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Can Distressed Urban Areas Become Growth Poles?

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The subject of deprived areas has aroused new interest during the last decade with the accentuation of the phenomena of social and spatial fragmentation in cities and metropoles. These systems of urban polarisation, with the expansion of "living together" in communities and ghettos, including the ghettos of the wealthy and "gated communities", together with the phenomenon of urban sprawl, have shown clearly that we are in a new period of metropolitan organisation. The transformation of these metropoles is far from over and has not yet enabled the concepts required to describe it accurately and robustly to be created. Thus the contradictions hitherto used between, for instance, the centre and the periphery, the city and the countryside, the urban and the rural, the internal and the external, have become less and less clear-cut. Well-established paradigms are being outflanked on all sides, while new ones are finding it difficult to make their intellectual ends meet.

We shall here describe the forms taken by the stigmatisation and instrumentalisation of deprived areas and their inhabitants within metropoles, with a view to reconstructing this category of urban thought, highlighting their diversity and the potential that lies dormant within them. Most of the results and data have been taken from research carried out in Europe and in North America, for the former making use of a research programme that took place from 2000 to 2003 under the name of UGIS (urban development programmes, urban governance, social inclusion and sustainability – Vranken *et al.*, 2003) and in another, currently under way, which brings together 160 European cities and towns under the name of URBACT.

It is difficult to apply the expression "deprived area" to the zones of a given city. What sort of deprivation are we talking about: blighted urban fabric (quality of materials used, upkeep); problems stemming from the geographical location of a neighbourhood within a city (state of public transport and

existence of access, pollution, problems with industrial plants, and so on); difficulties arising from the people living in a neighbourhood (poor people, ethnic concentrations, etc.); economic, institutional, or political difficulties? Whether these problems appear in isolation or together, they are often linked to the relative position of these areas within the urban hierarchy, which converts them into areas containing everything that other parts of the city do not want. These areas can be perceived as a product of the workings of the metropolis, indeed of a whole urban region, urban sprawl conferring a specific role within the urban and social fabric: refuge, lodging, safe haven, containment zone, and so on.

The positive features of these areas are rarely alluded to, though they often have a great deal of potential if only because low land and property values coupled with the low resistance of their inhabitants means they are sources of hitherto unrealised capital gains. These areas thus constitute opportunities for redeveloping major cities. Most of the world's urban renewal processes have taken place within them: the urban renewal of the 1950s and 1960s, restoration of working class neighbourhoods and suburbs in the 1980s and 1990s. Such programmes did not benefit local residents as a rule. They went hand in hand with spectacular prestige operations such as restructuring harbours and docks (marinas, seafronts, riversides, etc.), barracks, and industrial wastelands (abandoned workshops and depot).

The fact that negative features of these areas are stressed rather than these ones is understandable both from the strategic standpoint (dealing with these areas' problems) and the tactical one (keeping quiet about the money to be made from such operations). Such an interpretation is encouraged by most formulations of national policy, which stipulate that the recognition of negative features is a condition for the release of funds. In doing this, problems and difficulties are often merely moved from one part of the city to another. Clearly very few diagnoses are produced in common with local residents; these programmes depend on political strategies that play with transparency rather than seeking to enhance it. The policies, programmes and projects of urban renewal are really closer to the military arts of conquest and occupation. Secrecy can be and often is called for. The dialectics of words and problems lies at the very heart of the formulation and implementation of urban policies.

Contrary to homogenising categories, "stigmatised" urban areas are highly diverse. Some of them are very old city centre neighbourhoods, some are working class areas dating back to the 19th century, some are factory or working class, purpose-built housing, some are mega tower blocks built in the post-war years, some are low rise, more recently developed areas, and some, as in the Third World, are shanty towns or temporarily occupied areas. In Europe, for example, of the 114 areas chosen for the 1994-1999 "Urban" CIP, a

European programme for problem areas, 55 were very old neighbourhoods, often located in historic city centres (particularly in Spain and Italy), 12 were *grands ensembles* or similar (six of them in France), and the rest were in areas of mixed, residential-industrial, land use: suburbs (late 19th century working class neighbourhoods), purpose-built worker housing from the early 20th century, low-rise residential areas or almost shanty town areas (*e.g.*, in Greece and Portugal).

In order to make sense of this diversity we can look at, on the one hand, how they are located with respect to the rest of the city and greater urban area and, on the other hand, how they are located with respect to the rest of the world. For this it is useful to use the tem "connected or unconnected zones"; this is even more appropriate when one remembers that such problem areas are thought of as being in enclaves, *i.e.*, inaccessible and cut off from the rest of the city by physical and, even more importantly, symbolic barriers (the image of the ghetto). The different zones of a metropolitan are not the same in term of their links to the flow of resources – whether these be financial and monetary, goods and services, ideas and information, or people. In fact areas that are disconnected in terms of traditional economic flows (money, merchandise) are not cut off from the flows of ideas, information and people. This is the case with respect to those zones accommodating immigrants who are very well connected to far-away regions of the planet; moreover they can benefit from flows of "informal" and indeed illegal economic resources: the "poachers" economy. On the other hand paradoxically, those inhabiting such areas often have difficulty in linking up with rest of the local urban area: they may lack transport, be cut off in their own social-ethnic group, or be reticent in the face of job discrimination.

Some parts of the city have better access to metropolitan resource flows and those coming in from the outside world economy than others. Connected to the globalised economy and frequently to resources emanating from central authorities, these are hubs for wealth generation (they are simultaneously attractors, traps, accumulators and reallocators). It is from them that resources are supposed to trickle down and out to problem areas (salary payments to local residents, sub-contracting, business and personal services).

Urban and metropolitan landscapes are dotted with areas that were once flourishing and located at the cross roads of multiple resource flows, but which have seen these flows dry up and shift their courses to other areas. Some areas turn into urban or industrial wastelands and sometimes the city or indeed the whole metropolis sinks into a spiral of decline. This is what happened to many towns whose prosperity was rooted in the sea and which were hit by transport revolutions: ports on the West coast of the United Kingdom, for instance, (Liverpool, Glasgow), or, in France (Marseilles and the changes in commerce with former French colonies), mining and

steelworks (the Ruhr in Germany, Northern France (Lens, Valenciennes), southern Belgium (Charleroi), Lorraine in France, Wales, the rust belt and the frost belt in the United States (Pittsburgh, Detroit), textile industry cities, etc.

Non-industrial towns which thrived for years on their past glories literally collapsed when exposed to the chilly winds of open, globalised markets. The same thing has happened to more recent mono-industrial towns such as those built around chemical works, cars, and domestic appliances. They have spawned cultures that it is difficult to change and to recycle for re-use in other economic strategies. Other cities, on the other hand, have long since diversified their economic export base and only some of their components have experienced difficulties. Lastly, other metropoles have adopted change as a basic principle and have periodically renewed their economic bases.

Using recent research carried out within the framework of the URBACT European exchange and capitalisation programme (2004-2007) (*www.urbact.org*), we have been able to start on a classification of the profiles of cities and their neighbourhoods. Some have rooted themselves in a sustainable economic base and feature a long building tradition from the late 18th to the middle of the 19th century: old industrial towns such as St. Etienne, Glasgow and Turin. Others have undergone profound transformations, indeed mutations, over time while maintaining an architectural heritage that has been recognised fairly recently, *e.g.*, Lyon. Still others can be considered to be young cities (Barcelona). Others again are in a permanent state of change and their tradition appears not to have any tradition other than that of constantly changing to cope with new challenges (*e.g.*, Grenoble).

Integrated programmes of sustainable urban development

An optimal articulation between area, project and atmosphere helps to make up what is known as controlled development and growth. This is probably the opportunity for a deprived area to become a growth pole, or rather a development pole. François Perroux opposed his concept of development to that of growth. While :

> "*la croissance est l'augmentation soutenue pendant une ou plusieurs périodes longues d'un indicateur de dimension : pour une nation, le produit global net en termes réels (…) le développement est la combinaison des changements mentaux et sociaux d'une population qui la rend apte à faire croître, cumulativement et durablement, son produit réel global*" (Perroux, 1990, pp. 115 and 339).

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Today's post-industrial societies must face up to the challenges rooted in the three spheres identified by the Brundtland report (Global Commission on the Environment, 1987):

- *The economic sphere*: In the context of globalisation and generalised open competition, economies have to occupy very high-value-added sectors incorporating very highly qualified labour and they must get rid of less competitive sectors, which use less well-qualified human resources. So what happens to these sectors and their workers? What can their social role be now and what room is there for the poorest people in open extroverted economies (where the export base takes precedence over the domestic base)?
- *The system of social reproduction*: The response of institutions to the economic challenge mentioned above has reached a limit. In a way, these limits of welfare are made much more serious by the wearing away and the destructuring of traditional solidarity systems. Public and private systems of distribution and redistribution are now stretched to the utmost and are incapable of ensuring social reproduction on a broad base. Given the average levels of consumption attained in the western world, a single salary is no longer enough to guarantee the reproduction of a worker and his or her family. Thus we see a general decline in the capillarity of socio-economic systems. This accounts for the difficulties of disseminating a recovery within society (not much trickle down and low leverage effects).
- *The spatial issues within the environmental sphere*: While it is true that the gap between different geographical areas is being reduced, social fragmentation seems to be expanding within urban areas and in addition is linked to a major environmental issue: the exhaustion of non-renewable resources, pollution and the degradation of urban ecosystems, augmentation of the ecological footprint with ever-growing exploitation of renewable natural resources, and increased natural and social risks.

While the Bruntland report recommends a link between these separate spheres by dovetailing them one into the other, it does not pay enough attention to the fact that this cannot take place spontaneously by simply relying on market forces, and that the political sphere must intervene. In fact, the main challenge for so-called developed societies lies in their ability to rearrange these three spheres of activity and to endow politics with the place it deserves (*cf*. the World Bank's 2005 report). The hoped-for development can only be achieved by building up co-operation of a conflictual type (a formulation inspired from the cooperative struggles evoked by Perroux in 1964) between those active in these spheres, and by jointly regulating three interlinked systems of contradictions.

Contradictions between economics and the social sphere arise because economies must participate actively in global competition, which generate wealth but also social exclusion, while at the same time maintaining social cohesion in their area and thus running the risk of handicapping, through taxation, the performance of their economic sector. Those between the economy and the environment occur because economies in competition generate spatial fragmentation, waste and pollution. Public policies designed to ensure spatial cohesion must be implemented, despite the risk of exacerbating competition for land. These are again financed by taxes that can reduce economic dynamism. Finally there are contradictions between society and the environment. Public policies for social and spatial cohesion are far from being systematically compatible with one another. The social equilibrium of some areas can only be achieved by refusing to satisfy certain social demands. Neither the market nor legal conventions are capable of regulating this triple linkup of contradictions. To co-ordinate it and make it coherent necessarily calls for public action at the local, national and European levels. Usually, this should be carried out in a combined way respecting the principle of subsidiarity on the basis of local political initiatives whose integrated programmes of sustainable urban development offer some sort of perspective.

These programmes come in a variety of formulations because of the different paths followed by public policy in each country. Over the last two decades we have thus seen, especially in Europe, a blossoming of these new approaches, side by side with traditional initiatives, whether in the fight against poverty and exclusion or in regional planning and the environment. In fact none of these programmes have achieved the status of integrated sustainable urban development, neither in their formulation nor in their implementation. Each, however, has contributed in its own way to this generic idea.

Although some of these programmes are still prisoners of the sector-orientated approach, those seeking to physically transform areas often feature projects concerning social and institutional dimensions. Sometimes, as in France with the Urban Renewal Programme, we see a return to radical demolition measures. (Ironically, this programme, which was started in 2002, bears the same name as that begun in 1958 to get rid of slums in city centres and to modify cities.) All these programmes, nevertheless, emphasise the concept of extended development as being necessary to move beyond approaches that are too sectorised, and to focus on people and place that ignore the institutional dimension and the necessary politico-administrative reforms to be implemented. Despite formulations that are occasionally "stigmatising", many programmes seek to underline the resources of these deprived areas, and the opportunities that they afford for development

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strategies. They place the accent on people, social groups in all their diversity and their ability to participate in projects and programmes, indeed to drive them forward. Often these programmes feature training for residents and empowerment strategies.

However, there is a big gap between a sympathetic feeling for residents to full recognition of their role as motors for development. It is difficult for the authorities, promoters and those in charge of projects and programmes not to seek to use their power, to project on the urban areas their vision of what a good neighbourhood and a good city are in accordance with prevailing standards, technical criteria and financial principles. Their social background, their culture, their training, the institutional constraints to which they are subjected, all put these people in a position where they merely reproduce what has already been tried and tested. Such an attitude is fairly common in programmes managed by centralised bodies (be they public or private), which work in a top-down way. The aims of these programmes are often made explicit and they leave much room for the implicit: the physical transformations that must go hand in hand with these programmes must be correlated with changes in the social patterns in these areas and in the systems of regulation bequeathed by the past that are not always made clear in these programmes. And this is hardly surprising; ambiguity is often desirable and, above all, sought after in politics.

To escape these top-down approaches and the ambiguities of their formulations we need structured communities and favourable *rapports de forces*. The programmes that do this best and which in a way innovate because they make full allowance for the components of urban areas (places, people, and institutions), are those that avoid to some degree the system of centralised, stereotyped procedures. There have been some remarkable urban renewal projects born of local dynamics that no central authority has sought to imitate. It is often when there is no stereotyped centralised policy or rather when these central policies have stressed not the strict respect of procedures (control and monitoring objectives), bur merely the creation of synergies among potential partners (incentive and mobilising programmes and projects, provision of financial, technical and human resources) that new approaches, new paradigms, new concepts and new conceptualisations have seen the light. Often particular fields (education, health, security, etc.), whose main feature is to stimulate naturally co-operation and co-production between those in the field as well as professional staff, association and community leaders, turn out to be facilitators and vectors for such synergies.

The regulation of the system of contradictions discussed above means mobilising the appropriate politico-institutional bodies. Henceforth we have to think locally and act globally because we have to "make the best of" that which already exists and thus co-generate new arrangements (Certeau, 1980).

It is no longer possible to consider only the role of central government and ignore the intermediate levels of regions, cities and local organisations and authorities, as well as of those who live in the city on a daily basis. In fact, faced with these multiple contradictions and the need to take them on board, central government had tended to pass the buck to cities and urban regions when it comes to regulating the three cornerstones of sustainable development. For example, the European Commission had already clearly identified the role of cities in 1997 and the Vienna Forum report also highlighted this in 1998 (European Commission, 1997, 1999b). These documents, in addition to the fact that they followed the three fundamentals of the Brundtland report, stressed a fourth element, one that had been ignored for years, namely urban governance.

Therefore it is within this city that the various required forms of co-operation between socio-economic partners and institutions can be imagined and actually put into practice. In some cases such co-operation will be longstanding and in others it will be more recent: spatial co-operation between private- and public-sector participants began early in the 20th century (water supply, electricity, sanitation, public local transport, and so on). There has been vertical co-operation between levels of institutions (contract-based approaches from the 1970s onwards), horizontal or cross-department co-operation between different skill types and services (in the 1990s). Such co-operation is necessary – often conflictual – and lies at the frontiers of traditional action zones. It is difficult to initiate, but constitutes factors and vectors that are essential in terms of innovation within contemporary societies and economies.

Integrated policies of sustainable urban development have become necessary because of the move from extensive urbanisation, which all industrial countries went through from the middle of the 20th century, to the *rearranging* of previously urbanised areas: a move from "making the city" to "making the best of the city". Research carried out on development policy has enabled some basic guidelines for shared action to be identified. They make up a sort of "algorithm" of sustainable urban development and best practice of urban regeneration. The heart of this algorithm consists of the interplay between place and project, the place suggesting potentially new arrangements for the resources that are present while the project seeks a possible place for its implementation. This dialectic constitutes new fora for debate and generates new combinations among participants. For this a certain "atmosphere", or climate is required. Best practice is to be found in the relationship that is always a little special between the three basic components: place-project-atmosphere.

The quality of the link between the three always flows from the savoir-faire and the talent of the professional staff involved (whence the importance

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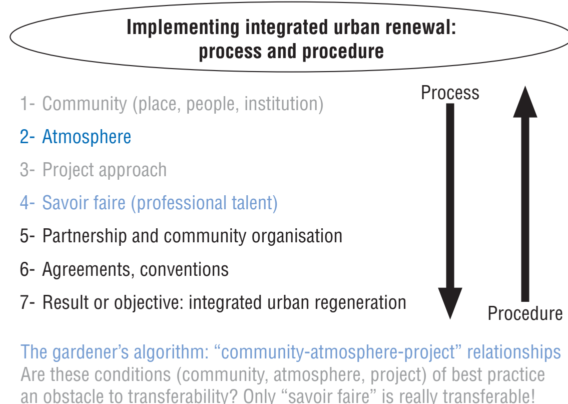
of human resources recruitment and training), and also from the leadership to be found in these places. In this place-project-atmosphere dialectic, cooperation among agents can then be built up. Such co-operation can be conflictual on occasion, but helps to cement the partnership that is usually sought. This partnership-based co-production can then give rise to contracts or agreements, thereby stimulating the relationships among participants. A contractual agreement can lead to greater integration of the resources of the partners and, eventually, to a remake of all or part of the organisations and of their fields of expertise to enable the elaboration of fresh projects. The "algorithmic spiral" can then reach closure at a higher level, by strengthening the principles of action integration and self-perpetuating movement of development (integration of sector-based policies, sustainable development).

Generally, in top-down (procedure-oriented) approaches, "partnership" and "contracts" are thought to be prerequisites for action. In fact this is not so. The true process of sustainable urban development or integrated urban renewal is built up by iteration – the inverse of a linear procedure: progressing through 1, 2, 3, 4, 5, 6, 7 in terms of Figure B.8. This is the inverse of a linear procedure that would follow the sequence 7, 6, 5, 4, 3, 2, 1.

Figure B.8. **Implementing integrated urban renewal programmes and projects**



The theme of economic development within deprived areas has periodically led to consideration of the relevance of such approaches to areas of such small size. In a way these approaches run across the principles set by industry, particularly the principle of a certain osmosis between local communities and business activities. We should therefore consider how these areas can connect up with resource flows by attracting, trapping, and reallocating wealth. They are not void of activity, and certainly they are more

active than many residential neighbourhoods. Many areas feature substantial economic heritage (former industrial activities or craftwork), which, in certain cases, have been, adapted to current economic conditions. These traditions of savoir-faire have on occasion been re-used to support training or integration for problem youth. Moreover, these areas are often remarkably well located with respect to transport networks and can feature rent and housing opportunities that are not found elsewhere.

Furthermore, many of these areas benefit from a commercial backbone capable of providing local services. Such trade and services have adapted to the new requirements of residents, both in terms of product features (rise of ethnic business) and its flexibility (product diversity, flexible opening hours). Thus we see new retail, service and craftwork activities appearing serving these captive markets (food and catering, home and personal appliances, specialisation as a function of consumer origin, information processing services). In many countries such activities are tax-free in certain zones.

These areas also feature the development of domestic and neighbourhood activities (solidarity economy, community economy). These activities, which are rooted in free labour exchange, bartering, mutual help, informal economy and indeed financial help (by personal loans and *tontine* systems) are the very stuff of subsistence or survival economies. They are often essential for people who have few monetary resources. Such activities must not be sneered at as being anachronistic or archaic because they are not monetarised. The difficulty encountered in quantifying them because they slip through the official statistical net often leads people to believe they are of but little importance. Nevertheless, they contribute to the economy, in the broadest sense of the word, of these neighbourhoods and often constitute a cushion for economic shocks.

Lastly, it is not possible in this inventory to ignore the development of the illegal underground economy, small time fencing and drug dealing, etc. Even more than the preceding activities, this economy is invisible in statistical terms. It can constitute a non-negligible source of income for the inhabitants of these areas. It is by no means certain that this economy really benefits deprived areas, but its activities form a part of the local economy to which we must not turn a blind eye.

Deprived areas are not completely disconnected from monetary flows. Most of their inhabitants have a paid job to which they add income from the other activities considered above. To this can be added transfer payments of all sorts, which enable these people to participate in market exchanges. No one so far has dared try and quantify the monies involved and the roles played by the inhabitants of these areas therein – especially women. In general, there is no spatial accounting. These monetary resources are then used in diverse ways. Usually they are sucked out of the areas by shops and services, financial

establishments (banks, savings, transfer of funds to home country), or taxation. Most of these resources do not come back to benefit these areas, including the taxes that they pay. In a way "the balance of payments" is biased against these areas. Often, given the position of their inhabitants in the socio-economic constellation of cities, these areas suffer from discrimination (little public and private investment, small operating budgets allocated to them, discrimination of financial establishments when it comes to granting loans). Such practices, which local residents are aware of, contribute greatly to their lack of interest for managing local affairs and their general lack of responsibilities.

Conclusions: paradigm changes

The movement from "making the city" to "making the best of the city" is part and parcel of and contributes to a mutation in ideas and concepts that, hitherto, seemed to be firmly established. Top-down approaches (power of a central authority over an area demarcated by a border) that were characteristic of traditional policies and state workings now have to be organised as a contractual bottom-up co-operation between public- and private-sector participants working in networks within more homogeneous areas: less polarised, sometimes more fragmented, and with fuzzy boundaries.

The "making the best of the city" and "project-area-atmosphere" dialectic that characterises these new urban policies by stressing processes, allocates first and foremost greater importance to the social side and urban "software" with respect to what lay at the heart of "making the city", namely, its solid, physical dimension or hardware. Actual people and active participants have thus taken on greater importance. With the expansion of services, interpersonal relationships are becoming ever-more important and are moving towards supplier-client co-production systems. The cooperation issue (another dimension of the economy) seems to be coming back into vogue, notably with the development of the social and solidarity economy, but also with the development of various forms of partnership (public-private-sector partnership institutions, businesses, etc.). But we must not think that these forms of cooperation exclude conflicts.

The question of time is also brought to the foreground, whereas formerly it was space that dominated ponderings concerning cities. Over the last few years, we have been hearing about city time, duration, and city rhythms. In contrast with the suddenness and speed of "making the city" (building thousands of new dwellings on "virgin" agricultural land in just a few months), "making the best of the city" takes time, precautions, and sometimes slowness. It requires coming to terms with pre-existing area components. And

this requires constant negotiation with institutions and their inertia, with the behaviour and routines of their employees at the very time when the emergence of new IT and communication technologies are making decision deadlines shorter.

Also affected are the categories of border, centre and periphery, which we may consider to go to make up the city in traditional terms and which contribute to defining politics. In its stigmatised form, the periphery, the term often used to refer to deprived areas, must not be limited to its topological dimension (an area kept at bay). As observations of European and world-wide urban reality have shown, such areas can be found right in the city centre. Just as it is possible to define peripheral centrality, it is possible to speak of a central periphery.

Such observations lead us therefore to reorient our work. City fragmentation is far from being homogeneous, and deprived areas are not necessarily to be found on the outskirts of town. If we want to use a quality comparative approach, we have to show how cities have had and still have various ways of secreting zones of residential choice and zones of house arrest in both space and time. This spatial hierarchy can be distributed over a continuum of places that are valued differently (the European city model) or, on the contrary, find themselves cheek and jowl with very different places just across a demarcation line (the American city model).

This change in the meaning of "periphery" also leads to a fresh approach to the concept of border. Borders are no longer materialised by fortifications, by the pale around the city or by the limits of a military buffer zone between them and other powers or menacing people out in the wilds with "neither hearth, nor home". Nowadays this concept corresponds less to an external limit (the topological meaning of periphery) than to a range of fractures, discontinuities or "hinges" disseminated over urban territories. The entrance to a territory occurs less and less while crossing its periphery (access by seaports and custom posts on traditional borders). Rather, it takes place increasingly via its core, through cities, generally by railway stations and airports. Thus the border is now actually within the core of metropolitan areas. It is these latter-day harbours that provide direct access to urbanised areas. It is often in the airports, in these new urban harbours, that "off-shore" territories are now decreed and it is here that those awaiting ingress to national territory are parked. Borders are also to be found within the core of fragmented cities: physical borders between urban areas and social groups. The "gated community" or "rich ghetto" models are not a US-specific phenomenon. They can also be observed in Third World countries, and also in Europe, in its American guise, but also, in a more subtle way, through the balkanisation of metropolitan areas arising from the refusal of the richest neighbourhoods to show financial solidarity with the others.

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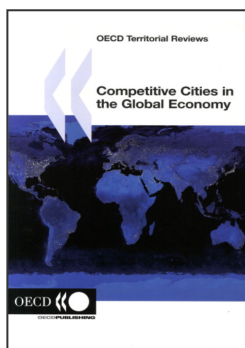

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