

# MANCHESTER / LIVERPOOL II

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March 2004

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*Shrinking Cities*

A project initiated by the Kulturstiftung des Bundes (Federal Cultural Foundation, Germany) in cooperation with the Gallery for Contemporary Art Leipzig, Bauhaus Foundation Dessau and the journal Archplus.

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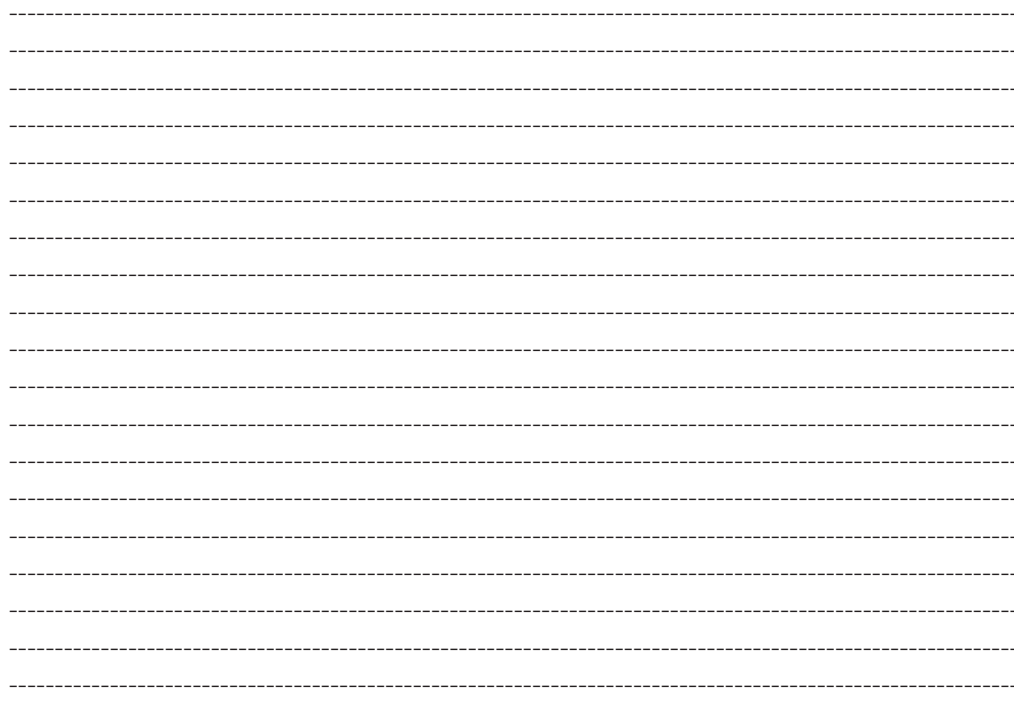
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## INTRODUCTION

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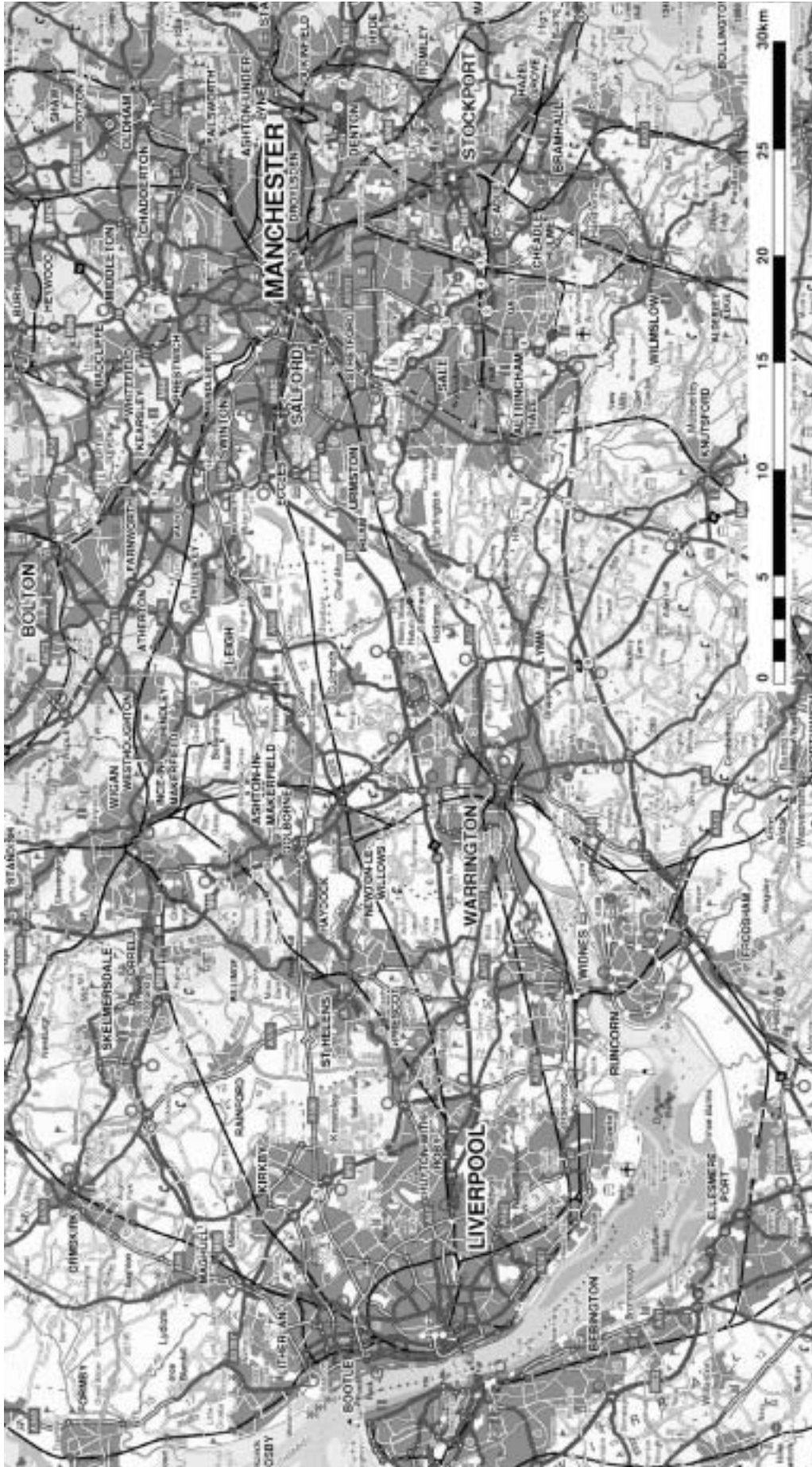
Manchester and Liverpool lie in the North-West of England, barely 35 miles apart. Both cities have been pioneering cities, epitomising the beginning of the industrial age. In the 1930s, the population of both cities peaked at just under 900,000 inhabitants, and each lost around half of its population when deindustrialisation led to a process of relentless decline. Manchester and Liverpool, earlier than other cities in the world, had to struggle and, to some extent, succeeded in shaking off the image of decay. After a period of urban renewal in the 1990s, today both cities share a sense of new optimism.

Despite these similarities, the relationship between the two cities is complex. Manchester and Liverpool's bitter rivalry extends to their football teams, music, cultural institutions and obtaining funds from the European Union, the Central Government or the *Lottery*. To a large extent, this antagonism is rooted in century-long differences in economy, social constitution and urban culture, despite the fact that they were famously linked by the first passenger railway in the world: Manchester being a logistical centre for cotton and textile industries while Liverpool's growth was mostly generated by the power of its docks and global trade connections. The inherent difference between the two cities can be seen in the way issues of decline and regeneration have been approached. The following selection of articles will explore the various manifestations of growth or shrinkage in both cities. Far from providing a comprehensive or complete picture, they focus on particular aspects and provide individual insights into the reality of the post-industrial city and therefore reflect the overall research approach of the *Shrinking Cities* project.

For Liverpool, the acclaimed Liverpool-born writer and journalist [Linda Grant](#) will give a personal account of a life intimately intertwined with the changing fortunes of the city, while [Jon Murden](#) provides a more general chronology of key events in the city's more recent history. The sociologist [Richard Meegan](#) analyses the complex role of the Liverpool municipality during the period of decline and renewal — focusing in particular on the period in the 1980s when the local Council went into almost militant opposition to the Thatcherite neo-liberal experiment, which left the city in a state of abandonment and free fall. Meegan also shows how, in recent years, Liverpool has begun to catch up and optimism has been greatly boosted by its recent successful bid to become *Europe's Cultural Capital* in 2008. In a series of provocative statistics, the writer and film-maker [Patrick Keiller](#) will explore the current position of the docks without dockers: handling more tonnage than ever before, today, the docks employ a mere 800 people and embody the successes and failures of new 'jobless growth' in post-industrial cities.

For Manchester, historian [Alan Kidd](#) provides a social-economic history of growth, decline and regeneration, highlighting the fact that Manchester — much earlier than Liverpool, chose the path of coalition with Central Government in the late 1980s, shifting away from municipal socialism towards a new entrepreneurialism based on the concept of privatisation and public-private partnership, which put the city in a lead position in regional renewal. The DJ [David Haslam](#) provides a very personal description of the role of subculture and the music scene in the urban and spiritual regeneration process of Manchester, which was, together with a change in municipal policies, the single most important factor boosting growth in the city. A different perspective on the local music scene is offered by [Adam Brown](#), [Justin O'Connor](#) and [Sara Cohen](#), who focus on policy initiatives aiming to exploit its potential to stimulate urban regeneration. The sociologist [Rosemary Mellor](#) takes a critical look at the urban inequalities and polarisations in Manchester that form an important part of present-day reality despite being, at times, suppressed by the rhetoric of successful regeneration.





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## STATISTICAL DATA: MANCHESTER / LIVERPOOL

Statistics: Anke Hagemann, Nora Müller (*Shrinking Cities*, Office Philipp Oswalt)

Data Research: Ed Ferrari, Jonathan Roberts, Peter Lee (Center for Urban and Regional Studies, *Birmingham University*)

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### REGION AND CITIES

#### The Region

4,184,700\* inh. (2002), -3.7% (1981–2001)

The Manchester-Liverpool region that we define as our research area is a part of the North West region. It contains the metropolitan counties of Merseyside (including five districts) and Greater Manchester (including ten districts) plus two districts of the county of Cheshire (Halton and Warrington). This Area covers the urban agglomeration of the two cities and the densely populated zone in between (also referred to as the M62 corridor).

#### City and Suburbs

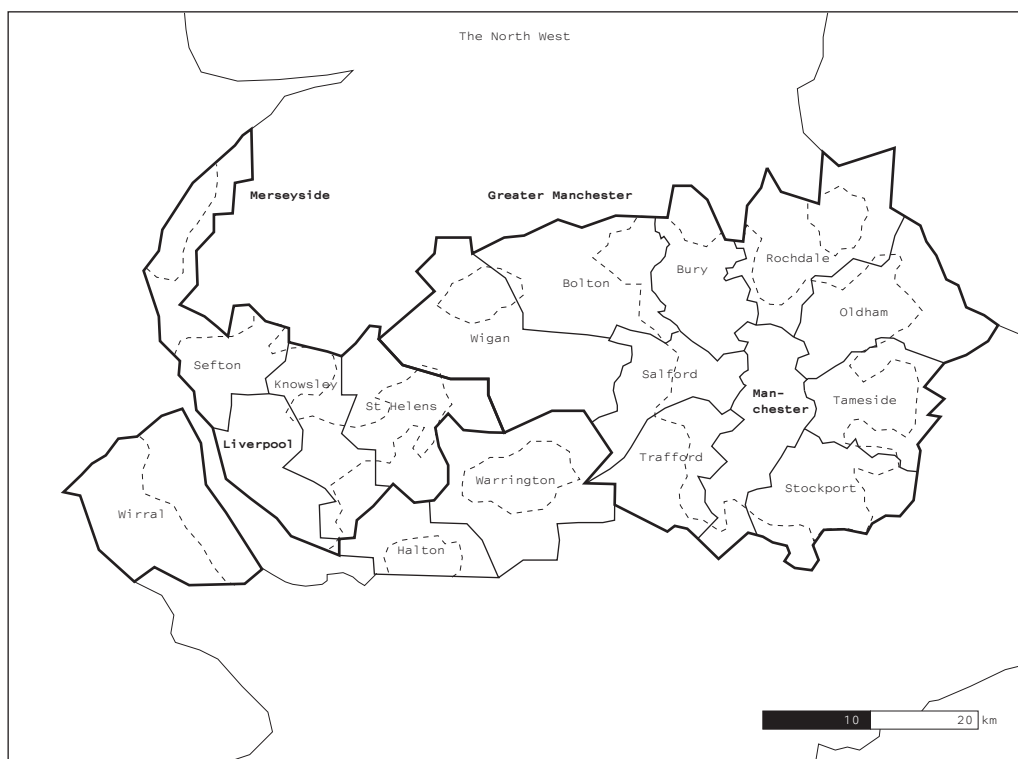
Liverpool and suburbs: Liverpool + Knowsley + Sefton, 872,900\* inh. (2001), -9.2% (1981–2001)

Manchester and suburbs: Manchester, Bury, Oldham, Rochdale, Tameside, Stockport, Trafford, Salford, 1,919,900\* inh. (2001), -3.3% (1981–2001)

The Cities of Liverpool and Manchester, especially Manchester, remained in very tight administrative borders, while the urban sprawl was expanding and small peripheral towns were becoming part of the suburban city. To cover the entire city, including suburbs, one should refer to the cities plus surrounding districts. We refer to the administrative city boundaries (districts of Manchester and Liverpool) in most cases, as this gives the most impressive image of shrinkage for the cities — and the highest contrast to other (growing) districts.

**City of Liverpool**, 441,500\* inh. (2002), -11.6% (1981–2001)

**City of Manchester**, 422,300\* inh. (2002), -9.1% (1981–2001)



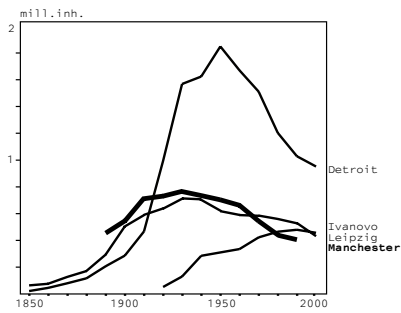
\* Population figures for 2001 and 2002 are revised on the basis of outcomes from the 'Manchester matching exercise' which aimed to improve population estimates in the light of Manchester City Council's challenge to the Census authorities.



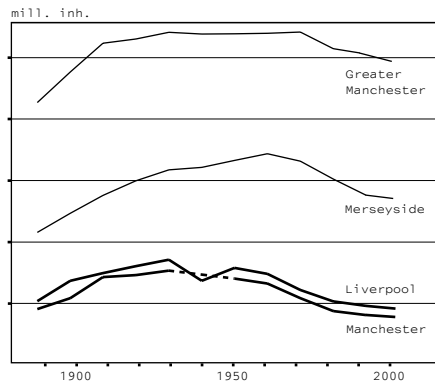
**INTERNATIONAL COMPARISON**

**POPULATION**

01 population development in 4 investigated cities

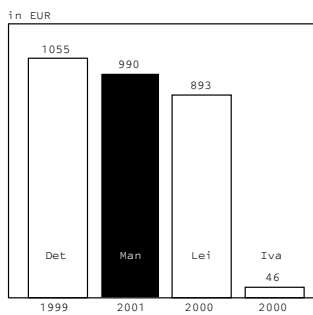


02 population development in the cities and agglomerations of Manchester and Liverpool



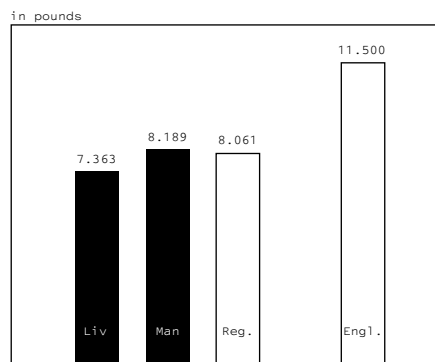
**INCOME**

03 monthly average income per capita in the 4 locations



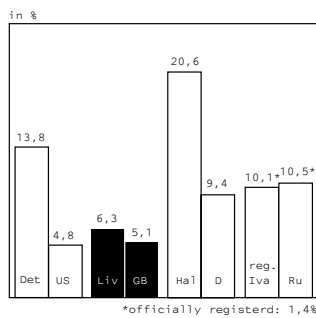
[NB: average incomes are defined differently, cf. notes]

04 annual average income per capita in the cities and region, compared to national average, 2001



**UNEMPLOYMENT**

05 unemployment rates, international comparison (2000/2001)



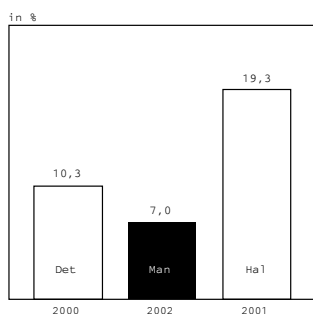
[NB: unemployment is defined differently, cf. notes]

06 development of unemployment rates in Liverpool and Great Britain

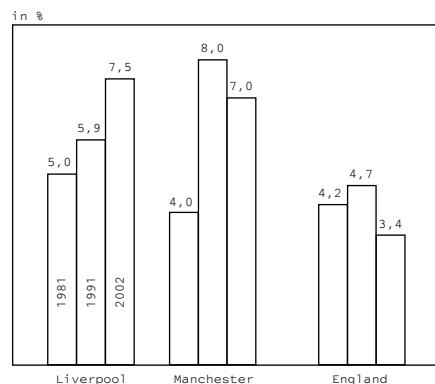


**VACANCIES**

07 estimated vacancy rates in housing, international comparison



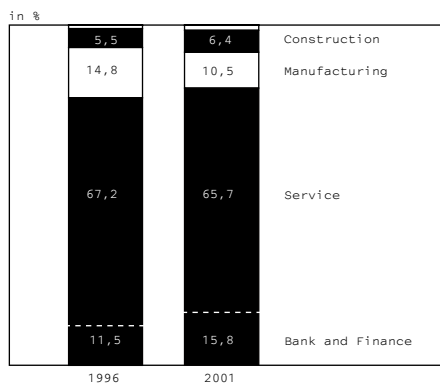
08 development of vacancy rates in Liverpool, Manchester and England



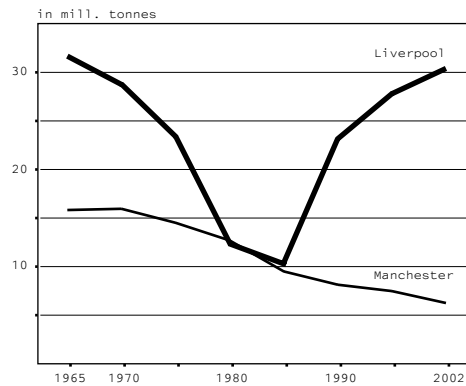
**REGIONAL DEVELOPMENT**

**DEINDUSTRIALISATION**

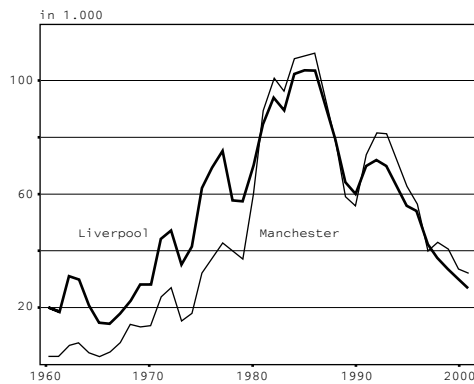
09 employment by industries; Liverpool 1996, 2001



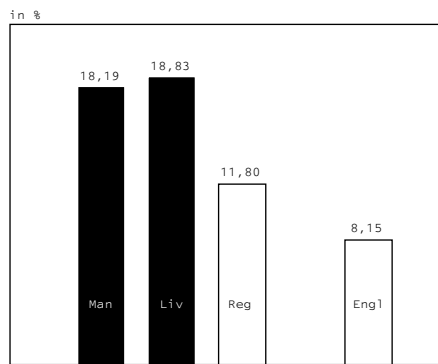
10 foreign and domestic port traffic 1965—2002



11 total numbers of unemployed in Manchester and Liverpool 1960—2000

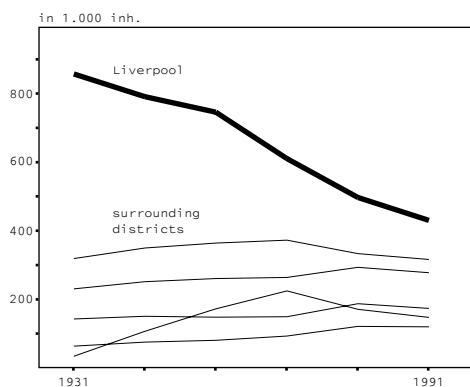


12 share of benefit recipients in the cities and region, 2000



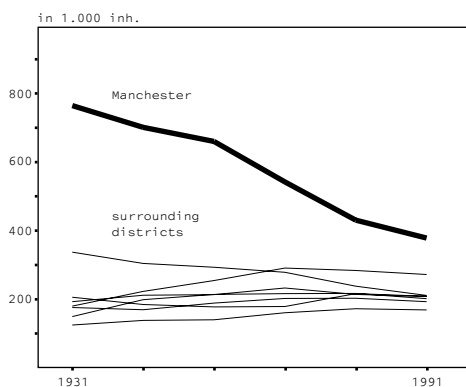
**SUBURBANISATION**

13 population development in Liverpool and the surrounding districts\*, 1931—1991



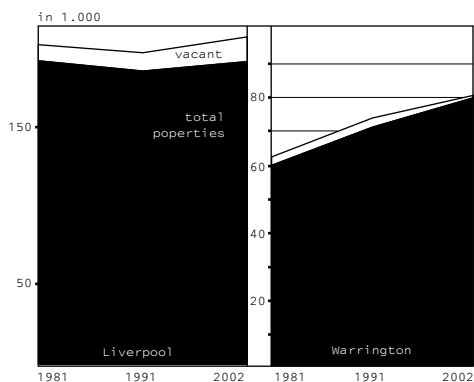
\*Wirral, Sefton, Knowsley, St Helens, Halton

14 Manchester and its surrounding districts\*, 1931—1991

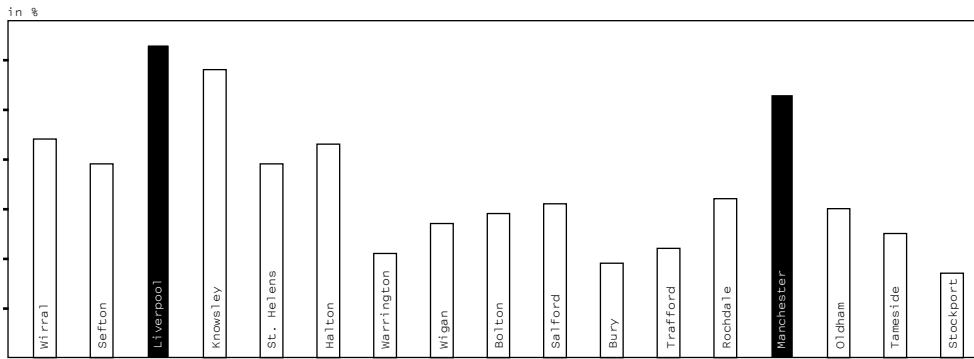


\*Salford, Trafford, Bury, Rochdale, Oldham, Tameside, Stockport

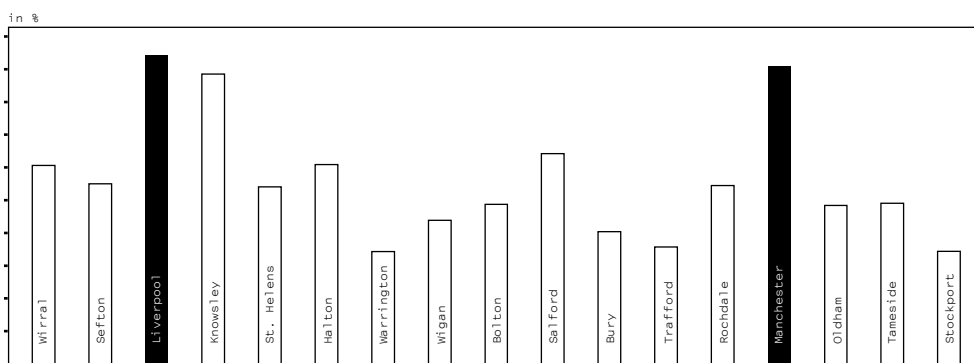
15 development of total properties in housing and the share of vacancy, 1981, 1991, 2002



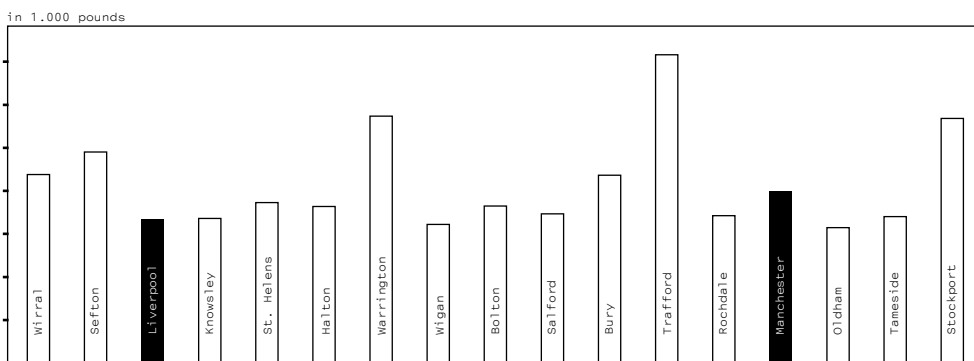
**POLARISATION** (spatial disparities on district level by specific indicators) -----  
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17 benefit recipients, 2000



18 actual mean house prices, 2002



19 derelict land and land occupied by vacant buildings, 2001





# **M62 REGION**



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## ABANDONMENT AS OPPORTUNITY

Katherine Mumford and Anne Power

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Around 3,000 neighbourhoods in urban areas all over the country are difficult to live in and difficult to rescue. The overwhelming majority of the most difficult neighbourhoods are in towns and cities, so that neighbourhood-based social exclusion, seen as the concentration of multiple problems in particularly disadvantaged areas, is primarily an urban phenomenon (SEU, 1998). Many of the most severely problematic pockets are in large council estates, which are also disproportionately concentrated in cities. But even the most prosperous and successful places have their small problematic neighbourhoods. People with choice, money, jobs, know-how and energy try to move out of such difficult areas. Even in London, many families in low-income neighbourhoods want to leave their current homes for somewhere better (Mumford and Power, 2003)<sup>1</sup>. There are many long-run drivers of this wider collapse in confidence. But two historical factors underlie abandonment: outward sprawl and deindustrialisation.

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### WHY ARE INNER NEIGHBOURHOODS BEING ABANDONED?

As the first country in the world to become overwhelmingly urban — 90% by 1900 — and industrial — only 2% of the workforce in agriculture by 1900 — our cities paid a very heavy price for the huge wealth and international status that Britain acquired. The political consensus was to lead people out of them. Major efforts to tackle housing problems and slum conditions were driven over the following 100 years by the idea that crowded and impoverished masses should be moved out of the city to new green field, suburban housing — council-owned as well as private. The famous World War One slogan "Homes Fit for Heroes" led eventually to a blunt and vast slum clearance programme targeting all inner cities across the country in an attempt to create space for better housing within as well as beyond city boundaries. The promotional poster for the 'Homes' campaign showed a soldier pointing to the suburban semi as the dream home and spurning the monotonous, soot-blackened terraces of byelaw housing, many of which survive to this day, but which were built in their millions before World War One as an orderly, low-cost remedy for the unsanitary and chaotic slums. Very few challenged the idea of large-scale demolition and exodus until the 1970s, by which time the damage to cities and the communities they housed was immeasurable (Young and Wilmot, 1957)<sup>2</sup>.

As the earliest industrial economy in the world, our dependence on old-style, heavy manufacturing was paramount. With the incremental decline in our factory-based economy from the turn of the 20th century and the virtual collapse of our mainstay heavy industries in the 1970s and 1980s, older urban areas were left high and dry, almost devoid of jobs, incrementally denuded of the more skilled and more ambitious who seized plentiful opportunities to carry on moving out (Turok & Edge, 1999). Slum clearance made this economic transformation harder and harsher. The large-scale blight and eradication of old inner areas left cities like Liverpool and Glasgow struggling to recover long after the population and jobs had been wiped out (MacLennan, 1997).

The process of 'housing exodus' was incremental and still continues today, certainly from the poorest neighbourhoods. The rate of outward migration has slowed, but is still significant (Holmans & Simpson, 1999). Industrial change gained rapid momentum under the impact of the 1970s economic recession, Thatcherism and international market forces. Both the housing and jobs transformation hit much harder in the major industrial cities

of the North and Midlands because here urban conditions were more dominated by dirty industry and the high population density of the industrial workforce. The slum clearance and estate building process, on a vast scale in these industrial regions, left some inner neighbourhoods with a third of their former population (Power, 1987).

Thus Manchester and Newcastle, alongside Liverpool, Birmingham and almost all metropolitan areas, possessed by the late 1980s but shadows of their former wealth, population density and significance. The geographic spread of the conurbations was now wider, less concentrated and carved up by major roads. Old docks, monuments to our world pre-eminence in shipping, lay idle in London, Liverpool, Glasgow and Newcastle (Harvey-Jones, 1994). The great rivers of Clyde, Mersey and Tyne were deeply damaged by two centuries of grime and obsolete industrial relics. The first industrial workhouses of the world, along the banks of the Manchester and Birmingham canal networks, were literally falling down or burnt down for insurance gains — a desecrated heritage of irreplaceable value.

It is against this backdrop of economic, social and geographical change that our work is set. The poorest neighbourhoods in our study, experiencing the most acute abandonment, are at the most extreme end of this long run and extensive process, which embraced most of the country and certainly affected most cities. The Thames Gateway area, to the East of the City of London, shows signs remarkably similar to the Eastern and Northern areas of Manchester or the East and West Ends of Newcastle, albeit that new opportunities are closer to hand. Industrial closure, high unemployment, low-value housing and even, in places, signs of abandonment are clear (*LSE Cities Programme*, 2002). This pattern pervades Western European and North American former industrial cities as well as the United Kingdom (Core Cities Conference, 2002).

There is clearly a drastic need for change in direction. As inner neighbourhoods have become too depleted, with too little work, too much poverty, and eventually too few people, social conditions have unravelled. Schools close, buses run less often, shops and banks disappear and criminal networks thrive in the vacuum of left-behind spaces (*Home Office*, 1999b). The one thing that does not decline is traffic. People who have forsaken the city still use the centre for its amenities and for work. As commuters, they now only drive through the areas they would probably have lived in, in earlier epochs. Congestion and the time involved in commuting are high prices to pay for allowing urban neighbourhoods to fall into such decay.

Housing built on the edge of cities, usually on greenfields, provides a popular alternative to city living for those that can afford to buy, but in itself destroys both countryside and inner cities simultaneously. At the most extreme, crude over-building outside cities fuels plummeting demand for lower-value inner neighbourhoods within. This is exactly the process this report documents in the North, where more homes are being built, almost all outside city boundaries, than there are projected households who might form to fill them. The over-supply of homes is a major driver of urban decline and abandonment (UTF, 1999; ODPM, 2002; GONW, 1999; DETR, 1999).

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## **CITY CENTRES AND SUCCESSFUL INNER NEIGHBOURHOODS**

A key to the revival of cities as a whole is the vitality of city centres. This is because, far more than the proponents of the *Information Revolution* believed, we rely on city centres as the engines of the new economy. Proximity, face-to-face encounters, easy access to multiple back-up services and a concentration and clustering of related enterprises all generate new demand for space in cities. The centrality of financial services and requirements for high-quality amenities in a modern economy, the need for accessible personal backup from child care, hairdressing, house maintenance to interior design, ready-prepared

dinner deliveries and all kinds of specialist shops and repair, all help shape the revival of cities as our "creative nerve centres" (Rogers and Power, 2000).

British central and local governments in the 1980s adopted an innovative partnership approach to transforming the centres of our major cities from industrial relics into high-tech global connectors. Obsolete historical infrastructures were readily, if expensively, converted to new enterprises and housing. Neglected, often disused or underused landmarks, such as canals, theatres, libraries and old transport infrastructures, have become exciting and appealing elements of the new as well as the old eras. As new businesses and new people have been attracted in, so have new values followed. Marketing city centre living has gathered its own steam.

On the back of this rebirth, travelling, foot-loose shoppers from outlying Cumbria and Northumbria chose city centre shopping in Manchester and Newcastle ahead of the giant *Trafford* or *Gateshead Metro* shopping malls where the names, styles and atmosphere are predictable, because people are also looking for 'street experience', for unexpected corners to explore, for recently restored side streets and bars where the 'city atmosphere' is a special, if almost forgotten, asset. The interaction of new 'urban tourists' and new urban dwellers is restoring the centres of every major city in the country.

So can inner city neighbourhoods catch this fever? The new, exciting urban walkway connecting Manchester's city centre with the heart of East Manchester 1.5 miles away reinforces the link between the two. The truth is that the less decayed, more attractive neighbourhoods are already improving. Old Victorian or Georgian neighbourhoods, built for artisans and respectable working families, have often recovered from industrial decay, where the poorest slum areas, housing a mass of casual workers, though upgraded many times over, have generally stayed poor and proved harder to regenerate.

Reputations are very long-lasting (Lupton, 2001). Our cities were long ago sectioned into poorer and richer areas and although people were physically closer together, because cities were denser and less spread out, socially the distance between the poorest areas and the rest of the city was vast. The Booth poverty maps of London at the turn of the century show how concentrated poverty was and how strongly linked to specific areas. These patterns have survived almost intact to this day (Davey Smith et al, 2000; *Economist*, 2001).

It has been a lot easier to create the new economy and new prosperity in West London than in the East End. It is easier to see South Manchester gaining ground than the Northern part of the city, where property values are falling. So what helps the inner neighbourhoods that do recover take off again? Firstly, the intrinsic attractions of their housing. They usually have solid, old, semi-detached or terraced houses that are big enough to adapt easily to modern standards. People like old, but fully modernised homes. Previously multi-occupied, privately rented rooms and flats in large old houses, often deeply decayed and disrepaired, can be combined into spacious 'good as new' homes. The generous proportions and the simple, adaptable design of older housing allows for careful restoration, creating homes of character and style with the patina of time etched unmistakably on them, yet offering light, airy, up-to-the-minute conditions. Insulation, central heating and 'mod cons' combine admirably with old wooden floorboards, stripped, bevelled doors, ceiling mouldings and other attractive features that are signs of former wealth. Old gardens, even small ones, unlike back yards, often have mature trees that give a leafy green atmosphere and public streets become greener as the neighbourhood attracts young innovators. Infill sites, created by loss of work places or other changes of use, create new opportunities for well-designed, high-quality housing and new uses make these recovering neighbourhoods more varied and interesting.



Secondly, new urban residents attracted by such recovering inner neighbourhoods often have civic connections and responsibilities and can lever in better services. Conditions improve, pubs and shops survive and go up-market. The historic, community-forming role of these neighbourhoods survives around the traditional street patterns while the moderately high density encourages street activity. These successful inner neighbourhoods have about 50 to 100 homes per hectare, one quarter to one half the density of the typical Victorian slums of East Manchester or Newcastle, but at least double to quadruple the density of modern suburban estates. This gives them a critical mass of people which supports services, making them highly sought after in every city, including the inner areas of Newcastle, Manchester or Glasgow. Fast-reviving inner neighbourhoods are intrinsically attractive urban locations, often near to major parks, close to old universities, on well-established public transport routes, created before the advent of the car. They are urban in the best sense of the word.

All these elements make inner neighbourhoods of ageing but solid structure highly attractive today. They offer all the advantages of city life and though they share many of the problems of other inner city neighbourhoods, particularly crime and poor schools, they have 'kerb appeal'. They have the major asset of a growing social mixture, which many people seem to prefer to more sterile, single-class suburbs. Notting Hill in London, or Victoria Park in Manchester, or Gosforth in Newcastle epitomise such areas.

Can the historically poorer neighbourhoods that are struggling to survive develop similar assets from a very different base? We would argue that they can. The building of the new Victoria line for the *London Underground* in the 1960s and the lifting of the large demolition plans hanging over much of Islington transformed it from a depopulating, decaying slum into a lively, mixed-tenure, multi-ethnic area. It still has by far the least open space of any London borough, the worst schools and very high crime — serious blights on its community — but it is very popular because of its density, its closeness to the centre, its mixed communities and its terraces! Many argue that Islington is a far cry from North Manchester or inner Newcastle, and this is indisputable. But a quick look back to the 1970s might suggest a more comparable history. Then it was fast depopulating, had extremely low property values, a high level of rapid-turnover private renting, a serious loss of jobs, numerous school closures and racial disorders provoked by rapid in-migration of ethnic minorities from abroad and provocative policing (Power, 1970). It had the worst council record on many fronts, particularly housing, and the majority of its wards ranked among the poorest in London on overcrowding, poor housing conditions, illegal landlords, as well as some of the most extreme social problems in the city (Shelter, 1974; Hamilton, 1978).

The turnaround came slowly, piecemeal, on the back of generous improvement grants to do up old, decayed property, environmental improvements street by street, tree planting involving residents throughout the borough, support for tenant co-operatives and a multitude of other community-based solutions to local problems. Local services have mushroomed on the back of its revival and many local jobs have flowed from its promising service sector. None of this made Islington into the gimmicky area of its newspaper fame. It is still one of the poorest urban areas in London with many difficult-to-manage council estates and it is beset with special needs and management problems. But it is so popular as a place to live that its housing is now out of reach for most ordinary families. Integrating the very different communities that live alongside each other in Islington and urban neighbourhoods like it is certainly a challenge, but a far more positive one than dealing with the decline and near collapse of its earlier history.

Under pressures of shortage and the fashionable revival of terraced houses in inner London, following the pioneers of the 1960s and 1970s, many of the poorer neighbourhoods in

the East End are now recovering rapidly. This is a recent phenomenon of the last five years. Neighbourhood success depends on housing that is potentially attractive to some, not necessarily the most affluent sections of the community; that is well located; and that offers transport links. Most old housing has the potential to be modernised and almost any urban area can be made greener and more attractive if there is sufficient demand and confidence.

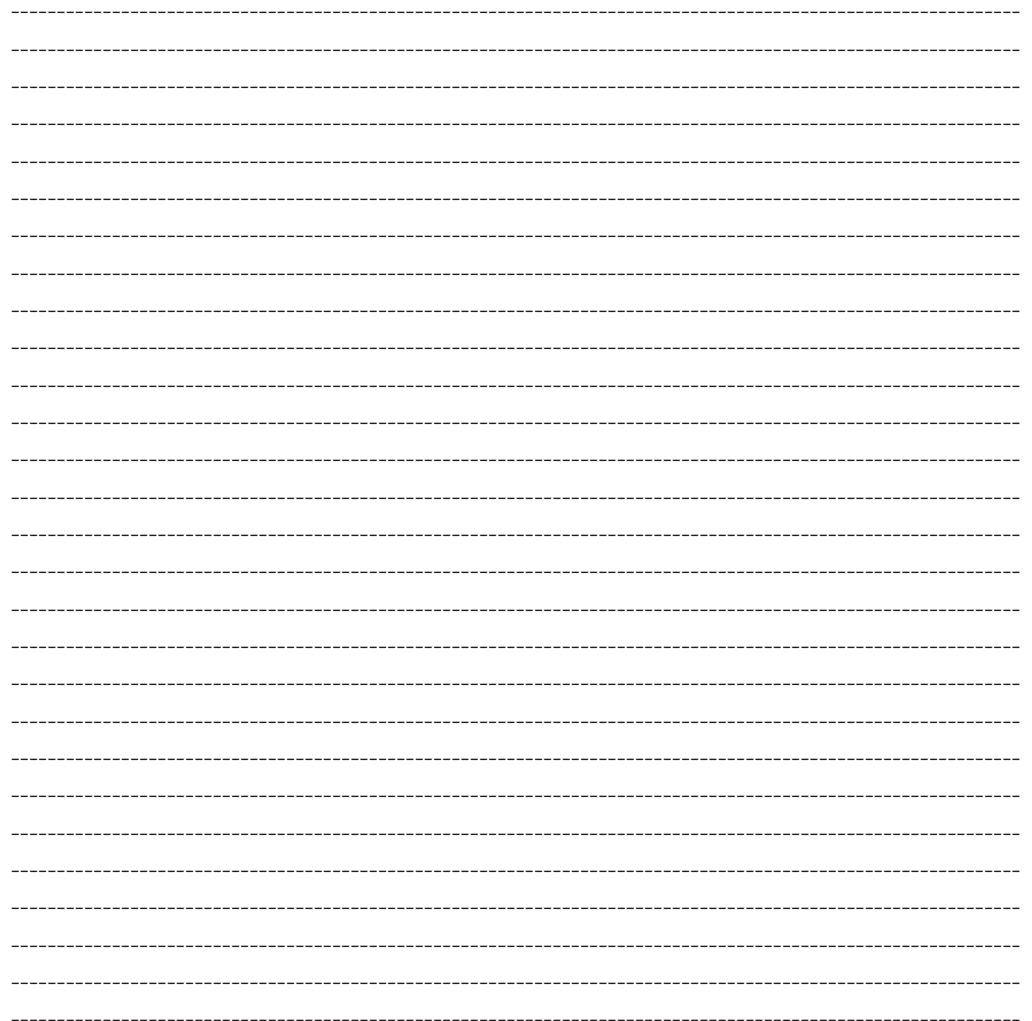
Stratford, deep in the East End, and until very recently a severely declining, low-value area with many economic, social, ethnic and environmental problems, is now recovering rapidly following new ultra-modern transport links and major environmental improvements. Changes in London's inner areas offer some clues to a brighter future for our cities. There is a new taste for city living, demonstrated by the high value of city centre apartments in Manchester and Newcastle, that we believe can be galvanised into housing demand in the urban core around the centre. The Northern cities can build on their success.

This paper is an extract from *Boom or Abandonment: resolving housing conflicts in cities* by Katherine Mumford and Anne Power, published by the *Chartered Institute of Housing*, 2003.

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<sup>1</sup> K. Mumford and A. Power, *East Enders: Family and community in East London*, Policy Press, 2003

<sup>2</sup> For more detailed accounts of the process, the reader could refer to Burnett, J., *A Social History of Housing*, 1991; A. Briggs, *A Social History of England*, 1983; Thomson, F. M. L., *Cambridge Social History*, 1990; R. Rogers and A. Power, *Cities for a Small Country*, 2002.



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## CHANGING HOUSING MARKETS AND URBAN REGENERATION: THE CASE OF THE M62 CORRIDOR

Brendan Nevin, Peter Lee, Lisa Goodson, Alan Murie and Jenny Phillimore  
(abridged version by Jonathan Roberts and Ed Ferrari)

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This section of the study is broadly based on two reports compiled by CURS. The first of these was published in February 2001 and was welcomed by the then Housing Minister, Nick Raynsford MP and the DETR. Entitled *Changing Housing Markets and Urban Regeneration in the M62 Corridor*<sup>1</sup>, it illustrates the changing aspirations of residents in the North West of England in respect to housing type and tenure. For the first time, neighbourhoods which are at risk from changing demand for housing are highlighted, and a series of policy recommendations are developed, aimed at local and central government, regeneration agencies and social landlords. Secondly, CURS produced another document focused on the changing demand for housing in the social rented and private sectors. *Changing Housing Markets: The Case of the M62 Corridor*<sup>2</sup> considered the notion of changing demand and low demand for social housing at a sub-regional level. Both of these papers present a concise, yet thorough study of housing in the North West and are of relevance to *Shrinking Cities* at a number of levels. Not least in examining the failing housing markets in the conurbation and the transformation in the perception and formation of space as a consequence. This has had a large impact on the urban renaissance and regeneration throughout the region.

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### ABSTRACT

There is a hiatus of interest in the UK in changing demand for housing. A considerable volume of research now addresses changing patterns of demand apparent in different parts of the UK and particularly associated with increased voids and turnover rates in the public sector and low house prices and abandonment in the private sector. However, research contributions to this debate remain limited and there are no examples of robust sub-regional studies currently available. The paper presents evidence from a substantial sub-regional study concerned with the M62 corridor running between Merseyside and central Manchester and beyond. The discussion focuses on changing demand in the social rented and private sectors and refers to the macro-economic factors affecting demand. It also focuses upon original survey research which suggests the emergence of a dual housing market within the region. In conclusion, the paper suggests that the framework for discussion of changing demand needs to pay much more attention to sub-regional dimensions and the strength or weakness of linkages within these markets related to factors other than housing tenure.

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### BACKGROUND

This study was commissioned by the *Housing Corporation*, 18 local authorities, the *National Housing Federation*, the *National House Builders Federation*, the *Chartered Institute of Housing* and 24 RSLs. These agencies were responding to changes in local housing markets in the North West which were experiencing strong demand for newly built accommodation for sale and increases in vacancies and turnover in the social rented and owner-occupied terraced sectors.

There is strong evidence that it is growing affluence which is driving decentralisation from the older towns and cities in the North West. The region has experienced the longest

period of economic growth since the war, and there is almost perfect statistical relationship between the fall in male unemployment and the fall in waiting lists for social housing over the period 1992–1999. This suggests that without measures to improve housing choice and quality in areas which have a historically high level of low-income housing, economic regeneration will lead to the deterioration in the popularity of the most marginal neighbourhoods as economically active people choose to leave.

The worst-affected local authorities have experienced large-scale and persistent population loss over the last 30 years. Conversely, they are also the local authority districts that are experiencing the largest inward commuting, highlighting the fact that people have preferred to live separately from their place of work. This points to a downward spiral in localities where declining neighbourhood quality, increasing social polarisation, decentralisation and the growth of travel to work areas all interact to produce a surplus of low-quality housing.

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### **AREAS AT RISK OF CHANGING DEMAND FOR HOUSING**

There are 280,000 households contained within the overall clusters of areas at risk of changing demand (16.3% of the households in the study area). These areas contain a population of 690,000 people (15.9% of the population of the M62 Corridor). Neighbourhoods at risk are predominately social housing areas; however there is clear evidence of multi-tenure problems with nearly 100,000 properties being privately owned. These multi-tenure issues are most pronounced in the Merseyside Inner Core, where 46% of households either rent privately or own their homes.

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### **THE IMPACT OF NEW BUILDING ON OLDER NEIGHBOURHOODS**

The market for newly-built accommodation for home ownership in the North of England has remained robust throughout the last decade. This research contained a vacancy chain survey which examined the impact of suburban new build on older inner city neighbourhoods. The results of this survey show that new-build sites are largely sustained by movement within the population that had moved out of the inner city many years previously. This survey highlights a suburban market which is largely disconnected from the inner-city market, which is increasingly insular and prone to decline for demographic reasons.

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### **RESEARCH**

Research contributions concerned with housing have begun to reflect a growing concern over high levels of turnover and low demand. Over recent years the managers and providers of social rented housing (local authorities and *Registered Social Landlords*) have seen a steady increase in levels of voids and rates of turnover within their stock. While some would initially have regarded this as being either part of a normal cycle or as a 'blip', they have been sustained for too long to still be regarded in that way. In many areas they have been coupled with a decline in waiting lists and the emergence of a situation in which the landlord is no longer involved in rationing and managing shortage. Rather the landlord is finding it difficult to let certain types of properties in certain areas and has no waiting list for such properties. The landlord, rather than rationing, is trying to attract demand. Different forms of marketing, including advertising the availability of properties, have become features of the social rented sector. These are dramatic changes from the normal situation that has existed in post-war Britain. They also indicate the need for significant adjustment of the assumptions that generally drove housing market studies in that period. The housing literature was largely written in a period in which demand for social rented housing outstripped supply, and this has become part of the general framework for analysing housing in Britain.

There are a number of important local studies which have begun to document different elements within this process. The major study carried out by Bramley and Pawson and others has also provided some statistical material related to patterns of demand. This material has largely been generated through questionnaires sent to local authorities, but involved some social survey work and local case studies. While it is an important contribution to the debate, the methodology employed limits the insights that it can provide. Other contributions have focused upon regional data and regional patterns. Holmans and Simpson, for example, emphasise inter-regional demographic flows and patterns of migration. Again, these provide an important input into the debate. Nevertheless, it is apparent that it is intra-regional movements rather than inter-regional movements which are most important in relation to changing demand. There is low demand and unpopular housing in every region in the UK, and the work of Champion and others highlights the importance of the hollowing out of the city and the process of outward movement from cities.

One of the implications of this research is that we should pay more attention to the emergence of partitioned housing markets at the sub-regional level and that an understanding of the dynamics of housing markets is fundamental to the discussion of changing demand. The concluding section of the paper further discusses the policy and other implications of this.

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### **CHARACTERISTICS OF THE NORTH WEST HOUSING MARKET**

The DETR report *North West Regional Need and Demand Research* comprehensively outlines the structure and characteristics of the North West housing market.<sup>3</sup> Issues relevant to this study include:

- ▭ home ownership at 68% was higher than the national average,
- ▭ home ownership is the preferred tenure amongst potential movers ranging from 56% to 79% across the region,
- ▭ the level of home ownership drops from nearly 96% of high-income managerial households to just over half of those who are unskilled and
- ▭ the average terraced house in the region could be purchased with an annual household income of approximately £14,500 per annum.

The structure of local housing markets in the study area is set out in more detail later in this paper. While factors which influence changing markets in different local authorities have important common elements, these common influences do not present the same outcomes in different localities because of differences in:

- ▭ the structure of housing and labour markets,
- ▭ historic patterns of planning and development,
- ▭ socio-economic and demographic profiles of the local population,
- ▭ the nature and quality of the built form and its wider environment and
- ▭ patterns of economic growth and decentralisation.

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### **REGIONAL ISSUES**

There are two key regional issues within the M62 corridor and these are set out below:

- ▭ *Decentralisation of Population:* the two major conurbations have experienced three clear phases of population loss over the last three decades. The first phase during the 1960s and the 1970s was planning, and public policy led by directing population from Liverpool to Runcorn, Knowsley and Skelmersdale. Over a 20-year period to 1976, the city of Manchester built 43% of housing outside of its own limits, in sites as far away as Burnley in the North and Crewe in the South. However, the huge decentralisation from the two conurbations was partly based on erroneous assumptions. The

North West study in the 1960s predicted the overspill needs of the conurbation up to 1981. It predicted a regional population of 7.1 million by 1981, a figure which was an overestimation by *one million*. This overestimation resulted from falling birth rates, a decline in economic growth, and an increased outward migration from the region (Marshall, 1986<sup>4</sup>). The second phase of decentralisation was heralded by the development-led planning regimes of the 1980s which favoured peripheral development, facilitating more affluent groups to commute to employment centres. A third and more mature phase is now underway in which inter-regional migration is still important, although the rate of population decline has slowed. The Greater Manchester conurbations lost 105,000 people between 1991 and 1998, of which 58% consisted of migration to other regions (Bates et al., 2000<sup>5</sup>). Account should be taken here of the fact that Liverpool's Travel to Work Area includes parts of North Wales and Manchester's includes Yorkshire and Derbyshire. The significant intra-regional migration which occurs now is concentrated in flows between the suburbs and the rural hinterland (see Champion, 2000<sup>6</sup>).

- ↪ *Decentralisation of Employment*: the urban-rural shift began in the 1950s when employment growth in the cities slowed in relation to more rural areas. In the 1960s and 1970s, many of the local economies suffered absolute falls in employment, a position which then worsened dramatically in the 1980s. The worst-performing economy in the North West has been located in Merseyside, where, during the period 1981—1996, 83,000 jobs (one in three) were lost. There were, however, significant intra-regional shifts, with more self-contained areas like Warrington and Wigan experiencing significant increases in employment, whilst areas such as the inner core of Manchester experienced a 19% fall (Turok and Edge, 1999<sup>7</sup>).

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## LOCAL FACTORS

In addition to the national and regional factors that are affecting localities, there are a series of local factors which determine the precise nature of low demand in different places. These factors can be listed briefly:

- ↪ *tenure structure* — changing demand for council housing and private renting tenures has a proportionately greater impact in the core areas,
- ↪ *dwelling type* — flats and maisonettes are much more common in the social rented sector,
- ↪ *age and obsolescence of dwelling* — the relative importance of pre-1919 terraced accommodation and especially properties fronting onto the pavement is greater in the core areas and
- ↪ *infrastructure/service* — the infrastructure of the core of the two major conurbations contrasts starkly with that on the periphery.

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## CONCLUSIONS

The M62 study concludes that a number of processes have led to the housing market in the sub-region becoming *fragmented*, consistent with processes of polarisation and migration between the metropolitan core and its periphery. As a result, *polarisation of the housing market* can be seen in the fact that the market is now dominated by two distinct parts:

- ↪ an affluent, peripheral suburban market, predominantly owner-occupied, largely self-sustaining, and supported by growth in the number of households in this market,
- ↪ a predominantly private-sector market operating in the inner-city neighbourhoods. The housing is old, mainly dating from before 1919. It caters to a wider mix of households, but significantly those who are less affluent.





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## CHANGING EMPLOYMENT GEOGRAPHY IN ENGLAND'S NORTH WEST

Cecilia Wong, Mark Baker and Nick Gallent

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### INTRODUCTION

The socio-economic restructuring that has taken place in British cities over the last century has led to a more complex mosaic of production processes, consumption patterns and regulatory practices. The national labour market, for instance, has been characterised by a reduced demand for traditional (often male) skilled manual labour (Green, 1997). This decline parallels a growth in flexible working — with women taking an increasing number of part-time jobs — as well as an urban-rural shift in employment opportunities. Travel-to-work patterns have also been subject to considerable change, with the tendency for less-skilled workers to take jobs closer to home (Coombes et al., 1988; Green, 1995), partially offsetting the long-term trend towards lengthier journeys — to work. The huge loss of manufacturing jobs in inner urban areas has been the root cause of long-term unemployment in the urban workforce. The rise in service sector job opportunities in some of the worst-affected locations has certainly failed to compensate for the overall loss of manufacturing jobs, largely as a result of a skills mismatch and the failure of numerous re-training initiatives. In broader terms, research has labelled many cities centres of social exclusion where the rift between the included and the excluded widens daily, particularly where there is an obvious failure to successfully integrate the provision of decent homes with good job opportunities.

It is against this backdrop that this paper examines the changing spatial and sectoral distribution of employment in the North West, seeking to identify the essential links between jobs and homes. The two major conurbations of the North West, Greater Manchester and Merseyside, have suffered disproportionately over recent decades from the national problems of industrial decline and unemployment (Wong, 1994). It is a region of tremendous internal variation, where affluent middle-class suburbs and deprived inner-city areas exist almost shoulder-to-shoulder. Moreover, it comprises both densely populated metropolitan areas and small, sometimes fragile, rural economies. The North West certainly represents a mixed bag of residential and employment concerns and no singular statement can capture the full range of issues at stake. This paper seeks to unravel the various socio-economic trends that have shaped the region during the post-war period — as a precursor to considering more recent employment trends and offering a preliminary answer to the most basic of questions: where will the people work?

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### EMPLOYMENT TRENDS: FROM DAWN TO DUSK

The North West was one of the world's first industrial regions. A handful of core industries (cotton, textiles and coal mining), the effective use of new technologies (steam power and the railways) as well as the emergence of Liverpool as the leading centre for North Atlantic trade gave the region an initial competitive advantage which propelled it to become arguably the leading industrial region not only in Britain but beyond. Regional confidence was highlighted by the claim that 'What Manchester does Today, the World does Tomorrow'. As early as the 1870s, although the idea of industrial decline might have been alien to the prosperous businessmen of the time, other regions were already catch-



ing up whilst some of the North West's traditional industries had already begun their long trajectories of decline. Nevertheless, immediately prior to World War One, the dominant position of the region was still apparent. For example, two-thirds of the world exports in cotton goods still originated in Lancashire (Baker and Hebbert, 1995); and Lever Brothers, based at Port Sunlight, retained control over 61% of Britain's output of soap products. It was also a time of continued technological development, with new industries emerging across the region. The 'chemical revolution' had begun on Merseyside and in north-west Cheshire; new engineering industries — initially linked to textile manufacturing but later diversifying into new areas — were springing up across the North West; and a flourishing food-processing industry, linked to imports through the port of Liverpool, was gathering pace. Thus, by World War Two, the industrial structure of the region was diversifying into new areas of industrial machinery, engineering, civilian and military aircraft manufacturing, armaments and other products such as glass (led by Pilkingtons).

After the war, government intervention became more pronounced as industries such as coal mining and textile production went into free fall. A rising number of mergers, consolidations and closures led increasingly to an industrial structure dominated by national and multinational companies with an associated exodus of R&D and HQ functions. Thus, from the 1950s to the 1970s, much of the region was targeted for various forms of assistance. Initially these policies appeared to meet with some success, attracting new manufacturing industries to Merseyside (notably vehicle manufacturing) and resulting in increases in service sector employment, leading to the so-called 'Merseyside economic miracle' of the 1960s. It was, however, to prove short-lived. Although by the time of the *North West Study* in 1965 (Department of Economic Affairs, 1965) Merseyside still had the highest absolute population and employment increases within the region, closer examination revealed increasing rates of both unemployment and out-migration. But rather than attempting to stem outward migration from the two principal cities of Liverpool and Manchester, the strategic planning policies of the time promoted this process, with planned de-concentration (overspill) to the new towns of Runcorn, Skelmersdale, Warrington and Central Lancashire. New town policy was coupled with extensive motorway construction, encapsulated within a broad development strategy (*North West Joint Planning Team*, 1974), which focused growth in the east-west axis of the Mersey belt. Meanwhile, a 4% decrease in manufacturing jobs between 1953–1963 and service-sector increases at a slower rate than the national average provided worrying signs of the economic problems to come (Department of Economic Affairs, 1965). By this time, although total employment was still growing, the North West's performance was markedly inferior to most other regions.

Recent academic debates centering on socio-economic restructuring have increasingly drawn attention to processes of globalisation. In the North West, however, the negative impacts of such trends have long been apparent. By the 1970s, the region's employment structure was dominated by large corporate enterprises — 13 firms accounted for 25% of the manual manufacturing workforce — and it was this branch-plant syndrome which would be most badly hit during the subsequent recession of the early 1980s. Between 1979 and 1990, the North West lost a massive 368,000 jobs in the production and construction industries. These losses were offset by rapid increases in service sector jobs in regions such as the South East. But in the North West, service sector employers were unable to make up the job shortfall left in the wake of manufacturing decline (Baker and Hebbert, 1995). By now, the earlier new towns programme had been all but abandoned, with population forecasts suggesting a greater likelihood of decline rather than growth, and urban policy shifting its focus towards the inner cities, firstly through the *Urban Programme* and then through the establishment of enterprise zones and urban development corporations.

Census figures for 1981 and 1991 show 4.1% a population decline in the North West and a parallel 2.8% employment loss compared with an almost stable population across England and Wales (-0.1%) as a whole and 1.2% overall employment growth in England. These figures, however, mask significant variations in demographic and employment change in different parts of the region which, in general, can be seen to follow a fairly similar spatial pattern. The patterns revealed in **Table 1** suggest some linkage between job loss/growth and population movements, with the well-documented urban exodus to sub-urban and rural areas, mirrored — at least to some extent — by similar transfers of job opportunities. Consequently, the regional distribution of employment change by OPCS urban types [**Tab. 2**] roughly parallels the national picture, though the North West has suffered greater losses from its 'principal' cities (mainly due to a decline in Liverpool of over 23%).

In addition to these geographical variations in employment change, the fortunes of individual employment sectors also varied markedly during the 1981 to 1991 period. Employment in the North West's primary industries declined by 28.6% (although national losses of 32.5% were even greater) and the region lost over 245,000 manufacturing jobs (down 24.9% against a national decline of 23.3%). During the same period, although service sector jobs increased by over 200,000 (13%), this remained well below the 17.2% rise in England as a whole. A more detailed breakdown of employment change by industrial sector is given in **Table 3**. This shows both percentage change and percentage share of the region's total employment base, highlighting again the severe declines in the region's traditional energy, manufacturing and engineering industries as well as the spectacular percentage increases in banking, finance and insurance employment (although still slightly lower than the national growth rates). By 1991, although there was still a higher proportion of regional employment in manufacturing, the region's industrial structure was tending to converge, to a far greater extent, with the national pattern.

**Table 1: Population and Employment Change 1981–1991**

<b>LAD</b>	<b>% Population Change</b>	<b>LAD</b>	<b>% Employment Change</b>
<i>Best performers:</i>			
Warrington	7.1	Macclesfield	30.6
Congleton	5.2	Flyde	22.4
Eden	5.2	South Lakeland	17.9
Chorley	4.6	West Lancashire	17.5
Crewe & Nantwich	4.0	Warrington	16.3
<i>Worst performers:</i>			
Knowsley	-13.9	Liverpool	-23.3
Liverpool	-13.5	Knowsley	-21.5
Manchester	-12.1	Ellsmere Pt & Neston	-21.1
Salford	-11.1	St Helens	-19.3
St Helens	-7.0	Oldham	-12.0

Source: MIDAS and NOMIS

**Table 2: North West Employment Change by OPCS Urban Areas, 1981–1991**

Urban Type	1981 Jobs	1991 Jobs	Change 1981–1991	% change 1981–1991	% change 1981–1991 England & Wales
Principal Cities	550,424	460,386	-90,038	-16.4	-9.0
Metropolitan Districts	1,043,580	1,011,447	-32,133	-3.1	-3.9
Non-Metro. Cities	71,744	65,759	-5,985	-8.3	1.3
Industrial Districts	404,105	403,029	-1,076	-0.3	0.0
New Towns	180,182	200,136	19,954	11.1	11.3
Resort & Retirement	154,116	164,148	10,032	6.5	9.7
Mixed Urban / Rural	181,410	199,369	17,959	9.9	11.8
Remote Rural	46,024	53,553	7,529	16.4	13.3
North West	2,631,585	2,557,900	-73,685	2.8	1.3

Source: NOMIS

**Table 3: North West Employment Change and Structure, 1981–1991**

	1981	1991	1981–91 change	1981–91 change in %	1981–91 change in % England	1981 NW struc. in %	1991 NW struc. in %	1991 Engl. struc. in %
Agriculture								
forestry	24,396	22,190	-2,206	-9.0	-20.0	0.9	0.9	1.3
Energy/ water supply	75,547	49,152	-26,395	-34.9	-39.2	2.9	1.9	1.8
Extraction/ manufact.	139,133	99,068	-40,065	-28.8	-28.4	5.3	3.9	3.0
Metal goods/ vehicle ind.	360,075	259,728	-100,347	-27.9	-29.4	13.7	10.2	9.7
Other manufact.	357,441	267,187	-90,254	-25.3	-18.8	13.6	10.4	8.7
Construction	131,810	116,066	-15,744	-11.9	-11.5	5.0	4.5	4.3
Distribution, hotels/cater.	494,771	559,639	64,868	13.1	13.3	18.8	21.9	21.6
Transport/ commun.	164,006	148,711	-15,295	-9.3	4.8	6.2	5.8	6.2
Banking, finance, insurance	176,863	254,045	77,182	43.6	51.1	6.7	9.9	12.6
Other services	708,738	782,089	73,351	10.3	14.9	26.9	30.6	30.8
<b>Total</b>	<b>2,632,780</b>	<b>2,557,875</b>	<b>-74,905</b>	<b>-2.8</b>	<b>1.2</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: NOMIS

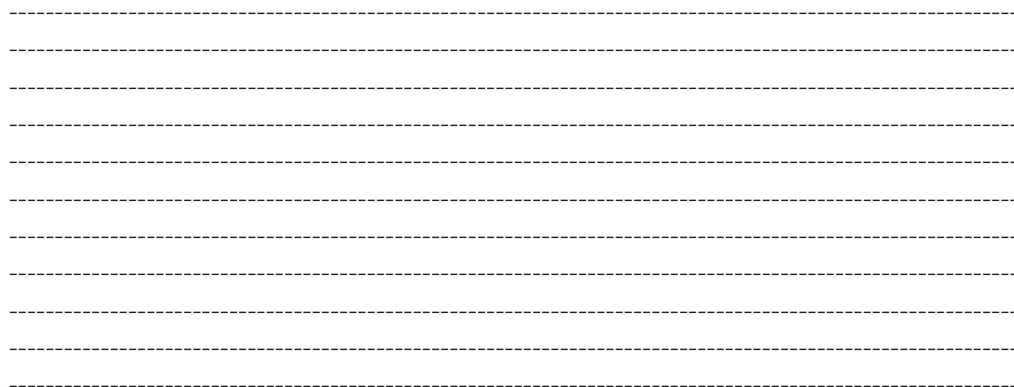
Recent Employment Performance in the North West: Winners and Losers. Current employment patterns in the North West are seen as a continuation of the trends emerging in the early 1990s. However, it is important to note that because of changes in the methodology of data collection, the 1996 employment data are not strictly comparable with earlier figures. For this reason, any direct comparison with earlier patterns must be tentative.

In spite of this cautionary note, the 1996 *Employment Survey* data reveal that the Greater Manchester conurbation has the largest share (40.2%) of regional employment whilst Manchester alone provides 9.5% of the regional total. However, the best performers (in terms of job growth) within Greater Manchester are Bolton, Bury, Stockport and Trafford. Bolton, Trafford and Stockport each provide over 100,000 jobs in the region and together account for 13% of the regional total. It is the stable performance of these boroughs (in retaining large volumes of jobs) which has helped to maintain the importance of the Greater Manchester conurbation as a major employment centre.

Lancashire provides one-fifth of the region's employment, and Merseyside falls into third place (17.1%), with Liverpool accounting for 6.8% of the regional sum. It is clear that the Merseyside conurbation is consistently underperforming, with all five districts having experienced additional employment decline between 1991 and 1996. Both the city of Liverpool and its hinterland have suffered from severe employment decline. According to the 1998 *Index of Location Deprivation*, Liverpool is the most deprived area in the country, and its problems are shared by neighbouring districts (using the same index, Knowsley is ranked ninth whilst Wirral and St. Helens are ranked 44th and 45th respectively). Merseyside also stands out as the one county in the region with an economic activity rate below the regional mean (56.5% compared to 59.6%).

In the shire counties, there have been sharp variations in local economic performance. In Cheshire, for instance, the success enjoyed by Macclesfield and Warrington can be set against the laggard performances of industrial towns and boroughs such as Ellesmere Port and Neston, and Halton. Similarly, in Lancashire, places like Chorley, Fylde, Rossendale and West Lancashire are performing exceptionally well, leaving the districts of East Lancashire wallowing in their wake. In Cumbria, there has been a clear divide between those growth areas with easy access to the M6 corridor (e.g., South Lakeland and Eden) and those areas of general decline, reflected in significant job losses, in West Cumbria (e.g. Allerdale and Barrow-in-Furness).

Returning to the broader structural concerns, it is largely the case that the lengthy process of socio-economic change in the region has brought the North West to within a stone's throw of the national structure [see Tab. 4]. However, the manufacturing sector in the region remains marginally larger than the national average (20.7% regionally compared with 18.3% nationally). In contrast, the region does not seem able to attract producer service sector (banking, finance and insurance) employment to the same extent as other English regions (14.5% in the North West compared with 18.4% across England). Overall, though the region may have a 'traditional' image, the manufacturing sector provides just over one-fifth of overall regional employment. The most important employer in the region is now the public service sector (26.2% — encompassing administration, education and health), with second place held by the 'distribution, hotels and restaurants' sector (22.9%).



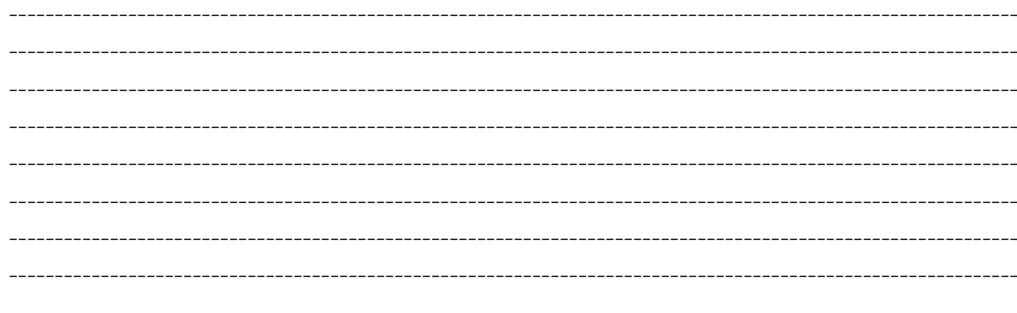
**Table 4: Employment by Industrial Sector, 1996**

<b>Industrial Sector</b>	<b>North West (%)</b>	<b>England (%)</b>
Agriculture, forestry	0.9	1.2
Energy / water supply	0.9	0.9
Manufacturing	20.7	18.3
Construction	3.9	3.6
Distribution, hotels & restaurants	22.9	22.5
Transport & communications	5.8	6.0
Banking, finance & insurance etc.	14.5	18.4
Public admin., education & health	26.2	24.4
Other services	4.4	4.7
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Source: NOMIS

Economic globalisation has, according to some commentators (Amin and Thrift, 1994), been matched by a parallel process of sectoral rather than functional specialisation at the regional level. The decline in heavy manufacturing affecting many regions has left a void that more ‘advanced’ and high technology industries (Castells and Hall, 1994; Hudson, 1997) as well as some service — and particularly business — sector employers (Keeble *et al*, 1991; Green, 1997) may be expected to fill. Unfortunately, the North West has underperformed in terms of growth in business services employment (location quotient (LQ)=0.65) when benchmarked against England as a whole [see Tab. 5]. On a more positive note, the development of the high-technology sector (LQ = 0.97) in the region has been on a par with the national picture [Tab. 6].

The North West provides 8.6% of all business services employment in England [Tab. 5]. However, nearly half of this employment is located in the Greater Manchester conurbation (4.4%) and a further fifth in Cheshire (1.8%). The City of Manchester alone provides 1.4% of all business services jobs in England — the fourth highest concentration behind London (with a 21% share), Birmingham and Solihull (3.7%) and Leeds (1.7%). In contrast, the Merseyside conurbation is not performing quite as well in this sector and only provides 1.1% of the English total. In terms of the ONS classification, the mining and industrial areas still provide a focus for the largest concentration of business services jobs (3.4%) — though the more prosperous areas appear to be rapidly increasing their share of employment in this sector (currently running at 2.5%). However, the region as a whole performs relatively poorly in this sector. The inferiority of the region’s performance is highlighted by the fact that none of the counties are able to match the English average. Only four local areas have outperformed the English average. These are Trafford (LQ= 1.7), Crewe and Nantwich (LQ=1.2), Macclesfield (LQ=1.2) and Manchester (LQ=1.1).



**Table 5: Business Services Employment, 1996**

	<b>business employment</b>	<b>% of total employment</b>	<b>Location Quotient</b>	<b>% share of English total</b>
<i>By counties:</i>				
Cheshire	11,104	2.9	0.87	1.8
Cumbria	1,427	0.8	0.25	0.2
Greater Manchester	27,469	2.7	0.82	4.4
Lancashire	7,453	1.4	0.44	1.2
Merseyside	6,779	1.6	0.48	1.1
North West	54,232	2.1	0.65	8.6
<b>England</b>	<b>627,578</b>	<b>3.3</b>	<b>1.00</b>	<b>100.0</b>

Note: The Location Quotient [LQ] is used to compare an area's share of employment in a particular sector with the benchmark area (in this case, England)

Source: NOMIS

The outlook for high-technology industries in the North West is rather more encouraging. The region accounts for 12.8% of all high-technology employment in England, of which one-third is located in Lancashire and another third in the Greater Manchester conurbation. The defence and aerospace industries have certainly played a pivotal role in shaping the hi-tech profile of Lancashire (LQ=1.6), especially in Ribble Valley (LQ=7.2), Fylde (LQ=6.4), Burnley (LQ=2.8) and Blackburn (LQ=1.7). On the other hand, in spite of the volume of hi-tech jobs available in Greater Manchester, it appears to be underperforming (LQ=0.8) in relation to the regional and national levels. Cheshire and Merseyside also seem to perform relatively badly and provide just 1.8% and 1.7% of England's hi-tech jobs respectively. However, individual towns such as Macclesfield (LQ=2.81) and Oldham (LQ=2.4) are outstripping the regional and national averages.

**Table 6: High Technology Employment, 1996**

	<b>Hi-tech employment</b>	<b>% of total employment</b>	<b>Location Quotient</b>	<b>% share of English total</b>
<i>By counties:</i>				
Cheshire	20,489	2.6	0.91	1.8
Cumbria	4,341	1.5	0.54	0.5
Greater Manchester	39,038	2.4	0.83	4.4
Lancashire	30,352	4.7	1.64	4.4
Merseyside	15,595	2.1	0.73	1.7
North West	109,815	2.8	0.97	12.8
<b>England</b>	<b>1,007,245</b>	<b>2.9</b>	<b>1.00</b>	<b>100.0</b>

Source: NOMIS

## THE NORTH WEST PEOPLE: WHERE WILL THEY WORK?

From the patterns outlined above, it can generally be concluded that the North West is no longer the beacon of progress that it was once considered. Overall, its recent history and changing fortunes have been rather chequered, with particular parts of the region becoming increasingly associated with economic decline and social disadvantage. More specifically, the analysis has highlighted six major trends that have come to characterise the spatial and sectoral employment patterns in the region:

- ↪ Firstly, the economic structure of the region has become increasingly similar to the national structure. That said, the North West retains a greater representation of manufacturing jobs, but a less impressive share of jobs in the business service sector.
- ↪ Secondly, the regional economy has moved from being industrially-based to being service-driven. Branch plant closures and manufacturing rationalisation at the beginning of the 1980s resulted in an acute decline in the proportion of manual jobs across the region. This decline was partially, but not wholly, offset by some gains in the service sector. The net result, therefore, was an overall decline in employment opportunities.
- ↪ The third significant regional trend has been the switch from a traditional male-centred employment culture to a more flexible — and gender-neutral — situation. This change is evidenced in the decline in full-time male employment and the parallel increase in the number of part-time jobs being taken by female workers.
- ↪ Fourthly, there has been a sea change in the regional geography of employment opportunities, with a gravitational shift away from traditional manufacturing and inner urban areas towards the more prosperous suburbs, towns and rural locations. This shift has been particularly dramatic in the high-technology and business service sectors.
- ↪ The fifth trend takes us into the complex spatial patterns of employment change in the North West, which go beyond a simple binary metro/non-metro area divide. Although the two principal cities, Liverpool and Manchester, and other traditional industrial locations are the general losers in generating employment, successful examples can also be found in the more prosperous suburbs of the Greater Manchester conurbation. This complex spatial differentiation is also evident in the shire counties.
- ↪ Finally, and despite a generally bleak picture (relative perhaps to the region's more prosperous past), analysis points to the fact that Manchester will continue to be ranked as one of Britain's principal business service centres. This is despite the city's overall underperformance in job creation and the persistence of social and economic deprivation in many of its wards. That said, the success of the City of Manchester is increasingly linked to the overall performance of its wider metropolitan areas and suburbs. Unfortunately, the Merseyside conurbation has been unable to escape its current spiral of economic decline and the City of Liverpool — along with its neighbouring districts — has continued to cast a shadow over the region's wider fortunes.

In bringing this discussion to a close, it is clear that the North West may never return to its position as the foremost industrial centre in the western world. The region's heyday is long past and, quite rightly, those with a stake in the North West's future must develop regeneration and land use strategies that play to new strengths rather than harking back to former glories. This reality, of course, is universally accepted. It only remains to work through the precise details of how such a regional renaissance could be achieved, although such strategies should seek to promote social equity and ensure that the region's future population is not disadvantaged — either locationally or economically — by the development of short-sighted regional policy.

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**MANCHESTER**



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## MANCHESTER — CITY PROFILE

Phil Misselwitz

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### INDUSTRIALISATION AND DECLINE

Manchester is the third-largest city in England and is considered the 'capital' of the North. The city has 433,000 inhabitants (1996), surrounded by the Greater Manchester area with a population of approximately 2.5 million. Manchester is arguably the oldest industrial city in the world. Its most significant expansion took place in the first half of the 19th century, when the population of the provincial centre multiplied by four from 76,788 to 316,213 (A. Kidd), transforming Manchester into the cotton centre of the world, also known as the 'workshop of the world' or 'capital of the industrial revolution'. The famous cotton manufacturing using steam-powered spinning and weaving factories took place mainly in a ring of mill towns (such as Blackburn, Burnley, Preston, Bolton, Oldham, Rochdale, etc.) connected by a complex canal system and later railway lines, beginning with the 1830 Manchester-Liverpool railway — the first in the world. Manchester itself remained predominantly a trading town. Its commercial warehouses controlled the majority of world cotton trade as the British Empire opened vast markets overseas. The construction of the Manchester Ship Canal in 1894 reduced the city's dependency on the Liverpool port. The boost to the local economy led to the construction of Trafford Park (adjacent to the canal), the first industrial estate in the world. Manchester's economy quickly diversified through spin-offs from the textile industry, such as textile engineering and machine tool making. Indeed, by 1911, twice as many Manchunians were employed in metals and engineering as in textiles, while others worked in transport and communication (port and railway stations), food or vehicle manufacturing. Most of the city's workers lived in dense urban quarters with back-to-back terraces huddled around factories and warehouses, which inspired Friedrich Engel's *The Condition of the Working-Class in England* as early as 1844.

The city's industrial decline set in as early as 1914, the beginning of World War One, when the city was cut off from its overseas markets, especially India, which received almost half of the textile exports. Overseas industrial production soared and Manchester felt accelerating foreign competition taking advantage of cheaper labour and newer machinery. In the late 1930s, exacerbated by world economic crisis, the decline soon became catastrophic, with only one-fifth of the 1913 textile exports remaining (A. Kidd). The related industries were badly affected and, while the British home market remained intact until the 1950s, British cotton cloth disappeared de facto in the 1960s. This decline in cotton affected all sectors of the economy. Although the city's diversified economy and the port had protected the city at first, containerisation in the 1960s triggered its eventual closure and that of the adjacent estates, completed in the 1980s, when Manchester's industrial base had practically vanished. The city was plagued by unemployment and deprivation. Between 1961 and 1983, the city had lost 150,000 jobs in manufacturing. The emerging service sector could not absorb these numbers, despite comparatively early and above-average growth, suffering from the trend towards office decentralisation and leaving only 23% of the city's workforce employed in 1985 (A. Kidd).

The process of deindustrialisation was accompanied by a radical restructuring of Manchester's urban fabric. Vast slum clearance programmes, peaking in the post-war period, shifted the inner city population either to newly constructed housing estates on

site (e.g. Hulme Crescents), to new housing estates in the outer conurbation (e.g. Wythenshaw) or to the sprawling New Towns (while Manchester itself lost more than half of its population, the suburban conurbation of Greater Manchester remained almost stable). At first, this *tabula rasa* demolition was fuelled by modernist ideology, but soon it became part of almost desperate measures to adjust neighbourhood densities to declining population numbers (negative migration) and re-organise estates in accordance with security concerns in the face of rioting and exploding crime.

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## REGENERATION

Today, a mere 20 years after the city's most serious moment of decline, Manchester's predominant image is that of the booming centre of the North. In an exceptional process of regeneration and branding beginning in the late 1980s, the city has desperately and increasingly successfully shaken off the image of decline. The last decade has seen unemployment figures drop from 18.9% in 1995 to 9.5% in 2001 and, despite controversial census figures, demographic development has almost stabilised. Amongst the many aspects that aided Manchester's recovery, the simultaneity of the following trends was particularly significant:

### 1) **Grass-Roots Initiative, Youth Culture and the Rediscovery of the Warehouse**

In the late 1970s and early 80s, urban decline was most keenly felt in the centre of the city, which was left with less than 1,000 inhabitants. But this very availability of affordable spaces began to attract a new generation who seized the opportunity to realise sub-cultural programmes. Empty warehouses and closed shop fronts or factory buildings became an important factor fuelling the growing local music scene. By the beginning of the 1990s, Manchester had become nationally and internationally famous as 'Madchester', referring to the countless independent record companies and recording studios (e.g. *Factory Records*) scattered around the city centre. The development of a 'continental' cafe bar and club scene (e.g. *The Hacienda*) eventually affected the entire city, attracting for example soaring student numbers (today approximately 80,000), who contribute significantly to the economic and cultural life of the city. The liberal atmosphere in the city also led to the growth of the 'village', the first gay cafes and clubs in the UK, concentrated along Canal Street. The 'unplanned' rise of a vibrant urban culture not only created new bars or offices for the creative industries, but also generated new demand for single-person or childless-couple households in the form of city apartments. Architects and developers such as *Urban Splash* were soon to discover the potential of warehouses to invent a particular Manxunian brand of loft living. The entrepreneurial spirit of architect-developers led to the regeneration of large parts of the inner city, beginning with Castle Field and the Northern Quarter and extending into Ancoats to the present day.

### 2) **From Municipal Socialism to Municipal Entrepreneurialism**

After a period of radical opposition as the 'citadel of municipal socialism', the third electoral defeat of the national Labour Party in 1987 led to a rethinking of Manchester City Council's relations with the Thatcherite central government. The new 'pro-business' approach opened resources of central government funding. The shift of emphasis away from the traditional objectives of social housing and welfare generated a series of large-scale development bids that began to radically change the image of the city. Although the 1996 *Olympic Games* bid remained unsuccessful, it managed to raise ambition and created new and efficient management structure, committed to branding and keen to promote public-private partnership that became the basis for the following successful prestige developments in the sports, leisure and cultural sector. Amongst the first were

*Castlefield*, *GMEX* and the re-introduction of the *Metrolink* tram system, the UK's first on-street rapid transport system, linking city centre to surrounding residential areas. Inner city regeneration gathered pace after the IRA bombing in June 1996, when large parts of the city centre were rebuilt. The development of Salford Quays as an arts and entertainment centre (Lowry centre, Daniel Libeskind's *Imperial War Museum*) and the *Commonwealth Games Stadium* followed, exporting the idea of regeneration into the ring of dereliction outside of the city centre. By now, all projects are part of a carefully planned branding strategy.

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## **POLARISATION**

The last 15 years have seen Manchester emerge as the capital of successful regeneration, a model of how a city can re-invent itself through branding, self-promotion and re-building. Manchester's economy is booming and its airport considered the fastest growing in Europe. Rent levels of apartments and offices in the inner city indicate the presence of a highly affluent new urban class and thriving businesses. But a closer look reveals a more balanced and perhaps more sober image of the city: Manchester is a highly polarised city where successful regeneration clashes with continuous deprivation. To the visitor, the booming city centre still appears as an island surrounded by a ring of de-industrialised wastelands and vacant and rundown estates ranking high on the national deprivation index. Although the overall rate of unemployment has dramatically dropped, the most deprived wards still face long-term unemployment of over 20%. While the successful redevelopment of the *Commonwealth Games Stadium* complex proves that well-branded prestige projects can transform derelict parts of Eastern Manchester significantly, the much-heralded trickle-down effect often does not affect the low-income sector of the population. Most new housing development is private and does not include low-income tenants / buyers who, consequently will be driven out (mainly eastwards) into more suburban parts of the conurbation. The problem of social deprivation appears to be pushed out of the city rather than solved. As vast public funds are poured into private-public developments, managed largely independently of the democratically elected town hall, questions of the accountability and sustainability of these investments must be asked.

Socio-economic and spatial polarisation is also to be found in Manchester's larger conurbation. While the south of the city belongs to the UK's most affluent regions, Oldham in the East — traditionally home to large pockets of Pakistani and Bangladeshi communities — became notorious for the racial riots in Summer 2001 (its Alexandra ward was second from the bottom of the UK boroughs deprivation index).

It will have to be seen how the success of the New Manchester affects urban culture as a whole. Can the vibrant urban life of the city survive gentrification, epitomised by the most recent reincarnation of *The Hacienda* club site as a series of luxury apartments carrying the same name? While the revival of Manchester grew from a new faith and optimism generated from a local cultural scene able to take advantage of cheap space made available in the shrinking city, how can these grass-roots independents afford the branded city? Can the branded city afford to lose these initiators of change?

The outrage with which recent census figures (indicating continual population decline) were received suggests that the ghosts of the city's recent past are not yet laid to rest. However, for now, optimism and hope prevail and confidence continues to grow. With all its contradictions, Manchester appears today as the 'fastest-growing shrinking city' in the UK.

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## TIMELINE: MANCHESTER 1750—2002

Alan Kidd

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- Circa** Beginning of Manchester's role as a centre for manufacture and trading in cotton cloth, based on
- 1750** imports of raw cotton from the slave plantations of North America, imported via the port of Liverpool.
- 1762** Opening of the Duke of Bridgewater's Canal, the first 'true' industrial canal, which carries coal from Worsley to Manchester — extended to Runcorn in 1776 thus halving the costs of the transport of imported raw cotton from Liverpool to Manchester.
- 1767** James Hargreaves' invention, the 'Spinning Jenny', revolutionises cotton spinning and enables the rise of the Lancashire cotton industry.
- 1773** Manchester has an estimated population size of 43,000.
- 1779** Samuel Crompton invents the 'Spinning Mule', which enables the cotton spinning industry to use steam-powered factories. More than any other textile invention, this leads to the rise of factory towns and ensures the success of cotton as the staple industry of the first industrial revolution. It also helps make Manchester the greatest of the trading cities created by the industrial revolution.
- 1781** *Manchester Literary and Philosophical Society* founded (over the years the town's leading intellectuals became members, including the scientists John Dalton and James Prescott Joule). Apart from the *Royal Society*, this is the oldest enduring English institution devoted to scientific discourse and publication. It does much to enable Manchester to become the first of the new cities of the industrial revolution to create a cultural identity distinct from that of the London-Oxbridge axis.
- 1783** the first steam engine is used in the manufacture of cotton. Beginnings of the cotton factory system in Manchester
- 1801** Manchester has a population of almost 80,000 according to the first official national census. This is almost double the figure for 30 years earlier.
- 1803** First table of atomic weights of elements and atomic theory is propounded by John Dalton at a meeting of the *Manchester Literary and Philosophical Society*. Today, Dalton is widely regarded as the founder of modern chemistry. The fact that Dalton conducted his experiments in Manchester illustrates that the town was a centre of scientific as well as industrial innovation.
- 1804** Rochdale Canal is opened and, when linked to the Bridgewater Canal (at the Castlefield basin) and the Ashton Canal, turns Manchester into an inland port. This greatly boosts economic growth.
- 1806** The *Portico Library* is founded (many of Manchester's leading business and professional men become members). This was one of many institutions founded for the town's middle class, which together provide a forum for the public expression of a common middle-class identity.
- 1816** 86 steam-powered factories are recorded in Manchester and Salford, demonstrating the pace of industrial growth.
- 1819** Peterloo Massacre: a peaceful meeting of 60,000 persons on August 16 at St Peter's Field Manchester; gathered to demand parliamentary reform, is violently broken up by soldiers. At least eleven die and over 600 are injured. This event is evidence of a reformist working-class movement and the belief that democratic political representation will promote the economic interests of the people.
- 1820** *Manchester Chamber of Commerce* and *Manchester Guardian* newspaper are founded. Both reflect the rise in importance of the manufacturing and commercial middle class.
- 1823** *Royal Manchester Institution* is founded to encourage the visual arts, demonstrating the increasing sophistication of urban culture.
- 1830** *Liverpool and Manchester Railway* is opened, the world's first purpose-built passenger railway.
- 1831** Manchester's population is recorded as 187,000 in the national census. The pace of demographic growth is greater in the industrial towns than anywhere else in the UK. Together with its suburbs, Manchester is now the largest urban centre outside London.
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- 1832** A *Parliamentary Reform Act* gives Manchester representation in the House of Commons for the first time, but on a limited, property-based franchise. This is regarded as including the new middle classes but excluding the working classes from the political system.
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- 1832** Outbreak of Asiatic Cholera, during which the doctor J. P. Kay publishes *The Moral and Physical Condition of the Working Class Employed in the Cotton Manufacture in Manchester*. This analysis of the problems of urban society has been described as one of the most important social documents of the 19th century. Its industrialism and its factory working class lead contemporaries to regard Manchester as the harbinger of modernity.
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- 1833** *Manchester Statistical Society* is founded, a year before the foundation of the *Royal Statistical Society* in London. This act represents the need to study the new industrial society.
- 
- 1838** The Borough of Manchester is formed with an elected town council for the first time. Previously, the town was managed by a combination of manorial court, parish vestry and police commissioners established by act of parliament.
- Manchester School of Art* is founded. Manchester is developing a reputation as a centre of artistic production. Edward Walters designs the textile warehouse on Mosley Street for Richard Cobden. Manchester's central streets are converting from residential to commercial usage. The town is becoming zoned by function with distinct commercial and industrial quarters. The central area is becoming depopulated.
- Anti-Corn Law League* is founded in Manchester. Richard Cobden and John Bright are the most prominent spokespersons for 'free trade': a middle-class campaign for national policies in the 'manufacturing interest'.
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- 1840** The *First Free Trade Hall* is opened for an *Anti-Corn Law League Bazaar*.
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- 1844** Prohibition of the construction of new back-to-back houses in the borough of Manchester. One of the improvements introduced by the new town council.
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- 1845** Friedrich Engels publishes *Die Lage der arbeitenden Klasse in England* and describes Manchester as 'the archetypal manufacturing town'.
- 
- 1846** The *Anti-Corn Law League* is dissolved after parliament repeals the Corn Laws. This marks the effective arrival of 'free trade' as national policy and recognition of the importance of manufacturing over agriculture in the national economy. Manchester's role in this is widely recognised. Manchester is so identified with the policy of free trade that the British ideology of economic individualism is symbolised in Germany in the abstract noun 'das Manchesterthum'.
- The Manchester merchant John Owens dies and leaves money to found *Owen's College*, later to become *Manchester University*.
- Municipal policies for the creation of open spaces for working-class recreation leads to the opening of Peel Park, Salford and Philips Park and Queens Park, Manchester.
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- 1848** Elizabeth Gaskell publishes *Mary Barton: A Tale of Manchester Life*, a novel that sympathises with the workers and criticises the employers.
- Charles Hallé comes from Frankfurt to Manchester to conduct *Gentlemen's Concert Orchestra*. Music joins visual art as an attribute of urban culture.
- Salford Roman Catholic Cathedral* is consecrated, a reflection of the large Irish-born community attracted to work in the cotton factories.
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- 1849** Manchester, South Junction and Altrincham Railway is opened, becoming the region's first true commuter route and marking the role of railway transport in the journey to work for the first time. The railway network contributes to suburban growth from 1840s onwards.
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- 1851** A population of over 316,000 is recorded in the national census. Manchester's population has quadrupled over a 50-year period, whilst that of the nation as a whole had merely doubled. Demographic growth in Manchester will be at a steady but slower pace over the next 100 years.
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- 1852** *Manchester Free Library* opens in the former *Owenite Hall of Science*, Campfield — later to become *Manchester Public Libraries*: part of a programme of 'rational recreation'.
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- 1853** Manchester incorporates as a city.
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- 1856** The *Free Trade Hall* opens. Manchester's most important public building is dedicated not to a prince or a saint, but to an idea.
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- 1857** The *Art Treasures Exhibition* is held in *Botanical Gardens*, Old Trafford, designed to counteract Manchester's image as a city devoted to industry and work and lacking artistic culture.
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- 1858** *Watt's Warehouse* is opened. This was the grandest of the cotton warehouses to be erected in Manchester and reflects the wealth of the merchant 'princes'. Today it is a hotel.  
First *Hallé Concerts* are held in the *Free Trade Hall*.
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- 1862** The Cotton Famine caused by the American Civil War forces closure of cotton factories across the North West: a massive relief campaign is run from Manchester. The co-operative *Wholesale Society* is formed: the co-operative retail movement begins in the North West of England. It distributes cheap and pure foods for the working-class home.
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- 1872** C. P. Scott becomes editor of the *Manchester Guardian*. Under his editorship, the paper becomes the great symbol of Manchester radicalism.
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- 1876** The first full-sized statue of Oliver Cromwell in the country is erected in Manchester, symbolising the city's radical tradition.
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- 1877** New Town Hall in Albert Square is opened. The massive neo-Gothic edifice represents the growing wealth and power of *Manchester Corporation* (Manchester City Council).
- 
- 1880** *Gorton West Football Club* is formed. It becomes *Manchester City Football Club* in 1894.
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- 1882** The *Royal Manchester Institution* passes its art gallery on to the *Manchester Corporation*. Subsequently it becomes the *Manchester City Art Gallery*.
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- 1885** The *Manchester Ship Canal Act* is passed by parliament.
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- 1887** Work starts on construction of the Manchester Ship Canal.
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- 1894** Manchester Ship Canal is completed, linking Manchester to the sea and turning it into a port. *Manchester Corporation* is a major shareholder.  
Thirlmere Aqueduct is opened by *Manchester Corporation*, providing Manchester homes with water piped from the Lake District.
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- 1896** The importance of the empire to Manchester's economy is demonstrated in the statistic that 40% of piece goods and 23% of manufactured cloth exported by the cotton industry goes to India.
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- 1897** The de Trafford family sells their Manchester estates, eventually becoming the world's first industrial estate. Trafford Park is linked directly to Manchester Docks and the Manchester Ship Canal. *Trafford Park Industrial Estate* becomes the most important element in the local industrial economy until the 1970s.
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- 1901** *John Rylands Library* is completed to house the great merchant's collection of ancient manuscripts and artefacts. An enduring symbol of the cultural legacy of the 19th-century middle class.
- 
- 1902** *Manchester United Football Club* is formed (originally founded in 1878 as *Newton Heath Lancashire and Yorkshire Railway Football Club*). Football is by now part of a mass urban leisure industry.  
*Municipal Technical School* is established, later to become *University of Manchester Institute of Science and Technology* (UMIST).
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- 1903** The *Women's Social and Political Union* (Suffragettes) is founded at Emmeline Pankhurst's house, Nelson Street, Chorlton-on-Medlock. Suffragettes lead a high-profile national campaign for votes for women.
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- 1904** Manchester is ranked as the fourth most important port in UK, a position it is to hold until 1964.
- 
- 1909** A. V. Roe flies the first British plane, heralding Manchester's future role in the aerospace industry.
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- 1911** Ford opens a factory at Trafford Park for assembly-line production of *Model Ts*. New production techniques at Trafford Park are making engineering and transport at least as important industries as cotton in Manchester's economy.
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- 1914** The outbreak of World War One is a momentous stage in the decline of the English cotton industry in the face of foreign competition and structural inertia within the industry.
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- 1918** The *Representation of the People Act* grants universal suffrage for men over 21 and for women over 30 — almost 100 years after the Peterloo Massacre.
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- 1919** Alcock & Brown of Manchester are the first to fly non-stop across the Atlantic in an aeroplane. Rutherford first splits the atom in his laboratory at the *University of Manchester*.
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- 1921** The extension to the *Royal Cotton Exchange* is opened by King George V. This rebuilding reflects post-war confidence about the future of the industry, a confidence soon to be challenged by the economic slump of the mid-1920s.
- 
- 1922** First radio broadcast from Manchester (northern regional headquarters of BBC). This confirms the role of the city as a regional cultural centre, followed later by the locating of regional television studios in the city.
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- 1929–1931** The World Slump accelerates the decline of the cotton industry.
- 
- 1930** *Wythenshawe Garden City* is begun. A solution to the problem of the slums that arose out of the garden city movement, but which anticipates the 'new towns' of the post-1945 era. It is conceived with industrial zones and civic amenities and a target population of 100,000. It does not reach maturity until the 1960s.
- 
- 1931** The population of the borough of Manchester reaches a peak of 766,000. Thereafter suburban growth and re-housing policies cause over half a century of population decline. The inner city areas are most affected.
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- 1934** *Manchester Central Reference Library*, St Peter's Square, is opened. The expansion of municipal services started in the previous century continues.
- 
- 1938** *Ringway Airport* (now *Manchester International Airport*) is opened with the support of public money from the *Manchester Corporation*.
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- 1940** Christmas Blitz inflicts serious damage on Central Manchester; much of the commercial district with its numerous warehouses is destroyed.
- 
- 1945** *The Manchester Plan* is published. This contains the city council's urban planning proposals for post-war reconstruction.
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- 1948** The world's first electronically-stored programme computer is developed at *Manchester University*. The University remains a centre of scientific excellence, reinforcing the city's standing in the world of science. Ten scientists who had been students, research fellows or members of academic staff at this university have been Nobel Prize Winners for Chemistry or Physics since 1906.
- 
- 1952** Smokeless zones are introduced. This changes the appearance of Manchester's soot-covered buildings as they are cleaned and the grime of generations of industrialism is removed. The restored *Free Trade Hall* is opened (damaged by bombing).
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- 1954** Between 1954 and 1976, as a solution to the problem of decaying 19th-century housing stock, Manchester City Council will demolish around 90,000 dwellings and erect 71,000 new council houses and flats. Approaching half of these will be on 'overspill' estates beyond the city boundaries.
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- 1956** *Granada Television* is established, covering the North West of England and based in Manchester. It is the most successful of the regional privately-run television companies.
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- 1959** The *Cotton Industry Act* is a belated attempt to force modernisation on the industry. It is too late to prevent the final collapse of the cotton industry.
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- 1960** Coronation Street begins broadcasting. Set in a fictional Manchester neighbourhood, this 'flagship' programme of *Granada Television* projects a fictional 'North' to the nation. It rapidly becomes the country's top TV show and remains at the top of the ratings over 40 years later.
- 
- 1961** The *Manchester Guardian* moves to London and becomes *The Guardian*. The move symbolises the decline of Manchester's radical tradition.
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- 1968** *Royal Cotton Exchange* ceases trading. This marks the effective end of the Manchester cotton industry and of the city's role as a centre of the textile trade. *Manchester United* win the *European Cup*.
- 
- 1970** *The Crescents*, Hulme is opened. This architecturally innovative example of 'high-rise' public housing, drawing its inspiration from the 18th-century streets of Bath, rapidly earns a reputation as a socially disastrous failure, with high levels of crime and drug abuse. *The Crescents* are finally demolished in the 1990s.
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- 1973** Recession hits the Manchester economy hard. The destruction of the cotton industry and other effects of deindustrialisation bring massive job losses. In addition, the 'container revolution' destroys the trade of the Manchester Docks and *Trafford Park Industrial Estate*. Manchester is now one of the weakest industrial cities in the UK. Despite this, it remains the leading financial centre outside London.
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- 1976** *The Royal Exchange* building is reopened as the home of the *Royal Exchange Theatre Company*.
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- 1982** *The Hacienda* nightclub is first opened. It enjoys its heyday in the mid- and late 1980's, when it popularises the new dance craze, *House*, and becomes the most famous music club in the world. Manchester becomes known as a centre for popular youth culture through the worldwide fame of local artists such as *Morrissey*, *Simply Red* and the *Happy Mondays* plus the impact of performance venues, especially the *Hacienda Club*. The city acquires a reputation for musical innovation and is reinvented as 'Madchester'. *The Hacienda* closes in 1999.
- 
- 1987** After a third electoral victory for the Conservative Government of Margaret Thatcher, the Labour-dominated Manchester city council adopt a policy of working with government agencies to encourage urban renewal. The regeneration of the city centre begins, based on a policy of prestige building projects. Early achievements include the conversion of the redundant Central Station into *GMex* (Greater Manchester Exhibition Centre), the development of the *Metrolink* light rail system and the conversion of *Manchester Docks* into a complex of leisure amenities and commercial facilities (Salford Quays).
- 
- 1992** *Hulme Regeneration Ltd.* is established by the City Council in partnership with a range of public, private and community interests to develop and manage the renewal of one of Manchester's most run-down inner-city areas. This is followed by the demolition of the worst of the high-rise housing, including the *Crescents*, accompanied by one of the most ambitious exercises in community architecture in Britain. The rebuilding is almost exclusively 'low-rise'.
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- 1994** The *Northern Quarter Regeneration Study Report* begins promotion of a run-down sector of the city as a locale for popular youth culture, especially music performance and production — reinforcing the city's reputation as a centre for musical production and innovation.
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- 1996** IRA bomb. The largest bomb to be denoted in Britain since World War Two causes extensive damage to the retail and commercial core of the city. The response is a massive stimulus to the regeneration programme — much of the city centre is rebuilt over the next few years, with the creation of new streets and squares.
- 
- 1998** For the first time in 150 years, the population of the city centre is recorded as increasing. Former warehouses and factories are prime sites for developers to convert into apartments. The market for city centre properties is buoyant and most of the incoming population is young, professional and actually or potentially high-earning. The *Bridgewater Hall* opens as a purpose-built home for the *Hallé Orchestra*. The *Free Trade Hall* is now redundant; after a public enquiry it will be sold to a hotel developer.
- 
- 1999** *Manchester United* win the *European Champions' Cup*. This football club is one of most widely recognised sporting 'brands' in the world, and the vast majority of 'hits' for the word 'Manchester' on the world-wide web refer to *Manchester United*.
- 
- 2001** *Manchester Airport* opens its second runway. The *Airport* is as important to the economy of the city and its region as the Manchester Ship Canal was a century before.
- 
- 2002** The *Commonwealth Games* are held in Manchester and widely recognised as a success. This is the culmination of Manchester's attempt to 're-brand' itself as a modern city of sport and leisure. It follows failed bids to host the *Olympic Games* of 1996 and 2000. *Urbis Centre* is opened. Manchester's interactive museum of the city explores contemporary experiences of urban life in cities across the world.
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## REGROWTH OF A SHRINKING CITY

Ed Ferrari and Jonathan Roberts

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One could be forgiven for thinking that Manchester represents something of an unusual focus for an investigation into shrinking cities. The last few years in the city have seen some statistical confirmation of what many have felt has been going on for some time: the birth of a new Manchester, a popular and successful urban landscape, with the promise and potential of a youthful population making the most of what cities can offer them. Since the industrial revolution, Manchester epitomised the industrial city *par excellence*. It also showed extremely severe signs of decline during the latter half of the 20th century as deindustrialisation hit hard. In some ways, its decline was almost as severe as its ascendancy. Depopulation in the latter half of the 20th century, for a time at least, was of an order of magnitude that nearly rivalled growth during the late 19th century. During the 1970s, 1980s and 1990s, Greater Manchester declined by over 8,000 inhabitants a year. The implications for urban spaces were clear: with shrinkage came wastage, and empty land and buildings were first testament to this, and latterly have provided the 'raw materials' for renaissance.

This paper aims to provide a brief and concise review of shrinkage in Manchester from a number of perspectives. It uses a variety of statistical sources to provide evidence of absolute shrinkage on the one hand, and processes of polarisation on the other, particularly as they are expressed through population, land use, housing, transport and employment.

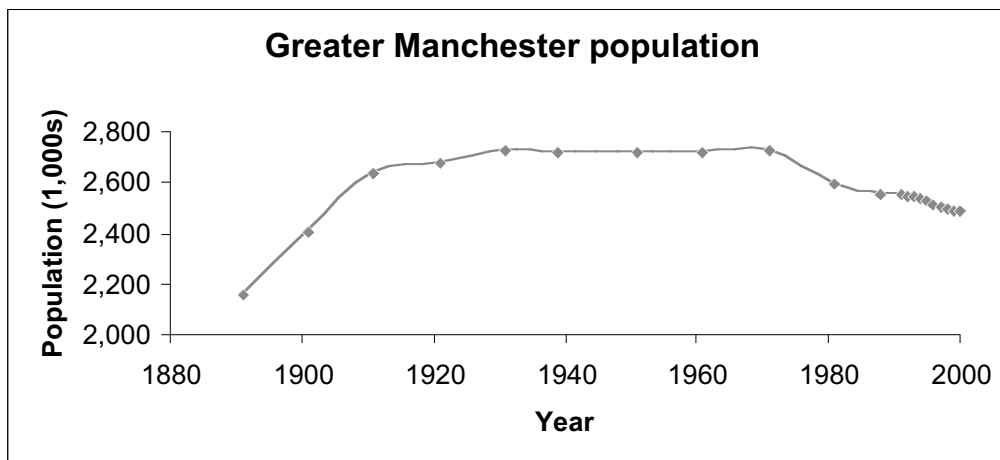
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### POPULATION

Beyond even processes such as sub-urbanisation, there has been a general loss of metropolitan population in most UK cities as selective migration favours towns in rural and semi-rural districts. Population data show that since the start of the 1970s there has been a significant decline in the population of Manchester. Greater Manchester had grown as much as it was going to by around the 1930s. In 1931, its population was around 2.7 million, a level that remained relatively stable for the next 40 years. Significant decline set in during the 1970s, and over the next 30 years Greater Manchester would lose nearly one in ten of its population.

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**Figure 1: Population in Greater Manchester, 1880–2000**



While the process of shrinkage began to slow in the 1990s, population losses were occurring throughout that decade. The district of the city of Manchester itself lost some 45,700 of its population<sup>1</sup> in the ten years 1991–2001, which equates to a loss of around 10% of its population. Greater Manchester has similarly declined in population, although the decline has not been as severe as in the central districts of Manchester and Salford.

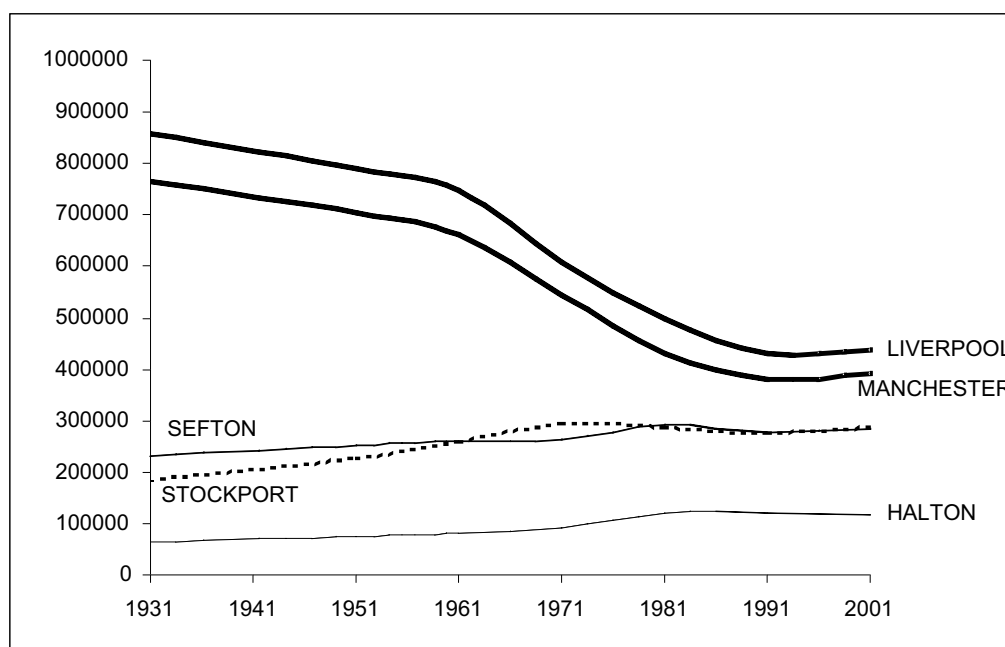
**Table 1: Population loss 1981–2001**

	Loss in population	change in population
Greater Manchester	64,700	-2.5 %
Manchester area	64,500	-3.3 %
Manchester district	39,200	-9.2 %
Salford district	23,300	-9.7 %

Source: 1981, 2001 Censuses.

In the last year or so, Manchester has been beginning to reap the fruit of its new city-centre residential economy. Whilst the jury may still be out on the precise numbers, it is clear that the population of the district of the city of Manchester is on the rise again. Manchester City Council proudly boasts that the city's population has been on the increase — albeit modestly — for at least three consecutive years now, and that the success of its 'thriving city centre community' is one of the main reasons behind this.<sup>2</sup> Despite the early developments by *Urban Splash* and others, this remains a very recent phenomenon and is perhaps only just managing to reverse a pattern of decline that has been evident and entrenched for at least 30 years. When one considers the remarkable growth of Greater Manchester in the late 19th century — the epoch of 'two nations' Victorian industrial pride, and of the railways — then the speed and extent of decline in Manchester (as in many cities in northern Britain) from the end of the 1960s appears unbelievably staggering.

**Figure 2: Population in selected districts, 1931–2001**



Source: Censuses of Population 1931–2001<sup>3</sup>

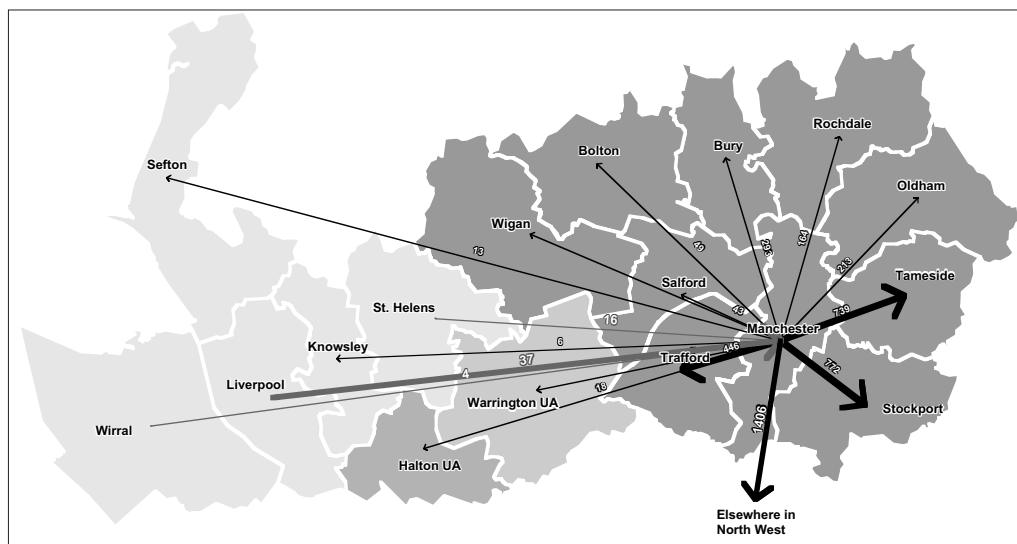
Whilst the figures for Greater Manchester are indeed staggering, they serve to mask even more significant depopulation in the major urban centres of the north-west — Manchester and Liverpool. Their decline has been even deeper, with population decline in both cities evident since at least the 1930s. Significant decline occurred a little earlier in the main cities, which suggests that, in the process of out-migration, population ‘cascaded’ from the urban centres to the peripheral metropolitan districts, and then out to more towns and more rural areas.

**MIGRATION**

These processes continue today, although they are tempered somewhat by a revitalisation and re-viability of city centres for residential use, and increases in the number of households (in 1981 in Greater Manchester there were 2.7 persons per household on average; in 1991 this was 2.5, and by 2001 it had fallen to only 2.3).<sup>4</sup> While it is hard to classify places like Warrington and Rochdale as ‘suburbs’ — in many cases their industrial heritage predates that of Manchester, and they are settlements with their own distinct history and sense of identity — they are nevertheless peripheral to the central core of Manchester/Salford and thus prime beneficiaries of advances in personal mobility. Bury, Rochdale and Warrington are the only districts in the Greater Manchester area to have increased in population in the last ten years. Oldham, with a population loss of 1%, can be considered one of the more stable populations (the whole Manchester-Liverpool sub-region lost 4.1% of its population in the same period, 1991–2001).

Concrete information on actual migration flows is very difficult to obtain. The decennial censuses allow some data to be derived for the year up to the date of the census. Other sources include estimates made from doctors’ registrations, although there are known to be significant problems with the use of this data source.

**Figure 3: Net yearly migration flow between Manchester and surrounding districts, 1991 (persons)**



Data source: 1991 Census SMS Set 2

In 1991, the main migration flows involving Manchester are out-flows to neighbouring districts, mainly to the south, such as Stockport, Tameside and Trafford, as well as out of the sub-region altogether. There was a net migration to all the surrounding districts in Greater Manchester, and the only districts within the sub-region where there was a net migration flow to Manchester were Liverpool, Wirral and St. Helens.

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## LAND AND PROPERTY

Whilst population decline does not automatically lead to a decline in the need for urban space (longer commuting patterns can still support a strong 'daytime' economy in depopulated areas), it is clear that the need for housing in Manchester fell. Furthermore, shifts in the sectoral composition of the economy — the industries in which people were employed — meant that the economy became less land-hungry.

In 1981, there were some 10,000 empty residential dwellings in Manchester district alone.<sup>5</sup> By 1991, there were nearly 15,000 empty dwellings, representing over 8% of the total housing stock. This was by far the highest vacancy rate in the sub-region at the time. At the same time, in the wider city,<sup>6</sup> approximately 44,000 dwellings were unoccupied.<sup>7</sup> Ten years later, the local authorities estimated that there were around 34,800 unoccupied dwellings<sup>8</sup> in the Manchester area — nearly 10,000 less than at the beginning of the 1990s. Not all of this signalled a recovering housing market, however. The response to under-occupation — particularly of social housing — has been to embark on selective clearances and demolition of property. By the end of the 1990s, the general health situation of the housing market in the Greater Manchester area led to the influential M62 report that documented failing housing markets and changing demand throughout the entire Manchester-Liverpool conurbation.

In 2001, nearly 3% of Manchester's available land was classified as vacant or derelict.<sup>9</sup> While this may sound like very little, it is quite surprising given the tightly-delineated nature of Manchester's boundary and the small land-area of the district. About 330 hectares in Manchester is this sort of vacant or derelict land. In the wider city (Manchester and surrounding districts), a little over 2% of all land is vacant or derelict. It should be noted that this definition does not include land vacant of 'urban' land uses, such as agricultural land.

Spaces have become polarised in that there is increasing unevenness in the consumption of land. Changes in lifestyle and cultural aspects of housing consumption have been accompanied by longer, more complex commuting patterns, in which the private car has proved its dominance. Where there is a remaining (or re-establishing) population in the city centre, their needs are such that their transportation requirements are less, because of the close alignment of their live-work-play axes.

Spatial polarisation also reflects the uses to which spaces are put. There has been on the one hand an increasing flexibility of lifestyles and of the uses that are expected of space, but at the same time spaces have become more and more demarcated by their function. We observe the profligacy of out-of-town retail parks, fenced zones that exist for the sole function of retail sales. Where other uses are apparent, these are only to support the primary function and have little other intended or ostensible role (e.g., car-parking, fast food). 'Mixed-use' appears to have been the planners' response to this; an attempt to reintroduce a concept that the city had originally spawned as a rational and inevitable consequence of the coexistence of large numbers of people and processes in a constrained land-mass.

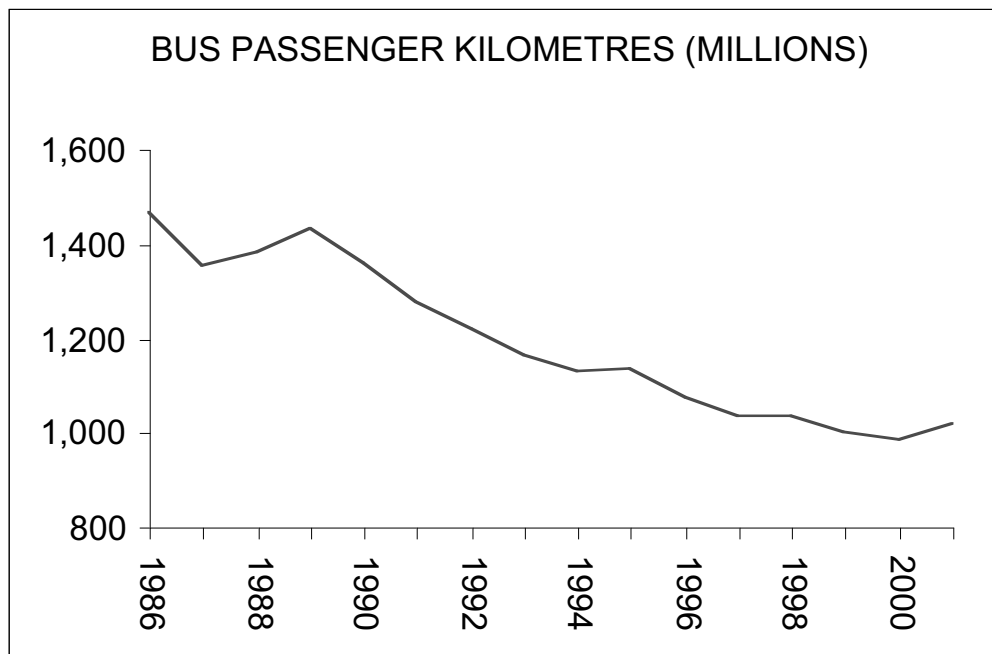
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## TRANSPORT

Some revealing aspects of spatial polarisation can be observed in the Manchester context by looking at transport. Concomitant with the shrinking city has been a changing role for public transport. Bus passenger numbers have declined steadily since deregulation of bus operators (privatisation) in 1986. In the 15 years since then, the number of passenger-kilometres travelled fell by nearly one-third.<sup>10</sup> While in a situation of suburbanisation and spatial polarisation one might expect the number of journeys made to

cede precedence to the actual length of those journeys, this has not been the case. In the context of the polarised spaces of suburbanisation — where new housing developers expect homeowners to drive for even the most trivial acquisition of convenience goods — it cannot be expected that the overall need for trips has diminished. But private car journeys will have largely fulfilled the flexible requirements of these trips .

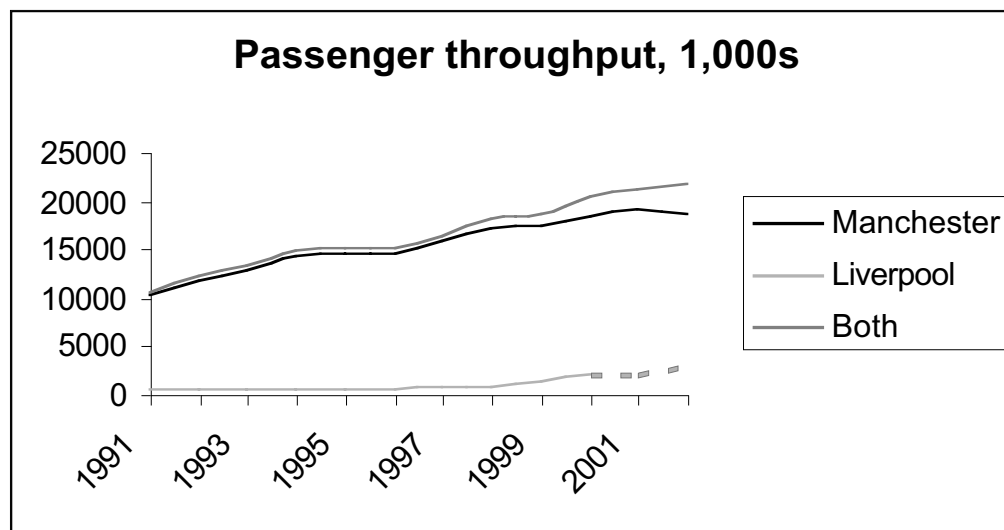
**Figure 4: Bus ridership in Greater Manchester, 1986–2001**



Source: Greater Manchester Passenger Transport Executive (GMPTE)

Manchester was one of the first UK cities to re-implement a light rail public transportation system in the 1990s. While trams were a familiar sight on Britain’s streets in the early 20th century, by the 1970s they had been relegated to the position of objects of urban curiosa in such places as theme parks and amusement promenades. Manchester *MetroLink* has been a successful attempt to rethink the concept of tram travel. Rather than compete with buses for short journeys, or compete with cars for road space, the *MetroLink* utilised a mixture of disused heavy rail lines and new surface-running construction to provide a fast link to Manchester and Salford from suburban Bury and Altrincham. Hence, it can be seen that *MetroLink* confirms the need for frequent, longer-distance public transportation to serve the fragmented, polarised urban landscape that surrounds shrinking cities. The bus is neither as attractive nor as adept at serving the needs of ‘Shrinking Citizens’.

By contrast, *Manchester Airport* is fast on its way to becoming the second busiest in the UK. Augmenting the North-West’s domination of the secondary British air-travel market (after London), nearby Liverpool’s *John Lennon Airport* has enjoyed a period as the fastest growing airport in Europe. Air travel is the only mode for which the private car has no effective analogue. It perfectly fits our thirst for more foreign travel while at the same time representing the ultimate form in convenience. Airports by their very nature cater well to passengers couched in car-comfort and are also closer to the suburbs they inhabit. It is only fitting that mass-market air travel goes hand in hand with shrinking cities.

**Figure 5: Airport passengers, Manchester and Liverpool, 1991–2002**

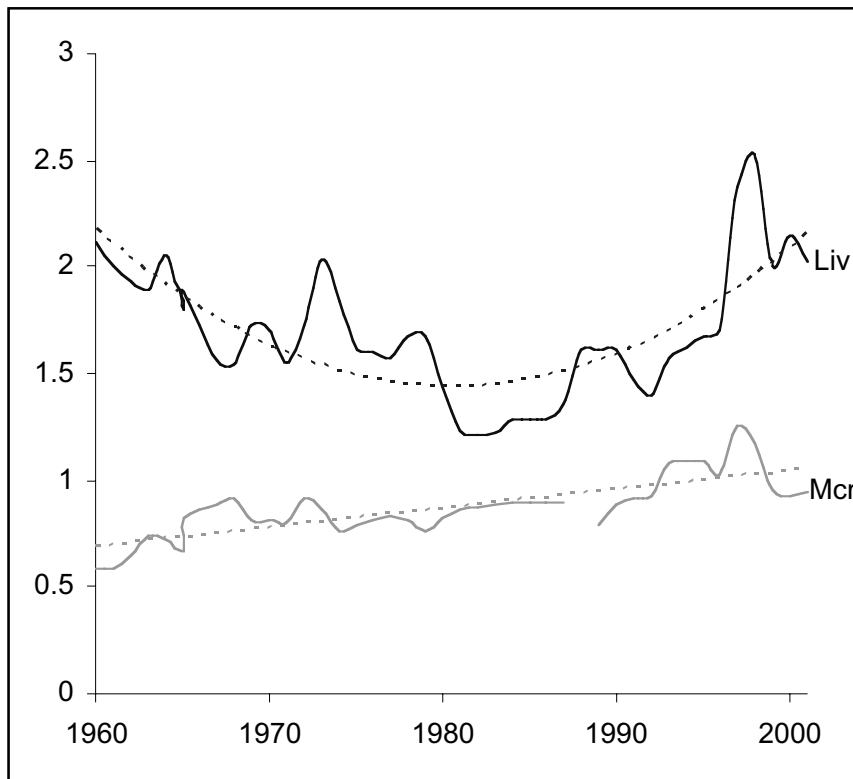
Source: Department for Transport

To cope with projected population increases in the years after World War Two, government housing policy favoured the provision of new municipal housing in large estates that continued a significant housing role for local authorities that had already been consolidated in the inter-war years. Vast peripheral housing projects of various vintages have been instrumental also in changing the population landscape of Manchester: in exacerbating its shrinkage. This was not sub-urbanisation. Often, the new developments lacked the sort of social and infrastructural connections with the city centre that suburbanites have retained. These became new settlements, but their distinction was that their residents were to become as isolated from the employment market as their houses were isolated from the social and cultural amenities of the city. Manchester City Council built and managed thousands of dwellings in neighbouring districts like Tameside. The Wythenshawe housing estate in south Manchester became a byword for large municipal projects — and the social problems that result from disconnection from jobs and facilities.

## EMPLOYMENT AND ECONOMY

By the 1970s, the industrial basis that had provided the foundation for Manchester and Liverpool's past glories was going, and with it, employment. Deindustrialisation of Western economies hit many cities hard — no more so than Manchester for the immense industrial bedrock on which it was formed. The boom towns from henceforth would not be the Manchesters or Salfords, Liverpools or Sheffields, but often smaller cities with established financial services economies, predominantly in the south of England, or such places as Nottingham or Edinburgh. The economy demanded greater flexibility of its workforce, and specialisation of its outputs, something which the industrial giants were ill-equipped to do. Unemployment in the Manchester travel-to-work-area<sup>11</sup> stood at nearly 12% in 1993, at the height of the 1990s recession. Notwithstanding this recession, unemployment rates have been steadily decreasing in both Manchester and Liverpool — in line with the national average — since their peak in the mid-1980s. However, the following figure here demonstrates that when expressed as a ratio of the regional average, Manchester's unemployment rate has been following a general upwards trajectory throughout the last four decades.

**Figure 6: Ratio of unemployment rate to regional average (travel to work areas)**



Data source: Department of Employment Gazette, November 1960–November 2001.

As has been seen, shrinkage went hand-in-hand with deindustrialisation. Whilst the economy has since recovered, and the workforce has largely adapted and re-skilled to meet the requirements of a new economic mode of capital accumulation, it is evident that this new mode requires less in the way of physical infrastructure to operate. The physicality of our past economy has been replaced by the transaction: a service economy where returns are predicated on services rendered. The economy is changing still, as knowledge, intellectual property, and licensing find expression in the ethereal media of electronic and professional networks.

Manchester, a city whose very existence owed such a great debt to those physical expressions of production — factories, land, mass labour — found that in some respects it was even more difficult to adapt the form of the city in response to economic change. Whilst people retain a certain degree of fluidity, able in theory to move to where the work is, the land forms and uses that were created by a manufacturing economy had a greater degree of fixity about them.

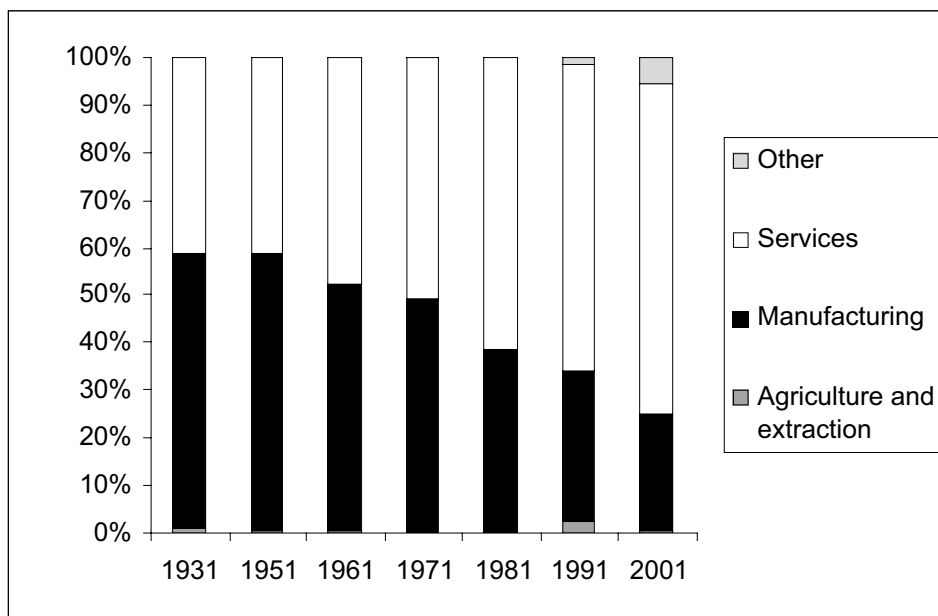
In 1961, just over half of all jobs in the city of Manchester were in manufacturing, transport, and communications. As can be seen in **Figure 7**, this steadily fell throughout the last half of the 20th century, to a point where in 2001 the equivalent industrial sector accounted for just under a quarter of all employment. This equates to around 35,000 jobs. In 1961, there were over 220,000 jobs in this sector:

Today, there are around 100,000 jobs in service sector industries in the city of Manchester, nearly three times as many as in the manufacturing sector. While the service sector now accounts for nearly 70% of jobs in Manchester, it still employs less people than it did in 1961. There were nearly 204,000 jobs in the equivalent service sectors in



1961. This demonstrates not only a radical shift in the structure of employment in the last four decades of the last century, but a massive fall in the absolute numbers of jobs in the city. These are jobs that have been lost to cheaper land and more attractive locations, mainly in the surrounding districts but also further afield in places like Macclesfield (in Cheshire). There is little centralising imperative with the jobs of the service sector economy; the labour economies of scale that were a result of transport constraints in the growing industrial cities bore no advantage.

**Figure 7: Sectoral composition of employment, by industry, Manchester, 1931–2001**



Source: Census of population 1931, 1951, 1961, 1971, 1981, 1991, 2001.

## HOUSING

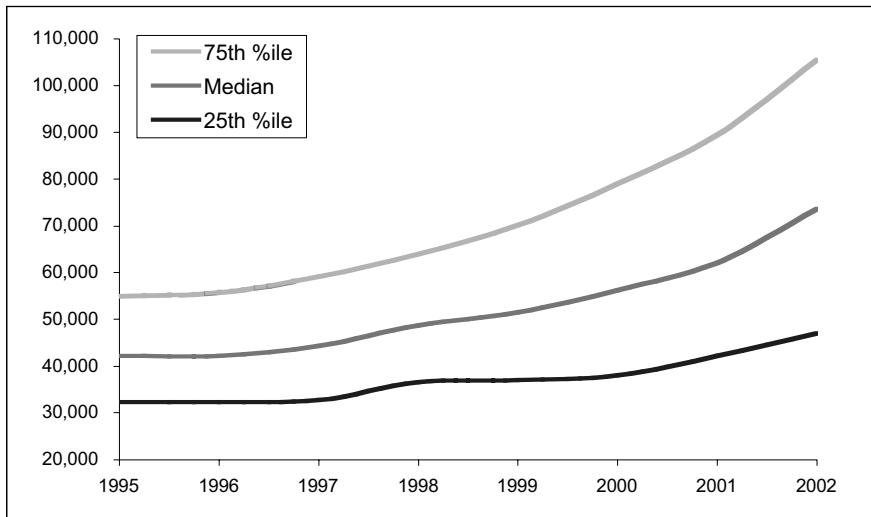
It is now accepted government policy in the UK to promote home-ownership as a means of fostering in individuals a greater stake in their neighbourhoods and as a means of wealth accumulation. Around 71% of households in the UK own their own homes, slightly above the EU average.<sup>12</sup> Home ownership rates have been rising most in those parts of the country where traditionally the levels of ownership have been low.<sup>13</sup> Hence, regions like the North East and Yorkshire and Humberside have caught up with the rest of the country. The North West has historically had a higher level of home ownership than other northern regions, although these have been significantly lower than in the south of England. In 2001, the number of households owning their own homes in the North West was roughly in line with the national average, at 71%.<sup>14</sup>

The implication of this policy imperative, coupled with increasing aspirations among householders across the income spectrum, has led to the residualisation of social (public) housing in the UK and particularly to a situation of low demand for all 'low-income' housing in the northern towns and cities.<sup>15</sup> At the same time, need has generally given way to aspirations in some northern UK contexts: as supply exceeds demand, those who are able to exercise choice are able to move to housing that better suits their lifestyle aspirations.

Together, these factors and an economic climate that favours the borrower have led in recent years to a house price 'boom' in the UK. The effect of house price rises has not been felt uniformly across the market, however, as year-on-year growth disproportionately

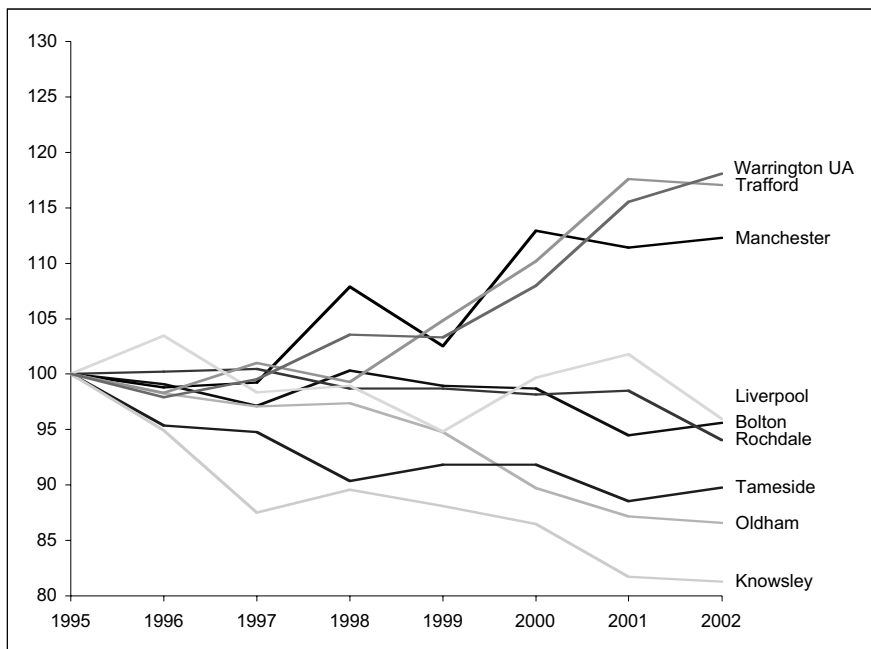
favours the top end of the housing market. Thus, larger detached and semi-detached dwellings, already the most expensive dwellings, experience house price growth that is well in excess of other property types.

**Figure 8: Median, upper- and lower-quartile average postcode sector house sale prices, Manchester/Liverpool sub-region, 1995–2002**



Data source: HM Land Registry

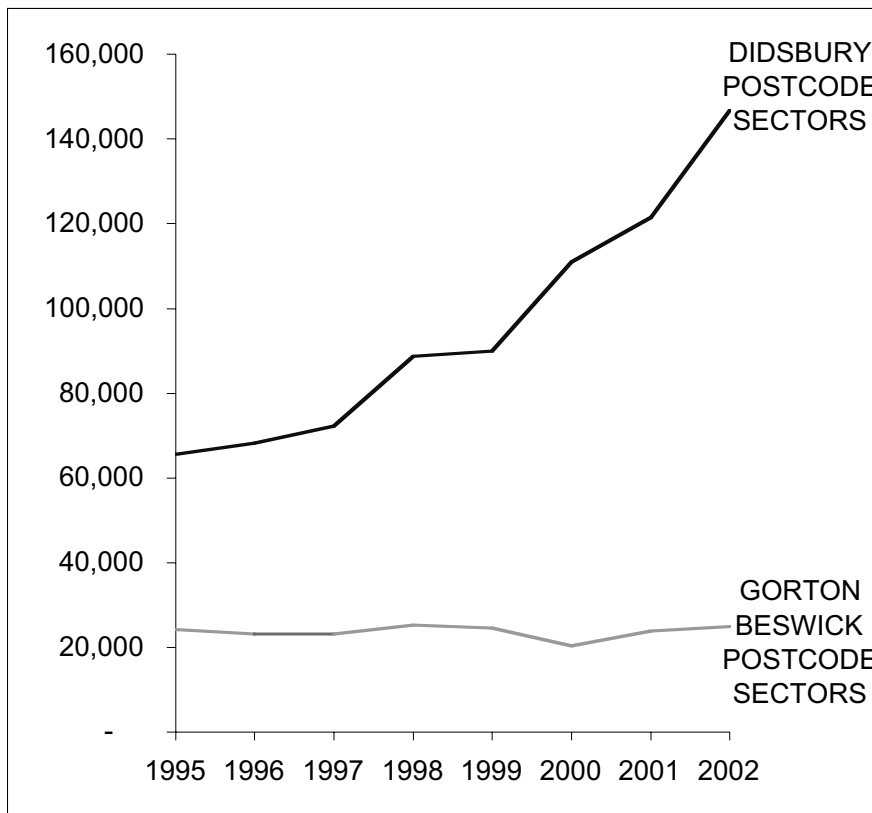
**Figure 9: House sale price growth index, by district, 1995-2002. 100 = in line with regional growth**



Data source: HM Land Registry

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**Figure 10: Average house sale prices, example Manchester neighbourhoods, 1995–2002**



Data source: HM Land Registry

**Figure 8** demonstrates how the house price growth processes are having a polarising effect on the housing market, meaning that the gap between the top and bottom of the housing market spectrum widens. It shows how the top quartile postcode-sector prices (the most expensive 25% of areas in Manchester-Liverpool sub-region) are now in excess of £100,000, while the bottom quartile languish at around £40,000 and, critically, experience little growth over time.

**Figure 9** shows how house price growth in selected districts has performed in relation to regional house price growth. The divergent fortunes of different districts in this respect can clearly be seen. In this context, Manchester appears to have performed reasonably well, outstripping regional growth. However, this is likely to be heavily skewed by the growth of city centre apartment living in recent years and the premium prices of such properties. It also masks a more complex pattern of spatial polarisation of the housing market within districts. Manchester is, in this respect, a most instructive example.

**Figure 10** shows how average house sale prices have fared, in absolute terms, for two contrasting areas of the city. Suburban Didsbury, to the south, has seen its average house sale prices more than double in the seven years for which we have data. The average price of such a house is over £140,000. This is in part skewed by the type of housing available in Didsbury — predominantly larger detached and semi-detached dwellings in ‘garden suburb’ settings. But even if it could be expected that in absolute terms such housing will always be more expensive, a generalised situation of high demand should lead to increases in value across the property spectrum, as in the South East of England. It is clear that there are significant locational dynamics at work in addition to just property type dif-

ferentials. On average, house prices in the postcode sectors around Gorton, Beswick and Belle-Vue to the east of the city have remained static and very low.

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## REBIRTH

It is now clear that Manchester is moving into a new phase of its shrinkage. Ironically, perhaps, the very processes that *Shrinking Cities* has been documenting have entered a new era in Manchester. Somewhat jocularly, but with no less a sense of realism, the curators of this project now describe the city as “the fastest growing shrinking city in the world”. Is Manchester shrinking or is it growing? Intuitively, it is impossible — at least with our memories of the recent past — to think of Manchester in any other terms than as an urban success. It has been indelibly associated with several movements that could be seen as iconic of urban renaissance in the UK. The embracement of a youth-oriented cultural scene that had originally developed organically around new musical styles and the distinctly urban symbiosis of DJs/clubs and city spaces that played host to them is one. Haslam (1999) has famously documented this process, concentrating not just on the cultural aspects per se, but also on their concomitant implications for the city as a social and physical entity.

Somewhat similarly — at least in the sense of finding new uses for old spaces — Manchester can rightly claim that it has witnessed the first and most successful examples of *city living* in the UK. The success of *Urban Splash*, an urban design and property development partnership, and the subsequent role model that it has become nationally, both symbolises and, indeed, has facilitated the ‘new’ Manchester.

The city is now recognised to be one of the most vibrant provincial cities in Britain. It has a new and constantly-redeveloping city centre; is attracting a new breed of luxury hotels (such as *The Lowry*); has a large and prosperous residential cohort living in the city centre; staged the 2002 *Commonwealth Games*; and has seen unparalleled levels of investment in public transportation.

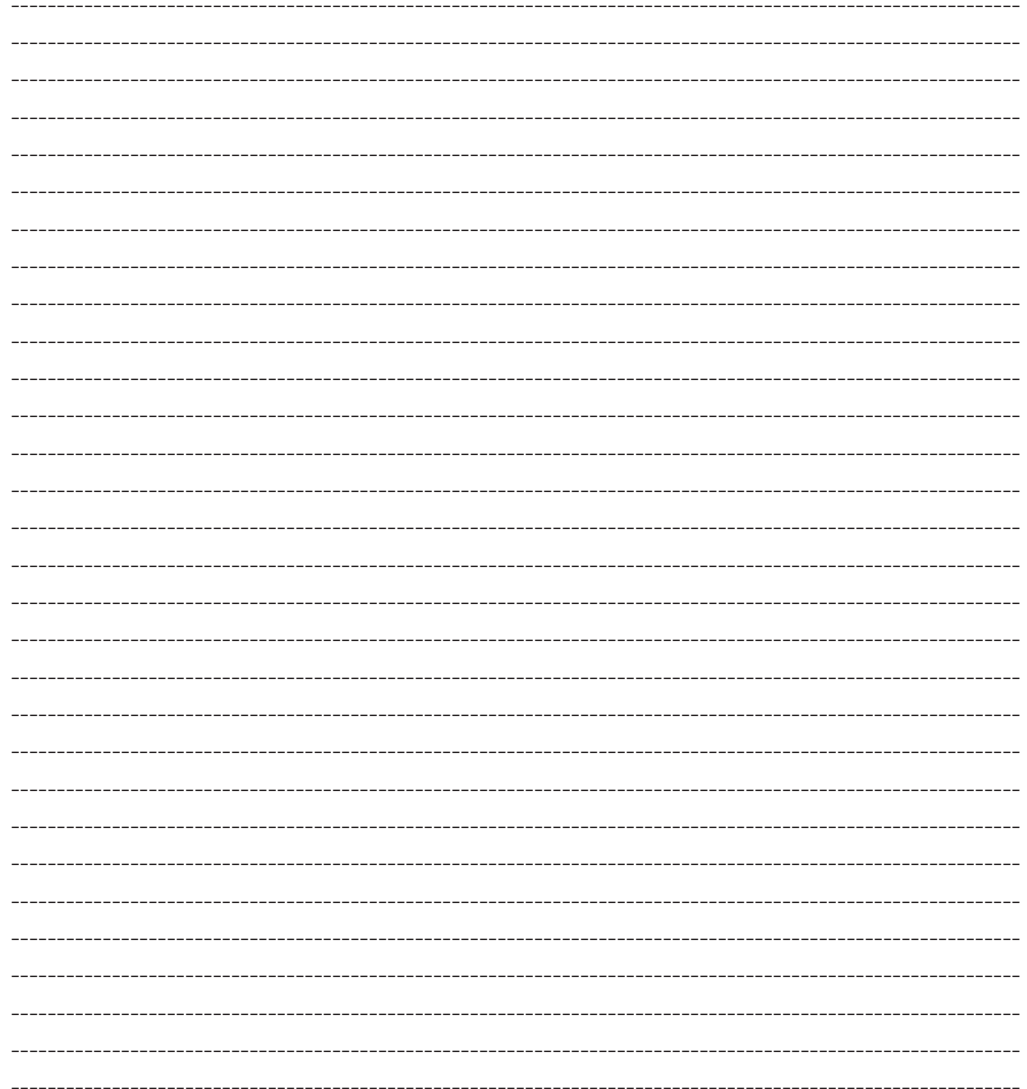
Much of the visible manifestations of investment in the shrinking city have lately been in what might almost be termed ‘big city boosterism’, to borrow a historical phrase and concept. The impact of the hosting of the *Commonwealth Games* in 2002 cannot be underestimated. New stadia and sporting facilities have been joined by impressive investment (at least in British terms) in public transportation and projects related to the urban realm. But complex migration, commuting and lifestyle dynamics mean that the implications for shrinking cities like Manchester are far from clear. Even less clear is the extent to which the benefits of investment and projects like the city centre or the *Commonwealth Games* facilities are felt uniformly across the city, reaching low-income families who reside within Manchester’s boundary as well as some of the more affluent households who do not.

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<sup>1</sup> At the time of writing, the national statistics agency, Office for National Statistics, was involved in an exercise to validate the accuracy of estimates in the light of a challenge from Manchester City Council. It has been agreed that Manchester’s population figures should be substantially revised upwards, to around 439,000 for mid-2000. However, because these changes have not been made for all local authority districts and for the purposes of maintaining a broad comparison across time, this document reports on the previous results. Whilst the ONS is revising its methodologies in the light of the 2001 *Census* and the Manchester challenge, it can be expected that similar methodological deficiencies will apply elsewhere and not just in Manchester. It would be impractical, therefore, to proceed only on the basis of a revised Manchester population without using revised figures for all other districts.

<sup>2</sup> ‘Numbers rise for inner-city living’ Manchester City Council Press release, September 17, 2001

- <sup>3</sup> This chart takes account of boundary changes caused by local government reorganisation in 1974 as far as is practical, although other minor boundary changes will not be reflected here.
- <sup>4</sup> *Census 1981, 1991, 2001*
- <sup>5</sup> *1981 Census of Population*
- <sup>6</sup> In this study, the 'wider city' of Manchester is taken to mean the local authority districts of Manchester, Salford, Trafford, Tameside, Stockport, Oldham, Bury and Rochdale. Readers should be aware that this is slightly smaller than 'Greater Manchester', which also includes Bolton and Wigan. We have taken the decision to exclude these districts as we felt that they were sufficiently distant to warrant their exclusion from the built-up area of Manchester.
- <sup>7</sup> *1991 Census of Population*
- <sup>8</sup> *2001 Census of Population*
- <sup>9</sup> 2001, National Land Use Database
- <sup>10</sup> Greater Manchester Passenger Transport Executive
- <sup>11</sup> Manchester, Bury, Oldham, Tameside, Stockport, Trafford, Salford and parts of Wigan, High Peak (Derbyshire) and Macclesfield (Cheshire)
- <sup>12</sup> *Social Trends 34*, Office for National Statistics, London
- <sup>13</sup> Author's calculations using 1981, 1991 and 2001 *Census* data
- <sup>14</sup> *2001 Census*
- <sup>15</sup> For more detail on these subjects, the reader is directed to the summary of the M62 housing report, reproduced as part of the working papers.



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## MANCHESTER: A BRIEF ECONOMIC HISTORY

Alan Kidd

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Although Manchester has been intermittently inhabited for almost 2,000 years, a process beginning just over two centuries ago was to put this hitherto remote Lancashire commercial and manufacturing town on the international map. Changes wrought by the industrial revolution caused unprecedented urban growth, ushered in new ways of living and working and generated new ideas of economy and society. The processes of industrialisation and urbanisation that took place during the 19th century transformed Manchester. By 1850, the name of Manchester was known around the world and was synonymous with cotton, commerce and industrial strength. The 100 years following 1850 were a period of gradual decline as other cities and other countries caught up with the pioneers of industrialisation. After 1950, the decline of the cotton industry turned into a collapse, and Manchester's fortunes in the late 20th century depended upon other industries and upon the non-industrial sectors of the local economy. The task of this chapter is to tell the story of Manchester's rise and relative decline. To do so it is necessary to begin well before the 'industrial era' of the 19th century.

For at least two centuries before the industrial revolution and the mechanisation of cotton production, Manchester had been a cloth town that combined manufacture with trade. The origins of cloth production in the town remain obscure, but it is certain that 16th-century Manchester was already a manufacturing as well as a market centre for woollens and linen. Raw materials were imported from as far afield as Ireland (linen yarn) and goods were sold throughout the provinces and on the London markets. The diversity of Manchester's economy made it the most prosperous place in 16th-century Lancashire, but the county itself was among the poorest and most backward in the land. It was the introduction of new manufactures in the early 17th century that proved a portent of future greatness and that would ultimately raise Manchester to commercial pre-eminence and would transform the economic fortunes of the county. Around 1600 began the momentous rise of the Lancashire cotton industry. Manchester's population rose from an estimated 2,300 in 1543 to around 43,000 in 1773, the greatest period of growth coming in the century following 1660, when the town's population more than quadrupled in size. Cotton was first introduced to the region through the manufacture of fustian cloth, a mixture of linen and cotton. Its production spread rapidly throughout southeast Lancashire, notably in the Bolton, Blackburn and Oldham areas as well as in the villages of the parish of Manchester. By the later 17th century, Manchester was one of a string of newly expanding British inland towns situated in rural-industrial regions, each catering for a specialised product. Birmingham was already a centre of metal manufacturing, Nottingham and Leicester were noted for their hosiery and Leeds for its woollen textiles; with Manchester it was fustians and linen. These middle-ranking towns of the 17th century were the future industrial giants of the 19th century. Why was Manchester such an economic success?

The precise reasons for Manchester's growing importance are unclear. Nor is there a clear consensus why the southeast Lancashire cotton industry became the cradle of the industrial revolution. The town had always enjoyed some natural advantages from its location at the confluence of several rivers and from its proximity to Liverpool for imports of raw material. The absence of a corporation and of craft guilds is also regarded as a positive contribution to Manchester's rising fortunes. The interests of newcomers were

not sacrificed to the privileges of freemen, and the lack of restrictions enabled the linen industry to adapt quickly to the introduction of cotton. But some incorporated towns expanded, too (Leeds and Nottingham are examples), and in the process generally abandoned guild restrictions. There may be more to the general point that once a town had developed a specialised role in production and marketing, this initial advantage was reinforced by the arrival of an appropriately skilled population, the growth of a reputation for a particular product and the development of a merchandising network. In Manchester's case, the trading links already established with London during the 16th century facilitated the export of the new fustian fabrics. When the market for cotton expanded in the 18th century, Manchester was well poised to exploit its potential for wealth creation. By the 1690s cotton, was being added to established linen lines to produce cotton-linen checked and striped cloths to meet a growing domestic market. The relative importance of cotton cloth amongst the other textiles manufactured in the region continued to advance during the first half of the 18th century. By 1750, pure cottons were already being produced and Manchester was in decline as a centre of the woollen industry. The future was hitched to cotton.

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### **COTTON AND INDUSTRIALISATION: 1780–1850**

18th-century Manchester had become a provincial centre of the first rank, already attracting interest for its urban growth, commercial life and transport innovations. But this was as nothing compared to the attention it was to receive during the first half of the 19th century. By the 1840s, over half a century of revolutionary change had made Manchester the 'shock city' of its age. The town attracted visitors from home and abroad seeking the sights and sounds of a new way of living and working. From the late 18th century on, the machine manufacture of cotton had made the Manchester region (south-east Lancashire and parts of northern Cheshire) a centre of sustained economic growth, the like of which the world had never seen before. Cotton was central to British industrialisation. As early as the 1790s, 70% of the British cotton industry was concentrated in the cotton district of Lancashire and Cheshire; by 1835 the figure had risen even further to 90%.

A second reason for Manchester's prominence was the enormous urban growth revealed by the publication of decennial census figures (beginning in 1801), which made contemporaries accept that theirs was the 'age of great cities'. It was not just the rising national population figures which impressed contemporaries, but also their concentration in large towns, especially certain provincial centres which were growing at an unprecedented rate. Whilst between 1801 and 1841 the population of London had doubled, that of Manchester had more than trebled and by 1851 was over four times larger than 50 years before. Manchester was not alone in this; among the larger towns, Liverpool had also multiplied fourfold, and Bradford's population was eight times greater than in 1801. But there was a difference of scale. Manchester and Liverpool were three times the size of Bradford; outside London they were the biggest towns in England. The environmental and social problems created by rapid urban growth were most marked in the biggest centres, and, for a while, Manchester became a symbol for the nation of twin developments. It combined massive urban growth with factory production and acquired almost mythical status as the emblem of a new order of things.

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**Table 1: Population of Manchester 1801–1851**

(Based on the municipal boundaries of 1838)

1801	76,788
1811	91,136
1821	129,035
1831	187,022
1841	242,983
1851	316,213

Another cause of interest was the realisation that Manchester represented new social classes and unleashed political forces: trade unionism, Chartism and socialism. Working-class politics demanded democracy and appeared to threaten property. If it was to be contained, it had to be understood, and Manchester seemed to hold the key to this knowledge. Finally, the Manchester middle class was, by 1850, a force to be reckoned with in national politics. Manchester entered the political arena as the voice of the provinces against London, the proud possessor of a new economic creed, free trade, and the home of the powerful political lobby that had helped to forge this creed into national policy, the Anti-Corn Law League. On each of these counts, Manchester could not be ignored. Events had forced it centre-stage.

### A FACTORY TOWN?

Many saw Manchester as the archetypal manufacturing town, the model of all the other Lancashire mill towns, themselves sometimes referred to as 'Little Manchesters'. But if we are to take this as our starting point, we will be misled, for Manchester was never merely a mill town. As we have already seen, for centuries it had offered marketing facilities for linens and woollens, and during the 18th century it had become the regional market centre for cotton mixtures. Thus before the first factory was erected in the 1780s, Manchester was already known as a premier trading town. It is well known that Manchester was a leading industrial centre; it is less well known that commerce was always more important to its economy.

Whereas a stranger approaching the town in 1783 would have noticed the chimney of only one large mill, that owned by the famous Richard Arkwright on Miller Street near Shudehill, by 1816 there were 86 steam-powered spinning factories in Manchester and Salford. Around this time the main factory district was that focused on Ancoats but also including New Cross, Beswick and Holt Town. Here could be found the huge factories of McConnell and Kennedy and the Murray brothers as well as the greatest density of working-class housing. There was also a clutch of mills along Oxford Road by the River Medlock, including those of Hugh Hornby Birley and Robert Owen. During the 1820s, more factories were built in Ancoats and along the Medlock, and new industrial zones developed alongside the Rochdale and Ashton canals to the east and astride the Irk Valley to the north of the town. As the River Irwell wound its way through Salford, it brought industry in its wake. The increasing complexity of the local canal network and the advent of a rail network after the Liverpool to Manchester line was opened in 1830 further added to the industrial belt.

But visitors who saw only this side of Manchester life missed something very important. Never more than a few streets away was the main warehouse district. As the demand for commercial premises grew, the warehouses spread from King Street and St. Ann's Square in the 1780s to the Cannon Street, High Street and Market Street area by the



1800s; thence they moved to the region of Mosley Street by the second quarter of the 19th century and later to Portland Street and Princess Street. Here lay the commercial heart of the city. On Cannon Street alone, in 1815, there were 57 warehouses occupied by 106 separate firms. But the importance of the warehouse to the local economy is most tellingly revealed by the striking imbalance of investment between the warehouse and factory sectors.

Total capital investment in factories was considerably less than in warehouses. Warehouses absorbed over 48% of property asset investment by 1815 as opposed to a mere 6% in factories. Even public houses and inns attracted a larger proportion at almost 9%. This does not allow for machinery or the power to drive it. But even assuming a doubling of the value of the fixed assets of factory plant and buildings, the dominance of warehouse investment remains clear. Investment in cotton mills increased, especially as weaving was mechanised in the 1820s, but Manchester's business structure still leaned heavily towards its commercial sector. Whilst the proportion of all capital tied up in cotton factories had increased to some 12% by 1825, that invested in warehouses remained much higher at nearly 43%. Industrial Manchester was not a factory town that became a commercial centre; from the beginnings of industrialisation, it had been a warehouse town with factories.

Indeed, Manchester's symbolic role as the focus of the factory system may be best understood in terms of labour rather than capital. Workers flocked to the mills. In 1815 Manchester's cotton factories employed approximately 11,500 men, women and children. By the time of the 1841 *Census*, there were 19,561 working in all branches of cotton manufacture in Manchester. This was a huge workforce. In size it approached the total for the combined cotton workforces of Oldham, Blackburn and Ashton-Under-Lyne (21,615). But these figures can be misleading. Although cotton manufacture was a major source of work in Manchester, it did not dominate the local labour market, as was the case in the surrounding mill towns. As a proportion of total occupied persons in 1841, cotton employed 18% of Manchester's labour force, compared with the respective figures of 50% in Ashton, 40% in Oldham and 40% in Blackburn. These were the mill towns proper.

The different occupational pattern in Manchester is indicated by a further statistic. It is well known that women formed a majority of the cotton workforce. Predominantly young and single, they were the Lancashire mill lasses of legend. In 1841, there were 11,427 women working in Manchester's cotton mills and workshops (out of a total female labour force of 37,779). But this figure was exceeded by the combined total of domestic servants (9,961) and dressmakers/milliners (2,251). Mancunians certainly heard the clatter of clogs on cobbles, but what they could not so easily discern was the gentler sound of the chambermaid's footfall on the back stairs. Amongst the men, whilst over 8,000 could be found working in the mills, approaching 6,000 were to be found in the commercial district as warehousemen, porters and clerks. Manchester was a city with a wide range of employments, and its social structure cannot be reduced to mill master and mill hand.

Contemporary maps, such as *Bancks & Co.'s Plan of Manchester and Salford* of 1831, reveal a complex pattern of buildings. Although there were several workshops and mills in and around the central area, such as the huge *Newton Street Cotton Mills* near Stevenson Square, most industry was confined to what was then the periphery, adjacent to the main transport arteries (in 1831 the canals, later the railways). Thus the Medlock industrial belt along Oxford Road grew up in close proximity to the river and the Rochdale Canal. Here, gasworks, canal wharves, timber yards, saw-mills, foundries, ironworks and cotton mills dominated a district entirely given over to manufacturing, and relieved only by pockets

of back-to-back houses and courts. By contrast, public buildings, offices, warehouses, shops and hotels dominated the streets of the city centre.

Manchester's 19th-century commercial pre-eminence depended upon the phenomenal growth in the production of cotton cloth during the industrial era. Precise data is not available but a few figures will suggest the scale of expansion. National consumption of raw cotton increased from 5m. lbs. in 1781 to an annual average of 82m. lbs. by 1812–1818 and 937m. lbs. by 1856–1860. Manchester was the chief beneficiary of this industrial growth and, whilst Liverpool was the marketing centre for the import of raw cotton, Manchester became the world's central market for the sale of cotton products. This is why its commercial streets were lined with warehouses. However, the value of cotton to the Manchester economy can serve to obscure the significance of developments in other industrial sectors, especially the metal and engineering trades and the chemical industry. Events in these areas began as a spin-off from cotton, but soon developed their own momentum.

Cotton spinning itself was dependent upon developments in machine technology and was a constant stimulus to machine manufacture. In fact some of Manchester's earliest cotton spinners began as machine makers and engineers; *McConnell & Kennedy*, the Murray brothers, Robert Owen, Peter Ewart and others fall into this category. In the early stages, a major capital outlay in cotton spinning would be the machinery. Thus, existing machine makers had a logical entry-point into the cotton trade. As the latter became more profitable, it made sense to devote all available factory space to spinning and to purchase machines instead. *McConnell & Kennedy* ceased their machine business around 1800. So the specialist machine firm became more common.

Manchester was, therefore, at the centre not only of the revolution in the cotton industry, but also of the parallel revolution in engineering. Manchester engineers made technological innovations vital to industrialisation, such as Nasmyth's steam hammer and Whitworth's standardised screw threads. In particular, Manchester became the centre of the British machine-tool industry, and local firms like *Nasmyth's*, *Whitworth's* and *Sharp Roberts* were paramount in the field of precision engineering. Intimately linked to the rise of cotton were the chemical and finishing trades. Chemical innovation went hand in hand with increased production. The demand of the finishing trades for chemicals, especially alkalis for bleaching, led to the development of chlorine bleaching in the early 1800s. During the first half of the 19th century, the town saw the emergence of several large firms in the chemical and finishing trades.

The 'transport revolution' of the 18th and 19th centuries played a vital part in the transformation of the once backward north into the most energetic industrial region of the country. The Duke of Bridgewater's Canal, the first stage of which was completed in 1762 to carry coal to Manchester from Worsley and which was extended across north Cheshire to Runcorn in 1776, thus halving the costs of the transport of raw cotton from Liverpool, pioneered a process which ended in industrial Manchester being at the core of a complex of navigable waterways. The Liverpool to Manchester Railway was opened in 1830 as the first passenger service in the world, although its economic impact as a new form of transporting goods was slower than might be imagined. Not till 1850 did the railway lines of the Manchester region capture a majority share of the freight traffic from canals.

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### ONE OF THE WORLD'S GREAT CITIES

The 70 years to 1850 in Britain were dynamic years of economic and urban growth. By 1850, places like Birmingham and Glasgow were producing a great deal more than they had in 1780, but only Manchester made contemporaries speak of an industrial revolution.

In Manchester and the cotton district of Lancashire and Cheshire, not only an economic but also a social transformation had taken place. New social forces had been conjured up by industry in the age of the factory, and Manchester was the symbol of new ways of working and living.

Manchester had grown from the 'boom town' of the 1790s, when the chance of gain attracted newcomers from far and wide as new red-brick factories with their towering chimneys rose above the roofs of other buildings and the demand for warehouse space transformed quiet residential streets into a busy commercial quarter; to the massive urban sprawl of the 1840s, the first city of the industrial revolution. Cotton was the driving force of this expansion. Indeed, banks and financial services, transport and communications, urban growth and a more complex labour market all flowed from this miracle product of mechanised manufacture. Yet Manchester was a market first and a centre of industry second. Cotton was an engine of economic growth in the industrial revolution and it was Manchester that provided the commercial infrastructure essential for the success of the venture.

As the town grew, its economic base diversified. Cotton manufacture spawned an engineering industry that grew to dominate national production in certain areas. The need for steam-powered factories engendered a transport revolution, which began with canals and extended to railways, confirmed Manchester's supremacy and was a key factor in its continued economic growth. The city became the focus of a network of industrial communications in which all canals and railways seemed to lead to Manchester.

Manchester entered the second half of the 19th century as one of the world's great cities. An economic marvel in an age of great cities, Manchester had reached the peak of its importance in both Lancashire and England. It was proud to proclaim its pre-eminence over all other provincial cities and its rivalry for economic leadership with London. This, however, was the pinnacle of its achievement. After 1850, other cities and other industries caught up and Manchester's comparative importance declined.

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### **THE CAPITAL OF COTTON: 1850–1914**

The industrial revolution had made Manchester one of the world's great cities. Apart from London, it was the foremost commercial, banking and transport centre in what was the most economically advanced country in the world. If Manchester's comparative importance was to decline during the second half of the 19th century as other cities and other industries caught up, it nonetheless remained one of the great trading cities of the world. It certainly dominated the commercial life of the cotton district of Lancashire and Cheshire. Some contemporaries referred to Manchester as a 'metropolis of manufactures', but it would have been more accurately described as a citadel of commerce.

As the world's largest market for cotton goods, Manchester remained a centre of wealth creation. The weekly turnover in trade rose from £1 million in the 1850s to £10 million by the 1880s. The *Royal Exchange* was the economic heart of Manchester, and warehouses, banks, hotels, railway stations, shops and markets dominated the central business district. Manchester's increasing wealth was reflected in an 85% rise in the rental value of city centre properties between 1861 and 1891; and this despite periodic slumps in the cotton trade (the Cotton Famine of the early 1860s and the cyclical pattern of the 'Great Depression' of the 1870s–1890s) plus the growing challenge of foreign competition.

Manchester was also a major industrial city with an increasingly diverse manufacturing base. Whilst the Lancashire cotton industry as a whole continued to expand, within Manchester's industrial sector cotton faced several rivals. Chief amongst these were metals and engineering, but the production and sale of food and drink, road and rail transport and the clothing industry were also significant employers of labour. In fact, the clothing

workshops of Strangeways were to become a more characteristic feature of the local economy than the mills of Ancoats. Finally, the city's trade and industry were boosted by a most extraordinary venture. The opening of the Manchester Ship Canal in 1894 soon made the inland city of Manchester the fourth most important port in Britain in the value of its trade. Among its spin-offs was the construction of the world's first industrial estate, at Trafford Park.

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### **'MANCHESTER GOODS'**

The Manchester market for cottons united and mobilised Lancashire's chief industry. The city had long controlled the export trade. Between 1830 and 1880, Manchester merchants also established supremacy over London in the expanding home market. Merchant houses specialising in the home trade exploited growing domestic demand after 1850. Rising real wages and the statutory establishment of the Saturday half-day holiday all stimulated the popular demand for goods. Ready-made clothing and the rising influence of the fashion cycle were changing the dress habits of the lower middle classes and of young working women. Manchester's home trade firms, with the aid of rail transport, sent an army of commercial travellers to the linen drapers of the land. Fitting their trade to suit the market, they extended their range beyond cotton to include all cloths, making 'Manchester goods' a synonym for textiles in general.

The export of textile goods to the self-governing colonies (Australia, New Zealand, Canada, South Africa) passed gradually into the hands of the home trade houses. Foreign trade firms sold across the globe, but exports became increasingly concentrated in a few far-flung markets. India came to dominate, taking nearly 40% of piece-goods and 27% of manufactured goods exported by the British cotton industry in 1896. From the 1870s to 1913, Manchester despatched, every year, well over one billion yards of cloth to India. Other large markets included Latin America and China.

Cotton was not without crisis. Periodic booms and slumps characterised the cotton trade throughout the century. The Cotton Famine itself began as a cyclical slump made worse by the Northern blockade of exports of raw cotton from the southern United States during the American Civil War. This event destroyed the myth that the British economy would collapse without cotton. Apart from the Cotton Famine, the most severe dips in cotton's trade cycle during the second half of the 19th century were those of 1877–1879, 1884–1885 and 1891–1893. In general, there was a crisis in the cotton trade from the late 1870s through the 1880s. These were years of depression in the Manchester economy. In common with other staple industries of the industrial revolution, it was feeling the bite of foreign competition, which was to sink ever more deeply after World War One. Under the impetus of low wages (Japan) or of technological adaptation (U.S.A.), the overseas challenge was developing. By the end of the century, cotton no longer dominated Britain's export trade as it had done for about a generation between the 1830s and the 1870s. But despite periodic crises and a declining share of the nation's exports, cotton remained an attractive investment down to 1914 and even enjoyed something of a boom in the years preceding World War One.

The commercial core of the city expanded rapidly in the decades after 1850 as warehouses, shops, offices and banks lined former residential streets. Railway building and municipal street improvements added to the restructuring of the city centre as a business and market zone. This is reflected in the population statistics. Although 'greater' Manchester with its suburbs continued to grow throughout the century, central Manchester's population actually fell. Thus began a vital feature of the city's history over the ensuing 100 years, an absolute decline in the population of the central area. The population of the Manchester region as a whole, which had risen from an estimated 322,000

in 1801 to a shade over one million by 1851, more than doubled to 2.1 million by 1901. The opposite trend was represented in the figures for the economic heart of the region. The central Manchester sub-districts of Market Street, Deansgate and London Road housed 92,176 people in 1851, but only one-third of this figure 50 years later. Offices and shops replaced dwelling houses, and commercial occupations escalated, reflecting the greater complexity of business life. Between 1871 and 1914, the number of firms occupying office space increased by 41%.

Manchester's commercial importance can be measured by the annual settlements at the *Manchester Clearing House*, established in 1872 and embracing twelve local banks. Between 1872 and 1896, the annual turnover of these banks rose from £69 million to £191 million. This was the greatest of all the provincial clearing houses. In 1902, Manchester clearings amounted to eight times those of Bristol and four times those of Birmingham and were 48% larger than those of Liverpool. Manchester was the North's financial centre. Victorian Manchester could justifiably claim to be a major centre of insurance as well as banking. Given the importance of Manchester to Britain's engineering industry, it is not surprising that the city was the foremost centre for engineering insurance and home to the three leading specialist engineering insurance companies, *Vulcan Boiler* (originally founded in 1859), *National Boiler* (1864) and *British Engine* (1878).

Finally, Manchester's retail sector was assuming something approaching its modern importance to the city's economy. The key to this was Manchester's part in the retailing revolution that saw the advent of the department store and multiple-shop trading. Large-scale retailing came to Manchester with the opening of *Lewis's Market Street* store in 1880. The other element in the retailing revolution was the retail chain or multiple store. Wholesale distribution and the branch system revolutionised retailing techniques: the Co-operative Movement pioneered both. The *Cooperative Wholesale Society* had its headquarters in Manchester.

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## A BROADER INDUSTRIAL BASE

Lancashire cotton became a highly specialised industry during the second half of the 19th century. Towns concentrated on either spinning or weaving or even specific kinds of cotton goods. Most weaving towns were to the north, like Blackburn, Burnley and Preston, whilst spinning dominated in south-east Lancashire towns such as Bolton, Oldham and Rochdale. Manchester itself spun the finest of all cotton yarns. Most of this production found its way into the city's own weaving sheds, although its share of Lancashire's looms was steadily declining. Whilst the number of cotton operatives in Lancashire as a whole almost doubled between 1850 and 1914, Manchester's cotton workforce was shrinking. By 1911, out of a total occupied labour force of nearly 350,000, the official *Census* listed a shade over 20,000 men and women working in textiles in Manchester. This was lower than the textile figures for each of the much smaller towns of Bolton, Oldham, Burnley and Blackburn.

Cotton, however, remained an indirect employer in Manchester through the textile engineering industry. The major British textile machine makers were in Lancashire. But Manchester engineering was not solely dependent upon textiles. The local machine-tool industry maintained the pre-eminence established before 1850. It was not until the 1890s that American competition undermined the Manchester producers. By the 1900s, Manchester and district had become one of the world's foremost engineering centres with famous local firms such as *Armstrong-Whitworth*, *Crossleys*, *Mather and Platt* and *British Westinghouse*. In 1911, Manchester's workforce in metals and engineering was more than twice that employed in textiles. In terms of industrial production, Manchester engineering had far outstripped Manchester cotton.

In Manchester's manufacturing sector, engineering and metals were rivalled only by the importance of the city's clothing industry. The growth of a working-class market for ready-made clothes had, by the mid-19th century, stimulated the expansion of a clothing industry in most of the major urban centres. Diverse and decentralised, generally carried on in small workshops, it was easily overlooked and its importance unrecognised. Yet, according to the *Census* of 1911, over 40,000 were engaged in various branches of clothing manufacture by this date. This was easily the largest concentration of clothing workers in Lancashire, and Manchester was second only to Leeds among northern clothing centres.

Other industries important to Manchester's economy included food, drink and tobacco; wood and furniture; the building industry; paper and printing and vehicle manufacture. The chemical industry was well represented, especially in the field of textile dyes. Although aniline dyes were a British invention, German firms led the field. The largest home producer of aniline oil and aniline salt was the *Clayton Aniline Company*, founded in 1876 by the young chemist, Charles Dreyfus. The owner of a rival firm, Ivan Levinstein, had begun by making magenta from aniline in a converted cottage in Blackley. Levinstein's soon expanded into larger premises in the adjacent Crumpsall Vale, thus forming the basis of the future *I.C.I. Dyestuffs* complex at Blackley. Far from being merely a cotton town, Manchester had become an industrial centre of the first rank with a diverse manufacturing base. It was also a major centre of transportation and communications. In 1911, over 27,000 worked on Manchester's railways, roads and docks. Transport and communications were central to Manchester's economic success.

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### THE MANCHESTER SHIP CANAL

Canals gave way to the railway in the middle of the century, but in the 1890s, one of the greatest engineering projects of the era was to reinstate water transport as a vital feature of Manchester's economy. Manchester's role as a centre of international trade and of regional distribution was maintained by the city's imaginative sponsorship of a ship canal linking it with the sea. It is fitting that Manchester's engineering know-how and commercial endeavour should combine in such a project. As well as dramatically reducing transport costs, it transformed Manchester into a port of international standing and gave Manchester and Salford their own docks. By 1914, the Canal had captured nearly 5% of UK imports by value and 4.4% of domestic exports. It liberated the twin cities from their long-standing dependence on the port of Liverpool. Originally intended to revive the cotton trade, its chief economic impact was on the local engineering industry. The *Trafford Park Industrial Estate*, the first of its kind in the world and located adjacent to the Ship Canal, effectively shifted the industrial focus of the city towards its south-western fringes. Despite some periods of slump and sluggish trade, between 1850 and 1914 there had been no lasting check to Manchester's economic vitality. Although cotton remained essential to Manchester's success, the city's industrial base had diversified and its significance as a commercial centre had continued to grow. There had been numerous economic problems, but each had been regarded as a challenge to be overcome. It was characteristic that the planning for the Ship Canal had begun in the depths of the depression of the 1880s. Yet future stresses were to be more profound and long-lasting. During the 1920s and 1930s, the textile base was to slide into irretrievable decline. Manchester's greatest days were already over.

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### IN THE FACE OF INDUSTRIAL DECLINE: 1914–1997

1913 was a record year for the Lancashire cotton industry. Cloth exports totalled over 7,000 million linear yards, comprising 80% of the industry's total output. Over 65% of the



world's cotton cloth was the produce of Lancashire's looms. But beneath this position of supremacy, the industry was vulnerable. There had been little recent investment in new technology and 45% of exports went to one market, India. World War One cut off the supply of British-made cloth and left the Indian market open to the Japanese and the Indian producers themselves. After a brief post-war boom, Lancashire's mills began to feel the pinch. Prices fell in the face of foreign competition throughout the 1920s. The slump of 1929–1931 further exacerbated the situation.

The chief problem was the development of textile industries in former British markets. The British cotton industry was suffering the common fate of industrial pioneers faced with the advantages enjoyed by 'latecomers', in this case cheap labour and newer plant and machinery. By 1939, the decline had become catastrophic. Cloth exports had plummeted to less than one-fifth the 1913 level. Furthermore, short-sighted management in the face of the challenge of overseas competition left the industry ill-equipped to survive. The home market was still intact in 1939, but this also went in the successive mill closures and final collapse of the industry in the 1950s. The failure to bring in new technology, despite the obvious success enjoyed by the American use of ring-spinning in place of the older mules, and the persistence of restrictive work practices in the interwar years sealed the fate of Lancashire textiles. The forced rationalisation and modernisation introduced by the *Cotton Industry Act* of 1959 came too late to reverse the trend, and by the 1960s it was no longer strictly accurate even to talk of a 'cotton' industry since 'man-made' (synthetic) fibres developed by *I.C.I.* and *Courtaulds* now accounted for most of the raw materials used. British production of the cotton cloth that had once generated an industrial revolution was now effectively dead.

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### **TRAFFORD PARK INDUSTRIAL ESTATE**

How did the decline in cotton affect Manchester? The impact was dramatic for Lancashire as a whole, but the damage was unevenly distributed. Manchester's more complex industrial base protected it against the worst effects of the Depression years, and the Ship Canal and Trafford Park helped Manchester weather the storm better than most. The city's unemployment figures were consistently below the national average throughout the interwar years. The Port of Manchester was ranked the third or fourth most important custom port in the UK on the basis of the value of import and export trade for 39 out of the 55 years for which figures exist between 1904 and 1964. The 'Ship Canal Zone' was an industrial magnet even during the Depression, cushioning the Manchester economy against its worst effects and benefiting the whole of south Lancashire at the expense of the north. *The Trafford Park Industrial Estate* was the emblem of the Ship Canal's importance to Manchester and a new manufacturing 'Manchester' on the doorstep of the parent city. However, Trafford Park was entirely without cotton mills; its most characteristic industries were in the oil trade, engineering, chemicals and foodstuffs. Trafford Park had served further to diversify Manchester's industrial structure and helped it to cope with the decline of cotton.

The Port of Manchester's trading importance had attracted foreign, especially American, firms to Trafford Park from the earliest years. *British Westinghouse* (re-organised in 1919 as *Metropolitan Vickers*) had begun the trend, which led, by 1933, to the presence of over 200 American firms. It was the 1914–1918 war that brought the Port and the Park into full use for the first time, especially for the manufacture of munitions, chemicals and aircraft for the war effort. Trafford Park firms generally survived the Crash of 1929/31 without bankruptcies, which was not the case elsewhere in Lancashire. The return of war between 1939 and 1945 once more benefited Manchester engineering. Even prior to the outbreak of hostilities, local firms were the beneficiaries of rearmament. Factories and

production lines were converted to war needs. During World War Two, Trafford Park was the greatest of Britain's arsenals and a prime target for the German bombers.

World War Two, however, proved to be the summit of Trafford Park's importance. The Port of Manchester had been the country's second most important oil port since the early 20th century, reaching a peak in 1946 of 24.5% of the nation's imports of crude oil and maintaining an average of nearly 16% between 1946 and 1960. Yet the benefits drifted away from Manchester as the industrial focus of the Canal shifted to its western end. Trafford Park gradually ceded economic first place to Ellesmere Port and Runcorn. Employment in the Park declined from a peak of 75,000 in 1945 to 50,000 by 1967. But the sharpest fall in the workforce came in the early 1970s. The Manchester Docks had remained prosperous into the mid-1960s. But during the next decade, trade declined dramatically in the face of containerisation. Only the ports which could handle the huge container ships and had the storage space for bulk container traffic were going to survive the 'container revolution'. Manchester was not one of them. Felixstowe, Tilbury and Southampton took over Manchester's shipping trade.

The motorway revolution and the decline of rail freight-carrying further contributed to Trafford Park's decline by spreading the industrial zone along the Canal banks and away from the focal point of East Manchester. Trading estates were springing up everywhere and container lorries increasingly headed for the newer rivals of the world's first industrial estate. In the face of these challenges, the workforce plummeted to 15,000 by 1976. The Ship Canal and the Manchester Docks had been a vital success story for the city and of great significance for the economy of much of south Lancashire. Trafford Park was the dynamo of Manchester industry during the first half of the 20th century. But the Manchester Docks have now closed for business. Trade had all but disappeared by the early 1980s. Since then the Docks have been reborn as Salford Quays, a complex of leisure facilities and commercial offices. The granting of 'Enterprise Zone' status may revive Trafford Park, but its comparative decline since the 1960s has been part of a more general malaise in local manufacturing which has made Manchester, the one-time powerhouse of the industrial revolution, into one of the weakest industrial cities in Britain.

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## **FROM MANUFACTURING TO A SERVICE ECONOMY**

The greatest change in the economic structure of Manchester since the industrial revolution took place after World War Two. The half-century since 1945 has seen a restructuring of the local economy away from manufacturing and towards the service sector. Over the period 1961–1983, Manchester lost over 150,000 jobs in manufacturing. Trends in male employment figures, a crucial economic indicator, tell a dismal tale. If the 1961 figures for Greater Manchester are taken as 100, the index had fallen to 97 by 1966, 89 by 1970 and 84 by 1975. The inner core of the conurbation was worst hit. Between 1966 and 1972, one in three manual jobs in manufacturing were lost and one quarter of all factories and workshops closed. The inner industrial belt of factories, workshops, canals, railway depots and row upon row of terraced housing, which had once been a lively, dirty but exciting place, betrayed the symptoms of inner-city decay.

Losses in manufacturing employments, although not replaced in the same numbers, have been accompanied by growth in service occupations. The regional trend towards service employments was already apparent in the 1950s. It has been particularly marked in Manchester. By 1985, only 23% of the workforce of the Manchester metropolitan district were employed in manufacturing, compared to figures of over 40% for the nearby towns of Bolton, Oldham and Rochdale. Manchester's much-reduced manufacturing sector included the engineering, electrical, chemical, food, clothing and textile industries. In addition, a further 4% were involved in construction. Of the 73% employed in the service



sector; the single most important element was the public and scientific services (e.g. health and education), providing 22% of all service occupations; other large elements were the distributive trades (14%), the financial institutions (11%) and transport and communications (9%). But even the service sector was under pressure. For example, Manchester's central business district suffered from the decentralisation of office development from the 1960s through to the 1980s. Put off by the problems of inner-city parking and attracted by better motorway access and lower rents, new office blocks have risen across the southern suburbs. The city centre's share of commercial offices fell from approximately 40% of the total for Greater Manchester in 1974 to 33% in 1982.

Despite the demise of cotton and decades of manufacturing decline, Manchester has continued to dominate its region. Manchester's role as a commercial centre was weakened after 1914 by the decline of its major commodity, but nonetheless, throughout the interwar Depression, the city continued to provide commercial, financial, insurance and transport services for industrial Lancashire. Manchester retained its 19th-century ranking as the leading financial centre outside London. For many years it held on to its handful of local banks. Local firms, even the larger ones, could obtain comprehensive financial services in Manchester without recourse to London. All this gave the place an air of independence and helped to keep Manchester's bankers' clearings larger than those of any other provincial city. In 1936, the total was over £533 million, or 38% of the total provincial clearings, exceeding the amounts cleared at the three next largest centres combined.

However, the constantly growing power of the City of London meant that Manchester's independent banks were eventually absorbed by national concerns. Thus *William Deacon's* (begun in Manchester as the *Manchester and Salford Bank* in 1836) became part of the *Royal Bank of Scotland* group in 1930, and the *District Bank* (originally the *Manchester and Liverpool District Banking Company*) was absorbed into the *National Provincial* group in 1962. Despite such developments, Manchester has retained its position as the second-largest financial centre in the country. The 1980s even witnessed an explosion of financial and consultancy services, which has revived the prospects of Manchester's central business district.

20th-century Manchester also remained a distribution centre of some note. The wholesale trade dominated until the 1950s. Apart from the distribution of manufactured goods, Manchester was the most important market for foodstuffs outside London. However, the retail sector outstripped wholesale distribution in economic importance in the 1950s. The numbers in shop work grew while the warehouse sector contracted. Independent stores like *Lewis's*, *Paulden's*, *Affleck* and *Brown's*, and multiples like *Marks* and *Spencer*, were joined in the 1960s by the supermarkets, which have revolutionised British shopping habits in a generation. The shopping streets of Manchester were transformed in the 1970s by the massive scale and indoor malls of the *Arndale Centre*, the city centre's answer to increasing competition from the region's other retail centres.

Its distributive function and excellent communications for a time made Manchester the most important centre of the newspaper industry outside London, with national newspapers establishing complete printing, publishing and editorial offices in the city. Manchester's newspaper industry was probably at its zenith in the early 1960s, but a portent for the future was the removal of *The Guardian* to London in 1961. New printing machinery, new work practices and computerisation transformed the newspaper industry during the 1980s. Manchester, however, remains the home of the country's most important provincial daily, the *Manchester Evening News*, and the city's importance in other branches of the media seems secure. Manchester has enjoyed a high profile in the fields of radio and television. The B.B.C. chose the city for its Northern Regional head-



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## MANCHESTER IN PROSPECT

Alan Kidd

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"Manchester is surging ahead on a flood tide of economic and cultural innovations ... We are sweeping into the new millennium with a city region almost bulging with new facilities and new ideas ... The world needs to know all about these developments if Manchester is to take its rightful place on the world centre stage and command its share of global investment." Sir David Trippier launching the *Manchester is Up and Going* campaign, at the *Bridgewater Hall*. *Manchester Evening News*, May 15, 1997.

"Manchester has never been about boundaries, never been about lines on the map or about local authority bureaucracy. Manchester is not so much a city as a state of mind." From an article in *United We Stand*, 1996 (football fanzine)

This has been a study of a city in retrospect. What can be said of Manchester over the last decade and into the future? It is now 200 years since the place first came to the notice of outsiders as the 'boom town' of the early industrial era. Manchester's greatest days of historical importance are undoubtedly over. It is unlikely that the city will ever be as significant economically or politically as it was in the 19th century. Then its industry and commerce had a global reach. Today, Manchester is more 'globalised' than 'globalising'. This chapter will examine the Manchester of today. Although Manchester may now follow others rather than offer the lead, these are times of great change and may be marking out a path for the future.

Like many cities in the older industrial nations of the world, Manchester faced a dual challenge in the later 20th century. The rapid decline in employment and investment in manufacturing of the 1960s and 1970s was further exacerbated by developments in the 1980s and 1990s. The impact of the new information technology and the advent of the 'network society', accompanied by more liberal economic policies, together have facilitated the almost instantaneous flow of information, communication and capital across the globe. This emergence of a global economy and the declining significance of nation-states have forced a new agenda on the major metropolitan regions of Europe. In the current competition for capital investment, globalisation places a premium on cities that are perceived as innovative, imaginative and entrepreneurial.

The new age of economic globalisation and the information revolution has forced cities around the world to become protagonists in their own cause. In addition, the process of globalisation has eroded the economic influence of national governments, and (often following the example of the UK) many states have adopted less interventionist industrial policies than during the 1945–1979 period. In the ensuing competition between urban centres for resources, cities have evolved less managerial and more pluralistic management systems, mixing public and private agencies and revolving around entrepreneurial strategies. Thus in Manchester, since the late 1980s, there has developed a 'partnership' between local council and non-governmental agencies such as the *Central Manchester Development Corporation* and later the constellation of bodies which co-operated during and after the *Olympic Games* bid. The intention was to develop a series of projects and policies to promote the city and the region. As elsewhere in the world this process began with a number of prestige projects and was soon accompanied by the rhetoric of re-imagining. Manchester was promoted locally and internationally as a major European

city-regional capital. This was presented as the only solution to the loss of manufacturing status. The rationale was summed up by one of its chief architects, Graham Stringer, city council leader from the early 1980s to the mid-1990s. "About a dozen of (Europe's 40 or 50 second-tier cities) will become the cities where decisions are made ... We have to try and get there, because the alternative is to gradually decline."<sup>1</sup> In practical terms, the purpose was to win private investment and public grants for a city that was seen to have a vision and a sense of purpose and to offer an attractive environment. Thus, after more than a generation of decline, Manchester was to be re-branded.

The revival of Manchester has revolved around a startling sequence of prestige projects focused on leisure, culture and lifestyle. Arguably, the process began in the early 1980s. *Castlefield*, *GMEX* and the *Metrolink* were all underway or were planned well before the rhetoric of re-branding was defined. However, the trend was greatly reinforced by the Conservative Party's domination of national government whilst, locally, municipal politics had made Manchester virtually a one-party state. Some see Labour's third general election defeat in a row in 1987 as the spark that led one of the most left-wing city councils of the 1980s to downplay 'welfare'-oriented objectives and instead to adopt vigorously market-orientated economic strategies in the 1990s.<sup>2</sup> In fact the path to urban transformation followed in Manchester is common to a number of cities which seek to become 'global'. Firstly, it involves an awareness of the relationship of the local to the global in an era of economic globalisation. Secondly, it requires a coming together of the urban public and private agents and the existence of local leadership (political, business and civic). And thirdly, it needs a consensus in the city (and its region) about the direction of change.<sup>3</sup> Manchester has been foremost among UK cities in conceiving a local regional strategy in global terms.

Since 1987 the stream of prestige projects has been continuous. Sporting, leisure, cultural and heritage projects predominate. Manchester already enjoyed worldwide sporting recognition through the brand name *Manchester United*. Thus it was in some ways a logical step to embark on the building of high-profile sports arenas. Sporting and leisure ventures in the 1990s included the *Velodrome* (the *National Indoor Cycling Centre*), the *Manchester Aquatics Centre* and other sporting arenas built in connection with the unsuccessful bids to host the *Olympic Games* of 1996 and 2000 and the successful bid for the *Commonwealth Games* of 2002. Equally, the qualitative value of a city's cultural life has been correctly linked to its competitive advantage. This observation and the knowledge that other cities have successfully trodden the same path (Barcelona is the oft-vaunted model to imitate) led to the development of a cultural strategy for Manchester in which big projects were to the fore. Major cultural and heritage projects since 1990 include the *Bridgewater Concert Hall* (new home for the *Halle Orchestra*), opened in 1997; the *Manchester Evening News Arena* (opened as the *Nynex Arena* in 1996); *PrintWorks* (an arts and leisure complex opened in former newspaper offices in 2000); and a major extension of the *Manchester City Art Gallery* and the *Urbis Centre*, both due for completion in 2002. The *Lowry Centre* (an award-winning building housing two theatres and galleries devoted to the paintings of L.S. Lowry, 2000) and the *Imperial War Museum of the North* (2002), both in Salford, can be added to the list. These are each part of a massive arts-and-leisure-led regeneration of the urban core.

A key element has been what one might call the international games bidding process. In particular, the city's ultimately unsuccessful bids to host the *Olympic Games* were the catalyst for policies designed to raise the international profile of the city. More than anything else, the Olympic competition symbolised the extent to which the city's local politics had adapted to the phenomenon of globalisation. The Games were seen as a vehicle whereby Manchester could achieve its global aims. A promotional document of the time expressed

it in the most optimistic terms: A targeted and managed economic and social programme of urban regeneration linked to Olympic sporting and multi-cultural investment could bring Manchester and the region a handsome and irrevocable dividend in the next century. Indeed by 2001, Manchester has the opportunity to emerge and remain unchallenged as: Britain's second city — the capital of the northern region; a European regional capital — a centre of investment growth not regional aid; an international city of outstanding commercial, cultural and creative potential.<sup>4</sup>

As an analysis of the bidding process has observed, "going for gold becomes synonymous with going for growth".<sup>5</sup>

In the event, growth has been most closely related to success in the winning of grant aid, rather than private investment. Although both have played their part, it has been the remarkable success of City Council-inspired initiatives and the Council's ability to build and lead coalitions of public and private forces that have been at the heart of the regeneration process. Indeed, in the 1990s, Manchester came to epitomise the entrepreneurial local state. Is it too much to cast Council leaders (Graham Stringer and Richard Leese) and the chief executive, Howard Bernstein, as the modern counterparts of those corporate entrepreneurs who created the *Manchester Ship Canal* project in the 1880s and 1890s? Moreover, the involvement of businessmen in public projects (Sir Bob Scott and the Olympic bid being the classic example) invites comparison with the role of the city's Victorian business leaders in local governance. After a century of exclusion from the public sphere, have we witnessed a return of the 'Manchester men'?

Whatever its structures or personnel, the potential of the regeneration process in Manchester was nationally recognised when, in 1994, along with Birmingham and London, the city was invited by the central government to prepare prospectuses for development over the next decade. A result was *Manchester's City Pride Prospectus* (1994, enlarged in 1998), which envisaged a vibrant and cosmopolitan European city and concentrated on measures to attract both investment and business visitors and tourists. It was a self-consciously metropolitan, and regional, prospectus, bearing the signatures of the political leaders of Salford and Trafford as well as Manchester councils. But most significantly, it was also signed by the leaders of two *Urban Development Corporations* appointed by the Conservative central government and by 150 other private and voluntary bodies.<sup>6</sup>

A major theme in the *City Pride Prospectus* was the need for a new organisation to market the city. One that would co-ordinate existing marketing strategies to capitalise on the international profile created by the *Olympic Games* bid. The outcome was the May 1997 launch of 'Marketing Manchester', formed by a combination of local bodies and agencies, including the *Association of Greater Manchester Authorities*, *Manchester Airport* and a handful of private companies including *British Airways* and the *National Westminster Bank*. 'Marketing Manchester' used the notion of the city as the regional core and linked the economic success of the region to the performance of the core city. At the same time, the formation of the *Manchester Investment and Development Agency* (MIDAS) put the city at the heart of strategies for the regeneration of the region. None of this was uncontroversial. There were sharp criticisms from within the city of 'Marketing Manchester's' slogans and strategies. Additionally, the city-region notion behind both it and MIDAS revealed tensions within the North West regarding the balance of interest (local, metropolitan and regional). This included resistance to the idea of Manchester as the super-city subsuming the region.<sup>7</sup> However, in the new global economy, it is important to have a clearly-established identity. This is why cities are so important. Manchester will have to make good its claim to regional capital status. Its principal metropolitan competitor, Liverpool, is already the clear core of the Merseyside metropolitan area. Liverpool could aspire to broader regional leadership. But whilst the economic trajectory of both cities

greatly depends upon winning grants from the national government and the European Union, the award by the latter of *Object 1* status to Liverpool in 1994(?) (a mixed blessing if there ever was one) effectively removed that city from such a contest. It is likely that Manchester's pre-eminence in business services and through *Manchester International Airport*, as the international gateway to the North West, will bring long-term benefits to the entire region.

Apart from the Olympic bid, the single most reported event of the 1990s was the IRA's bombing of the city centre on Saturday, June 15, 1996. At 1,500 kg (or 3,300 lb.), this was the largest bomb to be detonated in Britain since World War Two. It was tremendous good fortune that there were no fatalities. This was due chiefly to the well-organised evacuation of 80,000 people. However, over 200 people were injured, and the physical damage to buildings in the retail and commercial core of the city was extensive. Commercially, 672 businesses were displaced, 49,000 m<sup>2</sup> of retail space and 57,000 m<sup>2</sup> of office space were lost. The *Arndale Shopping Centre* was badly damaged, closing the city's largest bus station; two multi-storey car parks and key routes through the city centre were shut for months afterwards. The commercial impact was marked. Trade in the city centre, already vulnerable to out-of-town shopping malls (the largest of these and one of the biggest in the United Kingdom, the *Trafford Centre*, was then under construction), was down a tenth even six months later. The direct insurance loss cover topped £100 million and the eventual costs of the rebuilding programme are likely to be over £500 million.

However, the city's response to the bombing has been most striking and has become symbolic of the process of regeneration which has been taking place since the 1980s. The coalition of public and private interests responsible for that regenerative process swung into action within 48 hours of the blast, the City Council catalysing a range of initiatives for re-occupancy and recovery. A *Lord Mayor's Appeal Fund* raised £2.5 million within twelve months, and affected businesses were given financial aid and assisted with recovery or relocation. However, from the outset the disaster was treated as an opportunity and the aim was not merely restoration but reinvigoration. An *International Urban Design Competition* invited architects to redesign the heart of the city, and a *Task Force (Manchester Millennium Ltd)* was appointed to co-ordinate what was regarded as a programme of renewal. The competition brief asked for "an architecturally distinctive core ... physically and socially integrated with the rest of the city [which] stimulates economic activity ... minimises risk and fear of crime ... and where activity can take place at most times of day and night." A consultation process, in which the comments of the public focused on environmental provision, particularly pedestrian access and traffic and transport issues, followed an exhibition of the five short-listed submissions.<sup>8</sup>

In the event, the chosen scheme offered a redesigned city centre whilst restoring the spatial link to the Cathedral, which had been removed in the 1960s, and the creation of new green space in the heart of the city. Since the IRA bomb, an urban renewal programme of remarkable speed has seen a number of high-profile projects. These include the restoration and enhancement of the retail core in an attempt to reinstate Manchester as the shopping heart of the region. This involves, among other things, the largest *Marks & Spencer* store in the world (23,000 m<sup>2</sup>), a reconfigured and enlarged *Arndale Centre* redesigned to make it more visually integrated with its surroundings plus the fashionable boutiques of *The Triangle* (a restored and recast *Corn Exchange* building). The ability to attract 'up-market' stores such as *Harvey Nicholls* is evidence of the city's recent retailing revival.

This renewal of the city centre shopping district is accompanied by the creation of new open spaces (Exchange Square, Cathedral Gardens) in a newly designated Millennium Quarter. The intention throughout is to make the heart of Manchester as attractive and accessible as that of any European city. The plans for *Cathedral Gardens*, situated between



*Chethams School of Music*, the Cathedral and the Corn Exchange, at the historic heart of the medieval town, include rolling, sculpted lawns and trees. At the other end of the central area, the Piccadilly area is being renewed under the auspices of the *Piccadilly Regeneration Partnership*, a classic combination of public-sector agencies and private-sector companies. Along with the refurbishment of existing buildings such as the Piccadilly Plaza complex and Piccadilly Train Station, there are controversial plans for a multi-story office block on the Portland Street side of Piccadilly Gardens. This latter development is part of a radical re-landscaping of Piccadilly Gardens due for completion late in 2002.

It is impossible to exaggerate the scale of the renewal programme. Manchester's central area has been redesigned in record time. This is arguably the most dramatic (and rapid) restructuring of its landscape and architecture that the city centre has ever undergone (the work of the *Luftwaffe* and 1960s planners notwithstanding). Throughout the 1990s, the urban skyline seemed permanently punctuated by cranes, the signal that building work was underway. The aspiration behind such projects was to make Manchester visually important, an attractive place to be in for workers, shoppers and tourists alike. Much of the debate over the renewal of the city centre in the 1980s and 1990s revolved around the necessity to create a modern urban environment likely to appeal to professionals and office workers. The retention of existing firms and the attraction of new employers are central to the economic health of the city. Heritage tourism, which the city has sought since the 1970s (Castlefield), is also important to present plans. Moreover, its attractions have been enhanced by a reinvigorated cultural infrastructure, including the reopening and enhancement of the *Royal Exchange Theatre* (badly damaged by the IRA bomb), plus ambitious new projects, chiefly *PrintWorks*, a *Cathedral Visitor Centre* and most striking of all, the *Urbis Centre*. The *Urbis Centre*, in the Millennium Quarter, symbolises both the ambition behind the regeneration of Manchester's urban core since the 1980s and also its ability to convince the holders of public money of the city's capacity to realise its objectives. Jointly funded by the central government (the Millennium Commission and the Department of the Environment, Transport and the Regions), Manchester City Council and the European Regional Development Fund, *Urbis* is Manchester's new museum of the modern city.

In most of its major schemes, the city has respected the architectural integrity of its valuable historical buildings (the *Wellington Inn/Sinclairs*, the *Royal Exchange*, the *Corn Exchange*, *PrintWorks* and so on). However, it is unfortunate, to say the least, that the same discretion has not been extended to arguably the city's historically most important structure and a building of national historical significance, the *Free Trade Hall*. Sensitive restored in the late 1940s after considerable war damage, the instantly recognisable façade was regarded by Pevsner in the 1960s as "a monument of which Manchester can be as proud, both architecturally and civically, as of the Town Hall."<sup>9</sup> The removal of the *Halle Orchestra* to the *Bridgewater Hall* left the *Free Trade Hall* ostensibly redundant. In 1998, Manchester City Council sold it to a private developer who had plans for its incorporation into a luxury hotel complex. In the event, an original proposal for a cylindrical tower on the roof met with strong protests from conservation groups and was rejected by the Secretary of State. However, another design with a 14-storey hotel tower set back from the historic façade is to go ahead. The battle between developers and conservationists over the future of the *Free Trade Hall* is evidence that the remaking of the city centre has not gone uncontested.

Part of the process of city centre renewal is a bold attempt to repopulate the central area. A strategic objective of the master plan following the IRA Bomb was the creation of a 'living city'. This objective indicates recognition that what are regarded as exemplar cities, such as Barcelona, have vibrant residential hearts at their core. Thus the renewal

programme, in its attempts to enhance the attractions of the city centre, sought to encourage housing investment and provide a physical infrastructure appealing to new residents. In fact the plan was knocking at an open door and tapping into one of the most striking and unplanned phenomena of city life at the turn of the millennium. The pattern of urban population movement over the last 150 years and more has been a migration from the central areas to the periphery. The chief result of this has been the growth of the suburb and a corresponding decline of the inner-city housing stock. As was also the case in other UK cities, a poor and often elderly population has occupied central Manchester's generally lower-status rented properties. This process continued into the 1980s. Central Ward, which includes the city centre, experienced a 32% loss of population between the censuses of 1981 and 1991. Moreover, within that ward, the population of the city centre itself had fallen to a mere 800 persons in 1991. Yet by the time of the city's Local Census of 1998, this figure had risen almost six-fold to 4,550. For the first time in 150 years, the population of the city centre was increasing.<sup>10</sup>

The expansion of the residential sector has been a key feature of the urban renewal programme of the last 20 years and more. As early as the 1970s, 200 apartments were included in the Castlefield regeneration project. In the mid-1980s and early 1990s, the 'village' concept took over with the construction of 125 town houses and apartments immediately north of the city centre alongside the Ashton Canal (Piccadilly Village) and Granby Village adjacent to the Rochdale Canal to the south. In the 1990s, there were a plethora of schemes and a move towards building in the central area itself. This has involved the conversion of previous industrial buildings, especially warehouses, into apartment blocks by redevelopers such as *Urban Splash*. However, the composition of the incoming population that rents or buys these increasingly expensive apartments is its most significant feature. The majority of the city centre's new population in the 1990s was young and either actually or potentially high-earning. University students in a range of commercially-provided lets as well as residence halls make up part of this new influx. Others are high-income couples without children. A significant proportion consists of young gay males attracted by the development in the city centre of a further residential village quarter located in the Bloom Street/Canal Street area known as the 'Gay Village'. Manchester's Gay Village developed spontaneously in the 1980s as part of the property-led regeneration of the central district. However, the City Council was quick to realise its potential both economically and culturally. Since 1991, it has been treated as a separate planning district and supported as part of the strategy to bring jobs back into the core area and to create a cosmopolitan 24-hour city. The area has two dozen gay bars and clubs, over a dozen gay businesses, and its own community and health groups. The *Gay Village* symbolises the outward-looking confidence of the modern gay community, its culture not only tolerated but celebrated in the annual *Mardi Gras Lesbian and Gay Festival* which fills the city centre streets at the *August Bank Holiday Weekend*. The existence of Manchester's *Gay Village* contrasts markedly with the lack of a clearly-identified gay quarter in London, and the City Council thinks Manchester competes with Amsterdam rather than London for international gay tourism. However, it is not just gay males who make the young migrant population distinctive. In the late 1990s, a survey of single male households in the city centre revealed that gay males headed around 25%, a further quarter were headed by young heterosexual males. Such statistics contrast markedly with the character of the surrounding population. Whilst almost half (45%) of the households in the city centre consisted of single males, the figure was only 11% for Greater Manchester as a whole.<sup>11</sup> These new residents are often high-earners, and their spending in the clubs and cafes, which have sprung up in the central areas, has done much to rejuvenate the economic fortunes of the core areas and gives credence to the claim that Manchester



possesses a vibrant urban culture.

The development of the Northern Quarter is the most recent manifestation of this new cultural status. This is the name the City Council gave to the part of the central area located between Piccadilly, Ancoats and the Arndale Centre, including the former Smithfield Market and the run-down shops of Oldham Street. Following the *Northern Quarter Regeneration Study Report* of 1994, it has been promoted as a cultural quarter with the emphasis upon popular culture, especially popular music. As with the *Gay Village*, commercial development preceded official status. By the end of the 1970s, this once-busy industrial, residential and shopping district was depopulated and in rapid decline. Its chief thoroughfare, Oldham Street, was particularly badly hit as the retail focus of the centre shifted after the completion of the *Arndale Centre*. In the 1980s, the booming Manchester music scene and the availability of low rents encouraged musicians, eager to find valuable rehearsal space, and musical entrepreneurs, keen to promote the many local bands, to find a base in the disused warehouses and factories off Great Ancoats Street and in the warren of back streets north of Piccadilly. Following the musicians came the cultural commentators. The listings magazine, *City Life*, which began as a Manchester version of London's *Time Out*, was published from this quarter. Most important, the opening of *Affleck's Palace* in the former *Affleck & Brown* department store building in 1982 secured the district's status as a site for the consumption of popular youth culture. It was closely linked to the youth fashion phenomenon that gave Manchester a distinctive cultural identity as 'Madchester' in the late 1980s and early 1990s. Oldham Street itself was reborn as a site for the new cultural businesses, with shop signs and window displays that could be regarded as a form of informal public art.<sup>12</sup>

The *Gay Village* and the Northern Quarter exemplify an aspect of the cultural approach to urban regeneration, i.e., marketing Manchester as a 'lifestyle' for sections of the educated 25–40 age group. It is not just that the cultural industries are an important element in the local economy or that the gay community is a focus for consumption and tourism, but that they both appeal to the young and the professional. This is precisely the segment of the population that has been identified as the focal group for economic production in the advanced economies of the "Network Society".<sup>13</sup> Manchester's 'cool' image with the young for most of the 1980s and 1990s has been part of its cultural identity and an element in its economic regeneration. The City Council's *Cultural Strategy Consultation Draft* of June 2001 shows how far the city recognises this. The creative industries, the media and the popular music industry along with tourism, sport and leisure are seen as the key components in the cultural economy.<sup>14</sup>

The prestige model of urban regeneration has gone some way towards rescuing central Manchester. But in the 21st century, global cities face the challenge of achieving economic growth whilst also advancing the employment prospects, quality of life and full social inclusion of all their citizens. Few Western European cities face a more acute version of this challenge than Manchester. Since the 1960s, the region's economy has faced a dramatic restructuring with the balance shifting from the industrial to the service sector. As industrial activity has declined, social inequality has grown. A 'poverty belt' more or less encircles the city core (a pattern of residential segregation Engels might still recognise); here lives a predominantly low-income, low-skill population experiencing poor educational achievement, high levels of ill health and crime and a poor physical environment. Deprivation is more widespread than in any other UK city, and many neighbourhoods display levels of social and economic deprivation substantially above the national averages. In 2000, the city as a whole was the sixth most deprived local authority area in the country on the *Index of Multiple Deprivation*, and 27 of the 33 wards in the city featured in the top 10% of the *National Index of Deprivation*. Contrasting values in the housing

market are a symptom of greater social inequality. Whilst city centre values soar, a collapse in the demand for pre-1919 terraced homes in parts of north and north-east Manchester and in Ordsall and other parts of Salford has rendered solid and viable houses in some districts virtually worthless.

The attempt to re-brand Manchester as an international city of commercial and cultural repute has to contend with facts like these. Cities are 'states of mind' as well as shapes on the ground. Historically entrenched images of industrialism, a dreary combination of pollution and poverty, are hard to dispel. Similarly, mid-1990s media constructions of inner-city districts, such as Moss Side, as sites of criminality and violence did little to help. For a moment 'Gunchester' replaced 'Madchester', putting at peril the city's recently earned 'cool' image, as Moss Side acquired national status as the archetypal inner-city 'problem area'.<sup>15</sup>

Business success at the centre needs to be translated into secure (and decently paid) jobs for local people. This is a question of social justice. It is also widely recognised as a matter of economic survival. The creation of a sustainable economic environment requires an improvement in the quality of life for all. The shift in local government priorities from 'welfare' in the 1980s to 'growth' in the 1990s has culminated in the recognition that these priorities are interdependent. If the Manchester-led revival of the region is to be maintained, it must be underpinned by an attack on poverty and deprivation which displays the same degree of vigour and imagination as has been applied to the reinvention of the city centre.

The problem is recognised in Manchester City Council's area regeneration policy. Since the early to mid-1990s, this has focused on policies designed to promote economic development and investment in some of the city's most deprived areas. Area-based regeneration is designed to combine the efforts of public, private, voluntary and community organisations in strategies to promote economic revival and the quality of life. Thus, *Area Regeneration Teams* work with local businesses to stimulate job creation, improve the environment, enhance the existing housing stock and build new homes, tackle crime and vandalism and provide leisure and training facilities for the young. *Area Regeneration Teams* include the *Moss Side and Hulme Partnership*, *Eastside Regeneration* (Ancoats, Miles Platting and the Northern Quarter), the *Cheetham and Broughton Partnership*, *North Manchester Regeneration* (Newton Heath, Lightbowne, Harpurhey and Monsall), *Beacons for a Brighter Future* (East Manchester — Clayton, Beswick and Bradford) and the *Stockport Road Corridor Initiative* (Ardwick, Longsight and Levenshulme).

Regeneration initiatives have gone furthest and proved most innovative in Moss Side and Hulme. In 1992, *Hulme Regeneration, Ltd.* was established by the City Council in partnership with a range of public, private and community interests to develop and manage the City Challenge programme for Hulme. The programme that followed saw the demolition of some of the worst system-built high-rise housing remaining from the 1970s (including the unpopular *Crescent* flats). This was accompanied by an extensive rebuilding programme, one of the most ambitious exercises in community architecture ever undertaken in Britain. Tenant participation in choice of housing and estate layouts and the role of housing associations in the development has suggested a degree of community involvement which hopefully produces a more enduring solution to housing problems than its predecessor.<sup>16</sup> Since the completion of the *City Challenge* programme in 1997, the *Moss Side and Hulme Partnership Team* has overseen the area's various funding programmes. Further fruits of this investment include the improvement of the Princess Road approach to the city, the remodelling of Alexandra Park housing estate, the construction of a large business park (Birley Fields) and the continuing development of Hulme High Street. The future success of the city's revival strategy depends as much on progress in area

regeneration initiatives like this as it does on successive city centre prestige projects. There are signs that the attempt to promote Manchester as an international city of commerce and culture is yielding fruit. The City Council's Community Strategy document of October 2001 claimed that Manchester is now in the top ten European cities for business location, in the world's top 50 as a conference centre and second only to London as the most visited city in England for overseas visitors.<sup>17</sup> This potential for economic regeneration is rooted in traditional strengths in financial and professional services plus success in heritage and tourism, the cultural and creative industries and knowledge-based information and technology sectors. However, the occasional re-branding of Manchester as 'post-industrial' has caused some concern amongst those who recognise the necessity to defend the declining industrial base of the city and region (although it must be said that the City Council has rarely deployed this kind of rhetoric). Employment statistics for the 1990s suggest a continuing shift from manufacturing to service jobs. There are, however, some brighter spots and a recently revived industrial and business core at *Trafford Park Industrial Estate* can be counted among them. Derelict and neglected after the collapse of trade at the Manchester Docks, this transformation of the former industrial heartland of the city has been a success story of the 1990s in which the *Trafford Park Development Corporation* has played a major role. The *World Freight Centre* in Trafford Park is now the largest road/rail interchange complex outside London. More generally, Manchester's transport infrastructure, as a whole, is a major asset, notably the continued expansion of the Airport (second runway opened in 2001), the extension of the *Metrolink* light rail system to Salford Quays and Eccles in 2000 and the long-awaited completion of the M60 orbital motorway (2000). Future success also depends on educational and technological institutions, and the city benefits from the presence of the four local universities creating the largest 'university campus' in Western Europe and one of its major centres of advanced teaching and research in science and technology.

Local confidence in the city's future remains high. The extent to which the devastation caused by the IRA bomb was turned to the city's own advantage and the ambition exemplified in the international games strategy both serve to demonstrate the ability of local forces to engineer an escape route from industrial decline. Part of this is the attempt to reinvent Manchester as a post-modern, cosmopolitan, international city. The extent to which the city and the region can adapt to the pressures of the 21st century will greatly depend upon the success of this re-branding. The process still has far to go. However, in negotiating the future under conditions of globalisation, Manchester is well served by its past history of economic and cultural connections with Europe and the wider world.

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<sup>1</sup> *Manchester Evening News*, October 1, 1993, in: A. Cochrane, J. Peck and A. Tickell, Manchester plays games: Exploring the local politics of globalisation, in: *Urban Studies*, 33 (1996), p. 1,327

<sup>2</sup> S. Quilley, Manchester first: from municipal socialism to the entrepreneurial city, in: *International Journal of Urban and Regional Research*, 24/2000, pp. 601–615

<sup>3</sup> J. Borja and M. Castells, *Local and Global: Management of Cities in the Information Age*, United Nations Centre for Human Developments, 1997, pp. 93–108, esp. p. 98

<sup>4</sup> Manchester 2000: Economic Benefits and Opportunities of the Olympic Games, in: Cochrane et al, *Manchester plays games*, p. 329

<sup>5</sup> J. Peck and A. Tickell, Business goes local: dissecting the 'business agenda', in: *Manchester, International Journal of Urban and Regional Research*, 19/1995



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## HYPOCRITICAL CITY: CYCLES OF URBAN EXCLUSION

Rosemary Mellor

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"I know very well that this hypocritical plan is more or less common to all great cities ... I have never seen so tender a concealment of everything that might affront the eye and the nerves." (Friedrich Engels in 1844)

The classic presentation of Manchester is still that of Engels, who as a young migrant over 150 years ago used his insights into industrialising England to present a critique of the industrial capitalist order. As an outsider, from a craft-workshop industrial town in the Rhineland, he was able to develop his observations and the surveys and commentaries of his contemporaries — doctors, scientists and businessmen — into an analysis of city and society. *The Condition of the Working Class in England* was written between September 1844 and March 1845 and first published in England in 1892; it is both a founding Marxist text and the first attempt at an analysis of industrial urbanisation.

What Engels pinpointed was not the factory system, but the conditions of living and association in the new-style city. These included the city-centre slums, notably Little Ireland; the terraced cottages, short leasehold property built with single brick walls on bare earth; the expansion of the commercial buildings in the urban core over both slums and Georgian houses to form a distinct business district; the migration of the 'money aristocracy' to the suburban villas outside the dense knot of districts housing the 'operatives'; the system of road-building which allowed the moneyed to come in and out of the city centre 'without ever seeing that they are in the midst of the grimy misery that lurks to the left and right'. That the elite of Manchester, the liberal manufacturers, could be so assured that the working class was "doing famously" while in such squalor indicated a hypocrisy in "the matter of this sensitive method of construction" (Engels 1969: 79–81).

Central Manchester was then and for many decades subsequently the nerve centre of a regional production system — hence its designation as 'Cottonopolis'. City and region have gone through several phases since. In Engels' own lifetime, the business core was to expand over the city-centre slums as it maintained its monopoly over world trade in cotton. Only 30 years after his death did this control ebb, so that ultimately the production of cotton textiles in North West England became negligible and the warehouses and merchants' offices in the city centre redundant. Similarly, improvements to public health were soon to be enforced and the worst of the workers' houses were demolished or improved before 1900. The extension of powers to local authorities and the levying of increased local rates enabled extensive reforms to the infrastructure of the city and ultimately its wholesale rebuilding in the 20th century. The great gain was the extension of the right of access to decent housing and suburban living to the 'operatives' through the mandatory provision of housing by local authorities after 1919. But, by the close of the millennium, the transfer of responsibility from the 'liberal bourgeoisie' castigated by Engels (themselves, and many of their wives and families devoting much money, time and attention to the amelioration of living conditions) to the local authorities had resulted in a far greater detachment of ordinary people from investment decisions and policy-making. The great gains of the past century and a half must not be understated. Indications of poverty now include lack of self-contained dwelling, no television or refrigerator, as well as frustration of children's

expectations of toys, trips and treats. If the surveys conducted for the Ministry of Housing and Local Government in Oldham in the 1960s are re-read, or the photographs of inner Manchester or Salford at the same time are re-viewed, then it is obvious that poverty now is a very different everyday experience. It is less a matter of survival (hypothermia, damp, chronic malnutrition), more a question of comfort in the home, proper family life, and inclusion in the society's common existence. If Manchester is a 'dual' city, one likened by a national newspaper's property correspondent (Clark 2000) to a 'Third World city' in its juxtaposition of inner-city poverty and abandonment with the concentrated investment in the central area, then its dualism is of a different quality from that observed by Engels.

A counter-theme to this broad tide of progressive reform, peaking after the two world wars and reconsidered since 1979, is to be found in the cycles of expansion, recession and restructuring which have characterised the industrial economy. These have resulted in a regional economy which confers affluence on a minority, sufficiency if not comfort for the majority, in most cases without the rigours of lifelong industrial labour. Manchester, assessed either as city or city-region, has long ceased to be preponderantly industrial. But it still has, as in Engels' days, a reservoir of unskilled and underemployed people, very often debilitated by generations of poverty and hardship, many concentrated in the urban core districts. With the renaissance of the city centre, some are at work in the low-paid casual jobs generated by the leisure economy, some on a career path, but the differential is unmistakable. Much has shifted, but social inequalities are still concentrated in the city — and the dualism is pronounced.

In the light of this, can it be said that Manchester of the new millennium evinces any of the hypocrisy of the raw years of capitalist urbanisation castigated by Engels? After all, for decades, both the Council and national leadership have been pledged to the improvement of the city for *its* people. The argument here is that the priorities for the post-war reconstruction of Manchester have indeed showed selectivity and bias which can be deemed insensitive if not hypocritical. This was most conspicuous in the clearance of the slums after 1955 and the comprehensive redevelopment schemes that destroyed the old working-class city. In these, absolute priority was given to improvement of city-centre accessibility by road. In consequence, the arterial roads through Salford and South Manchester scythe through old neighbourhoods, destroying their local centres, and the replacement housing was stacked up in forbidding tower blocks since rejected by conventional households. Britain led the world in public-sector redevelopment (Mellor 1977), but the new building was presented in terms of 'punctuation of the skyline' or 'new towns for old', that is, revamping and modernisation to attract investment or secure business rank for that town or city. It also perpetuated the schism between the poor and the others: only the poorest were unable to live in cottage-style houses, rather than flats constructed in a forbidding style. To justify this renewal programme in terms of modernisation showed social ignorance as deep as that of the first phase of Manchester's development. People's health and comfort were improved, but at a cost.

More recently, and conspicuously, in the 1990s there was a renewed attempt at remaking Manchester. This time there was a business-leisure agenda in which the cosmetic presentation of the city centre was crucial. In this the poorer people of Manchester (whose only centre it is) have no role. To the investors they represent what a city should not be — untidy, shabby, without money, liable to crime. This reclamation of the city centre for a life-style whose motifs are boats (on the Irwell), bars and bistros, supplemented by boutiques and balls (in St Ann's Square), is typical of city centres throughout the developed economies; Manchester is one among many. The peculiarities of Manchester are the scale of the poverty-belt enveloping the urban playground, the reality of it being the home of last resort for the entire city-region and beyond, and also its 200-year history.



The presentation in this chapter of this latest phase in the city's modernisation is in three parts. First it covers the re-conquest of the centre for leisure, before it moves on to examine the value of a city-centre location to the regional business economy, and third, it ends on the continuing denial of the city to the poor.

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### CONSUMING MANCHESTER

The refashioning of the city centre stems from its local plan, whose publication in 1980 coincided with the calamitous downturn in the region's industrial economy in 1979–1982. The city centre of Manchester had dominated commercial labour markets in the conurbation. There were 167,000 employed in its 1.5 square miles in 1961, approximately 14% of the employment total of Greater Manchester. This had fallen to 98,000, 8.6% of the total, by 1977 (MCC 1980a). There was then evident a massive erosion of the urban core economy. The basis of the decline was fivefold: the city had ceased to be the nerve centre for world trade in cotton textiles; its role as provincial business centre was diminishing; it was no longer host to wholesale food markets; its industries were closing; and it was ceasing to be the town centre for the local population, which itself was much depleted by clearance (MCC 1980b). The labour force was to retract further as printing presses, warehouses and insurance companies decentralised in the next decade: for example, *Manchester Evening News* closed its printworks in Deansgate and relocated its work to Trafford Park.

The one comparative study of regional centres concluded that the Manchester region, with few affluent residents in the inner core, no effective public transport system serving the central area and 'strong' suburbanisation of office development, posed particular problems for the city centre (Greater Manchester Council 1985). Subsequent policies have been framed within this context of European disadvantage. The new thinking switched attention to exploiting the city centre's heritage as the cradle of the Industrial Revolution and its legacies as 'the last and greatest of the Hanseatic towns — a civilisation created by traders' (Taylor 1976: 208). During the 1980s, the major achievements were the establishment of the museums at Castlefield and the promotion of an urban heritage park, the reconstruction of Central Station as an exhibition centre and mass forum (*G-Mex*), the reopening of the two oldest theatres, investment in city centre hotels and the tourist attraction at *Granada Studios*. Later, on recovery from the crash in the commercial property market in 1990–91, there were to be two subsidised 'landmark' developments — at Victoria Station and the Bridgewater development on the south side — before the concerted efforts to rebuild the core to the retail district and extend it northwards after the IRA bomb in 1996 (Williams). There have also been more hotels, leisure complexes on Deansgate and Oxford Road, the creation of a 'gay village' and a burst of investment in city centre housing. The city centre is now an esteemed model for the renaissance of British cities (Rogers 1999).

First a heritage industry (Hewison 1987) was implanted in the city centre, then an economy with the panache of a holiday camp (or Mediterranean resort) was promoted in the archaic shell of the old city centre. Archaeology — the reconstruction of the Roman fort, industrial history — the conversion of the world's oldest passenger station and its warehouses into a fine industrial museum, architecture — the renovation of the palatial mercantile headquarters of the textile firms into hotels and the ambience of canal and riverside — have all been promoted as conferring an aura of historic particularity on an otherwise inaccessible and uninviting environment. Local enthusiasts were vital in the early stages in demonstrating the palatability of 'heritage'; as decisive were the activities of local entrepreneurs, such as Tom Bloxham at *Urban Splash*, with a passion for revitalising the old city. They showed what was possible, that there was a market for the artefacts and

ambience derived from the past. Eventually, as tides of property capital swept through all city centres, this enthusiasm was lost in the presentation of Manchester as the city of the new millennium.

The interests in regeneration of the city centre were diverse. There was Central Government, pledged to the social and political reclamation of the inner cities; the construction industry deterred by the cost of greenfield sites and finding access to them slowed by planning controls; the financial institutions with substantial long-term investments in city-centre property; individuals and trusts adding to their property portfolios; businesses (including the banks) with freehold or long leasehold interests at stake. There was a business community fearing for its future as second-tier centre in Britain. As well, there was the local authority, deprived of central government support, facing diminished local revenue and influence. By 1989 there was a fledgling coalition of public agencies and private interests generating an alternative vision of urban life and labour in a modernised city. As the agenda was set by the need to regenerate markets in property, it inevitably marginalised those whose access to markets was restricted.

All the efforts of the 1990s were to represent the city, as in the *Commonwealth Games* bid, as one of "Europe's most exciting and energetic places" (*City Pride Strategic Planning Group* 1994). Since the initiation of the first Olympic bid in 1985 by a group from the business sector (Cochrane) and the establishment of the *Development Corporation* in 1988, the City Council then endorsed a property-led regeneration strategy. Subsequently, the submissions for the Olympics and other global sporting competitions attracted much media attention. A vocabulary and policy prescription for the city's regeneration has percolated through to public opinion and become accepted as *the* commonsense appraisal of the way forward. This 'script', articulated by the local authority, is "shared and adhered to by actors in all aspects of urban regeneration: a script which crosses institutional and departmental lines" (Quilley). It keeps the city 'on the move' and legitimises its destiny, and it aligns with recent sociological writing which argues that the status and future health of cities depend on the emerging pattern of information flows (Castells 1994, 1997; Lash and Urry 1994). This script enables fusion between the strategies of cultural promotion and business reinvestment; it is also reflected in the emphasis on a small-scale mesh of public spaces in the re-planning of the bomb-damaged retail core. The ideas are widely disseminated: 'the future of the city is very much tied up with information, with events and happenings, and with the city's information base' (Robson, B., quoted in *City Life*, June 1997).

The most remarked feature of Manchester's transformation has been the ascendancy of the leisure industry. It is evident in the promotion of the arts and the cultural industries. Over two decades, public initiative has moved from the serious-minded recreation of Castlefield to the construction of a single building — the *Urbis Centre* — simulating the grand sweep of urban endeavour in history. Dominating public perception is the idea of the 24-hour city, first floated tentatively by architects and developers at the beginning of the 1990s, received with suspicion by many (including the police), then, with the relaxation of licensing and the encouragement of residential developments, becoming the leitmotif of urban regeneration. A philosophy of urbanity, in which the city district (or quarter) should offer everything needed for daily existence, was to frame the policy guidelines. Work and leisure, private and public life, day and night, were to be synthesised; all the accepted break-points and boundaries cast away. Cumulatively this pointed to a civilised lifestyle and the presentation of Manchester as "Glamchester" (*Vogue*, November 1997) and a model for urban regeneration in Europe.

All this had been presaged by the French philosopher-sociologist, Henri Lefebvre, who three decades ago observed the construction of the *Pompidou Centre* on the site of



Paris's food markets. He wrote then: "leisure is becoming an industry of prime importance. We have conquered for leisure the sea, the mountains and even the deserts. There is now a process of reintegration of space at the heart of the cities" (Lefebvre 1970: 265). But the regional centre of Manchester cannot emulate Paris. It has neither the cultural wealth of French heritage, nor the undisputed status of a national business centre. So, whereas in Paris leisure investment has to compete for space in the city with either business or heritage interests, in Manchester leisure uses are increasingly the only contenders for what were once prime positions. The centre is being transformed into a series of playgrounds; the development sequence vindicates Harvey's claim that cities are subject to "the capitalisation of spaces of representation ... constructed spaces for ritual enjoyment in the crowd" (Harvey 1990: 262). And yet for all the emphasis on 'fun and games', on cultural promotion as the basis of the renaissance, there is another aspect: that of the symbiosis of business and leisure. If Manchester is to retain its role as regional centre (and its claim to Euro-city status), the conversion of the semi-derelict buildings and vacant spaces into something appealing, if not glamorous, must be promoted.

One development symbolises the complementarity of interests, and also their limitations. The *Bridgewater* complex is the flagship for the business community and new home for the city's orchestras, including the *Hallé*, for so long a symbol of Manchester's worth as a city. Designed by a London architect, with sculpture commissioned from a Japanese, offices and concert hall cluster round a relic from the past, a canal basin reclaimed from a wasteland car-park. It was crucial in the reorientation of the 'half square mile' of the business centre southwards and in attracting further investors. But even this, initiated by property developers and the managing partner of the largest law firm, only went ahead after years of negotiation, three-way subsidy from the EU, Whitehall and the City Council for the concert hall and a package occupancy agreement by leading professional firms. In the property market, the demand is for shopping and leisure for regional mass markets, not commercial offices, nor elite culture (Williams).

In all this there was inconsistency and incongruity with everyday realities. First of all, there was tension between the promotional rhetoric and the capacity to realise the setting for this urbane lifestyle. The city's infrastructure was old, the revenue of the statutory agencies limited and commercial investors hesitant. There was also a mythical element in the promotional campaigns: this urbane vision presents plazas as more important than motorways, cafes than conference catering, and life in the crowd as more significant than private transactions. The designation of defunct tracts in the city centre as public arenas was to be the rationale for regeneration strategies that had to reincorporate a degraded environment into a modern society. Urbanity masks the development realities: expensive land, high costs of renovation or site recapture and marketing difficulties.

The transformation of the sunken giant, a sad relic of Britain's imperial and industrial past, into the 'cool' or 'vibrant' playground is a manifestation of a general process of reconquest of space in the urban cores and their regrading. In the cycle of urban property investment, the moment has come for reclamation of previously developed land and buildings: a rent-gap has opened between potential, or speculative, values of prestigious new buildings and the values conferred by previous use. The partnership between business community and state agencies depended on a consensus that "bricks and mortar, regeneration, flagship developments and place marketing" (Quilley 1999: 244) would facilitate this "reimagineering" (Rutheiser 1996) which will further the restructuring of the regional economy. It is ever more the case that the priorities of finance capital, realised in and through the speculative development process, dominate the uses made of cities (Harvey 1977).

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## CITY-CENTRE BUSINESSES

Manchester's business community comprises specialised financial and professional services, many of which are not available elsewhere in the north west. Some firms, such as the major accountancy or insurance companies, provide the skills needed 'in-house'; others rely on a network of referrals for complementary services. This can be termed the 'business-service complex', following the discussions of Andy Leyshon (1989) and Saskia Sassen (1994, 1996). All of these emphasise the crucial role of such complexes in contemporary cities. They are regional (if not national or global) facilities; they retain central city bases (for reasons which are discussed below).

In Manchester the business-service complex is not especially important in sustaining the gloss and glamour of the city centre. Partners and staff undoubtedly do use lunch-time facilities, but most of the younger staff take sandwiches to their desks, and very few indeed go to the concert-hall, the theatres, or participate in the night-life. Many do the greater part of their 'choice' shopping in the outer suburbs where they expect to live. Although the purchasing power of the business service professionals is high, the city centre captures relatively little of it. The working hours are too long, the work too demanding to encourage more central city use or residence. The business-service complex does occupy 'City'-style buildings, especially the newest ones, giving that aura of commercial prosperity to the regional core. Rhetorically, could Manchester present itself as a significant city without the imposing office buildings it now has? Would hotel towers and apartment blocks substitute?

Nor does promoting the glamour city directly benefit the business-service firms or their workforce. Accessibility suffers, car parking charges increase, cherished venues for lunch or after-hours' sociability disappear to be either redeveloped or remodelled, nearly all the workforce live elsewhere and the better qualified have neither the time nor inclination to spend the valued hours outside work in the city centre. The leisure developments feed off mass popular culture rather than elite tastes (the *Hallé* has struggled to survive financially). Arts and corporate business do not feed off each other as in New York or Los Angeles (Davis 1990; Harvey 1990; Zukin 1988). But the second-tier American cities, such as Detroit, Atlanta, St. Louis, Pittsburgh or Philadelphia, present a ghastly vision of what could happen to the accumulated investment in central business districts if there were no decisive action. The American experience was of office towers enveloped in urban wastelands or ravaged ghettos, urban core economies abandoned as business and people trickled to the suburbs. In contrast, there has been the happier European precedent of carefully-tended buildings and spaces for well-groomed people in urbane settings, all this as the setting for business.

The business community of cities such as Manchester is not large enough to make full use of existing buildings, much less generate the investment for polished rebuilding. One of the world's major industrial regions can no longer sustain its business centre on that scale: something has to supplement it in the urban core. If the cluster of professional business and financial services that constitute the business community was to retain its city centre status, then there had to be an eclectic strategy for the rebuilding of the city centre. Only thus could the regional economy retain what the prominent urban theorist, Castells (1994: 27) termed "the economic engine of the city in the informational global economy". The designation is misleading, however, in that the business-service complex is the 'engine', not of the city, but of the region. Within the North West its influence is disproportionate to both its employment capacity (although that in the professional firms has increased greatly since 1995) and its direct contribution to regional wealth. There is no clear rationale for its being in the city, at its centre. The conditions that brought it into

being in the first half of the 19th century — poor communications and the need for face-to-face contact in mastering volatile global markets — have evaporated.

The following discussion considers its role as this regional 'engine' and the issue of its central location within Manchester. Why is it that so much of the region's business is facilitated by firms in the urban core — as it was in Engels' day — when accessibility and communication are so different? The interview data that the following discussion draws on are derived from a survey conducted in 1998 in which 34 senior partners of professional firms in six sectors of the business-services complex, as well as ten representatives of the professions and key spokespeople, were interviewed. The six sectors were those of commercial law, accountancy, business finance, advertising and design, the actuarial profession and architecture. In addition, there were 70 interviews with employees in the firms headed by these partners or directors. The themes discussed here constituted only one section of the interviews (see Devine *et al.* 2000). Opinions were expressed vigorously, with skill and fluency; cumulatively, a most illuminating presentation was given of working life in the business community and of its prospects.

Manchester is unusual in that it was once a world city, moreover, one which had in its hinterland a world industrial region — northern England. The retraction of the business centre has been lengthy — its heyday was 1920; the city has long lost its global significance as a transactional centre. Similarly, the attrition of provincial autonomy — fully operational at the beginning of the 19th century — has continued. Metropolitan dominance, that is, the golden circle of London, is pervasive. It affects the location of headquarters (70% of those in the UK are located in the south east), access to finance, and the location of the business-service professions. There is also the threat of the 'edge' city (Garreau 1991): the business parks and office developments of the suburbs, airport or satellite towns so much more accessible to workforce and clients than the old urban core. With the investment in infrastructure — motorways, rail link to the airport and the expansion of the airport itself — the pressure to suburbanise Manchester intensifies. However, it is still of inestimable significance to the regional economy — fostering its development and maximising its potential for growth. Its value is evident in four respects — investment, know-how, wealth and careers.

**Finance:** the city has the headquarters of all the locally active financial institutions with the power to make significant decisions and assemble financial syndicates, and they can call on all the associated services to do so. The business-services complex mediates much investment from within and without the region. It is the skills of the professionals which speed up business transactions, their knowledge that smoothes over the difficulties, their commitment that effects the deal. They are responsive to the needs of local business because it is the latter's strength that will generate future fee income (Pritchard 1997: 323–355); they are promoters of entrepreneurship.

**Know-how:** through the 1990s, the concentration of professional, specialised services at the urban core was the node for the restructuring of the regional economy, building on innovation within it, and for the promotion of business efficiency. Globalisation opened up opportunities for this business-services complex; not only has the attention of London firms been diverted internationally, but the regional firms can also act as mediators and facilitators for regional entrepreneurs. There is a distinct interest in promoting the effectiveness and the profitability of their business. Those with local orientation are taking a wider view of possibilities and a longer-term commitment to the business they had initiated. In sum, "good quality financial and business services play a major role as catalysts, helping to ensure that economic opportunities are identified, structured into fundable projects and supported by high quality advice and services" (Wood and Clifford 1993: 5). So the commercial lawyers, accountants and venture capitalists have a direct hand in

furthering the development of new technologies and maximising the returns from skilled industrial management (Leyshon 1989).

These activities are as crucial to the viability of the region as they are to promotion of the regional core as a European business city. The region is being incorporated into extra-regional circuits of capital, even globalised, but while there is a strong local complex of business services, the locally generated economy has potential.

**Wealth:** many of the UK's wealthiest people live in the region, which is important for local economies. However, the impact of this wealth is diffused in that the demand of the professional workforce is for rural, small town or suburban living. Consumption is directed away from the urban core and it is not a major element in its regeneration.

**Careers:** there is the direct reward of employment in the sector — highly-paid professionals, graduate trainees and white-collar support staff, many highly experienced. The business services sector provides opportunities for the 'creme de la creme', the educated entrants to the labour force, to stay in their chosen region, so checking the brain drain to London. More of the universities' output can be absorbed, as well as the aspiring young people of the region.

The distinguishing feature of Manchester as a business centre is its vitality at the turn of the millennium. In the interviews conducted in 1998, there was satisfaction that participants in the city business nexus had done more than hold the established complex of services against competition from either London or other regional centres: they had actively rebuilt it. A common estimation was that the regional core had established a competitive, intensely working, respected and profitable array of business services increasingly dominated by the large firms. There was considerable evidence of increased salaries and partners' fees, extra recruitment, increase in turnover, extension of services and upgrading of offices and investment in new buildings. The spokespersons for the business community argued that it had the skills, resources and capacity to cater for the business needs of the immediate region of almost seven million people, this in itself exceeding that of several of the member-states in the EU. The current consensus was that, as in other regions, dependence on London was diminishing and the city was now a full-service centre able to tackle a much greater complexity of business than ten years previously. The long shadow of London is paler — though difficult to remove entirely because Manchester remains a regional business centre in a national economy that is closely integrated.

To an extent, therefore, Manchester is a factor in the new regionalism evident throughout Europe. If the supremacy of the national capitals is being dented, then there may be a "renewal of the role of regions and cities as loci of autonomy and decision making" for "major cities throughout Europe constitute the nerve system of the economy and the political system of the Continent" (Castells 1994: 27–28). Castells's argument, echoing that of many others, relates as much to the cultural and political assertiveness seen in cities such as Barcelona and Bilbao, Thessalonika or Frankfurt, as the balance changes between national centres and their regional satellites in the provision of business services. However, if there is a 're-regionalisation' in England or the North West in a long-centralised nation-state, it is based on much shallower foundations than elsewhere (Jones and MacLeod). Nor has the evaluation of the international business community yet shifted. The realistic assessment from the *Manchester Business and Professional Forum* is still: In that sense, whatever the expertise of this eccentric who happened to live in the city, however good he was, he would be the exception rather than the rule, and the disdain they have for their colleagues in Lille, Marseilles or Bordeaux or wherever, would be shared by those in London. Therefore, in fact, they could only choose people of their standing (Director, Association of European Financial Centres, 1998).

The conventional explanation of clustering in central locations revolves round double access to a central place: that of firms to a specialised labour force and clients to firms. These were not the explanations given by the majority of respondents in these interviews. Access to staff was mentioned, for example by the manager of a large actuarial unit in an insurance company, situated next to a central railway station. Others referred to the ease of finding white-collar support staff. However, it was commonly agreed that the accessibility of the city centre is poor and that although city centre location could be attractive to support staff and graduate recruits, more senior staff hated their journey to work, frequently lengthening their working day by travelling early or late in an attempt to avoid rush hour. It was admitted that congestion deters clients, too, and one aspect of the sensitivity to the demands of clients is willingness to travel to them. In some interviews it was evident that there was ongoing discussion within firms as to whether a central location was worthwhile.

The reasons expressed for maintaining a relatively expensive and sometimes inconvenient base for the firm were those of:

- ▭ *convenience* — access to clients, to place of work (Law Courts), central area institutions (government offices or Town Hall) or technical services,
- ▭ *concentration* — the cluster of interdependent professional firms in a given area, expressed either as 'the community', or even 'the village',
- ▭ *conviviality* — the opportunities for chat, conversation or more systematic cultivation of information and
- ▭ *credibility* — firms would lose standing in their sector of activity if they located outside the urban core. Not only would they be seen to be detaching themselves from the networks of information, but from association with the key participants in their sector.

For many firms, although it may be convenient to be in walking distance of associate firms, there is something more at stake. One accountant who considered moving out to Salford Quays chose to stay in the more expensive Manchester City Centre location in part due to the "belief that we should be near the bankers, the solicitors". They went on to add, "We have a lot of contacts in Manchester City Council, a lot of bankers out there, head offices out there, all the solicitors are here. We just felt we ought to be in the business community." (Accountant, private sector corporation, 1998). Another accountant reinforced the sense that being "in and amongst it" has broad material and non-material returns to corporations: "It's just a perception I suppose that Manchester is a main centre that keeps professionals concentrated within the area. Not just accountants — there are bankers, lawyers. It basically has a financial centre here. It is a necessity to be attached to that, because of the need to benefit from meeting other professionals." (Accountant, private sector corporation, 1998)

The reiterated, over-arching theme is that of '*being* in the business community'. There is an intricate structure of referral work; not only does each firm in each sector have its regular co-referees, 'little circuits of activity', they will from time to time need specialised consultants. With technical refinement there is ever-greater need of interpretation and mediation between professions. In principle, this advice and consultation need not be in the city centre; in practice, in commercially-driven competitive markets, being at the centre, in this community, is seen as crucial.

It has been something of a mystery why the 'new production complexes' such as Manchester's are maintained in the city centre. As Sassen says, "according to standard conceptions about information industries, the rapid growth and disproportionate concentration of producer services in central cities should not have happened" (Sassen, 1994: 65–66). She advances a succinct rationale in terms of "the joint production of

certain service offerings", the "needs and expectations of the people likely to be employed in these new high-skill jobs" and the nature of the production of these services that requires "multiple simultaneous inputs and feedbacks". In a regional centre, the emphasis has to be shifted: firstly, to take account of the mutual support and trust necessary in the more vulnerable setting: all gain advantage from the co-operative proximity of mutually servicing firms. And secondly, to give recognition to the social dynamics which underpin locational choices. These affect all, employees, partners and firms, irrespective of the intensity of gaining a contract, servicing a client or doing a deal.

Manchester's professional firms are gaining advantage because they work together; they can do so because of the spatial convenience, the years of chance encounters and the more formal social occasions. They know their associates and know they can trust them. And that trust is underpinned by sharing the same city location:

I think there is also the psychology. If we suddenly told all the professionals we were moving out of Manchester ... they'd say 'Oh, that's nice for you. Have a nice short journey to work' and they'd never speak to you again.' (Senior banker, corporate finance, 1998).

Equally, within this business-services complex, firms seek competitive advantage through their contacts and their cultivation of the local information circuits. The clustering in a relatively limited tract of the regional core aids the cultivation of often-fragile connections. Hence the awareness of the casual contact: "'If you walk the streets at lunchtime and you go into various watering holes you can bump into people which you don't outside the city centre ... Being near each other and bumping into people, it's more of a social than a real business need ... But there is an argument for seeing people, you bump into them, you lunch with them and so on.'" (Actuary, 1998).

Also, paradoxically, the new entrepreneurialism, breaking up domination by institutions or monopoly firms, accentuates localism. Whether firms are breaking into a field or struggling to hold their position, there is the acute need for information. As one executive in a venture capital firm, recruited to establish a Manchester office the year before the interview, acknowledged: "The investing end of our business is increasingly getting more and more of a local game ... It's hard to do it from 200 miles away, and it's a hell of a lot easier if you're on the doorstep, you get to see things you wouldn't otherwise see and you get to see things earlier." (Senior executive, venture capital corporation, 1998).

Conviviality, being a member of a business community, becomes all the more necessary for firms exposed to risk. Absent from accounts focusing on the global centres such as London is this dimension of competition in actively contested and re-framed markets.

Moreover, if we are to understand central city domination of professional business services, then we have to engage with the corporate culture in which centrality signifies success. It is evident in the reluctance of overseas or London client firms to deal with North West business-service firms away from the centre of the region. So a law firm relocating from Stafford saw its move as due to pressure from clients, stressing that "it was important to them for us to be in Manchester and this echoes what many of our national clients want". Another firm moving from Liverpool justified its decision in similar terms. The social referencing is as evident in the choice between more accessible sites in the suburbs, or at Salford Quays, and the increasingly grid-locked city centre: "If we want to be a commercial player we have to be here and none of us would think of going anywhere else now and taking the firm anywhere else, it wouldn't work, we wouldn't be seen to be seriously interested in commercially based work." (Banker, corporate finance, 1998)



The social gravitational effect of the elite firms has not changed. At the core of the corporate culture is the mystique and excitement of the major transaction, the deal which generates a whirl of documents rushed by hand from office to office, the late evening working in the lawyers' offices on transactions and the resulting profit. Something of the success and the excitement is experienced vicariously by the other associated activities in the cluster. Even if few can attain or contribute to the major deals, maintaining this proximity, marked by the same post-codes, is essential to the firm's reputation in its own field. "I think for as long as we are here (in the city centre) any of the other major firms will want to be where we are. Not because we're 'X' but because we are one of the major players." (Senior partner, large law firm, 1998)

The interesting question is why lead firms not only stay but take on new and costly premises on lengthy leases in city centre locations which clients and staff find it arduous to reach. The answer is straightforward: "It was quite deliberate in transferring our profile within the cities and moving to more spectacular and prestigious offices and to make more of an impact within the city and to show the direction of the firm, that we're not just a small local firm but a national firm with offices to rival the London firms ... We are number 14 in the top 20 national law firms so we don't want to portray an image that says we are a small regional firm." (Managing partner, large law firm, 1998)

The message is clear: if global and national business-services firms cluster at the core of the world's transactional centres, then so must the key firms in the regions. The corollary of that principle is that Manchester must look and feel good to outsiders. However, in a city with an extended commercial core dating from a period of dominance in markets beyond the region, the more compact business-services sector whose operations are largely limited to the regional economy cannot alone reinvigorate the city centre. Investment must be sought from other sectors of the economy. In Britain's regional centres at the turn of the millennium, this tends to mean the retail and leisure industries. In consequence, business and play coexist. The principal stockbroker will have offices over a smart café-bar and fashion shop, and glossy offices tower over shopping arcades. The intensively working world of highly regarded professions is cheek-by-jowl with the appealing life of active streets and newly-engineered public spaces. It is also in sight of the inner city, whose residents' visibility in the city centre is resented, feared and disliked.

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## EXCLUDING THE POOR

There is the city enveloping the revitalised core — poor Manchester, a city of uncertain employment, lifetime poverty, chronic ill-health and educational disadvantage. The urban core is notoriously poor; the local authority is repeatedly at the head of the national league for the proportion of children living in poverty, those born to unsupported mothers, indicators of welfare support and death-rates (Herd and Patterson). Much of this is concentrated in a poverty belt around the city centre, the same districts internationally notorious for their ill-health a century ago and, because of their rebuilding in slum clearance programmes, now taking on the additional stigma of 'inner city'. The linkage between the two is long-standing: as regions industrialised, the slums in and around core business districts housed the poorest of the poor looking for employment to depots and warehouses, gasworks and building sites, laundries and public services — all rough manual labour. These notoriously unhealthy neighbourhoods, densely built, tightly occupied and heavily polluted, had therefore a symbiotic relationship with the regional centre — a relationship which was broken by the withering away of the central economy. Its restructuring from the handling of goods to information, along with the decline in routine jobs in shops and offices, disadvantages the unskilled, men and people of colour.

Currently every stratagem is being deployed to tie the city centre into a cosmopolitan circuit of work and play intended to maximise its appeal to investors, so enhancing its image as the front stage for the region. The functional relationships of the inner city are, however, very different: it constitutes a regional pool of low-cost housing, a staging post for newcomers to the city, a place where poor people feel at home and the site of informal industries such as drug-dealing and prostitution, as well as — more formally — the cheap labour industries of food-processing and clothing. The circumstances that brought this stigmatised space in proximity to the city centre have gone. While some of this space may be integrated into the 'Euro-city', the discontinuity between cosmopolitanism and poverty will be accentuated.

Yet both cosmopolitan and poor are users of the central city, and indeed the latter depend on it. The only accessible banks, principal shopping centre, market place, sources of entertainment and relaxation, even the venue for marriages are there. For many it is the only place to sit out, to be part of public life, to be in the turbulence of the crowd. For the many who never holiday, it gives a window on another life. So the seats in the shopping streets and public gardens are sought after by the elderly, hopeless, extended families and the lonely. And, as well, there are the shoplifters, pickpockets, 'plastic' fraudsters and the professional car-thieves staking out the car parks. (The indicators of notoriety for the city include 'staggeringly' high retail crime, use of stolen credit cards and car theft.) And too there are the underground (and not poor) networks centring on the city's nightclubs and bars. Menacingly, hoodlums also target lone men in the 'gay village' and revellers leaving the clubs. All these are as much an element of the 'showcase city' as the smartly dressed crowds, night or day. The urban core is open to all comers; it does not have the defensible space of the purpose-built shopping mall, leisure centre or country club.

Efforts have been made to provide for this poor city, but does a Ferris wheel in Piccadilly Gardens or a small fair in Albert Square compensate for the redevelopment of the old market, the loss of cheap retail outlets or the paucity of sitting-out space? Upgrading the look of the city means reinvestment from the private sector and therefore a change of clientele and the dispossession of those with the lowest consumer potential. Also, revealingly, it means the sacrifice of its heritage to 'abstract', that is, 'merchandised' and homogeneous space (Lefebvre 1979: 293). Changes in designation and design of three places in the city centre indicate the inevitability of dispossession. The first is the conversion of the *Corn Exchange* after it was shattered by the IRA bomb in 1996. Before, alternative traders and craftspeople clustered there with their stalls, popular with 'drop-out' youth; now, refurbished in style, and with an ultra-modish plaza outside, it is renamed *The Triangle*, and marketed for expensive boutiques. Secondly, there is the dismantling and meticulous rebuilding of the two pubs from Shambles Square in an entirely different location and the associated loss of the public space as an unnoticed sun trap for casual drinkers. Thirdly, there is the scheme proposed for "putting the pride back into Piccadilly" (MCC 1999c), redesigning the Gardens so as to enhance the market value of the units in the adjoining property complex (so losing popular cheap shops), and rescuing it from its 'sordid' image (Coleman 1987). In this last controversial deal, the predominant considerations are those of recouping previous investment and "creating a welcoming first impression" (City Council leader Richard Leese quoted in Manchester City Council 1999). So another facet of the city's heritage is diminished and the poor are further marginalised. The different interests are not reconcilable: in the view of the modernisers, Manchester's poor city people should not be there. But, unlike, say French or German cities, there is nowhere else for them to be in public. The old shopping roads (the same decried by Engels as concealing the poor districts behind their facades) were destroyed



in the *blitzkrieg* of slum-clearance. Their cinemas, snooker or dance-halls, boys' clubs, pubs, churches, banks and shops were then replaced by parkways enhancing the approaches to the business city. Trees there are aplenty, but the institutional foci of local life were obliterated.

If the poor are to lose 'their' city centre, then do they gain in other respects? Each of the three developments listed above is hailed as bringing jobs and opportunities, however short-term these may be. There are two issues here — the nature of the jobs provided, and the criteria used for selecting employees. Nationally as much as locally, it is known that the predominant characteristics of work in the retail sector and all branches of the leisure industry are those of low-skill, low-wage, part-time or casual employment. These overwhelmingly outnumber skilled or managerial jobs. Many agree that those who live in the stigmatised inner city do not have access to this work (post-code discrimination) and those who are categorised as black, irrespective of skill or qualifications, find barriers. The city-centre workforce of Manchester, like that of Liverpool and unlike that of London, is conspicuously white. Selective, exclusionary, segmented labour markets are the norm. Racism is one element; enhancing the quality or impact of 'service' by style and accent is another. Whereas rough labour was valued in the centre of 'Cottonopolis', presentational gloss governs selection in 'Glamchester'.

Cities such as Manchester with its regional core economy of business and leisure demonstrate the power of social divisions of labour which empower some and hinder others in the scramble for legitimate work. In the leisure sector with its clubs, café bars, hotels, boutiques, entertainment venues and shopping malls, city-centre employers may put a premium on acceptability of manner, dress and accent and not skills. Typically, the employee represents the firm or organisation; the position is a public one. In the business-professional sector, where much of the service work is back-stage, priorities are different. The critical parameter is the availability of alternative recruits, especially, school pupils and students from the 50,000-strong higher-education sector. If employers can pick and choose they (can) exaggerate the skill, education, and experience requirements of their jobs. They use diplomas, or colour, or personal histories as convenient screening devices. Therefore inner-city residents, even 'true' Mancunians, living within sight of the city centre towers, may be debarred from much of the work in the urbane core.

The problem of Manchester's poverty cannot be resolved by the makeover of its city centre. Even if there were not these barriers to employment and there were surer routes to self-advancement, poor Manchester would still be there. Assessment of the impact of regeneration policies has been hampered by failure to realise that the reserve of poor people in the city is replenished by migration. With the exception of the southern student corridor, mobility rates are highest in the poor districts. If and when a household experiences some success, it moves somewhere better, usually closer to the suburbs, so relinquishing housing or school places for the next wave of poor. The inner cities now constitute a national reserve of undesired housing (Power 1999). It is therefore essential to distinguish between the 'stock' of urban poor, its so-called 'underclass', and this 'flow' in and through the city's poor housing (see Ward 1988: 65 for a perceptive discussion). No 'landmark' strategy can succeed if there is not the matching comprehensive investment to anchor the city's population. This should include provision and support for the region's small and medium-sized enterprises, rather than privately-built housing or supermarkets (as at Hulme). 'Spot' treatment of the fabric and services of the city can be rapidly nullified (as clinics, schools and nurseries subject to arson, theft, ram-raids or vandalism know well). And to magnify the old discontinuities between city centre and inner city is to jeopardise the security and therefore economic viability of the privileged spaces and glossy facades of the region's centre.

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## A JUST CITY?

To say that contemporary Manchester is characterised by hypocrisy is not to say that the needs of the poor are disregarded at all times and by everybody. There are private charities which fund hostels for the helpless and many voluntary organisations supporting families in the poorest districts such as Ancoats or Moss Side, the young homeless, drug addicts and others. Charitable fundraising mobilises sociable activity in the business community as in the suburbs. Since the early 1980s, there has also been substantial public expenditure on the comprehensive reconstruction of districts such as Miles Platting and Ordsall, then Hulme and now East Manchester.

Nevertheless, this consideration for the disadvantaged is not evinced in the promotion of the entrepreneurial city-region serviced by the business-community, property capital, the construction industry and public authorities in the city centre. There is more to a city than 'hot' money, investment fervour, image on some ill-defined international stage and the latest fashion in civic design. The majority live in the city out of necessity, not choice; the poor cannot and should not be exiled from their city's public spaces at the dictat of speculative developers or the reluctance of the majority to countenance their existence. As the urban core — the city centre, the canals, Salford Quays — is transformed into a showcase for the region, the poorer residents (which include most young people and children) are edged out of sight. A small example, but a telling one, is the limitation of fishing and swimming; another is the exclusion of skateboarders; another is day-time drinking in the open. Authoritative institutions react to the threat of the poor's visibility and their use of public, that is, common space. In the planners' estimation, the generative tide of investment has to be sustained if cities such as Manchester are to overcome the incubus of the past. But cities have always been the home of the poor, and their city centres, at least in Britain, have been notable for their openness as places of congregation. Whatever city is promoted has to take account of this, if its planning is to escape the charge of hypocrisy.

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## MANCHESTER ENGLAND

Dave Haslam

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First of all, I'm going to admit I haven't come here armed with all the answers. I don't know all the ways that culture and creativity can play a part in urban regeneration, but I do have an inkling that it's about finding local solutions to problems. One size doesn't fit all; in fact, one of the criticisms that could be levelled at the regeneration process in this country is that it's created corporate uniformity in our towns and city centres; they all aim for the same thing; a piazza, a big *Marks & Spencer* and loft developments. Uniformity at the expense of individuality.

What I do know is the Manchester experience. And I am certain that the experience of Manchester over the last 20 years can throw some light on what can happen in towns and cities. And it's not all good news, as we shall see.

Manchester, as we know, as we are told, has enjoyed a recent surge in urban regeneration, by any accepted definitions of the phrase. When I walk around the city centre now I'm surrounded by new buildings, sparkling hotels, rampant property development, retailers galore, cafe bars and quality restaurants; well, maybe not all quality, maybe some are pretty average, but that's another story.

So Manchester city centre has been transformed in the last 20 years. In the early 1980s I remember wandering round Castlefield with my friend Fiona Allen — now a respected comedienne in London — back then we had this idle plan to make a gritty film set in an evocative post-industrial landscape. We had no script but we loved Castlefield. Rusty bridges, canals the colour of lead; it was the best example of urban dereliction you could find anywhere in the world.

Elsewhere in the city centre there were areas nobody had cleaned up since the *Blitz*, and acres of empty warehouse space. In 1983, there was an estimated 20 million square feet of empty industrial floor space in Manchester; much of it old cotton mills, all of it potentially available for repair and refurbishment. Eventually new uses for these old buildings were discovered, at first mostly informal, unplanned uses: to house secondhand market stalls; as recording studios and rehearsal space. In 1982, *The Hacienda* club opened in an old warehouse on Whitworth Street in a derelict part of town.

Around the same time, the early 1980s, there was a government-backed scheme called the *Phoenix Initiative*. The aim was to drum up interest in Manchester and investment into the city centre, and it failed.

The baton passed to the local *Urban Development Corporation*. During research for my book *Manchester, England*, I met people at the CMDC who were only too happy to admit that the high-profile music scene in the city in the late 1980s had helped kick-start their much more successful efforts to attract investment into Manchester.

As *The Hacienda* became known as one of the best clubs in Europe, and bands like the *Smiths* and then the *Stone Roses* emerged, the Manchester scene featured on the front cover of *Newsweek* magazine in America and multiple issues of the *New Musical Express* and the *Face*. This was 1989, 1990. Politicians, investors and developers probably are not readers of these magazines, but still word reached them that the music made in Manchester and the club-culture, particularly *The Hacienda*, was of international quality. Manchester was on the map, if you like.

By 1990 it was clear that popular culture was something the city excelled at. There are many reasons for this; the influences that flow from the city's multi-racial make-up; the

ability of the city to draw strength from surrounding towns like Wigan and Bolton; a subterranean tradition of popular entertainment in the city; a spirit of independence that went back to the Victorian entrepreneurs and the Chartists; and a belief in the power of co-operation, learned from the co-operative movement founded in Rochdale down the road.

Whatever the reasons for the boom in the music scene in the late 1980s, the results were plain to see; applications from potential students to the city's universities boomed, jobs were created (not just in the clubs, but in the many ancillary businesses: design, record recording and retail, fashion (after all, many of the clubbers — especially, I suspect, the female clubbers — had to have something new to wear to the clubs every week); and a flurry of bars opened, and other clubs appeared, many of them clustered around *The Hacienda*. I can remember the first tourists I ever met in Manchester were music fans, young men from Germany who wanted their photograph taken outside the legendary *Hacienda*.

The buzz helped CMDC and the city at large; it stimulated interest, confidence and thus investment.

CMDC also acknowledged that the pioneers in many rundown areas were the clubs and bars like *The Hacienda*, the *Boardwalk* and *Manto*. It's no coincidence that many of the places where the regeneration process has taken strongest hold in the city are spaces first repopulated by recording studios, rehearsal rooms and, particularly, clubs: Castlefield, the Whitworth Street corridor, Knott Mill, Canal Street. Repopulated at first by clubbers, but subsequently too by apartments and lofts.

The City Council had no pre-prepared policy towards this boom in popular culture in their city; they hadn't gone out of their way to nurture it, but they certainly didn't hinder it. In 1990, in fact, when the police wanted *The Hacienda* closed, Councillors Stringer and Karney were vocal in their support for the club; they had realised it was an important cultural asset to the city.

The Manchester story from the late 1980s onwards has been replicated elsewhere in the North West, most notably by Liverpool. There the club *Cream* has played a pioneering role in raising the profile and stimulating the local economy, not least contributing to the growth of retailers like *Wade Smith*, and in the rise of an arts quarter in the area around *Cream's* HQ in Slater Street.

Now, I want to put forward some issues that can arise when popular culture like this is a driving force in a city. First of all, the scene that grew up around *The Hacienda* grew organically. All the great scenes with longevity, from the mods to *Northern Soul* to *punk* grew naturally; they weren't manufactured. Secondly, the best kind of pop culture is often oppositional, created by maverick, unsettled people.

These are things that need to be acknowledged, because in Britain when the authorities intervene in this cultural process, they often make some wrong moves. First of all they assume that all culture will benefit the community and give the city a pat on the head, whereas art and creativity may be critical and uncomfortable. More importantly, though, when the intervention comes from cultural planners in this country it tends to be top-down, not from the grass roots.

It's to do with the definition of culture. Too often when we talk about culture in this country we're talking just about famous paintings, museums, major concert halls or maybe now we talk about retail and leisure; i.e., we're talking about culture that's something to be provided for the people. A more enlightened, lively, regenerative definition of culture is not something provided *for* the people, but something created *by* the people.

The result of this limited definition — culture provided for the people — is that cultural regeneration doesn't achieve what it could. It gets too wrapped up in providing, not

empowering. It ignores the grass-roots. Instead of creating opportunities for creativity for the young and the mavericks locally or the budding entrepreneurs, it creates a community of passive consumers.

In Manchester we've got retail and we've got restaurants, and museums and concert halls, and far too many film multiplexes all showing the same films. In addition, the intervention of the property developers has given us hotels and loft apartments. You look at Manchester now, and certainly on one level there's some civic pride, but also there's alienation. Crime is rising, as is drug use. Manchester scores highly in many indicators of social disease: teenage suicide, school exclusions and poverty.

Indeed, many of the most vaunted icons of regeneration fail to empower or enrich the ordinary citizens. The situation as it is now has created a crisis of ownership. Who's city is it? I don't think I'm the only person who feels like the city is in danger of being sold off to the big corporations and property developers.

I'm a DJ, so I can't help recommending records. There was a single by a band called the *Gang of Four* from 1978 called *At Home She Feels Like a Tourist* which neatly encapsulates feelings of emotional or social disconnection with your town or city.

The crisis in housing is especially problematic. We have a contradiction that's only just becoming clear. Although there has been an enormous rise in the number of people living in the city centre, the social mix isn't there, and, in fact, there's been a 15% fall in the general Manchester population in the last ten years. Loft apartments at Number One Deansgate are selling for close to a million pounds and Ryan Giggs has apparently put his name down for one, but less than two miles away there are vacant properties, boarded-up houses, whole streets with a value next to nothing. Conflict and gaps in wealth have always been in the city, but it's still worth pointing out that the new wave of urban regeneration has exacerbated, not solved this problem.

It's clear we need to revise our definitions of urban regeneration. Just as we should look again at our definitions of culture, so we should look for a new definition for regeneration. We should go back to the roots, reach out to those empty streets.

How regenerated, reborn, would a community feel if people lived in an environment where they could pursue their dreams: no doors closed. Their dreams could be anything; pop star, footballer, make a film, paint, design. How many people get to live out their dream?

Having the space and opportunity to live out our dreams and ambitions is important for what you might call 'the psychic health of a city'. Cultural activity is good in itself; I was recently researching the early days of *hip hop* in the Bronx. Now worldwide, *hip hop* and *rap* have become big business, but back in the mid-1970s it was a neighbourhood phenomenon, and the neighbourhood was the rundown, written-off area, the Bronx. It was an unknown scene that had grown organically, around DJs, graffiti artists and breakdancers. One of the breakdancers back then was a guy called *Crazy Legs* — it's possible that *Crazy Legs* is not his real name — anyway, *Crazy Legs* looks back on those days breakdancing in the Bronx like this: "It was our outlet and our way of expressing ourselves, and showing our individuality, our strength and our attitude."

You get the feeling that if the local youth had not been given — or taken — the space and opportunity to live out their dreams or express their identity, the alternative would have been silence or violence. So how can the planners and the policy-makers nurture this grass-roots, empowering culture on the streets? Is nurturing something that grows organically virtually a contradiction in terms? Well, I think there are areas of cultural policy which could usefully be adopted. First of all, let creative cultural activity grow — don't stifle it. Instead, give it space to grow. Policy-makers could go further and intervene in the cultural process. I could give you the names of dozens of musicians, artists, writers,



journalists, designers, playwrights, film-makers and DJs in this area who have plenty of desire and talent. The problem is harnessing that talent, keeping it in the North. One girl I know did one issue of her own fanzine in Manchester, then decamped to London where she is now the editor of *Dazed & Confused*; two guys I know started out in Manchester in the mid-1980s designing record sleeves; one has gone to be one of Reebok's top designers, the other is now art editor of the *Face*. In London.

Imagine a ladder. A comedy ladder. The first rung is there OK, near ground level, and the top rung; but there's nothing in between; no rungs to get you to the top. Well, there are plenty of people around who have the impetus, talent and desire to get on the first rung on the ladder; but to get further they have to go to London. The power stays in London. What we don't have in the North West are those missing rungs in the ladder that could take somebody on from their first flush of enthusiasm all the way to the top? That infrastructure doesn't exist anywhere outside of London; if you're a writer you need agents and a publisher. If you're a fashion designer you need access to major fashion houses, and chain store buyers and magazine editors. If you're a musician you need a recording studio, a powerful record label.

Planners and policy-makers therefore can have a useful role creating networks and infrastructure. Practical but necessary steps. And finding ways of providing information and advice (creative people are not always practical people). Planners and policy-makers could make available the kind of financial incentives previously enjoyed by big business — the likes of *Vauxhall* and *Fujitsu* — or public subsidies of the kind received by the likes of the *Royal Exchange Theatre*. And spend money creating that infrastructure, building those rungs. Could major record labels or fashion houses be brought into this area? Could we move the *New Musical Express* up North? It's not an either/or situation. Funds are available for the *Royal Exchange*; why not for the region's record labels or live venues or night-clubs? Instead what's happening in Manchester is that building new multiplexes and restaurants and lofts and museums has pushed out young artists from their studios, bands from the rehearsal spaces, young businesses from their offices. A result of rising real estate prices and rising rents. Something has gone wrong somewhere.

What the cultural and creative community requires is space and an opportunity. Back in 1961, in this book by Jane Jacobs, *The Death and Life of Great American Cities — the Failure of Town Planning*, about slum clearance and urban regeneration 40 years ago, the author points out how an area dominated by property developers building new buildings means there's always major capital costs to recoup, so developers are looking for higher rents; and that this doesn't create the right environment for small, risky, adventurous businesses — the life-blood of a city — instead it encourages safe, dull, corporate enterprises. When I say that what the cultural and creative community require is space and an opportunity, I don't just mean physical space, the buildings, but also, for the dreamers, the creators, a space in their lives and time to create. There's a case for individual grants, grass-roots subsidies, mentoring, arts and culture training. Then we'll be moving towards cultural regeneration. One day we might have created a town or a city in which culture matters and the value of self expression is acknowledged and the possibility of fulfilling personal dreams and ambitions feed through from school to local council and through the streets. It requires some new ways of thinking — beyond bricks and mortar — and a belief in the local talent and space and opportunity. The solutions might be close to home. At one point in her book, Jane Jacobs says: "Dull, inert cities contain the seeds of their own destruction and little else. But lively, diverse, intense cities contain the seeds of their own regeneration."

This article is an edited version of a talk given by Dave Haslam to the *Bolton Arts Quarter* initiative committee in September 2002.



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## LOCAL MUSIC POLICIES WITHIN A GLOBAL MUSIC INDUSTRY: CULTURAL QUARTERS IN MANCHESTER AND SHEFFIELD

Adam Brown (corresponding author), Justin O'Connor and Sara Cohen

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"Britain was once the workshop of the world. It led the industrial revolution. It was defined by ship building, mining and heavy industry ...Yet more people now work in film and TV than in the car industry ...The overseas earnings of British rock music exceed those generated by the steel industry. I believe we are now in the middle of a second revolution, defined in part by new information technology, but also by creativity." (Tony Blair, *The Guardian*, July 22, 1997)

"Oh well, I suppose it's not the place's fault", I said. "Nothing, like something, happens anywhere". (Philip Larkin, *I remember, I remember.*)

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### I. INTRODUCTION

The last decade has witnessed a sea change in cultural policy-making in Britain. From being a marginal concern or tied to the arts funding system, the cultural or 'creative' industries have become highly visible and explicitly linked to economic development. Now taken up by the Labour government, this shift had long been prepared at the sub-national level by city authorities using the cultural industries as part of local economic strategies. In this, music has gained increasing prominence, with local authorities attempting to create or promote a 'local music industry'.

However, such policies raise a number of questions — about cultural policy, about local economic strategies and about the music industry itself. In this paper we are going to focus on two local initiatives which have a strong music industry or music sector focus, in order to explore some of these questions. The first is the well documented and often discussed *Cultural Industries Quarter* (CIQ) in Sheffield; the second is the *Northern Quarter* (NQ) area of Manchester. But before that we need to place this debate in the context of the music industry as a global industry; it is as a global industry that it holds an economic attraction for policy-makers, but it is precisely this which demands a close scrutiny of what a 'local music industry' might mean.

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### 2. GLOBALISATION AND THE MUSIC INDUSTRY

Globalisation is taken to point to the rise of a global market place — the weakening or dissolution of distinct national markets regulated by the nation state; the unprecedented penetration of previously self-contained economies (whether 'third world' or 'ex-communist') by global companies; and, as precondition and consequence, the integration of these far-flung markets into a world financial and regulatory system. That is, a global market (Morley and Robins, 1995). Globalisation also involves the global integration of production factors and services. 'National' industries 'selling abroad' are increasingly giving way to the organisation of production and distribution on a global scale, sourcing materials, labour, services, etc. across borders with little or no attachment to particular places. Both global production and global markets rely on (though by no means exclusively) new information and communication technologies (ICT) which allow the complex management and regulation of these global systems.

The cultural aspects of globalisation include the rapid increase in the global flows of information and of signs and symbolic goods. It is frequently argued that this increased flow blurs the boundaries between 'here' and 'there'; represents a displacement of place by space; acts as a further impetus to the 'disembedding' of lived experience; and accelerates further time-space distantiation, whereby the forces which act upon us have a complex causality (or simultaneity) located 'elsewhere' (Giddens, 1990). Many believe these processes erode distinct local identities, contributing to a homogenised global 'airport' culture. For others, the situation is more complex. Distinct cultures open up to 'the other' to produce hybrid cultures, 'third spaces', migrant cultures. On the one hand, this may be seen as the adoption of local (ethnic) cultures by a global market; on the other, it can be seen as a reassertion of the local — not in the face of but within these global cultural flows (Chambers, 1994; Featherstone, 1990).

These debates are very much to the fore when it comes to the music industry. The music industry is increasingly globalised and concentrated, currently dominated by five multinational companies based in a few of the world's capital cities — Tokyo, L.A., New York and London. These multinationals deal with multiple media, hardware and software, and they have integrated music production, marketing and distribution with that of other (increasingly globalised) cultural or media industries, with *Seagram/Universal's* 1998 purchase of *Polygram* the most recent integration. Between them they account for over 90% of U.S. sales and between 70% and 80% of world-wide sales (Burnett, 1995, p. 18). Some, therefore, see music as a global culture, pointing to a global basis for the production and consumption of popular music which, it is argued, bears little attention to nationality, let alone cities or localities. The domination of a few companies in all aspects of the market (software and hardware, film and video, etc.) has heightened the debate over the control of media and cultural industries and raised questions about the 'defence' of local indigenous cultures from such irresistible market forces. Others argue that developments in information and communication technologies are continually opening up new forms of musical production and distribution and increasingly linking small local producers with global production, marketing and distribution networks.

How do local music scenes and local music industries figure in all this? This paper will ask two questions. Firstly, how have these been used, not by 'the global music industry' but by the local city attempting to respond to globalisation? Secondly, how does this connect with the way those involved in the production and distribution of music operate — how does it relate to local scenes, networks and cultures of production, distribution and consumption?

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### 3. CITIES AND LOCAL ECONOMIC DEVELOPMENT

Sheffield and Manchester — like many other cities across the globe dependent on 19th century 'smokestack' manufacture and export — experienced catastrophic deindustrialisation in the 1980s and have since been looking to new sources of employment. In a more halting and unfocused sense there was a gradual recognition that this demanded not just the attraction of new industries or services, but a complete 're-invention' of what they were as cities. This accompanied another common notion that cities were now engaged in competition with other cities — not just at the national but also at the international level. In this context they were competing on a 'European' or 'global' stage.

Many British cities had more or less accepted this notion by the end of the 1980s — that their futures depended on attracting and generating new investment and new business through an openness to private sector co-operation and partnership; new planning flexibility; local tax and funding incentives (usually through central government initiatives); marketing schemes; integrated business support and training (one-stop-shops) and so on.

The interaction of this with cultural policy is too complex to be mapped here. In general and for our purposes, we would say that cultural policy has followed two tracks (Wynne, 1991; Bianchini and Parkinson, 1994; O'Connor and Wynne, 1996; O'Connor, 1998). Firstly, it has looked to its input into image. The 'old industrial' image was off-putting to inward investors — PR and marketing campaigns for towns and cities took off exponentially in the 1980s. Mostly this was an external consultation exercise with little strategic rethinking. Within this, cultural facilities were held to be very attractive to the 'footloose' executives and senior management, upon whose preferences relocation could depend (it was argued). Cultural capital should be mobilised in the image campaign — if the facilities were not there, then they needed to be built.

This line became increasingly sophisticated in both its marketing and its understanding of image and cultural pull. The early 1990s saw cities linking 'quality of life' issues and tourism which used a wider notion of culture — the 'feel', the 'atmosphere', the bars and restaurants, the night life. Cities became 'European cities' — a strangely mythical, amorphous notion involving café bars, cappuccinos and late licences. This image- and facilities-based approach, linked to the attraction of real estate investment in the central sections of the city, was part of an 'urban regeneration' model drawn from North America. Culture renewed the built stock, revived the image, created a tourism infrastructure and underpinned the vibrant, late night 'European city' (Lovatt and O'Connor, 1995).

The second cultural policy area concerns the employment possibilities of the cultural sector, though its intellectual make-up is more complex than that. Stemming from the *Greater London Council* (GLC), this approach emphasised the economic potential of the cultural sector alongside a set of intellectual arguments intended to overcome the art/industry, culture/economy, creativity/business divide that was fairly entrenched culturally and institutionally in Britain (and to some extent in English-speaking countries generally). It was also linked to a redefinition of what 'art and culture' was in a way that pointed to popular culture and to culture as a 'way of life'.

The GLC began to elaborate a cultural industries strategy involving film and video, music recording, publishing, design, etc. It was abolished before it really took off — but it was picked up by other cities. Although concerned with economics, employment and other 'hard' issues, this cultural industries approach was very difficult to pursue, mainly because it fell between two constituencies (arts and culture/economic development) and because making it work demanded a level of understanding and experience which was simply lacking in most city authorities. However, by the mid-1990s cultural industries strategies became common in Britain's towns and cities. It was out of this policy context that the music industry policy with which we are concerned in this paper emerged.

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#### **4. SHEFFIELD AND MANCHESTER**

(cf. Taylor, 1996; Hill and O'Connor, 1997)

In the 1980s a key linkage between cultural industries and urban regeneration strategies emerged around the notion of cultural quarters. Whilst in the North American version these tended to be very much consumption-orientated with related office developments, the influence of the GLC approach saw a number of initiatives focusing on cultural production as the key driver for regeneration. Previously deserted or run-down areas — the old 19th-century industrial zones located close to the Central Business District — were targeted for new uses in the form of work, exhibition and performance space geared to local, emergent cultural producers. In line with the new emphasis on 'vibrant' mixed use as opposed to the sterile monocultures of zoning, these areas were designated cultural industries 'quarters'.

#### 4.1. Sheffield — Cultural Industries Quarter

The development of the *Cultural Industry Quarter* (CIQ) in Sheffield was a response to two distinct pressures. The first was the decline of the local steel industry, which led to a dramatic loss of jobs in the early 1980s and prompted Sheffield City Council to look to cultural and media industries as a new growth sector. The second was the fact that by the late 1970s Sheffield had a distinct local music scene based on a group of avantgarde, post-punk electronic bands including *The Human League*, *Cabaret Voltaire*, *ABC* and *Heaven 17*. These bands had major record deals and national and international chart success (it was argued during several interviews that Sheffield was responsible for 5% of the market share of UK singles in 1982), and they and other local bands were dissatisfied with the lack of adequate recording/design/performance facilities in Sheffield. There was a perceived inevitability about the 'drift' to London of Sheffield talent, which some key musicians wanted to reverse. Sheffield's musical success, therefore, was not being translated into a successful Sheffield music industry or benefiting the Sheffield economy. These musicians began to work with Sheffield City Council to establish local music industry facilities:

"What I found, to my surprise, was that there was a layer of music and film-makers who had been producing products for five to ten years, making a relatively successful job of it, in terms of exporting music and song to countries around the world ... Once I started talking to them they were saying, 'We've got lots of ideas about how this sector should grow and we want to involve a recording studio and attract music makers to this area'".

"... bands like *Human League*, they respected the opportunity they'd been given by the city council, which developed into employment for them, a good living for them. They easily saw the importance of trying to encourage and support initiatives that developed talent and business and grow the sector (sic!) and provide facilities as well. In the early years they worked alongside us a hell of a lot, Phil (Oakey of the *Human League*) popping up, kitted out in make-up and convincing politicians and in the working meetings. One of the features that is now a strength of what we do is, nearly all those people who were involved in the early 1980s are still around and nearly all of them have invested and developed their activities in quite dramatic ways".

(Paul Skelton, City Council Cultural Industries Officer. Unless otherwise stated, all the interviews are with Dr Adam Brown.)

Sheffield's strategy began, then, with the provision of facilities aimed, on the one hand, at increasing access (a legacy of Sheffield's strong community arts sector) to the resources to make music (and film) — rehearsal space, recording facilities, a live venue, etc. — and on the other, at providing a means whereby musicians with money to invest (from record deals, advances, etc.) could do so in Sheffield.

Over the next ten years, the council was involved in renovating a group of empty buildings based near the city centre and in the setting up of: *The Leadmill* live venue and nightclub (with local community artists in 1982); *Red Tape* recording studios (the first municipally owned recording studios, opened in 1986 providing training courses and cheap rehearsal and recording facilities); the *Audio Visual Enterprise Centre* (AVEC, in 1988) where the *Human League* set up base, along with *Axis* and *Fonn* recording studios, the *Site Gallery* and *Sheffield Independent Film*; the *Workstation* managed workspace providing short-term, cheap-rent accommodation exclusively for cultural businesses; *The Showroom* cinema/cafe bar; and the *National Centre for Popular Music* (NCPM) visitor attraction, which opened in early 1999. The promotional literature for NCPM reads:

"The NCPM will be the first building of its kind in the world — an innovative visitor centre and educational resource celebrating the dynamism and diversity of popular music ... the centre will entertain, stimulate and inform visitors from around the globe ... Situated in Sheffield city centre's *Cultural Industries Quarter* ... its four highly distinctive stainless steel drums combine a recognition of Sheffield's industrial past with an exciting reflection of the mixture of art, technology and vitality that is popular music". (NCPM promotional document, November 1996. NCPM opened in March 1999.)

All this has been funded through a mix of public and private monies. According to Paul Skelton, the actual level of investment by Sheffield City Council has been minimal: There's about £35 million worth of capital investment gone in over the last ten years, starting with *Red Tape* in 1986 and finishing with *The Showroom* next door. That investment has improved and refurbished all of these buildings, it's created the basis for a thousand jobs here and created and sustained 150 companies. Of that £35 million, £6.1 million was public money. Of that £6.1 million, only £400,000 over ten years has been Council money. Most of it has come from the government's *Urban Programme* and, more recently, (City) Challenge money and European Regional Development funding. *Red Tape* was funded in the first stage to the tune of about £90,000 by the council in 1985/1986. From then on, we got four phases of *Red Tape* from elsewhere.

The Sheffield CIQ has followed a four-stage development plan, moving from local, regional and national to an international focus, hence the NCPM promotional literature emphasises the centre's local context, whilst its Creative Director stresses that "we don't want it to be seen as a Sheffield centre, but a national one" and estimates visitor numbers up to 500,000 per year. Sheffield CIQ thus involves balancing the desires to:

- ▷ nurture local music (and other cultural) businesses — which, if successful, will be taken up on the global market,
- ▷ create a tourist attraction to bring people into Sheffield from elsewhere in the UK and abroad,
- ▷ use both of the above as part of a strategy of re-imaging the city on a global basis.

The CIQ can be seen as an attempt to reassert the local within global cultural flows. It is not, therefore, an attempt to set up an alternative industry in competition with the established, global music industry, but to maximise the benefit for the local economy of the success of music businesses in that global industry. An early project to set up a Council-owned record company, for instance, was quickly shelved. More broadly, the city, like many others in the deindustrialised west, has been attempting to re-image itself, moving away from the image of industrial steel producer to that of a youthful, creative and vibrant cultural centre: Sheffield has made sport a particular focus, acting as host to the ill-fated *World Student Games* in 1994 and more recently winning the bid to build the *UK Sports Institute* centre of excellence (Henry, 1998).

According to Paul Skelton, in 1996, the CIQ had gone some way to offset job losses, create new businesses and encourage a previously marginal sector in Sheffield's economy:

"It's taken a long time and we're quite proud of the thousand jobs we've got down here now we've created the cultural industries sector. Of those thousand about 350 are brand new jobs which have been created by the activity down here. The other 600, 650 or thereabouts are jobs that have been relocated here that existed before ... we'd like to think we've contributed significantly to those jobs surviving and growing ... (O)ut of the 150 companies that are down here now, only four over the last ten years have gone out of commission in some way or another ... four out of 150 is quite an amazing track record when you compare it to any other group of companies in any other sector".

The claim being, then, that CIQ may well have meant that a number of music businesses have managed to survive when they may not have done otherwise, given the notoriously volatile nature of the sector. This is supported to some extent by a recent consultancy report by EDAW and *Urban Cultures*: "The CIQ has created 1,300–1,400 jobs in an estimated 150 businesses, generating a total turnover of £25 million ..." although they added that "at present the sector is no more than of subregional significance". (EDAW/*Urban Cultures*, 1997, p. 3.11).

The position of the CIQ and the focus of Council policy in this area have been the source of some contention over the years, with some opposition to investment in what some policy-makers have viewed as a 'soft' industry. The CIQ team have had to fight hard to protect the policy, both from scepticism in the council and from commitments to other developments (e.g. some sporting initiatives). Indeed, in 1997, under severe budget cuts, the Council abolished the department responsible for the CIQ. Whilst AVEC, *The Workstation* and NCPM remained secure, questions hung over the future of *Red Tape* and future investment in the CIQ. However, the restructuring of the council in 1998 under a new Chief Executive and the major EDAW report on the area, which recommended the establishment of a new CIQ executive and *Steering Group* (an ongoing process at the time of writing) now seem to have secured the CIQ process for the foreseeable future. Furthermore, the impact of the NCPM on the area is likely to be crucial, but is at present unclear. We shall look in more detail at the CIQ strategy below.

#### 4.2. Manchester's Northern Quarter

Manchester has a rich and distinctive musical history and its rock and pop bands have achieved national and international notoriety (from *Herman's Hermits* and *The Hollies* in the 1960s, to *10CC*, *Buzzcocks* and *Joy Division* in the 1970s, *The Smiths*, *New Order*, *The Stone Roses* and *Happy Mondays* in the 1980s, and *Simply Red*, *Take That* and *Oasis* in the 1990s). This success has contributed to the development of local music scenes and businesses: recording studios such as *Strawberry*, set up by *10CC*; record labels like *Factory*; and venues like *The Hacienda*, which played a central role in the development of the UK *Acid House* scene and the so-called 'Madchester' scene of the late 1980s. The latter involved white, male guitar bands such as the *Happy Mondays* and *Stone Roses* performing indie music with strong dance sensibilities (Champion, 1991; Collin, 1998; Cornerhouse, 1992; Middles, 1991; Rietveld, 1998; Savage, 1992).

'Madchester' attracted the attention of the international media and music industry and led to an explosion of club culture within the city, involving a proliferation of clubs, record shops, DJs and designers. Consequently, it has been suggested that Manchester now has a strong local music industry (perhaps the most developed in the UK outside London) which, alongside the city's music scenes, has helped to promote and regenerate the city. 'Madchester', for example, is believed to have contributed to a 25% increase in student applications to Manchester's three universities during 1990 (although figures are hard to confirm), attracting to the city young people who not only provide a market for local music businesses, but also set up their own. Further, the success of Manchester's music at a national and global level has been one of the reasons for the growth in small, often closely networked groups of music-related businesses within the city. Although this has had an impact on other areas previously, since 'Madchester' this has been most evident in the *Northern Quarter* (NQ).

The NQ is situated at the northern edge of Manchester city centre.<sup>1</sup> A major popular shopping and market area since the mid-19th century, it was devastated by sixties redevelopment and the building of Europe's (then) largest indoor shopping mall in the early 1970s. When city centre rents rose in the property boom in Manchester around 1987-



1988, the availability of cheap rents, flexible letting, high vacancy and small properties all encouraged a migration of small cultural businesses to relocate to the area from the late 1980s onwards. This was also fuelled by the *Enterprise Allowance Scheme* (a grant additional to social security given to new self-employed persons and much taken advantage of by the cultural sector) which demanded that a business had to trade from premises to be eligible for funding. The take up of the *Enterprise Allowance Scheme* was particularly noticeable in the music industry. Long a centre of popular entertainment and pleasures up to the 1970s, the NQ rapidly became a focus for the 'Madchester' and later club/dance scenes. The area includes major independent record retail outlets such as *Eastern Bloc* and *Piccadilly Records*; cutting edge music venues and clubs; numerous music-orientated bars such as *Dry 201* (formerly owned by *Factory Records/New Order*); trendy fashion outlets, especially in *Afflecks Palace*; and numerous offices and workshops used by micro cultural businesses.

In contrast to Sheffield, however, this agglomeration of cultural businesses (now around 200) did not result from, nor result in, a concerted cultural industries or cultural quarter strategy from the city. The city was mostly concerned with a basic building stock, environmental and economic audit and strategy in line with the then Conservative government's requirement to produce unitary city centre plans. The *Northern Quarter* was, indeed, a name invented by the city to designate a 'leftover' bit of the city centre. The specific push for some cultural element to this development plan came from a local community organisation made up of traders, residents and workers in the area. It was this association that insisted on a cultural remit in the *Regeneration Study* commissioned jointly with the City Council in 1993. This *Regeneration Study* (Urbanistics/Manchester City Council, 1993; O'Connor et al., 1993) recommended (amongst other things) seeing the area as a 'creative quarter', both a seed-bed area for new cultural businesses (production, retail, venues) and using the cultural sector (making no distinction between 'subsidised' and non-subsidised sectors) as a unique and creative input into the regeneration process. The renamed *Northern Quarter Association* (NQA) has since attempted to push forward on this 'creative quarter' agenda, but as we shall see, this has happened with little financial support and a 'hands-off' policy which actually revealed a failure by the City Council to fully buy in to the 'creative quarter' strategy. It was a *laissez-faire* policy which reflected the attitude to the cultural sector generally, but especially to the music industry.

Manchester City Council took a long time to catch up with the existence of a global industry on its doorstep. When it did so it was largely on the basis of its contribution to a vibrant image for the city. *The Hacienda* had a particularly high profile, serving as a launch venue for a number of public initiatives — unthinkable a few years earlier. The increased interest in Manchester as a youth and popular culture destination, from 'Madchester' onwards, led to *Manchester's Visitor and Convention Bureau*, featuring the *Hacienda* in its promotional material, whilst the then leader of Manchester City Council defended the city's premier club, when under threat of closure from magistrates and police, thus: "*The Hacienda* is to Manchester what Michaelangelo's *David* is to Florence". (Graham Stringer, quoted by Anthony Wilson, interview) In addition, local popular music images were used in Manchester's (unsuccessful) bid for the 1996 *Olympics*, which included the *Stone Roses'* landmark 1990 *Spike Island* concert, and later in the successful 2002 *Commonwealth Games* bid.

More proactive support came in the form of strong backing for the *Hacienda* when the club was closed by the police and magistrates in 1991 after a licensing dispute over drug taking. The Council's 'European' and '24-hour city' strategies were a concerted attempt to take on police and magistrates and to loosen licensing laws. This included experiments with relaxed licensing during the 1993 *Manchester Festival* and the Euro96 'Soccercity'



events, although it did not lead to a more permanent solution to the problem. However, in terms of more specific support for an increasingly high-profile music industry, the city had a hands-off approach, bar the development of two, small community recording studios.<sup>2</sup>

A city council consultancy document stated: "The [music] industry craves new products, new ideas, and it is important that the environment which enables this small-scale activity to flourish is maintained — a hands-off, but strongly supportive approach from the City Council". (*Urban Cultures Ltd*, 1992, p. 31). According to the City Council's Arts and Cultural Policy officer, Lyn Barbour: "... the (local) music industry didn't want any council intervention. What they wanted was a city that they could operate in more effectively. They wanted transport sorted out, they wanted licensing sorted out, and the kind of issues they were concerned with were not about supporting businesses ... that wasn't the way they felt we should be intervening. They felt we should create a city which doesn't have the barriers which exist at the moment. So we didn't include within our strategic vision any specific intervention into the cultural industry sectors and specifically popular music".

Although the City Council did provide modest support for *In The City* — the UK's first major international music industry convention, which began in Manchester in 1992 — it has tended to stick by its 'hands-off' approach. Such an approach is supported by many businesses in the city. Our research has confirmed other related research that there is a deep scepticism in the music business (however widely defined) towards central or local government intervention (MIPC/Manchester City Council, 1999). Some prominent members of the local industry, such as Anthony Wilson, constantly point to the 'success' and vibrancy of the music scene in Manchester, contrasting it to that of Sheffield as a salutary lesson about irrelevant municipal meddling in a sector it cannot understand. Below this lies a particular understanding or model of the cultural sector in general and the music sector in particular which is set against the 'top-down' approach in Sheffield.

This is not straightforward, however. Many in the local sector have little knowledge of what such support initiatives might be — often equating them with 'grants' and 'council recording studios', etc. in a very simplistic fashion. Many did not realise that certain events, such as *In The City*, did indeed have council sponsorship.<sup>3</sup> Many did not equate initiatives such as training, or *Enterprise Allowance*, or city-brokered *European Structural Fund* investment, into events, or the joint development of managed workspaces, etc. with 'government intervention'. As we shall see, in many cases further discussion led to a change of attitude towards 'intervention'. A similar process may have been observed with respect to the debate around the *Government's Music Industry Forum* and *Creative Industries Task Force*, whose creation uncovered a deep hostility toward intervention in general ('meddling') and the perceived threat to pop music's rebellious and/or Darwinian ethos. These deep-seated attitudes, coupled with a lack of local structures for the articulation of needs and demands (as exist in the more traditional subsidised sectors), meant that the City found its own distrust of intervention reassuringly echoed by the local music industry. Recently the Council (or part of it) has begun the process of establishing a local *Cultural Industries Development Service*, indicating a growing interest in enabling and supporting small-scale cultural business activity (MIPC/Manchester City Council, 1997; MIPC/ MCC, 1999) This will be discussed below.

In the next section we will try to contrast two models of 'cultural quarters' as a way of opening up the whole issue of local 'music industry' strategies.

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## 5. CULTURAL QUARTERS AND LOCAL INDUSTRY STRATEGIES

The key initial distinction to be made between the two quarter initiatives is that Sheffield attempted to establish a quarter more or less from scratch — providing buildings, facilities and a venue in order to attract cultural producers into the area — whereas the NQ already had a large number of businesses located within it before the council recognised it as a quarter.

The idea of cultural quarters involved new uses of old buildings, a revitalisation of the urban realm and the promotion of a highly networked group of compatible businesses. The sources for this are many and varied. Cultural quarters looked to 'mixed use' and the urban village — Jane Jacob's pre-planning Manhattan (Jacobs, 1961). Indeed, the North American version could be seen to have usurped this vision with (for some) disturbing consequences usually described as 'gentrification' (cf. Zukin, 1992). But in Britain the notion of cultural quarters also drew on the 'industrial district' model of the 'third Italy' and elsewhere, which looked back to pre-Fordist economies of small and medium-sized enterprises clustering around complementary skills and services, both competing and collaborating at the same time (cf. Amin, 1994). This latter model found one expression in the science or business parks which became popular in the 1980s, and in many respects this is what the CIQ attempted to achieve (Castels and Hall, 1994).

Its emphasis was very much on facilities first (workspace, technology); then on attracting key companies which would both give credibility and begin to catalyse clusters of support or spin-off businesses around them. The gamble was that a critical mass of cultural producers would be attracted to the area by the facilities and 'creative buzz' on offer. The questions to ask of this strategy were, firstly, does this sort of initiative attract one sort of industry rather than another or, rather, can a 'cultural industries quarter' include a wide spectrum of sub-sectors which make up the cultural industries. More particularly, is the music industry attracted to such initiatives and what needs does it have in common with other sectors (such as film, TV, design)? Secondly, can such clusters be created in this way — how do they relate to the wider networks of cultural production in the city and beyond that, globally?

### 5.1. Infrastructure

If we look at the first set of questions, there are clear suggestions that the CIQ has not had the catalysing effect on the music business that had been hoped. Whilst it must be recognised that the CIQ strategy was a cultural industries one, and not specifically targeted at music, Sheffield cannot show a significantly large music industry sector. It may have had other effects, but it has been less than successful in creating a large music sector. A recent report argued that although the initial focus of the CIQ was film and music, between them they still only represent 30% of the businesses in the CIQ and there are only a handful of music businesses in the *Workstation* (EDAW/Urban Cultures, 1997). Indeed, some of the main developments in Sheffield's music scenes over the last decade — such as the *post-Acid House Techno* scene — have occurred outside the CIQ; leading organisations, such as techno label *Warp Records*, have continued to expand out of the CIQ; and the success of Sheffield bands recently — *Pulp*, *Longpigs* and *Babybird* — has not translated into tangible benefits for the city or its music industry.

*Warp Records* is probably the largest and most successful music industry business in Sheffield. *Warp* has grown from a company of two people with a turnover of £50,000 to become one of the largest independent dance labels in the UK, now with ten employees, a turnover of £2 million, deals with *Sony*, *Virgin*, *Play It Again Sam* and others opening markets around the world. It also has a distribution company employing a further nine

people and a turnover of £1 million, with their Sheffield shop (now franchised) turning over a further £0.5 million. *Red Tape* did help *Warp* access funds for a marketing consultant, and *Warp* made use of cheap office space within the CIQ's *Workstation* during the early stage of their development, although they relocated once bigger offices near the city centre were available. Despite the CIQ, *Warp*, *Pulp* and other Sheffield music-makers have still found it necessary to work in or move to London, where the bulk of the British music industry is located.

Some in the industry have doubted the usefulness of facilities apart from 'cheap space'. A number of councils seized on recording studios as a straightforward solution to questions posed by a music industry and/or 'community arts' policy — sometimes confusing the two and in some cases (though not in Sheffield's case) taking little account of what local music producers actually needed. This illustrates a problem generally with music industry support — but also relates to the anti-intervention, maverick, individualist, even Darwinian, ideology of many in the music business. In terms of attracting music businesses, the CIQ seems to have been no more successful than more basic managed workspaces, such as *New Mount Street*, *Ducie House* and *Beehive Mills* in Manchester. Indeed, *Red Tape's* strong association with the council — including for many years some opening hours restrictions, non-smoking policies, etc. — may have made it less attractive to a 'rebellious' sector. The managed workspaces in Manchester had no restrictions on the type of businesses and have achieved an eclectic and ultimately effective mix.

Although music was always a focus (especially in AVEC), the CIQ as a whole has so far arguably proved more attractive to film, TV and design companies, who felt able to take advantage of the workspaces and links to city policy-makers. The synergies which work for them did not perhaps work as well for the music industry: clusters around dance music, for example, with the links to flyer and tee-shirt design, club fashions, café bar furnishings and lighting, DJs, etc. have mostly happened elsewhere. *Cultural Industries Quarters*, therefore, need to know which sub-sectors they are targeting and be able to recognise their differences and special requirements.

This concentration on the facilities and buildings, on establishing a physical and geographically defined infrastructure, actually hampered the development of other possible music industry support. There has so far been little small-scale music training other than sound recording (there are 1,500 *Media School* students); little sub-sector-specific business support (legal, financial, marketing) except for basic music business courses at *Red Tape*; and a developing 'Cultural Business Support' service. It should be noted that the issue of training is a contentious one in the music industry at present, and this situation is not specific to Sheffield; and also that *Red Tape* is currently undergoing a 'Strategic Review' and the NCPM will provide a wide range of education which may have changed this situation significantly. However, there has been much less of a stress on 'soft' economic development tools and there have been few music-specific marketing or production initiatives such as are taking place in Liverpool and elsewhere. Also, links with the Higher Education campus nearby have not been maximised (partly the fault of the education institutions), an issue highlighted by the EDAW report.

## 5.2. Networks and clusters

This can be seen more generally in terms of the second set of questions — linkages to the wider set of networks and music scenes in the city. Despite its notion of being mixed use, there has been a lack of retail and residential businesses in the area which has severely reduced street level activity and animation. "You've got no reason to go there unless you're called to a boring meeting or have an office there", says Winston Hazel (a prominent local DJ). The mix of small-scale retail, café bars and small businesses actually works

in the Devonshire Street area of the city, which has grown up independently of the city council or CIQ. The mix of production and consumption is crucial for music — to emphasise production facilities alone is to ignore this crucial element of any 'buzz'.

Physically, the linkage between the CIQ and the rest of the city — a prime consideration amongst all the traders in the NQ — has remained a problem, and major improvements are now planned. Issues of lighting, pedestrianisation, public art and signage are still to be addressed, partly due to the production- and facility-based emphasis and partly a sign of the limits of the CIQ's influence on city policy-making. There have been, until the opening of the NCPM, no big cultural magnets like *Temple Bar* or *Dublin possesses* and thus the physical impermeability tends to reduce the usage of the existing gallery and performance spaces. Shopping, wandering, random socialising, looking — none of these paths flow strongly through the CIQ at present.

The concentration of effort on one physical area of the city without thinking through the spatial implications has also produced a sense of exclusion amongst some. The barriers between city centre and 'inner city' are a real source of contention in Britain at present, involving complex class, gender and ethnic lines. (On some issues around this, including the role of cultural quarters within a multiplex city, see Amin and Graham, 1997, pp. 411–429.) The spatial politics of a CIQ and other quarters and the implications for the sort of businesses that make use of its facilities has not been fully addressed, exacerbated by the fact that some previously-funded community arts perceive themselves as having suffered due to the priority given to the CIQ.

The problems with physical linkages are thus often questions of social linkage. The CIQ's emphasis on focusing support on a specific area has tended to ignore links to wider networks of cultural production and consumption. Networks are about how the sector interacts and how knowledge is passed around. Networks are how ideas, sounds, 'product' are tested, validated, given credibility. The 'music industry', conceived as business concerns trading from premises, is merely the visible part of a complex series of networks, milieus, scenes and cultures. To ignore these linkages is quite damaging to a music industry strategy. The CIQ addressed the need of the music industry through what it could provide in physical terms within its immediate area. This has not only led to feelings of exclusion by some outside, but has also retarded their ability to think about a wider cultural industry strategy within which the CIQ could fit. We have already seen this in terms of the sector-specific targeting of training and support, but this also occurred in a more general sense.

In part this reflects a general problem of local governance and the cultural sector. A coordinated approach to developing the cultural sector would include many non-cultural areas of policy, such as transport, housing, licensing and policing. However, even where, as in Sheffield, certain officers within key departments (in Sheffield's case, employment) have been able to pursue cultural strategies, without a horizontal integration across departments of such an approach, the impact will always be limited and partial, as both the CIQ and NQ have found.

A classic example was with late licensing. Those behind the CIQ managed, despite the odds, to build up strong political support for their initiatives — that music and cultural industries were worth investing in and taking seriously. However, despite vigorous support from the CIQ for ventures such as *The Republic Club*, and initiatives such as the *Dirty Stop Out Tour*, licensing remained a policy problem for the CIQ as well as Sheffield as a whole. Whilst cities in the UK began to think about making the city centre more attractive and user-friendly — whilst Manchester and Leeds vied for the title of '24-Hour European City', however fictional — Sheffield's centre was suffering under the impact of an out-of-town retail park and severe problems with licensing. Until *Republic* opened its

doors in 1995, there had been no new night-club license granted in the city centre for the previous 15 years. The delay in *Republic's* opening (up to two years) has been cited as one of the reasons for its financial failure and receivership (although it was bought and fully re-opened in 1998). Draconian magistrates seemed completely out of touch with a city trying to reinvent itself as a centre for media and cultural production. The CIQ were powerless to reverse this. The key point here is that, despite the efforts of the CIQ officers, Sheffield City Council could promote the successes of the CIQ whilst making no effective connection to or gaining any contribution from other policy areas such as licensing, where serious problems persist (a recent development proposal for the *Leadmill Bus Garage* site was turned down because it contained a night club as part of its proposals).

This is indicative of a failure by the city to realise the connection between cultural quarter, music industry, the wider scene and the cultural context of the city as a whole.

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## 6. THE NETWORKED CITY

The point here is not to criticise the CIQ, but to question the usefulness of the cultural quarter model and, more generally, local authority intervention in support of local music industries. What the Sheffield example illustrates is, firstly, the need to look beyond the provision of facilities — the need, that is, to take account of the 'soft' infrastructure, the people, the skills, the networking, the social context of those involved in the music industry. Secondly, that any cultural quarter must be conceived as part of the wider socio-spatial fabric of the city.

The relevance of the *Northern Quarter* (NQ), Manchester, here is certainly not to assert that this has been 'done better' but to indicate that a large cluster of music-related businesses and services have emerged without specific targeting by the local authority. Quarters are complex clusters of activities — they are networks embedded in a particular place. Though there are some obvious reasons why clusters emerge in a particular place — cheap rents, city centre, nearness of a venue or other key services — this does not mean the place is an indifferent space (Larkin). The complex networks of activity and exchange are given a context — they take *place*. This place acquires a series of associations which can be iconic ('Bourbon Street', 'Carnaby Street', 'Kings Road', 'Haight Ashbury') but are also spatially embedded social networks.

As we argued above, it is these 'scenes', 'milieus', 'happening places' — rather than 'facilities' — which are the real context for a local music industry. The exchange of knowledge and information is accompanied by a validation, a testing of product.<sup>4</sup> Networks are about the exchange of information (contacts, grants, funding opportunities, jobs, technology, etc.) They are about the exchange of experience — they act as reservoirs of previous trial and error. Network entry points (very informal, usually — acquaintances, work neighbours, gossip) allow informal sharing of personal experience. They also allow the exchange or sharing of harder knowledge — how, who, what, when.

"Knowing *Jockey Slut* [magazine] helped a lot because they'd been through the same process two years before. So we were able to learn from their mistakes. They gave us a lot of support. Similarly, *Rob's Records* were really helpful, supportive, as they were the first record label we'd worked with. They have a track record of wanting to support Manchester-related businesses. They gave us work and that was very encouraging. People generally — because of the nature of the city, people know what you're up to. Y'know people say 'hi, what you up to' and people were interested even if it's just to work out exactly what was going on. It didn't ever really feel like we were working in a vacuum ..." (Emma Warren, *Freestyle Promotions*)

"There is a distinct sense of collaboration ... At a [colleague/friend's] leaving party, there were about three or four journalists there and three photographers, and we were just talking about the immense amount of collaboration, and people in London who they work with, can't understand that there are writers from different publications who talk to each other and actually help each other out, and if one person can't do a bit of work, they pass it on to someone else ... the same thing happens with photographers. Because people have got those different specialisation's (sic!) — that's why it's not competitive. And also because people know each other and see each other all the time. That competition isn't as strong as it would be, say in London, where there's ten people barking up every tree. Here it's a lot more relaxed — there's not that intense egocentric thing ... Which is really helpful and I think that's helped a lot of people". (Vicky Perrin, Events Organiser, *Lifeline*, interview by Dan Hill [DH])

But networks are also about validating and testing cultural capital. The networks, the milieus within which these operate, act as test beds for ideas.

"The family here is immense. We could test our minds for anything and come up with good interpretations. We are staying within the family and that is important".  
(Mark Rae of *Fat City*)

As such, these networks are about social capital — but not based on the family as such. Indeed, these metropolitan milieus have historically been anti-family, bohemian, counter-cultural. What holds them together is a loosely structured, place-based milieu:

"You just go out onto the street and bump into people and start talking to people and drop notes through the doors. It's just very informal. Even planners — you bump into them on the street and say 'oh, I meant to tell you, this is starting on-site, blah blah, or what about a grant for cleaning that ...' It happens on the street really. It's nice — it's really nice. It's a nice thing to have during the day, just to be able to go out and say hello, and have that sense of community spirit. There used to be communities in the old days where you lived, but it's not the case anymore, I don't think. People are much more isolated where they live. So, re-establishing that community thing is really good and I think people appreciate it and it does give us a certain sort of strength to the area". (Dominic Sagar, Architect — DH)

"It is quite a bit of a community thing and the problem for me is that I can't walk anywhere without being sidelined, in the street, at the bus stop, in here, whatever ... when I want to go to the bank and it takes me half an hour to walk down Oldham Street, so I try and hide and go down back streets ... Between us there is a big informal network because I talk to my neighbours, and they talk to their customers and it is really effective and you find that information gets out and about very quickly".  
(Michael Trainer, *Design Goes Pop* — DH)

These clusters allow trust to build up in face-to-face contact. They allow a common identification with a locale or local culture. This can frequently give common context to the cultural product — through a particular style or a more amorphous 'attitude'. These clusters are place-based, place-centred networks, the knots that tie a series of networks — they are part of the soft infrastructure. They accumulate knowledge and experience; they generate and reproduce social and cultural capital in metropolitan areas (Banks et al. 2000).



It is here in these very localised networks that the first real interface between the flow of global musics, images, ideas, styles become consumed, absorbed, embedded, repackaged, rejected, reformed, reconstituted. It is here that the local music scenes are formed around a sense that they could do better, or as well, or at least do something. Local scenes, even the most basic, form a supportive, or inspirational context for this.

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## 7. CULTURAL POLICY AND THE MUSIC INDUSTRY

Does this mean then that local authorities should keep well out of the music industry? In Manchester, the hands-off (Darwinian) approach has been strongly voiced by Anthony Wilson (*Factory, Hacienda, In The City*):

"You know, it's very difficult to put money into this kind of industry — how do you help? ... There's very little you can do. It's like this building a municipal rehearsal room, you know — fuck it! The argument being, if you can decide which ten bands out of the 1,000 deserve the rehearsal room, don't be a Councillor, be a fucking record company, because you'd be a millionaire. Because, you know, the whole point of music is that everybody does it, everybody does it, and therefore it's impossible really to do anything. You know, one of the strange things, since the music industry comes from by and large ... from the radical left or whatever ... one is aware of pop music's Darwinian inheritance in that it succeeds and it's as if you have to have that winnowing-out process. You know, you have to believe in what you're doing, to actually struggle and to get the equipment, gigs, find a manager".

Dave Haslam, a Manchester DJ agrees: "You know, 'Madchester' happened anyway. 'Madchester' would have happened anyway. Those guys knew what they were doing ... and if the *Buzzcocks* and *New Order* and the *Smiths*, and the *Hacienda*, and the *Boardwalk* and whoever else can rise out of nothing, then anybody else can."

This chimes very discordantly with other city governments and public agencies who, for various reasons, are increasingly interested in 'doing something' for the cultural industries in general and the music industry in particular. In some respects, Wilson may be right in sounding a warning. Local authorities are very much attracted to the music industry — as a highly globalised industry, it seems to sound the charge for new, forward-looking cities. Music can be glamorous with a huge local PR potential — local stars being used to promote various initiatives. Music scenes are used by cities (often long after the event) — the iconographic value of streets and venues associated with particular events or scenes inevitably tempt cities into inappropriate labelling (jazz quarter, bohemian quarter) and crass tourism (Cohen and Atkinson, 1995). The music industry often seems to hold out huge wealth potential — being amongst the most visibly lucrative cultural industries and among the UK's top export earners generally. It is also widely felt that, for whatever reason (use of English, links to the USA, unemployment, 'natural creativity', etc.) Britain is well placed to take advantage of this almost instant access to a global arena/marketplace — though the unequal distribution of this wealth, between and within local areas, is not always recognised. Moreover, music production is widespread and arguably accessible to even (especially?) the most excluded groups. Music strategies are often seen as low on expense and skill and high on enthusiasm and creativity — as opposed to the high investment, skills and logistics required in the film industry, for example. Moreover, such spending has a more 'populist' profile than traditional or other cultural industry investment — thus is easier to justify politically. The accessibility of music-making as well as its widespread, quotidian consumption tends also to make musical success much more



emblematic of the locality than other cultural production is. Although there are local 'success stories' in other cultural industries sectors (actors, films, designers) music seems to 'express' a locality through sound, image and discourse in a way that is quite powerful. So local authorities are more and more interested in the industry — the question is can they do anything? The response lies at two levels. Wilson would want Manchester to keep to its hands-off policy whilst 'removing barriers'. This includes flexible planning and licensing regulations; it means organising public transport and other, traditionally 'non cultural' initiatives. These are quite general demands, but crucially important to the success of any cultural strategy in either city. On the other hand, Wilson thinks that the things the city does do — commissioning buildings, public spaces, festivals — need to be 'inspirational', that Manchester needs to move beyond the provincial to occupy a place in Northern England similar to Barcelona in Catalonia. In order to do this, it needs to raise its vision and to listen to, respond to, use those local cultural producers who have been globally (or at least nationally) successful in their own sphere.

This, despite being couched in iconoclastic anti-policy language, is in fact a cultural policy. But in the end the anti-policy language has undermined the evolution of such a policy. As we saw above, the local music sector's distrust of intervention fitted well with the dominant policy discourse in the city. Manchester's regeneration is almost exclusively focused on buildings, with a strong sense of *laissez-faire* with regards to the cultural industries sector. This discourse stems from a very powerful coalition of planners, public and private regeneration intermediaries, and large/medium property developers. Heavily dependent on city-brokered deals with national agencies such as *English Partnerships*, *Lottery/Millennium Funds* and *European Structural Funds*, along with the city's (limited) financial and planning powers, this group is strongly *laissez-faire* when it comes to cultural industries and other economic development areas. It points to the strength of the cultural sector in Manchester (Manchester has the largest cultural sector in terms of employment outside of London, MIPC/MCC, 1997) and in particular to the language of the music sector as confirmation of this approach.

However, at a local level the relationship between the cultural industries and urban regeneration interests around property development is clearly fraught with tensions. A hands-off approach can ultimately allow a property market to price out small-scale cultural producers. This may not just impact on a particular area but on the ecosystem of the city as a whole.

This can be seen in the case of the NQ. Whilst the city were willing to use the notion of 'the creative quarter' in its literature it never bought into the vision of the area as a cultural industries quarter. The NQ was taken under the wing of the Planning Department and Chief Executives — concerned mostly with property-led regeneration. Economic Initiatives, the department driving a new cultural production strategy, was kept at arm's length. The local *Northern Quarter Association* (NQA) was given basic funding (£30,000 per year, from a *Single Regeneration Budget* (SRB)) and *European Regional Development Fund* (ERDF) money was used to support building refurbishment and a public art project and as leverage for new building investment. The major indicator of success was new businesses in the area and new investment in the built stock. There was no linkage of a NQ regeneration strategy to the cultural sector other than to note the suitability of the smaller lettings in the area to such cultural businesses. At no point was the NQA encouraged to look to business development/training funds (ERDF, ESF, SRB, etc.) to support cultural businesses, as was happening across the region and is happening in Sheffield. What developments there were came from the Further and Higher Education establishments, but again, there was no co-ordination around a central set of objectives, and their investments were registered in terms of building refurbishment. Whilst large sums were being

drawn down by organisations who claimed to be delivering to the cultural industries sector, the NQA was left to ask around the council for some money to paint their offices. Some of the basic demands of cultural businesses in the NQ were improvements in the physical environment (lighting, pavements, transport, parking, traffic congestion, etc.) and general initiatives in marketing the area through publicity, signage, events, linkage with more central activities, etc. Whilst a certain amount of investment has gone into infrastructure (though nothing like the levels in other areas of the centre), the marketing of the area has been either opportunist (mentioning it when promoting the 'vibrancy' of the city) or left to the poorly-resourced NQA. A marketing of the area at a strategic level, as seen in Sheffield, has never been remotely attempted. The NQA, whilst seen as a 'good thing' amongst those who talk of partnership with the community, has in fact a low political profile. Thus despite long and loud opposition, buses continue to be routed through the main streets in huge and increasing volume.

The issue of licensing, as with Sheffield, is instructive.

A failure to deal with long-running issues of gangs, organised crime, protection and violence associated with Manchester's night life and clubs has led to two prominent clubs closing in the *Northern Quarter*. Although Manchester's night life has been a central plank of the city's re-imagining, and a generally *laissez-faire* approach has allowed club culture to flourish in the last decade, 'non-intervention' and a lack of co-ordinated action from different policy areas is now threatening that cultural activity.

But the conflict between property-led development and small cultural businesses seems set to take centre stage. A number of recent large-scale developments have seen the familiar story of rising rents loom. The growth of residential developments is causing conflicts with music venues and bars. This is repeated elsewhere in a city that promotes city centre living and the '24-Hour City' with little overall co-ordination between them. The latter is used to sell an image of the city, the reality of which may not be to the tastes of those who move in. Currently, residential usage is at a premium here as in other 'regenerated cities', and this pushes small cultural uses out in a now almost classic pattern (Zukin, 1982).

This lack of any cultural quarter strategy can be seen in a major new NQ development on a site of a car park and surrounding buildings owned by the city. Rather than used as strategic elements in a regeneration strategy managed by the city, the site is to be sold off via an overall development plan set by a private developer chosen through competitive bidding. The NQA, once a potential community development organisation, is now to be consulted as a 'voice' of the local community. The developers' brief stresses cultural usage, but the inevitable tendency will be towards 'cultural' clients who can draw down lottery and other public funding, i.e., the subsidised sector. This will leave the music industry out. The first act of the new developers appears to be the eviction of small cultural users in favour of a residential development (interview with *Northern Quarter Association*). This growing conflict between property development and the cultural sector threatens to be damaging to the NQ and to the city as a whole. In the absence of the major institutional players — which, as we have said, in the music industry are located in London — it is these clusters which provide a key infrastructure for the local industry, as well as a source of new talent for the national and global industry. But more generally, these developments indicate that whilst a local authority cannot conjure up an industry out of nothing, it can let it disappear by failing to support it.

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## 8. MUSIC INDUSTRY POLICY

What is becoming clear is that the discursive opposition of 'top-down' to 'bottom-up/*laissez-faire*' is increasingly failing to articulate the complex needs of the music industry at

local levels. However local music scenes and industries emerged in the past, it may well be the case that non-intervention is no longer an option. The existence of local networks and creative talent does not necessarily mean that a local industry is secure. In fact the dominant characteristic of all local music scenes in the UK is that they have failed to dent the hegemony of London as national/global music city; and only a few have secured a limited autonomy from the London-based networks. From the industry perspective, the 'provinces' are feeder routes of talent to be developed and promoted from the head-quarter capital, with minimal investment or supply of resources to help further supply that talent.

The key problem for local strategy is increasingly centred, not on retaining talent, but on developing an infrastructure that can help and benefit from this local talent as it moves towards the global centre (geographically and metaphorically). This infrastructure includes facilities (venues, studios, rehearsals, etc.) and business services (legal, financial, marketing, etc.) — but it also includes those wider networks of knowledge and creativity which allow innovation, adaptation and the development of new markets. In this context, the impact of new digital technologies could prove to be crucial. The implications for new forms of distribution are by no means clear as yet; what is clear is that the old structures of band/gig/recording are no longer the model by which we can approach local music industry policies (Frith, 1999). And as with other areas of city policy implicated in a shift towards an informational economy, the role of knowledge, connectivity and adaptability will be crucial. And non-intervention becomes retrograde.

The question then becomes what sort of intervention? Such an intervention would require a knowledge of the sector and the development of new models of sector support which are only slowly beginning to emerge. Indeed, the difficulty lies in that what is required is Wilson's 'new vision', but coupled with an attention to detail and flexibility of delivery which local authorities have found difficult to combine.

The problems implicit in *Factory Records'* Anthony Wilson's approach are quite clear here. How can these fluid networks of highly creative, highly motivated people be used by a city without stifling them by the political and administrative bureaucracy of local government? What the NQ suggests is the need to locate these networks, to understand how they operate and to try to find ways of adding value to their existing operations. Networks are informal and fluid - but certain aspects of the knowledge and information they carry can be formalised and made more widely available. This is not just in the case of basic information, but also of business knowledge — high-quality sector-specific business advice, for example, can really make a difference. New product development through new information and communication technologies has also great potential in the music sector — but this requires high skills at high cost with low visibility. Local authorities like high visibility — they are very ill-equipped for the highly precise and skills-intensive support entailed by the music industry.

Micro-business clusters can be encouraged and supported using a 'cultural quarter' strategy, but this has to be low-key and in tune with the dynamics of the sector. Local authorities are tempted to go in 'feet first'. The potential for creative collaboration, joint services, joint ventures is very high in these areas — but they demand attention to detail and sensitivity to the creative process itself as well as the different needs and character of different cultural sub-sectors. This usually sits awkwardly with the outputs demanded by economic development-related funding, through which most of these initiatives are financed. The new cultural production strategy in Manchester, looking towards the delivery of services to and via networks within the industry, may be the beginnings of this, but it will depend on gaining high-level strategic representation — 'the vision thing' — in order to have any long term chances of success.<sup>5</sup>

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## 9. CONCLUSION

There is a general question about the new support for cultural industries. In wanting to stress the economic (wealth-generating and employment-creating) aspects of 'culture', the specific cultural or creative moment is in danger of being overlooked. This raises the question of how economics can come to an understanding of the context and process of the generation of value-added in the production and distribution of symbolic goods. The answer is not to turn back to a 'culture as an end in itself' approach (pure creativity), but to integrate the business of culture into a wider cultural policy — which in the end is a challenge to 'free market' economics. The problem then remains how to square the notion of culture as a central driver for cities in the next century with the powerful networks around property development which emerged in the late 1980s and 1990s. The reduction of culture to economics is here mirrored in the reduction of the assets of an area to their marketable potential. The notion of intellectual or social capital assets is alien to the discourse of this group — and yet it is these that will ultimately guarantee the long-term sustainability and adaptability of cities. This is an emerging opposition, the failed resolution of which could very well jeopardise the ability of cities to respond to the challenges of the next decade.

In terms of music policy, it may indeed be inappropriate or restrictive for local authorities to target a 'local music industry' as if it were a self-contained local sector. Despite strong local identification and networks, music is the industry most penetrated by global industry structures. This is its strength and its weakness. Local talent can emerge and create local waves; but it is quickly and easily taken up in large-scale global business structures. Local music scenes and acts can resonate powerfully with a local area; but a precondition is often a global exposure which has little in common with this local identity. Thus there may be a case for widening the scope from 'music industry' to include all those elements that contribute to the emergence and sustainability of a vibrant local music scene, in terms of the scene's links to the wider environment as well as other cultural sub-sectors. This would have to recognise the wider 'culture' of the city and how this relates to actual participation in the production, consumption and distribution of music. In which case local authorities would have to think much more profoundly about the relationship between the city, culture and globalisation than the 'quick fix' which the music industry seems to hold out.

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<sup>1</sup> See *Northern Quarter Network*, [www.nqn.org.uk](http://www.nqn.org.uk).

<sup>2</sup> These were *Abraham Moss* and *Fallover* in Hulme and were not connected to any industry development strategy as such. See MCC minutes: EDU/GP/90/147; EDU/GP/90/34 and F/90/153.

<sup>3</sup> Indeed, the difficulties of securing such support which has led to ITC moving to Dublin, Glasgow and now Liverpool (Manchester's arch-rival in these matters) has brought the organisers to the point of demanding a music industry strategy from the city.

<sup>4</sup> Part of the following section comes from research co-funded by ESF-Adapt (*Networking for Business Advantage*), some interviews are by Dan Hill (indicated DH).

<sup>5</sup> Manchester's *Cultural Industry Development Service* is a networked service intended to act as sign-post, broker and information relay between the different networks. The city has also set up a *Music Industry Development Network* intended to do the same specifically for the music industry.

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**LIVERPOOL**



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## LIVERPOOL CITY PROFILE

Phil Misselwitz

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### GROWTH AND DECLINE

Liverpool's rise began after 1700 as a merchant city and its early importance was linked to the global slave trade. The city took immense profits as a hub within a triangular 'slaves for raw materials' trading network, exporting cotton and hardware to Africa in exchange for slaves that were then traded for sugar, rum, tobacco or raw cotton in the West Indies and Virginia. Liverpool's global trading connections proved valuable after the abolition of the slave trade in 1807 and, indeed, the 19th century was the period of most rapid growth for the city. Within only 50 years, Liverpool's population increased fivefold (from 77,000 in 1801 to 376,000 in 1851) and doubled again in another 50 years (1901: 704,000). Prosperity and power reached their peak in the early 20th century when Liverpool was known as the 'second city' of the British Empire (after London) and its most important port city with approximately 870,000 inhabitants in the 1930s. Throughout this period of growth, the docks continued to be the main engine of the city's economy, playing a key role in linking the prosperous Lancashire industrial region as well as the entire British Isles to the overseas markets of the Empire. During the period of rapid expansion, the city grew in concentric rings around the centre and along the rapidly expanding docks that stretched along the river Mersey over a total length of 14 miles and were linked by an efficient overhead railway system. The city's strength during this time is embodied in the famous waterfront buildings — the three Graces — built between 1906 and 1917.

Another boosting factor for the city was its status as one of the main gateways for European emigration. Between 1830 and 1930, nine million people set sail from the Mersey's docks for Australia and the USA. Many would-be emigrants decided to travel no further than the Pier Head as the low-skilled jobs available in the city provided reliable work. In the late 1840s, an estimated 250,000 Irish immigrants arrived escaping the potato famine — the largest influx of an immigrant community, whose tightly-knit character is still apparent today. To a lesser extent, Liverpool was also the port of entry for migrants from Britain's far-flung colonies; and Caribbean, Indian and Chinese communities, founded mainly by settling sailors, made it one of Britain's first multicultural cities. Housing conditions in the city were, however, extremely poor, with some of the densest urban quarters in Europe, consisting (like the former Scotland Road area) of tiny, back-to-back terrace houses and courtyard housing, which were located mostly to the north and east of the city centre. In stark contrast to these slum-like conditions, Liverpool's wealthy trading classes occupied generous town houses and villas, located mostly towards the south.

Liverpool's decline began when global trade links were severed in the inter-war period. In addition, the focus of Britain's economy shifted towards the southeast of the country, pushing the city's hinterland into a deep recession. During World War Two, these trends were temporarily disguised by the sudden importance of the port as the main window to transatlantic food and raw material supply. The trends towards containerisation in the 1950s made the docks rapidly redundant, and port activities were shifted further north towards the mouth of the river. The loss of the docks as a main source of employment marked the beginning of a relentless period of economic and demographic decline.



Liverpool's municipality was aware of the structural problems of the mono-functional economy of harbour and harbour processing industries. As Richard Meegan explains, already from 1936 the municipality became a key player in the attempt to stir against fatal trends of decline with policy initiatives (later to be called regeneration programmes) that fundamentally altered the face of the city; and indeed, policy experimentation was often ill-conceived and fatal in its own way. Its first stage was a promotion of decentralisation of housing and economic activity (Richard Meegan). Liverpool tried to tackle problems of overcrowding and slum housing by building municipal housing estates on newly acquired land at the outskirts of the city (during the 1930s, Liverpool nearly doubled its built-up city area) or in the emerging independent New Towns such as Skemersdale or Runcorn. For the time being, this policy was not unsuccessful. Helped by national decentralisation programmes, the city managed to attract new national and multinational corporations industries, which provided temporary substitute jobs for unemployed low-skilled labourers. Businesses were located in new estates close to the peripheral housing areas. For centrally-located local industries, however, decentralisation was often disastrous, and companies closed, being unable to compete with the multi-nationals. In the city centre, the *tabula rasa* demolitions of the traditional neighbourhoods meant the destruction of tightly-knit communities, which were scattered in the new estates at the periphery, which contained little or no amenities. After World War Two, slum-clearance programmes gathered pace. The inner city ring of 19th century slum housing was replaced by four- to five-storey, open-deck access blocks. De-densification and fragmentation of the urban tissue continued with the construction of inner city highways in the early 1960s (*Shankland Plan*) that cut off the city centre from the surrounding housing areas. In the late 1960s and early 1970s, in some areas terraces were demolished and replaced by large clusters of tower blocks within expansive green areas of distinct suburban feel. In effect, the city had been turned "inside out" (Meegan).

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### **STRUGGLE AND SURVIVAL**

In the late 1970s, the impact of the global economic recession on the city's economy was particularly severe, as most of the employment was provided by multi-national corporations. While employment in the early 1960s had been at its peak, between 1966 and 1978 Liverpool lost 20% of its employment base (Meegan) and by 1991 a further 37% (particularly devastating were the years 1978–1981, when 18% of the jobs were lost). Unemployment soared to unimaginable heights. The predominantly low-skilled job base made service sector growths or any other diversification of the industries difficult. The remaining industries engaged in restructuring that, despite new investment, led to computerisation and mechanisation to retain competitiveness, resulting in a 'jobless growth'. In addition to global economic change, decline was further exacerbated by a national political and economic shift towards the European Union, which left Liverpool at its periphery. The resulting social catastrophe prompted vast numbers of the population to leave the city that had experienced a 'Golden Age' only ten years before with a vibrant local culture that had produced world famous bands like the *Beatles*. The nadir of decline was marked by violent riots in Manchester's Moss Side and Liverpool's Toxteth districts in 1981.

From 1979 on, Thatcherism imposed a draconian overhauling of national policies in accordance the principles of cost saving, a reduced role of local municipalities and the encouragement of the role of the private sector. Liverpool's municipality opposed these policies and engaged in a bitter war against the neo-liberal experiments of Central Government. From 1983 on, the local Council was dominated by a militant wing of the Labour Party, led by Derek Hutton and committed to municipal socialism with municipal

employment and social housing as its core programmes. The resulting confrontation climaxed in 1987 when a majority of the city councillors were discredited by soaring local corruption and when the Thatcher government abolished the Merseyside County Council. Liverpool was left in a state of free fall. The subsequent selling of large parts of the city's owned properties and land to very few large developers did little to improve the situation. The prices were extremely low and the selling was unconditional, i.e., no development obligations were attached, which meant that most of the land and buildings remained empty as investors decided to 'wait for better times'. As a consequence of privatisation, developers and newly-formed housing associations took over the Council's driving seat position in city planning and house building. In a second period of inner city *tabula rasa* demolition, the 1950s multi-storey terraced blocks were replaced by privately-owned bungalows and two-storey semi-detached houses that proved more easily saleable. This process continues to the present day and led to the almost complete disappearance of the last, once widespread urban typology: the residential tower. Most affected was again the inner-city ring around the centre, which lost significant parts of its population: from 50 to 60 units per hectare previously to a mere six or eight. The planning of new private estates reflects the traumatic riots and exploding crime rates of the 1980s in its use of the *cul-de-sac* principle, in-built CCTV and neighbourhood watch programmes, solid perimeter brick walls, etc. Fortress-like estates are surrounded by vast expanses of green spaces: inner-city suburbia. However, exceptions to the predominant trend towards privatisation do exist and point towards an often forgotten, but vital resource of Liverpool: Already in the late 1970s, during the beginning of the downfall of the city, tenants formed citizens initiatives to set up housing co-ops (e.g. *Aldonian Estate* in Everton), which became a safe haven in the following years. It is here where *cul-de-sac* development in Liverpool started first, predating the riots of the early 1980s, fuelled by ideas of community rather than security.

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## FUTURE PROSPECTS

While Liverpool continues to be one of the most deprived boroughs of the entire country and one of the poorest within the EU (75% of the average EU GDP), since 1991, a process of consolidation in the city's finances began and an increasing sense of optimism is spreading in the city. The turnaround was largely helped by huge national and EU regeneration grants. From 1993 on, the city received Objective 1 status, prolonged for a second term in 1999 (overall EU funds amounted to £ 800 million so far, distributed in five *Strategic Partnership Areas*), which significantly contributed to the process of stabilisation. Both EU and national funding was conditional upon the principles of 'partnership' and thus helped to found new and effective strategic alliances within the city, such as the *Liverpool Partnership Group* (1995). The physical transformation of inner city areas set the stage for foreign (e.g. Irish) speculative investment in the housing sector. New typologies emerged, such as loft living or luxury apartment blocks in the former dock areas. An additional boost for the centre was achieved through liberal licensing laws allowing the selling of alcohol until 2 a.m., and Liverpool became a regional centre for youth culture and entertainment. This also benefited the local music scene, which developed into a vibrant club culture of regional and national importance. Attracted by the success of popular music, students began to pour into the city. Clubs and popular culture generated new jobs together with other niche economies, such as the new *John Lennon Airport* (European budget airlines) and expanding call centres.

Recent *Census* figures have shown that the period of large demographic decline has come to an end and Liverpool's population appears to be stabilised at around 460,000 inhabitants, approximately half of the population of the 1930s. Population figures in the



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## TIMELINE: LIVERPOOL 1699–2004

Jon Murden (2004)

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<b>1699</b>	William III passes an act making Liverpool, hitherto part of the parish of Walton, an independent parish. Liverpool Corporation is given the power to erect its own new church.
<b>1700</b>	Liverpool acquires its own <i>Customs House</i> , giving the town control over its own trading affairs. This was a fundamental step towards becoming a major port, and the Port of Liverpool is now considered entirely separate from that of Chester, of which it had once been a part.
<b>1707–1806</b>	In Liverpool's 5th century, it first begins to develop rapidly as an urban centre. Its population grows from 20,000 to 80,000. While in 1707 just over 100 ships use the port each year, this grows to nearly 5,000 ships by 1806. Moreover, tonnage handled by the port increases from a meagre 9,000 tons to over 450,000 tons in the same period.
<b>1712–1715</b>	Construction of Liverpool's first wet dock. Built in the mouth of the pool, it can accommodate between 80 and 100 ships.
<b>1720–1723</b>	Growth in shipping in the port from 102 vessels in 1707 to 131 in 1723 sees the boundaries of the port further expanded.
<b>1726</b>	The road between Liverpool and Prescot is improved following the establishment of a turnpike trust. Better communications with its hinterland provide an essential ingredient for Liverpool's trade expansion
<b>1729</b>	Liverpool and Manchester are connected following work to make the Rivers Irwell and Mersey navigable.
<b>1730</b>	Liverpool becomes the third mercantile port of Britain, behind London and Bristol.
<b>1740–1800</b>	Liverpool is the world's leading port for slave ships, sending out between 40 and 100 voyages each year. By 1800, 25% of Liverpool's ships were engaged in slaving and one-tenth of outbound shipping tonnage went to Africa in exchange for human cargoes.
<b>1740</b>	A <i>Dock Trustees Board</i> is set up and took over the dock making it public property.
<b>1755</b>	An act of Parliament permitting the construction of the Sankey Canal is passed. The first canal to be built in Britain, once completed it connects Liverpool to the coalfields around St. Helens.
<b>1757</b>	Beginning of the Liverpool cotton trade as the first imports of raw cotton arrive from the West Indies.
<b>1760–1825</b>	This period sees a rapid and massive expansion of cotton imports to serve the industrialising cotton mills of Manchester and Lancashire. In 1784 1,800 lb. of raw cotton pass through the dock. By 1825, this rises to 124.3 million lb.
<b>1760</b>	Following improvements to the road between Liverpool and the existing stagecoach station at Warrington, the first-ever stage coach service from Liverpool is begun.
<b>1766</b>	Communication links with Liverpool are further improved with the construction of the Duke of Bridgewater's canal between Runcorn and Manchester.
<b>1773–1820</b>	Further gradual improvement to the turnpike road system sees the journey time between Liverpool and Manchester cut from twelve hours to three hours.
<b>1775</b>	The Liverpool economy suffers a recession due to the effects of the American War of Independence. Liverpool seamen attack the Town Hall in protest at having their wages reduced, and in response the Common Council calls in the military.
<b>1776</b>	As a result of the previous years' trouble, a permanent garrison is stationed in Liverpool.
<b>1777</b>	Under the direction of engineer James Brindley, the 92-mile Grand Trunk Canal connecting the Mersey with the Trent is completed.
<b>1784–1825</b>	First shipments of U.S. cotton arrive.

<b>1787–1807</b>	In the face of hostile opposition from the town's merchants, Liverpool notaries Rathbone, Binns and Roscoe organise the <i>Society for Abolition</i> and campaign vigorously against slavery.
<b>1800</b>	80 coaches each day leave Liverpool with raw cotton bound for Manchester.
<b>1807</b>	The slave trade is abolished in the British Empire. Cotton becomes the primary trade of the Port of Liverpool
<b>1808–1850</b>	Following the abolition of the slave trade, many of the merchants go into property and invest in the court slums. Overcrowded and low-quality, this type of housing is organically linked to poor health, poor housing and poverty.
<b>1813</b>	The <i>East India Company's</i> monopoly on trade with India and China is abolished. This greatly assists Liverpool's attempts to trade with the Far East. The following year, 1814, the <i>Kingsmill</i> becomes the first Liverpool ship to trade directly with China.
<b>1823</b>	The West Indian and U.S. cotton imports are further supplemented by those from Sudan and Egypt.
<b>1824–1858</b>	Jesse Hartley, appointed as Liverpool's dock surveyor and engineer, oversees the creation of the world's first fully enclosed dock system. During his 34-year tenure, he is responsible for adding no less than 140 acres of wet docks and ten miles of quay space to Liverpool docks. His most notable constructions include the Clarence (1830), Brunswick (1832), Waterloo (1834), Victoria and Trafalgar (1836), Canning (1842) and Albert (1845) docks.
<b>1826</b>	An <i>Enabling Act</i> passes parliament which permits a railway to be built linking Liverpool and Manchester.
<b>1826–1830</b>	George Stephenson oversees the building of the Liverpool to Manchester Railway. Once opened, this becomes the first passenger railway in the world.
<b>1828</b>	<i>Aintree</i> racecourse is founded by Waterloo hotelier Bold McLynn.
<b>1832</b>	Overcrowded, unsanitary, poorly-constructed court houses in the rapidly expanding town provide the ideal breeding ground for cholera. An outbreak this year infects 4,912 and kills 1,523.
<b>1834–1918</b>	Approx. 3,000 Chinese seafarers settle in Liverpool.
<b>1835</b>	Parliament appoints Liverpool an Assize Town. This leads directly to the building of <i>St. George's Hall</i> , which becomes the seat of the Crown Court.
<b>1836</b>	Construction of Lime Street railway station.
<b>1837</b>	First 'Grand National' run at <i>Aintree</i> , though it is not until 1847 that it adopts its now famous title.
<b>1837–1985</b>	Liverpool founds its own stock exchange.
<b>1838</b>	The foundation stone of <i>St. George's Hall</i> is laid, although work does not officially start until 1842, taking twelve years to complete.
<b>1839</b>	Samuel Cunard wins the Admiralty contract to carry mail to the Americas and establishes the Cunard Shipping line, operating a twice-monthly trans-Atlantic passenger service from Liverpool.
<b>1839–1890</b>	Liverpool's population increases dramatically as large numbers of Irish migrants settle in the City, fleeing from land evictions and the effects of the great potato famine. Many intended to move on to the U.S. or Australia, but for those who cannot afford the passage or who are too ill to travel, Liverpool becomes their home. They settle in dockland, in over-crowded courts and cellars, exploited by rack renters. Joined by Scots, Welsh, Jewish, West African, Caribbean and Chinese communities, Liverpool develops into a multi-cultural city.
<b>1840–1930</b>	The port exploits a major new form of cargo as nine million emigrants pass through Liverpool for the New World.
<b>1840</b>	The town makes advances in high culture as the <i>Liverpool Philharmonic Society</i> is founded.
<b>1840–1846</b>	A number of factors combine to give Liverpool the highest death rate anywhere in the UK, around 36 deaths per 1,000. In response, a locally-driven public health movement emerges from the <i>Liverpool Literary and Philosophical Society</i> . Dr David Duncan is at its forefront.

<b>1842</b>	To improve the public health situation, Liverpool opens public baths and washhouses, the first in the country.
<b>1842–1911</b>	A number of craft trades union bodies come together to gradually evolve the Liverpool Trades Council. Despite this and despite the impact of 'New Unionism' from the 1880s onwards, the vast majority of unskilled and casual workers in Liverpool remain without permanent organisation. This is due to a combination of: employer opposition; religious, sectarian and ethnic divisions; and the fact that casual and irregular port work does not lend itself to solid organisation.
<b>1843</b>	<i>Liverpool Victoria Friendly Society</i> is founded.
<b>1843</b>	Dr. Duncan publishes <i>The Physical Causes of the High Mortality Rate in Liverpool</i> , arguing that mortality and the appalling living conditions are connected. Typically 25% of his patients in the Vauxhall area of Liverpool are living in cellar dwellings with between 15 and 30 people in a single airless room.
<b>1844–1846</b>	Irish migration reaches a peak as the worst effects of the potato famine are felt.
<b>1846–1863</b>	The <i>Liverpool Sanitary Act</i> is passed, creating the post of Medical Officer of Health in Liverpool — the first appointment of its kind. Dr Duncan fills the post, and by the time of his retirement 17 years later, has overseen improvements to the city's sewers, public baths, washhouses, street paving and lighting, in conjunction with the first <i>Borough Engineer</i> , Newlands.
<b>1848</b>	Cunard establishes a regular passenger service between Liverpool and New York.
<b>1849–1854</b>	Despite the best effort of Duncan and Newlands, cholera strikes Liverpool twice more. In 1849, 5,308 die out of a total number of cases estimated at between 15,000 and 20,000. The efforts of the health reformers mean that when cholera returns in 1854, its impact is much reduced.
<b>1850</b>	<i>Royal Liver Assurance</i> founded. Liverpool is now the UK's second most important insurance centre after London.
<b>1850–1913</b>	This period sees a trebling of imports and a fourfold increase in exports through the city's docks. Liverpool's national and international status as a port is indisputable. It has reached its heyday, and by the outbreak of war is still responsible for handling over a third of UK exports and just under a quarter of imports. However, a slackening pace of growth at this time also indicates growing competition from foreign shipping lines and a certain weakness in the British export economy as a whole, which for the first time is no longer in a monopoly position in terms of international trading relationships.
<b>1850–1945</b>	Immigration of Irish Catholics into Liverpool creates a religious divide in politics, making the city a stronghold for Protestant Toryism. Connections between the Orange Lodges, the Working Men's Conservative Association and the Tory party play upon the sectarian traditions of the Protestant working class for the benefit of Conservatism. Merchants and casual workers, rich and poor, are all united by Protestantism, resulting in a shared political focus. In response, Catholics together vote for their own party, the Irish Nationalist Party, making that the second largest party in local politics.
<b>1852</b>	Peak year of emigration from Liverpool: 299,099 departures on over 1,000 sailings
<b>1856</b>	David Lewis founds his department store, the first group to introduce centralised buying.
<b>1857–1970</b>	MDHB is empowered by an act of parliament to manage shipping and commercial interests of the port, removing control from the town council.
<b>1857</b>	Liverpool becomes the second most important port in the UK as nearly half of the UK's exports and approximately one-third of its imports pass through the town
<b>1860–1900</b>	Of the five million emigrants who leave Britain, four million embark from Liverpool.
<b>1861</b>	The <i>Liverpool Omnibus Company</i> begins operating a horse-drawn bus service linking the town centre and the docks.
<b>1864</b>	The building of new courts is banned. At the time, there are 3,073 courts, consisting of 17,825 dwellings, housing an estimated 110,000 people.

<b>1866</b>	A further cholera outbreak kills 2,122.
<b>1868</b>	The <i>Liverpool Tramways Act</i> authorises a new company, the <i>Liverpool Tramways Company</i> , to build a circular line round the city centre with tracks out to Dingle and Walton.
<b>1870–1890</b>	For the first time, there is a gradual growth in manufacturing industry in Liverpool. It is, however, almost entirely dependent on processing the port's commodities or servicing its ships.
<b>1870–1890</b>	Jewish migration to Liverpool peaks, as the Russian pogroms intensify.
<b>1872–1978</b>	<i>Tate &amp; Lyle</i> sugar factory, processing imported West Indian sugar cane, is operational at Love Lane. In time, Tate and Lyle will buy up all other processors in the city, to become the largest processor in the world.
<b>1873</b>	<i>Brunner Mond</i> found alkali works in Liverpool, using local and imported salt — later becoming a key component of ICI.
<b>1876–1882</b>	A merger of the <i>Liverpool Tramways Company</i> and the <i>Liverpool Omnibus Company</i> (to form <i>Liverpool United Tramways and Omnibus</i> ), backed by the financial assistance of the <i>Liverpool Corporation</i> , marks the beginning of the great extension of the tram network into the outer areas of Liverpool and Bootle.
<b>1878</b>	Everton FC is founded from St Domingo Methodist youth club.
<b>1880</b>	Queen Victoria recognises the success of Liverpool by granting her City status.
<b>1881–1886</b>	Building of the underground passenger railway between Liverpool and Birkenhead.
<b>1881</b>	A Royal Charter establishes a <i>University College in Liverpool</i> .
<b>1888</b>	<i>Everton FC</i> are one of twelve clubs invited to become founder members of the Football League.
<b>1889–1893</b>	Construction of the Liverpool Overhead Railway, the first elevated electric railway in the world. Affectionately known as the 'Dockers Umbrella' it is built to ease congestion on the dock road, which by the last quarter of the 19th century has become so cluttered that it is almost impossible to transport goods and men between the different docks. It operates more than seven miles between Dingle and Seaforth.
<b>1892</b>	<i>Liverpool FC</i> founded as breakaway from <i>Everton FC</i> .
<b>1893–1937</b>	Life of Frank Hornby, toy entrepreneur.
<b>1897</b>	<i>Crawford's Biscuits</i> is established, supplied with flour from <i>Rank's Mills</i> and sugar from <i>Tate &amp; Lyle</i> .
<b>1897–1903</b>	<i>Liverpool Corporation</i> assumes full control of <i>Liverpool United Tramway and Omnibus</i> and quickly converts the system to electric traction. As the city grows, there is great demand to use the new electric services, and a revised fare system enables even more people to use them.
<b>1900</b>	Frank Hornby patents Mecanno.
<b>1900–1921</b>	A fledgling Labour Party begins to emerge in Liverpool. At first it centres on the Trades Council and the local ILP, before they formally merge in 1921.
<b>1903</b>	The <i>University College</i> re-establishes itself as a fully-fledged <i>University of Liverpool</i> .
<b>1904–1978</b>	Construction of Anglican Cathedral to a design by a then 23-year-old Sir Giles Gilbert Scott. Once completed, it is the largest Anglican Cathedral in the world.
<b>1906</b>	A memorable sporting double as <i>Liverpool FC</i> win the league and <i>Everton FC</i> the <i>FA Cup</i> .
<b>1907–1916</b>	Three of Liverpool's most famous buildings are constructed on the site of St George's Dock, which have been filled in: The Liver Building (1911), The Cunard Building (1916) and the Port of Liverpool Building (1907) comprise the trademark image of Liverpool's waterfront.
<b>1910</b>	BICC builds an insulated cable factory dependent on Sumatran latex and Chilean copper, all docked in Liverpool.
<b>1911</b>	Dockers, carters, seamen and railwaymen are involved in three months of strike action. By August there is almost a general transport strike in Liverpool. Gunboats are anchored in the Mersey and the climax of unrest is reached when riots on St Georges plateau are violently dispersed. A decisive victory is won with the securing of better pay and conditions. In the aftermath, the unions set about consolidating their new-found strength, building up their finances, tackling casualism and building membership. Liverpool becomes the best-organised port in the country.



<b>1914–1979</b>	Mecanno and Hornby Dublo trains are made in a purpose-built factory at Binns Lane, Wavertree.
<b>1919–1921</b>	The end of World War One sees a boom in demand for British exported goods, especially cotton, and by taking advantage of this it briefly appears that Liverpool will regain its pre-war prosperity and status
<b>1920</b>	Hornby introduces the Dublo toy train system.
<b>1921–1939</b>	The brief post-war boom collapses and unemployment begins to rise in Liverpool. Liverpool's decline is directly related to the changing international structure of production and the declining competitiveness of British exported staple goods. Male unemployment in the Merseyside region as a whole, therefore, consistently remains above 20% during the inter-war years, because there are few opportunities for alternative work outside the port. 70% of those unemployed are from sectors related to shipping, transport or building.
<b>1921</b>	The Irish Nationalist Party's basis in Liverpool politics is eroded after partition and, in response, changes its name to the Catholic Party.
<b>1922–1939</b>	<i>Members of the Transport and General Workers' Union and the National Seaman's Union struggle to democratise their organisations and refuse to submit to what they see as 'union dictation' — especially when the T&amp;G attempts to de-casualise the docks in the 1920s. In 1922, seamen in Liverpool form a short-lived breakaway union, the Amalgamated Marine Workers' Union to combat the NSU (which is widely viewed as a company union) and in 1925 the NSU's attempts to impose two wage cuts on its members provoke an unofficial strike.</i>
<b>1923</b>	Labour wins its first parliamentary seat in the city with victory in a by-election at Edge Hill.
<b>1924</b>	Littlewood's football pools founded.
<b>1925–1934</b>	Construction of the Queensway road tunnel linking Liverpool and Birkenhead.
<b>1925–1929</b>	The Catholic Party is gradually absorbed into the Labour Party, which becomes the second-largest party in local politics. Labour is now however seen as representative only of the Catholic interest.
<b>1926</b>	The <i>Liverpool Act</i> passes through Parliament. This enables the local authority to sponsor the construction of industrial estates in order to attract new industries to the Merseyside area.
<b>1929</b>	The continuing casual nature of the dock labour system means there are 239 stands along the seven-mile waterfront, where an estimated 60,000 men come each morning hoping to be picked for work.
<b>1929</b>	Conservative estimates suggest the numbers of people living below the official poverty line in Liverpool are around 30% with another 14% just above this, all suffering hardship, deprivation and insecurity.
<b>1930–1967</b>	Construction of Metropolitan Cathedral of Christ the King. Work on an initial design by Edward Lutyens is abandoned during the war and a lack of funds prevents its completion. In 1962, Sir Frederick Gibberds' radical modern design of a 'cathedral for our time' is selected and is built in less than five years.
<b>1931–1981</b>	Population falls by 50% – a reflection of economic decline.
<b>1932</b>	Littlewood's enters mail order business
<b>1933</b>	First provincial airport constructed at Speke to provide a lead for industrial growth in the area.
<b>1933</b>	<i>Everton FC win the FA Cup for the second time.</i>
<b>1936–1939</b>	Liverpool City Council begins work on building the Speke estate – a mixed community of homes and new factory premises. Similar developments get under way at Aintree and Kirkby.
<b>1936–1945</b>	Rearmament sees huge new factories built making air frames, vehicles and aero engines. These are the first factories to be directed to Liverpool by central government and represent state recognition of the city's need for a broader-based economy.
<b>1938</b>	Bryant and May open a model match factory close to Garston docks to utilise Baltic timber unloaded locally.
<b>1939</b>	The stylishly modern art deco new <i>Philharmonic Hall</i> is completed.

<b>1939–1945</b>	The city provides the control centre for the Battle of the Atlantic. Nearly 1,300 convoys, some of over 60 ships, dock in Liverpool carrying essential war supplies. In the first six months of 1944 alone, 750,000 men and two million tons of supplies pass through the city's docks.
<b>1941</b>	Between May 8–15, Liverpool experiences <i>blitzkrieg</i> . 2,315 bombs, 119 land mines and countless incendiaries are dropped on the city. Almost 4,000 are killed, 3,500 seriously injured and over 70,000 made homeless. Much of the city centre is razed.
<b>1941–1942</b>	A further 68 air raids are made upon the city.
<b>1945–1947</b>	The <i>Distribution of Industry Act</i> is passed and <i>Industrial Development Certificates</i> are introduced, allowing the state to intervene directly to promote and control economic development in the regions for the first time.
<b>1945</b>	Armament factories are sold off to become satellite factories for <i>English Electric</i> , <i>GEC</i> , <i>Lucas</i> and <i>Dunlop</i> .
<b>1945–1955</b>	The nature of Liverpool politics begin to change. Sectarian politics gradually become less of an issue, and at the same time the ideals of Labourism are given a great boost by the sweeping Labour victory of 1945. Furthermore, Catholic opinion in the Party begins to be outweighed by the power base assembled by Jack and Bessie Braddock. For the first time, the Labour Party appears capable of winning the support of all sections of the working class in Liverpool, both Catholic and Protestant, casual and non-casual.
<b>1945–1979</b>	Workers on Merseyside are again at the forefront of attempts to achieve full democratic rights for rank-and-file trade unionists.
<b>1945–1957</b>	The popular music scene in Liverpool is heavily influenced by American Country and Black Music, which arrives in the city in large quantities due to the impact of the U.S. airbase at nearby Burtonwood and the influence of the 'Cunard Yanks' — young seamen who work the Cunard Line to New York and who, inspired by the cultural and consumer revolution taking place there, return with American clothes, consumer durables and, most significantly, records. This, combined with the later skiffle craze, leads to the development of a distinctive 'Mersey Sound'.
<b>1946</b>	Playwright Alan Bleasdale is born.
<b>1946–1947</b>	<i>Liverpool FC</i> win the Football League championship.
<b>1948–1957</b>	By 1945, further extensions to the Tramway system out to Fazakerley, Woolton, Allerton, Gillmoss and Kirkby see it grow to become the third largest in Britain. However a fire in November 1947 destroys 10% of the fleet; this is quickly followed by the decision to phase out the tramcar routes and replace them with "cheaper" and "more flexible" buses. The last tram runs on September 14, 1957 from Pier Head to Edge Lane.
<b>1949–1969</b>	As part of the rapid post-war expansion of higher education in England, the <i>University of Liverpool</i> campus is re-built and greatly extended.
<b>1949–1980</b>	Except for a few months in 1962–1963, Merseyside as a whole is classified as a Development Area — thus qualifying for special treatment of its economic problems. Government policy succeeds in diverting about half of new investment to the DAs, but with little overall effect on Liverpool's unemployment, which stubbornly remains roughly twice the national average throughout this period.
<b>1950–1958</b>	Numbers employed in manufacturing do increase by 10%, giving signs for the first time that Liverpool's absent manufacturing base might be filled. The increase is mainly in metals, engineering and food, as firms like Birds Eye, Cadburys, Huntley and Palmer and Kraft move in. While 29,000 jobs are created in the region, 19,000 are lost. The net gain (0.4%) being only just enough to keep up with the growth in the labour force. Unemployment remains twice as high as the national average, at over 3%.
<b>1952–1961</b>	Kirkby housing estate is constructed, increasing the population of the area 16 times! 10,000 dwellings are built, re-housing 50,000 people 'decanted' from inner city Liverpool.

<b>1954</b>	<i>Liverpool Daily Post</i> reports that, although nearly 60 non-Merseyside firms have opened factories and created jobs for 27,000 since the war, this has not been sufficient to alter the economy of the area radically. The main body of the local economy remains focussed upon activity at the docks.
<b>1955–1967</b>	Labour takes control of the local council for the first time. With the Braddocks (and latterly Bill Sefton) at the helm, Labour on Merseyside comes to signify boss politics of the most blatant kind. Their political machine becomes increasingly remote from ordinary Party members, which leads to an atrophying of the organisation at ward level.
<b>1956</b>	Requiring £2,000,000 worth of repairs and modernisation and unable to acquire assistance from the Council or other organisations, the Liverpool Overhead Railway announces it cannot guarantee safety and is forced to close. By 1959, nearly all traces of the line have disappeared.
<b>1956–1958</b>	1,500 jobs are cut from the docks by the MDHB.
<b>1956</b>	The container revolution begins. The <i>American Malcolm McLean</i> sails a modified tanker, the <i>Ideal X</i> , from New Jersey to Houston carrying 58 modified truck trailer units. There are spectacular savings in the time ships spend in port. One U.S. study later shows that, where it took 10,500 working hours to load and unload 11,000 tons of general cargo, it took only 546 working hours when utilising containers. Of course, Liverpool's prominence came from old-fashioned cargo liners and these were precisely the type of ship that would soon become obsolete.
<b>1957–1962</b>	As part of the skiffle craze, John Lennon forms <i>The Quarrymen</i> . By 1962, both the line-up and the name had changed and <i>The Beatles</i> were beginning to attract a large following in the local underground clubs of Liverpool, in particular the <i>Cavern Club</i> on Matthew Street.
<b>1958</b>	The Minister of Labour, Hugh MacLeod, tells a deputation from Merseyside Trades Council that Liverpool is an area which should export labour.
<b>1959</b>	John Rodgers MP, Parliamentary Secretary to the Board of Trade says, "no area of similar size anywhere in the UK has employment problems remotely comparable".
<b>1960–1965</b>	A steeply declining export trade and reduced Commonwealth imports see the MDHB shed 10,000 workers from the docks.
<b>1960–1968</b>	A turning point in the industrial and economic structure of Liverpool. Further decline in the docks is offset by the relocation of giant multi-national branch factories to the area (coerced by a mixture of sticks and carrots). For the first time, there is the opportunity for factory work on a large scale. As a result, 28% of Liverpool's workforce is employed in factories with 1,000+ workers. 58% of the region's jobs in manufacturing are in such plants. By the end of the decade, 25% of Liverpoolian workers are employed in multi-national branch factories.
<b>1960–1966</b>	The <i>Seaman's Reform Movement</i> attempts to harness rank-and-file militancy into concerted action against the reactionary leadership of the NSU. In 1960, it brings the port to a standstill and provides the impetus for the official strike of 1966 — the first since 1911 — which prompts Prime Minister Harold Wilson to intervene.
<b>1961–1969</b>	Over 6,000 families are moved into New Towns surrounding Liverpool, including Skelmersdale and Runcorn, after agreement between local authorities.
<b>1961–1971</b>	Due to the mixed success of the new ventures and the continuing decline of the traditional economic base, 76,000 jobs disappear on Merseyside as a whole, 90% from Liverpool.
<b>1962–1965</b>	Car giants <i>Ford</i> , <i>Vauxhall</i> and <i>Standard-Triumph</i> (latterly part of <i>British Leyland</i> ) invest £65 million in three new car plants on Merseyside, creating 30,000 jobs.
<b>1962–1965</b>	The Beat boom gets underway as the <i>Cavern Club</i> hosts its first <i>Beat Night</i> and Liverpool's music newspaper, <i>Merseybeat</i> , estimate that some 350 beat groups existed in the city. As well as <i>The Beatles</i> , groups such as <i>Gerry and the Pacemakers</i> , <i>The Searchers</i> and <i>The Swinging Blue Jeans</i> achieve widespread recognition.
<b>1963–1966</b>	<i>Liverpool FC</i> are twice champions of the <i>Football League</i> .

<b>1963</b>	Signed by <i>EMI</i> , the Beatles take popular music by storm both in Europe and the U.S.A.
<b>1964</b>	A group of young trade unionists, including people such as Tony Mulhearn and Peter Taaffe, found a group to agitate for the ideas of socialism and Marxism within the labour movement. They launch a newspaper entitled <i>Militant</i> .
<b>1965–1970</b>	Realisation grows that multinational investments located on the periphery of the city have done little to solve the high rates of unemployment in central Liverpool. On the contrary, in combination with the local authority's decanting policy, they have exacerbated many of the tendencies that were already leading people to talk of the 'decline of the inner city'.
<b>1965</b>	Malcolm McLean begins the first regular North Atlantic container service.
<b>1965–1967</b>	The <i>Mersey Dock and Harbour Board (Seaforth Works) Act</i> passes through parliament and is approved by the Minister of Transport.
<b>1965</b>	The <i>Merseybeat</i> boom ends as the <i>Beatles</i> move permanently out of their home city and the music industry as a whole stops looking for new talent in Liverpool.
<b>1965–1979</b>	Workers at <i>Ford's Halewood</i> factory are at the forefront of a new style of trade unionism based upon workplace strength. Pioneered from 1945 on by activists at <i>Dunlop's Speke</i> plant, this marks a new era of union democracy, based upon the creation of a powerful shop stewards movement. In 1969 and 1971, <b>Halewood</b> leads national strikes against Ford on matters of principle — first unfair penalty clauses in the work contract and latterly to achieve parity of pay for workers in different areas doing the same job.
<b>1966–1972</b>	A further stage of the slum clearance program sees 38,000 families from 150 central Liverpool clearance areas re-housed in 56,000 new dwellings in experimental developments on the outskirts of the City, such as those at Halewood, Lee Park and Cantril Farm.
<b>1966</b>	On the sporting front, the double success of 1906 is repeated as <i>Liverpool FC</i> win the <i>Football League</i> , while <i>Everton FC</i> win the <i>FA Cup</i> .
<b>1966–1994</b>	The decline of trade with Commonwealth countries and the rise in trade with the EEC leaves Liverpool marooned on the wrong side of the country. Liverpool's share of all ship arrivals in the UK is halved, while at the same time Dover's share increases four times.
<b>1966–1978</b>	After the briefest of post-war golden ages, the Liverpool economy begins a period of contraction. The docks continue their decline, whilst multi-national branch factories relocated on Merseyside during the 1960s begin to be closed as companies retrench to their traditional heartlands in the midst of a world recession. In total, 340 factories close and 20% of the city's employment base is eroded.
<b>1966</b>	With debts of £10,000, the <i>Cavern Club</i> is closed. After an appeal raises the necessary capital, the club re-opens. It remains an important city venue, but it proves impossible to return the club to its former glory.
<b>1966</b>	The <i>Beatles</i> perform live for the last time at Candlestick Park, San Francisco. They stop touring in order to concentrate on their musical development and produce a string of seminal studio albums, beginning with 'Revolver'.
<b>1967</b>	Last Liverpool-owned transatlantic liner sails from the city.
<b>1967–1983</b>	The rise of the Liberal Party sees Liverpool City Council hung for most of the 1970s. None of the three major parties holds a majority for a significant amount of time throughout the decade.
<b>1967–1970</b>	Shortly after the release of the acclaimed 'Sgt. Pepper's Lonely Hearts Club Band', the <i>Beatles</i> manager, Brian Epstein, dies. They decide not to replace him and in 1968 form their own record label, <i>Apple Records</i> . Rifts within the band are clear during the recording of <i>The White Album</i> that same year and in 1970 the band finally split.
<b>1968–1971</b>	Work gets underway for the construction of containerised dock berths at Seaforth. The first ship to use the new docks is the <i>Tasmania Star</i> on December 6, 1971.

<b>1968</b>	The work of the Liverpool poets Roger McGough, Adrian Henri and Brian Patten is widely acclaimed as a book of their work, <i>The Mersey Sound</i> , is published. It becomes a bestseller, as 20,000 copies are sold in just three months. It comes to symbolise the 'pop poetry movement of the 1960s' and the irreverent, sardonic nature of the 'Liverpool Scene'.
<b>1968–1971</b>	In the midst of concerted local opposition to the scheme, a second Mersey Tunnel is constructed, the 'Kingsway' linking Liverpool and Wallasey.
<b>1968</b>	The <i>Gladstone Graving Dock</i> is adapted for container handling as a temporary measure.
<b>1970–1971</b>	MDHB becomes insolvent following financial crisis caused by the unfitness of the Board's constitutional and financial set up to adapt promptly to the container revolution.
<b>1971–1977</b>	<i>Merseyrail Underground</i> system expanded.
<b>1971</b>	MHDB bailed out by central government and converted to a private concern, the <i>Mersey Dock and Harbour Company</i> .
<b>1971–1975</b>	Decline in Liverpool's traditional docking and manufacturing industries further worsened by a 1% contraction in service and retail sectors.
<b>1971–1977</b>	Workers at <i>Fisher-Bendix</i> occupy their factory to try to save it and its 600 jobs. The plant is saved by a new owner, but closes after another five years.
<b>1972</b>	MHDC closes south docks to shipping. Within the space of a decade, the Port of Liverpool has shrunk so much as to be almost unrecognisable. Whereas in 1948 the docks directly employed 18,000, by 1972 fewer than 5,000 work there.
<b>1972–1976</b>	Workers at <i>CAV Lucas</i> occupy and then plan a scheme of alternative work in order to save their factory. It is rejected and the plant eventually closes with the loss of 1,600 jobs.
<b>1972–1990</b>	<i>Liverpool FC</i> are the leading team in English football, winning the league championship title 11 times: 1972/73; 75/76; 76/77; 78/79; 79/80; 81/82; 82/83; 83/84; 85/86; 87/88; 89/90.
<b>1973–1977</b>	At <i>Aintree</i> , punter's favourite Red Rum dominates the <i>Grand National</i> .
<b>1973–1979</b>	The Brunswick entrance gates to the dock system are fixed permanently open and the docks begin to silt up. The MDHC makes various attempts to sell the dockland for property development, including one proposal to centrally house the hitherto dispersed <i>Liverpool Polytechnic</i> . All come to nothing and Liverpool's seven-mile waterfront becomes characterised by dereliction.
<b>1973</b>	The <i>Cavern Club</i> is closed for a second time. The <i>Fruit Warehouses</i> above the <i>Cavern Club's</i> basement venue are demolished and the cellar itself filled in.
<b>1974–1979</b>	Disillusionment with the Wilson government sees the appeal of Marxism grow amongst the labour movement on Merseyside. A new generation of <i>Militant</i> supporters emerge, including individuals such as Derek Hatton. Suffering from an apparent crisis of confidence, the otherwise moribund local Labour Party begins to be overwhelmed.
<b>1975</b>	Alan Bleasdale becomes resident playwright at <i>Liverpool Playhouse</i> .
<b>1976–1978</b>	Tate and Lyle's plant is gradually run down and closed with the loss of 1,200 jobs.
<b>1977–1984</b>	In contrast to the fading industrial fortunes of the City, <i>Liverpool FC</i> are dominant in European football, winning the <i>European Cup</i> four times.
<b>1977–1985</b>	Estimates by the Liverpool Planning Officer suggest that the rate of unemployment is 50% for the areas around the North Docks and 40% for the South Docks and Speke estate. Outer area estates, such as Kirkby and Fazerkerley, are not far behind, with about one in five people out of work. Half of those on the dole are between 16 and 24 — leading to an exodus of young people for the city.
<b>1978–1979</b>	British <i>Leyland's Standard-Triumph</i> car factory at Speke is closed with the loss of 3,750 jobs. Militant opposition that threatens to obstruct the closure fizzles out without presenting a problem to management.
<b>1978–1985</b>	In a period of extreme deindustrialisation, companies based in Liverpool eliminate a total of 40,000 more jobs. Almost 450 factories close and 25% of Liverpool's employment base is lost. As a result, over one in five of the city's occupants is jobless.

<b>1979</b>	<i>Dunlop</i> announces the closure of its <i>Speke</i> factory. 2,400 jobs lost.
<b>1980</b>	With few job opportunities, estimates calculate that people are leaving the City of Liverpool at the staggering rate of 12,000 per annum.
<b>1980</b>	Estimates suggest 15% of land in Liverpool is either vacant or derelict – the largest amount of any city in Britain.
<b>1980–1982</b>	In local elections, Labour loses six seats, the highest loss by any party since 1964. In the aftermath, the <i>Militant</i> manifesto becomes the centrepiece of Labour's campaign for the next two years.
<b>1980</b>	John Lennon is murdered in New York, and in the immediate aftermath, fans congregate outside the <i>Cavern Club's</i> old Matthew Street venue. Later, 10,000 will assemble outside St George's Hall as a tribute.
<b>1980–1990</b>	Sections of Liverpool's youth evolve a style of their own in the form of the 'scally'. Well-dressed, clean, cocky and arrogant, occasionally inclined to violence and frequently unemployed, some see them as representative of the real youth of Liverpool under Thatcher. Arguably they revitalise the music scene in Liverpool.
<b>1980–1981</b>	Liverpool is arguably Britain's most 'electro-musical' city, with success for three of its bands: <i>Teardrop Explodes</i> , <i>Echo and the Bunnymen</i> and <i>Wah!</i>
<b>1981</b>	In a bid to boost jobs and investment in South Liverpool, a new airport is constructed at Speke.
<b>1981</b>	In a further regeneration initiative, the Thatcher government creates the <i>Merseyside Development Corporation</i> to manage regeneration in the City and surrounding area.
<b>1981</b>	Unemployment, feelings of hopelessness and terrible social conditions in the Toxteth area of Liverpool create a tinderbox of deprivation. Police harassment and oppression spark a riot of both black and white youths. CS gas is used by the police against a riot that is far more desperate, wider in scope and more furious than the earlier uprisings in St. Paul's in Bristol and Brixton in South London
<b>1981</b>	In response to the Toxteth uprising, Michael Heseltine is appointed <i>de facto</i> 'Minister for Merseyside', and a revision of regional assistance policy sees the city declared an 'Enterprise Zone'.
<b>1982–1985</b>	The MDC oversees the £100-million restoration and rejuvenation of the Albert dock and transforms its grade-one listed warehouses into luxury flats, shops, cafes, a studio for <i>Granada TV</i> and a permanent home for <i>Tate Liverpool</i> and the <i>Merseyside Maritime Museum</i> .
<b>1982</b>	The plight of Yosser Hughes, an unemployed Scouser desperate for work, highlights the situation on Merseyside as Alan Bleasdale's play <i>The Boys From The Black Stuff</i> is watched by a record audience on the BBC.
<b>1982</b>	<i>Channel 4</i> is launched; its opening night features a new drama serial, <i>Brookside</i> , created by Phil Redmond and set in and around a Liverpool housing estate.
<b>1983</b>	The <i>Merseyside Unemployed Resource Centre</i> is opened to provide a range of services and facilities, for those in or out of work. Plans are laid for a recording studio and concert venue at the Centre, which, after fundraising concerts supported by Alexei Sayle, Pete Townshend, Paul Weller, Peter Gabriel and Alan Bleasdale, opens as <i>The Picket</i> in late 1983.
<b>1983</b>	Catastrophic material conditions in Liverpool bear fruit as the Labour Party with a <i>Militant</i> manifesto, previously described as an 'electoral albatross', increase their vote at the polls by 40% and win control of the City Council with a landslide.
<b>1984</b>	<i>The La's</i> record their first demo at the <i>Unemployed Centre's</i> recording studio. The band go on to sign to <i>Go Discs</i> and release the seminal single 'There She Goes'. Arguably a precursor of the Britpop boom.
<b>1984</b>	The first signs of revival begin when an estimated one million spectators watch the <i>Tall Ships Race</i> when it docks on Merseyside. Later that year, the <i>International Garden Festival</i> redevelops an area of 125 acres in the Otterspool area of the waterfront; it is visited by 3.6 million.

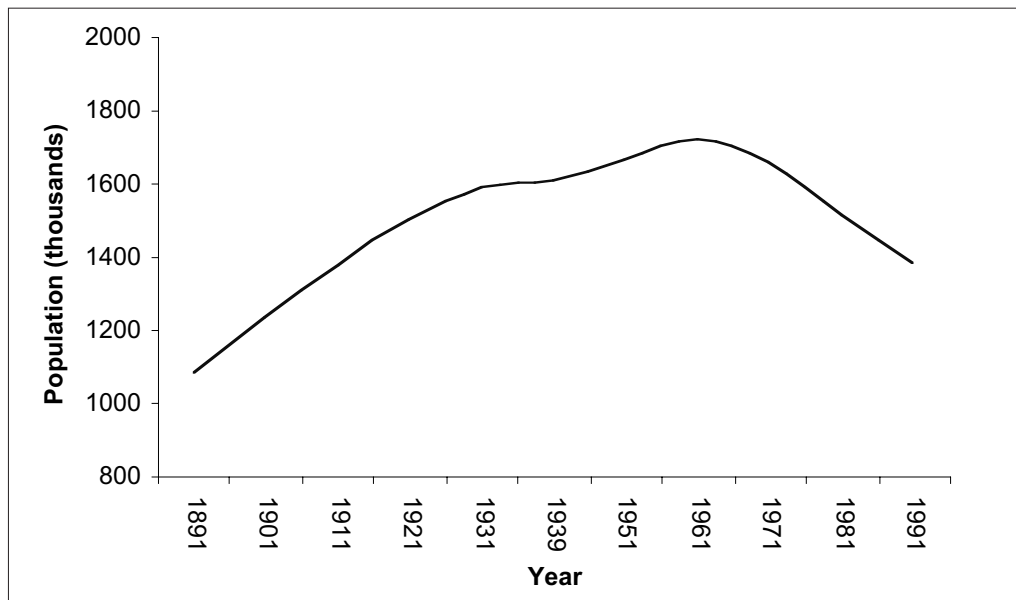
<b>1984–1986</b>	<i>Militant</i> -controlled Liverpool City Council challenges the Thatcher government over housing policy and proposed cuts in public spending. By setting an illegal deficit budget, the city is effectively bankrupt, and its leading politicians, including Hatton, are fined £106,000.
<b>1984</b>	At a cost of £7 million, the <i>Cavern Walks Shopping Centre</i> is completed, including a reconstructed and re-opened <i>Cavern Club</i> .
<b>1984–1990</b>	The Scouse group <i>The Farm</i> helps pioneer the acid house and rock crossover sound that the media will later categorise as 'Madchester'.
<b>1984</b>	<i>Liverpool FC</i> and <i>Everton FC</i> meet in the <i>Football League Cup</i> final. After a nil-nil draw at Wembley, Liverpool emerge 1-0 winners after the replay.
<b>1984</b>	<i>Everton FC</i> win the <i>FA Cup</i> for the fourth time.
<b>1984–1985</b>	Scouser Holly Johnson achieves massive success in the pop charts with his controversial group <i>Frankie Goes To Hollywood</i> .
<b>1985</b>	The <i>Heysel Stadium</i> tragedy at the <i>European Cup</i> final in Brussels between Liverpool and Juventus leaves 39 dead.
<b>1987</b>	The <i>Militant</i> tendency is expelled from the Labour Party and an air of normalcy returns to politics in Liverpool.
<b>1989–1998</b>	The Liverpoolian group <i>The Lightning Seeds</i> have a string of hits, including 'Pure', 'Life of Riley' and, in collaboration with David Baddiel and Frank Skinner, 'Three Lions' — the definitive football song of the 1990s.
<b>1989</b>	96 <i>Liverpool FC</i> fans are killed at the start of the <i>FA Cup</i> semi-final held at <i>Sheffield Wednesday's</i> ground, Hillsborough. Eventually both <i>Liverpool FC</i> and <i>Everton FC</i> reach the final at Wembley. Liverpool win 3-2 after extra time.
<b>1990–1996</b>	After the break up of <i>The La's</i> , bassist John Power forms <i>Cast</i> , who have a number of Britpop hits.
<b>1991</b>	After the tribulations of <i>Militant</i> , the city's finances undergo a process of consolidation, and confidence begins to return to Liverpool after two decades of setbacks.
<b>1992</b>	Dance music super-club <i>Cream</i> is launched by Darren Hughes and James Barton.
<b>1993</b>	The murder of James Bulger by two young boys on Merseyside shocks the UK.
<b>1993–1999</b>	As one of the poorest areas in the EU (with only 71% of average EU GDP), Liverpool receives <i>Objective One</i> status, securing grants of £800 million. As well as accelerating regeneration, <i>Objective One</i> significantly contributes to municipal fiscal stabilisation.
<b>1995–1998</b>	Liverpool Dockers' strike for two and a half years over the dismissal of trade unionists who refused to cross a picket line. Finally defeated, today fewer than 500 work on the docks in Liverpool, but the Port itself is thriving, regularly handling over 30 million tonnes of cargo a year — more than at any other time in its history.
<b>1995</b>	<i>Everton FC</i> win the <i>FA Cup</i> , defeating <i>Manchester United</i> 1-0 in the process.
<b>1996–2004</b>	The <i>Merseyside Special Investment Fund</i> invests £27 million in 493 small and medium-sized business in the area.
<b>1997</b>	Funded by the <i>North West Arts Board</i> , Liverpool City Council and the EU, the <i>Merseyside Music Development Agency</i> is set up to create new jobs in the music industry by attracting new investment and improving the scope and competitiveness of the local music sector.
<b>1998</b>	The MDC is wound up as Liverpool receives a further £844 million tranche of EU <i>Objective One</i> funding, matched by £844 million from the UK public sector and around £400 million from the private sector.
<b>1999</b>	First <i>Liverpool Biennial</i>
<b>2001</b>	An estimated worldwide audience of one billion watch the <i>Grand National</i> from <i>Aintree</i> .
<b>2001</b>	<i>Speke Airport</i> is renamed <i>Liverpool John Lennon</i> by Yoko Ono as part of a £45 million expansion, creating 500 jobs and significantly boosting the city's image.







**Figure I: Population data: historical series**



Source: ONS, 2001

A major force of this population change is migration. Data is as yet not fully available from the 2001 Census to allow an accurate assessment of the regional migrational movements, but the 1991 Census is still of great relevance in terms of the movement that has been occurring on the regional level.

There is a large amount of migration within the city area, but as **Figure I** accurately displays, the district of Liverpool, in terms of regional migration, is suffering population displacement to surrounding districts. The 2001 Census available data reveals that the levels of both in-migration (15,150) and out-migration (15,586) from within the UK were in fact very similar. In total, 15,586 individuals moved out of the administrative district of Liverpool, 17,653 moved into the area (includes migration from outside the UK) with 36,058 moving within the area. This pattern is comparable in Knowsley and Sefton as in Liverpool.

Of extreme importance to the *Shrinking Cities* debate are the migrational changes that have occurred in the North West. In terms of the debate surrounding shrinkage in Liverpool, **Figure 2** exposes the net loss of 2,364 persons to the region that was occurring in the early 1990s (Source: Census 1991). Firstly, only two of the 16 surrounding districts relevant for this study had a net migration loss to Liverpool, Knowsley (150) and Rochdale (13). However, Liverpool on the whole can be seen to shrink in relation to its neighbours. The neighbouring areas of Wirral and Sefton were the major beneficiaries of Liverpool's net loss, 564 persons and 569 persons respectively. Elsewhere, the region also shows a net gain of 948 persons, with even Manchester showing a small net gain.

This data may well be representative of the regional migrational changes occurring today.

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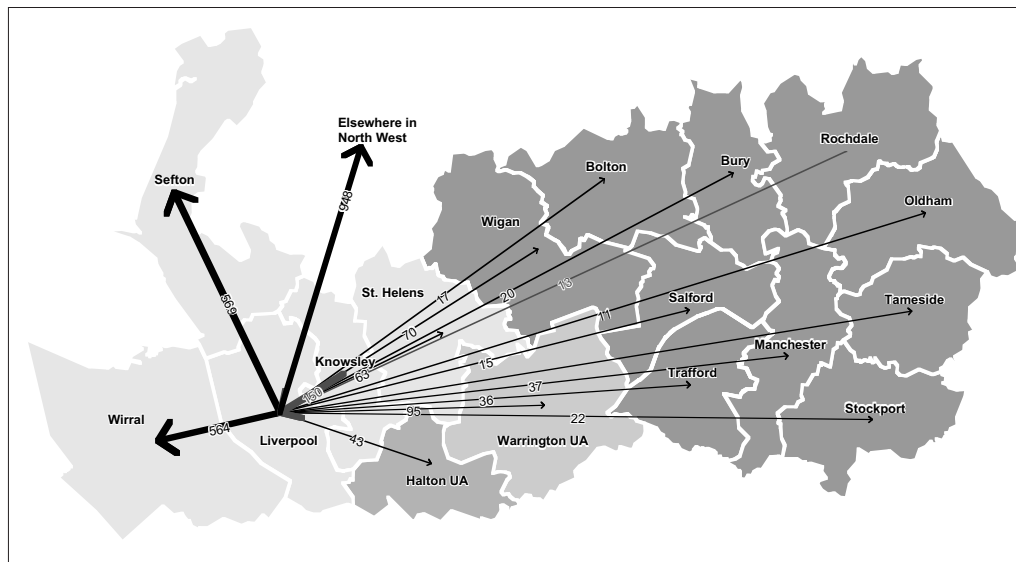
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**Figure 2: Net yearly migration flow between Liverpool and surrounding districts, 1991 (persons).**



Source: 1991 Census SMS Set 2. © Crown Copyright, all rights reserved.

Income and household data reveals information concerning the fabric of society in Liverpool. The 2001 Census recorded 365,265 households in Liverpool (source: *Census 2001*). A total of 853,683 people were recorded as living in households, which corresponds to a ratio of 2.34 persons per household. Data contained in the census also assists in calculating the living space per capita. The average number of rooms per household in Liverpool was measured at 5.34 (source: *Census 2001*). Thus, the room per capita ratio is calculated at 2.25.

The income data is available only for households. Thus far only available for 2001, and therefore again incomparable with historical data, it nonetheless remains of interest. The average household income in Liverpool for 2001 is £16,530 (source: *CACI Ltd, 2001*). This is considerably lower than the average household income elsewhere in the sub-region, £18,140, and also than that of the 'City' of Manchester, calculated at £18,491. This is dramatically lower than the national average for England, where household income stands at £26,481. In analysing the data more closely, it becomes apparent that a major area of concern is the average household income in the districts of Liverpool and Knowsley. The income level falls below £16,000 per household, i.e., Liverpool = £15,592 and Knowsley = £15,461.

Following on from this, benefit data reflects the findings of income data. Perhaps unsurprisingly, the statistics of benefit claimants for Liverpool substantiate the general employment and income trends already found. 16.1% of the total population of Liverpool claim benefits (either *Income Support* or *Job Seeker's Allowance*). This is a total of 140,521 of a total population of 873,000. This is compared with 8.2% of individuals claiming benefit throughout England. If we look at the sub-region, 11.8% claim benefits; this in stark contrast also to the 'City' of Manchester, where 11.1% claim benefits.

Rather key to this assessment of income and benefit data is employment data. Figures produced by NOMIS show that the unemployment levels in Liverpool in the last decade have been falling every year. This has occurred throughout the North West and elsewhere in England. The absolute number unemployed stood at 53,939 in 1996 in Liverpool. This figure has fallen to 28,902 in 2001. The rate of unemployment fell from



**Figure 4: Percentage Change in Sectors of Employment; Liverpool, 1996–2001.**

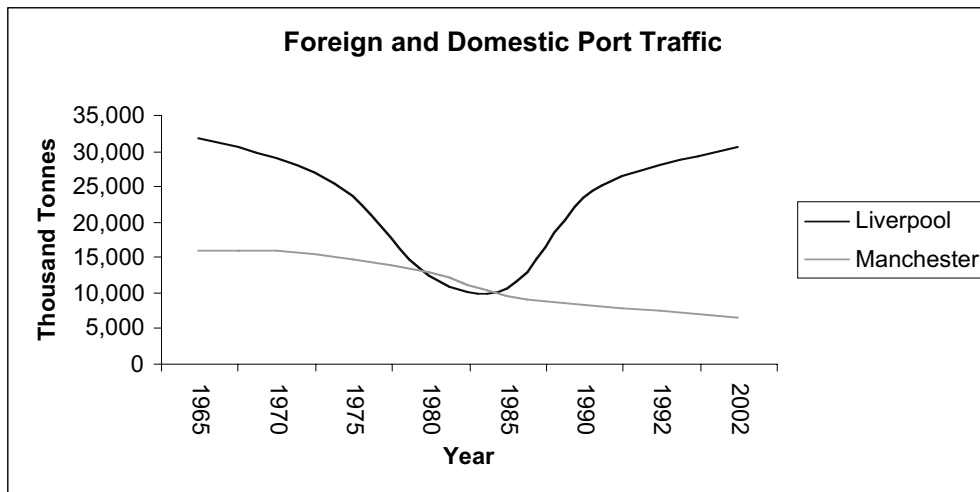


Source: Labour Force Survey; NOMIS, 2001

DESCRIPTION HERE OF PORT STATISTICS [Figure 5]

- ⊣ Relevance of fall in port traffic coinciding with deindustrialisation and threat of transatlantic flights
- ⊣ Recent rise as containerisation and regeneration of some of the Docks in Liverpool. 1980s Port activity returns and the *Mersey Docks and Harbour Company* begins investment that continues to today.
- ⊣ Comparison with Manchester and the fact that there has been no renewal in port traffic (change in industry – revival elsewhere)
- ⊣ Liverpool is handling as much cargo as ever but without the manpower. Merseyside’s docks are experiencing a new lease of life, many used by new industries.

**Figure 5: Port Traffic, 1965–2002**



Source: Department of Transport, ONS

A crucial aspect of the shrinkage concept is the dynamic of the built-up environment. Both the number of vacant dwellings and the amount of derelict land are vital when considering this environment in the city area. The statistics for vacant dwellings are available through the *Housing Investment Programme*, whose data for 2001 shows much of the vacancy in the 'City' is within the district of Liverpool, thus the majority in the inner-city environment. Vacancy levels are particularly high in private sector housing, 11,979 of 18,666 in the Liverpool area. The overall number of vacant dwellings in the 'City' is calculated at 25,584. 4,623 of these are local authority, whereas 16,869 are private sector dwellings.

The data for derelict land, defined as 'previously developed land that is unused or may be available for redevelopment', shows an interesting picture of the 'City' area. Sefton has a large proportion, 49% specifically, of previously developed vacant land. **Table I** shows the data for the three administrative districts of Liverpool.

**Table I: Derelict land, by hectares**

	Knowsley	Liverpool	Sefton
<i>Previously developed vacant land</i>			
Area	37	56	91
of which proposed for housing	8	10	22
<i>Derelict land and buildings</i>			
Area	68	481	236
of which proposed for housing	2	48	15
<i>Land occupied by vacant buildings</i>			
Area	1	40	4
of which proposed for housing	–	11	–
<i>Land currently in use with planning allocation or planning permission</i>			
Area	21	19	44
of which proposed for housing	21	15	5

source: ONS, 2001

This also indicates that there is a large amount of derelict land and buildings yet to be redeveloped.

Finally, it is important to consider transport in an assessment of shrinkage. In the first half of the 19th century, Liverpool was a major centre for passenger liner services catering for vast amounts of seafaring voyages. However, this was threatened in the 1960s by the advent of regular transatlantic flights. Since this time, the use of passenger liner services has declined massively. Liverpool's international travel is now served by *John Lennon Airport*. The airport is one of the ten largest in the UK and caters to transatlantic flights. Liverpool has very good transport links throughout the region.

In assessing transport, it has also become vital to consider cars usage. In 2001, 265,598 cars were registered in Liverpool (source: DVLA PARC via *experian*). This equated to an average of 0.32 cars per capita, a figure that is considerably lower than that of Manchester, 0.47 cars per capita, and of the sub-region as a whole, 0.42 cars per capita. This also again falls below the national average for England of 0.44 cars per capita. Transport data may demonstrate the concept of shrinkage as well as any other.

To continue this assessment of shrinkage in the 'City' area of Liverpool, it is crucial to measure changes in industry and sectors of employment. This data will be examined further and then incorporated into this analysis.





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## ‘HISTORY BROKE LIVERPOOL, AND IT BROKE MY HEART’

Linda Grant

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In 1904, shipping agents in Poland sold my grandparents a ticket to the New World. I believe they travelled overland to Hamburg and boarded a ship for America. After a shorter voyage than they had expected, they finally came ashore. Even used to the baroque splendour of the Warsaw my grandfather visited from the agrarian plains of the east, he was staggered by the city where he made landfall. New York! he cried. The greatest city on earth! The splendour of its architecture bearing down on the water was enough to impress any pogrom immigrant. It was only after three days that my grandparents understood that they had been put off at Liverpool, the final destination on a ticket they couldn't read.

100 years ago, the city was the gateway to the Empire, the port from which nine million emigrants sailed off to the promised lands of the United States, Canada, Australia and New Zealand. My grandparents stayed. They joined the life of what was then Britain's only really multicultural city, which teemed with Lascar seamen from the Indies, the descendants of African and Black American sailors, Jews from the Pale of Settlement and the largest Chinatown in Europe. It was a city with its back turned against the land, one which barely inhabited the country it was nominally part of. Everyone went to sea at some point, one way or other. A young man learning his trade signed on at the docks and next day sailed to South America. In the manifest of the *SS Lacona* at Ellis Island, my father's name appears in 1923 as part of the crew: Jew Cook.

Liverpool came into existence to move things around: cotton, sugar, slaves and, later, paperwork when the insurance companies moved there. There was a saying that lingers in Liverpool today – the Liverpool gentleman and the Manchester man. Manchester was an industrial city that made things, its workforce stable, drawn from the Lancashire hinterland, dedicated to progressive causes such as the industrial revolution and the campaigns that grew out of it for trade unions and socialism. The Manchester mill owner had dirt under his fingernails. The Liverpool gentleman engaged in commerce sat in an office in a white collar. The dock labourers, crowded along Scotland Road, formed the largest and densest slum in Europe, famine-Irish in origin, subject to arbitrary labour practices which had more to do with the slave auction than industrial relations. The gentlemen voted Liberal and the dockers right up to the 1930s still saw politics as an extension of the Fenian/Orange struggles over the water. But from the port came an infection of new ideas. The convoy ships that dodged the U-boats during the battle of the Atlantic to bring food to Britain from Canada also brought the records of *Big Bill Broonzy*, *Muddy Waters*, *Willie Dixon*, *Little Walter* and *Howlin' Wolf*, and the discs changed hands for huge sums in the dock road pubs, the beginnings and origin of the *Mersey Sound* that grew up in the warehouses that smelled of damp and the cargoes they once held, everything made of brick and iron to avoid combustion.

Liverpool's blitz was second only to London's and got a lot less newsreel coverage because of the propaganda value to the Germans of knowing how badly the docks had been bombed. Liverpoolians sat sullenly in the cinema as the brave Cockneys grinned into the cameras. What about us, they asked? My father would turn off the TV in disgust when *Dad's Army* came on. The Home Guard he was part of defended the blazing warehouses

after the German bombers came over. When the war ended, Liverpool's heyday had passed, transatlantic shipping was in decline, the unskilled dockers were decanted out of Scotland Road into brand new council estates in Halewood and Speke, and car factories were built to give them work. For the first time since it came into being, Liverpool was a predominantly industrial city, and this state of affairs lasted until the 1980s, when successive Tory governments eviscerated manufacturing, transforming Britain into a service economy. Liverpool went Labour in the 1970s, but without a strong indigenous tradition of town-hall socialism it was prey to take-overs, from the Militant Tendency to the one-day wonders who strutted the streets in their mohair suits, the Derek Hattons who told the people that if Glasgow, Manchester, Sheffield and Newcastle caved in, it would be Liverpool that would take on Thatcher, even if it lost and went to the wall.

It went to the wall. From a population high of 700,000 in the 1960s, Liverpool now struggles to maintain the 400,000 mark. What has Liverpool given Britain in the past 30 years? Its population, a genuine diaspora. History broke the back of the city and it broke my heart. Bold Street, where in the 1950s my mother stepped out of Cripps with a black-and-white *Cresta* hat box, had by the 1980s descended into a street of run-down charity shops. What do you do with a port on the wrong side of Britain? Tow it round to Gravesend? But even if the total tonnage coming into the container port at Seaforth is greater now than it was in the 1960s, it still doesn't need the sheer manpower of the former days of shipping. At the lowest point of its decline in the early 1990s, Liverpool descended into mass redundancy, failed strikes, depopulation, the anarchy of the gang, gun and drug culture, the bottom of the league table in all the indices of poverty and social exclusion. If that wasn't enough, it has been victimised further by what, from afar, I can only describe as a form of racism, a venomous derision for Liverpudlians that condemns them as soon as they open their mouths as thieves and scallies, rob-dogs and whiners. You felt as if the rest of the country wanted Liverpool drowned just off the coast of Ireland with all its whingeing population. Liverpool was Britain's Detroit, a city that had died through its own irrelevance to the modern economy. My own childhood and teens felt cemented over; I had come from one culture which had seen its past in eastern Europe obliterated, only the dead left behind in its vandalised cemeteries, now everything my parents had striven for and made as the children of immigrants growing up in the city centre, migrating out to newly built suburbs, was boiled down to a Brookside script, to Harry Enfield in a perm wig, crude stereotypes that dehumanised the whole complex identity of a city whose inhabitants were formed by a history of immigration and emigration, where the bitterness of life could only be alleviated by a humour that was harder, had bite.

The last time I wrote about Liverpool, in 1998, the city council's press officer told me that it was applying for *European Capital of Culture* status and would get it. There was a cast-iron confidence about the bid. Liverpool was about to reinvent itself because it had no other choice. Its period as an industrial city that made things had not even lasted half a century, it had to return to what it once did, preoccupying itself with impermanence. What I heard and saw then was greeted with contempt when I returned to London. Liverpool planned to, and was already demonstrably succeeding in attracting tourists, particularly from the U.S. The hotels were full. New ones were being built and when they were completed, they were full too. To Americans, Liverpool wasn't football or men with perms or drug dealers, it was the city of the Beatles and the place from which their own ancestors had left Europe for the New World. Something of the land on the other side of the Atlantic was there in Liverpool. Its twin city was New York, which seemed natural and obvious; the two had joint millennium night celebrations. In the Liver Building, a kind of Trump Tower of the early years of the century, America recognises one of the world's



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## URBAN REGENERATION, POLITICS AND SOCIAL COHESION: THE LIVERPOOL CASE

Richard Meegan

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Peter Hall concludes his authoritative history of urban planning, *Cities of Tomorrow*, with a despairing discussion of the persistence of poverty and disadvantage in the city, of what he reluctantly describes as the 'city of the permanent underclass' (Hall, 2002). Although he does not use Liverpool to support his argument, there is no question that he could have done so. At the height of its global economic and political power, the city had a marked social geography. In the south were the mansions of the wealthy (Liverpool housed the largest number of millionaires of any city in the country at the time) while in the north end of the city were the overcrowded and unsanitary cellars and courts whose inhabitants experienced a poverty that, unlike that of today, was both relative *and* absolute. Contemporary press reports referred to these areas in a language of social pathology that was to be echoed, albeit less bluntly, in some of the early debates about the 'urban problem' in Britain in the 1960s:

"Here resides a population which is a people in itself, ceaselessly ravaged by fever, plagued by the blankest, most appalling poverty, cut off from every grace and comfort of life, born, living, and dying amid squalid surroundings, of which those who have not seen them can form a very inadequate conception." (extracted from an article investigating 'Squalid Liverpool' in the *Liverpool Daily Post*, November 1883).

Flash forward 120 years and we see the city introducing a *Neighbourhood Renewal Strategy* (Liverpool Partnership Group, 2002) aimed at tackling a geography of social exclusion that takes in not only the areas in the 'north end' of the city that had so concerned Victorian commentators, but also inner-city and outlying social housing areas in the south (including Speke as discussed in a number of chapters below).

As Stuart Wilks-Heeg argued, the city has experienced a profound economic and social restructuring as it has gone from playing a leading role in the 'old international division of labour', based on colonial and imperial trading connections, to the urban core of a city-region officially designated as a 'lagging region' in the European segment of the triadic structure of the global economy (U.S.A.–Europe–Japan and the Pacific Rim). **Figure 1** shows how this transformation has been reflected in the city's population. The population grew from 5,000 at the beginning of the 18th century to just over 700,000 at the start of the 20th century; and it continued to grow thereafter, to a peak of around 870,000 just before the start of World War Two. The decline thereafter has been relentless, only slowing down in the 1990s. The 2001 *Census* shows that there were some 440,000 people living in the city, very nearly half of the peak in the late 1930s. And this contraction, as already indicated, has been the context for the development within the city of a mosaic of social advantage/disadvantage.

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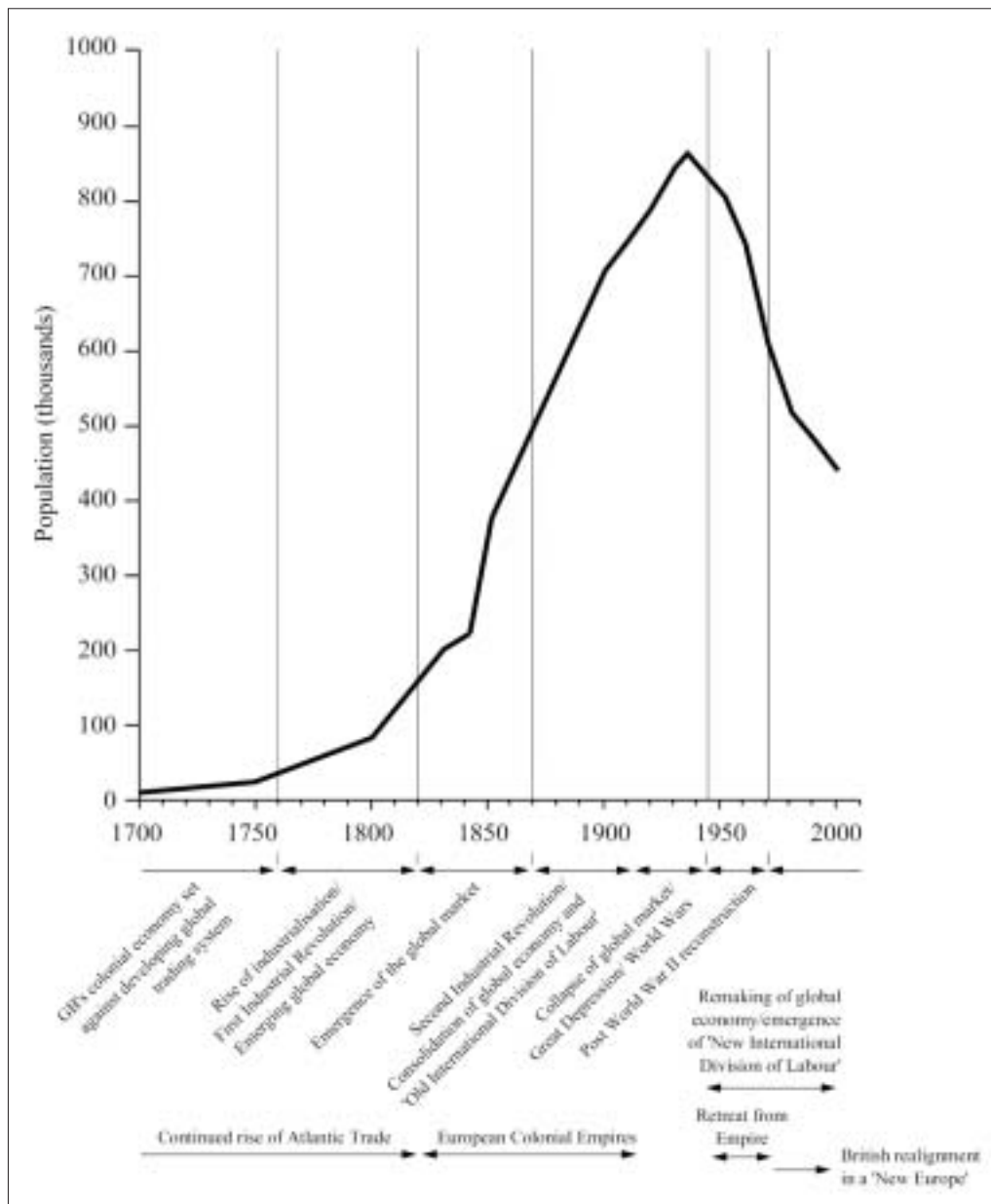


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**Figure I: Liverpool's population in global economic and geo-political context**



Sources: (i) Population figures: Brabner (updated), Cook and Stevenson (1978), Lawton and Pooley (1992), Maminer (1982), 1991 Census of Population Preliminary Report for England and Wales, 2001 Census of Population; (ii) Periodisation: Hobsbawn (1989), Barraclough (1986), Knox and Agnew (1989), Marshall (1989), Taylor (1989), Pollard (1992, 1997)

Liverpool is, of course, not alone in experiencing increasing social exclusion and polarisation. Cities across Europe and the U.S.A. are also displaying, in varying degrees, similar patterns and processes, as Peter Hall (2002) acknowledges. These patterns and processes appear to be the outcome of what can best be described as 'disjointed structural change' (Allen and Cars, 2002). Structural economic change impacting on aggregate employment patterns through broad sectoral and occupational shifts produces new demands (in terms of the provision of education, housing and social insurance) on welfare states whose capacity to adjust is limited by financial constraints operating on them as part of the political adjustment to the changing role of the state in increasingly global economic management. The loss of (manual) employment and the long-term increase in

unemployment, accompanied by the growth of flexible labour in service sectors demanding particular accredited and personal skills, have detached from the labour market groups and individuals who are also suffering the effects of a welfare state that is struggling to cope (in terms of education, income support and housing). In metropolitan areas, these macro-structural processes interact with micro-local factors in the form of labour, land and property markets to produce geographical concentrations of disadvantaged groups (Byrne, 1999; Glennerster et al., 1999; Madanipour, 1998; Musterd and Ostendorf, 1998). This socio-spatial polarisation, as Liverpool also amply demonstrates, has proved to be highly resistant, if not impervious, to remedial state intervention, both national and local. In this chapter, I want to trace Liverpool's recent history, charting some of the key attempts at 'regeneration' in five periods: the decentralisation of population and employment in the 1950s and 1960s; the inner-city focus of the 1970s; the radical politics of the 1980s; the 'governance by partnership' of the 1990s; and the city's current position at the start of the third millennium.

### **'Liverpool Turned Inside-Out': The 1950s and 1960s**

Liverpool was probably at the peak of its economic power at the turn of the 20th century, a power symbolised in the bricks and mortar of the three world-famous waterfront buildings at the Pier Head, which were started in 1906 and finished in 1917. But while these buildings were being erected, the world was changing, the international division of labour was changing and with it Liverpool's role. In the inter-war years, as global trade (and the old international division of labour) closed down, the city was pushed into recession as its trading links, both globally and domestically, were severed. Developments in the national spatial division of labour, pulling the locus of economic activity away from the north and north-west towards the midlands and south-east, were working inexorably against the city.<sup>1</sup>

Both the national and local state were aware of these trends. The city was the first local authority in Britain to seek legal power to undertake local economic development — in the shape of the *Liverpool Corporation Act* (1936). The Act gave the council the necessary powers to buy up land on the city's outskirts for industrial development and was partly inspired by the city's failure to qualify for designation for assistance from central government's first attempts at regional policy (with the *Special Areas Act* of 1934). The aim was to try to create new employment opportunities to compensate for the already apparent decline of port and port-related activity. 'Urban entrepreneurialism' got off to an early start in Liverpool.<sup>2</sup>

The council's efforts in this direction were overtaken by preparation for what became World War Two, which steered development towards military-related production. The *Merseyside Plan*, drawn up just before the end of the war, confirmed the move to base future development (it was not then referred to as 'regeneration') of the city on the decentralisation of both population and industry from the core of the city-region (effectively north Liverpool) to the outskirts. The problems of overcrowding and slum housing, exacerbated by wartime bomb damage, had put housing firmly on the local political agenda, where it has remained, albeit with differing emphases, pretty resolutely ever since. Shifting people to new homes in municipal housing estates on the city's outskirts and in nearby New Towns was seen as a key remedy to the housing problem, although it is now clear that it produced new problems of geographical and social dislocation for the 'decanted' families living in social housing perceived by them (particularly in its high-rise form) as soulless and 'anti-social'.

A key element of this decentralisation of people and economic activity was central state regional policy that helped the city-region to receive more than its share of so-called



'mobile industry'. In the six years after the war, for example, regional policy helped to steer to Liverpool some two-thirds of the employment generated by relocating industry (about 24,000 jobs). More came in a second wave in the 1960s (Meegan, 1989). These waves of investment represented a new form of external orientation for the city-region and saw it being assimilated in a new way into the newly evolving international division of labour that underpinned the 'Golden Age' of development in the advanced capitalist countries in the 1950s and 1960s (Knox and Agnew, 1998). The city's dwindling colonial role in the global economy was being replaced by integration through the operations of national and overseas-owned multi-national corporations. Some features of the previous localised social structure were reinforced (the semi-skilled nature of the labour processes) while others were changed (with provision, for the first time, of substantial numbers of full-time jobs for women in the new food-processing plants). But it was a fairly tenuous connection, as was revealed in the restructuring that followed the abrupt ending of the 'Golden Age' in the early 1970s, and the transformation from what has been characterised as 'Fordism' and/or 'organised capitalism' to, respectively, 'post-Fordism' and 'disorganised capitalism' (Harvey, 1989a; Lash and Urry, 1994) became apparent. While Britain's economic growth had been historically relatively strong during the 1960s and early 1970s, it was markedly lower than that of other 'late starters'. And just as Liverpool had both contributed to and benefited from Britain's (and previously England's) cycles of world leadership in the international economy, so it suffered as Britain lost its economic and political power.

With hindsight, it is also possible to see how the turning of the city 'inside out' in the 1950s and 1960s helped to contribute to problems in the city core through depopulation and deindustrialisation (with, for example, small firms in the inner city finding themselves unable to compete in the labour market with the multi-national newcomers). And as the processes of circular and cumulative decline settled in, these problems became magnified, alongside the newly emerging social and economic problems experienced in the outer estates.

This local social geography was reflected in political concern at the national level over the perceived concentration of economic and social problems in Britain's cities. The 'regional problem' was gradually overshadowed by the 'urban problem'. Liverpool has not only been on the receiving end of virtually all of the subsequent urban policy initiatives, it has also often operated as a kind of experimental test-bed for a significant number of them.

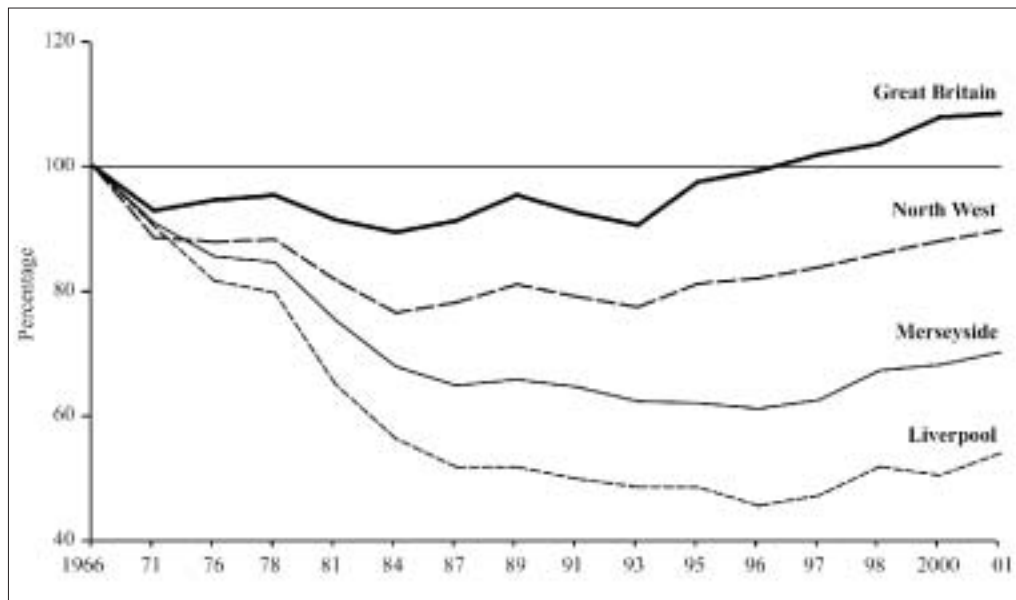
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### THE 'INNER-CITY PROBLEMS' OF THE 1970S

The first phase of urban policy development reflected a degree of political consensus between the two Labour governments of 1966–1970 and 1974–1979 and the intervening Conservative administration of 1970–1974. Indeed it is arguable that the Conservative administration, with its *Inner Area Studies* of 1972, was perhaps even more committed to intervention in the cities than its Labour counterparts. The political consensus was initially informed by a belief that the inhabitants of inner cities need direct help to be better able to participate in their local housing and labour markets. This social pathology philosophy, emphasising the social and economic characteristics of disadvantaged inner-city residents, was only challenged towards the end of the period as a more structural approach developed, shifting emphasis away from the economic and social characteristics of inner-city residents to a political-economy perspective in which the so-called inner-city problem was seen as one produced by global and national structural change. This shift in emphasis was seen in its most radical variant in the *Community Development Projects*, initiated by the Labour government in 1969, but with most of the projects themselves put in place under the Conservative government of the early 1970s.



**Figure 2: Employment change, 1996–2001: Great Britain, North West region, Merseyside County and Liverpool (Index 1966=100)**



Notes: For continuity over the period, the North West Region excludes Cumbria (which has been included in official definitions of the region since the mid 1990s). Changes in the method of data collection and industrial classification means that there are a number of discontinuities in the figures pre-1981 and 1991. These discontinuities have been accommodated where possible. Nevertheless, the lines in the figure should be seen as representing only a reasonably approximate rather than exact measure of change.

Sources: Various Local Authority (pre-1978) reports, estimates by *CREd Research Unit, Department of Geography, University of Liverpool* (Liverpool 1966 figure) and *Annual Census of Employment/Annual Business Inquiry* (re-scaled figures 1995–2001) — *NOMIS* (1978 onwards).

While regional policy had helped to attract new industry to the city-region, it had increasingly mixed success in keeping it there as conditions in the global economy worsened. As Stuart Wilks-Heeg points out, multi-nationals closed and shifted operations abroad, contributing to the formation of the new international division of labour that characterises the era of 'disorganised capitalism'. Liverpool and its city-region were the losers in this global restructuring of production. To make matters worse for the local workforce, the pressures of restructuring encouraged labour-saving production changes in the factories that remained. Not all of the multi-nationals left the city-region. Some have remained and continue to invest in their production facilities, but the operations of this remaining 'modern core' of multi-national manufacturing (such as *Vauxhall* and *Ford/Jaguar* in motor vehicles or the American pharmaceutical companies) have increasingly been characterised by 'jobless growth', and the periodic injection of state regional development funding into this core has increasingly been concerned with job retention rather than job creation.

As the manufacturing branch plants either closed or shed labour to retain competitiveness, the docks began to feel the consequences of the declining relative economic importance of their hinterland (as de-industrialisation cut through the northern manufacturing regions) and the reordering of Britain's trade patterns around new geopolitical interests in Europe, leaving Liverpool on the periphery of the European segment of the 'Triad'.<sup>4</sup> The closure in 1984 of the *Tate & Lyle* sugar factory in inner Liverpool was particularly symbolic of this shift. Membership of the EEC meant adoption of its policy towards the encouragement of sugar production using sugar beets at the expense of sugar cane. This shift favoured the southern and eastern beet-growing areas of the country and meant, of

course, that the industry was not only turning its back on Liverpool as a manufacturing site but also on the West Indies as a materials provider. The closure in 1990 of the *British American Tobacco* factory (the name says it all) in the same area as *Tate & Lyle* provided yet another sign, if one was needed by then, of the demise of the city's previous global role.

The implications of this restructuring for civil society and the local social fabric were revealed in the serious inner-city rioting in 1981 in Liverpool 8. The despair and anger underlying the rioting flagged the extent of deprivation in the inner-city and, with similar public disturbances in Bristol and London, once again forced urban policy up the national political agenda. But this agenda was very different from that of the 1970s. The election of Margaret Thatcher as Conservative prime minister in 1979 saw national state policies subject to a neo-liberal overhauling as the New Right obsession with extending private ownership and the market system, rolling back the state and cutting public expenditure permeated all areas of government policy. Urban policy was overhauled accordingly. The central priority was to give a more prominent role to the private sector through deregulation (the removal of planning regulations and relief from rates through the creation of 'Enterprise Zones') and subsidy (through such grants as *Urban Development Grant*, later subsumed under the *City Grant*). Mirroring this promotion of the private sector was the relative downgrading of local government influence on inner-city policy through a combined strengthening of the arms of central government departments operating in inner-city areas (with the introduction of *Task Forces* and *City Action Teams* in inner-city areas), the establishment of quangos with specific urban regeneration remits (the *Urban Development Corporations*) and the removal of a whole tier of metropolitan local government (the so-called 'Streamlining [of] the Cities'). Again, Liverpool featured in these initiatives. It had one of the first *Enterprise Zones* (in Speke in 1981), the first *Task Force* (the *Merseyside Task Force*), one of the first *City Action Teams* (in Granby and Toxteth), one of the two first-generation *Urban Development Corporations* (the *Merseyside Development Corporation*, 1981–1998) and the first *National Garden Festival Site* (1984). 'Streamlining the Cities' meant that it lost its city-regional tier of government, the Merseyside County Council, in 1986. Regeneration of the city was to be based principally on property-led development (and its hypothesised social 'trickle-down' effects) and the local state was to play a subordinate role in it. This national state intervention interacted with and conditioned the local state. In the years when economic restructuring really began to bite — the late 1970s and early 1980s — the city council was led by an unstable Conservative-Liberal coalition with the largest single party, Labour, refusing to take a lead. This situation changed dramatically in 1983 when the local elections returned a Labour council led by a left-wing ('Militant') faction (Parkinson, 1985; 1989). Tracing its growth locally to the 'collapse of British capitalism expressed in a particularly extreme fashion in the early 1980s on Merseyside' (Taaffe and Mulhearn, 1988: 9), it was resolutely against civic boosterism (it closed the council promotional agency) and traditional local economic development (it refused, for example, to fill the seat set aside on the Board of the *Merseyside Development Council* for a city council politician). It focused instead on municipal employment and particularly housing in the shape of its *Urban Regeneration Strategy*, which focused resources on the renovation and rebuilding of the municipal housing stock in identified priority areas. This particular variant of municipal socialism (it was very different, for example, from that pursued at the time by other Labour-controlled metropolitan authorities and particularly that of the Greater London Council) and its funding implications — and Militant's national political ambitions — inevitably brought the council into conflict with a Conservative central government seeking to restrain local spending and encourage a less interventionist role for local government.

The political odds were not favourable for the council. Continuing population decline and a shrinking local rate base increased its dependence on central government support. Indeed, to sustain its strategy, it had to take up a number of loans from overseas banks and sell off sizeable chunks of municipal real estate. Its political stance also brought it under attack from a national Labour Party attempting to rid itself of Militant influence as part of its national electoral ambitions and produced opposition from sections of the local polity (inner-city black groups, a large working-class housing co-operative and outer-estate community groups; Meegan, 1989). As the conflict heightened, the council also lost the support of local trades unions. A combination, then, of national political opposition and local civil society undermined the council's strategy, which ended in the law courts with the disqualification from office and surcharging of a majority of city councillors in 1987 for 'wilful misconduct' (in delaying the setting of a local rate).<sup>5</sup>

Meanwhile, the city continued to lose jobs and people. Over the 1980s (1981–1991), employment and population fell by 23 and 12% respectively (some 59,000 fewer jobs and 60,000 fewer people). And the city's geography of disadvantage extended from the inner city to include the outer council estates.

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### **LIVERPOOL IN THE 1990S: FROM 'CITY OF CONFLICT' TO 'CITY OF PARTNERSHIP'?**

As the 1980s drew to a close, urban policy, along with the extreme neo-liberal experiment in government of which it was a part, was being exposed to a sustained critique (Lawless, 1996; Moore, 1992; Robson et al., 1994). It was seen to lack strategic vision, comprising a hodge-podge of policies and agencies with implementation handicapped, and local democracy undermined, by centralisation and the intrusion of centrally accountable *Development Corporations* and privatised *Training and Enterprise Councils*. The policies seemed incapable of coping with rapid social and environmental change in an innovative way and were failing both to tackle social and economic disadvantage in the inner cities and to reduce the gap between conditions in them and in other areas. In effect, there was a recognition of the failure of increasingly property-led development both on its own terms and in its ability to secure 'trickle-down' benefits to especially disadvantaged areas and groups (Imrie and Thomas (eds.), 1999).

The 1990s thus saw yet another raft of new urban policy initiatives and institutional change. Co-ordination of programme spending became the leitmotif of the new urban policy. Some 20 spending programmes formerly managed by five separate government departments were consolidated into one *Single Regeneration Budget*. *English Partnerships* was established to oversee physical regeneration projects across England and government departments, and their spending programmes were brought together at regional level into *Integrated Regional Offices*.

*City Challenge* provided the first indication of the shift in policy emphasis. While it still bore the mark of the 'competitiveness' ethic of Conservative government thinking (with local authorities having to compete with each other to secure funding from the programme for the regeneration of specified areas), it also introduced a new emphasis on, and definition of, partnership. Local authorities were recognised as being the most appropriate bodies for co-ordinating the project bids, but were expected to involve a range of private, public and, importantly, voluntary and community bodies in both the design and the implementation of the regeneration programme. An implementation agency, independent of the local authority and based on a partnership between the latter, other public agencies and the private sector, was responsible for delivering the five-year programme. This new wave of urban policy was introduced into a very different local political context. The dismissal of the Labour councillors in 1987 was followed by a decade of Labour

rule heavily conditioned by the political fallout of the Militant period. Elected with an increased majority but riven by internal splits over poll tax payment, budget setting and staffing cuts, the council experienced difficulties and the first years were difficult. When *City Challenge* was introduced in 1991, there were effectively two Labour parties in the council chamber: 'Official Labour' (with 43 of the total 99 seats) and 'Liverpool Labour' (with 25 seats). While the former was the largest group in the council, its position was compromised on a number of occasions by a voting coalition of Liverpool Labour and the other main group in the council, the Liberal Democrats. It was in this context of relative political inertia that a new era of governance in the city started to take shape, an era of 'partnership'. Urban policy was important in structuring this, in the shape of the city's successful bid for *City Challenge* funding for the regeneration of the eastern fringes of the city centre. There were 37 signatories to the *Liverpool City Challenge* bid, a mix of representatives of the public, private and voluntary sectors operating in the area.<sup>6</sup> Significantly, there were also other pressures on the need for partnership and these emanated from what was becoming an increasingly important dimension of political intervention — Europe. While Liverpool was clearly experiencing economic difficulties as a result of the country's geopolitical turn towards Europe, these difficulties were themselves making the city eligible for intervention by the *European Commission's Structural Funds* programmes. The city-region had received support from the *European Regional Development Funds* in the early 1980s and this was increased between 1989 and 1993 in the shape of *Objective Two* funding and the so-called 'Merseyside Integrated Development Operation'. The latter was an important initial experiment in European intervention and had considerable impact on the partnership working that was developing in the city-region.<sup>7</sup> This impact was cemented by the granting of *Objective One* status to Merseyside in 1993.

An informal relationship between the five Merseyside local authorities had been established, bringing together the chief officers — and, through them, the political leaders — to discuss strategic issues and to fill the administrative and political vacuum created by the abolition of the county council. Europe and European funding had given more impetus and rationale for this 'shadow' city-regional governance. In conjunction with local MEPs and MPs, a campaign was launched to secure *Objective One* funds assisted by the *Merseyside European Liaison Unit*, based in Liverpool City Council offices (and eventually with an office in Brussels) but funded by all of the five local authorities. As the name suggests, the unit's role was to act as an intermediary between the local authorities and the European Commission.

Designation was not entirely straightforward, because the key statistical indicator for *Objective One* designation (namely levels of GDP per capita at or below 75% of the European Union average) had not yet been reached. The fact that the trend was very clearly in that direction (as figures have subsequently confirmed) sealed the political argument that greater levels of 'aid intensity' from the *Structural Funds* were justifiable. Merseyside moved, in July 1993, from *Objective Two* to *Objective One* designation, the first major conurbation in an old industrial region to be so defined. At its core was Liverpool, a city that was now having to recognise its status as a European city, not least because it was now embroiled in the 'multi-level social governance' that intervention by the European Commission was creating (Geddes and Bennington (eds.), 2001).

Governance of the *Objective One* programme was the responsibility of a *Monitoring Committee* made up of representatives of the agencies that were now the local partnership constituency for regeneration activity. Significantly, the European Commission, in an attempt to push subsidiarity in the delivery of the programme below city-regional level, negotiated a priority in the finally agreed plan, or more accurately *Single Programming*



document, called *Action for the People for Merseyside*. This priority was based on the premise that one of the key 'drivers for change' in the economic and social conversion of the area had to be the people of Merseyside themselves, including, of necessity, groups and individuals hitherto excluded from or in danger of being excluded from mainstream economy and society. The priority included measures for career development and training, equal opportunities in the labour market, training targeted at people 'at risk of permanent exclusion from the labour market', improved education, training and employment services, increased access to work through improved public transport and environmental improvement and the treatment of derelict land. These measures applied across the city-region. People living in areas with particularly pronounced economic and social problems were also to be eligible for a raft of measures (subsumed under 'Driver 5.1') aimed at providing 'pathways' to education, skills, training, jobs, a better quality of life and assistance to secure community involvement in designing, implementing and monitoring the initiatives funded in their areas. They were to be given something extra from the programme and this extra resource was to be delivered with the involvement of people living in the designated areas in *Area Partnerships*. In the event, 38 areas were designated across Merseyside (eleven of them in Liverpool), predominantly on the basis of census indicators of disadvantage. In each of these, local partnerships involving representatives of public, private, voluntary and, notably, community sectors were created (Meegan, forthcoming).

By the early 1990s, then, partnership had become the main mechanism for regeneration in the city and city-region. In the city, this development was crowned by the formation in 1995 of the so-called *Liverpool Partnership Group*, which brought together the chief executives or head officers of 18 public, private and voluntary bodies, including, for example, the city council, the *Government Office for Merseyside*, the police, *English Partnerships*, the *Housing Corporation*, the *Liverpool Housing Association Trust*, the *Employment Service*, the *Benefits Agency* and the local universities.

The city's developing partnership structure and ethos were reinforced by changes in both national and local government. The election of 'New Labour' nationally in 1997 saw urban policy overhauled, with an emphasis on social inclusion and neighbourhood-based regeneration, promoted through the *Social Exclusion Unit* (1998), the *Regional Development Agencies* for the English regions (1999, with responsibility for administration regionally of the *Single Regeneration Budget*), the *New Deal for Communities* (1998), the *Urban Task Force* (1999), the second *Urban White Paper* (2000) and the *National Strategy for Neighbourhood Renewal* (2001). Partnership was central to the new urban policy, and 'modernised local government' was expected to take a lead role in it.

Following the election of 'New Labour' nationally, Liverpool demonstrated once again its exceptional local politics. After what appeared to be a stabilisation of Labour control in the mid-1990s (the Labour leadership changed hands five times in the period 1987–1997), there was a dramatic turnaround in 1998. The massive national swing towards 'New Labour' was followed by the election locally of a Liberal Democrat administration that currently has just over two-thirds of the seats in the council, leaving Labour with its lowest level of representation since the early 1950s.<sup>8</sup> In the event, the new Liberal Democrat-controlled city council has proved itself almost more 'New Labour' than 'New Labour' itself. It has enthusiastically pursued the agenda of modernisation of local government, opting for the leader and cabinet model of government (but rejecting an elected mayor). The council had become a 'pathfinder authority' for the *New Commitment to Regeneration* and this has been extended to engage with all the urban policy initiatives of national government. The city thus has a major *New Deal for Communities* initiative (in Kensington, north of the city centre), and the council leader chairs what was the



country's first *Urban Regeneration Company*, 'Liverpool Vision', which is responsible for the redevelopment of Liverpool city centre (assisted by *Single Regeneration Budget* funding) and also the board of *Liverpool First*, the strategic arm of the local community strategy, to which I will return below. The council has sponsored the bid for *European Capital of Culture* in 2008, a year after the city's official 800th birthday. If successful, the bid would be seen as recognition of the *Liverpool First* vision of Liverpool as a European renaissance city.

By giving local authorities the power 'to do anything' to promote or improve the economic, social and environmental well-being of their areas, the *Local Government Act* of 2000 marked a significant milestone in the evolving relationship between central and local government in the UK. The Act introduced a counterweight to the growing central control of local government activities that had marked the previous two decades. It also reinforced the shift towards partnership in urban governance. Local authorities are required to produce 'community strategies' in partnership with other organisations and agencies working in the locality and with the involvement of local communities. The Act thus not only gives local authorities new powers to intervene, but also imposes on them the duty to work in partnership with other agencies and local communities — through *Local Strategic Partnerships* — to exercise those powers.

Liverpool's community strategy is set out in *Liverpool First*, a document produced by the city's *Local Strategic Partnership*, the aforementioned *Liverpool Partnership Group* (2002). It is a remarkable document, not just for the context in which it was produced — through partnership in a city that, on the basis of recent political history, might be expected to be one of the last to embrace the notion — but also for what it says:

**Our Vision** — *For Liverpool to become a premier European City. Achieved by building a more competitive economy, developing healthier, safer and more inclusive communities and enhancing individual life chances.*

**Our Aspirations** — *To create an inclusive European Renaissance City by 2010. To be the most 'business friendly' city in the country by 2006.*

→ *To meet and exceed national targets for schools, qualifications and employment by 2005.*  
 → *To reduce levels of poor health, preventable death, impairment and disability so that Liverpool is better than the national average by 2010.*

*To stabilise the population by the year 2010. (Liverpool Partnership Group, 2002, inside cover).*

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## LIVERPOOL IN THE 21ST CENTURY: A EUROPEAN RENAISSANCE CITY?

The city has certainly witnessed a major physical transformation in recent years, and this transformation has been heavily reliant on public-sector policy. Thus, the *Merseyside Development Corporation's* reclamation of derelict land literally provided the ground for the resuscitation of both housing and office markets in its territory (Meegan, 1999). There are now housing developments and offices on riverside land that was disused and with zero market value 20 years ago. *City Challenge* helped to transform dramatically the built environment of the eastern wedge of the city centre, with the *Liverpool Institute for Performing Arts* and *Blackburne House* (the home of a pioneering women's technology training centre) acting as the anchors for the development of the area around the Anglican cathedral. Funding from *Objective One* and *English Partnerships* has transformed parts of the city centre, with new hotels, bars, shops and public transport facilities. Between 1995 and 2000, average retail rents in the city almost doubled from £150 to £250 per square metre (for A-grade retail property; *Estates Gazette*, 2000).

This physical regeneration has helped to set the stage for private sector developers such as *Urban Splash* and the *Beetham Organisation* to invest in the conversion of warehouses, lofts and old office buildings into residential apartments. This promotion of 'urban living' saw the population of the city centre grow to 9,000 in 2000, nearly four times the figure from a decade earlier (Liverpool City Council, 2000). While a substantial proportion of this early development was in student accommodation, the balance has shifted towards young managerial and professional workers. This 'urban living' has created a niche housing market reflected in a free glossy magazine, *Homes*, which markets the 'new property' and its associated lifestyle and which would have been unviable five years ago. In the year to mid-June 2000, house prices in the city centre increased more quickly than the national rate, at an average of 30%, with capital values ranging from £14 to £18 per square metre (*Estates Gazette*, 2000). And there are now signs that this city-centre gentrification is beginning to ripple outwards to immediately adjacent areas. In these circumstances, it has been hard for the writers of the city's promotional literature to contain their enthusiasm:

*Visitors to the new Liverpool are amazed at the transformation of the city. Once derelict docklands are now home to award-winning retail and leisure amenities, waterfront apartments, family housing, marinas, hotels, offices and restaurants.*

*The magnificent city centre architecture — testament to the city's heritage — has been retained and is being creatively restored and converted to create modern city living and office space. Developer interest in the city's at its highest for over a century. Liverpool's world famous waterfront is one of the most outstanding in Europe and is in line to become a World Heritage Site.*

*With a masterplan for the city centre co-ordinated by Liverpool Vision ... creative developers are restoring the best of the past to meet the needs of the future. Stunning new developments include the Paradise Street Development Area with one million sq. ft (93,000m<sup>2</sup>) of prime retail development and state of the art, multi-purpose arena and conference facility at Kings Dock.*

*Liverpool will soon have a retail, office and leisure offer which rivals anything in the UK.*

*Renaissance is not just confined to the city centre. The Speke Garston Development Company have created superb business space at Estuary Commerce Park and Boulevard Industry Park, adjacent to Liverpool John Lennon Airport and the stunning new Marriott South Liverpool Hotel ...*

*£3 billion (4.8 billion Euro) of construction projects are planned throughout the city region over the next five years — in retail, office, leisure, schools and hospitals ...*

*Liverpool is one of the most competitive locations in the UK for businesses seeking an investment location, with prime office rents in Liverpool up to a third less than other UK cities ...*

***Rental and capital values for retail, office and residential space are on the increase, creating a healthy growth environment for investors.***

*(Liverpool Business Centre, 2002; emphasis in original).*

While parts of the city have been transformed, there has also been a recent increase in employment and a slowing-down of population loss [Fig. 1 and 2]. Indeed, between the

mid-1990s and the start of the third millennium, Liverpool saw a faster growth of jobs than did comparable 'core cities' nationally (Hutchins, 2001).<sup>9</sup>

So where are the new jobs being generated? Certainly not by the port, in any significant number: 'Jobless growth' still applies. The port now handles more traffic (in tonnage) than it did in the mid-1960s, but this recovery has not had anything like the local impact generated by previous dock activity. The operational docks are now much smaller in size, having predominantly retreated to the mouth of the estuary into the adjacent local authority district of Sefton (albeit in Bootle, the 'Liverpool-speaking' part). This relocation was marked by the *Mersey Docks and Harbour Company's* sale of its Port of Liverpool building at the Pier Head in 2001. Indeed, the development of its former land holdings has given the company a significant source of profit, most notably in its development activities in the Princes Dock in the city centre.

The port's direct employment impact has withered. In the early 1980s, what is now the *Mersey Docks and Harbour Company* alone employed around 10,000 people. It now employs 800 in its Liverpool operations — a reflection predominantly of the shift in transport technology towards containerisation of cargoes. Its imports have also done little to encourage the local secondary import-processing industries which were so important in the past. The main imports still reflect the old links with the Americas (particularly for grain and timber) and Ireland, but the port is now operating much more as a 'hub' operation for transshipment on to Ireland and parts of Europe (especially Portugal and Spain) and Israel. The recent increase in oil imports from the East (captured in part as a result of the closure of a nearby terminal in North Wales) again barely touches the local economy, the oil being pumped straight through the local Tranmere terminal for processing in Cheshire. A factor in this reduced local impact must also be the designation of part of the port's operations as a Freeport. The Freeport offers traders freedom from import duties, VAT, European Commission levies, taxes and quotas as long as the affected cargoes are retained within its confines. This, of course, further encourages 'hub' operation and constrains potential leakage of economic activity outside the zone boundaries. In terms of exports, manufacturing goods have now been replaced (symbolically?) by scrap metal. Liverpool is now second only to Rotterdam in the export of scrap metal. While the port thus retains an international space of economic activity, its equivalent local space is much constrained. Estimates of the size of the maritime sector suggest that something like 400 companies together provide 7,000 jobs (*Liverpool Business Centre*, 2002).<sup>10</sup> Indeed, as **Table I** shows, the transport sector as a whole (road, rail, air and sea) now accounts for only around 24,000 jobs in the Liverpool travel-to-work area as a whole and represents about the same share of total employment as nationally (around 6%). It is against this background of restructuring and job loss that the recent protracted strike by Liverpool dockers needs to be seen. Lasting nearly two and a half years between 1995 and 1998, it was played out at national and global levels as well as locally (see, for example, Castree, 2000; Lavallette and Kennedy, 1999). It raised all kinds of issues about the scale and nature of industrial struggle, but what it also underscored was the 'depoliticisation' of the local polity. A weakened and divided Labour city council, struggling to position itself in the new terrain of governance through partnership, was unable to come out in unequivocal support of the dockers, something that would have been a political given just ten years earlier. The distancing of promotional bodies such as the *Mersey Partnership* from the dispute was understandable, but the issue made it clear that the whole ethos of partnership actively conditions the politics of local government. Here was a dispute that put on the agenda problematic issues not only of city image but also of balancing competitiveness with social cohesion. And the 'city of partnership' found it difficult to respond.

**Table I: Employment change, Liverpool Travel-To-Work Area (TTWA) and Great Britain, 1995–2001**

	Employees by sector, L'pool TTWA		Change 1995–2001 L'pool TTWA		Change 1995–2001 I GB	Employment share (%)	
	1995	2001	No.	%	%	L'pool	GB
Agriculture and fishing	155	356	201	129.7*	(12.4)	0.09	0.97
Energy and water	1,426	1,218	(208)	(14.6)	(9.9)	0.31	0.82
Manufacturing	50,622	44,047	(6,575)	(13.0)	(9.8)	11.17	14.15
Construction	10,308	13,254	2,946	28.6*	27.5	3.36	4.51
Distribution, hotels and restaurants	73,245	97,064	23,819	32.5*	15.3	24.62*	24.26
Transport and communications	22,994	23,555	561	2.4	15.9	5.98	6.12
Banking, finance and insurance etc.	53,261	59,755	6,494	12.2	23.8	15.16	19.63
Public administration, education and health	110,116	133,869	23,753	21.6*	12.1	33.96*	24.31
Other services	20,321	21,104	783	3.9	25.2	5.35*	5.23
<b>TOTAL</b>	<b>342,449</b>	<b>394,222</b>	<b>51,773</b>	<b>15.1</b>	<b>12.0</b>	<b>100.00</b>	<b>100.00</b>

Notes: (\*) where percentage employment change is more favourable in the Liverpool TTWA than nationally (faster growth than national rate or growth set against national decline) and where the sectoral share of total employment in the Liverpool TTWA is greater than the national share. The Liverpool TTWA encompasses all of the local authority districts of Liverpool, Knowsley and Sefton, the bulk of wards in West Lancashire and one ward each from Halton and St Helens.

Source: NOMIS

**Table I** gives a breakdown of employment change by broad sector in the period between 1995 and 2001, with national comparisons of percentage growth rates. It also shows the sectoral distribution of employment in the Liverpool travel-to-work area and Great Britain in 2001. A number of things stand out, particularly the continuing decline of manufacturing both locally and nationally. Manufacturing employment in the Liverpool travel-to-work area actually fell faster than it did nationally (by 13% compared with a national decline of just under 10%), reinforcing just how tenuous the city-region's grip on manufacturing had been in the 1960s and 1970s. Within manufacturing, there were some gains (in telecommunications equipment and motor vehicle parts), but these were more than outweighed by losses (in food and drink, clothing and printing). Altogether, a further 6,600 manufacturing jobs were lost in the travel-to-work area in the five-year period. And the sector still looks vulnerable. Since the census date for the 2001 employment figures, the telecommunications company *Marconi* has cut back employment as part of its global retrenchment. The specialist sports car manufacturer *Jensen Motors* and the computer games software firm *Rage* have both gone into receivership, and the pharmaceutical multinational *Glaxo Smith Kline* has confirmed the closure of its Liverpool factory in 2004.<sup>11</sup> Of some concern for local planners is the fact that three of these companies were in the knowledge-based industries that policy is seeking to encourage (*Marconi* and *Rage* in information communication technologies and *Glaxo Smith Kline* in the bio-sciences sector).

The recent growth in jobs has come from services and very noticeably in the distribution, hotel and restaurant sector, which grew by a third over the six years, more than double the national rate of growth, and provided in total nearly 50,000 jobs (just over 12,500

jobs in Liverpool itself). In Liverpool, these jobs were mainly in retailing (nearly 7,000 jobs) and in bars, cafés, restaurants and hotels (together about 5,500 jobs). The retailing growth suggests that the city might well be recapturing its city-regional and sub-regional shopping centre role, which has been eroded by, for example, Chester and Greater Manchester in recent years. And this growth will be reinforced by the recently commissioned redevelopment of the core of the city centre shopping area. Costing nearly £1 billion and scheduled for completion in 2007, the redevelopment will include over 100 shops alongside offices, apartments, a cinema and public squares. All of this reflects and reinforces the city centre property development already referred to. The city is becoming more and more a city of consumption.<sup>12</sup>

As du Noyer (2002) argues, Liverpool has always been renowned as a place of entertainment and especially of music. The adjective 'lively' certainly does not do the city full justice. A key element of both the city's image and reality has been its media, entertainment, arts and cultural activities. It has its indigenous television company (Phil Redmond's *Mersey TV*), but it has also seen recent employment cutbacks by the Manchester-based *Granada Television* company, with the loss of its national morning programme previously filmed at the Albert Dock (and crucially important in giving a public image to that development) and the failure of the company's joint venture with *Littlewoods* into television shopping (also based in the Albert Dock). What remains of its presence is the relatively small newsroom. Music recording studios, nightclubs, the *Philharmonic Hall* and orchestra and a nascent film sector all contribute to the cultural heartbeat of the city but still, as yet, do not provide a substantial amount of (regular, full-time) employment.

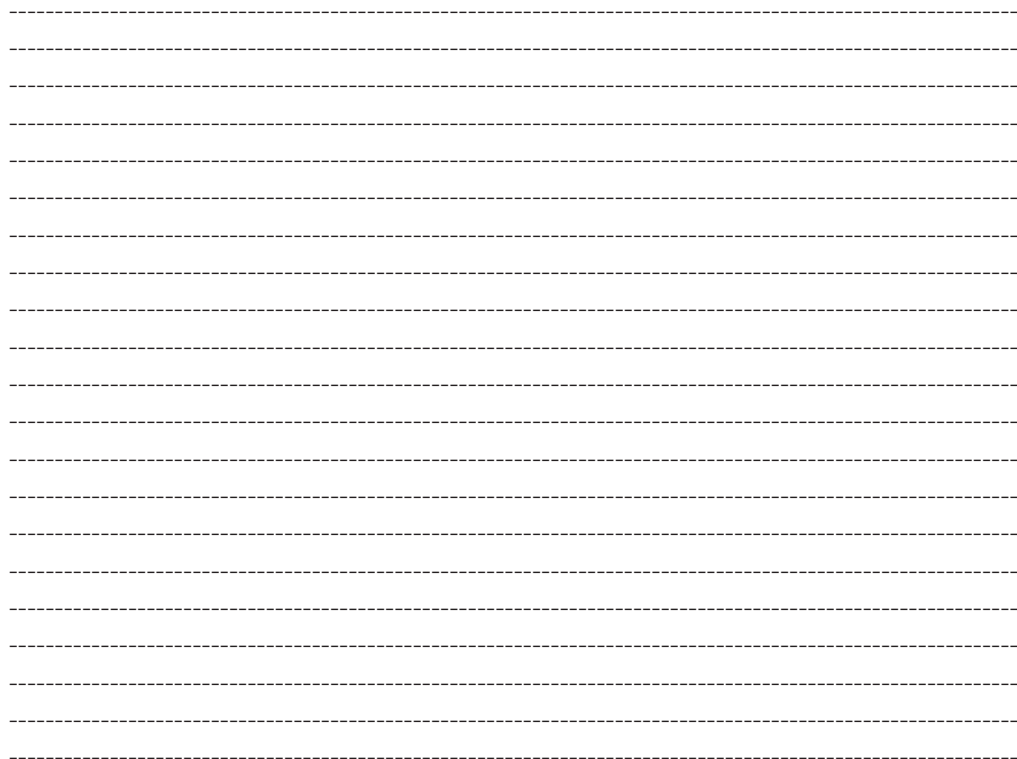
Much more important in terms of employment has been the banking, finance and insurance sector. This has grown in the last few years but only at about half the national rate, and there are signs that an evolving regional spatial division of labour in the sector heavily conditions the nature of this growth. Thus, for example, the paucity of large locally-owned companies has seen the concentration of corporate accountancy and related services in Manchester, while Liverpool concentrates more on life and maritime insurance, general banking support centres and call-centre banking.

One area in which the city and city-region have disproportionately attracted new investment is that of call centres (in banking and finance and mail-order retailing): Liverpool now claims to be the 'number one contact centre' in the UK and the only UK location to figure in the European top ten. Labour availability (including graduates from the local universities), low-cost sites and financial assistance have been important in the development of what has become a significant infrastructure for the activity. The transnational ownership of these facilities (with companies such as *7C*, *Bertelsmann*, *Swiss Life* and *US Airways* all having operations in the city) illustrates the new global connections that are developing in the city. It remains to be seen how strong these connections prove to be, given the intense global competition for such activities. Competition for these centres is not only between UK cities and city-regions, but also, increasingly, with overseas locations, most notably (in the case of British banking operations) locations in countries with old imperial connections, such as India.

Despite recent cutbacks in employment in the city council (which employs around 2,000 fewer people than it did in 1998), public sector jobs remain important in the city, with public administration and health accounting for a third of its workforce (compared with a national figure of 24%). It is noticeable, however, that employment in the sector as a whole did not grow as quickly as the national rate, and the fact that some of the jobs are dependent on population levels means that growth is likely to be further constrained to the extent that population continues to decline.

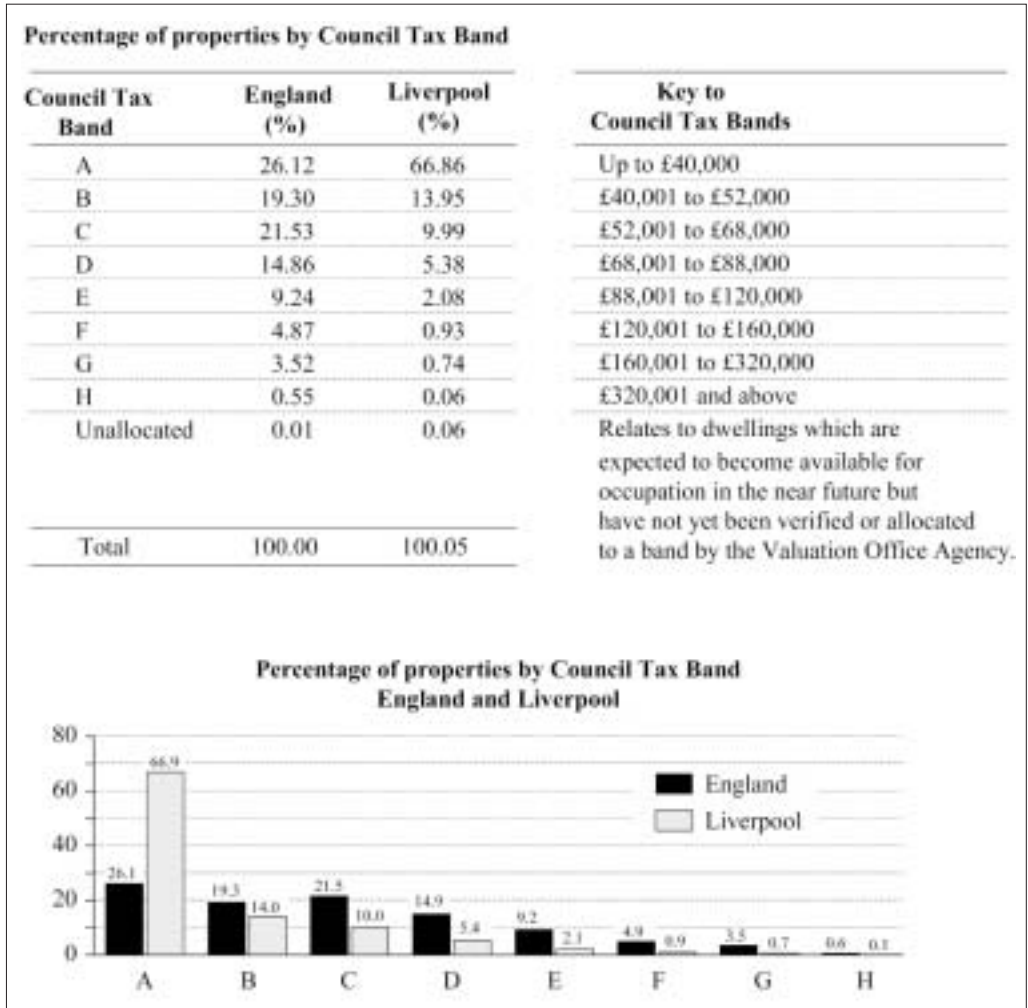
The city's renaissance, then, appears to be being built principally on leisure and entertainment. The decision by a group of the sacked dockers to pool their severance pay to invest in a bar in the city centre is surely a poignant testament to this re-making of the city. But the local economy remains weak. The awarding of a second round of *Objective One* funding (2000–2006) was a recognition of the fact that gross domestic product per head had actually fallen over the period of the first programme, reflecting the deep-seated structural problems it faces. A first attempt at measuring the productivity and competitiveness of UK cities — the so-called *UK Urban Competitiveness Index 2002* — was produced by a firm of consultants, *Robert Huggins Associates*, in 2002. This index attempts to combine measures of gross domestic product per head of population, economic activity, business density, proportions of 'knowledge-based businesses', unemployment rates and average earnings. On this index, Liverpool comes out nationally as the least productive city. And some of the basic contours of the prevailing spatial division of labour are indicated by the fact that only three of the top 20 cities (Aberdeen, Edinburgh and Bristol) in the index are outside what the report calls the 'South East England arc'.

Recent employment growth has seen unemployment fall, but more slowly than nationally, and its current rate remains over double the national average. The *Indices of Deprivation* (2000) rank Liverpool as the second-worst local authority district in terms of 'employment deprivation' in England (out of 354 local authority areas). The state of the local labour market is also reflected in the fact that the Indices also place the city second-worst in terms of income (with mean income 75% of the national level). Overall, the Indices of Deprivation rank Liverpool as the fifth most deprived local authority in England. Given the state of the local labour market and low levels of income locally, it is no surprise that the housing market is also depressed, despite all the inner-city housing development that features in the promotional literature. This inner-city 'property boom' has to be set against whole areas of the city in which the housing market is not so much depressed as non-existent (Nevin et al., 1999). The housing stock is massively biased towards low-cost council and social housing, with all the implications for council tax revenue for the council [Fig. 3].





**Figure 3: Council Tax: Percentage of Properties in Tax Bands, England and Liverpool, 2001**

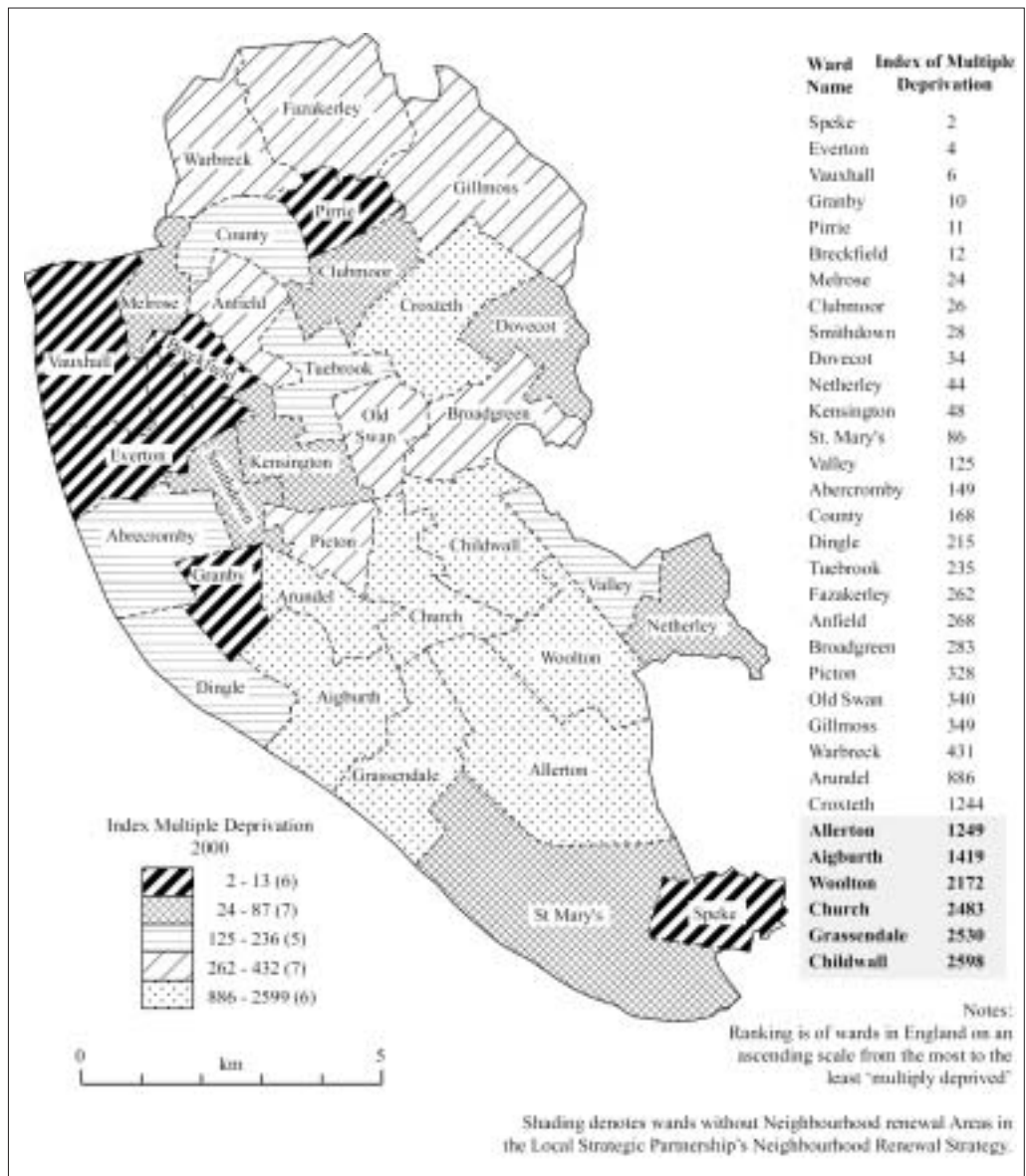


The Indices of Deprivation also give a measure of the degree to which deprivation is spread across local authority areas (the *Rank of Extent*). Liverpool is ranked seventh on this measure, showing relatively widespread deprivation: 26 of the city's 33 wards are in the worst 10% in England. The *Neighbourhood Renewal Strategy* referred to in the introduction (*Liverpool Partnership Group, 2002*) maps this geography of disadvantage that takes in both inner-city and outer housing estate areas [Fig. 4].





**Figure 4: Ranking of Liverpool Wards by Index of Multiple Deprivation, 2000**



Source: Liverpool Partnership Group (2002)

The *Neighbourhood Renewal Strategy* clinically documents relative disadvantage and social exclusion within the city. Overall, the city has a 'real unemployment rate' over twice the national figure; and this rises to six times the national rate in the worst affected ward, Granby, which is also the ward with the highest proportions of black and ethnic minority groups. No Liverpool ward has a rate lower than the national figure.<sup>13</sup>

The implications of these rates of unemployment for the local income base are clear [Tab. 2]. Table 2 gives income estimates for the 21 wards that have been designated *Neighbourhood Renewal Areas* in the *Neighbourhood Renewal Strategy*. Columns 5 and 6 show the differences between the ward averages and those for Liverpool and the UK. The average household income in Liverpool is just 79% of the national figure. To match the national figure, average household incomes would need to be increased by, at best, 8% (Canning) and, at worst, 126% (Chatsworth). For the *Neighbourhood Renewal Areas* as a whole, the increase would need to be 55%.

**Table 2: Income in Liverpool Neighbourhood Renewal Areas, 2001**

Neighbourhood Renewal Area	No. of house holds	Income £ per annum	Mean income £ per annum	Difference from L'pool average (%) <sup>1</sup>	Difference from UK average (%) <sup>2</sup>
Anfield/Breckfield	11,723	203,202,100	17,333.62	-19	-51
Canning	2,375	57,609,600	24,256.67	-15	-8
Chatsworth	492	5,709,100	11,603.86	-78	-126
Dingle	6,526	105,990,200	16,241.21	-27	-61
Dovecot	9,640	157,109,200	16,297.63	-26	-61
Elm Park	1,706	34,465,000	20,202.22	-2	-30
Fazakerley	2,458	41,961,600	17,071.44	-21	-53
Gillmoss	3,372	60,501,400	17,942.28	-15	-46
Granby/Lodge Lane	7,863	136,160,000	17,316.54	-19	-51
Kensington	5,949	93,314,700	15,685.77	-31	-67
Kirkdale	4,000	65,370,900	16,342.72	-26	-60
LI	1,419	21,996,600	15,501.47	-33	-69
Larkhill/Tuebrook	3,524	71,005,100	20,149.00	-2	-30
Lower Breck	3,142	55,128,100	17,545.54	-17	-49
Molyneux	3,219	52,744,100	16,385.24	-26	-60
Netherley	7,493	129,579,700	17,293.43	-19	-52
Norris Green	11,816	188,104,400	15,919.46	-29	-65
Picton	5,069	86,466,800	17,057.96	-21	-54
Speke/Garston	9,989	166,176,100	16,635.95	-24	-57
Urban Village	6,699	98,252,900	14,666.80	-40	-79
Walton/Florence Melly	8,132	135,095,600	16,612.83	-24	-58
All NRAs	116,606	1,965,943,200	16,859.70	-23	-55

Notes: Based on data provided by CACLI. 1 Mean Liverpool income = £20,600. 2 Mean UK income = £26,200. Source: Liverpool Partnership Group, 2002

The table points to a couple of key characteristics of Liverpool's urban renaissance. First, the relatively depressed levels of household income within the city clearly constrain consumer-based growth. The entertainment and retailing activities on which this renaissance is based will need to draw on commuter and visitor spending (and, of course, the unmeasurable income generated locally by the 'informal economy') to maintain growth. Secondly, it gives an indication of a new pattern of socio-spatial segregation that 'urban living' appears to be producing, with the ward that stands out as having the highest average household incomes in relation to both Liverpool and the UK averages, Canning, being the location of some of the most expensive apartments. These apartments are forming a relatively privileged segment of a ward that overall still needs 'Neighbourhood Renewal'.

## CONCLUSION

Behind Liverpool's current aspirations to be a 'premier European renaissance city' and its bid to be *European Capital of Culture* in 2008 lies a profound transformation in the city's status in the global urban hierarchy, a transformation that is itself inextricably linked to Britain's changing geoeconomic and geopolitical relationships. It has lost jobs and people on a scale and at rates that are exceptional even among the industrial cities of the north, and it finds itself at the core of one of the most disadvantaged city-regions in Europe.

Disadvantage is not new to the city. At the height of its power there were pronounced social divisions between the rich and the poor that also had a marked geography. This geography of poverty has become more extensive, with 19 of the city's 33 wards now featuring in the 10% most disadvantaged wards in Britain.

The city has been on the receiving end of substantial political and policy intervention at different scales and in different forms. In the 1950s and 1960s, national regional policy and nationally encouraged population dispersal policies sought to create new jobs and better social housing on the city's outskirts. The 1970s saw regional policy overshadowed by urban policy as conditions in inner-city areas and some of the peripheral housing estates deteriorated. The city experienced the whole battery of urban policies thereafter, followed in the 1980s and especially the 1990s by programmes funded by the *European Union's Structural Funds*. The scale of this intervention testifies to the severity of decline; and policy has clearly struggled to make an impact. That said, Liverpool has shown some signs of renaissance in recent years and this has been due, in no small part, to this public-sector intervention. The physical transformation of the city centre has been dramatic and seems set to continue, and there has been some related recovery in both labour and housing markets. But this transformation has not benefited everyone and has not reached all parts of the city; indeed, some of the developments threaten to reinforce established patterns of socio-spatial segregation. The city's aspiration to be an 'inclusive European renaissance city' still remains a very difficult challenge, a difficulty created by the very power of the processes that combine to create the 'disjointed structural change' discussed in the introduction.

For Liverpool to become such a city requires a politics and policies that operate at the whole range of spatial scales, from neighbourhood to global. The city's first community strategy, 'Liverpool First' (*Liverpool Partnership Group*, 2002), does offer the potential for building upwards from based-based development plans to a city-wide regeneration framework in which public service spending can be 'joined up' and steered towards areas of need. It also offers the potential for reinforcing central government neighbourhood-based initiatives such as Sure Start (aimed at children at risk of exclusion). The potential is also there for the *Neighbourhood Renewal Strategy* to link up, at city-regional level, with the second *Objective One* programme, which retains a strong emphasis on social inclusion (as shown, for example, by attempts to make the jobs generated in so-called *Strategic Investment Areas* accessible to people in 'Pathways Areas' looking for work). At regional level, the *Government Office for the North West* offers the potential for better co-ordination of departmental programmes, and the *North West Development Agency* offers the potential for developing an evolving *Regional Economic Strategy* that could promote collaboration rather than competition between the region's two city-regions, Liverpool and Manchester. The next scale is the national, and what seems essential for Liverpool's renaissance (and for that of other similarly positioned cities) is a genuine commitment on the part of national government to balanced regional growth (which, it has to be said, seems to be lacking at the time of writing, with developments such as the Thames Gateway being planned for the south-east). This national regional policy needs to fit with broader European social and economic programmes.

At all levels, there needs to be an openness to alternatives to orthodox policies of economic development — alternatives that can develop broader definitions of 'work' and in which 'social economy' initiatives such as *Intermediate Labour Markets*, *Local Economic Trading Schemes* and 'time banking' (what Nathan and Westwood refer to as 'broad work' [2001]) are developed. In such an approach, the payment nationally of "basic income", "citizen's income" or "participation income" (Atkinson, 1995; 1998; Desai, 1998; Hines, 2000) makes sense. There do appear to be pieces of this jigsaw falling into place in

Liverpool (in the form, for example, of the *Neighbourhood Renewal Strategy*, *Sure Start* and the developing social enterprise sector that has recently been boosted by the *North West Development Agency's* sponsorship of a *Merseyside Social Enterprise Initiative*), but other pieces (such as a strong national regional policy) still need to be found.

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<sup>1</sup> The threats were disguised to a degree, however, by the onset of World War Two when the western-facing port fulfilled one of its greatest roles, handling the materials and food that helped to sustain the country in the war against Fascism.

<sup>2</sup> If Liverpool is anything to go by, then, "urban entrepreneurialism" (Harvey 1989b) is not simply a 'post-Fordist' phenomenon.

<sup>3</sup> There were twelve projects in all set up in four phases: Coventry, Upper Afan (Glamorgan), Southwark and Liverpool (1970); Batley, Newham (Canning Town) and Paisley (spring 1971); Cumberland and Newcastle (summer 1971); and Birmingham, Oldham and Tynemouth (North Tyneside) (winter 1971).

<sup>4</sup> There is an interesting historical coincidence in the dating of Britain's entry into the European Economic Community (in 1973) and that of the 'turning point' that most commentators identify in terms of the shift from 'Fordism' to 'post-Fordism' or 'organised' to 'disorganised' capitalism.

<sup>5</sup> For two opposing political interpretations of Militant in Liverpool, see Taafe and Mulhearn, 1988, and Kilroy, 2000. There is also a website commemorating the disqualified councillors and their political stance, [www.Liverpool47.com](http://www.Liverpool47.com).

<sup>6</sup> One of the signatories was the former *Beatle*, Paul McCartney, who had a particular interest in the establishment of what became the *Liverpool Institute for Performing Arts* on the site of his former, and by then derelict, secondary school. This building became one of the showpieces of *City Challenge*.

<sup>7</sup> It required a *Directing Committee* comprising the major central government departments and agencies, the five local authorities in Merseyside County, the *Merseyside Development Corporation*, the *Merseyside Chamber of Commerce*, the *Merseyside Tourism Board*, *Merseytravel*, the *North West Water Authority*, voluntary sector representatives and European Commission representatives.

<sup>8</sup> In the period since the mid-1960s, there have only been two full years when political control of Liverpool City Council has coincided with that of central government and only another three when there has been some overlap as control shifted.

<sup>9</sup> Established in 1997, the *Core Cities Group* brings together the local authorities of the seven largest cities outside London — Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle-upon-Tyne and Sheffield — to represent their interests in policy debates.

<sup>10</sup> The *Mersey Docks and Harbour Company* has adjusted to the country's geopolitical and economic shift towards Europe with its acquisition of the Medway Ports. While Liverpool's geography places it on the Atlantic Arc periphery of Europe, the company has made sure that its operations are more centrally placed.

<sup>11</sup> All four of these companies feature in the listings of leading firms in the promotional brochure produced by *Liverpool Business Centre* (2002).

<sup>12</sup> One major cloud on the retail horizon, however, has been the recent sale of the *Littlewoods* mail-order business. Since *Littlewoods* is one of the few remaining large locally-controlled businesses, there is reason to be concerned about the impact of the sale on headquarters-type jobs. There is also every reason to be concerned about what the sale might mean for the firm's hitherto exceptional levels of local philanthropy.

<sup>13</sup> The measure of the 'real rate of unemployment' includes groups who are not officially registered as unemployed but who have been effectively forced out of the labour market (such as elderly former coalminers who reregistered as sick).

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## PORT STATISTICS

Patrick Keiller  
(abridged version)

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The following paragraphs were written in the last months of 1996, during the final stages of production of a film, *Robinson in Space*, for which the journeys they recall were carried out. *Robinson in Space* (35mm, colour, 82 min., UK 1997) was filmed between March and November 1995. It documents the explorations of an unseen fictional character called Robinson, who was the protagonist of the earlier London, which was a re-imagination of its subject suggested by the Surrealist literature of Paris. *Robinson in Space* is a similar study of the look of present-day England in 1995, and was suggested to some extent by Defoe's *Tour through the Whole Island of Great Britain*. Among its subjects are many new spaces, particularly the sites where manufactured products are produced, imported and distributed. Robinson has been commissioned by "a well-known international advertising agency"<sup>1</sup> to undertake a study of the 'problem' of England. It is not stated in the film what this problem is, but there are images of Eton, Oxford and Cambridge, a Rover plant, the inward investment sites of Toyota and Samsung, a lot of ports, supermarkets, a shopping mall and other subjects which evoke the by now familiar critique of 'gentlemanly capitalism', which sees the UK's economic weakness as a result of the City of London's long-term (English) neglect of the (UK's) industrial economy, particularly its manufacturing base.

In the Department of Transport's 1994 edition of *Port Statistics*,<sup>2</sup> based on figures for the twelve months of 1993, the *Mersey Docks and Harbour Company* was the most profitable port authority listed. *Associated British Ports*, which was not listed, declared a higher profit for 1993, but they operate 22 ports in the UK, including Southampton, Immingham and Hull. The MDHC bought the profitable *Medway Ports* in October 1993 and operate a ferry service and a container terminal in Northern Ireland, but it seems nonetheless that Liverpool was (and still is) 'the most profitable port in the UK'.

Reading these figures, I imagined there might be some exceptional reason for the MDHC's profitability — a one-off land sale, perhaps; commercial rents, or grant aid from the EU. Like many people with a tourist's familiarity with the waterfronts of Liverpool and Birkenhead, I took the spectacular dereliction of the docks to be symptomatic of a past decline in their traffic and Liverpool's impoverishment to be a result of this decline in its importance as a port. In fact, in September 1995, when the images of Liverpool in the film were photographed, Liverpool's port traffic was greater than at any time in its history. In modern terms, individual British ports are not very large: Rotterdam — the world's biggest port — has an annual traffic of about 300 million tonnes. The UK has a long coastline, and its traffic, though greater than ever, is divided between many different ports. Since 1960, the tonnage of exports has quadrupled, increasing most rapidly in the 1970s when North Sea Oil was first exploited. The tonnage of imports has fluctuated, and overall has risen by more than 20%.

Southampton and Liverpool each handle about 30 million tonnes. Both have large container terminals; Liverpool has a large traffic in animal feeds, a new terminal for Powergen's coal imports and most of the UK's scrap metal exports. Southampton has a vehicle terminal — *Renault, Rover, GM, Jaguar* — and a lot of oil imports.

It is presumably a mistake to assess a port's importance solely by the tonnage of its traffic — a tonne of Colombian coal is worth about £28 at the destination port, a tonne of



Volkswagens say £12,000, a tonne of laptop computers probably not less than £250,000. Container and road vehicle loads probably always represent considerably greater monetary value than bulk materials. On this basis, Felixstowe probably handles the traffic with the greatest value. However, given that other large ports are either fragmented (London), aggregates of two or more sites (Tees and Hartlepool, Grimsby and Immingham) or specialists in particular types of traffic (Sullum Voe is *all* oil exports, Felixstowe is *only* containers, Immingham and the Tees largely bulk), Liverpool can now be described as 'the UK's largest conventional port'. If Liverpool's relative importance is not what it was 100 years ago, it is not because its traffic has declined, but because there is now much more port traffic, and there are more big ports.

Certainly, Liverpool's traffic *did* decline. In the early 1980s, it was down to about ten million tonnes per year, but it is now about the same as in the mid-1960s. What has vanished is not the working port itself, even though most of the waterfront is derelict, but the contribution that the port made to the economy of Liverpool. Of all the UK's maritime cities, only Hull, which is much smaller, was as dependent on its port for wealth. Liverpool's population in 1994 was estimated at 474,000, just 60% of the 789,000 in 1951. At its peak, the port employed 25,000 dock workers. The MDHC now employs about 500 dockers (and sacked 329 of these in September 1995). Similarly, a very large proportion of the dock traffic is now in containers and bulk, both of which are highly automated and pass through Liverpool without generating many ancillary jobs locally. The Channel Tunnel enables the MDHC to market Liverpool as a continental European port for transatlantic traffic, so that the ancillary jobs it supports may even be outside the UK. Also, like any English city outside London, Liverpool is now largely a branch-office location and long ago lost the headquarters establishments (*White Star, Cunard*) that made it a world city, the point of departure for emigrants from all over Europe to the New World.

Another influence on Liverpool's economy and culture has been the virtual elimination of the UK's merchant shipping fleet. According to Tony Lane of *Liverpool University's Sociology Department*, although there were never more than about 250,000 seafarers in the British merchant fleet (about a third of whom were of Afro-Caribbean or Asian descent), seafarers were once the third most numerous group of workers in Liverpool. The typical length of a seafarer's career was about seven years, so that at any time a very high proportion of men in Liverpool had at some time been away to sea. Most of the few remaining British seafarers work on car, passenger or freight ferries, on which the majority of jobs are in catering. Apart from the decline in UK-owned ships and UK crews, modern merchant ships are very large and very sparsely crewed: there are never many ships in even a large modern port; they don't stay long, and crews have little — if any — time ashore, even assuming they might have money to spend. The *P&O's* Colombo Bay, for example, a large UK-registered container vessel, has a crew of 20 and a capacity of about 4,200 20-foot-equivalent containers (4,200 teu), typically a mixture of 20-foot and 40-foot units, *each one of which* is potentially the full load of an articulated lorry. Presumably, jobs lost in port cities and on ships have to some extent been made up by expansion in the numbers of truck drivers.

Not only do ports and shipping now employ very few people, they also occupy surprisingly little space. Felixstowe is the fourth-largest container port in Europe, but it does not cover a very large area. The dereliction of the Liverpool waterfront is a result not of the port's disappearance, but of its new insubstantiality. The warehouses that used to line both sides of the river have been superseded by a fragmented and mobile space — goods vehicles moving or parked on the UK's roads at any given time: the road system as a publicly-funded warehouse. This is most obvious on summer evenings, when busy

trunk roads on which parking is permitted become truck dormitories: south of Derby, an 18-mile stretch of the A42, lined with lay-bys, that connects the M42 with the M1 is one of these; the nine-mile stretch of the A34 between Oxford and the M40 another. Many of these trucks are bound for the enormous warehouses of inland distribution estates near motorway junctions — Wakefield 41, for example, at junction 41 of the M1, next to its junction with the M62. The road haulage — or *logistics* — industry does not typically base its depots in port cities, though it is intimately linked to them: the road construction battlefields of Twyford Down and Newbury were the last obstacles to rapid road access to the port of Southampton from London (by the M3) and from the Midlands and the North (by the M40 to the A34). The relative insubstantiality of industrial development in the modern landscape seems to be accompanied by very high levels of energy consumption.

Despite having shed the majority of its dockers, the Liverpool port employer's attitude to its remaining workforce is extremely aggressive. In September 1995, two weeks after telling *Lloyd's List* that it had the most productive workforce in Europe, the MDHC sacked 329 of its 500 remaining dockers after they refused to cross a picket line. Five employees of a contract labour firm had been sacked in a dispute over payment periods for overtime. This led to the picket line which the MDHC workers refused to cross. Liverpool dockers were supported by secondary actions in New York and elsewhere, so that the giant U.S. container line ACL threatened to move its ships from Liverpool unless the lock-out was ended. In other countries, even employers were shocked by the MDHC's unrestrained determination to be rid of most of their last few dockers. In July 1996, ACL carried out their threat and moved their ships to Thamesport,<sup>3</sup> an independently-owned container terminal within the MDHC-owned Medway Ports in Kent. Medway Ports, which had been privatised in 1989 as a management-employee buy-out, was bought by the MDHC in 1993 in a transaction which made Medway's former chief executive a multi-millionaire. Medway had previously sacked 300 of its dockers for refusing to accept new contracts. On dismissal, the dockers were obliged to surrender their shares in the company at a valuation of £2.50 per share, shortly before MDHC bought them for £37.25 each.

The main port of the Medway is Sheerness, which is the largest vehicle-handling port in the UK, with imports by *Volkswagen-Audi*, two-way traffic by *Peugeot-Citroën* and exports from *General Motors UK* plants, among others. Like other modern UK ports, it is a somewhat out-of-the-way place. Opposite the dock gates is the plant of *Co-Steel Sheerness*, which recycles scrap into steel rod and bar. *Co-Steel*, a Canadian company, is the proponent of what it calls total team culture, in which all employees are salaried, overtime is unpaid and union members fear identification. In June 1996, the ILO called on the UK government to investigate *Co-Steel's* anti-union practices. On the other side of the Isle of Sheppey, at Ridham Dock (a 'hitherto little-known port' which featured in the *Scott* enquiry and from which *Royal Ordnance* military explosives were shipped to Iran) there is another *Knauf* automated plasterboard plant, which the 1995 *Medway Ports Handbook and Directory* describes as 'the fastest running production line in Europe'. Opposite Sheerness, on the end of the Isle of Grain, is the *automated* container terminal of Thamesport to which ACL's ships were diverted from Liverpool. In the *Medway Ports handbook*, Thamesport is described as the UK's most sophisticated container terminal, "where driverless computerised cranes move boxes around a regimented stacking area with precision and speed".

The juxtaposition of successful industry and urban decay in the landscape of the UK is certainly not confined to the north of the country. A town like Reading, with some of the fastest growth in the country (*Microsoft, US Robotics, Digital, British Gas, Prudential*

*Assurance*) offers, albeit to a lesser degree, exactly the same contrasts between corporate wealth and urban deprivation: the UK does not look anything like as wealthy as it really is. The dilapidated *appearance* of the visible landscape, especially the urban landscape, masks its prosperity. It has been argued that in 18 years of Conservative government, the UK has slipped in a ranking of the world's most prosperous economies in terms of GDP per head, but it is equally likely that the position has remained unchanged, and in any case this is only a ranking among nations all of which are becoming increasingly wealthy. If the UK has slipped in this table, it has not slipped anything like as much as, say, Australia or Sweden, or even the Netherlands. The UK's GDP is the fifth-largest in the world, after the U.S., Japan, Germany and France. What has changed is the distribution of wealth.

In the UK, wealth is not confined to a Conservative nomenclature, but the condition of, say, public transport or state-sector secondary schools indicates that the governing class do not have a great deal of use for them. People whose everyday experience is of decayed surroundings, pollution, cash-starved public services, job insecurity, part-time employment or freelancing tend to forget about the UK's wealth. We have been inclined to think that we are living at a time of economic decline, to regret the loss of the visible manufacturing economy, to lower our expectations. We dismiss the government's claims that the UK is 'the most successful enterprise economy in Europe', but are more inclined to accept that there might be less money for schools and hospitals, if only because of the cost of financing mass unemployment.

There is something Orwellian about this effect of dilapidated everyday surroundings, especially when it is juxtaposed with the possibility of immediate virtual or imminent actual presence elsewhere, through telematics and cheap travel. Gradually, one comes to see dilapidation not only as an indication of poverty, but as damage inflicted by the increased centralisation of media and political control in the last two decades.

In the rural landscape, meanwhile, the built structures, at least, are more obviously modern, but the atmosphere is disconcerting. The windowless sheds of the *logistics* industry, recent and continuing road construction, spiky mobile 'phone aerials, a proliferation of new fencing of various types, security guards, police helicopters and cameras, new prisons, agribusiness (BSE, genetic engineering, organophosphates, declining wildlife), UK and U.S. military bases (microwaves, radioactivity), mysterious research and training centres, 'independent' schools, eerie commuter villages, rural poverty and the country houses of rich and powerful men of unrestrained habits are visible features of a landscape in which the suggestion of cruelty is never very far away.

With the Conservatives and their obsessions removed, the new industrial landscape of the UK begins to resemble the computerised, automated, leisured future predicted in the 1960s. Instead of leisure, we have unemployment, a lot of low-paid service sector jobs, and a large number of people who are 'economically inactive', including 'voluntary' carers and people who have been *downsized* into a more or less comfortable early retirement, many of whom once worked for recently privatised utilities. The enormous irony of the Tory twilight is that their protestations that the UK is a prosperous country are largely true. There are even a few signs of a revival in the manufacture of indigenously financed high-technology consumer goods. The UK is a rich country in which live a large number of poor people and a similar number of reasonably well-off people who *say* they are willing to pay for renewal of the public realm. There *seems* to be no reason why the UK cannot afford a minimum wage, increased expenditure on welfare and education, incentives for industrial investment, environmental improvements, re-empowered local government and other attributes of a progressive industrial democracy.

<sup>1</sup> *Nations for Sale*, a study of Britain's overseas image, was written by Anneke Elwes in 1994 for the international advertising network DDB Needham. Patrick Wright reports (in *The Guardian*, December 31, 1994) that she found Britain 'a dated concept' difficult 'to reconcile with reality'.

<sup>2</sup> *Port Statistics* (HMSO, London) is compiled annually by the Department of Transport. Most of the figures in this essay are from the 1995 edition.

<sup>3</sup> ACL later returned to Liverpool

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## ADDRESSES AND CONTACTS

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*Liverpool City Council*, Municipal Buildings

**contact:** Dale St, Liverpool L69 2DHUK, [www.liverpool.gov.uk](http://www.liverpool.gov.uk)

*The Liverpool Culture Company Ltd.*, Company founded to deliver the *European Capital of Culture 2008* programme

**contact:** 3rd Floor Millennium House, 60 Victoria Street, Liverpool L1 6JD,  
phone: 0044-(0)-151-233-1360, [www.liverpoolculture.com](http://www.liverpoolculture.com)

**FACT — Foundation for Art and Creative Technology.** Recently re-housed in purpose-built inner-city premises. Fact is the UK's leading organisation for the support, commissioning and exhibition of film, video and new media projects.

**contact:** 88 Wood Street, Liverpool L1 4DQ, phone 0044-(0)-151-707-4450,  
[www.fact.co.uk](http://www.fact.co.uk)

**Tate Gallery Liverpool.** Liverpool became the first city outside London to receive a branch of the renown *Tate Gallery*, which was located in the disused Royal Albert Dock. Today it is one of the city's main cultural venues.

**contact:** Albert Dock, Liverpool L3 4BB, phone 0044-(0)-151-702-7400,  
[www.tate.org/liverpool](http://www.tate.org/liverpool)

**Liverpool Biennial.** Biggest visual art event in the UK, organised in cooperation with various local art institutions. Opens September 18 to November 28, 2004.

[www.biennial.org.uk](http://www.biennial.org.uk)

**Liverpool Vision.** Inner city regeneration agency bringing together public and private sector agencies to revitalise the city centre.

**contact:** The Observatory, 1 Old Haymarket, Liverpool L1 6EN, [www.liverpoolvision.com](http://www.liverpoolvision.com)

**The Mersey Partnership.** Formed to promote tourism and investment, the *Merseyside Partnership's* website gives a good overview of culture, housing, working and education with useful further links.

**phone:** 0044-(0)-151-237-3916, [research@merseyside.org.uk](mailto:research@merseyside.org.uk), [www.merseyside.org.uk](http://www.merseyside.org.uk)

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[www.manchester.gov.uk](http://www.manchester.gov.uk)

**CUBE — Centre for the Understanding of the Built Environment.** Gallery/Bookshop in Manchester with an emphasis on architecture and design, regular exhibitions and lectures.

**contact:** 113–115 Portland Street, Manchester M1 6FB, phone: 0044-(0)-161-237-5525,  
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**Cornerhouse Galleries**

**contact:** Cornerhouse Galleries, 70 Oxford Street Manchester, M1 5NH Greater Manchester, England, phone (general information): 0044-(0)-161-228-7621, fax (general information): 0044-(0)-161-200-1506, [exhibitions@cornerhouse.org](mailto:exhibitions@cornerhouse.org), [www.cornerhouse.org](http://www.cornerhouse.org)

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**URBED**

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**SURF — Centre for Sustainable Urban and Regional Futures**

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**Manchester Institute of Popular Culture**

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**THE REGION**

**Northwest Development Agency.** The NWDA co-ordinates economic development, regeneration, skills development, strategic sites, business relocation and inward investment as *Regional Development Agency* (RDA) in Northwest England.

**contact:** [www.nwda.co.uk](http://www.nwda.co.uk)

**North West Regional Research Laboratory.** The NWRRL is run by a Management Committee consisting of well-established teaching staff from the Departments of Geography, Biological Science, Environmental Science, Management Science and the Centre for Applied Statistics.

**contact:** [www.lancs.ac.uk](http://www.lancs.ac.uk)

**UK**

**National Office for Statistics.** Central British site for official statistics reflecting the countries economy, population and society at the national and local level. [www.englandsnorthwest.com](http://www.englandsnorthwest.com)

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## BIBLIOGRAPHY

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Ken Grant and James Kelman, *The Close Season*, Stockport 2002

Ken Grant, a photographer who grew up in Liverpool, documents life after the end of the Docklands on the Mersey River over a period of one and a half decades. Where the port no longer offers jobs and life seems to go awry, other forms of private or public daily life together become important. *Close Season* is the season in which hunting is not permitted. And indeed, the social networks of the young and old people depicted in the 58 black-and-white duoton photos need protection. Ken Grant's camera, of course, gives them more. It provides them tender affection. The introduction to the volume was written by the Scottish writer James Kelman.

Linda Grant, *Still Here*, London 2002

The newest novel by this writer and journalist, the 1951-born daughter of Russian and Polish Jewish immigrants, takes place for the most part in her hometown. It is the story of Alix Rebick and Joseph Shields, who, in the middle of everyday life, are both confronted with what is unresolved in their past outside the country. Alix has to take care of her severely ill mother, while in the course of his occupational work, Joseph, the architect from America, has to win a struggle with Liverpool's gangster scene.

Dave Haslam, *Manchester England, The Story of the Pop Cult City*, London 1999

A better author for this topic could hardly have been found than the 1962-born DJ and journalist Dave Haslam. His book describes the history of popular music in Manchester, from the Victorian music halls of the late 19th century through the jazz and rock 'n' roll of the 1950s and 1960s to the punk and post-punk of the 1970s and 1980s. The author lavishly portrays the raves and clubs of the 1990s — including the legendary *Hacienda*, where he himself played a major role as a DJ.

Alan Kidd, *Manchester*, Edinburgh 2002

The author divides the history and depiction of Manchester into three sections. From 1780 to 1850, Manchester was the focus of the Industrial Revolution and the very first industrial city, where what is known as 'Manchester' capitalism had its origins. Between 1850 and 1914, the home of the 'Mancunians' took the role of the capital of the wool trade. This is the period when the huge Victorian public buildings were constructed in the centre of the city. Alan Kidd subsumes the decades after World War One as the time "within living memory". This chapter deals primarily with the dramatic deindustrialisation and its consequences. For the most recent edition of his book, the author has written a chapter about Manchester's development into a centre of cultural and social services.

Ron Martin and Bob Rowthorn (eds.), *The Geography of De-industrialisation*, Basingstoke and London 1986

This volume is concerned with the consequences of the deindustrialisation of the 1970s and 1980s for the spatial system of Great Britain. Ten essays provide a comprehensive understanding of the decline of the economic basis of broad segments of the country's productive regions. Ron Martin and Bob Rowthorn, both instructors at the *Colleges of Cambridge University*, and the other authors show how industrial concentration was pushed forward by the imperatives of British capital. They also show how the Thatcher



government supported this policy, which discriminated against whole regions. The spread of services and the emergence of small high-tech companies privileged the Southeast, which was already economically privileged. Emphasis on the role of the free market exacerbated socio-geographical polarisation.

Katherine Mumford and Anne Power, *The Slow Death of Great Cities? Urban Abandonment or Urban Renaissance*, Joseph Rowntree Foundation, 1999

Researchers Anne Power and Katharine Mumford from CASE, *Centre for Analysis of Social Exclusion* at the *London School of Economics*, based this study on an in-depth assessment of unpopular neighbourhoods in Manchester and Newcastle. Power's and Mumford's analysis of causes and effects of abandonment in British Cities had great impact on a national policy discussion triggered by New Labour's establishment of the *Urban Task Force* in 1997. The book questions traditional planning methods such as *tabula rasa* demolition of deprived wards, arguing that neighbourhoods of acute decline may become the urban centres of tomorrow. The book is followed by an update report *Boom or Abandonment — Resolving housing conflicts in cities* (2003), in which the authors point towards the great resilience and vitality that can be generated by the personal experience of decline. Key elements of the 'fightback' of local communities include the emergence of local leaders, improved co-ordination and delivery of local services, co-operation between police, housing providers and residents and new approaches to marketing empty homes and the area overall, which could inform a revision of tools and instruments of planning for regeneration.

Ronaldo Munck (ed.) with a foreword by Saskia Sassen, *Reinventing the City? Liverpool in Comparative Perspective*, Liverpool University Press 2003

This collection of essays mainly authored by well-known Liverpool scholars represents the most recent attempt to assemble a sociological and socio-political overview of current research conducted on the city of Liverpool. The book discusses the city of Liverpool as an example that can challenge preconceived notions about the global post-modern city. At the same time, it is the best scholarly overview of the most recent urban transformations of the city to date. All contributors examine specific aspects of the cultural, social and economic legacy of the city, with particular emphasis placed on its people.

Michael Parkinson, *Liverpool on the Brink*, Policy Journals Hermitage 1985

Michael Parkinson's book is a well-known classic written during a period when Liverpool's Local Council militantly opposed the imposed neo-liberal reforms of the Thatcherite Central Government. The period marks what is now remembered as perhaps the city's darkest moment, when unemployment had skyrocketed, poverty and crime was widespread, the municipal finances were close to bankruptcy and the city lost population by the day. Parkinson's analysis goes beyond disaster analysis and addresses the tension between local democracy and imposed neo-liberal ideology, which remains relevant to the present day. He charts the background of Liverpool's financial and political crisis which pushed the city 'to the brink' and situates the struggle led by the Labour Council and the *Trade Unions* within a longer British tradition.

Jamie Peck and Kevin Ward (eds.), *City of Revolution, Restructuring Manchester*, Manchester and New York 2002

Confronted with increasing job losses, social problems expressed in violence and the London government's apparent lack of interest in their situation, many large British cities have undergone an 'entrepreneurial' turnaround in the last two decades. Few communi-



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## APPENDIX: PHOTOGRAPHS MANCHESTER

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Photo 1: Ancoats, north-eastern Manchester; vacant tower block awaiting demolition



Photo 2: Disused pub — Cardroom Estate, East Manchester



**Photo 3:** Rochadale Canal, Warehouses being demolished for redevelopment



**Photo 4:** Beswick East Manchester, remains of tabula rasa demolition in 2002





**Photo 5:** Ancoats; 19th-century Cotton Mill and Warehouse complex; most buildings are earmarked for re-development as luxury apartments



**Photo 6:** New office complex, Rochdale Canal area



**Photo 7:** *Hacienda* complex; luxury flats opened in 2003 on the site of the demolished *Hacienda club* building that was closed in 1997



**Photo 8:** Daniel Libeskind's *Imperial War Museum North*, opened in July 2002 alongside the Lowry Centre, transforming the former Salford Quays, two miles from city centre Manchester, into a prestigious leisure and entertainment centre



Photo 9: Billboard advertising the 2002 *World Commonwealth Games* attached to an Ancoats tower block, earmarked for demolition



Photo 10: Hulme — 19th-century pub remains after tabula rasa demolition programme



**Photo 11:** Billboard advertising the 2002 *World Commonwealth Games* in Manchester

Photo 1, 2, 3, 4, 5, 6, 7, 8, 9 and 11 by Philipp Misselwitz

Photo 10 by Philipp Oswald

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## APPENDIX: PHOTOGRAPHS LIVERPOOL

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Photo 1: 2003 housing scheme, Sheil Road area, replacing 1960s tower blocks



Photo 2: Norris Green, 1930s Boot estate earmarked for demolition





**Photo 3:** Liver Building, erected in 1910 as one of The Three Graces; one of the world's first multi-storey buildings with a reinforced concrete structure, marking the height of the city's power



**Photo 4:** Everton, Netherfield Road area, 1960s tower blocks being replaced by lowrise housing



**Photo 5:** Informal market in Break Road area, Everton



**Photo 6:** Public space furniture in Duke Street area, central Liverpool, subsidised by EU Objective One funding





**Photo 7:** Billboard advertising the 2008 Cultural Capital festivities



**Photo 8:** Royal Albert Dock, constructed in 1846 as a warehouse complex the buildings became obsolete in 1972, re-opened as tourist attraction alongside Central Government funded Tate Gallery in 1988

Photo 1 by Anke Hagemann

Photo 2,3,4,6,7 and 8 by Philipp Misselwitz

Photo 5 by Philipp Oswalt