

4.3 View of Bilbao.



tion point of Castilian products bound for the North Sea. This strategic commercial location led to the formation of the Villa. For some 300 years, the Town Hall and the Consulate, representing the University of Maritime Contractors and Merchants, dominated all commercial activity and civil society in the city. Bilbao acted as a nexus between the Europe of the North Atlantic and the interior kingdom of Castilia, as well as a connection between Seville and the Americas.

In the nineteenth century, Bilbao developed into an industrial center, with mining, iron and steel industries dominating the urban landscape. On the waterfront, shipping and railways carved their mark on the edge of the city. Because of its growing wealth, Bilbao grew both physically and politically. In the 1870s, the city annexed neighboring towns: first Abando, then Begoña, Deusto and Luchana. The city reached an economic peak, culminating in the 1920s, based on the sale of iron to England, some of which was destined for the manufacturing of arms for the First World War. The changes wrought by the Civil War in Spain and the growth of industry, brought thousands of immigrants from different parts of the country to Bilbao, creating both a ready workforce and also a very mixed cultural landscape.

In the 1960s and 1970s, with a crisis in manufacturing, the industrialized city fell into economic decline. Bilbao suffered from high unemployment, environmental decay, urban stagnation, and emigration. Under the rule of Franco, the city struggled politically to develop its competitive position. However, five years after his death, the Basque Country became a semi-autonomous region, free to set its own destiny and recast its relationship with the rest of Europe. The city's economic crisis and new bureaucratic autonomy coincided with the rise of cities and regions in a united Europe. Geopolitical lines between nation-states became blurry and the new economic circumstance of a united Europe began to favor autonomous regions.

In the early 1980s, the Basque Country government began to reposition its economy, moving away from its industrial foundation toward financial services and telecommunications. Bilbao Metropoli 30, a public-private