1992: 179). Only the narrow central fertile zone along
the Ems produced some grain for export to the Netherlands (Nitz 1993). Further East, the degraded soils of the Hümmling, a large zone of glacial sands surrounded by bogs, were too poor to produce for the Dutch market. However, its poverty and population pressure made it into a source of cheap labour. Its inhabitants seasonally migrated to neighbouring grain exporting regions, and since the 17th century to the Netherlands (Bölsker-Schlicht 1987: 240).

These seasonal migrants were driven by poverty. Since the 16th century and especially after the Thirty Years' War the number of landless proletarians increased. This proletarianisation was a widespread phenomenon in Northern Germany, where the oldest son inherited the undivided property of the parents, forcing the younger sons to explore farming opportunities elsewhere. This generated a huge reservoir of unsettled population (Scott 2002: 77). Until the 16th century there was still room for the local establishment of new farms and the colonisation of new lands further away in Eastern Europe. However, the ecological degradation of the vulnerable sandy soils and the end of the Ostkolonisation swelled the numbers of landless labourers. By the end of the 18th century their share in the population had increased to between a quarter and half the population. They were especially numerous on the poor sandy soils (Bölsker-Schlicht 1992: 363-364; Bölsker-Schlicht 1987: 33). While the internal and external possibilities to establish new farms diminished, this landless proletariat could only sell their labour.

This landless proletariat of Heuerlinge had different livelihood opportunities. Some worked on the family farm, but especially on the infertile sandy soils they mostly worked as cheap labour for others. In exchange they had to help on the farm of the owner. Waged agricultural labour and home weaving provided additional subsistence possibilities. The Emsland was part of larger zone with cottage industries that included Lippe and Gütersloh. It was characterised by a putting-out system where merchants exploited the predominantly female labour force through credit and the supply of raw materials. Migration to Dutch cities was another option. The hundreds of thousands of German born migrants were very important for the growth of the Dutch cities (Lucassen 2002). Later, in the 19th century, many Heuerlinge migrated to the USA and the industrialising cities in for instance the Ruhr area.

Seasonal migration was the most important option for the Heuerlinge in 17th century Emsland to improve their subsistence opportunities. Every spring tens of thousands of Germans would walk to the Dutch dairy farms and the peat colonies. This fitted in the local grain growing agricultural calendar where work focused on ploughing and sowing in early spring and harvesting in late summer. In contrast, the crucial period for hay making on dairy farms was in late spring. Peat digging ended only a little later, because the peat needed the summer heat to dry out for the next winter. The Dutch rural economy depended on this cheap labour force. Such translocal relations institutionalised over time into a development corridor as Dutch farmers hired the same group of German seasonal workers every year and let them know when they were needed (Bölsker-Schlicht 1992: 366). Their wages in Holland were three times higher (Lucassen 2002: 12), which provided these Hollandgänger with extra income and enabled the more than doubling of the population during the 17th and 18th centuries. The Hümmling together with other ecologically poor areas to the South East formed the origin of most of the Hollandgänger. In the Hümmling almost half the male labour population was involved in seasonal migration (Bölsker-Schlicht 1987: 40, 45; Bölsker-Schlicht 1992: 363; Knottnerus 1992: 38; Lucassen 1984).
2.2 Lippe

In the 17th century Lippe's translocal relations were not based on labour migration, but on agriculture and cottage industry. Lippe was part of a grain producing corridor along the Weser. It was part of an agricultural division of labour supplying the Dutch urban markets (Nitz 1993).

Not only the Dutch demand, but also the changing political situation in Lippe stimulated the grain export. Lippe was strongly affected by The Thirty Years' War (1618-1648). Its population was halved and the social and political order was transformed (Kaemling 1987: 69). The merchants in the Hanse town Lemgo suffered. Their role in the European long-distance trade had vanished and they lost their urban autonomy. The nobility benefited from the Thirty Years' War. They controlled the emerging territorial state which increased its power after the Thirty Years' War. The nobility evicted tenant farmers and established large estates specialising in grain for export to Amsterdam. The river trade over the Weser transformed from a regional to an export oriented trade. Merchants in Bremen working in commission for Dutch merchants controlled the Weser trade. The prices were set at the Amsterdam corn exchange (Korinth 2000; Rinne 1993).

The impoverished rural population in Lippe also joined the large underclass of Heuerlinge. This landless proletariat could only survive by selling their labour. They survived mainly by working on the estates and participating in the cottage textile industry. Merchants from Elberfeld in the Ruhr area controlled this putting-out system. Its importance increased until in the mid-18th century half of the labour population participated in this cottage industry. Only a small fraction of them (6%) combined this at that time with seasonal labour migration outside Lippe (Klueting 1998: 219; Rinne 1993: 65-67).

2.3 The translocal development of three German peripheries and the decline of the Dutch core

In the 18th century and at the beginning of the 19th century seasonal labour migration expanded socially and spatially in Germany. The growing underclass of landless labourers increased the supply of seasonal labour. The Hollandgängerei also spread towards other poor regions in the East like Lippe and the Eichsfeld (Bölsker-Schlicht 1987: 33; Hucker et al. 1997: 200, 323). The focus on the Netherlands weakened as its economy declined. Migrants tended to stay more in Germany. When during the 19th century the possibilities of permanent migration to the USA and German industrialising cities increased, this seasonal migration declined (Bölsker-Schlicht 1992; Hucker et al. 1997: 341). However, the poverty caused by the disappearance of the cottage industry in the 19th century gave seasonal labour a new impetus in the Emsland and in Lippe. In Lippe it increased tenfold during the 19th century until it involved a tenth of the total population at the beginning of the 20th century (Bölsker-Schlicht 1987, 59; Knottnerus 1992; Lucassen 1984).

In Gütersloh, the number of Heuerlinge increased through migration from the surrounding countryside to about half the population at the beginning of the 19th century (Freitag 1993: 69, 98). The Heuerlinge worked predominantly at home, spinning yarn made from regionally produced flax. This income supported the population growth in the 17th and 18th centuries. Two thirds of the villagers and one third of the neighbouring rural population
earned their living in this cottage industry at the start of the 19\textsuperscript{th} century. They worked in a putting-out system dominated by merchants in nearby Bielefeld. These sold the yarn predominantly to the Dutch who used it in their textile industry and exported it to the rest of Europe (Vieregge 2003: 124-126).

All three localities have been affected by similar Dutch-focused translocal networks from the 17\textsuperscript{th} century onward. The different local spatial and political circumstances influenced the livelihood strategies available to individual actors in these localities. Those living in the Emsland could walk to Holland. Those in Lippe faced more spatial and social constraints and had alternatives. In Lippe the nobility had a stronger grip on the local population, which linked to the local employment opportunities, made Lippe a peripheral region exporting grain and textiles. Poor agricultural conditions in Gütersloh limited the subsistence opportunities largely to home-based spinning.

3.1 Industrialisation in Gütersloh

This cottage industry was destroyed by cheap imports from Britain in the early 19\textsuperscript{th} century. Actors reacted differently to this threat. The largest merchants controlling the traditional cottage industry imitated the British and set up large textile factories in the city of Bielefeld. There they dominated the local economy until they lost in the 1960s the competition with South European companies. The less wealthy entrepreneurs in the small town Gütersloh responded by changing the focus from spinning to small scale industrial weaving. The profitability of these small companies, hardly mechanised, depended on cheap local labour (Vieregge 2003: 133; Wixforth 1999: 18-26).

The interests of these local entrepreneurs dominated local politics and the local development trajectory in the 19\textsuperscript{th} century. Gütersloh after 1815 benefited from becoming part of the large Prussian state which liberated it from the constraints of the small (about 200 km2) and ineffective state of Rheda. Its location further improved when in 1847 the Prussians built the main railway between the industrialising Ruhr area and their capital Berlin along Gütersloh. This deviation from the shortest route was achieved by political pressures from the local elite and voluntary financial contributions from the local business elite and the municipality. The small scale industries in Gütersloh profited from this physical development corridor by gaining better access to markets and cheaper supplies of coal. Meat processing and small-scale textile industries dominated the local economy. The local elite successfully resisted several attempts by non-local entrepreneurs to establish modern large scale metal and machine building industries. They feared this would force up wages and put their own more traditional industries out of business (Vieregge 2003: 129-140).

Thus although Gütersloh benefited from the political scaling up in 19\textsuperscript{th} century Germany, the local elite still controlled the development of Gütersloh. Becoming part of a Prussian development corridor improved Gütersloh’s structural position, but did not determine its development. It enabled the local elite to choose between different development paths. Their choice for a locally controlled development trajectory was further strengthened when an anti-modernist evangelical Christian elite took over from the liberals after 1848. They stayed in power until the end of the 19\textsuperscript{th} century (Minner & Vieregge 2003). They were part of a Europe-wide conservative Protestant movement. These groups like the Methodists in Britain rejected the new rationalist modern urban society.
The location of the protestant city of Gütersloh surrounded by a predominantly Catholic countryside also contributed to the strong inward looking anti-modernist outlook of the local elite (Freitag 2003). The protestant elite feared that industrialisation would attract Catholics from the surrounding area and undermine their power base. However, at the beginning of the 20th century, after the completion of new railway lines transforming Gütersloh from a line station into a junction, the location became attractive for non-local companies. The new feeder lines opened up a large labour reserve. Whereas in the 1890s the local elite could still thwart the establishment of a large metalworking factory, after 1900 many non-local metalworking companies built new factories in and near Gütersloh. Pressured by these non-local entrepreneurs the municipal council of Gütersloh reluctantly agreed in 1910 to annex neighbouring villages with many Catholics. This further undermined the position of the conservative local elite (Vieregge 2003: 139-146, 177-181, 200).

This opposition of local elites to modernisation and industrialisation occurred not only in Gütersloh but is a characteristic of most European rural regions according to Halperin (2007). She stresses that the image of the 19th century nation-state creating a national market and integrating national society is a myth ignoring the antagonistic, repressive and dualistic social developments in Europe at the time. The participation in translocal economic networks contrasts sharply with the internal social cleavages between the aristocratic elite and the rural population. The local elites profited from translocal economic networks by reducing local wages in traditional manufacturing and agriculture. In order to retain political power these traditional elites tried to limit industrialisation, modernisation and national integration as much as possible. Large scale industrialisation was initially limited to some large cities. This strongly restricted the subsistence opportunities of the rural proletariat. Only the mobilisation pressures of the World Wars forced the elite to promote national integration and to concede some social redistribution.

3.2 A new outward oriented development chain in Gütersloh

The 19th century type of regional development based on small scale industrialisation with cheap local labour and dominated by an inward-looking elite changed in the 20th century. Then a new outward-oriented development path started based on locally embedded large modern companies.

In 1907 the Miele company relocated to Gütersloh from a nearby village. Needing new accommodation for its growing production of milk centrifuges, butter machines and washing machines, it relocated to a site where it could further expand and which had better accessibility. Its workforce expanded from 150 in 1909 to 1500 in 1922 making it the first modern large scale industrial company in Gütersloh (Vieregge 2003: 140-144). Already in the 1920s Miele developed household machinery like washing machines, vacuum cleaners and dish washers. Their production skyrocketed after the Second World War with the emergence of the consumer society. Miele is a typical German firm functioning in a coordinated market economy with a focus on quality products and innovations made by a dedicated trained work force that enjoys job security and extra social benefits. Miele is strongly embedded in the community of Gütersloh. Its headquarters, development centre and largest production plant are still located there. Most products are still made in Germany; only recently has Miele opened a plant in the Czech Republic. It is still privately owned by the family (Hall & Soskice 2009; Liedtke 2000; www.miele.com).
Bertelsmann, the other global company still headquartered in Gütersloh, is also a family company. In 1831 the devout protestant Carl Bertelsmann started as a publisher of mainly religious literature (Vieregge 2003: 128). The company expanded after the Second World War from a local publisher to an important player in the German media landscape. It introduced new concepts like book clubs, expanded into European markets in the 1960s and the American market in the 1980s. Its main focus is on TV (RTL), printing, publishing, music and IT. It is the third largest media company in the world (Wernicke & Bultmann 2007: 88).

Out of a total of 88.000 employees worldwide, 32.000 work in Germany (Wernicke & Bultmann 2007: 319) and about 9.000 in or near Gütersloh (Gläßer et al. 1997: 162).

Bertelsmann benefitted hugely from the demise of national and public broadcasting systems. RTL started before the Second World War as a commercial company with broadcasting rights in Luxembourg. This developed into a commercial radio station audible in a large part of Europe. The deregulation of the 1980s made commercial TV possible in many European countries. RTL entered this market in a joint venture with Bertelsmann, that gradually took the company over and profited from the creation of a common European market (Liedtke 2000; www.rtl.com).

The family still controls the company. Its shares are owned by the Bertelsmann Foundation (76,9%) and the Mohn family (23,1%) which holds the voting rights on all shares. The Bertelsmann Foundation was established in 1977 for tax reasons and aims to stimulate the development of new management strategies. It has a budget of about 70 million Euros and 300 employees who oversee about 100 projects. After profiting from deregulation, the Bertelsmann Foundation now actively promotes neo-liberalism, European Integration and globalisation. It promotes new types of relations between state, society and its citizens through decentralisation, networking and competition (Schuler 2010; Wernicke & Bultmann 2007: 295-303; www.bertelsmann-stiftung.de).

Both Miele and Bertelsmann expanded from the German to the world market. Both are still embedded in Germany and Gütersloh. Both benefited after World War II, from the emergence of the welfare state with its mass consumption and mass media. Both are socially responsible entrepreneurs and provide extra benefits for their committed workers. These global players are not footloose locust capitalist, but are socially and locally embedded. The functioning of these firms reflects all the characteristics of a coordinated market economy. Their reactions to the contemporary challenges of globalisation are also typical for this German variety of capitalism. Miele focuses on quality and is reluctant to transfer production abroad. Bertelsmann’s implementation of its neo-liberal deregulation agenda through persuasion of the public opinion and the mobilisation of business networks, also still operates within the framework of a coordinated market economy (Hall & Thelen 2009).

3.3 Lippe: the politics of a different development chain

The regional development path of Lippe is very different from Gütersloh. After World War II it’s economic and population growth lagged substantially behind the Gütersloh area. Lippe’s GRP per capita is only 76% of that of Gütersloh (www.espon.eu). However, in the Middle Ages Lippe was more developed and as discussed above, their economic situations in the early modern era were broadly similar. Their development trajectories bifurcated in the 19th century because of differences in political situation. Whereas Gütersloh became part of the Prussian state, Lippe successfully maintained its independence by playing out the rivalry
between its neighbours Prussia, Hannover and nearby Hessen. This success of Lippe in preserving its independence however hindered the development of modern state functions. The small state of Lippe had to use its scarce resources for diplomatic efforts to stabilise relations with its much larger neighbours. Its internal administration remained traditional. Until the end of the 19th century it still had a unitary administrative set-up, without distinguishing between legislative, executive and judiciary powers. This provided entrepreneurs with little protection. State property and the personal property of the Sovereign have never been clearly separated and officials were selected based on personal and family relations and not on merit and qualifications (Ellwein 1993). All this contrasted sharply with the situation in Prussia.

Lippe’s economy also suffered directly from the expanding Prussian state. The traditional textile industry lost direct access to its market in Bielefeld as the goods now had to make a huge detour to the Prussian customs in Minden (Rinne 1993: 69). These Prussian duties, the costs of the detour and increasing competition by large scale producers wiped out Lippe’s cottage textile industry. The lack of entrepreneurial local capitalists and the arbitrary nature of the state hindered the emergence of other industries in Lippe. Outside the integrating Prussian national market, and in contrast to Gütersloh not connected to the Prussian railway network, Lippe suffered from the decline in traditional industries and the inability to develop new ones. The subsistence possibilities of the Heuerlinge and small farmers were ever more reduced to seasonal migration. The Hollandgängerei increased since the end of the 18th century, but more importantly in the 19th century seasonal migration to other German states multiplied. The focus of their work shifted from agricultural labour to the brickworks necessary for urbanisation. The importance of seasonal migration peaked in Lippe at the beginning of the 20th century when more than a third of the male working population or a tenth of the total population migrated seasonally. By means of these foreign earnings its population saved the most money per capita in Germany. Lippe’s failure to industrialise was thus not due to a lack of finance, but to the political situation (Ellwein 1993: 265; Lucassen 1984; Rinne 1993: 67-72, 156). The political success of Lippe’s institutions limited the economic opportunities of its population.

Even after Germany’s political map was redrawn following World War II, Lippe retained some of its political independence. This initially stimulated the economic opportunities of its population, but has recently hindered its economic development once again. Lippe only joined Nordrhein-Westfalen after obtaining significant concessions. The new regional administration of the Bezirksregierung was to be located in its small old capital of Detmold and not in the much (6x) larger and more centrally located city of Bielefeld. The other major concession was that the property of the old state of Lippe was kept outside the new federal state of Nordrhein-Westfalen. It became the property of the Landesverband Lippe which is governed by local politicians. It owns 150 large building, 20,000 hectares of land and many health care facilities. Until recently the income from these holdings was approximately 50 million Euros. This enabled the Landesverband Lippe to subsidize many special facilities for Lippe’s population. However, the financial position of the Landesverband Lippe is severely undermined by the recent healthcare reforms in Germany. Until the 1990s it was customary for Germans with health problems to take a holiday in a health resort paid for by social security. This was very costly, but also very profitable for the health resorts. It was seen as a ‘white industry’ which could bring development to rural peripheral regions like Lippe. There Bad Salzußfelen was the most visited health spa in Germany with hundreds of thousands of visitors annually (Ellwein 1997: 408-414; HL 1999; Rinne 1993: 149-152).
generated much income for the *Landesverband Lippe* as owner of much of these facilities. Lippe’s economy and political institution now suffer from the changes from a welfare state towards a more neo-liberal framework at the national level.

State reforms further threaten *Lippe*. In the 1970s it averted the annexation of parts of its territory by neighbouring cities. Recent state reforms focus more on decentralisation and deregulation to improve economic competitiveness. Supported by the *Bertelsmann Foundation* a new regional body - the *OstWestfalenLippe Marketing GmbH* - has emerged in the 1990s. It initially focused on marketing *OWL* as a business location, but its focus has recently widened to organise business networks and labour market initiatives. It increasingly takes over responsibility for economic policies from other administrative levels and thus further undermines *Lippe* (Terlouw 2009b).

### 3.4 The Emsland: from the poorhouse of the nation to a prospering European region

Until the 1950s the *Emsland* was viewed as the opposite of modern Germany. Government reports focussed on the barrenness and inaccessibility of its landscape. Remote areas like the *Hümmling* were for centuries a refuge for outlaws and Gipsies. Far away from effective state power some Gipsy communities retained their autonomy until the end of the 19th century (Knottnerus 1992: 37; Nauhaus 1984). Combined with the barren landscape, with bogs, heaths and sand drifts and almost without villages, this engraved a negative image of the *Emsland* in the German collective consciousness. The increase in poverty after the demise of the cottage industry, which forced Germans to migrate, further strengthened the negative image of the *Emsland* as the iconic German periphery, waiting to be developed through modernisation (Hucker et al. 1997: 348; Knottnerus 1992; Niehoff 1995).

The rolling out of modern Germany over the *Emsland* started in earnest after World War II. The poverty of its population compared to the rest of West Germany challenged the emerging German welfare state whose legitimacy was based on equalising the living conditions for the whole population (Brenner 2004). Developing the *Emsland* was the first important regional policy initiative in West Germany. The creation of new livelihood opportunities for German refugees was an important reason for the state to develop the *Emsland* (Schüpp 1992). The *Emsland* was one of few regions in West Germany with space to establish new farms for farmer refugees from the East to continue a rural way of life (Bechtluft 1985: 72). A further reason was that after World War II the Dutch government tried to expand the border to the *Ems*. It eyed the empty *Emsland* as possible compensation for war damage, viewing it as suitable to house part of the expanding population of the overcrowded Netherlands (Nauhaus 1984; Schüpp 1992).

The German state stimulated the development of the *Emsland* through the establishment in 1951 of the *Emsland GmbH* in which all levels of the German state cooperated. These included the districts around the *Ems*, *Niedersachsen* and the central government, which provided most of the one billion Euros spent over the decades by the *Emsland GmbH*. Through integrated ten-year-plans it improved infrastructure, soils, drainage, reorganised agricultural plots, cultivated new lands and afforested the worst soils. It thus transformed about a fifth of *Emsland*’s surface. After the first ten-years-plan the focus shifted from agriculture to attracting new industries to increase employment opportunities. The focus was on infrastructure, industrial sites and the building of a nuclear power plant to produce cheap electricity. The *Emsland GmbH* was dissolved in 1989 when the last major
The Emsland project - the construction of a motorway along the Dutch border - neared completion (Nauhaus 1984; Niehoff 1995; Schüpp 1992).

The present local administration no longer seeks state intervention but deregulation. The Emsland is no longer a poor peripheral region but over the last decade enjoyed one of the highest economic growth rates in Germany. It is no longer an isolated peripheral region at the border, but an accessible and competitive region in the hearth of Europe opened up by European common market policies. This is based on local manufacturing SME’s. Whereas after World War II agriculture dominated the local economy and economic policies, manufacturing industry is now more important than in Niedersachsen as a whole. The economy is diversified with an emphasis on metalworking and engineering. Many supply the Meyer shipyard, the most important company in the Emsland and one of the leading cruise ship builders in the world. This family company, its workers and its suppliers are strongly embedded in the catholic Emsland. Even though its inland river location is not suited for building ocean going cruisers, it refuses to relocate to the protestant and social-democratic stronghold Emden, even though this port city has many, mostly abandoned, large shipyards. Instead it used its political influence to arrange for deepening of the Ems and the construction of a flood barrier which can temporarily raise the level of the Ems enabling ships to travel from Papenburg to the North Sea (Niehoff 1995; Schüpp 1992).

The agricultural poverty in the Emsland has been superseded by a competitive network of locally embedded SME’s. Migration patterns have also been reversed. The Emsland now has one of the highest shares in foreign born migrants, with the highest percentages of ethnic Germans from Russia in the most rural areas like the Hümmling (Wenzel 1999).

4 CONCLUSION

This article has analysed translocal development in three relatively peripheral localities in Germany, highlighting the role of different development corridors and chains in different periods and how local actors reacted to these changes. The Emsland, Lippe and Gütersloh started out in the 17th century as areas whose translocal development was dominated by the Dutch core. Although they all had cottage industries producing for the Dutch-controlled international market, their development corridors to the Dutch core differed. The cottage industry dominated the translocal development of Gütersloh. But in the poor and sparsely populated Emsland the translocal development depended on the seasonal labour migration to rural areas in the Netherlands. The development corridor of Lippe focussed on the grain exports to the Amsterdam staple market along the river Weser.

The development chains of these three localities diverged considerably after the demise of the Dutch core. The different relations to the 19th century Prussian-dominated state formation and industrialisation, their later integration in the German welfare state and the more recent transformation of the German nation-state linked to globalisation and European Integration, opened up new development corridors for these three localities. Actors in these three localities had different options to adapt their economic and political strategies to the possibilities and constraints of these external links.

The development chain of Lippe shows the consequences of the local inability to link up with new development corridors. Lippe’s independence hindered its industrialisation. As a small independent state outside Prussia, it could not connect to the new railway based
industrial development corridors of Germany. It was locked in its own development trajectory. Lacking other opportunities the only way out of local poverty was to increase seasonal migration. Only its integration in the German welfare state after the Second World War enabled the regional political elite of Lippe to create a development corridor of health Spas in its unspoiled rural countryside. Paradoxically the well-established region of Lippe is not equipped to cope with the challenges of the rescaling German state. Its focus on state-regulated administration and health services makes it vulnerable to the reforms of the German state. It also loses out to other non-traditional regional networks in OWL which are better suited to link up with the new development corridors based on globalisation and European Integration. The development chain of Lippe is thus dominated by local political elites which successfully maximise the political autonomy of this small region, which however hinders the possibilities of Lippe to profit from new development corridors in different periods.

The role of local elites was in the 19th century also important for the development chain of Gütersloh. They were initially quite successful in limiting the influence of the industrial development corridor focussed on the new Prussian railway between the Ruhr area and Berlin. The local elites protected their own tradition food and textile industry based on cheap labour. This hindered development until at the end of the 19th century the power of the local political elite declined and Gütersloh was opened up for industrial expansion and the location of modern large scale industries. The local economy is now dominated by the headquarters and production facilities of the global companies Miele and Bertelsmann. These profited from the emergence after World War II of the welfare state with its mass consumption and mass media. Especially European Integration helped them to expand from the German to the world market. Local actors are now also actively involved in the restructuring and rescaling of the German state and the promotion of further European Integration through the Bertelsmann Foundation. The role of the local elites in the development chain of Gütersloh thus changed from limiting new forms of translocal development until the end of the 19th century to a driving force behind these ever since.

The already poor Emsland suffered from the decline of the Dutch development corridor and the diminishing possibilities of seasonal labour migration to the Netherlands. The poverty of its population forced many of its inhabitants in the 19th century to migrate to America. Especially after the Second World War this lack of development in this poor house of the German nation became the object of the interventions of the redistributive German welfare state. Later, this border region profited from European Integration. Instead of a German peripheral region it became more accessible to the European markets from which especially its local SME’s profited. The development chain of the Emsland is still dependent on the German state. It benefited from the redistributive policies of the post-World War II welfare state. It profited from European Integration and its local administrators now seek less state intervention and more deregulation.

The nation-state is not a kind of primordial condition which is now challenged by globalisation. There were also important long distance relations before the period of the nation-state. Analysing translocal development through development corridors and development chains is thus a helpful conceptual framework to understand the different development paths of localities. The development corridors and development chains are translocal elements that do not fit into national territories and are not determined by the nation-state. The analysis of these long-term development chains showed that their
differences are rooted in local historical configurations. These show underlying continuities in local developments from the era before the rise of the nation-states through to the current era of relative de-nationalisation and globalisation. Globalisation must not be conceptualised as the elimination of the building blocks of the nation-state. As Sassen (2008) stresses, each new phase reassembles the constituent elements of the previous period in a new way. The nation-state is a relatively temporary condition that used and transformed local and translocal dynamics that predated it and provided new possibilities and constraints for local actors to act upon. These different periods gave actors in these three localities different options to adapt their individual livelihood strategies and adjust their political strategies to the possibilities and constraints of these external links. These local reactions to new development corridors generated by developments at higher scales are embedded in the specific local political and economic conditions. Local actors have some influence over their local development chain, but sometimes their successful resistance to new development corridors create an institutional lock-in and hinder economic development and diminish the subsistence possibilities for the local population.

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Table 1 Development profiles

<table>
<thead>
<tr>
<th>Period</th>
<th>Change in: A Translocal structure</th>
<th>B Consequences for local subsistence</th>
<th>Industrialisation and German state formation (±1800-1900)</th>
<th>Welfare state and globalisation (±1950-2010)</th>
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<tr>
<td>Emsland</td>
<td>A seasonal migration to Holland</td>
<td>B relative wealth migrants</td>
<td>A Ruralisation B agricultural poverty and out-migration</td>
<td>A National and European integration, prospering SMEs B In-Migration</td>
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<td>Lippe</td>
<td>A cottage industry and grain exports</td>
<td>B Polarisation between landowners and</td>
<td>A seasonal migration in Germany B Lack of local opportunity</td>
<td>A Government administration and health services B Employment in health</td>
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Figure 1 The location of the three case studies