

Contents

<i>Preface</i>	viii
 Part I Mapping the Inner City	
1 Inner City Europe: Socio-Economic Change and National Policy Responses	3
2 Cities and their Inner Cities: Transformation and Governance	44
 Part II Inner City Regeneration Strategies	
3 Regenerating the Physical Structure	83
4 Extending the Policy Remit: Socio-Economic Interventions	116
5 The Impacts of Regeneration	154
 Part III Evolving Regeneration Regimes	
6 Inner City Regeneration: Mainstreaming the EU's Urban Agenda	177
7 The Inner City: Regulating Regeneration, Combating Social Exclusion	194
 <i>Appendix: Statistical Audit</i>	 208
<i>Bibliography</i>	216
<i>Index</i>	254

1

Inner City Europe: Socio-Economic Change and National Policy Responses

To provide an initial orientation, a range of problems presenting in the inner city are reviewed in this introductory chapter, setting the context for discussion of the respective policy responses adopted in the last quarter of the past century in the five largest EU states. The countries examined include two 'early instigators' in the field (France and the UK), an 'average initiator' (Germany) and two countries where national innovation only gathered pace in the 1990s (Spain and Italy). For each country, a case study is selected: port cities having experienced what Dangschat and Ossenbrügge (1990) pithily termed the transformation 'from the ship to the chip' (Barcelona, Genoa, Hamburg, Liverpool and Marseilles).

Whilst in each city the inner core is a prime (though not unique) locus of socio-economic problems, the conceptual and functional equivalence of the 'inner city' is problematic, given that there may be considerable cross-national variation in the functions central areas perform. There is, then, a danger of conceptual stretching, not least in assumptions of the extent that it represents a consolidated political issue. Even within one cultural sphere, the concept as a spatial expression of reduced life chances is for Keith and Rogers (1991, p. 6) 'theoretically chaotic', and not necessarily an indication of an excluded space. In German the term *Innenstadt* also embraces the central business district and issue emergence is frequently driven by concerns about its expansion into adjacent, often desirable residential areas. The Italian *centro storico* and the Spanish *casco antiguo* have largely been conceived in terms of architectural priorities, with the aim of promoting the cultural image of the town. The attention of French political actors has typically been diverted away from the *vieux quartiers* to the *quartiers chauds*, some of which may be located centrally but, more often, are peripheral social housing estates (Mangen, 1992).

In large European cities, core localities harbour multiple functions and, in some, depending on the time of day, multiple users. Spatial specialisation of

users and uses 'in propinquity' is a feature determining the distinct character of each inner city. That being said, it is possible to point to significant commonalities. To be sure, some of these attributes are replicated elsewhere: primarily in social housing estates on the urban fringe with which, as a result of re-housing policies, there may be close social linkages with inner neighbourhoods, or, in some cities, they may be more dispersed (Robson, 1988; OECD, 1998). Nonetheless, they do tend to exist in a unique and oft-times spatially concentrated combination in the inner city. Thus, these generally higher-density areas contain some of the worst and certainly the oldest housing stock, mostly in the owner-occupied or privately rented sector. In many countries this is supplied in small units sometimes with shared basic amenities and inhabited by single-person households. Yet, better quality accommodation has been targeted for conversion into commercial premises or gentrification, with the result that the increasingly richer and more politically articulate incomer progressively lives cheek by jowl with the growingly poorer and politically marginalised, something which has long been a feature of the southern inner city but which is more of a novelty in the north. Many neighbourhoods have witnessed a chronic and socially selective population loss with 'white flight' of family-forming households to the suburbs, resulting in an ageing or 'twin peak' demographic profile of residents combined with a large percentage of ethnic minorities or recent immigrants, increasingly of irregular status, seeking their first point of access to whatever housing is available and thereby putting pressure on demand for ever-scarcer cheap accommodation. Low educational attainment, below average investment in social and public services with resulting poor access, environmental pollution, heavy traffic and heavy noise volumes, particularly in the narrow streets of the southern historic cores, can be added to the list. To these must be added macro-scale economic restructuring and the profound changes in local labour markets as a result of tertiarisation, both of which have limited job opportunities for the unskilled. Finally, many cities record high propensities of opportunistic street crime, often exacerbated by poor street lighting, trade in illicit drugs and prostitution, raising pronounced fears of victimisation among residents. All these issues are discussed further in subsequent chapters.

Attributes of the European inner city

The sampled countries are at different stages in elaborating comprehensive strategic policies for the inner city: in general, despite the appalling state of some of the housing stock, the Mediterranean countries can be crudely regarded as 'laggards' as can Germany, although in the latter case this was primarily due to the later onset of de-industrialisation and its impact on major cities. Large tracts of the inner core were abandoned in the immediate post-war decades socially, politically and economically, when many of its residents were re-housed in the urban periphery. The official neglect implicitly

derived from the notion that these were 'backward' spaces that were productive only of various manifestations of social pathology (MacGregor, 1990) – whether this was articulated in Anglo-Saxon discourse on the underclass or, more neutrally, in continental terms of 'marginalisation'. In the Anglophone world the notion of the 'inner city' first gained currency in the 1960s, some years before finding a place on the urban agenda in Britain later in the decade, after displacing earlier concepts such as 'twilight zones'. In general, the socio-economic dimensions of rehabilitation gained ground only in the 1970s as the recession bit deep; in most Continental countries this change of policy focus was delayed at least a decade, thus privileging a narrow agenda centred on the urban fabric which was particularly characteristic of the Mediterranean countries (European Commission, 1992).

Nonetheless, despite time lags, policy evolution since the Second World War has broadly followed a similar path: emergency post-war reconstruction was replaced by mass demolition and reconstruction on the periphery, a phase lasting at least until the late 1960s. In turn, relevant policy was monopolised by a concern for the physical rehabilitation of the existing stock, in some cases from the late 1960s but primarily in the 1970s. This was to varying degrees complemented by subsequent innovations infusing a 'social dimension' as a response to the growing acceptance of the problem of 'urban exclusion' that required a more serious engagement with structural determinants. Solutions favoured by European politicians in the embrace of a regeneration-led rather than a narrow renewal agenda varied internally and cross-nationally, although Furbey (1999) detects in what he terms the regeneration 'metaphor' a confused agenda that nonetheless bears essential hallmarks of organic solidarity associated with conservative interpretations of social exclusion.

Influenced in part by the nascent EU policy line, a converging, more commercially oriented and longer-term economic strategic agenda evolved in the 1990s in the face of perceived transition pains due to globalisation. Albeit still in inchoate form, what has emerged is an approach to the fate of the post-Fordist European city that is dependent on a multi-faceted developmental strategy aiming at the regeneration of sub-regional economies to exploit 'glocalised' potential. In this the inner city is re-invested with much image-building economic and social capacity – even as the fulcrum for launching 'salvation activism' (Seassaro, 1991).

The cumulative effect is that key actors are at pains to present the contemporary policy context as more tightly input–outcome focussed or 'joined up'. In these new accumulation regimes the inner areas become a niche asset (Mayer, 1995). Their lot in the past quarter century was to be the locus of a proliferation of *grands projets*. Le Galès and Harding (1998) point to the contradiction that in espousing the benefits of niche position cities have curiously opted for remarkably similar projects. Thus, in the present case studies, the success of the earlier Baltimore waterfront regeneration has

encouraged port cities to direct attention to their disused dockyards which have been transformed into tourist, cultural or conference centres as a sign of 'commodification' of prestige leisure in prime urban sites (Bianchini *et al.*, 1990; Mellor, 1997). Whilst projects like these may help restore a sense of identity and pride among the local populace (Hutchinson, 2000), they also have been risk-laden (see Chapter 2); nor can one ignore the frequent complaint that there has been little positive 'trickle-down' effect for adjacent residents, either in terms of quality employment creation or local use of such facilities (Griffiths, 1993). On the contrary, there have often been displacement pressures, with regard not only to housing but also the disappearance of cheaper commercial outlets, as 'mega-stores' relocate elsewhere to serve those with greater purchasing power and private transport (Thomas & Bromley, 2000).

In the past three decades, then, greater specialisation of social uses of distinct inner neighbourhoods has come about through spatial segregation which has deepened as a product of policy accumulation (or, indeed, neglect) and market forces. The early works of Castells and Godard (1974) in France and Ferras (1977) in Spain, despite criticism of being too simplistic and location-specific, chronicle the chronicity of renovation-displacement interactions. Indeed, White (1984) records how segregation historically has a long and intimate pedigree: not only by neighbourhood, but also by storey within the same building, occupation of front of house or a back annex, and so forth. But, despite this dynamic of urban polarisation, there is a certain stability among the areas that are 'losers': throughout Europe even rich metropolitan cities contain intransigent 'pockets of poverty' (see, for example, Mayor of London, 2002). The lack of ability to escape urban social exclusion is further demonstrated, for instance, by an official 'small area' deprivation index for England and Wales which indicated that, between 1981 and 1991, only 6 of the 36 most affected areas had been replaced in the league table (Burton & Boddy, 1995).

In any comparison of the degree and speed of segregation, 'retrievability' and displacement, the relative competitive strength of each city in the new European economic order is a vital catalyst. The distribution of housing tenure is also a critical factor, given that partnership between the public and private purses has become increasingly commonplace. Retrievability in the short term is the essential factor in determining the gap between 'rent' and 'value', the latter indicating that prevailing land prices are below an assessment by attracted investors of potential prices, arising from upgrading or a change of property use (Van Weesep & Musterd, 1991). Whilst major public-led urban projects affect this trade-off, pressures on reinvestment in the inner core, in the most propitious situations, have been most acute where reliance on commercial interests is greatest; these have accelerated processes of gentrification and, in many cities, gradual expansion of the central business district. In the case studies to be reviewed, speculative pressures are most

apparent in Hamburg and Barcelona, both having relatively successfully negotiated the transition to the tertiary economy, and least in Marseilles and Liverpool, where planning incentives have met with less success in limiting economic and social flight from the core and where much housing reinvestment in central areas has required direct public intervention or heavy subsidies.

National policy trajectories and inner city regeneration

The nature and tradition of an area approach to social planning varies considerably among these five countries: France and the UK have been stronger on such targeted compensation, most notably, perhaps, in the field of education compensation and housing rehabilitation. Spain also is a median instigator. On the other hand – beyond physical regeneration – Italian constitutional stipulations were given as reasons for abandoning early attempts at area targeting in favour of spatial de-specification of client-oriented social policies. Reasons cited have been general equity but also – mindful of its fascist past – fears that such interventions might reinforce stigma. For much of the period under investigation Germany also placed more emphasis on across-the-board measures for much the same reasons.

By the early 1980s, however, the OECD (1983) was reporting a converging expanded approach to urban policy, at least among innovator countries, embracing not only housing and land-use measures, but also economic development, employment support and attempts to tailor general social policies to new exigencies. Two factors seem critical. One is the early recognition by some governments of the irreversibility of economic transformation, which had hit large cities hardest. Thus, due to the early onset of economic decline and the associated welfare state ‘crisis’, the UK was the first Western European country to initiate a dedicated programme for the inner city, in part a product of policy dissemination from the USA. In comparison, continental political parties, particularly of the centre-left, initially failed to appreciate the full implications of economic change which was impacting at various speeds on their industrial bases. This was still a period in which emerging problems were presented as new risks associated with ‘social exclusion’ undermining the post-war welfare *acquis*.

The other factor concentrating political minds lay in the growing urban protest movements and – in particular in Britain and France – the outbreak of riots at various points in the decade (Robson, 1988). The new presidency of Mitterrand was mindful that it derived much of its electoral support in precisely the sorts of areas that were affected, and demanded a prompt and sympathetic response. Although not as severe as those contemporaneously in the UK, they provoked a major policy innovation in the form of an area-based social regeneration programme, the *Développement Social des Quartiers*, in peripheral social housing and older neighbourhood (Green & Booth, 1995; Anderson & Vieillard-Baron, 2000).

Riots in 1990 in French large estates prompted the government to establish local *maisons de justice* to take a tougher line on crime, and they were also accompanied by a new urban programme (*Grands Projets Urbains*) and the creation of 'sub-prefects', state-appointed administrators to manage urban policy locally. Further riots, a year later, accelerated the signing of what would be over 200 'urban contracts' extending over the whole of the country, rather than in narrowly selected areas (Dauge, 1991; Condro & Vitale, 2001). In comparison, its Tory counterpart in Britain had more room for manoeuvre. The 1981 Scarman report into the riots privileged a conservative linkage between unemployment, hostility on the part of segments of urban youth to the police and delinquency. Signally, given the location of the riots, and unlike the interpretation *outré Manche*, the 'institutional racism' card was downplayed (Lawless, 1989). Thus, in Britain, the riots of 1980 and 1981 were seized on as an opportunity for a long-term modernising enterprise that would critically revise pre-existing relations between central and local government, embracing ever-wider notions of partnership – 'treatment by participation' as Moore (1997) coined it. The urban development corporations, initially in the London and Liverpool docklands, circumvented the competences of local government and eagerly pursued a commercially-driven target-led agenda; significantly, they and the enterprise zones legislated in 1980 set in train an enduring and fundamental change of priorities at national level.

Wider contextual developments also played their part in redrawing boundaries for the governance of urban policy. This arose from the changing state-market-community nexus that called into question the effectiveness of central and local governments to manage risks associated with new socioeconomic conditions (Castells, 1989). As Le Galès (1998) sees it, the search was on to re-regulate state competences in the search for polycentric and multi-level governance. Although this would necessarily relate to contextual specificities, governments looked for lessons for the homeland of innovations elsewhere. Principally these took the form of streamlining vertical coordination among existing tiers of public authority, as well as attempts in some states to design new sub-regional approaches for stimulating urban economies and the growing embrace – in some countries initially falteringly – of horizontal partnership. For Mayer (1995) the central underpinning dynamic was an attempt at efficient mobilisation in favour of an increasingly privatised approach to economic development. The outcome in Northern Europe, at least, is that for much of the period under investigation, effort was expended in integrating policy better to coordinate mainstream and area-targeted interventions, and to refine the delivery of cross-sectoral approaches embracing a wider range of actors (Parkinson, 1998a).

As for vertical coordination, during the 1980s Britain was alone in re-centralising competence, heralding in a period of deteriorating relations between the central government of the New Right and municipalities of a different persuasion. Reigning in the independent actions of local government

became one of the hallmarks of the Thatcher era. For both legal and funding reasons sustained inroads into the powers of local authorities directly or indirectly affected their ability independently to initiate extensive urban regeneration, although later central policy reforms went some way to restoring a more salient role (see below). Admittedly, the lower tiers in other countries were also experiencing constraints on freedom of action, although generally for largely fiscal reasons. Whilst in France much of the impetus for urban economic regeneration remained with the mayors of the larger cities (Healey *et al.*, 1995), nonetheless, in a context of growing budgetary constraints, state funding through contracts proved a major lifeline for the local public purse. In comparison, the German federal system protected the sphere of action of each tier and, in fact, immediately after Unification (achieved in 1990), the states and their local authorities were largely left to their own devices in terms of funding urban regeneration. Only in the late 1990s did the federal government reassume the role of overarching stimulus by means of a dedicated funding programme. In both Italy and Spain, the regional tier in the early years of its full implementation was criticised for being too intrusively *dirigiste*, to the detriment of the scope of the municipalities to develop their own planning capacities. Spanish municipalities were therefore 'pinched' in their scope for action and, in the case of the larger authorities, this provoked chronic tension between city councils and regional governments (see Chapter 2 for the example of Barcelona). In Italy, a similar situation was aggravated by the lengthy delays, on the part of Rome, in approving or updating local plans. To make matters worse, for Jodogne (1991), the Italian regions lacked effective planning mechanisms, and one coping strategy has been to divert energies to legislating in order to constrain lower-tier government.

In operationalising horizontal partnerships 'conservative corporatist' welfare regimes have traditionally prioritised the subsidiarity principle which affords a prime role to the state-subsidised voluntary sector (Esping-Andersen, 1990) or partly municipal-owned joint enterprises. To the privileging of the voluntary agencies – something enacted also in Britain in the past quarter of a century – has come an identification of private commerce as an essential partner in 'new urban governance'. Drawing on developmental lessons from Latin America, for example, local communities have been nominated as key resources of social capital, elevating their role from mere consultation to that of active stakeholders (Amin & Thrift, 1995; Healey, 1998). In the new policy mix, therefore, the public sector is increasingly one set of actors amongst many: a coordinating facilitator in a fragmenting policy arena, or a short-term intervener to correct market failures (Davoudi, 1995; Le Galès & Harding, 1998). Here, new public management styles have the aim of engaging and sustaining public and private agencies acting in tandem (but also at times in competition) effectively determining the emerging political bargaining and funding cultures.

France

Under De Gaulle, France was regarded as a model for its sub-regional development policies based on 'growth poles', developed within the wider framework of medium-term national plans – which remain a feature of the French approach to governance. His presidency also saw the first attempts at metropolitan administration. In the early 1960s Lyon was to be a pioneer in rehabilitating its old sector through a joint public–private regeneration agency. The first legislation for area-based regeneration was passed, although rebuilding still held the greater sway (Emms, 1990).

Important policy landmarks followed in the 1970s which set the basis for an evolving urban agenda. In social housing, the 1977 *Habitat et Vie Sociale* programme, originally mostly targeting large peripheral estates, signally provided for investment not only in the physical fabric but also in social dimensions. Yet, less positively, deficiencies in community partnership were to be recorded and the funding viability of proposals for housing agencies (HLMs) overrode the interests of tenants, not least in the new rents set (Donzel, 1993). A year later, funding for an ad hoc partnership, for private sector housing improvement, importantly created a longer-term arena of engagement between the state, municipal and private sectors through joint public–private companies (*sociétés mixtes* – a favoured French solution to the supply of urban services, see Lorrain [1992]). The renewed funding and administrative environment promised landlords flexibility and streamlining of decision-making and permitted rent control on upgraded properties, whilst tenants were also offered a measure of security. That the approach was not entirely robust is evidenced in outcomes reviewed by Punter (1981) who noted that deprived municipalities were disadvantaged by the requirement to share costs, and administration proved difficult in inner city areas characterised by complex multiple ownership; inadequate funding also created problems for poorer owners and voluntary agencies. And, although a preliminary evaluation of the neighbourhood's social composition was required, this was undermined by the neglect of how this interacted with economic trends and by the absence of a plan for more extensive city-wide regeneration.

Winchester (1993) complains that the various programmes of this period were monopolised by private developers to the neglect of effective neighbourhood participation, and made only a small dent into the stock in need of rehabilitation, particularly in the private sector. To make matters worse, their scale of operation swiftly declined. On the other hand, Punter (1981) is more sanguine: despite deficiencies, she assesses the cumulative outcome of policies as paving the way for a progressive revision of urban governance, incorporating the newly established regions and municipalities into a contractual engagement, whilst also delegating a major role in rehabilitation to the private sector. This policy pathway would be further exploited from the early 1980s.

The election of Mitterrand in 1981 was to be a key event in policy evolution. For one, decentralisation – the first major administrative reform since Napoleon – would have a central impact. Although if it was to disappoint the left wing of his party by watering down commitments to radical forms of self-administration – Mény (1984) insisting that it was more a re-invigoration of elite decision-making – it did revise the framework of urban governance by redistributing competences among the various tiers of public authorities and provided a basis for medium-term state–regional ‘contracts’, announced in 1982. Equally – and within his broad agenda for across-the-board social reform, made the more urgent by urban riots prior to his election – Mitterrand set in train a broad stream of strategies, extending into new concerns such as urban delinquency. A year into his office, a high-profile commission was created with the remit of overseeing a substantial national programme for the neighbourhood regeneration (*Développement Social des Quartiers – DSQ*) that prescribed a multi-dimensional and integrated approach. Together with its successor it rapidly expanded, encapsulating well over 500 localities by the early 1990s, funding being contributed by the government, municipalities, housing and social agencies. It was to be the heart of French urban policy in his first term (Condro & Vitale, 2001). In addition, a collaborative ‘inter-ministerial’ approach to employment and the social rehabilitation of ‘at risk’ youth was adopted. In 1983 the *Banlieue 89* project was instigated for social and educational measures on estates in the educational priority areas. As a result of these policies urban grants, as a proportion of local authority revenues, increased significantly in the first 3 years of the presidency, especially in municipalities controlled by the left (Wolman *et al.*, 1992). Moreover, during much of the decade there was an evolving focus on urban economic development, though Keating (1991) doubts that, at least initially, it amounted to much beyond bailing out endangered businesses.

Despite some neo-liberal realignment, the incoming ‘cohabiting’ government of the right, from 1986, did not fundamentally change regeneration policies. Indeed, contrary to exhortations for narrower targeting, the DSQ programme was expanded to more localities, which continued after Mitterrand’s re-election in 1988, prior to the major policy review at the end of the decade. Despite criticisms of evaluative and participatory deficiencies, Tricart (1991) speculates that the more successful schemes were operating in left-run small- or medium-size cities.

Significantly, the socialists’ return to government triggered extensive reforms, in line with the cross-party concerns about growing social exclusion, one resolution being the introduction of a second-generation social assistance scheme based on contractual engagement of recipients for participation in inclusion measures: the *Revenu Minimum d’Insertion (RMI)*. Intended as a major departure, Mitterrand announced that, henceforth, 5-year urban contracts (*Contrats de Ville*) would be concluded directly between municipalities and the state, whilst also retaining state–region collaboration for certain

matters. They were to build on the experiences of the first round of contracts involving the three tiers of government in 1984 and, at least in their pilot phase, were to target funding on 13 cities before being extended throughout the country. The DSQ projects were incorporated within their envelope and were afforded a more comprehensive, city-focussed, approach through a revision of the programme establishing the *Développement Social Urbain* (DSU). The DSUs aimed at strengthening vertical and horizontal partnership in an attempt to redress what had been increasingly judged as a disjointed and too small-scale a framework to deliver effective outcomes (Jessen & Neumann, 1999). Expanding the number of beneficiary localities the DSUs mainstreamed what had been the rather experimental nature of their predecessor (Le Galès & Mawson, 1994). In addition, a high-ranking 'inter-ministerial delegation' was formed to promote organisational and funding reform and coordination which would engage all major actors; another would address race relations. Municipalities were also awarded competences to promote a wider economic development strategy.

In a comparative investigation, Leroy (1990) judges France as the only state by the turn of the 1980s to have a truly national integrative approach. Yet, Keating (1991) is among those who compare targeted funding streams on both sides of the Channel at the turn of the decade and finds that for France wanting, although it was underpinned by a somewhat greater maintenance of mainstream outlays. Nevertheless, difficulties among local authorities in producing matched funding was compounded by the fact that some central allocations were not new money and, in practice, dedicated budgets were diverted to finance routine responsibilities (Dauge, 1991; Body-Gendrot, 2000b). Donzel (1993), whilst conceding that major central fiscal commitments would necessarily incur greater scrutiny by government, questions how compatible this was with the ongoing decentralisation agenda. And, finally, in spite of intentions, Green and Booth (1995) are sceptical that the renewed contract model did actually represent the radical break with existing policies that was claimed.

At a time of a renewed bout of riots, the proliferation of reforms from 1990 onwards, on the administrative front, bears comparison with the funding innovations of British Conservatives in the same period. Mitterand, in 1990, created a ministry for cities and urban affairs (*Ministère de la Ville*) – the portfolio being held by the ill-fated Tapie, more famous as manager of the Marseilles OM football club – as a demonstration of the determination of the state to commit itself to the breaking of the cycle of urban social exclusion. This engagement was to be assisted by the appointment in 1991 of the 'sub-prefects' in the 13 most deprived *départements*. A sub-regional developmental element was to be further stimulated by the conclusion of 'city charters', which in the event met with mixed fortunes (Sallez, 1998). The renewed policy line was also to be prosecuted through a centrally imposed attempt at 'equalising' regulation from richer to poorer local

authorities. In the event, this would not survive the change of government to the right in 1993. To this was added legislation aiming for a more balanced spatial distribution of social housing to temper urban polarisation and to facilitate the access of the most deprived. Further rioting in 1991 infused the general policy line with a stronger economic regenerative element, though it stopped short of affirmative action in employment creation. However, Parkinson (1998a) notes that enduring priorities remained largely social in ambition, due in some part to rivalries among the central bureaucracy.

With the change of government to the right in 1993, policy effort in the field was dispersed. Owing to its emblematic liberal socialism, the new administration of the right demoted the urban portfolio, the inter-ministerial delegation no longer directly answering to the prime minister. Instead, much of the remit was subsumed within the Social Affairs ministry, whilst associated social control functions were repatriated to the Justice brief where the minister concerned was keen to present a tough image on illegal immigration. The new round of *Contrats de Ville* offered a greater pooling of funding by moves towards integration of the very many different pots of public money. This, and later policies adopted by this government, produced a doubling of central allocations. There were aspirations for a more targeted, longer-term DSU approach, although by the mid-1990s the proliferation of nominations resulted in about 1300 neighbourhoods being beneficiaries in one way or another (Sallez, 1998). Nonetheless, the contracts did continue efforts to consolidate horizontal collaboration with non-statutory actors, and improved concertation among statutory agencies. The system of 'sub-prefects' was extended, as was the role of the mayors in directing policy.

Beyond the contracts, evidence of concentration of investment was exemplified in 1994 by the identification of a dozen of the most deprived neighbourhoods in the country as *Grands Projets Urbains* (GPUs) to which up to one quarter of all available funding was to be directed. For Parkinson (1998a) the GPUs represented a harder-edge approach – similar to the Urban Development Corporations adopted a decade earlier in Britain. By emphasising larger-scale medium to long-term physical regeneration, they contrasted with a more social dimension favoured in policies associated with the *Contrats*. Matched funding was a requirement – something which proved a constraint in the poorer cities and caused delays in implementation (Musterd & de Winter, 1998). Furthermore, as the projects were intended to be implemented through a refined, centrally designed agenda, there were accusations that they amounted to an unambiguous re-centralisation of policy direction (Sallez, 1998). However, in the face of opposition, the government did concede a local model of public-private partnership. Further targeting was to be achieved by special state-funded 4-year planning programmes for de-industrialising north-eastern départements.

Several commentators have attempted an evaluation of urban policies pursued under left and right governments during Mitterand's presidency. Policy had evolved from a narrow small-area focus to a broader design, more integrated at the end of this period with economic objectives. Models of participation had also matured. In part, this policy evolution was a response, not only to the riots, but also to the rising urban electoral appeal of the far right *Front National*. The French agenda, too, also helped to form and was in turn informed by EU-level initiatives, particularly in regard to the pursuit of sustainable development. Yet, equally, the highly productive output had resulted in a confusing complex of agencies and projects in operation in the same field. Accordingly, as an official report of 1993 complained, the arena was rendered non-transparent in the public's eyes. Subsidies targeted on poor areas were modest, given the volume of real need, with complex regulations and perverse outcomes. Heavy administration and intransigent bureaucratic rivalries were indicted, which could hardly have been helped by the downgrading of urban policy competences in 1993. Engagement of the private sector was marginal, particularly compared to what was then happening in Britain (e.g. Le Galès & Mawson, 1994; Anderson & Vieillard-Baron, 2000).

The new Chirac presidency provided an opportunity for further policy re-launching. The conservative government, in 1996, instituted a 3-year *Pacte de Relance pour la Ville* announced by Gaudin, in his capacity as minister (his other function being the new mayor of Marseilles). Amid a flurry of rhetoric about an urban 'Marshall Plan', the pact again stressed the need for closer ministerial integration and the importance of a more robust economic dimension, largely private investment-led. Key reforms were to follow rapidly: 700 *zones urbaines sensibles* were selected from the pool of 1300 neighbourhoods already in receipt of funding from existing programmes and, of these, 350 areas were earmarked for *redynamisation urbaine*, in part through tax exemptions. Similar in many respects to British enterprise zones, over 40 tightly circumscribed *zones franches* (ZFU) were chosen from those localities with the highest unemployment and lowest level of qualifications. These zones aimed to stimulate inward investment by small firms through the most generous level of tax and social security levy exemptions available until 2000, the ultimate goal being the creation of 100,000 net jobs. They co-existed with other schemes also dispensing various tax concessions for job creation (OECD, 1998). Guiding policy direction was an expressed desire to remedy the comparative marginal role that the private sector had played in the urban contracts. Yet these measures, too, were to be criticised in practice for enhancing the role of the central state. This was particularly the case in the exercise of nomination rights, rather than a stronger reliance on competitive tendering, something which, it was argued, dissipated the potential for refined targeting (Parkinson, 1998a; Sallez, 1998).

The change of government to the left, in 1997, again led to some redirection of priorities. However, the ambition of adopting more across-the-board and

city-wide initiatives was maintained which continued a measure of displacement of reliance on a strong small-area focus. Equally – and reflecting the contemporary agenda in other EU states – a greater emphasis was placed on integrating urban security, employment promotion and social integration into one framework. However, a dedicated urban ministry was not restored but, in line with the enhancing of the economic dimension, responsibilities were entrusted to the employment portfolio, to complement the transferring of more competences to the local level.

An important official report *Demain La Ville* of 1998 moved this agenda forward by advocating a substantial budget increase and by examining the quality of urban governance, particularly with regard to comparative remits of ‘sub-prefects’, and lower-tier councils. Previous ineffective legislation was replaced by renewed stipulations in 1999 to eradicate institutional fragmentation through the creation of new metropolitan agglomerations (Donzel, 2001). The funding periods for the *Contrats de Ville* were extended to correspond with those of the regional contracts and, with an eye to securing EU monies, to be broadly in line with the Structural Fund cycle. Further interventions for educational priority areas were specified (Mangin & Panerai, 1999). On the other hand, the planned phasing out of the *zones franches* in 2002, following critical evaluations of their performance and, in particular, the high cost of net jobs added, did not go ahead after the incoming government of the right overturned the decision. The programme was, in fact, expanded once consultations with the European Commission concerning possible violations of competition law had been completed.

Legislation in 2000 (*Loi sur la Solidarité et le Renouvellement Urbain* – SRU) stipulated the revision of the GPU programme with a stronger focus on comprehensive measures for strategic regeneration, although many of the existing projects, being long term, were guaranteed longevity. With the irresistible temptation to rename – this time *Grands Projets de Ville* (GPV) – 50 localities were to benefit from increased earmarked funding within the framework of the *Contrats de Ville* with an expectation that some, like their predecessor GPUs, could operate for up to 15 years (Anderson & Vieillard-Baron, 2000). Among others, one aim of the law was to achieve a greater social mix and spatial distribution of social housing throughout the country through the setting up of minimum provision thresholds. This will be an enormous task, since many HLM estates were heavily segregated, not least in ethnic terms (Edou, 1998). The new *Contrats de Ville*, to run from 2000 to 2006, have become the sole envelope for urban policy, in comparison with past versions and, in one way or other, will intervene in areas that contain just over 10 per cent of the total population.

Proposals announced in 2003 aim to advance this agenda by reserving a global allocation of 30 billion euros between 2004 and 2008 for extensive investment in regeneration, which will be disbursed through a single budget. Also there will be an agency for urban renovation incorporating the principal

national actors. As a general measure – and with a view to completing the outstanding upgrading of older housing in the inner cities – action is to be taken to clarify what is often the complex legal situation of accommodation in shared ownership (*co-propriété*). This will include imposing new obligations on owners, with increased default options in terms of compulsory purchase. More specifically, the national programmes for deprived neighbourhoods – the *zones urbaines sensibles* – which had numbered about 100 in the early 1980s *DSQ* projects mushroomed to some 750 now (and to incorporate a population of 6 million) and will concentrate investment on the most degraded, reflecting preferences in contemporary neighbourhood renewal actions in Britain (see below). A national observatory is to be established to assist in this task. Among the objectives is major housing and infrastructural rehabilitation and a resolution of the problem of the large amount of vacant properties. Another is the creation of up to 100,000 new jobs over 5 years, in part through the extension of the ZFUs to new locations (current information is available at www.ville.gouv.fr).

Since the *Habitat et Vie Sociale* projects of the late 1970s, France has been regarded as a leader in policy innovation; certainly, the French experience is central to the Europeanisation of urban policy (see Chapter 6). The republican notion of contract has been a growing impulse since the early 1980s in attempts to re-engage the state, its agents at all levels and a range of social and economic actors in an integrated implementation arena. It is true that for much of the study period, as Parkinson (1998a) remarks, there was consistent criticism that the series of *Contrats* tended to operate in parallel rather than in tandem with much allied effort dependent on a multiplicity of co-existing funding budgets. However, there has been a discernible move away from original agendas largely informed by social concerns, to those that are more overarching and more firmly commercial and economic in ambition, with the purpose of securing sustainability. Equally, the scale of operation both in terms of geography and time horizons – as in many countries – has reaffirmed a centrality for the level of the conurbation, going some way to displacing the more ad hoc, short-term ‘welfarist’ approach detectable in many small-area programmes.

All these trends have made the policy arena much more complex, with inevitable consequences for effective evaluation. The issue of race has never been far below the surface in terms of whose interests are really being served. At one extreme, the *Front National* in the presidential campaign of 2002 indicted the cumulative distributional consequences of policy as favouring immigrants and neglecting the ‘native French’. For this party, the net outcome amounted to a chronic waste of money, with successive contracts merely exacerbating a two-speed society. Other critics have been moderate in tone. Nonetheless, there has, for example, been concern that the complexity of funding and administering this policy arena has been hindered by the lack of a dedicated ministry for much of the period, despite the efforts to address

matters of governance at lower level (e.g. Condro & Vitale, 2001). There has also been the accusation that the 'contract culture' negates decentralisation policies by reinforcing the influence of national government which has all too often spread funding too thinly (e.g. Hall & Mawson, 1999). Deficiencies of horizontal partnership have been cited – particularly, by international comparison, the marginal involvement of commercial actors and many communities, as well as a fuller embrace of the third sector (e.g. OECD, 1998). Within the tiers of government, impediments to a sustainable across-the-board approach, for some, have been tolerated for too long – the education ministry has chronically resisted full incorporation, for example, and the engagement of police authorities needs to be reinforced as, too, that of authorities in the départements which are competent in crucially related areas such as the social services and the management of the RMI (Anderson & Vieillard-Baron, 2000).

Germany

The urgency of post-war reconstruction dictated that new building was the primary urban agenda in West Germany before the 1980s. The federal government's role was largely confined to sponsoring 'experimental model programmes' and providing the legislative basis for implementation by lower tiers (Froessler, 1994). Under Brandt's progressive social platform measures were enacted in 1971 for joint federal-state action on rehabilitation (*Stadtbauförderungsgesetz*) although mass demolition continued, provoking a widespread squatter protest movement (Kunze & Schubert, 2001). However, there were stipulations about a 'social plan' with community consultation and certain options to guarantee the rights of existing residents, which, as Pfothenhauer (2000) notes, drew on best practice elsewhere, for example, in Bologna (see below). By the mid-1970s the scene was set for an acceleration of cost-sharing between the tiers of public administration and for the engagement of private property owners through a variety of subsidies within multi-annual funding programmes. Policy output accelerated thereafter with the establishment of long-term housing investment plans in 1977, followed a year later by intervention in the field of housing modernisation and energy conservation.

This is not to say that outcomes were always as desired. Bureaucratic compartmentalisation stymied effective administrative and funding coordination at local level. The requirement for matched funding also penalised municipalities with a lower tax base which, to reduce financial burdens, often veered away from housing in the worst state. Furthermore, the possibilities for protecting original tenants was not taken up everywhere. Community participation was in the event restricted and socially skewed and the assumption that, for the most part, rehabilitation costs would sooner or later filter through into rents resulted in considerable resident displacement.

All in all then, the social distributional effects were regressive (Marcuse, 1982; Leutner, 1990).

In the early 1980s, extra federal efforts were conceded: in 1983, modest 'seedbed' federal funding first became available for a 'model programme' to rehabilitate which, 2 years later, was extended to the upgrading of post-war peripheral social housing estates. After the introduction of an extensive estates action programme in 1987, roughly half of all public expenditure on housing was allocated to the modernisation and repairs programme. Yet the sum of these efforts during the 1980s was to have undesired consequences. In many of West Germany's larger cities some rehabilitation had incurred the conversion of very small units into larger flats, thereby reducing the supply of cheaper one- or two-room accommodation at a time of growing demand for it. Moreover, the problem was to some extent exacerbated by change of use for commercial purposes. Critics such as Pfotenhauer (2000) argue that, as the decade progressed, there was growing recognition in some official quarters that the primacy of a physical agenda had stimulated the social displacement of poorer residents. Accordingly, issues of affordability and rental and other guarantees for original tenants began to gain ground. Kohl's government favoured earmarking funds to provide incentives to the private sector for investment in target areas, whilst still offering some protection to existing tenants (OECD, 1998).

Until the late 1990s and the chancellorship of Schröder there was no national area-based urban deprivation programme. However, during the 1980s – first in North Rhine Westfalia, in which the de-industrialising Ruhr area is situated, followed by Hamburg and Berlin – some states pioneered their own programmes. These comprised innovations in horizontal and vertical cooperation and community participation and were to provide the basis for the federal model, which in turn drew on the experience of the *Contrat de Ville* in France and the City Challenge in England (Alisch, 1998; Kunzmann, 1998).

As in so much of social policy, Unification was not exploited as an opportunity for innovative urban reform; rather the urgency of the situation dictated the reverse. Yet Unification did impose a new political economy of regeneration. In 1990 the task of urban regeneration was enshrined as a permanent obligation on the part of public authorities. To stimulate activity a new 3-year federal-states urban development programme was implemented in 1991, but of necessity it focussed on the urgency of problems in the new Länder. Thus, in effect, a dual funding policy ensured a massive diversion of resources to the east and, in effect, due to the growing impact of the recession on budgetary outlays, the federal programme in the west was discontinued in the following year, apart from limited annually negotiated structural aid and the research costs of experimentation with alternative forms of house construction which also extended to the needs of special groups. According to Lang (1994) the outcome was that the more innovative

old Länder such as North Rhine Westfalia and Hamburg were loaded with major outstanding commitments at a time when their budgets were sorely overstretched. Most of the western states opted for small-scale interventions in the hope that cumulatively they would add up to an overall strategy. In the east, the total impact was to be an emergency upgrading of the housing stock rather than fulfilling wider regenerative ambitions. Federal subsidies for job creation were also concentrated there.

For Pfothenhauer (2000) in the first half of the 1990s, rhetoric on community participation was strong, but fiscal realities prompted public authorities to attach greater emphasis to engagement of major private investment, albeit with attempts on their part to impose a social element in approved projects. Indeed, a larger private involvement was vital in order that local authorities could secure the scarce federal funding. Notwithstanding this goal, a frequent outcome was that, apart from housing, the upgrading of flanking facilities, such as schools, fell victim to retrenchment. Furthermore, given the relatively small amount that the public purse was contributing to private rehabilitation, many developers preferred to finance projects in their entirety, in order to avoid restrictions on tenancies and rents. The effect was that property speculation was intensified, exacerbating displacement and, with it, social segregation. Reflecting both the Rio Summit of the UN and the associated *Agenda 21* as well as EU advocacy of sustainable development, a federal report in 1996 reiterated international consensus about bottom-up approaches and a widened role for NGOs. The report offered framework guidelines on general urban regeneration and the rehabilitation of social housing estates (von Petz & Schubert, 1998).

The transfer of government in 1998 to a SPD–Green coalition under Chancellor Schröder prompted a change in direction. The federal government became a more pro-active partner, not least in terms of funding. It advocated a ‘joined up’ multi-dimensional approach within a longer-term policy commitment which was demonstrated in the mainstreaming of the federal agenda, rather than its relegation to marginal, ad hoc projects. The revised priorities built on internal experiences such as the urban regeneration programmes of early innovators among the states and were associated with other ‘new departures’ of the Chancellor, such as his plans for an ‘Alliance for Jobs’ which was eventually announced in 1999. There was also lesson-learning especially from France, the Netherlands and the UK. In addition, EU programmes for local-area development had particular impact on those parts of Germany that had not hitherto been among the innovators in regeneration (Sauter, 2001). Finally, policy reform was also a product of the resolve of ministers at state level who, during the last phase of the Kohl chancellorship, pressed for a federal-state initiative for the most excluded neighbourhoods (Schubert, 1998a). Accordingly, the ‘Social City’ (*Soziale Stadt*) programme was announced to start in 1999. It marked a notable change of funding criteria. Allocations were based on population

and unemployment indicators, rather than, as in the past, the overwhelming majority of outlays automatically by-passing the old states. This served the interests of the Red–Green alliance since it was here that they found their strongest electoral base. Moreover, the western *Länder* could readily demonstrate the cumulative effects of deprivation of funding since Unification. In the event, Kunze and Schubert (2001) calculate that the initial federal commitments allocated about 75 per cent of funds to the western states. In addition, the programme adopted the planning horizons of the new EU Structural Funding period, an important coordinating device, given that the eastern states were beneficiaries of Objective One status, and many industrially declining areas in the west received Objective Two funding.

Whilst the 5-year programme encompasses inner city areas, about 70 per cent of neighbourhoods are peripheral estates, many in the new *Länder*. Once again, federal outlays are matched by the states and the municipalities. All 16 states are participating, and it eventually has extended to some 200 projects in about 150 municipalities, although their distinctiveness varies as many have been integrated into ongoing local interventions. In addition, in each state there is a dedicated federal ‘model experimental project’. The implementation route selected was to be that of local-area management with which Hamburg, among other *Länder*, had experimented in their own programmes. Equally there was a desire to seek means of promoting neighbourhood economies through exploiting the locality as a ‘bottom-up’ social network milieu whilst also integrating these measures within the wider sub-regional economy. As a sign of the times, great stress is laid on private-sector engagement, community participation, integrated horizontal and vertical cooperation of key agents, sustainability of regeneration, ‘networking’ of the selected neighbourhoods and output evaluation in terms of the integration of physical, economic and social dimensions, in which relative newcomers such as urban health services joined the agenda.

Whether the programme, in reality, represents a radical break or is substantially a continuation of past policy (but on a more extensive scale) has been the subject of considerable debate (see, for example, the collection of papers in *Jahrbuch Stadterneuerung* 2000). Initially set at roughly 200 million euro, Kuhlmann (2001) judges the annual commitment as meagre in comparison to national programmes in other EU member states (it was subsequently increased to 300 million). On the other hand he draws parallels with the UK in the approach to reducing problems of unemployment, housing and poverty, whilst there is less attention to crime or the integration of ethnic minorities. Drawing on the first 2 years of its operation, Kunze and Schubert (2001) complain of variegated success in terms of implementation. However, as Sauter (2001) concedes, one must bear in mind that, apart from the pioneer authorities, for many areas of Germany this was a new management agenda necessitating an important learning process (for recent material on the programme, visit www.sozialestadt.de).

In conclusion, during the 1990s with post-Unification pressures and those emanating from globalisation – and its ‘glocalised’ dimension – a city-wide planning focus to provide a sounder integration of the small-area projects was rediscovered. It was an era when participatory models increasingly gave way to wider engagement of other actors, particularly the courting of the commercial sector, although public–private partnerships by international standards remain relatively less central. But as policy has evolved in the past quarter of a century, the federal contribution – albeit rising sharply – remained a relatively minor funding source. The majority of the public purse still derives from the states and municipalities, a fact which encumbers the poorer authorities and perpetuates considerable spatial inequalities, particularly as there has been a flight of the more affluent to suburbs beyond the fiscal reach of the city. Nonetheless, it remains true that in most cities social segregation is less acute than in the UK or France, for example (Schubert, 1998a). Moreover, compared with many other EU states, the outstanding ‘islands of deprivation’ in the majority of cities in the old Länder tend to be both smaller in size and fewer in number (Pfotenhauer, 2000). On the other hand, for Schubert (1998a) the greater emphasis on the market and wider partnership has served to produce evermore differentiated impacts of policy, thereby compromising the ability to achieve an overall evaluation.

Italy

The urban agenda in Italy has reflected the professional domination by architects. For much of the study period this has produced a profusion of small-scale projects directed towards the urban fabric, rather than the formulation of overarching operational strategies. Central funding allocations were modest and painfully slow in disbursement, as was the state approval of town plans. Mass internal migration from the south overwhelmed the receiving cities elsewhere, with the inevitable uncontrolled growth of shanty towns. Fiscal crisis at all tiers of administration, political instability at central level and the hasty production of poorly drafted legislation requiring later supplementation by ‘emergency’ measures were the essential hallmarks of what has been termed the ‘Italian vice’ (ILRES, 1988). Preference for ‘de-specification’ in terms of social interventions meant that needs-targeting played a minimum role; reliance on the short term and the ad hoc pushed into the background a more determined resolution of the interests of conservation and innovation (Jodogne, 1991). Besides, planning regulations were widely ignored with little penalty, or by-passed through clientelistic decision-making (Calabi, 1984; Newman & Thornley, 1996). A further – and ongoing – major problem has been the lack of affordable housing, not helped by disjunctive policy-making arenas involving a profusion of actors both vertically and horizontally, and often competitive in motivation. It has been an environment redolent of reliance on *laissez-faire* coping strategies, critical vacuums

being filled by the construction industry inevitably acting in its own interest. The chronic lack of accountability meant that the interests of local communities were increasingly sidelined, feeding community distrust of the public hand (Seassaro, 1993).

Not that the post-war period was without its exemplary models or measured rehabilitation, the best documented being that of Bologna in the 1960s where a communist-led prosperous authority, supported by the first neighbourhood councils, limited speculative redevelopment of its central residential areas by stimulating upgrading by cooperatives and small landlords, and by offering guarantees to existing tenants (White, 1984). The problem was that circumstances pertaining there did not exist widely (Caballero, 1982). Nevertheless, its evident successes and growing disenchantment with national policy prompted central governments, from the early 1970s, to regulate mass compulsory purchase and to provide some funding for rehabilitation, with the newly-formed regional authorities being awarded major competences in this field. Moreover, during this period, most cities had established some form of elected district councils with possibilities of delegation of policy responsibilities, although, in the event, their role remained mainly consultative (Punter, 1981).

Modernisation of policy followed in 1977 through the sanctioning by the regions of multi-annual housing programmes stipulating that 15 per cent of outlays be earmarked for rehabilitation. A year later, 'special' measures were enacted to extend the competences of municipalities to sponsor renovation, not only of public housing but also by extending their activity to engagement with private owners, thereby initiating the first steps towards a more formalised partnership model. Among other things, a decennial plan aimed to provide programmatic frameworks for funding regeneration of historic centres and adjacent older areas, either through public or private intervention, updating legislation passed before the war. But, as Van Hees (1991) records, a major limitation of the attempt to integrate efforts derived from the relatively small amount of funding for rehabilitation, which was too easily marginalised in the total outlays that were still largely oriented to new construction. The majority of the rehabilitated stock in the decade following these measures was social housing. Long delays in obtaining approval and the small amounts of subsidy accruing impinged most heavily on the private rented tenure. Despite the intention of moving significantly away from disparate individual upgrading, in the event much of the effort expended was at the level of individual flat units, which left the housing block or the immediate neighbourhood relatively untouched (ILRES, 1988).

The failure to ensure the maintenance of the older private rented stock was not simply due to inadequacies of rehabilitation measures. It also ensued from the unintended consequences of rent control reform, again passed in 1978. Whilst rents were regulated, the period of notice for end-of-contract was reduced. Moreover, there was no rent control in respect of

a change of use of property, providing incentives for transfer to commercial premises. For these and other reasons, the law failed to stem the contraction of the private rented sector, but rather stimulated an increase in evictions or incentives on the part of landlords to let their property decay. Accordingly, the overall impression of measures adopted in the 1970s is of very modest outcomes produced in small-scale projects, and a weak engagement of private actors. Punter (1981) indicts lengthy bureaucratic procedures and resistance from powerful local property elites as seriously delaying progress in this period, citing the case of Milan as an example.

Other critics highlighted the rather narrow focus in the 1970s solely on housing in what was the limited regeneration of the inner core. This led to neglect of neighbourhood commercial activities which, although typically small-scale, were a source of ready employment for the local residents (Pannella, 1980). A respondent in the present study pointed out that where the ground floors of buildings to be renovated were commercial premises, these did not attract public subsidy, although temporary accommodation and a right of return was granted.

National attempts to consolidate the measures prescribed in 1978 followed in 1982 when, for the first time, a target was set stipulating that one-fifth of relevant public expenditure should be reserved for rehabilitation, with the possibility of funding to re-house in order to vacate older property for major works. Parallel measures, initiated by regional governments, proved more significant with the effect that, by 1985, almost half of housing investment in Liguria, for example, was devoted to residential upgrading (ILRES, 1988). Yet during the 1980s, in all, the national public purse funded less than 10 per cent of total rehabilitation costs, being particularly miserly in the case of the private sector. The arbitrary nature of disbursement meant that these limited funds failed to be employed strategically as seedbed money. Moreover, several of the respondents in the present study complained that the lengthy process of decision-making, in a period of building cost inflation, rendered the proportion of real public subsidy even less significant – prompting further delays as applicants reapplied for supplements. Nor could local sources of public expenditure make good these deficits. Reforms in 1973 and again in the 1980s failed to provide a stable funding base for the municipalities and the era was marked by the gravity of growing indebtedness (Mouritzen & Nielsen, 1992).

The European Commission (1992) judged Italian municipalities at this time as enjoying insufficient competence or funding to undertake effective urban regeneration, being subject to excessive dirigisme by both Rome and the regions. In order to improve public administration within an overall policy of reinforcing regional devolution and to achieve some integration at the sub-regional level, a policy for the creation of metropolitan authorities was announced in 1990. The intention was to subsume some of the urban and spatial roles then undertaken by the municipalities and provinces, permitting

the larger conurbations to by-pass regional supervision (Newman & Thornley, 1996). The remaining functions of the municipalities and provinces were to be modernised. This agenda included a greater emphasis on community participation and the direct election of mayors; the reforms also aimed to guarantee them a measure of funding stability, although at the cost of some loss of fiscal autonomy. However, all these reforms were enacted during a period of a seriously deteriorating fiscal and political environment in Italy with the consequence that, even by the late 1990s, many had not reached full fruition (Governa & Salone, 2002). In addition to the announcement of these measures, action was instigated at the neighbourhood level for the invigoration of the district (circumscription) councils.

Central government only began to privilege a higher priority for urban regeneration in the early 1990s, a time which saw both an increase in programme output – albeit in a limited approach of individual, categorical schemes – and a change of focus towards wider infrastructural investment to complement the narrower field of housing improvement (Bramazza, 1998). Faltering moves were initiated towards a more determined effort to sustain the incorporation of the private sector in projects henceforth designed on a larger scale. As a result a series of ‘complex’ programmes were announced in these years. ‘Integrated programmes’ were initiated in 1991 aiming to stimulate local authorities to engage with private partners in a wider, more plural regeneration agenda, which would depart from the narrow confines of the traditional planning approach in order to accelerate the upgrading of the inner core where ownership crossed all three housing tenures. Implementation styles and the formation of partnerships were largely left to the discretion of the municipalities permitting a wide variation in policy lines among the cities. The lack of prescription by Rome was matched by somewhat hurried implementation.

The programmes were reinforced a year later by the additional stipulations for projects which were to be implemented cross-sectorally from the point of view of administration and resources to promote urban regeneration. Latini (1997) notes a significant change of vocabulary in that an explicit area-based vocabulary was adopted displacing one referring only to the buildings. Again, the aim is to advance a longer-term programme, by using the limited central funding to improve the integration of public and private agencies and their financial contributions. One important innovation was the ability to utilise funding for purposes other than directly related to bricks and mortar, with a primary aim of leveraging inward private investment.

As a further stage in advancing the cumulative agenda, and clearly influenced by emerging EU policies, sustainability of development was also becoming a more prominent issue, with innovative local programmes initiated by the city of Rome, for example. Although an associated national plan of 1993 was criticised for vagueness of ambition, it did, at least, reinforce the competitive economic advantage that many Italian cities enjoyed in terms of benefits

accruing from the conservation of their historic centres. Thus, aid was allocated for the maintenance of mixed social and commercial uses in order to dispense with a narrower pre-existing preference for 'museumification' pursued without the benefit of overall strategy (Pötz, 1998). This stage in national policy evolution also saw programmatic effort (the PRUs) to rehabilitate post-war social housing. This was followed in 1994 by a further national regeneration programme directly contracting municipalities to advance the progress of the 'complex' projects, with funding allocations being awarded according to explicit indicators of need (Gasparrini, 1997; Latini, 1997). In addition, many of the larger cities were independently experimenting with new managerial approaches to rehabilitation which, whilst not fully explicit public-private partnerships, were, at least, moving in that direction (Bramezza, 1998; Avarello & Ricci, 2000).

This series of measures share the hallmark of being poorly specified in terms of ordering objectives or the delivery styles to administer the 'mixed economy' of urban regeneration, particularly with regard to formations of nascent public-private partnerships. In this regard critics indicted the scarce engagement of central actors in the housing system (Avarello & Ricci, 2000). Concerns were also expressed about the effective involvement of the local communities and the deficient integration of policy with allied services sectors. It is also a fact that the programmes tended to add to the number of additional 'special' measures co-existing, but without adequate integration into, mainstream planning instruments and largely lacking a critical economic developmental approach. The 'complex' projects, for example, remained centrally controlled and, despite intentions, were in the main principally executed through construction works (OECD, 1998). Relatively superficial attention had been paid to assessing the socio-economic conditions of neighbourhoods or to initiating effective in-project monitoring. On the other hand, as already mentioned, the early 1990s also witnessed innovation by some local authorities in the direction of integrated area-based policies espousing a wider socio-economic agenda and broadening the partnership model. One source of 'seedbed' money for this purpose came from the EU's third Poverty Programme and the Urban Pilot Projects.

Urban policy output by Italian governments had never before been so voluminous as in the first 5 years of the 1990s. By 1995, therefore, the decision was adopted to reinforce targeting on the worst excesses of urban decay, by reserving 70 per cent of the earmarked budget for cities with over 300,000 population, with a secondary aim being to reaffirm policy integration through the adoption of wider partnerships. In its initial phase 76 programmes were approved (for municipalities of all sizes), although individual outlays in many cases meant that many projects had to be scaled down. About two-thirds of the programmes were directed to regenerating disused industrial land, but renewed attention was also paid to remaining semi-derelict areas within the historic core of cities.

Supplementary funding at sub-regional level in the following year identified deprived regions and those in industrial decline according to EU Structural Fund definitions. However, dedicated budgets seriously underestimated demand, and in the event less than one-third of the volume that was applied for was sanctioned, although EU funding did go some way to meeting the deficit (Latini, 1997). In addition, the accumulation of legislation was consolidated in the attempt to arrive at a unitary framework regulating relations between all tiers of government, one intention being to relax the stifling control regions exercised on detailed planning at communal level. Municipalities were encouraged to create 'mixed societies' with private enterprise for the purposes of urban regeneration, similar to their counterparts in France. These decisions were taking place in an environment where the lessons of over-reliance on the monolithic *grand projet* had been learned to the benefit of a preference for diffuse developmental projects (Campagna, 1997; Carrano, 1997).

Further innovations followed in the later years of the decade with the announcement in 1997 of neighbourhood contracts, albeit each attracting modest funding but for the first time in Italy allocated on a competitive basis. They were intended for experimental, integrated local development focussing on housing rehabilitation and the upgrading of allied facilities, as well for fostering a more formalised public-private dialogue and partnership. The 40 neighbourhood contracts oriented to social housing – involving the three principal tiers of public administration in contractual engagement – also espoused what, by now, had become an international agenda of combating urban social exclusion, in part prompted by the contemporaneous EU URBAN1 Community Initiative. Thus, the involvement of new voluntary organisations and action on youth crime, unemployment and community development were intended to feature prominently (Bricocoli, 2001). However, for the OECD (1998) the means for their effective achievement left much to be desired. In the same year EU-sponsored 'territorial employment pacts' were approved with similar ambitions but, in addition to other local private actors, the wider scanning of collaboration to include, for example, chambers of commerce, credit institutions and trade unions was required (Dematteis, Governa & Rossignolo, 1999).

Following the 1993 national plan, programmes were announced for urban regeneration and sustainable development on a city-wide or sub-regional level, culminating in the *PRUSST* programme of 1998, to complement smaller area interventions and to contribute to the formation of a European urban system. These are infrastructural plans for issues such as port development, industry, tourism and housing. The programmes are centrally funded according to a catalogue of scores prioritising different sectoral interventions; they aim to lever private funds to the amount of one-third of total investment (Moscato, 2000). Critically, operational principles such as multi-dimensionality, horizontal and vertical coordination and public-private partnership form

the core of what is intended as an integrated, long-term agenda extending beyond the residential dimension of regeneration to many other policy sectors that had previously been seen as peripheral (Governa & Salone, 2002). Success depends on the long-term collaboration of local authorities and the plurality of other institutions within each specified area, and in this Seassaro (1999) finds early evidence reassuring. Nonetheless, Ricci (1999) cast doubt on its viability over the long pull, given past resistance to pool local efforts. Finally, in 2001 renewed mechanisms to afford greater autonomy of regional funding were introduced to carry forward the series of measures to improve Italian urban governance during the 1990s (current documentation is available on www.inu.it).

To conclude, for much of the period under review, at national level a strong and consistent urban policy failed to evolve, but rather a multiplicity of often conflicting planning instruments that chronically failed to constitute an effective *modus operandi* for all actors concerned and created a political domination by local instances that has, in particular, marginalised community engagement (Vinci, 2002). Given the large number of decision-making stages, the attempt to execute innovative urban regeneration, irrespective of the scale of the project, at every turn, has had to overcome strong bureaucratic veto points at all levels of public administration. Many commentators judge these to have been more overpowering than professional planning cultures, where a long-term hegemony has been enjoyed by architects so that aesthetics of projects have tended to overwhelm their socio-economic dimensions. To these problems must be added the enduring lack of local area statistical and other intelligence. Problems appear to have been greatest in the south (Contardi, 1999; Avarello & Ricci, 2000).

One outcome was that, in many ways, Italy was dominated by private-led urban (re-) development, with the public sector dogged by rigid bureaucracy for the most part being marginalised in the process and substantially reliant on ad hoc emergency measures. In this 'bargained planning' arena democratic regulation has been compromised in favour of a significant infusion of privatisation of the system (Somma, 1999). The public and the private have each largely pursued their own distinct interventions, fuelled in part by legal obstacles to 'mixed' collaborative projects and the suspicions entertained by the left about the profit motive in urban renewal (Marcelloni, 1992).

There are clear signs of a change of approach in the accumulation of policy in the 1990s, in part stimulated by expanding EU's urban-focussed interventions. Measures in the early 1990s sought to broaden projects beyond a dominant architectural concern, embracing ideals – in intent if not always in practice – of socio-economic sustainability with the ambition of espousing a more developmental strategy with local authorities assuming a lead role as promoters. To these were added renewed action to streamline decision-making, relaxing the highly centralised and rigid bureaucratic tradition, although the chronic fiscal crisis of Italian regions and municipalities could scarcely

improve the prospects of policy devolution. Moves to reinvigorate the democratic mandate have included the greater scope given to neighbourhood councils, the direct election of mayors in an attempt to strengthen their roles and infuse stability into local government, and electoral reform.

This policy output has created an increasingly complex mosaic of interventions and means that, in the new international orthodoxy of 'new public management', Italian local and central authorities have perforce needed to engage in a rapid and challenging learning process. Yet, in comparative terms, there remains something of a cultural reluctance to seek wider incorporation of non-political agents, including the local population, into policy-making processes. To be sure, such an engagement requires the generation of a significant amount of trust among all parties, something which traditionally has not been a reliable resource in the Italian polity: for one, empowering community participation requires greater preparatory groundwork than might apply elsewhere in order to establish bona fides (Bricocoli, 2001). Finally, given the unstable political relations both horizontally and vertically, the move away from comparative advantage to competitive advantage in Italian urban policy – part of a wider project to promote the 'entrepreneurial city' – could prove problematic and might, indeed, be counterproductive, since a supportive national framework has largely been absent.

Spain

Hallmarks of early urban policy in Italy were shared by Franco's Spain – and beyond. Ineffective central government policies, matched by lack of implementation at local level, pressures of mass migration to the industrialising cities in the miracle years of the 1960s, speculative developments by a construction industry exploiting public subsidies to maximise profits – often jerry-built and not infrequently illegal – paint a similar picture (Naylon, 1981; Rodríguez, 1990). Again, in the absence of a large supply of social housing for rent, affordability was a major problem for newly-formed households; for the most deprived the only resort was the shanty town (Buechler, 1983; Hooper, 1986). For many of those already housed, whilst rents were kept artificially low, there was little incentive for landlords to invest in modernisation and where they did, lack of tenancy guarantees led to substantial ejections of existing residents or sharp rent-rises, especially where public subsidies had not been involved in the rehabilitation (Lowder, 1980; Gomà & Rosetti, 1999). Accordingly, given the modicum of liberalisation of civil rights in the closing years of the regime, the situation was ripe for the first stirrings of a neighbourhood movement that would be aided and abetted by the leading Catholic charity, *Caritas*, active in many of the poorer parishes and increasingly distancing itself from the Franco establishment. The result was that, in the last throes of the dictatorship, legislation was passed to

address the most urgent aspects of urban malaise, although from a narrow land-use perspective, with the particular aim of reinforcing little-used existing measures for rehabilitating historic localities (Wynne, 1984).

Although much was popularly expected of the democratic transition after Franco's death in 1975, which would impact on housing policy and urban governance, they had to vie for priority with many other pressing issues. But, at least, important pathways were set in train. In the Moncloa Pacts concluded between most of the recently legitimised national political actors in 1977, a new category of social housing for sale was introduced, with an associated construction programme. In comparison, the building effort in respect of building for rent was very modest, setting a pattern that would endure for the whole period under investigation. Political devolution to the regions and home nations was also negotiated, with principal housing and planning competences transferred to them, although implementation would be shared with the municipalities. Early action on sub-regional 'metropolitan' collaboration among the plurality of local authorities was also taken, although in the case of the Greater Barcelona it was not to be vouchsafed longevity (see Chapter 2). All these developments in public administration meant that the urban policy role of central government is subsidiary with fewer reserve powers than in other states, although Madrid has instigated some 'model' programmes (OECD, 1998). Beyond formal actors, grass-roots mobilisation to press for urban renewal of deprived neighbourhoods, offering guarantees to the existing local populace, proliferated. Whilst many activists were swiftly incorporated into the socialist party, their impact within the newly democratised municipalities under the control of the left should not be underestimated (Kenny & Knipmeyer, 1983).

Mindful of their electoral base, the socialists, elected in 1982 under González, continued with measures to regulate urban initiatives of the outgoing centre-right government. His first cabinet committed itself to a social housing construction programme of 45,000 units annually, but this was officially reduced 2 years later and the real outcome was even more modest. In 1983, a scheme for 'integrated rehabilitation areas' (ARI) was legislated with an extended system of public funding to the private sector, the level being made proportional to the salary levels of owner-occupiers. In 1985, state subsidies embraced a broader definition of 'historical buildings' to facilitate a more comprehensive approach to the planning of the inner city cores, where conservation and transformation became joint objectives. This was an important measure in cities with a core including extensive medieval and later constructions (Ibáñez, 1998). For Pol (1989) this policy output introduced a new culture of rehabilitation, albeit still too diffusely oriented largely to the level of the individual housing unit. However, it was complemented by more general social and economic infrastructural investment on the part of the municipalities, in the environment of growing conjunctural problems most acutely manifest in rising unemployment. The regions, too, were

varyingly active in economic regeneration efforts, although this would have the effect of intensifying the spontaneously growing geographical inequalities. Government intervention in this field, in 1984, nominated 'zones of urgent re-industrialisation', largely in areas of declining steel, shipbuilding and port-related industries.

An important object of concern in the first González government was the constraint on housing rehabilitation posed by extremely low rent levels in the private sector. It was to be one of the areas which would bring it into conflict with *Caritas*. This Catholic national charity, also organised locally, was already complaining that the socialists were neglecting social exclusion issues and argued that whilst cheap rents meant poor housing, they did at least provide a shelter for the most deprived. Nonetheless, the government had developed a resolutely neo-liberal agenda and saw in deregulation of the rental system a speedy way to engage private landlords in the regeneration enterprise and also to unleash additional supply in this tenure. Accordingly, the Franco rent act was reformed in 1985 but only to apply to new tenancies, leaving prevailing agreements under existing stipulations and, thereby, providing every incentive for those tenants to stay put. Thus, a deeply two-tier rental regime was instigated, where non-protected rents co-existed with those controlled at peppercorn levels. Whilst the reform did increase supply, it did nothing to tackle the rehabilitation of old tenancies and, moreover, since restrictions on change of use were relaxed, there was a degree of commercial colonisation of residential areas close to city centres (Mangen, 2001).

Approaches to urban policy following EU entry in 1986 was tightly integrated into an explicit strategy for rapid modernisation, albeit at the cost of increasingly unevenly distributed benefits (Arias Goytre & Heitkamp, 2000). A revision of policy in 1987 demoted still further the future role of social housing, and within collapsing building rates in this sector almost all were allocated to units for purchase. Thus, the economic mini-boom in the years immediately after membership increased pressures on housing demand, satiated for the most part by recourse to owner-occupation for those who could afford it outright or who qualified for state subsidies to assist purchase. This latter possibility grew increasingly tighter in the later years of the 1980s, as subsidy thresholds failed to keep pace with soaring inflation of house prices with more of the stock being built for the open market. As a result, in the late 1980s, housing costs for owner-occupation rose by two-thirds, well over twice the rise in average household incomes (Alonso & Castells, 1992). Apart from the 1985 (Boyer) Act, there were no significant fiscal measures to stimulate the rented sector. Thus, for Rodríguez (1990), Spanish housing policy at the turn of the decade was markedly regressive in distributional effects: horizontally it privileged owner-occupation over renting and vertically, despite the protection of old tenancies, it tended to favour the better off over the poorer.

Following promises made by González's government during the 1989 election a further reform of rent acts was enacted but inequities substantially remained. Moreover, at the turn of the decade in too many parts of Spain, urban policy was characterised by a marked failure of administration to produce effective regeneration responses for the most deprived housing. This situation was exacerbated by rising house prices, made worse by the government's preferential treatment of the owner-occupation, almost to the total exclusion of other stock and especially the social rented sector, where new units contributed only 3 per cent of those built in 1990. There were also sharp increases in costs of building land. All in their way would have an effect on pressures to gentrify those areas of the inner core – particularly in the largest cities – that were the most easily (and profitably) retrievable with the consequent displacement of many existing residents. The cumulative effect of a growing lack of affordable housing was to reduce propensities for labour mobility, particularly among the young.

To be sure, the 1980s also saw several high-profile partnerships between central government and lower tier authorities, particularly in planning large international projects such as the Expo in Seville and the Olympic Games in Barcelona both of which took place in 1992. There were also the beginnings of integrated action for urban social exclusion and national employment creation schemes (Arias Goytre & Heitkamp, 2000). But for the rest, the lack of coordination between different levels of government did little to resolve the problems of the half a million housing units judged to be functionally ruinous, or those 2 million further units in a very bad state, to say nothing of the decaying state of the mass housing estates built on the urban periphery during the Franco era (Paniagua, 1990). For the most deprived the only source of shelter remained what it always had been: the shanty towns, still encompassing about 30,000 units (OECD, 1989).

An amendment of the 1956 planning legislation was announced in 1990 that would attempt to regulate values of developable land. These measures were consolidated in a new act in 1992 which made the preparation of a municipal urban plan compulsory for all local authorities with over 5000 population. As the older municipal plans were updated during the 1990s, they and the subsidiary neighbourhood implementation plans were increasingly targeted to the image-promoting 'entrepreneurial city'. In the meantime, however, Spain as elsewhere in the EU was experiencing a recession in house prices in the early 1990s which, at least, moderated what had been growing concerns about affordability. It was in this environment that a new 4-year housing plan was formulated, setting targets for rehabilitation of the existing stock and aiming to stimulate building in the social sector, partly to provide a fillip for the flagging construction industry but also to take action to remedy the lack of access of low-income families. At the same time, in order to increase housing supply, some local authorities were releasing municipal-owned building land at reduced prices. Yet, these

efforts and the ambitions of the reform of planning legislation had limited impact in many areas of Spain. In addition, unintended policy outcomes towards the end of the housing plan, when the economy was on the upswing, were once again manifest in the volume of speculative new building above the price thresholds for subsidies, as too, the gentrification of existing stock (Nel.lo, 1998).

A further reform of rent legislation was enacted in 1994, this time to deregulate the large number of protected tenancies remaining from the Franco era. Annual rent reviews were introduced for all rented properties and limits were placed on the rights to inherit tenancies. On the other hand there were improved guarantees in respect of the minimum period of tenancy before notice could be served (Pareja & San Martín, 2002). It was hoped that the balance of measures would placate both tenant and landlord and encourage both to comply in rehabilitation efforts. To complement this series of action on the housing front, a long-term strategic plan for infrastructural investment was approved in 1994 to be in force until 2007.

Despite the endeavours of the national and sub-national authorities, the socialists on quitting office in 1996 left behind an urban planning scenario that the OECD (1998) criticised for the persistence of the lack of coordination between housing and planning aims. Decent accommodation was increasingly beyond the reach of many. New social rented housing had all but disappeared, and opportunities to rent privately were the most restricted in western Europe. Speculators supplied units where profits were greatest. Land prices amounted to up to 70 per cent of total costs in the largest cities. Finally, the outstanding task of rehabilitation of mass jerry-built housing estates which had sprung up from the 1950s onwards was enormous. Reworking OECD data for Spain and adding their own, research by Arias Goytre and Heitkamp (2000) suggests that more than one urban household in seven lived in what they judged to be areas of severe urban deprivation: 60 per cent of them in peripheral estates and the remainder in the inner city. Deprivation extended well beyond the quality of the urban fabric which – as for centuries – tended to be worse in the historic cores, but with unemployment and high rates of poor educational attainment being more prominent in the periphery.

As with so much of social policy, the new conservative government of Aznar of 1996 (to present) prosecuted broadly the same urban policy line as the socialists. Further revisions to general planning and building land regulations were adopted in 1998, as was a new multi-annual national housing plan which offered subsidies to developers of new or rehabilitated housing for rent. However, Pareja and San Martín (2002) complain of a slow implementation of the plan with indications that were hardly propitious that targets would be met (for current policy, visit www.sepes.es; www.mfom.es).

In conclusion, given that responsibility for Spanish urban policy is substantially devolved, it is inevitable that innovations in urban regeneration vary extensively in geographical terms. Certainly, cities like Barcelona and Madrid have been at the forefront of innovative projects and were among the first to engage local communities, initially in the democratic transition of the late 1970s. In general, however, since then some commentators note something of a step back from earnest attempts at community participation in favour of top-down planning in order to reinforce rapid upgrading and gentrification (e.g. Arias Goytre & Heitkamp, 2000). Finally, an ongoing project for sub-regional planning is seen by Nel-lo (1998) as an effective means to reduce the highly fragmented urban policy inputs.

United Kingdom

The UK was among the first European states to appreciate the full extent of urban decay and associated social deprivation. Direct and indirect measures were implemented during the Labour governments of the 1960s in the form of earmarked funds to assist the integration of ethnic minorities ('Section 11' money), followed by the small-area Community Development Projects, modelled on the US 'War on Poverty' (Johnson, 1999). In addition, the longer-term and mainstream Urban Programme sought to stimulate community and voluntary sector engagement as well as making overtures towards commercial development. It survived until the mid-1990s, although funding in real terms peaked much earlier (Parkinson, 1988; Robson, 1988). From the late 1960s onwards there were also specific interventions in area-based physical rehabilitation through the nomination of 'general improvement areas' in 1969 followed by 'housing action areas in 1974', both initiated by Labour, the latter affording a greater role to housing associations. These endeavours were to unleash, as Lawless (1989) notes, a rapid and bewildering proliferation of policy outputs.

A white paper on inner cities, issued by the Labour government in 1977, was influenced by the results of pilot studies and led to the reform of the Urban Programme, with a greater concern for economic regeneration and with a greater capital-intensive focus (Edwards, 1995). Equally, a nascent model of inner city partnership between the public and private sectors was to be operationalised in seven cities. Less reassuring, as several commentators of the time record (e.g. Punter, 1981), was a rushed implementation with pressures to demonstrate impacts in the very short run on the basis of what were small initial allocations in terms of total public expenditure.

New policies notably accumulated during the Conservative governments under Mrs Thatcher from 1979. As previously mentioned, riots in major cities in the early years of her premiership were to be an important trigger for action. Some of the policy basis set by Labour was retained – partnership, growing prioritisation of economic-led regeneration, pressures to demonstrate

outcomes, and so forth – but in radicalised form. The output is certainly too prolific to be reviewed here, but much of it can be summarised as an unabashed push for the privatisation of urban regeneration through courting commercial interests with an accompanying demotion of local government to a subsidiary role and subject to the dictates of ‘new public management’. Action on the commercial front was swiftly taken in the form of ‘enterprise zones’ in 1980. Based on projects in Hong Kong and the USA, they offered tax and land-use concessions to firms in relatively confined geographical areas, but for a variety of reasons they were to achieve more modest results than their models (see Lawless, 1989).

Following the outbreak of riots in several cities, including the Toxteth area of Liverpool, the Conservatives opted to by-pass local democratic control on several fronts. For one, there was the appointment of a temporary government minister for the Merseyside sub-region, assisted by a ‘task force’ of civil servants and an advisory group drawn from private enterprise. Furthermore, the first ‘urban development corporations’ (UDCs) were established in the London and Liverpool docklands in 1981. The London UDC was to be criticised for a crude alliance with the interests of the construction industry and for promoting a blatantly gentrifying agenda with limited positive trickle-down impact on the existing population. The Liverpool scheme was confined in its first phase to a relatively small area adjacent to the city centre, provoked open hostility from the city council and, in the event, demonstrated disappointing leverage investment from the private sector. On the other hand, after further riots in 1985, the number of corporations was expanded and Robson (1988), for one, argues that they should be given more credit than some critics concede. Again, pursuing the leverage agenda and drawing on American policy, ‘pepper pot’ urban development grants were created in 1982 with the aim of increasing the potential for employment creation in deprived urban areas. Yet, Lawless (1989) assesses that only one in three of the jobs produced was strictly new. These and other programmes, such as the 1987 ‘urban regeneration grants’ (again escaping municipal control), were subsequently combined in an attempt at a more programmatic approach represented by the new ‘city grant’ announced in the 1988 report *Action for Cities*.

Besides the expansion of the UDCs, the 1985 riots produced further innovations, once again by-passing municipal control. ‘City action teams’ composed of high-ranking civil servants were created in the larger conurbations areas and were intended to be largely project-led and to coordinate the policies prioritised by Westminster. They were to be complemented by inner city ‘task forces’ of civil servants from relevant government ministries to stimulate entrepreneurialism in selected deprived local areas mostly with a high presence of ethnic minorities.

Mrs Thatcher’s victory speech after her third election, in 1987, specifically named ‘those inner cities’ as the object of the government’s urgent attention. Yet, an effective role for local government in this enterprise was to be further

compromised by the reform in 1988 of local taxation (*poll tax*), the unpopularity of which ultimately contributed in no small measure to her downfall. And its role in the management of social housing was to be challenged by measures to permit other agencies to administer the stock. In the meantime, as mentioned above, a single 'city grant' – once again an American influence – was announced with a strong aim of pump-priming what otherwise could prove unprofitable regeneration projects for the private sector. As a signal to the policy line pursued by her successor in the 1990s the emphasis was laid on a strengthening of partnership and more robust developmental intervention. Importantly, one effect was to relax the limits of the sphere of action of local governments in the direction of promoting inter-municipal entrepreneurial competition that was to prove so important during the 1990s, and beyond. Accordingly, in 1989, legislation required all local councils to follow earlier pioneers by formulating local economic development plans, many offering some form of workfare and, in so doing, going some way to blurring compartmentalisation of policy arenas (Mayer, 1995). This window of opportunity for municipalities – after having spent so many demoralising years in relation to the quality of central–local relations – was to be further expanded in two major reforms of financing urban regeneration introduced by the successor government in the 1990s (discussed below).

In conclusion, there is no doubt that under Mrs Thatcher a fundamental reformulation of the regulation of urban regeneration was instigated, something that would outlive her period of office. One element of this agenda entailed the engagement of the private sector in a more central role creating greater policy space for local chambers of commerce, and new entrants such as the Confederation of British Industry and Business in the Community. Another removed part of the policy arena traditionally occupied by democratically accountable local governments. This was partly motivated by the hostile relations progressively enjoyed by her governments. However, Moore (1997) is surely right in his judgement that local authorities would have been a target, irrespective of militant reaction amongst their number, given the macroeconomic budgetary and reforming administrative agenda of the Conservatives. Thus, during the Thatcher era, they were subjected to intrusions into competences in terms of opt-outs from the control they exercised over social housing and education. In terms of funding, there was the ring-fencing of central budgetary allocations, restrictions on the ability to raise funding independently, changes in the local taxation basis and the imposition of compulsory competitive tendering in the delivery of local services. To all these must be added the pressures of management by targets. Finally, whilst dubious about the existence of wider 'society', the urban policy rhetoric embraced by the Thatcher governments was redolent of the 'community' and its values. Yet the preference for centrally led innovations, shaped by a top-down agenda and implemented by appointed bodies, reduced the scope for wide and effective public participation.

As the 1980s emerged, a number of critical reports from seemingly unlikely sources were published. Among them were those of the established Church of England which indicted the government for the impact on the inner city of what it judged to be deeply regressive distributive policies (Bowpitt, 1993). Incidentally a similar line was taken during the same period in Spain by *Caritas* to the neo-liberal predilections of the socialist government's social policies (see above). In reviewing the total urban package under Thatcher, Musterd and de Winter (1998) question whether they could seriously have represented an adequate response to the profound transformations affecting old de-industrialising cities. Indeed, Parkinson (1998b) assesses that the sum of regeneration funding in the 1980s amounted to about 2 per cent of total government expenditure and the major beneficiaries were medium and smaller cities. The Urban Programme formed a miniscule element in total public expenditures, although in general the gap between beneficiary municipalities and others did narrow. Nevertheless, the largest cities witnessed a dispersion of urban deprivation in their areas. In fact, his calculations suggest a real decrease in resources to the cities in greatest need, given that mainstream supportive funding significantly declined in the decade.

Policy accumulation meant that in the initial period of the government under Major, which assumed power in 1990, the Urban Programme was funding some 12,000 projects but most of them were on a small scale and spread over about 60 local authorities. In comparison, fewer than 100 City Grants were awarded each year (Martin & Pearce, 1995). The new administration provided a fresh opportunity to review the ongoing Conservative course of action, both with regard to horizontal and vertical partnerships, central government interventions and funding strategies. An urban regeneration agency was established in 1992, with a prime remit to stimulate private sector recycling of vacant 'brownfield' sites (Hambleton & Thomas, 1995). In 1994, integrated government offices at regional level were formed, combining most of the key ministries concerned with aspects of urban policy.

Two important funding innovations were also legislated. The first was the introduction during the early 1990s recession of 'City Challenge' which operated from 1991 until 1998. This programme represented an attempt to advance the policy pathway of partnership particularly by involving small and medium enterprise, as well as the community, and to restore greater scope for local government, albeit via competitive funding regulation. City Challenge mirrored the intention of the UDCs of the first Thatcher governments, but on a more extensive scale, in that it primarily prosecuted property-led urban renewal. But, the programme also aimed at greater reconciliation of commercial, municipal and community interests (Parkinson & Evans, 1989). With a strong focus on policy process, the model of public-private partnership explicitly advocated cross-sectoral, multi-agency collaboration and the objective of maximising private inward investment for the targeted localities (Tizot, 2001). Bidding for initial 5-year funding allocations was

restricted to what was termed the 'pacemaker' Urban Partnerships, 11 localities being selected from among the 'urban priority areas'. In the second (and final) round, selection was widened with 20 areas being nominated. By the third year of operation the programme amounted to over a quarter of public expenditure for English inner cities (Oatley & Lambert, 1995).

City Challenge demonstrated the desire of the government to substitute a project-led multiplicity of separate schemes for a smaller number of more integrated cross-sectoral interventions. As such, it was an important policy evolution institutionalising formal bidding as a central pillar of urban regeneration, where the winners took all. Atkinson and Moon (1994) complain of the budgetary top-slicing constraints and the direction of monies to priorities identified by central government. Moreover many previous beneficiaries of the Urban Programme, which was being cut in real terms prior to being phased out in favour of the Urban Partnership scheme, lost out. Retrenchment also extended to 'Section 11' money (see above). Furbey (1999) detects a deliberate tactic to reconcile central regulation and growing inter-city competition by demoting still further needs-oriented planning. An explicit objective was to reward innovative, 'enabling' initiatives where short-term prospects were most propitious and, equally important, demonstrated sustainability. In the event, in the course of its operation, government could claim considerable success in terms of meeting private funding 'leverage', as well as targets relating to job creation/preservation and housing rehabilitation (Stewart, 1995; Parkinson, 1998b). Surviving only two rounds, nonetheless, it set in train a major funding reform which expanded the scope of action through integrated, across-the-board 'single regeneration budgets' (SRBs).

The SRBs, launched in 1995, merged into one budgetary package 20 urban funds, among their number those discussed above, although initially allocations to the existing commitments were retained, thereby limiting the opportunity to invest in new objectives (Stewart, 1995). On the other hand, the middle-term ambition was clear: resistant compartmentalism, short-termism, duplication of effort by parallel agencies and reliance on the small-scale were no longer to be tolerated. As stated earlier, government offices were created in each English region, bringing together ministries with urban-related remits (transport, environment, employment, trade and industry – although not incorporating health or education). They were to be responsible for disbursing the SRB according to what Hall and Mawson (1999) term tactical, 'loosely managed competition'. A broader agenda was specified: integrated action on housing, crime and policing, employment, and so forth. Building on the principles of City Challenge, reliance on the concept of 'urban priority areas' that had been selected according to some solidaristic notion of need was abandoned. It has to be said, however, that Robson's study had found a lack of fit between deprivation and per capita UPA allocations (Department of the Environment, 1994a). Instead, a more robust 'winner-loser' culture of spatial targeting was favoured (Burton & Boddy,

1995), thereby seeking to reward what was perceived as successful urban leadership and other elite engagement through a new political economy of interest intermediation.

Parkinson (1998b) records that under Major's premiership SRB funding peaked early leading to a decline in real total outlays. Despite integration of many budgets, there was criticism that some important allocations such as the housing investment programme were not included (Hall & Mawson, 1999). On the other hand the pronounced contract model of area regeneration both reflected and contributed to ongoing policy lines adopted in many member states, albeit at varying speeds.

The election of a New Labour government under Blair in 1997, campaigning for an empowering 'stakeholder society' did not immediately impact on policy pathways. Major's budgetary commitments to urban policy were to a large extent respected, as too was the enthusiastic espousal of the principles of new public management, extensive partnership and the contract culture. However, a year later, the government did respond to the criticisms that, since inception, much SRB 'new' funding was in practice already earmarked. Accordingly, within the SRB, the 'challenge fund' was increased, releasing additional money for new projects, particularly those relating to Labour's 'new deal' on unemployment and other manifestations of deprivation (Jacobs & Dutton, 2000). Henceforth, the evolution of urban regeneration policy was to be critically linked to the issue of social exclusion, a concept suspected by the Conservatives as too close to EU policies, but one which conformed to Blair's third-way agenda (Thomas & Lodge, 2000). Fundamental to this enterprise was the creation of a think tank, the *Social Exclusion Unit*. This was to be a prime actor in redrawing and coordinating the rapidly expanding urban agenda that perforce incorporated a wider scan of ministerial portfolios, most importantly perhaps education. Acting on a broad front, its recommendations have contributed to the further profusion of conditional and area-based interventions, evidencing re-investment of focus on the small-scale (Glennerster *et al.*, 1999; Amin *et al.*, 2000).

The Unit published a national strategy for neighbourhood renewal in 1998, stressing improved coordination and the need for holistic governance at the highest (cabinet) level. The ensuing 'New Deal for Communities' – a major new programme – therefore aimed to streamline partnership through enhanced local-area management and to mainstream policy, integrating it with other 'New Deal' interventions with targets extending to education, health, urban security and employment. To counter criticisms of the past SRB budgets being spread too thinly, a more intense targeting allocation was introduced. Selected 'pathfinder' neighbourhoods in the poorest areas of England were initially identified, with more to be added later (DETR, 2000). The package represented an attempt to enhance the embrace of grass-roots ideas in policy implementation. Bidding processes were changed to encourage a much longer-term funding guarantee and to dispense with the obligation

fully to elaborate short-term project proposals that in reality had little chance of support (Hutchinson, 2000).

This period witnessed a plethora of initiatives in areas such as health, employment, education and even childcare (Matthews, 2001). These did not always emanate from government quarters, since other important actors were also engaged in proposing consolidating policy. For example, the key mediator for lower-tier authorities, the Local Government Association, formulated the 'New Commitment to Regeneration' in 1999 securing the close involvement of the government. It complemented ongoing official strategies by refining a sustainable and broad partnership model for capacity building. The resultant 'local strategic partnerships' were to direct regeneration efforts to a larger geographical focus than those targeting the neighbourhood level, typical of City Challenge, SRB and the New Deal for Communities. Importantly, they were to oversee the disbursement of all disposable resources for this policy field. For Russell (2001) these partnerships, which were formally adopted in later government modernising strategies (see below), raised the stakes of collaborative action by developing a longer-term perspective. However, her evaluation of their first 2 years of operation in over 20 pilot 'pathway' areas underlined the need for lengthier lead-in time for capacity-building in terms of developing trust, greater clarification of the specificities of strategy and implementation, and accountability lines.

New actors were also to enter the policy arena in this period. Despite lacking the democratic mandate for devolution of the other home nations, each region of England was bestowed with a development agency to improve planning and investment coordination in regeneration across sector and scale. The 1999 report of the government-appointed Urban Task Force was criticised for underestimating conflicting interests in the urban arena and for economic naïveté in terms of the development potential of the most deprived areas (Amin *et al.*, 2000). On the other hand, its recommendations for urban regeneration companies were adopted. To discharge their brief effectively, they are required to secure close collaboration with the public and private sectors and, particularly, with the 'local strategic partnerships'. Action was also taken to improve the status and efficiency of local authorities, in part through a 'best value' programme to modernise organisation and to compel authorities to enhance public consultation. The option of elected mayors was also legislated.

The Urban White Paper of 2000 reviewed the performance of the first phase of Labour's urban policy. For Robson and colleagues (2000) it was strong on prescribing 'nested' urban governance to harmonise multi-level interventions in one socio-economic planning blueprint. Plans were announced for expanded budgets for urban services and, within this context, the SRB, which in six annual rounds was estimated to have levered private investment at a ratio of 2:1, was to be replaced. From 2002, in its stead, a 'single programme budget' was to envelop the environment, transport, education, employment

and industry portfolios, and regional development agencies were awarded greater freedoms in allocating funding (DETR, 2000). The Comprehensive Spending Review and proposals contained in the budget of 2000 announced new expenditure and fiscal subsidies to stimulate further entrepreneurial and property regeneration in the most deprived areas within a framework of increased emphasis on proven performance (Nevin & Lee, 2000).

In 2001 a new 'national strategy for neighbourhood renewal' was announced with substantial dedicated budgets to supplement the New Deal and the complex of client-oriented programmes and drawing lessons from French experiences such as the *régies des quartiers* discussed in Chapter 4. It made explicit its aim to further a multi-speed, 'joined up' agenda increasing funding to alleviate multiple manifestations of deprivation at local level for which all evidence pointed towards intransigent concentration: the poorest 10 per cent of wards contained twice the national average of means-tested benefit claimants and three times the child poverty rate. Accordingly, the principle of needs-based solidarity funding, largely discontinued by the Conservatives, was reinforced. In specific terms the strategy's overarching goal was to narrow the gap between over 80 of the poorest localities and their richer counterparts targeting a comprehensive range of socio-economic performance indicators. Central to its operationalisation was the 'pathfinder' model expanding from the initial round of areas identified to others which could demonstrate the potential of wide 'local strategic partnerships' together with an emphasis on local neighbourhood management. Mindful of the fact that the evaluation of early rounds of the SRB had reported a disappointingly low rate of productive involvement of local communities, partnerships were required to seek their effective engagement within a long-term sustainable commitment of all 'stakeholders', the overall target being to rationalise action in the face of the vast array of new legislation. Entrusted with enabling rather than executing, these partnerships were to scrutinise mainstream policies and budgets of all the public authorities in their areas, with significant funding announced in 2003 – potentially extending for up to 15 years. Key priorities of the strategy include housing, investment in skills and business, as well as the securing of a high rate of private-sector leverage. Nine 'pathfinder' housing renewal areas were nominated in sub-regions in the English North and Midlands where demand has been chronically low.

New Labour's approach to urban regeneration in many ways summarises the key strengths and weaknesses of policy evolution in the past quarter century. It has returned to a more solidaristic basis, stronger on the community-led solutions that can be traced back to previous Labour administrations. But it has retained – and in critical ways intensified – the reliance on new public management, partnership, and inter-municipal competition through targets, league tables and awards for best practice. A central position for commercial solutions has also been maintained, moving still further from mere 'welfarist' approaches (Parkinson, 1998b). The rapid policy output,

characteristic of all UK governments from the 1980s, continued and newly emerging priorities have been carried forward: notably a more sustainable coordination of neighbourhood-focussed projects with those aspiring to a city-wide or sub-regional dimension (Cameron & Davoudi, 1998). Moreover, Blair's governments have restored to local authorities significantly greater scope of competence, albeit within the framework of 'strategic partnerships'.

The high level of policy output has done little to counteract accusations that the urban arena has become increasingly confused and unfathomable. Despite unitary budgets for some policy areas, the simultaneous spreading of funding too thinly among a complex profusion of small dedicated projects has not helped, nor has the considerable reorganisation and transfer of competences at central ministry level. There is still some distance to go in harmonising cross-sectoral interventions at different spatial levels, although it is early days yet to judge longer-term viability. Whilst there have been signal successes along the regeneration route, there are still too many areas where, despite considerable investment, positive outcomes have proved elusive: in this regard valuable lessons may be garnered from an ongoing study of four English localities, which aims to pinpoint why effective regeneration has been so elusive (current information on policy is available at www.odpm.gov.uk).

Conclusion

The five member states are at various points along the road of modernising the governance of urban regeneration. Some of the slower to react have clung to the idea of spontaneous 'trickle-down' effects (Atkinson, 2000b). Since the late 1970s, state-led interventions have been most prominent in France and the UK, although during the 1990s national programmes of varying scales were also implemented in Italy and Germany. In comparison, Spain retains the strongest exclusivity of devolved competence in this policy arena. Over time, reliance on state-directed solutions was prosecuted in France through the refinement of a vertical partnership between the various tiers of government. In it prominence has been afforded to the republican ideal of a contract between citizen and the state in which the public purse would be dominant. Contemporaneously, the UK government under the Conservatives espoused a progressively widened horizontal partnership formula. This was particularly strong on engagement of commercial actors and reliance on competitive bidding among local authorities for central funding which was conditional on securing private-sector 'leverage'. However, in general, irrespective of funding strategies, all five countries have progressively invested effort in forming public-private partnerships, so much so that they have achieved the status of a new orthodoxy. Conventionally they are defended in terms of extracting 'added value', sustainability and – in the best examples – empowering local communities.

As with all associated policies of the welfare state, the reform of urban regeneration policy was perforce a response to the rapid transformation of economic scenarios since the mid-1970s. This was an era of the growing fiscal crisis of the local state, albeit cross-nationally of different speeds and intensities. The result was that lower-tier authorities in many countries were progressively reliant on national seedbed or earmarked funding in order to engage in policy innovation, although frequently this was disbursed at the same time as mainstream allocations were being cut in real terms. Over the long pull, constraints imposed by 'fiscal stress' were most marked in municipalities in the UK, Spain and Italy; in comparison, constitutional guarantees and funding mechanisms ensured a less pressured time for their counterparts in Germany and France, where mayors of the major cities were also powerful national actors, although the impact of central austerity programmes there should not be underestimated. Nonetheless, within this conjunctural climate, cities – even those victims of de-industrialisation – were being repackaged as the prime locations for renewing national prosperity. Thus, in the current political rhetoric a central anchor for its achievement was municipal entrepreneurialism, which would not only be locally instigated but would also be supported by mainstream, national socio-economic policies. What became the order of the day were multi-level interventions strongly placing the whole city within its sub-regional context whilst, to varying degrees, retaining preferences for neighbourhood targeting.

Consequently, whilst the neo-liberal ideology prevalent in many EU countries discredited heavy state regulation as harking back to defunct Keynesianism, central partnership with the post-Fordist city has been viewed as indispensable for exploiting potentials emanating from a globalising economy. Simply put, urban regeneration has been evermore perceived as a primary tool of economic development and, as such, simply too important a catalyst for central government to surrender critical direction. To be sure, this policy line bears the risk of downplaying the fact that the playing field is far from level among cities and within the neighbourhoods each contains. It follows that success in terms of retrievability has been variable.

Contrary to what might have been deduced from post-Fordist imperatives, then, over the past quarter century – and to varying degrees – a re-centralisation of policy formulation at state level has evolved, within an ever-increasing profusion of typically disparate programmes. During the 1990s more attention was paid to how the effectiveness of these programmes could be improved by efforts to overcome bureaucratic compartmentalisation through the pursuit of institutionalised collaboration among central government instances. Consequently, moves towards a multi-sectoral regeneration approach have been devised. Countries such as Britain and France, at a more mature stage of policy evolution, are currently favouring greater selectivity of targeting, although the temptation to add dedicated, though relatively small-scale,

projects to specific sectors within this policy area appears irresistible. As for policy implementation, within the broad boundaries and outcome targets determined by national governments, the specific style adopted has been substantially left to local resolution. This has ensured that, despite significant trends of convergence, in the 'mixed economy' of urban regeneration in the EU, diversity is still an apparent attribute.

Index

- Alisch, M., 63, 97, 154
 Atkinson, R., 37, 192
 Avarello, P., 187
 Aznar, José-Maria, 32
- Ball, M., 54
 Ben-Tovim, G., 65, 66
 Besio, M., 93
 Blair, Tony, 38
 Blairism, 78, 99, 126, 151
 New Labour, 38–41, 105, 106
 Body-Gendrot, S., 12, 153
 Bohigas, Oriol, 85
 Booth, P., 12
 Brandt, Willy, 17
 Breckner, I. *et al.*, 99
 Brown, Gordon, 170
- Castells, M., 6
 Castles, S., 64
 Central government
 France, 83, 110–11
 Germany, 18–20, 94, 97, 99
 Italy, 24–7, 90, 92–4
 Spain, 28, 39–43
 United Kingdom, 33–6, 38–41,
 73–4, 83, 99–105
 Chapman, M., 192
 Cheshire, P., 44
 Chirac, Jacques, 14, 77, 112
 Clos, Joan, 75
 Conservative Party, 35–8, 100
 coordination
 horizontal, 9, 17, 41, 112, 120
 vertical, 8, 42, 72–4, 90–1, 112,
 120, 152
 Crawford, A., 152, 153
 crime, 142–7
 area-targeted effects, 172–3
 Barcelona, 143
 drug-related, 145–6
 ethnic minorities, 143–5
 general attributes, 142–3
 Genoa, 143
 Hamburg, 143–4
 Liverpool, 144
 Marseilles, 144–5
 policing, 147–50; area-targeting,
 150–3; Barcelona, 148–9, 150;
 Genoa, 148; Hamburg, 149, 151;
 Liverpool, 149, 151–2;
 Marseilles, 150, 152–3
 prostitution, 147
- Dangschat, J., 3, 52, 56, 58, 60, 61,
 62, 63, 76, 97, 168, 169
 Dawson, J., 103
 de Gaulle, Charles, 10
 de Winter, M., 36, 49, 71
 Defferre, Gaston, 68, 73, 77, 109
 Delors, Jacques, 183
 demography, 49–54
 Donzel, A., 12, 15, 46, 68, 71, 77,
 108, 109, 110, 111
- economy, 45–9
 see also labour markets
 education, 138–42
 area targeting effects, 173
 Barcelona, 138–9
 Genoa, 138, 139–40
 Hamburg, 139–40
 Liverpool, 138, 140–1
 Marseilles, 139, 141–2
 ethnic minorities, 50, 52, 53, 63,
 64–71, 123, 125, 129
 Africans, 145
 Afro-Caribbeans, 65
 Barcelona, 64–5, 66, 69
 Chinese, 66, 120
 Genoa, 65, 67, 69, 70
 Jews, 53
 Liverpool, 65–6, 67–8, 69
 Magrebin, 53, 54, 66, 68, 108, 120,
 139, 144, 146, 165, 166
 Marseilles, 53–4, 62, 66, 68, 70, 108
pieds noirs, 50, 68, 165
 Romany, 66, 67, 139, 145

- Somalis, 66
- Spain, 66–7
- Turks, 65, 67, 69, 145
- European Commission, 23
 - White Paper *Growth, Competitiveness and Employment*, 183
- European Union, 177–93
 - open method of coordination, 187–8, 192
 - partnership approach, 180–1
 - planning system, 177–8, 179–80
 - Quartiers en Crise*, 181–2
 - sustainability, 179, 183–4, 187, 190
 - Territorial Employment Pacts, 26, 188
 - Third Poverty Programme, 182
 - URBAN Community Initiatives:
 - URBACT, 186–7; URBAN1, 26, 185–6; URBAN2, 186–7, 190–1
 - Urban Pilot Projects, 25, 181
 - see also* structural funds
- Evans, R., 190
- Far right
 - Front National, 14, 16, 68, 70
 - other political parties, 70
- Ferras, P., 6, 55, 146
- Font, J., 159
- Franco, Francisco, 28, 29, 86
- Friedrichs, J., 75
- Froesler, R., 17
- Furbey, R., 5
- Fusero, P. *et al.*, 198
- Gateway cities, 44–9
- Gaudin, Jean-Claude, 14, 77, 112
- Geddes, M., 197, 201, 202, 204
- Glennerster, H., 141, 195
- Godard, F., 6
- Gomà, R., 62
- Gonzalez Felipe, 29, 30, 75
- Green, H., 12
- Hall, S., 37
- Harding, A., 120–1
- Harrison, P., 138
- Hatton, Derek, 73
- health services, 134–8
 - area targeting, 136–8
 - Barcelona, 136–7, 173
 - ethnic minorities, 135, 136
 - general attributes, 134–6
 - general effects, 173
 - Genoa, 137
 - Hamburg, 137
 - Liverpool, 137
 - Marseilles, 137–8
 - rehabilitation, 166–8
 - social effects, 168–9
- Heseltine, Michael, 73
- Hibbitt, K. *et al.*, 185
- housing, 54–61, 166–8
 - amenity standards, 55–7
 - Barcelona, 50–1, 55, 83, 166–7; Barcelona 2000, 88; clientelism, 58
 - Bologna, 22
 - EU competences, 192
 - France: *co-propriété*, 16, 113; ethnic minorities, 69; general issues, 83–5; *Habitat et Vie Sociale*, 10, 16, 165
 - Genoa, 51–2, 55–6, 166–7; clientelism, 60; Porta Sorprana, 92, 160; Prè, 90–1, 160; Vigne, 93, 161
 - Germany, 94–8
 - Hamburg, 53, 56, 83, 94–5, 167
 - Italy, 22–3, 25–6, 90
 - Liverpool, 53, 56, 167–8; Urban Regeneration Strategy, 101–2
 - Marseilles, 53–4, 56–7, 109–11, 112
 - owner-occupation, 57–8
 - private-rented, 60
 - rehabilitation outcomes, 166–8
 - shanty towns, 55, 66, 69, 166, 167
 - social housing, 58–60
 - Spain, 28–32, 88; Boyer Act, 30; Caritas, 28, 30, 133; Franco Rent Act, 30; United Kingdom, 33–6, 104–7
- Hutchinson, J., 106
- inner cities
 - administrative reforms, 200–1
 - Barcelona, 50
 - conceptual and functional equivalence, 3
 - general attributes, 3–7, 49–50, 199–200
 - Genoa, 51–2
 - Hamburg, 52–3
 - housing, 54–61

inner cities (*Continued*)

- Liverpool, 53
- Marseilles, 53–4
- national variation, 200

Jessop, B., 205

Jodogne, S., 9, 21, 71

Johnson, N., 150

joined-up-government, 19, 40, 98

Judd, D., 75

Keating, M., 12, 17, 178

Keith, M., 3

Kellas, J., 179

Kleinman, M., 178, 180

Klose, Hans-Ulrich, 76, 95

Kohl, Helmut, 18

Kuhlmann, M., 20

Kunze, R., 17

labour markets

Barcelona, 48, 118, 123–4, 171

ethnic minorities, 118–20

France: *régies des quartiers*, 130–1;
zones franches, 172

general attributes, 45, 99, 106–7,
116–18, 120, 123

Genoa, 48–9, 118, 124–5

Germany, 125–8; Alliance for Jobs,
19, 126

Hamburg, 46, 48, 119, 126–8

Liverpool, 47–8, 104, 119, 128,
129–30, 172

Marseilles, 49, 113, 120, 131–2, 171

regeneration of, 169–72

Spain, 123

unemployment, 62–4, 169–72

United Kingdom, 128–9;
Enterprise Zones, 172

Labour Party, 33, 78

Lang, M., 18

Latini, A. P., 24

Lawless, P., 34, 100, 129

Le Galès, P., 8, 202

Lee, P., 61, 169

Leroy, M., 12

Liberal Democratic Party, 78

local and regional government

Barcelona, 29, 45–6

ethnic minorities, 71

France, 10–11, 12, 68, 77

general attributes, 9, 202–3

Genoa, 77–8, 89–90

Germany, 17, 21

Hamburg, 18, 20, 76–7, 94–6

Italy, 23–4, 26

Liverpool, 99–100; Militant,
73, 78, 101–2

Marseilles, 109–11; clientelism, 77

Spain, 29, 75–6, 83, 85–9

United Kingdom, 38, 67–8, 78, 100–6

MacGregor, S., 198

MacLennan, D., 54

Major, John, 36

Maragall, Pasqual, 58, 72, 75, 86,
123, 159

Marshall, T., 87

Mawson, J., 37

Mayer, M., 8

Mény, Y., 11

migration, internal, 21

Barcelona, 21, 49–50

Genoa, 21, 52

Marseilles, 50

Miguet, A., 71

Miller, M., 64

Minford, Patrick, 185

Mitterand, François, 7, 11, 73,
109, 110, 141

Moon, G., 37

Moore, R., 8, 35

Musterd, S., 36, 49, 71

Nel.lo, O., 62

Nevin, B., 61, 169

new public management, 40, 76,
98, 120

Newburn, T., 150

Ossenbrügge, J., 3, 60, 62, 168

Pareja, M. I., 32

Parkinson, M., 8, 13, 16, 36, 38,
40, 47, 49, 65, 71, 75, 78,
103, 120–1, 135, 172, 204

participation, community, 157–66, 203

Centre-Ville, 165–6

Centro Storico, 160–1

Ciutat Vella, 158–9

- Innenstadt, 161–3
 Inner city Liverpool, 163–5
 partnerships, 156–66, 202–4
 Barcelona, 158–9
 EU approaches, 180–1
 Genoa, 160–1
 Hamburg, 161–3
 Liverpool, 163–5
 local, 203–4
 Marseilles, 165–6
 regeneration policies, 205
 see also coordination
- Paugam, S., 62
Pentopartito, 78
 Pericu, Giuseppe, 78, 125
 Pfadt, A., 169
 Pfotenhauer, E., 17, 18, 19
 Piachaud, D., 178
 Pol, F., 29
 Pomrehn, W., 172
 Power, A., 198
 Priemus, H. *et al.*, 192
 Pujol, Jordi, 72, 86
 Punter, L., 10, 23
- Ratcliffe, P., 69
 Raventós, F., 159
 regeneration policies, 3–43,
 83–115, 116–53
 administration, 157–8
 Agenda 21, 19, 184
 Barcelona, 51, 72–3, 75, 85–9
 convergence, 206–7
 displacement effects, 6, 17–18,
 19, 30–1, 50, 89, 109, 197–8
 European Union, 177–93
 evaluation, 154–74
 France, 10–17, 107–14; *Banlieu* 89,
 11; *Contrats de Ville*, 11, 13–17, 77,
 109–13, 130, 131, 134, 138, 142,
 153, 165–6, 171, 186; *Demain la*
 Ville, 15; *Développement Social des*
 Quartiers, 7, 11, 12; *Développement*
 Social Urbain, 12; *Grands Projets*
 de Ville, 15; *Grands Projets Urbains*,
 8, 13; *Habitat et Vie Sociale*, 10,
 16, 165; *Loi sur la Solidarité et le*
 Renouvellement Urbain, 15; *Zones*
 Urbaines Sensibles, 16
 funding, 154–6
 general evolution, 5–6, 7–41, 44, 84,
 114, 116, 174, 194–9, 204–6
 Genoa, 46–7, 51–2, 77, 89–94
 gentrification, 161, 163, 168–9, 198–9
 Germany, 17–21, 94–9; *Soziale Stadt*, 19,
 126; *Stadtbauförderungsgesetz*, 17
 Hamburg, 18, 52, 94–9
 Italy, 21–8, 89–94; Complex
 Programmes, 24; Integrated
 Programmes, 24; Neighbourhood
 Contracts, 26; PRUs, 25; PRUSST
 Programmes, 26
 Liverpool, 34, 100–7; Marseilles,
 107–14; regeneration regimes,
 204–6; Rio Summit, 19, 184;
 Spain, 28–33
 local governance, 74–8
 United Kingdom, 33–41, 99–107; City
 Challenge, 18, 36–8, 103–4, 128,
 152; City Grant, 34, 35; National
 Strategy for Neighbourhood
 Renewal, 40; New Commitment
 to Regeneration, 39; New Deal
 for Communities, 38–9; Single
 Programme Budget, 39–40; Single
 Regeneration Budget, 37–9; Urban
 Development Corporations, 8, 34;
 Urban Programme, 33, 36; Urban
 Regeneration Companies, 39;
 Urban White Paper, 39–40
 Revenu Minimum d'Insertion, 11, 62, 130
 Ricci, M., 27, 187
 Riots, 8, 12, 33–4, 67, 100
 Scarman Report, 8
 Robson, B., 34, 172
 Roca, J., 85
 Rodriguez, J., 30
 Rogers, A., 3
 Rosetti, N., 62
 Runde, Ortwin, 77
 Russell, H., 39, 49, 78, 103, 156, 172
- San Martin, I., 32
 Sansa, Adriano, 78
 Sauter, H., 20
 Schröder, Gerhardt, 18, 99, 126, 151
 Schubert, D., 17, 21
 Seassaro, L., 5, 22, 27, 71, 89–90, 91, 161
 see also social exclusion
 Serra, Narcis, 75

- Sheppard, David, 78
 Skifter Anderson, H., 84
 social exclusion
 case study cities, 61–4
 ethnic minorities, 64, 79, 84, 91
 national regeneration policies,
 11–12, 16, 19–20, 38–9
 poverty, 97–8, 127
 social services, 132–4
 Barcelona, 132–3
 general attributes, 132
 Genoa, 133
 Hamburg, 133–4
 Liverpool, 134
 Marseilles, 134
Societ s mixtes, 10
 SPD, 76, 126
 SPD-Green Coalition, 19
 Streff, N., 165
 structural funds, 178, 182–5,
 188–90, 192
 additionality, 180
 central governments, 179–80
 general, 178–81, 191–3
 Germany, 20
 Italy, 23, 24, 25–6
 Liverpool, 184–5, 189
 Marseilles, 111
 partnership, 180–1
 reforms, 183–5, 187–8, 190;
 Agenda 2000, 188–9
 United Kingdom, 78, 104–5, 106–7,
 128, 129, 130, 172
 Tapie, Bernard, 12
 Thatcher, Margaret, 33–5, 73, 140
 Thornley, A., 159
 trickle-down effects, 6, 41
 UDF, 77
 Van Hees, I., 22
 Vigouroux, Robert, 77, 110, 131
 Vintr  i Castells, E., 66
 von Beust, Ole, 77
 von Dohnanyi, Klaus, 76, 96, 126, 162
 Voscherau, Henning, 76–7
 Warlock, Derek, 78
 White, P., 6, 22, 57, 68
 Winchester, H., 10
 Wolman, H. *et al.*, 11
 zum Felde, W., 97