Understanding the Context for Successful City Diplomacy: Attracting International Organisations

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Summary

To understand the factors that contribute to successful city diplomacy, this essay explores the example of how city diplomacy is used to attract international organisations. As soon as an international organisation (IO) starts looking for a location, local networks are formed and candidate host cities are selected internally. Cities benefit from hosting IOs, not only in worldwide reputation but also in economic growth. However, cities face increased competition and need improved strategies that are informed by a better assessment of contextual factors that affect a city’s international affairs. The ways in which cities co-operate with ministries and regional government levels when attracting IOs take different shapes and can be crucial for a successful outcome. This essay acknowledges three categories of context and introduces them as relational, discursive and instrumental in scope.

Keywords

city diplomacy – international organisations (IOs) – host policies – Western European – urban competition – location branding
1 Introduction

As soon as an international organisation (IO) starts looking for a location, many types of activities take place at once. Potential host cities, through city diplomacy, compete to attract IOs. This is an excellent example by which to think through the contextual factors that contribute to the success or failure of city diplomacy as Amiri lays out in the Introduction of this Special Issue. The ways in which cities co-operate with ministries and regional government levels when attracting IOs take different shapes and can be crucial for a successful outcome.

Cities benefit from hosting IOs, not only in worldwide reputation but also in economic growth. For instance, the economic spin-off of international institutions in The Hague brings the local economy direct and indirect benefits amounting to EUR 2.9 billion annually. Nevertheless, the competition is strong, especially from non-Western cities and cities in Eastern and Southern Europe. Therefore, the need exists to better understand what factors help or hurt cities’ efforts to attract IOs.

This essay provides an example to better understand the three categories of contextual factors that affect city diplomacy as introduced in the Introduction and refers to them as three scopes: the relational, instrumental and discursive. The relational scope focuses on aspects such as culture, values, attitudes and policy positions. The instrumental scope considers the strength of institutions, governance and the political system. The discursive scope refers to having financial, geographic and human assets as well as having access to information and technology.

1.1 Case Selection and Methods

For this study, I selected eight cases of attempts to attract IOs by four Western European cities: Geneva, The Hague, Vienna and Copenhagen. I selected these cities because they are relatively comparable: they are small to medium-sized (70,000 to 2 million inhabitants), geographically at the heart of Europe and have a focus on attracting IOs in similar fields: peace, security, humanitarian aid, energy and non-proliferation. In each of these cities, I selected a successful and a failed attempt to attract an IO. IOs are defined here as ‘integovernmental entities based on a multilateral treaty possessing a permanent secretariat’.

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1 Decisio 2019, 33.
2 Oomen and Baumgärtel 2018, 607-608.
3 Campbell 2000; Gerring 2009.
4 Ege and Bauer 2013, 135.
The types of IO I discuss vary from IOs with a universal membership, such as the UN, to IOs, and quasi-IOs that fall between an IO and a non-governmental organisation (NGO).

The two cases I selected in Geneva are the Green Climate Fund (2013) and the Arms Trade Treaty (ATT) Secretariat (2015). The first was a failed attempt and the second was successful. In The Hague the cases are the International Criminal Court (ICC) (1998-2001) and the UNICEF Private Fundraising and Partnerships Division, the latter of which The Hague failed to attract in 2014. In Vienna, the cases are the ATT Secretariat (2015) and the successfully retained Sustainable Energy for All (hereafter SE4All) (2015-2016). In Copenhagen, the successful case is the UNOPS Headquarters (2007) and the failed case is SE4All. These IO cases are selected based on diversity in size and type and falling within the period 1995-2015.

I conducted interviews and document analysis of policy documents, IO websites, government reports and requested insights into previous communications between the host city, the country and the IOs. The interviews (N = 175) were conducted in several rounds with a total of 150 employees from IOs, municipalities, ministries, businesses, and think tanks as well as policy advisers in the four cities.

The methods used to explore the cases of attracted IOs are threefold. For the first scope, to explore the relational aspects, I discussed values and beliefs with the respondents, but also their priorities and narratives about locational factors for IOs. I distinguished two groups in the cities: the organisational network attracting the IO, and the IO’s representatives in the city. The respondents were asked to prioritise five items from a list of 22 locational factors. First, I made a description of the priorities and narratives of the two groups. Then I compared the priorities and narratives of the organisational network with those of the international representatives. Finally, I explored the overlap between the groups’ ratings with a Kendall’s Tau-b test. This measure is a non-parametric correlation coefficient and helped to find the strength of association between groups and the direction of the relationship. Combining this

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5 These locational factors are: settling in of foreigners, security, political stability, digital infrastructure, physical infrastructure, hospitals and health care, dual career possibilities, international schools, climate and weather, cultural and commercial recreation, liveability, tax settlements, start-up of a company, banking services, cost of hiring labour force, level of education of labour force, availability of labour force, universities and research centres, research instruments, relevant centres available, infrastructure for professional networks and easy issuing of rules.

measure with the narratives gave a good overview of the overlap of perceptual frames between the two groups.

For the second scope, the instrumental context, I looked at the authority to enact policies as well as to enforce law and order. Concerning the attraction of IOs, I looked especially at the overlap between the policies. I conducted an analytic alignment approach focusing on the content of policy documents. To determine concurrence, four policy documents were placed side by side for each case: the host policy, nation branding and city marketing policies and the bid book for the specific IO. When the elements in the bid showed overlap with the other policy goals in keywords and content, the element in the bid was considered aligned with the policy goals.

For the discursive scope, I looked especially at access to information, technology, networks, allies and partnerships. This scope was explored by asking the respondents how often they met, with whom and what other organisations were involved. In this way, I could see what relations the cities had, and how those contributed to successfully attracting IOs.

2 Relational Scope: A City’s Culture, Values, Beliefs and Identity

In this scope, I focused on the identity of the city, the value system of the IO representatives versus that of the governmental network working to attract the IO. I especially looked at the overlap between the value systems of the two groups, by comparing how they prioritised locational elements important to IOs, such as ‘political stability’ or ‘liveability of the city’. The identity of the city helped in the preparation of a successful bid. The more the international community in the city identified with the city’s values, the better they could act as ambassadors for attracting the IO. Table 1 in the Appendix shows these items. When assessing the perceptual frames of the groups, the following comes to the fore.

The overlap between the priorities of the IO representatives in the city and the governmental group was average in the case of the Green Climate Fund (2013). The overlap in Kendall’s Tau-b was 0.59, and the narratives focused on the importance of relevant centres, whereas the organisational network focused on the relevance of taxes (in the host state agreement). In the second case, the ATT Secretariat (2015), the overlap between the priorities of the IO representatives and the network attracting the IO was high: 0.65 in Kendall’s Tau-b.

The overlap of priorities between the network attracting the ICC and the organisation itself (1998) was high: 0.73 overlap. The narratives of both groups highlighted the importance of relevant centres nearby, and of physical
connectivity. In the second case of The Hague, the UNICEF Private Fundraising and Partnership Division (2014), the overlap of priorities was average, 0.55 in Kendall’s Tau-b.

The overlap of priorities between the two groups was average in the first case in Vienna, the ATT Secretariat (2015), at 0.59. The narratives of the IO representatives were focused on networking, whereas the organisational network stressed political stability and the availability of health care. In the second case, SE4All (2016), the overlap of priorities and narratives was high: 0.73 in Kendall’s Tau-b.

In the UNOPS Headquarters (2007) case, the overlap between the organisational network attracting the IO and the IO representatives was average: 0.54 in Kendall’s Tau-b. The narratives of both groups stressed liveability issues, taxes and the possibility to co-operate with like-minded institutions. In the second case, SE4All (2015), the overlap between the groups was low: 0.30 in Kendall’s Tau-b.

A higher overlap of priorities and narratives between the organisational network attracting the IO and the IOs themselves leads to more successful processes. How municipal policy-makers think about locational elements important to IOs is based on the identity of the city and the value system of these network members. The more they are attuned to the IO representatives already present in the city, the higher the likelihood of successfully attracting IOs.

3 Instrumental Scope: A City’s Political System and Policies

When looking with an instrumental scope to the attraction of IOs considering city diplomacy, the following aspects are important: the stability of the system of governance, the reliability of institutions, and the political and policy system. Table 2 in the Appendix shows these aspects. In this scope, I explore the alignment of the attraction policies with the bid books to attract the IOs.

First, the system of governance of the cities is different. In Geneva, the canton is the leading governmental level to attract IOs. In The Hague, this is rather the municipality, and in Vienna and Copenhagen, the federal and national governments worked together with the cities to attract IOs. When assessing the policy alignment between the bid books and the host policy and nation branding and city marketing goals, the following comes to the fore.

The bid for the Green Climate Fund was a document with three main headers: Switzerland’s offer (financial), local facilities and conditions, and the legal framework. Especially the local facilities were in line with the host and branding policies; the other two categories were less aligned. The alignment
was high (67 per cent). The bid for the ATT Secretariat focused on inclusiveness, expertise, continuity and the Swiss offer. These aspects were well aligned with the Swiss host policy but less with the city marketing and nation branding strategies. The alignment was average (58 per cent).

The bid for the ICC focused on ten issues, of which four aligned with the host policy, nation branding and city marketing policies: city to work in, city to live in, accessibility and economy. The others were less aligned (international climate, and democracy, diplomacy and rule of law) or not at all. The alignment was average (53 per cent). The bid for the UNICEF Private Fundraising and Partnerships Division consisted of twelve aspects, of which three were in line with the host and branding policies: security and staff wellbeing, facilities and other related services, and a highly qualified international workforce. The alignment was average (53 per cent).

Vienna’s bid for the ATT Secretariat consisted of four categories, of which only one was completely aligned with the host and branding policies: safety and security. The others were partly aligned. The alignment was high (67 per cent). The bid for SE4All consisted of six categories, of which none were aligned with the host and branding policies. The alignment was low (39 per cent).

The bid for the UNOPS Headquarters consisted of four chapters: Premises free of charge, Denmark supports UNOPS’ position as competitive partner, Attractive business environment, and smooth transition for staff, and family-friendly environment. Two of these pillars were aligned with the host policy and city marketing policies: premises free of charge, and smooth transition for staff. The alignment was low (42 per cent). The bid for SE4All consisted of six elements, of which only one was aligned (facilities) and two were partially aligned (public infrastructure and services, and amenities). The alignment was average (50 per cent).

Although I expected that the alignment of host and branding policies with the bid books for the specific IOs would contribute to success, it rather led to failure. The failed cases show a high or average alignment, whereas successful cases indicate low alignment. One of the explanations for this is that a bid book for an IO needs to be flexible. The more the bid is aligned to the wishes and the needs of the IO, the higher the likelihood of success.

4 Discursive Scope: Access to Information, Networks, Allies and Partnerships

To discuss the discursive scope, a collection of facts about the cities is appropriate, as well as some background on the international networks and ‘soft
power’ the cities use when attempting to attract IOs. The relevant aspects are depicted in Table 3 in the Appendix. The international networks deployed during the attraction process show the value of diverse networks in a city and its host state.

The Green Climate Fund was set up in Songdo, Republic of South Korea, in 2013. The network attempting to attract the IO to Geneva consisted of the Foreign Ministry, 24 Green Climate Fund board members, the UN Office of Geneva, the external relations office of the city, the Swiss Parliament, the canton, the mayor, and ambassadors to the UN in the city of Geneva and in New York. These close-knit actors formed a dense network to attract the IO. Nevertheless, Geneva failed to attract the IO. The second case, the ATT Secretariat, was set up in Geneva in 2015. The network that attracted this IO consisted of the Ministry of Foreign Affairs, the canton president’s department, the mayor, the Swiss Parliament and public-private partnerships. Although this network was smaller, it did succeed in attracting the ATT Secretariat.

The ICC, established in 1998, opened in 2001 in The Hague. The network that attracted the IO consisted of the Municipality External Department, Ministry of Foreign Affairs, the mayor of The Hague, policy advisers and NGOs. The second case, the UNICEF Private and Fundraising Partnerships Division, remained seated in Geneva in 2015. The network that attempted to attract this UN department consisted of the Ministry of Foreign Affairs, an adviser to the municipality, the mayor of The Hague and Parliament. This network was smaller and less diverse and failed to attract the IO.

The network attracting the ATT Secretariat to Vienna consisted of the UN General Assembly, federal departments, the Federal Chancellor, the Austrian UN representative in Geneva and the Vienna Service Office. In the second case, SE4All, the network consisted of SE4All itself, NGOs, other IOs, federal departments, the Municipality External Office and private funds.

The UNOPS Headquarters moved from New York City to Copenhagen in 2007. The network that attracted the headquarters consisted of the UN Development Programme, the State Secretary for Development Policy, the UNOPS Acting Head and the Ministry of Foreign Affairs. SE4All remained seated in Vienna in 2016. The network attempting to attract this quasi-IO to Copenhagen consisted of the Ministry of Climate and Energy, the Executive of Multilateral Department, NGOs and the UN city building for IOs. This network was smaller than the successful network in 2007.

The more diverse and more substantial networks are also more successful in attracting IOs to candidate host cities. Naturally, cities need to collaborate with UN ambassadors abroad, federal as well as national departments, and specialists, such as NGOs, advisers and IOs. The better they succeed in including
as many and as different actors as possible in their networks, the higher the chances of success in attracting IOs.

5 Conclusion

This essay has demonstrated how three categories of contextual factors can be considered when assessing or designing strategies for successful city diplomacy. In the example of attracting IOs, the findings show that the relational and discursive sets of categories are better equipped to explain the success of city diplomacy through a city’s network than the instrumental scope. However, other examples can be adopted to further examine the role of the instrumental scope. There are two key takeaways.

Firstly, the three scopes show that being externally oriented as a city can pay off. The relational scope shows that the perceptual frame of the organisational network attempting to attract an IO needs to overlap with that of the local IO representatives. The discursive scope shows that establishing a bigger and more diverse network, including specialists from NGOs and IOs, can be rewarding. Cities need to be in touch with their international community as well as reach out to other governmental levels and practitioners abroad.

A second takeaway when looking at city diplomacy is that creating networks to attract IOs takes time. More mature networks are better at the job than the ones just starting out, as was seen in the cases attracted by Geneva versus, for example, Copenhagen. For other local policies with a global aim, this means that cities need to adopt externally oriented strategies while keeping in touch with their local identity and values, international community, contacts with diplomats abroad and experts on the topic at hand.
## Appendix

### Table 1  Relational scope attracting IOs: Identity, values and culture

<table>
<thead>
<tr>
<th>Discursive aspects:</th>
<th>Identity of the city</th>
<th>Value system of IO representatives</th>
<th>Value system of governmental groups</th>
<th>The cases</th>
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<tbody>
<tr>
<td>Cities:</td>
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<tr>
<td>Geneva</td>
<td>UN city, reputation of globally important city, biggest ecosystem of UN and IO institutions in Europe(^\text{7})</td>
<td>The 10 representatives in Geneva prioritised relevant centres, the physical infrastructure and the political situation</td>
<td>The governmental group attracting the Green Climate Fund prioritised relevant centres, the political situation and taxes</td>
<td>Green Climate Fund (2013)</td>
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<td></td>
<td>Peaceful city, ‘Legal capital’(^\text{8})</td>
<td>The 10 employees in the city prioritised security, relevant centres and settling in of foreigners</td>
<td>The group attracting the ICC focused on relevant centres, physical infrastructure and taxes</td>
<td>International Criminal Court (1998-2001)</td>
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\(^\text{7}\) Badache 2020.

\(^\text{8}\) Voorhoeve 2011.
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<td>Cities:</td>
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<tr>
<td>Vienna</td>
<td>City with a strong energy and co-operation in the nuclear field; city of non-proliferation(^9)</td>
<td>The IO employees prioritised relevant centres, political stability and security</td>
<td>The group attracting the ATT prioritised political stability, physical infrastructure and hospitals</td>
<td>Arms Trade Treaty Secretariat (2015)</td>
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<tr>
<td>Copenhagen</td>
<td>City of Gender Equality and social security. UN focused hub on procurement (Nillson 2015)</td>
<td>The IO representatives prioritised physical infrastructure, settling in of foreigners and liveability</td>
<td>The group attracting UNOPS prioritised taxes, relevant centres and political stability</td>
<td>UNOPS Headquarters (2007)</td>
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<td>Sustainable Energy for All (2015)</td>
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\(^9\) Reinisch 2013.
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<th>Instrumental aspects</th>
<th>System of governance</th>
<th>Institutions attracting IOs</th>
<th>Political and policy system</th>
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<td>Cities:</td>
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<tr>
<td>Geneva</td>
<td>Cantons, Ville de Genève has a proportional representation, the administrative council is composed of five councillors. The election is every five years, but the mayor and vice-mayor change annually</td>
<td>Canton of Geneva, Groupe Permanent Conjoint, City: External Relations department, joined with Bern: 10 division</td>
<td>The political colour of Geneva was Red (2012-2020). Host state policy on a federal and cantonal level</td>
<td>Green Climate Fund (2012-2013) / Arms Trade Treaty Secretariat (2015)</td>
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<td>Cities:</td>
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<td>Vienna</td>
<td><strong>Bundesland</strong>, meaning a federal state status, wherein the City Council also functions as the state parliament (Landtag) and the mayor also doubles as governor of the state of Vienna. City Council elections are every five years</td>
<td>City of Vienna: External Relations department, the Ministry of Foreign Affairs, responsible department of specific IO</td>
<td><strong>Political colour of Vienna was Green (SPÖ / Green coalition) (2010-2020)</strong>. Host state policy on a federal and city level</td>
<td><strong>Arms Trade Treaty Secretariat</strong> (2015)</td>
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<tr>
<td>Copenhagen</td>
<td>Municipal Council in City Hall; elections are every four years</td>
<td>State Secretary of the relevant national department, Protocol department, Danish representatives abroad</td>
<td>Political colour of Copenhagen was Red (Social Democrats)</td>
<td><strong>UNOPS Headquarters</strong> (2007)</td>
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<td><strong>Sustainable Energy for All</strong> (2015)</td>
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<tr>
<td>Cities:</td>
<td>Size (pop.)</td>
<td>GDP (2020)</td>
<td>Geographical assets</td>
<td>Cases</td>
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Bibliography


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is a doctoral candidate at the Faculty for Governance and Global Affairs and the Dual PhD Centre. She works as a lecturer at The Hague University of Applied Sciences (THUAS). Groen is finishing her PhD project on how cities and host countries attract international organisations. Her main research question is: what determines the successes of medium-sized Western European cities to attract international organisations? She selected six cases of IOs in four cities.
(Geneva, The Hague, Vienna and Copenhagen), of which half were successfully attracted. She has been awarded a PhD grant for teachers by The Netherlands Association for Scientific Research. THUAS has funded this project as well. In 2021, she won a Seed Grant of the Institute of Security and Global Affairs of Leiden University and THUAS to study how The Hague can further internalise its ‘Peace and Justice’ brand, by solving problems of young people from disadvantaged areas in the city.