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Neoliberalism and the City:

An Inquiry into Urban Policy in England from 1979 to 2010

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DEDICATION

In the memory of my beloved husband

Doctor Kamel Bouzar

Your memory is a treasure

You are loved beyond words

and missed beyond measure.

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ABSTRACT

The term neoliberalism is generally associated with the new economic laws that Thatcher introduced in England in the early 1980s. Thatcher's new policy encouraged free trade, the privatisation of public goods, and reduced government input in managing the economy of the cities. Urban policy in England has generated an unprecedented interest which has continued to grow in the light of socioeconomic metamorphoses. Indeed, urban policy in the early 1980s, a period during which urban social concerns took hold of the English political scene following the violence that erupted in the larger cities. The new Thatcher policy greatly strengthened the role of the private sector in the economy. Organising large events and launching large projects is testament to this change. The government's goal was to create the best conditions to attract investors and tourists. However, contemporary readings of the period allow us to characterise the injustice resulting from urban policies implemented by conservatives (1979-1997) around two problems: political inequality and the deteriorating social and economic conditions of the most disadvantaged social classes. Through a comparative study, this work attempts to examine the management of urban policy in England, in order to depict the direction which gave rise to the renovation of disadvantaged neighbourhoods and the regeneration which affected large metropolises, raising many questions. Although many initiatives significantly changed some industrial cities, others of neoliberal inspiration only consolidated social inequalities. This neoliberal consolidation of urban politics had different consequences from one city to another. Accordingly, three cities are considered as references, namely, London, Manchester and New Castle. As such, this study, which will be based on an interdisciplinary approach, will focus on the management of the legacy of the Thatcher years by New Labour governments in matters of urban policy. Then this work will investigate neoliberal urban policy in England during the period from 1979 to 2010 with Margaret Thatcher (1979-1990) and John Major (1990-1997) as Prime Ministers. The work later examines how the New Labour Party (1997--2010) dealt with this problem to reformulate it as arising from the crisis of political representation. In the face of this double injustice with the coming of the Labour Party into power in 1997, and as in many other countries after time of crisis, a new economic and social order is being created.

Key words: neoliberalism – Thatcherism-capitalism - urban policy - the city

List of Acronyms

ABI Area Based Initiative.
BID Business Improvement District.
CPRE Campaign to Protect Rural England .
DBERR Department for Business, Enterprise and RegulatoryReform .
ABI Area Based Initiative.
CCF City Challenge Fund
DCMS Department for Culture, Media and Sport .
DEFRA Department for Environment, Food and Rural Affairs.
DETR Department of the Environment, Transport and the Regions.
DoE Department of the Environment.
DTI Department for Trade and Industry .
ECoC European Capital of Culture.
EP English Partnerships .
EU European Union.
GLA Greater London Authority .
GLC Greater London Council.
HIP Housing Improvement Programme .
IMF International Monetary Fund
LAA Local Area Agreement .
LDA London Development Agency.
LDF Local development framework.
LDDC London Docklands Development Corporation.
LSP Local Strategic Partnership.
LSVT Large Scale Voluntary Transfer .
NDC New Deal for Communities.
NRF Neighbourhood Renewal
NRU Neighbourhood Renewal Unit .
OECD Organisation of Economic Cooperation and Development
ODPM Office of the Deputy Prime Minister
PFI Private Finance Initiative..
PPP Public Private Partnerships.
PPS Planning Policy Statements.
PSA Public Service Agreement .
Quango Quasi-Autonomous Non/National Government Organisation
RDA Regional development
RSS Regional Spatial Strategy
SCP Sustainable Communities Plan
SRB Single Regeneration Budget
UDC Urban development corporation
URC Urban regeneration company
UTF Urban Task Force

List of Tables, Figures and Maps

1. **Tables:**

2. **Figures:**

3. **Maps:**

Table of Content

General Introduction

This work traces back the history of the evolution of urban policy in England during the period from 1979 to 2010 under the neoliberal dominance. Apart from its specific policies, many critics perceive neoliberalism as a comprehensive concept including a socio-political-cultural process of socialization, much in the way done by Polanyi (1944). Others see neoliberalism as nothing more than a broad, global cultural formation characterising a new era of relooked capitalism: a kind of global meta-culture, characteristic of our newly de-regulated, insecure and speculative times (Comaroff and Comaroff, 2000). Finally, 'neoliberalism' can be ranked as a sort of 'rationality' in the Foucauldian sense, this is to say that it is more linked to specific mechanisms of government and recognizable modes of creating subjects than to economic dogmas or class projects (Ferguson, 2010).

The majority of definitions attributed to "neoliberalism" highlight that the concept implies a shift of economy from public to the private control. It is associated with "laissez-faire" policy that supports the supremacy of market freedom. It is also considered as the result of the fusion of classical liberalism, capitalism and socialist planning (Harvey 1985). The concept made its way through a moderate form of liberalism to assume the meaning of a radical capitalistic set of ideas. However, some schools underline the acceptance of capitalism as a general norm of life in the era of neoliberalism. They accept the need for forms of intervention and social provision to highlight the state's primary role as sustainer of market order (Barnes 1921).

The two British geographers Jamie Peck and Adam Tickell, in fact, have identified two major periods in the neoliberalisation process. The *rollback*, during which the Thatcher government deseeded the inherited institutions (communist-ruled economy), and the *rollout* in which the government tries to bring order to the chaos of the previous phase

without neglecting the institutionalization of the trends which appeared, in that phase, to be used for those new policies and instruments. (Lascoumes and le Gales, 2004)

Some scholars suggest that what has been called regeneration and restructuring of urban policy is nothing more than the continuity of capitalistic political decision making. Capitalism has always been present and the regeneration of the late 1970s had only a marginal impact on local economies of different cities in England. This fact induced a social disorder in the form of racial riots, which have always been linked to poverty, inequalities and social polarization. At this level, some questions need to be asked: What kind of city do people want to live in? Is ~~the~~ change necessary? Are the people conscious of the legacies of such transition?

The present research work is an agreement with Brenner, Peck and Theodore (2010), who argue that 'neoliberalism' is a concept that is both theoretically difficult to define and, empirically imprecise. It is perceived as an unlimited concept frequently contested, and is considered as a messy phenomenon with extraordinarily contradictory forms. Most scholars find it hard to reconceptualise it down in a narrow and unambiguous way. This may be considered the most important limitation in this work in particular and when tackling themes in relation to neoliberalism in general.

Neoliberalism varies in its form and objectives. At its strongest form, its first purpose is to impact a transition from authoritarian state socialism to liberal market capitalism after the collapse of the Soviet Bloc by the end of the eighties, a fact that involves a radical experiment in system transformation. This experiment was highly encouraged by nomenklatura capitalists in the post-socialist societies; and was promoted by the Reagan and Thatcher governments in addition to some important international institutions under neo-liberal influence like the IMF, the World Bank, and the OECD. At its weakest form, neo-liberalism maybe described as a set of policy adjustments within modes of regulation and welfare regimes in capitalist societies that remain non-liberal in character.

The best illustration that can identify this weak form of neoliberalism is the transformation that happened in some European societies during the 1980s and early 1990s. Some economists, nevertheless, have interpreted this change as proof of a general neoliberal turn in capitalist formations, because of the transatlantic neoliberal power bloc. Between the strongest and the weakest forms of neoliberalism lies an economic and

political shift, in other words, a moderate transition to a new system based on a strategic reorientation and a fundamental restructuring of economic and political regime still within an already capitalist social formation different from the previous regime. This transformation occurred under Thatcher and Reagan in the 1980s as well as in other areas following the Anglophone economies like Australia and New Zealand.

Globally speaking, the history of neoliberalism knew its beginning in three places: China, USA, and Britain. Representing the fifth of the world population, where Deng Xiaoping took the lead to fight and free China from a communist ruled economy (Harvey, 2007); China was to become an open dynamic capitalist centre instead of a closed backwater, as it had been described by economists and scholars. On the other side of the planet in the United States, the fight against inflation of the leadership of the Federalists led the latter, supported by the newly elected president Ronald Reagan, to revitalize the US economy. That was by made possible refreshing both the industrial and agricultural sectors by optimizing the power of labour. At that time in Britain, Margaret Thatcher had already been elected Prime Minister, and had been attempting to put an end to the economic stagnation in which Britain was embedded during the preceding decade.

Then, the revolutionary change spread its influence on the rest of the world around these three poles and consequently transformed the international trend and the image of economy. This new configuration of the world economy called "Globalisation" did not take place accidentally. The three leaders were inspired by the rising ideas of economists, mostly Harvey (2005: 2) whose definition of Neoliberalism is as follows:

> "Neoliberalism is in the first instance a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property, rights, free markets and free trade."

However, the work highlights the neoliberal policy in Britain notably the urban changes in cities following this shift. The practice of this shift was initiated in the late seventies, more precisely in 1979 with the first election of Thatcher as Prime Minister in Britain. The shift and consolidation of neoliberalism had been greatly facilitated by the defeat for the post-war mode of economic regulation which resulted in various forms of crisis management policies that became strongly apparent in the late seventies. That is why scholars interested in the issue agree that the first elements of this neoliberal turn had been

initiated in a partly externally imposed and a somehow reluctantly accepted economic and social policy adjustments during the last three years of the Labour government prior to Thatcher's election as Prime Minister (Leys 1989).

The neoliberal thought was presented during this period by the Thatcher regime as a programme aiming at modernizing economy, the state, and civil society as well as promoting an enterprise culture. With the coming of the conservatives to power, many policies emerged aiming at a radical change in the urban development in the UK bringing new ideas and principles. Some policies encouraged the use of private solutions to solve urban problems, while others opted for a free competition with the use of private property.

Thus, three basic notions made the success of neoliberalism and consolidated it; these were first an authoritarian populist project, then a centralizing strong state project, and finally a neoliberal accumulation strategy. The present work considers these three aspects of Thatcherism in order to reveal how they affected urban changes in British cities, and more importantly to demonstrate how the so-called 'break' with Thatcherism initiated by New Labour's Third Way affected Thatcherism's hegemonic scheme more than its state project and leaves its neoliberal accumulation strategy in cities even intact.

The election of the 'New' Labour government in the year 1997, is also an issue in British politics as important as the election of Margaret Thatcher's Conservatives in 1979, but the changes were not necessarily immediately clear at the time. During its early years in office, the party was faithful to the Conservative's spending plans so as to reassure middle-class voters; there was no sudden abandonment of neoliberal policy principles. Thus, key Conservative policies were kept, especially the Single Regeneration Budget and also the moving of local authority housing out of council control and into the hands of the housing association sector.

In this way, what distinguished the New Labour government is certainly its retention of the authoritarian populist approach initiated by Thatcherism in many areas, moving towards a more socially inclusive hegemonic project. The purpose was to address the limitations of individualism encouraged by neoliberalism and integrating market forces into a broader, more coherent social order. At the same time it aimed to reduce social exclusion without neglecting the economic wellbeing of deprived areas and then reviving

the neoliberal accumulation strategy around a populist 'one nation' hegemonic project. This strategy resulted in two general electoral victories for Blair despite a loss of support in some Old Labour's heartlands.

This clearly reflects New Labour's strong attachment to socialist learning and its antipathy to collectivism and corporatism. In this context, social exclusion is to be fought first through labour market attachment and the economic regeneration of deprived areas. In order to incorporate marginalized communities; a series of measures are to be put in practice to manage family cohesion and child poverty; notably the redistribution of revenues within what would still remain rigid fisco-financial parameters. In this context the emphasis on communitarian policies turned out to be strengthening the effects of a neoliberal accumulation strategy. This will be made obvious when examining the main elements of neoliberalism as practised in the Thatcher-Major years. The Major years of conservative rule may be described as the 'gray face' of Thatcherism.

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The shift from a Keynesian national welfare state to a Schumpeterian workfare post-national regime was a willingful step by the New Labour policy makers, and then a willingful step to carry on what Thatcherism had already instigated. After the unexpected victory of New Labour after the Second World War, Attlee pioneered Keynesian economics in the scene of total spending demand management. Under Blair things changed, promoting micro-economic management to reach full employment instead of macroeconomic one. For the New Labour government under Blair, welfare dependency set after the war was perceived as a problem to be eradicated through the introduction of market forces and business practices into delivery of income support and public services and a necessary prominent neo-liberal programme of workfarism. In both respects it has been agreed by scholars that far from the reversal of the socio-economic situation, the New Labour after its election in 1997 embraced the general neo-liberal strategic line developed during the Thatcher-Major years. Moreover, it was increasingly inspired by the 'welfare-to-work' programme developed in the USA under the Reagan, Bush senior, and Clinton presidencies.

One may say that, though Blair is finally considered by economists and scholars as an admirer of many of the achievements of Thatcherism, he also greatly contributed to an emerging of what has been described by academics as Anglo-American neoliberalism and

embraced a Trans-Atlantic dialogue with the Clinton Administration to advocate the 'Third Way'. Thus, New Labour has strongly encouraged the strategy it inherited of promoting workfare and exerting downward pressure systematically on public spending on universal welfare benefits more particularly in pensions, housing provision, long-term disability insurance, higher education and long-term health care, in addition to the making of welfare benefits more targeted.

However, there is a striking difference between the Conservatives and the New Labour in the way they manage the savings generated by these measures. The former would use them to cut taxes, while the latter attempts to invest them to impact a longer-term target; which is to covert redistribution of welfare spending to the very poor not only to limit the most serious forms and effects of social exclusion but also to promote both economic efficiency and social justice as a means to secure the votes of those living in Middle England and avoid to upset them.

The Conservative and Liberal Democrat Coalition government (2010-2015) came with new strategy to heal urban regeneration defects and enhanced the effective cessation of urban regeneration as a form of state sponsored public policy. This strategy managed to stimulate economic development in areas of market opportunity but was not of great help to address the physical, economic and social malaise of the most deprived areas. The objective of the different governments that ruled emphesised on the role of the state and market, economic growth and social inclusion and their objective was countering localised ‘market failure’ that has characterised English regeneration policy since the 1960s. The Coalition government, in effect, pursued the market led approach of concentrating growth in London and the South East advocated by neo-liberal economists, still neglecting the necessary counter-balancing regeneration measures in the Midlands and the North.

With the chronoligical governmentality version of neoliberalism done, the research work attempts to illustrate how neoliberal policy has been practised in British cities. Striking transformations took and are still taking place in the urban landscape. Since the global economic downturn, the regeneration of urban areas in the UK and even around the world has become an increasingly prominent and attractive issue amongst governments and populations. This incentive has pleaded for a research on this topic. The objective of

this research work is to investigate into the very nature of neoliberal urban policy and the link between theory and practice related to neoliberal policies at the urban level. For that purpose, three cities have been chosen to put this research into practice, these are: London, Manchester and New Castle.

The work attempts to make a clear exploration of the approaches taken by central government and cities themselves in order to regenerate urban areas through cases of study, aiming at providing a comprehensive and updated synthesis of the field. This transformation is examined in three abovementioned British cities under the conservative and later labour governance, more accurately during Thatcher's and Blair's administrations. It elaborates a critical perspective on neoliberalism and the reform projects accomplished by the conservative Prime Minister Margaret Thatcher, in the strategic role of cities in the contemporary remaking of economic space. It also traces back the New Labour response to Thatcherite policy.

The questions that may be asked are: Was neoliberalism a result to capitalism? Was change necessary? Were people conscious of the transformation legacies? What kind of city would people like to live in? How was the impact of these policies on the British/English society? Were there any change resistant movements to that urban policy? Was this policy as efficient as it has been described? How did the Labour government react to that policy? Is there a clear long-term future vision for cities? Are there any lessons to be learnt for a better environment and city liveability today?

These questions will be tackled through the five chapters which compose the study. The argument is that urban policy in Britain during the 1980s appears to be a response to the socio-political and geographical contradictions of previous rounds of urban policy and not the underpinning contradiction of accumulation. To analyse the political and socio-economic process of neoliberalism in a comprehensible way, a chronological approach is highly recommended. The sources intended to be used in this study are a compilation of different types of documents. Secondary, academic and specialized literature will be used, including articles published in reviewed journals, in addition to official documents which are still being collected.

This work provides an accessible and critical synthesis of neoliberal urban policy in England, analyzing key policies, approaches, issues and debates, placing both historical and contemporary policy agendas in context. It also strives to gather the literature and discussion in relation to the issue of both Conservative and New Labour periods along with some case study. The work is divided into five chapters, with the first one establishing the conceptual and political framework for neoliberal urban policy in England including early town and country housing initiatives, and community-focused urban policies of the late 1960s. The second section traces back the policies that have been adopted by the Conservative central government under Margaret Thatcher then under John Major to influence the social, economic and physical development of cities, entrepreneurial property-led regeneration of the 1980s, in addition to competition for urban funds witnessed in the 1990s.

Chapter three highlights urban renaissance and neighbourhood renewal policies of the late 1990s and early 2000s, and the new approaches undertaken by the New Labour government from 1997 to 2010, aiming at stimulating enterprise and embracing localism in a time of austerity resulting from the global economic downturn. Chapter four is empirical through cases of study and illustrates the key thematic policies and strategies that have been pursued by cities themselves, focusing particularly on improving economic competitiveness, tackling social disadvantage and promoting sustainable urban regeneration in addition to the policy adopted for areas beyond the cities. Chapter five, between an insight in the past debates and conclusions and a foresight for the future of cities, summarizes key issues and debates facing urban regeneration in the early 2010s, and speculates upon future directions in an era of economic and political uncertainty.

It is very important to think about the long-term future of cities, for this can foster and boost creative thinking about the potential role of a city. More, it can open people's minds to new ideas and perspectives about their city-regions and contribute to the reduction of the extent to which existing behaviours and trends can limit a city's future and reduce it into a narrow set of possibilities. For cities struggling to find a new brand and identity in the post-industrial age, narratives that challenge the status quo can be particularly powerful. Stories about future foresights for the future trajectories of a city, where underpinned with evidence of opportunities and identified risks, can be especially attracting more external investor trust in businesses at the local level in addition to infrastructure development.

Insights gained from city foresight may also strengthen advocacy with central government and funding bids for specific projects.

At the same time, cities foreseen to work with a positive alternative towards the future will appeal as an ideal place of living and working for highly educated people and other highly skilled workers. The value of having a clear foresight for the future of cities may be understood in the sense that cities usually struggle to set future aspirations beyond generic objectives of competitiveness or liveability. Promoting the local '*DNA*' of the city and appreciating its local characteristics helps provide the right ingredients for a unique future brand that makes a city stand out from its national and international competitors. The role of local government is to align cross-sectoral policy objectives and to think about feasible low-cost activities that may develop the city and impose a credible approach that fits with the realities of the future.

In short, one may say that neoliberalism is more than a simple name attributed to pro-market policies compromising with finance capitalism. In "The Capital", Karl Marx focuses on the process of human labour leading to the idea that changing the world around us is one condition to changing ourselves. In other words, the necessity of transformation of the environment that surrounds us is of a vital importance. That is why it is commonly considered that the history of human civilization is really the history of urban life.

Chapter One: What is Neoliberalism?

Introduction

I- Neoliberalism: Concepts and Definitions

1. A Literary Review on Neoliberalism.
2. Neoliberalism and Liberalism
3. Neoliberalism and Capitalism
4. Neoliberalism and the Concept of Governance.
5. Urban Neoliberalism and the Neoliberal City: A Conceptual Framework

II- A Brief Overview about the History of Neoliberalism

1. The Rise of the Neoliberal Thought
2. The Political and Economic context of the Emergence of Neoliberalism

III- A Historical Background of Urban Policy in England before 1979

1. Post War Planning Policy
2. Urban Policy in Britain Prior to the 1970s
3. Urban Policy during the 1970s

Conclusion

Introduction

One of the most striking revolutions within the economic thought since the 1970s was the domination of the so called « neoliberal » trend, which gave birth to a series of policies of the same name. It first originated in Great Britain and spread then in the United States, later in developing countries under the auspices of The World Bank and The International Monetary Fund (IMF). This new trend came as a reaction to previous policies which prevailed before.

The concept "Neoliberalism" is currently used. Though there is no real consensus, neither on its definition nor on its theoretical origins. It is then imperative to give a reflexion upon it, so as to better figure out what has always been seen as a new economic tendency by some, also as an ameliorated form of liberalism by others. That's why a literary review is necessary to study and compare visions and interpretations, being the basis of policies which governed Britain for a long period of time. It is also necessary to inquire into the history of urban neoliberalisation in England before 1979 and the reasons which led to this new trend apply upon urban policies.

In all research works, the literary study is very important for identifying and characterizing the scope of the research work. In the case of this paper it is central to make a clear understanding of what neoliberalism is? Then relate it to neoliberal urban planning policy in Britain. The chapter aims to answer the following questions: How is the term neoliberalism defined by commentators interested in the matter? How was the theory offered by neoliberal theorists? How was it received and put into practice by political actors? How was neoliberal ideas incorporated into the already existing doctrines? How did space injustice and urban policy articulate in England before 1979? Why were neoliberal principles championed by urban planners and political actors?

I- Néoliberalism: Concept and Definitions

The problem with the definition of the concepts: Liberalism, Neoliberalism, New liberalism, New democrats, New labour and New conservative is that their meaning changes on the two sides of the Atlantic. Many scholars tended to help those interested in the issue by doing efforts in accentuating the nature of neoliberalism. Some theorists limit their discussion about neoliberalism with the society and its members because of the loose use of the term. At

the same time providing the concept with a narrow definition would be risky in the sense that this would possibly omit some of its larger political significance.

The majority of definitions attributed to "neoliberalism" highlight that the concept "neoliberalism" implies a shift of economy from the public control to the private one. It is associated to "laissez faire" to highlight the supremacy of market freedom. It is also considered as the result of the fusion of classical liberalism, capitalism and socialist planning (Harvey 1985). The concept made its way through a moderate form of liberalism to assume the meaning of a radical capitalistic set of ideas. However, some schools like the London School of Economics[1] underline the acceptance of capitalism as a general norm of life in the era of neoliberalism. They accept the need for forms of intervention and social provision to support the state's primary role as sustainer of the market order (Barnes 1921)

1. A Literary Review on Neoliberalism

In encyclopedia Britannica the concept is defined as an ideology and policy model that emphasizes the value of free market competition. Although there is considerable debate as to the defining features of neoliberal thought and practice, it is most commonly associated with laissez-faire economics. In particular, neoliberalism is often characterized in terms of its belief in sustained economic growth as the means to achieve human progress, its confidence in free markets as the most efficient allocation of resources, its emphasis on minimal state intervention in economic and social affairs, and its commitment to the freedom of trade and capital.

A wide range of studies and research have been conducted on the concept of neoliberalism. For the majority the concept suggests: A development of liberal thought and that the society should be shaped by the free markets and the economy privatized and deregulated. Neoliberalism refers to the promotion of market liberalization thinking or philosophy and the repudiation of Keynesian welfare state economics. Neoliberal economies perceive all forms of state intervention as interference of the voluntary arrangements between individuals (Saad-Filho & Johnston, 2005).

Numerous thinkers argue that neoliberalism remains an application of contemporary capitalism. Others refer to it as a theoretical rejection of Keynesianism, or as a policy reaction

[1] Founded in 1895 by intellectual socialists like Graham Wallas and George Bernard Shaw for the betterment of the society

to the crisis of the 1970s. To discuss the political climate that brought it into being, Jamie Peck argues that the term could be used in different ways. The most dominant and prominent narrative about this concept are David Harvey and Naomi Klein, Neil Brenner, Jamie peck and Nik Theodore. These people's works are very important as they are emphasizing the diversity of neoliberalism across time and space.

- **Harvey**

Among those scholars suggested earlier: David Harvey. In his book *A Brief History of Neoliberalism,* he defines the concept as follows:

> "Neoliberalism is in the first instance a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade"

Harvey set the origins of the concept and the story of its development in Chile, the New York city fiscal crisis, and the government of Reagan and Thatcher, these represent the four major pillars that hold Harvey's analysis of the concept. He states that the first experiment of neoliberal state was in Chile, where Allende government was overthrown in September 1947 with the help of Nixon (the President of USA of the time). This rise of neoliberalism which defeated the council workers in New York in addition to the principle of Mont Pelerin Society and Friedman views, leading the academists of the time guided Reagan and Thatcher governments in implementing neoliberalism in their countries representing, both of them, the two largest economies in the world. Inspired by Chile and the events in New York, the UK and the US; led the way of restoring neoliberal power across the globe. He carried on precising how government intervention could be by saying:

> "The role of the state is to create and preserve an institutional framework appropriate to such practices. The state has to guarantee, for example, the quality and integrity of money. It must also set up those military, defence, police, and legal structures and functions required to secure private property rights and to guarantee by force if need be, the proper functioning of markets. Furthermore, if markets do not exist (in areas such as land, water, education, health care, social security, or environmental pollution) then they must be created, by state action if necessary. But beyond these tasks the state should not venture. State interventions in markets (once created) must be kept to a bare minimum because, according to the theory, the state cannot possibly possess enough information to second –guess market signals (prices) and because powerful interest groups will inevitably distort and bias state interventions (particularly in democracies) for their own benefits"

David Harvey argues: "Uneven geographical development and the complex ways in which political forces, historical traditions, and existing institutional arrangements all shaped why and how the process of neoliberalism actually occurred." (2005)

However, there is a clear distinction between implementing neoliberalism through dictatorship, as in Chile and democratically as after 1979in the UK. Neoliberalism was constructed and fostered through the experience of daily life under capitalism (ibid) with the consent of people and Gramsci's notion of "common sense". Of course, the economic disputes and industrial discontent (inflation, unemployment and the defeat of labour unions) were also motivating to change the situation through introducing reforms.

David Harvey in his book argues that the world has experienced: *"…an emphatic turn towards neoliberalism in political-economic practices and thinking since 1970s*" (1955), with his definition he suggests to perceive neoliberalism not as a revival of liberalism but as a singular theory which recently replaced a long period of liberalism. He perceives neoliberalism not as a modern continuation of liberalism, but as a stream totally independent from liberal values and policies (ibid).

At the opposite of Friedman who argues that neoliberalism though far from the concept of dirigisme of the 1930s onward has to admit the important positive functions which may be performed by the state, far from Laissez –faire which has not the best solution. The state had to encourage competition in the liberal way. The link between neoliberalism and liberalism has been a subject of controversy; both Harvey and Friedman advocate free market or market liberalism, however their views differ on whether neoliberalism is a continuity of liberalism or not. Friedman argues that:

> "Neoliberalism includes the belief that freely adopted market mechanisms is the optimal way of organizing all exchanges of goods and services" (Friedman, 1962).

In his book 'Capitalism and Freedom' (1962), Milton Friedman shows the relationship between economic freedom and political freedom. He says:

> " It is widely believed that politics and economics are separate and largely unconnected; that individual freedom is a political problem and material welfare and economic problem, and that any kind of political arrangements can be combined with any kind of economic arrangements…there is an intimate connection between economics and politics, that only certain combination of political and economic arrangements are possible, and that in particular, a society which is socialist can not also be democratic in the sense of guaranteeing individual freedom"

What is shown here is that; the promotion of a free society is tightly linked to economic arrangements. First, economic freedom in itself is an end which can't be guaranteed without economic arrangements, second there is no political freedom without economic freedom, the latter is indispensable to the former. This is what David Harvey also tried to explain, he makes a close relationship between freedom, economic freedom and political freedom (as an instinct).

Both Harvey and Friedman argue that after the Second World War the world was in coma and the only way to recover from previous slump or collapse was some compromise between capitalism and communism because both failed in their raw form and the best way to reconstruct the states was to emphasize on economic freedom and democratic institutions to guarantee peace. Both Harvey and Milton advocate free market or market liberalisation to equilibrium international relations and prevent re-emergence of political rivalries, the IMF, the World Bank, the United Nations and Bank of International Settlement were set up. Much of literature about neoliberalism attributes laissez –faire tolerance, inequality as offspring of liberalism itself and capitalism. Neoliberalism is then perceived as a "broad socio- political cultural process of socialization" as been described by Polanyi in 1944. It is simply the offspring of capitalism.

When reading about neoliberalism one may always find Friedman and Hayek as the pioneers and Reagan and Thatcher as those who put it into practice. The relationship between business, capital and political power led many scholars to perceive neoliberalism as a "chock doctrine" of "disaster capitalism" responsible for all calamities known to all as September the 11^{th} or the war of Iraq. Among those who perceive "neoliberalisation" as an engagement in a class warfare in the name of capital and market reform making profit to the developed world; were David Harvey and Andrew Glyn and Naomie Klein all of them economists and social activists.

Their opinion was criticized by those who supported that neoliberalism is the sum of two major ideas: First the reduction of the state intervention and bureaucracy and secondly the belief in the superiority of free markets and this is far from being a reproduction of neoclassical ideas as it is pointed out by Glyn, Harvey and Klein (Harvey 2005).

According to Harvey one may distinguish three reactions towards neoliberal theories. The first, are the leaders who are not liberals at all in any sense such as Deng Xiaoping and August Pinochet, they are seen as anti-liberal autocrats. Second, neoliberals with a liberal identity, among these political theorists and economists like Hayek and Friedman who are stated as committed to liberalism. Third, conservative politicians; such as Reagan and Thatcher who enhanced the practice of neoliberalism in their countries.

Harvey argues that Thatcher and Reagan were so tricky in the implementation of neoliberalism that they had the genius to span a web of traditions and constraints tangling the following politicians after them and consequently Blair and Clinton could do nothing more but to continue the good work of neoliberalisation (ibid).

Harvey's definition of neoliberalism is said to be pejorative; neoliberalism is better viewed as 'a loosely demarcated set of beliefs' (Thorsen, 2010). The state has to guarantee, for example the quality and integrity of money. It must also set up those military, defense, police, and legal structures and functions required to secure private property rights and to guarantee, by force if need be, the proper functioning of markets, he also asked for creating those markets if they don't exist keeping a very limited intervention of the state (ibid).

- **Klein**

In her account on neoliberalism 'The Shock of Doctrine' (2007), Naomi Klein argues that for the purpose of implementing neoliberal policies, 'disastrous' transformations of the society took place. She refers to Milton Friedman argument that: "Only a crisis actual or perceived- produces real changes [and then what] a crisis occurs, the actions that are taken depend on the ideas that are lying around" (Friedman 1962, Klein 2007).

Klein perceives capitalism as the means used to implement neoliberalism, the response to Keynesianism and social compromise. She qualifies neoliberalism as a shock therapy, Klein focuses in her account on the fact that those forged with neoclassical tradition and academics like Friedman, who used economic and political crisis in addition to disasters to impose neoliberalism (Davidson, 2010).

For Klein, the 'Laissez faire' theory and the Pinochet coup (1973) in addition to Argentina dictatorship were in the origin of this 'shock therapy'. Like Harvey, she also describes

neoliberalism in the UK as a democratic process (Klein 2007). In her account, she also makes reference to natural disasters and wars and speaks about the rise of "disaster capitalism".

What makes Klein account prominent, in her genuine observation; is that the mutation to neoliberalism was out of population approval but was built on a secret and hidden process. According to her neoliberalism rise was by a process of forcing economic change on population, while the latter is distracted by "Shocks".

However, scholars find some problems in the approach of shocks this might be the result of her acceptance of the prevailing narratives on the issue, they find that her account lacks sustaining ideas to her thesis (Cahill 2013). For example, when she understands neoliberalism as the defeat of Keynesian ideas she is excluding other locations where the ideology didn't come into power through political economic transformation by the New- Right Governments (like New Zealand and Australia). This fail to explain how this ideology developed far from 'shocks', like post war crisis, and was introduced by democratic social parties at the forefront of new development of ideas (Davidson, 2009).

Researchers claim that Klein failed somehow to specify a clear account of understanding neoliberalism, what she highlighted as quick shift to neoliberal reforms in a situation of social crisis fits more to the history of capitalism.

- **Brenner, Theodor and Peck**

Neil Brenner, Nik Theodor and Jamie Peck argue that neoliberalism developed on different time levels, in different areas and in different sequences. Their argument is that the way in which neoliberalism developed puts it very hard to find a clear set definition of it. They preferred to adopt the term "neoliberalisation" to describe the process of "ongoing renovation", they agree that the process has no end point. They describe it as the project state of capitalism. At the same time, neoliberalism remains a dominant pattern of various transformations. They say: "It should be conceived as a hegemonic restructuring ethos, as a dominant pattern of (incomplete and contradictory) regulatory transformation, and not as a fully coherent system of typological state form. As such, it necessarily operates among others, in environments of multiplex, heterogeneous, and contradictory governance.

They situate the origin and spread of the doctrine which reflect Harvey position:

> " Neoliberal doctrines were deployed to justify, inter alia, the deregulation of state control over industry, assaults on organized labour, the reduction of corporate taxes; the downsizing and/or privatization of public services and assets, the dimanteling of welfare programmes, the enhancement of international capital mobility and the intensification of interlocality competition…Pinochet's Chile represented the first example of neoliberal 'shock treatement' while Thatcherism and Reaganism were amongst its defining, vanguard projects. More moderate and muted forms of a neoliberal politics have also been mobilized in traditionally social democratic or Christian democratic states such as Canada, New Zealand, Germany, the Netherlands, France and Italy. Furthermore, following the debt crisis of the 1980s, neoliberal programs of restructuring were extended selectively across the global South through the efforts of the US influenced multilateral agencies to subject peripheral and semi-pheral states to the discipline of capital market." (2009)

Many key elements are introduced in this passage, which are in common with the previous narratives on neoliberalism. First that neoliberalism starts with Pinochet, Thatcher and Reagan. Second, the way neoliberalism is transmitted in social democratic states and in other regions. Third point cited in this extract is that the Labour Unions were the first victims of these political projects. In comparison of the implement of neoliberalism in different countries, the authors show implicitly their acceptance of the US and the UK ideals models, they compare them to other areas like New Zealand, where neoliberalism was introduced softly in a restrained version, though it had significant impact on the country's political and economic sector as a whole.

Peck, Theodore and Brenner maintain that neoliberalism doesn't stand separate from other political projects and social formations, and separating it from them would seriously misconstrue both its character and advance (Peck & al 2009).

- **Other Scholars**

In addition to the economists mentioned earlier, many other scholars have clearly set an opinion whether by critical literature, or by animating debates giving neoliberalism an overwhelming significance. However, in all their critical analysis of neoliberalism most scholars among whom Blomgern 1997, Bourdieu 2001, Giddens 1998, Chomsky 1999, Campbell and Pederson 2001, Replay 2004, Hagen 2006, Moody 2007… could not set a clear definition of the concept neoliberalism, claiming that giving a definition would be reducing of its significance.

The British sociologist James Moody described neoliberalism concisely as:

> "…a mixture of neoclassical economic fundamentalism, market regulation in place of state guidance, economic redistribution in favour of capital (known as supply-side economics) moral authoritarianism with

an idealized family at its centre, international free trade principles and a thorough intolerance of trade unionism." (Moody 2007)

This description and the previous ones are based on the ideas of Frederich Hayek and Milton Friedman the fathers of neoliberalism in Britain and the US. In a book entitled Neoliberalism- A Critical Reader, some authors have written about the concept and its definition and experiences. Alfredo Saad–Filho and Johnston (2005: 01) agree with the other authors of the book that "*We live in the age of neoliberalism",* and that *"neolibearlism is a new rethinking of capitalism".* They identify it as a political and economic ideology helping the concentration of power and wealth within transnational corporations and elite groups.

Clarke consider that none can trace back precisely the emergence of neoliberalism, as that it is closely linked to the specific conception of man and society and to liberalism based on the economic theories of Adam Smith (Clarke 2005). Following this view, neoliberalism may be defined as the ideology shaping the new development of capitalist society. It is an entirely new pattern for economic theory and policy making. At the same time it has revived all the eighteenth century intellectual principles and economic theories of Adam Smith (ibid).

According to Munk (2005) neoliberal economic theories represent the possibility of "self regulation market" with the purpose of securing efficient sharing of resources, which is the objective of any economic system. Excluding government intervention is a core assumption in neoliberalism, because that would negatively alter the finely tuned logic of the market place, and would consequently diminishe economic efficiency.

Thorsens insists that neoliberalism can't be perceived as a theory because that would imply that this concept is more coherent than it actually is. Thorsen agrees with Harvey on the assumption that: The state should limit itself to preserve individual and commercial liberty and property rights. The best way to organize all transactions is through market mechanisms. Liberating the creative and entrepreneurial spirit requires free markets. This freedom would lead to a better well being and a better resource distribution (ibid).

The term "neoliberal" was actually used for the first time by the very end of the nineteenth century by the leading French economist and historian of economic thought Charles Gide (1847-1932), in his article (1898) he suggested that neoliberalism was nothing more than a

revival of classical liberal theories of Adam Smith. Later the term "neoliberal" was rarely used to describe different aspects of liberalism, or recent contributions to liberal theory.

It was not until 1950, that the term "neoliberalism" was included in a title. That was in Jaques Cros doctoral thesis, "*Le néoliberalism et la révision du libéralisme »* (Cros 1950). The problematic for that work was based on the assumption that "neoliberalism" is just a new form of liberalism. In other words, some efforts were done to give more energy and strength to classical liberalism before and during the Second World War mainly initiated by Ropke and Hayek (1944, 1945). His basic argument was that they sought to give more freedom or laissez faire trend on economic policy issues compared to Keynes liberalism. However, Cros doubted on the efficiency of freedom of market economy depending on individual liberty and excluding state intervention in controlling the economy said to be good for society and citizens interests (Cros 1955)

During the forty years which followed the work of Cros, the concept of "neoliberalism" was not used constantly. However it served as an inspiration for German economists as Ropke and Naworth for the ideology behind West Germany's "Social Market Economy" (Friedrich 1955). Their analysis was concentrated around the concept neoliberalism and the political and economic development of the Federal Republic.

The idea is that neoliberalism as perceived by Naworth is the combination of liberal democracy and market economy (Gray 1965). Previously, it was seen as a new stream between fascism and communism. However, Naworth used the concept of neoliberalism with depreciation; he claimed that the concept encouraged internal disunity focusing on an open market economy, which inspires people to become acquisitive and self-centered. Naworth suggested that under neoliberalism the economic system lacked the doctrinal rigidity, and then he highly criticized West German neoliberalism (Cros1955).

Cros and Naworth's concept of neoliberalism was a subject of debate for many scholars and economy historians. The Belgian American philosopher Wilfried Ver Ecke wrote an article in which he made an attempt to explore Cros and Naworth concept of neoliberalism by comparing and analyzing both West Germany and American economic systems which according to Van Ercke share a strong preference for a state which intervenes only to maintain the market economy policies (Gray 1955). His analysis exposes the concept not as a

description of a recent contribution to liberal theory, but as a concept reserved for a particular kind of liberalism; marked by a strong commitment or engagement to laissez-faire economic policies.

In his book *The General Theory of Unemployment*, 1936. John Meynard Keynes[2] exposes how politics in Britain and the United States have been influenced or dominated by neoliberal theories in market. He argues:

> "The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist. Madmen in authority, who hear voices in the air, are distilling their frenzy from some academic scribblers of a few years back. I am sure that the power of vested interest is vastly exaggerated with the gradual encroachment of ideas. Not indeed, immediately, but after a certain interval; for in the field of economic and political philosophy there are not many who are influenced by new theories after they are twenty five or thirty years of age, so that the ideas which civil servants and politicians and even agitators apply to current events are not likely to be the newest. But, soon or late, it is ideas, not vested interests, which are dangerous for good or evil."

Another prominent scholar in political economy research and studies made an attempt to study neoliberalism in a critical analysis of the political thought of Friedman, Nozick and Hayek. The analysis of Anna Maria Blomgren is parallel to Harvey's one, she describes Hayek and Friedman economic theories as the initiators of "neoliberal political philosophy" (Blomgren, 1997). She wrote:

> "Neoliberalism is commonly thought of as a political philosophy giving priority to individual freedom and the right to private property. It is not, however, the simple and homogenous philosophy as it might appear to be. It ranges over a wide expanse in regard to ethical foundations as well as to normative conclusions. At the one end of the line is "anarcholiberalism", arguing for a complete laissez faire, and the abolishment of all government. At the other end is "classical liberalism" demanding a government with functions exceeding those of the so called right watchman state."(ibid:224)

Blomgren tried to give a critical exploration of the term neoliberalism, drawing on a wide range of literature across the critical social sciences and with particular emphasis on the political economy of development. According to her Friedman, Hayek and Nozick have all

[2] John Maynard Keynes (1883-1946), was a British economists whose ideas fundamentally changed the theory and practice of macroeconomics. He is considered as one of the most influential economists of the 20th century and the founder of modern macroeconomics. His theories are still taught in Economic Schools and a matter of research for many scholars.

attributed separate theoretical basis to neoliberal policies. Friedman based his conception of this new policy trend on the laws of nature. In other words, men are born free by nature, and are consequently "free to choose" because it is the main aspect of social nature organization, this would remind the reader of Boudon Raymond beliefs in the freedom of choice as linked to parents milieu concerning children education. Consequently Blomgren encouraged neoliberal policies such as deregulation and promoting laissez faire and individual choice:

> "The free man will ask neither what his country can do for him nor what he can do for his country. He will ask rather "What can I and my compatriots do through government?"(ibid)

Hayek based all his research on sociology and political economy, his central argument was freedom and the economic system. He was also in favour of neoliberalism and encouraged spontaneous order of life i.e. liberty of individuals.

Neoliberalism is then: "A loosely demarcated set of political beliefs which most prominently and prototypically include the conviction that the only legitimate purpose of the state is to safeguard 'individual', especially commercial liberty as well as a strong private property rights" (Hayek1955).

Foucault is among those who claim that neoliberalism is much more than an economic policy. Foucault widely criticized dirigisme of social practices, he was liberal or even libertanian. He spent his career criticizing the power of bourgeoisie capitalists his objective was to change it into Marxist utopia.

In "the capital" Karl Marx focuses on the process of human labour as a stimulus for change. The idea is that changing ourselves is a condition to change the world around us and vice versa (Marx 1867). This is to say that the necessity of transformation of the environment that surrounds us is of a vital importance, if the objective is a total change questioning who we are? And what we are?

Neoliberals simply suggest that individual freedom is the only alternative in the market and less importance is accorded to democracy. Oliver Marc Hartwich suggests that the term neoliberalism is widely employed to criticize the contemporary politics, social conservatism or even western led military intervention abroad, giving to the term a political trend.

Scholars and economic historians, who conducted research on neoliberalism concept, agree that neoliberals are quite cynical concerning democracy. They argue that democracy may curb the neoliberalisation process by threatening individual's commercial liberty. They have suggested putting it aside and replacing it by another more suitable alternative for the new

situation. As it has been put by the American Sociologist and political economist William Davis, neoliberalism is an attempt to replace political judgment with economic evaluation, with the aim of changing gradually the scope of democratic decision making. By so doing neoliberalism allows more freedom for the more efficient and liberating outcomes that are believed to result from market competition (Davis 2015)

In the light of all the literature concerning neoliberalism partially presented above, one may suggest a working definition mainly based on Harvey's critical literature of the concept. This definition is more suitable and functional for the present analysis of the concept of neoliberalism and political conditions in the contemporary world. Neoliberalism could be defined as a set of ideas and principles upon which the relationship between the state and its external entourage has to be organized; however it is not seen as complete political philosophy or ideology. Neoliberalism paved the way to social democracy while liberalism inspired political democracy. Thus the state may implement the policies inspired within liberal democracies.

Neoliberalism can therefore be defined not as a doctrine in opposition to the state *per se*, but rather as the disenchantment of politics (Jackson 2016). In this regard, once neoliberal policies implemented, political power is gradually replaced by an economic one. In other words, power is relocated from the state to the markets and individuals (Ostrud 2003). Democratic governance and political authority shaping the society under liberal traditions shifted to a new form of governance, where the condition is freedom for individuals and their enterprises in markets considered by some as new and unique set of political ideas (ibid).

Neoliberal theories migrated from concepts and think-tank texts to political discourse. The concept of neoliberalism has become an issue of great interest in many political academic debates. Some of the authors use the concept pejoratively, perceiving it as the spread of global capitalism and consumerism, crushing the pro-active welfare state (Bordieu 1998, Chomsky 1999, Saad & Filho & Johnston 2005, Pelhewe et al. 2006).

It would be really unuseful to try to understand what exactly neoliberalism is without having a deep look at the concepts: capitalism and liberalism. It is obvious for every one that liberalism is a doctrine axed on the principle of individual freedom; however this definition of the concept has given place to varied interpretations and sometimes contradictory ones. It is then important to unravel these interpretations relaying on the economic and social dimensions of the sense.

2. Neoliberalism and Liberalism

To begin the task of defining neoliberalism, it has to be seen in relation to liberalism. Liberalism developed and prospered as a reaction to royalist traditionalists and religious conceptions of social order (Stroper, 2015). It supports states where citizens are no more subjects governed by royalty and is in favour of self governed democracies and a large sphere of individual autonomy and liberty without pressure of approval from a supreme authority.

One may say that the concept suggests its own definition 'neoliberalism' may be viewed as a revival of 'liberalism'. Liberalism had emerged in a new form after its absence from discussions of policy making, in other words, neoliberalism is the resurrection of liberalism. Other scholars view neoliberalism as the offspring ideology from liberalism and capitalism sharing the same roots, this interpretation makes neoliberalism hardly recognizable as a genuinely independent ideology (Fukuyama, 2006).

Economic liberalism is the belief in the abdication of state intervention in market regulation. In Oxford Dictionary (2015) "Liberalism is a political ideology favourable to constitutional changes and legal or administrative reforms tending in the direction of freedom or democracy". The same dictionary describes neoliberalism as: "a modified or revived form of traditional liberalism, [especially] one based on belief in free market capitalism and the rights of the individual." These two definitions need of course more elaboration. Neoliberalism as a concept refers to a particular version of the development of liberal thoughts.

The primary values of liberalism are freedom and democracy, as identified in the dictionary quoted above. From the point of view of Friedman, neoliberalism shouldn't be seen as the recovery of the lost liberal tradition but a different ideology often opposed to what is commonly described as "liberalism".

The concept of liberalism developed politically in Europe to support the dramatic wave which started to emerge in Britain and the United States by the beginning of the 19th century (Gray, 1995). The concept is rooted with the theories of John Lock and his philosophical defense of popular sovereignty in the 17th century (ibid).

Liberalism by time is becoming a vague concept difficult to limit, it considerably varied over time according to different experiences in different regions. The following quotation illustrates quite well what has been said above:

> " Anyone trying to give a brief account of liberalism is immediately faced with an embarrassing question: are we dealing with liberalism or liberalisms? It is easy to list famous liberals; it is harder to say what they have in common. John Lock, Adam Smith, Montesquieu, Thomas Jefferson, John Stuart Mill, Lord Acton, T.H Green, John Dewey and contemporaries such as Isarah Berlin and John Rawls are certainly liberals but they don't agree about the boundaries of toleration, the legitimacy of welfare state, and the virtues of democracy, to take three rather political issues." (Rayan,1993)

Liberalism, is then according to Ryan a set of political theories opting for individual freedom to choose the suitable option in life defining decisions, it also advocates the rule of law and democratic governance to shop the society and finally liberalism ought to be linked to the exert of state power within constitutional limits. Geovani Sartori stresses that instead of conceptualizing liberalism as a metaphysical conception of man and society, it is rather a practical theory of building and maintaining democratic politics and securing individual liberty (Sartori, 1987).

The problem with the concept is that liberal parties together with politicians and philosophers have different opinion about what liberalism exactly is. This also occurs between those who support economic liberalism and those supporting social liberalism and modern liberalism.

Classical liberalism refers to the limitation of the state intervention which means that except the army law enforcement and maintain of the most fundamental aspect of public order, the rest should be left to citizens. Classical liberalism can be sorted out with economic liberalism in favour of laissez faire economic policies, portrayed as the leading principle of 'neoliberalism'.

Modern liberalism permits the state to become an active participant in the economy, it is considered as a revision of liberalism as opposed to classical liberalism, modern liberals believe in the significant role which has to be played by the state in the economy and in order to bring liberal objectives into reality. They also believe in the inadequacy of laissez-faire economic policies. Modern liberalism emphasizes the role of the state in the redistribution of wealth and power for a more fair society (Baveridge, 1944).

Liberalism shouldn't be confused with 'Libertarianism', the latter's name suggests it is a non restricted liberty above anything else, especially economy and commercial liberty combined to other liberal principles and values like democracy and social justice. Classical liberals like smith, Tocqueville and later Hayek and Mill fiercely advocate extensive

economic liberties but with the legitimacy of other concerns that's why they insist on being apart from libertarians (Hayek, 1993).

Among libertarians, classical liberals, modern liberals and egalitarians it seems a bit hard to find a unified definition of liberalism, as it is pointed in the quotation of Ryan (1993) above, that's why the solution was to insist on what all of these had in common. John Gray identifies four basic elements of a highly abstract conception of man and society on which he believes all liberals agree because these principles set them apart from non-liberals:

> "Common to all variants of the liberal tradition is a definite conception, distinctively modern in character, of man and society. What are the elements of this conception? It is individualist, in that it asserts the moral primacy of the person against the claims of any social collectivity: egalitarian, in as much as it confers of all men the same moral status and denies the relevance to legal or practical order of differences in moral worth among human beings: Universalist, affirming the moral unity of the human species and according a secondary importance to specific historic associations and cultural forms; and meliorist in its affirmation of the corrigibility and improvability of all social institutions and political arrangements. It is this conception of man and society which gives liberalism a definite identity which transcends its vast internal variety and complexity." (Gray, 1995)

To fix it all, one may come out with a definition of liberalism more politically relevant than with capitalism, it made of neoliberalism as a new concept for economic theory and policy making, the ideology behind the most recent stage in the development of capitalist society (ibid).

3. Neoliberalism and Capitalism

Neoliberalism is also perceived as the inhibited model of capitalist political economy. It is explained by some scholars as a purely materialist doctrine promoting the powerful materialist doctrine, promoting the powerful class interests and repudiating communism, socialism and corollary Keynesianism. Capitalist regulation is set as a system of rules, norms, habits and compromise established within particular institutions, with the role of changing these conflictual social retention into stabilized, sustainable, space-temporal frameworks (Lipietz 1996).

The core of neoliberal ideology is that a good economic development is crucially based on competitive and unregulated markets. The writings of Milton Friedman were of a great driving force to make of neoliberalism the dominant ideological and political form of

capitalist globalization. But there is a disjuncture between the ideology and its everyday political operations and social effects.

Hayek suggests that neoliberalism basic principle is to protect markets from state interference. However, in practice the continuous prosperity and survival of capitalism is because of the continual infusion of state financial aid (Stiglits, 2012). The myth for neoliberalism is to free the world from government intervention and decentralizing economic decision and fostering competition.

Because all the details of the changes constantly affecting the conditions of demand and supply of the different commodities can never be fully known or quickly enough be controlled and disseminated, by any center. What is required is some apparatus of registration which automatically record all the relevant effects of individual actions, and whose indications are at the same time the resultant of, and the guide for all individual decisions. Hayek wrote:

> "This is exactly what the price system does under competition, and which no other system even promises to accomplish. It enables entrepreneurs by watching the movement of comparatively few prices, as an engineer watches the hands of a few dials, to adjust their activities to those of their fellows." (Hayek, 1937)

This quotation of Hayek is not really appropriate with the modern capitalist world in which the influence of the government is obvious[*], what has to be highlighted by scholars is that neoliberalism is the offspring of capitalism, neoliberalism and capitalism are only two faces of the same coin. Capitalism is not an ideology, the concept is used to describe a belief in free market and individual private property, but this is not capitalism, it is liberalism which is considered by most scholars as the default ideology of capitalists.

Capitalism is referred to as a set of social practices whose aim is the accumulation of capital. It is not exactly the same thing as commerce, as profit seeking as commodity trading, as the general commodification of all goods, services and social relations as 'free' markets in goods and services, as wage labour and the oppression of labour to prevent workers intervening in labour markets in their own interests or even as the private ownership of capital; although it can or usually involves all those things (Jeremy Gilbert, 2015)

How to make the link between neoliberalism and capitalism? In fact, a set of political programmes based on a set of beliefs resulting in a particular political philosophy is called

[*] For example, it was thanks to government expenditure that enormous privately-owned industries could govern and prosper in the United States and all over the world (Mazzucato, 2011).

neoliberalism. This philosophy claims to understand human nature and having the ability to use government mechanisms to improve human conditions, but the only way to reach that is to maximize the profits of capitalists; while capitalism is the private ownership of means of production and the seeking of profit. Then it's all about accumulating private wealth emphasizing liberty and individual freedom.

4. Neoliberalism and the Concept of Governance

The term 'governance' is defined as the exercise of political and economic administrative authority so as to manage the country's affairs. It was referred to by the IMF (International Monetary Fund) and the WB (World Bank) to show that the policies initiated by these institutions henceforth imply more pluralism. In his official site the IMF the following definition of governance is found:

> "Governance is a board concept covering all aspects of how a country is governed including its economic policies, regulatory framework, and adherence to rule of law. Poor governance offers greater incentives and more opportunities for corruption – the abuse of public office for private gain. Corruption undermines the public trust in its government. It also threatens market integerety, distorts competition, and endangers economic development. Poor governance is clearly detrimental to economic activity and welfare."

The question to be asked here is: What is governance? To answer this question many readings have to be done in the field of political economy. The word "government" in English has several meanings. The most usual one is that government represents the institution charged with the act of governing, and here the word is synonym to "state", or it can mean in some cases the actions of that institution. The term "governance" may be defined as a manner or an action of governing, or a pragmatic method of management (Oxford Dictionary). "Governance", refers to the action or the process of putting into practice the aims of the state (Newman, 2001).

The term began to appear in the 1980s; however it knew a reorientation in its meaning according to neoliberal principles. For example, the act of government of paying the unemployed by welfare benefits may be considered as governance, as this is implementing a part of the social agenda of the state (Robert, 2005).

The link between neoliberalism and governance has been made by many scholars; however, the ambiguous definitions due to misunderstanding and misuse, prevent from

having both terms are on the same stream, and both terms are used in a way that is not really and firmly fixed together.

At the same time the state doesn't deliver all its aim through its own agencies. Other actors not belonging to the state help in the supply of services where the state is not wishing to intervene directly. The best example to illustrate that are public private partnerships where the right to build a new capital resource to cede it back to public sector for a fixed period, keeping the responsibility of its maintenance. In such a contract, the public sector doesn't need to have separate responsibility and competence in construction and maintenance as they are already available in the private sector.

Neoliberals have suggested then their own definition to the term. Consequently, contemporary scholars in economics may understand "governance" as a specific form of management proper to the private sector but that increasingly has been adopted by government, which bases the decision making process on the recreation of mechanisms or procedures of a free market. The importance of the government as a decision maker is widely undermined under this concept and when used in the public sector its power is very restricted. Instead of being the central actor in the decision-making process, elected governments find themselves with a very limited power, and are put on equal footing with other actors, in other words their role is representing the public interest and protecting that interest (Munk 2005).

The term governance invigorated the private sector which became a negotiating partner instead of subject to limits imposed by government; this latter is seen as a full competitor instead of an advocate for the general interest (Campbell 2001). With neoliberalism, the term governance has diverted power towards those who possess capital limiting at the same time regulations made by the government (Hachworth 2007)

Governance relies on mechanisms, processes and institutions which permit to citizens and groups to express interests, and to have rights and duties. Governance requires the implication of three stockholders: **the state** i.e. the legislative, judiciary and public services. **the private sector** includes small and medium enterprises together with big corporations permitting to create jobs and revenues and finally **the civil society** deeply involved in these political and social interactions (Giddens 1998).

Each of these three actors consisting governance has strategic functions. The state defends public interests, by creating an appropriate climate for human development, looking after the respect of law and maintaining security, creates an identity and a national vision, defines a policy and public programmes, attracts funding to finance public infrastructures and services, elaborates a budget to apply and finally regulates and encourages markets.

The private sector functions inside the mentioned markets so as to produce goods, to furnish services, to create subsistence means as jobs for citizens, and encourages private enterprises. The civil society permits to groups of citizens to participate in economic, social and political activity and formulates a quantity of different dynamic preferences (Bernard Conte 2003).

The essential elements of good governance; in the sense of international institutions requires the following aspects:

- The existence of a state.
- Democracy.
- Transparency and responsibility in the different aspects of both private and public life.
- The existence of a decentralized system of decision making leading to a participative management.
- Efficient management of public resources.
-An appropriate and safe macro-economic framework.
- Fighting corruption.

The components of good governance reveal that this concept is nothing more than a remaining of the consensus of previous policies which led to failure due to, according to neoliberals, lack of institutionalized environment and economic activity. This is largely due to a disfunctioning of the market caused by state intervention (ibid).

According to a neoclassical point of view, seeking a social optimum is far from being the objective of the state. Public choice theory suggests a more realistic vision of governance considering public policies as the object of a political market and denying the image of an ideal state working for people's welfare (Friederich 1955).

Governance permits to deal with political problems under an economic development, avoiding brutal conflicts with the ruling government thanks to general terms and techniques.

Governments remain complied to their status obligations. From a practical point of view, the concept of governance permits to the delicate question of "state reform" to be substituted into "institutional management". For these institutions it is not a fact of challenging their attachment to economic liberalism at the opposite, it's about defining the institutional limits of its accomplishment (Gallie 1956).

The concept of governance is then very useful and practical at perceiving all the parts involved in the policy implementation. This is very true for the urban policy, more precisely urban regeneration because it is really impossible for the state to deliver its programme alone. Especially, because of the latter's high costs and large scale undertaking regeneration programme can't be achieved without the involvement of a large number of actors as developers, construction firms, local communities…etc. This principle of public-private partnerships is one of the foundations of the neoliberal governance.

Governance, as practiced by the neoliberal state, is then reproducing new forms of managing for markets. Government intervention is reduced to representing the general interest without imposing limits and becoming an actor among others sharing equal opportunity. Governance and neoliberalism can be perceived as two sides of the same coin by assuming that both are contributing to make of those with capital the power holders

5. Urban Neoliberalism and the Neoliberal City: A Conceptual Consideration Framework

In policy making, changes are motivated by the practices and the dealing with an urban environment constantly changing for several reasons as changing technologies and lifestyles, migration patterns, economic specialization and development. It is not the macro-economy and political preferences which shape the residents wish to demand for an ordered urban physical environment.

Cities are dense collection of people, houses, groups, buildings and infrastructures. People in those cities have different kinds of activities: residential- religious- productive-military-symbolic- consumerist- leisure and so on. These activities have to be sorted into different spaces for a good organization of the area, because dense interactions create many conflicts and problems of organization. Within all this mess politics is shaped so as to serve those people who have a wide variety of interests and preferences (Storper, 2014). These groups of people may include formal institutions, community groups, social movements…(Peck, 2002).

Land use is an important driving force in government authority over cities, regulations changes like environmental effects, social density…give more consideration to land use and the government power. This was called by Peck 'space neoliberalisation'.

Cities have moved from a managerial role under Keynesianism to an entrepreneurial one under neoliberalism (Harvey, 1989). The concept of urban neoliberalism deals with the geographical aspect or view of neoliberalism. It reveals the relationship between space and neoliberal character and also with the strategic role of cities in the reshaping of political and economic space. Neoliberalism was becoming step by step the most dominant ideology shaping the world's politics and living style.

The neoliberal city may be defined as a region or a city with a weak public sector and state intervention and with extensive privatization and liberalization of market (Brenner & Theodor, 2002). The withdrawal of the state fostered various types of entrepreneurial or competitive policy forms (Harvey, 2005). The neoliberal city is an area where new institutions and public-private partnership emerged, all these motivated by competition and reconfiguration of local government intervention by reforms in allowing a tight control of public spending and avoiding investment in social housing and new public sector jobs. The neoliberal city is characterized also by industrial urbanization.

- **Neoliberalism and the Geographical Discourse**

The concept of urban neoliberalism explores its role in the process of urban restructuring as an economic and political geography project (Brener 2002). Many scholars were interested in exploring and theorizing the geographical interaction between neoliberalism and urban restructuring, notably Nil Brener and Nik Theodore together with Peck and Tickel (ibid).

The motivation of the neoliberal state, to promote urban development, motivated planners to opt for good solutions in order, to ensure a banlanced growth of urban development. However, planners had chosen to keep away of both politics and markets[3].

[*] In order to put their solutions into practice, planners agreed for the transfer of tasks argued for the transfer of tasks from markets to public authorities though this meant political interference in professional affairs (Tegor, 2011)

The concept of neoliberalism is useful to planning theory because it was the rethoric descriptor of the political trends and official transformations of the conditions under which planners work.

> " Neoliberalism is the key concept for understanding the urban condition, the rethinking of social democracy and the regulatory regime of our times. Neoliberalism mobilizes urban space as an arena for market oriented economic growth and elite consumption practices, and in so doing it transforms the politico-economic setting in which public plans and projects are implemented" (Segor, 2011)

Urban public planning is considered as a threat to market mechanisms and to private initiatives and efficient allocation of resources. The assumption of neoliberalism is that all economic and social problems could be solved thanks to market; though state failure is worse than market failure (Peck & Tickell, 2002).

Planning scholars relate neoliberalism to social geography, public administration and urban studies, and need to give importance to the neoliberal discourse for many reasons: First, neoliberalism sets new principles for studying and analyzing concept, markets like globalization, depolitisation, welfare state, market liberalization. These concepts are also useful in planning theory. Secondly, neoliberalism aims at transforming the public sector through comprehensive changes of organizations and institutions that are the framework of public planning, and finally neoliberals put into practice a number of planning oriented urban policies. Neoliberalism seemed to be highly relevant for planning as it is argued in the following quotation of Gleeson & Low (2000):

> "What is new…about the contemporary attack on planning is the conceptual and political reach: neoliberal desire both to contract the domain of planning (deregulation) and then to previtise segments of the residual sphere of regulation"

In both instances, the raison d'etre of planning as a tool for correcting and avoiding market failure is brushed aside in favour of a new minimalist from a spatial regulation whose chief purpose is to facilitate development. One may not study neoliberalism without debating its tight relationship and its usefulness to geographical issues as territorial variations and its obvious special effects on many areas (Barnett, 2010).

"Neoliberalism is interrelated with many themes, and scholars from different scopes of interest have given it a great interest. For example, its relationship to Foucauldian theme of discipline and governmentality. Another theme discussed by neoliberalism is *dépoliticisation*, public realm had been constricted through privatization, the

introduction of competitive pressure into public bureaucracies and the infusion of private financial arrangements into public institutions." (Barnett, 2010)

The emergent neoliberalism had with no doubt an effect on the inherited cities and landscapes. Cities have become strategic and crucial areas where neoliberal initiatives have been put into practice (Harvey 1989). Intense debates and discussions tried to answer questions about the future of the emerging neoliberal ideology and its compatibility with urban environment provided with the political and ideological strategies of the time. Harvey has his own view upon an alternative urban future:

> "The problem is to divise a geopolitical strategy of interurban linkage that mitigates interurban competition and shifts…The transformation in urban governance in late capitalism horizons away from the locality and into a more generalisable challenge to capitalist uneven development…A critical perspective on urban entrepreneurialism indicates not only its negative impacts but its potentiality for transformation into a progressive urban corporatism, armed with a keen geopolitical sense of how to build alliances and linkages across space in such a way as to mitigate if not challenge the hegemonic dynamic of capitalist accumulation to dominate the historical geography of social life." (Harvey 1989)

In his analysis of neoliberalism and urbanization, Theodore Brenner realized a prominent and a very reliable study concerning the geographical space and urbanization. In his research; he mentioned five elements providing a methodological basis upon which the neoliberalisation process of the policies occurs and showing free market oriented reforms from Keynesianism to urban neoliberalism:

01-The problem of capitalist regulation.
02-The unstable historical geographies of capitalism
03-Uneven geographical development.
04-The regulation of uneven geographical development.
05-The evolving geographies of state regulation.

Brenner states in an attempt to define neoliberal concept:

> "Neoliberalisation represents a historically specific, unevenly developed, hybrid, patterned tendency of market- disciplinary regulatory restructuring." (Brenner & al, 2010)

Robert Park, an American Sociologist who used to write in Chicago in the 1920s, said about the city:

> "The city is man most consistent and, on the whole, his most successful attempt to remake the world hi lives in, more after his heart's desire. The city is the world which the world created; it is the world in which it is therefore condemned to live. Thus indirectly, without a clear sense of the nature of his task, in remaking the city; man has remade himself"

The question that may be asked and to which Park's quotation may be an argument is: What kind of cities do we want to live in? and what kind of people do we want to be? Another question that may rise here is: Were we conscious of this mutual link between ourselves and the city? If one goes back to history, one may realize that cities changed, people changed without being really conscious of it (Harvey 2006). If people consider the city as a space of freedom so what kind of freedom has been achieved by the urban process? This would lead us automatically to a philosophical debate about the concept of freedom: what is it? And how shall we design it?

Compared to Keynesian city at the model of Milton Keynes, also called post- industrial city, the neoliberal city was characterized by a new organization of the urban space for the consumers. The state widely invested in transport, housing, health and education, which were of great importance for the new strategies of ameliorating work conditions and maintaining social peace. The elements of Keynesian city were the conservation and the safeguarding of the historical and cultural characteristics, these are restored and valued. Second, the development of suburbs which may be the solution of less consuming problem, in other words to finance by debt permitting to every family to access to its own private real estate property and have access to its correspondent transport services. The tool for this dispersion is routes and cars developing, this led to extension of suburbs and agglomerations.

These measures of suburbs extension is a way to protect capitalism against crisis threats rooted in less consuming problem. By the end of the sixties, capitalism crisis witnessed its optimum; accumulation of credits, economic digression, unemployment which exploded in suburbs, all these led to put into questioning the success of the Keynesian city.

In ideal cases, the city is where all the people would be wonderful, making a proposal about city forms and city functions and city growth so as to create an ideal human community, and an ideal world. However, if one looks back how great metropolitan cities as New York, Birmingham, Songhai, Moscow, Toronto were built, one may realize that they were not built considering what kind of people we wanted to be, but as a result of urbanization (ibid).

The period from 1945 to 1975 witnessed a particular relationship between the state and the economy. Without doubt, cities have always been centers of conflicts, change and transformation. The economic transformation that happened during the sixties and the seventies led to a transformation with the concept of city itself. Cities can be centers where new politics and economies may emerge and where human relations are constructed. The inception of the neoliberal city dates back to the deep change in cultural, economic and political situation of the 1970s (Harvey 1989). The end of the 1970s witnessed a collapse of Keynesian principles giving birth to radically different urban policies, much controversial compared with those of the glorious thirties.

The increasing inflation of the 1960s in addition to the problem of unemployment in the 1970s jeopardizing within Keynesian Capitalism and the model of the city corresponding to it, in addition to the chaos of the economic situation led to a rethinking of one of the major principles in economy: “the offer and demand rule”. Neoliberal policy sought to facilitate capitals, merchandise, information and people.

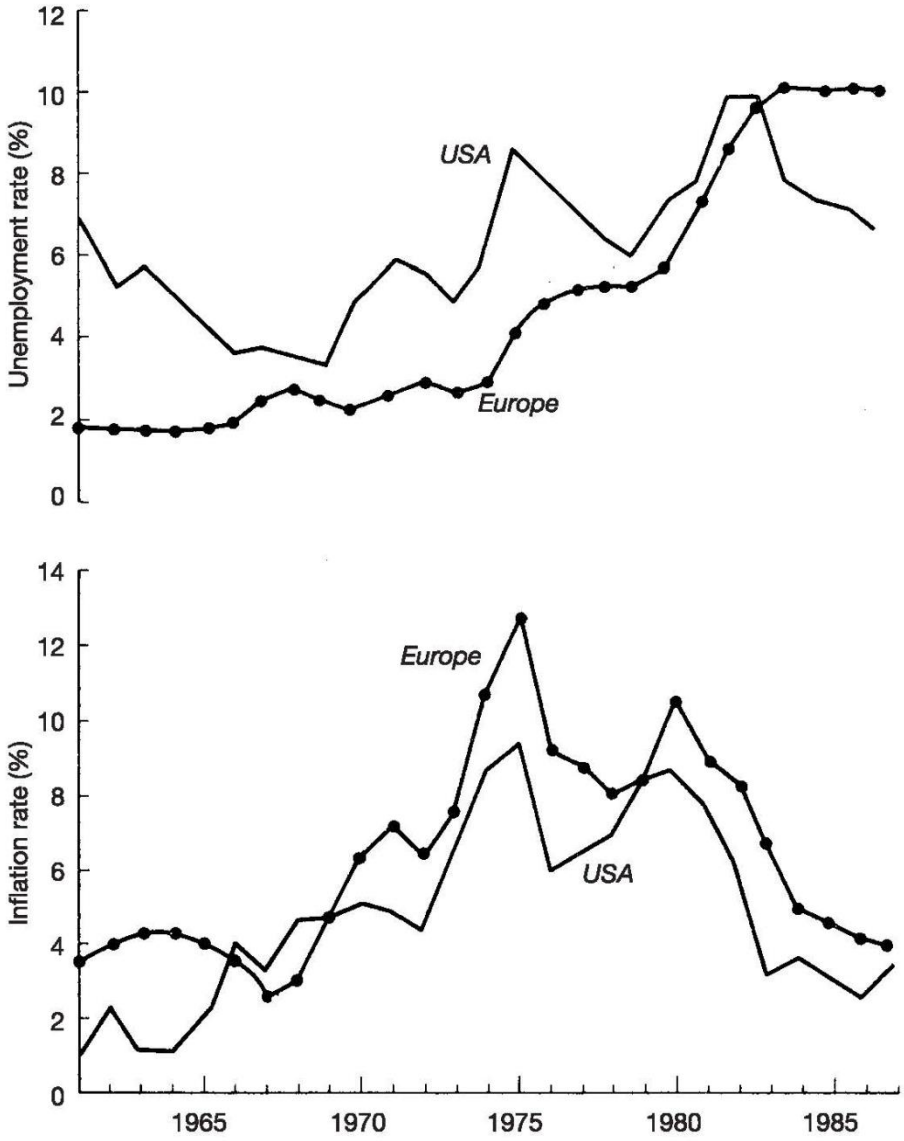


Figure 01: The Economic Crisis of the 1970s: Inflation and Unemployment in the US and Europe, 1960–1987

Source*: David Harvey, *A Brief History of Neoliberalism, 2005, p 14

A neoliberal policy first principle is the shift from government to private strategies. It can also be viewed as the shift from publically planned solutions to competitive ones, including partly private partners in a market oriented solution of socio-economic and environmental problems. The development of the urban policies: how they have been realized and how they

have been impacting the contents of both urban political agendas and governance will be observed and discussed in the following chapters

II. A Brief Overview about the History of Neoliberalism

To provide a clear image of neoliberalism, it is important to depict how the concept evolved and developed throughout history and in the various debates related to it.

1. The Rise of the Neoliberal Thought

It is difficult to identify exactly the first emergence of neoliberalism. Yet, once related to capitalism there is a general agreement which consists of being the offspring of capitalism (Adam Smith 1776). The rise of neoliberalism intervened when Keynesian policies were already under criticism. Keynesian structures were demented increasingly with the freeing of economy.

The concept of neoliberalism rose in three places on earth: China- USA and Britain[*]. In Britain, early in the eighteenth century, Keynesian economic policy, liberalism and British social democracy had to be replaced by a new alternative policy agenda. For those who were still pro-Keynes ideas, new approaches to macro-economic[4] managements seemed odd: the deregulation of industry and financial markets, urban deprivation and the lack of affordable rents or housing; however, they appeared as being interesting responses to the economic and political crisis of the 1970s later on.

At a time when economic stability seemed far to achieve, there was the emergence of thinkers with new proposals considered as more appropriate by politicians. Those figures as Fredrich Hayek, Ludwing Von Mises, Milton Friedman, John Stigler and James Buchnan who became representatives of what became known as neoliberalism. The term became connected to free market ideology based on individual liberty and limited government intervention.

[*] Representing the fifth of the world population, China was to become an open dynamic centre instead of a closed back water, as it has been described by economists and scholars. Deng Xiaoping took the lead to fight and free China from a communist ruled economy (Harvey 2007).

[*]Macroeconomics is the branch of economics that studies the behavior and performance of an economy as a whole. It focuses on the aggregate changes in the economy such as unemployment, growth rate, gross domestic product and inflation. Government and corporations use macroeconomic models to help in formulating of economic policies and strategies.(Bennett Coleman & Co 2017)

The rise of neoliberal thoughts can be rooted to more than half a century, it emerged during the interwar period in debates of liberals as a reaction to the rise of trade unions and administrative failure of the time which was becoming more stringent and bureaucrat (Bordieu 1998). At the same time some new movement saw the government not as an obstacle to freedom but as a means to spread it among citizens by introducing new forms of social reforms like pensions and social insurances (ibid).

During the 1920s, different views rose about perspectives for economic planning in England and Austria. Debates rose to tackle fluctuations and stagnation in business, as capitalism seemed in an apocalyptic crisis especially after 1929 crash.[5]

After 1945, neoliberalism started to impose itself as the prevailing doctrine with its policy programme and political strategy. After having been considered as marginal economists, thinkers like Friedman and Hayek, great defenders of free competition and laissez faire, became the leaders of the new economic policies. They were followed by others who adopted their theories and made them more popular (Dixon1999).

Hayek's strategy to optimize neoliberalism was based on the idea that individual liberty within a framework of free markets could only be protected by intellectual opinion and support. This is what he tried to demonstrate in his article *The Intellectuals and Socialism* written in 1949. He argued that it took too much time to neoliberal ideas to be transformed into a policy. For Hayek the only way to realize this transformation and ensure free market triumph was to lure intellectuals, journalists, experts, politicians and policy makers to popularize neoliberal thought.

After the Second World War, the prevailing theoretical framework in economics and economic policy-making was the so called Keynesianism according to its architect John Maynard Keyens (1936)[6], based on more strong state regulations of the economy. Neoliberalism was said to have a greater emphasis on more steadiness and stability of the state economy and relief of abject misery by trying to achieve full employment (Palley 2005).

[5]The Wall Street Crash of 1929 was the most devastating stock marmet crash in the history of the United States, when taking into consideration the duration of its after effects, it followed the London Stock Exchange's crash of September beginning 12 years of depression that affected all Western industrialized countries. It was a severe downturn in equity prices.

[6] The publication of Kaynes book General Theory of Employment, Interest and Money 1936 offered what was said to be transforming economy policy making.

Neoliberal ideas were, according to Keynes, the principles to which politicians turned to provide solutions for the economic crisis. Politics in Britain in the last quarter of the twentieth century became dominated by neoliberal markets. After the Second World War, a whole series of events altered the economic settlement like the Vietnam War (1955- 75). After 1945; the Keynesian principles on which entire prosperous economies were built seemed to be exhausted. Government started to realize that alternatives suggested by Keynesian economists to solve the problem seemed to be but dangerous illusion. The industrial decline started to hit Britain in addition to stagnant growth and inflation made the government realize that there was no option but to change the course (Eecke 1982).

By the 1950s neoliberal principles started to emerge in the United States. In the American context, the support to neoliberal thought was not by accident, but because the concept was largely appealing to the traditions and principles of American individualism and libertinism. Milton Friedman wrote extensively about the issue to influence his intellectual entourage. Other American economists like Stigler, Gary Becker and Aaron Director, Patrick Joseph Buchnan and George Tullock also showed interest to free market analysis (Chomsky 1999). These American neoliberals formed a transatlantic network which was necessary to spread neoliberal philosophy and increasingly promote free markets (ibid). Their instruction success meant that neoliberal ideas had to be taken seriously by politicians, public services and civil servants, as it was done with Keynes during the great depression.

In the case of the United States and Britain, this change in economic beliefs was also called "Conservative Revolution". Ronald Regean and Margaret Thatcher embodied the new neoliberal ideas as political projects. Though the transition, considered at that time as an evolution and a revolutionary change, had been brutal in the UK; however it was not abolished nor was it completely disapproved. Its legacies are considered as a big issue for debates (Jober 1994).

One may distinguish three distinct phases in the history of neoliberalism: The first from the 1920s to the 1950s, the second from the 1950s to the 1980s and the last after the 1980s (ibid). At the beginning the term started to spark interest during the interwar period with the emergence of economic schools in Austria and Germany which sought to prove that the best way to organize an economy and guarantee individual liberty was a market-based-society. The second phase of neoliberalism was from the mid twentieth century to the end of the 1970s when the concept reached its zenith in the United States. The fight against inflation together

with the leadership of the federalist led the latter as a solution to revitalize the US economy during the mid 1970s. That was by refreshing both industrial and agricultural sectors by optimising the power of labour (Fukuyama 2006).

Thanks to the Chicago approach and Friedman and Stigler theories of monetarism and regulatory capture; new theories of economic research emerged. They came to the role of large corporations by showing the relatively harmless nature of monopoly empowering trade unions. In his book *Capitalism and Freedom (*1962), Friedman demonstrated that the market may be perceived as the means to provide social goods and to provide the good life itself. However, the confidence and the conviction by which these policies were introduced has been much criticized by economists and capitalist opponents, considering that such policies would not be compatible and called for complete rejection of economic planning.

The third phase of neoliberalism started in 1980; when Margaret Thatcher was Prime Minister. Her main aim was to put an end to the economic stagnation in which Britain was embedded since the previous decade. This new phase saw the implementation of a whole of privatizations trade policy thanks to fiscal discipline. Neoliberalism started to spread into several global institutions, especially in the developing countries and those previously communists. The principles of neoliberalism started to be adopted by governments, economists and policy makers of the International Monetary Fund (IMF), The World Bank (WB), The World Trade Organisation (WTO) and others. During the 1980s and the 1990s notable structural adjustment policies were conducted including tax reform, trade liberalization, privatization, deregulation and strong property rights.

2. The Political and Economic Context of the Emergence of Neoliberalism

Some thinkers and theorists and ideological entrepreneurs prefer to use the concept neoliberalism in a much broader way, without linking it to any specific groups of politicians or scholars or organizations. Their main debate is how Hayek strategy was put into action and how were neoliberal ideas applied after 1970.

Yet, the debate over the history of neoliberalism would be incomplete without mentioning Mont Pelerin Society founded in 1947 by Fredriech Hayek, Frank Knight, Karl Popper, Ludwing Von Mises, George Stigler and Milton Friedman. It advocates freedom of expression, free market economic policies and the political value of an open society (Campbell 2001). It is considered by its members as the interpretation in modern terms of the

fundamental principles of economy (Hartwell 1995). In its *Statement of Aims,* April 8th, 1947, it was noted that:

> The central values of civilization are in danger. Over large stretches of the earth's surface the essential conditions of human dignity and freedom have already disappeared. In others they are under constant menace from the development of current tendencies of policy. The position of the individual and the voluntary group are progressively undermined by extensions of arbitrary power. Even that most precious possession of Western Man, freedom of thought and expression, is threatened by the spread of creeds which claiming the privilege of tolerance when in the position of minority, seek only to establish a position of power in which they can suppress and obliterate all views but their own.
>
> The group holds that these developments have been fostered by the growth of a view of history which denies all absolute moral standards and by the growth of theories which question the desirability of the rule of law. It holds further that they have been fostered by the decline of belief in private property and the competitive market; for without the diffused power and initiative associated with these institutions it is difficult to imagine a society in which freedom may be effectively preserved.(Harvey 2005)

For these scholars like Brenner and Clarke it is impossible to imagine a society in which freedom is preserved without power sharing associated with private property and the competitive market (Clarke 2005). According to them it was important to redefine the functions of the state to differentiate totalitarian from the liberal order. Other aims consisted in establishing standards without being unfavorable to the functioning of the market, the creation of a harmonious international order capable of securing peace and liberty in addition to permitting the establishment of a harmonious international economic relations exchange (Campbell 2001).

The major goal of Hayek when he invited scholars be they economists, historians or philosophers was to discuss the fate of classical liberalism and how it could be preserved at a time when Marxist and Keynesian theories were winning a complete victory all over the world (Hayek 1973). Hayek wanted the society to be part of an international think tank movement arguing against collectivism (Hayek 1976). His ideas were criticized by Hans Hermann Hoppe. He belongs to the Austrian School of economists. According to him, this society drifted towards socialism (Belien Paul, 2013).

As a political movement, neoliberalism is a movement that identifies itself with the ideal of Margaret Thatcher and Ronald Reagan but conflicting sometimes with the ideal of a market based environment as Hayek perceived it. Political leaders argue having built their policy on the ideas of Hayek and Friedman and Buchnan; the fact which shows that politicians believe

that neoliberalism has a recurrent impact which shaped their political, economic and social views and their claims, though they admit the appropriation of certain neoliberal motifs. Politicians like Margaret Thatcher, Ronald Reagan, Jack Kemp and Nigel Lawson, of whom none was member of the Mont Pelerein Society, argued that their policies represented more effectively the ideals of classical liberal political economy of Adam Smith and David Hune and liberals as John Bright (ibid).

Neoliberals rejected the views of John Maynard Keynes as a whole because these views were filled with certified state intervention. They were also not sharing the same principles of many other theorists and philosophers like *British Social Democracy* of Clement Attlee or *The New Deal* of Franklin Roosevelt, but they approved the liberalism in John Stuart Mill's *On Liberty* (Hayek 1973).

This is what makes neoliberalism difficult to define, it is its political heterogeneity just as the variety of views of the scholars who are members of the Mont Pelerin Society, who are not necessarily sharing a common interpretation of the social or economic phenomena around them; either of the causes or the consequences. However, they all agree that the danger in the considerable expansion of government in state walfare, in the power of trade union and business monopoly and also the threat of the reality of inflation. That's why neoliberalism came to have a much wider meaning than the one intended by Hayek and his followers.

Despite its resemblance to liberalism and laissez faire, neoliberalism also contained important elements not present in earlier forms of liberal thoughts. Recent researches on the issue show clearly the antagonism between neoliberals and classical liberalism perceived as an excess in laissez faire (Hayek 1979).

Discussions on the issue focused on the existing policy endeavored by some politicians to rule their countries instead of its origins of past effects. The only efforts done to trace back the history of neoliberalism, so as to leave a trace or a memoir for future scholars, were to report the facts in relation to the 1930s or the 1940s. Those about the ideas, which stimulated early neoliberals in addition to the changes this concept underwent through time. Neoliberalism has never been treated as a historical phenomenon[*]; all the debates about neoliberalism considered it as a political and economic fact..

[*] At the exception of Thomas Picketty, the French economist author of the bestselling book Capital in the Twenty- First Century (2013). Picketty research and works in economy are taken under a historic and statistical

However, the history of neoliberalism can be resumed to two opposed interpretations: The first one is the confidence of its supporters in its success, as it was praised not only by intellectuals and political participants who supported it but also by some historians and social and political scientists. It was glorified by British Think Tank[7] in the reorientation of macroeconomic policy in Britain during the post war period.

In the United States, this myth was fostered by some intellectuals like George Nash who perceived this new political trend as the American New Right[8] and the fusion of different trends of American conservatism. The memoirs left by scholars and also by colleagues of neoliberal rulers as Margaret Thatcher and Ronald Reagan, their autobiographies also exalt neoliberal policy. Neoliberalism permitted to economists, politicians and also historians to witness a remarkable transformation in the political scene, not only at the level of Conservative and Republican but also at the level of narrow party affiliation.

The triumph of neoliberal ideas was much more than the success of Thatcherism or the New Right, the change in economic policy came as a breakthrough with the previous prevailing economic conditions leading to rising faith in free markets. Much of the historiography makes a direct link between the economic chaos and the conversion to a new ideology put into practice by Reagan and Thatcher policies since the 1980s. Many conservative commentators and liberal observers agree that the Democratic administration in the US and the Labour one in the UK failed in adopting key policies, and their efforts to remedy the situation were erroneous. Yet success and failure of any neoliberal political project needs a more profound analysis and research.

The second interpretation of neoliberalism, is that it is perceived by its critics as nothing more than empowering the United States policy over the whole world. This view is backed up by what happened in Chili in 1973[9], where power was illegally seized by the General Augusto Pinochet and consequently torturing the poor population and the developing world. In Chili, the application of the Chicago School economists vision of pushing a

approach. His works regard the link between capital accumulation and economic growth over a period of two hundred fifty years.

[7] A body of experts providing advice and ideas on specific political and economic problems

[8] The New Right refers to a movement in the late 1970s/ 1980s onwards; it's a liberal National coalition which advocates economically liberal and socially conservative policies.

[9] Following an extended period of social unrest and a strong disagreement between the Congress of Chili and the socialist President Salvador Allende, in addition to economic warfare ordered by US P0resident Richard Nixon. A government overthrown was organized by an armed force which put the country under military control leadind to Military Junta Government led by Augusto Pinochet

disastrous market obligation, imposed later by the IMF through the "structural adjustment" policies, with the support of the World Bank and the U.S. Treasury Department (Rapley 2004).

Ronald Reagan once said:

> *"Government's view of the economy could be summed up in a few short phrases: if it moves, tax it. If it keeps moving, regulate it, and it it stops moving, subsidize it"*

Much that concerns neoliberal policy and political philosophy has not been taken seriously by historians. The amount of criticism of this ideology puts it into question. How could Republican and Conservative parties bring it to success among electorates in the U.S and Britain? The assessment of neoliberal policy in Britain is left to be debated in chapter four.

III. A Historical Background to Urban Policy in Britain before 1979

Urban Policy in Britain after 1980 appears to be a response to the socio-political and geographical contradictions of the pre-Thatcher era. In the aftermath of the Industrial Revolution and state experimentation resulting in different policies and programme. The urban problem, mainly caused by industrial decline, in Britain became increasingly apparent. British cities, therefore suffered from social disorder, welfare dependency and above all a high rate of unemployment and low economic activity (Harding, 1988).

Since the 1970s, Construction of new housing has been decreasing steadily despite population growth; the UK's planning system was the main cause for affordability crisis especially in London and the South east of the country. By the end of the 1970s, a new urban policy based on an intense economic restructuring; with the idea of a modernizing project by providing cities with a strategic role. This is a general agreement among scholars which consists in considering that the emergence of the neoliberal city in England dates back to the 1970s, when cities started to experience major profound changes (Harvey 1989).

This change had been stimulated by the industrial crisis that became increasingly visible throughout the 1960s and the 1970s, which in itself questioned the efficiency of Keynesian principles and theories which were shaping the political environment since the post-war. As it has been shown by some pro-regulation economists, the period between 1945 and 1975 was

marked by a particular relationship between economy and the state leading to an exceptionally stable accumulation regime* (Agulietta 1977).

This policy was particularly based upon a complementarity between production and consumption permitting a productivity gain sharing. The central argument for neoliberals to demonstrate that this relationship was mostly relaying in its functioning on state policies, by enhancing economic policies encouraging productive investment, social policies and redistributing. In other words Keynesian policies were intended to limit unequal social and economic development (ibid). The policy of that period was described as a form of socialist public policy.

During this period, cities didn't have a real determinant role in the economy. Their share of manoeuvre was weak given their full financial and political dependence on the state (Harvey 1989). Urban policy in Britain has gone through different stages. Many urban initiatives by central government took place, notably the creation of cities and towns. However in the first two decades after the war, the government was not really aware of the social and economic problems in urban areas, as London was not particularly affected (Tickell 2002

1. Post War Planning Policy

British cities, mainly London, didn't wait for the coming of neoliberalism to mark an unfair and unequal distribution of resources. Engels description of the British urban environment had already mentioned the extreme inequality shaping the urban Londonian landscape, which has been remarkably transformed due to industrial advance (ibid). The maps made by C. Booth some years later show the enormous disequilibrium because of the unequal social and economic geographical development scale prevailing since 1945 (Topalov 1991).

For a better understanding of the history of British urban policy and planning, one must take into account the effects of World War II, and the enormous destruction of urban areas. Thus, the first priority after the war was the housing problem, i.e. the reconstruction and rebuilding of what had been destroyed during the war (Atkinson 1995).

* After the Second World War, Britain; though victorious, but was at bankrupt. Reforms concerning health, education and transport led to the rise of prosperity and living standards. Thought the desperate economic situation of the country, the Laborers in the late 1940s then the Conservatives in the 1950s could keep on with the changes at the international level. The discovery of the North Sea oil could ease the financial situation. After 1970, the loss of heavy industries like coalmining and shipbuilding because of deindustrialization led to a slow growth, but London remained prosperous and kept a leading financial role in both Europe and the world.

This period was a particular time in the history of planning in Britain, as it awakened great optimism about planning, and indeed, several areas of planning were opened up. The objective was to remove urban congestion and to relocate population to suburbs and new towns (ibid). That was a policy of dispersal intended to allow a redevelopment inside the cities and the creation of new ones at lower levels with land use density.

This policy was closely linked to the economic disaster that the country was experiencing after the war especially in peripheral areas, where the only available occupations were shipbuilding or mining. Consequently, British official planners had no option but limiting the growth of London metropolitan area and to have economic growth diverted to other parts of the nation. The objective was the achievement of welfare and of full employment (Gunn 2005).

To reach this target, the adopted policy was put in a series of laws passed by Parliament in the decade after the end of the war. The major traits of the strategy adopted in early post-war period were to: Limit the growth of London and a few other major cities. Preserve as much as possible of Britain's remaining farmland and countryside. Strengthen the economy and prevent population decline in lagging outlying areas (Callingworth 1993).

The application of these objectives suggested by the national plan was to incorporate three main elements (Hall 1992):

1. A system of green belts surrounding London and other major cities.
2. The creation of new towns.
3. The use of subsidies and regulations to divert economic growth from London to lagging areas of the country.

Using subsidies and regulations to divert growth, which represent the last element, was not really successful. According to some historians, this is because this policy was basically implemented to manufacturing, and even when extended beyond it businessmen evaded the rules and restrictions; the fact which led to the failure of this policy. However, elements one and two cited above, were energetically and strongly applied leading to a changing face of Britain (Harding 1988).

The greenbelt was thought of because of the serious problem of food dependence in which the country was laying during the war. Britain imported four fifth of all the food consumed, and so it was important to preserve the nation's agricultural potential (Levy 2009). *The Town*

and Country Planning Act of 1947 made this into practice up to this time. The landscape around the route from the city of oxford to the city of London, located 40 miles to the east, resembles to countryside seeing. One may see green fields and woods, despite the densely developed metropolitan standards of the two cities. There is no transitional area between the city and the countryside at both ends of the route; one may be passing directly from pastures to a dense urban environment (ibid).

Obviously, the Town and Country Planning Act blocked the development of market forces by forbidding new development of markets in the green belt areas; it only permitted the remaining of those that already existed. Those landowners who lost the potential development to their lands were given a limited amount of compensation. But the parliament issued a law upon which it based the relationship between landowners and the government, its main interest was that land or property owner didn't have the right to benefit automatically from the increase of land value, nor the right to receive compensation in case he is prevented by the government to make a direct profit from the land. The basic green belt plan objectives were set through ups and downs; this policy went through for the six decades after its announcement (ibid).

The question to be asked here is: since the area supposed to hold houses was made a green belt, where was the population diverted?

Part of them remained in the already existing urban centres, the idea of "Town Cramming"[10] was applied there, procuring the use of every parcel of land and a denser development in the town. However, that was impossible to achieve without harming the green belt principle (Merlin, 1971).

Another part of the population whom the green belts changed the direction was housed in new towns. In the period from post war to the end of the end of the seventies, more than 30 new towns were created in Britain (Hall 1992). The decade directly following the war witnessed the creation of towns around London and in the inner areas of the country. After 1960, other cities were created so as to release density over some urban areas. This came out with the building of nearly 700.000 housing units and the sheltering of a population of nearly two million (ibid). The only drawback of this policy was to create long distance commuting.

[10] Town Cramming: to localise new housing supply and business locations in already urbanized places.

Urban Policy in Britain was implemented thanks to the British system of central government strongly controlling the relatively weak local authorities. This fact led to easily build new towns. The process was realised thanks to an Act of Parliament in 1946 named the New Towns Act, and put into practice by a group of directors appointed by the Minister of Town a Country Planning (Harloe 2001).

To bring all this into reality an administrative crew was responsible for making the planning on the land acquired so as to undertake housing, plans commercial and public premises and the infrastructure necessary for cities (Merlin 1971). The power granted to local government was minimal and the supreme strength was in the hands of the directors appointed by the Minister. Consequently their wishes could be overruled by their hierarchy. The money to secure such an expenditure was granted by the government relaying on subsidies arrangements (ibid).

Another source of money apart from the one of the national government was provided from the rent or the sales of property in the new towns themselves i.e. in the newly built towns. The commission responsible for building cities owned much of the land on which the structure was built; consequently the commission could save money through rent or sale of properties from time to time. This money was in turn used to pay the loans invested in the creation and development of these towns (ibid).

The new created towns aimed at a population of 30.000 to 60.000 ranges, though there are towns with larger population (ibid). The advantage of having a large size of population was to enlarge the economic activity; the town would be much more than a bedroom community (Levy 2009). At the same time, the planners didn't want the size of the town might be not very large in the order to have economic and business centres close to homes.

The creation of these towns was closely linked to the ideas of Ebenezer Howard, a British planner, who was among those who influenced the history of planning. His vision of the city was the matter of very inspiring several research works, seeking to solve problems and to improve the existing pattern of cities and the restructuring of the form of human settlement in his book Garden Cities of Tomorrow which appeared in 1902 (Howard, 1970).

The level of density and congestion in addition to pollution that the city of London reached after the war urged the government to find a solution. Of course, there was no option apart from diverting the population into other areas and new urban centers. Usually and by laws of

nature people move from the countryside to cities because of economic and social reasons leading logically to congestion of those cities and so, more stress and less tranquility. Creating new towns was the only solution permitting better environment and healthier cities without neglecting the economic and social advantage to preserve (Levy 2009).

Howard attributed the reference "garden" to these new towns to be created, and suggested a general design to them: on an area of 6000 acres (equivalent to nearly 25000km^2), the urbanized part would be of 1000 acres (about 4000 km^2) on a diameter of 2100 km. Public buildings would be spread over the central area and represent the core accessible through redial boulevards. These public buildings have to be ringed by commercial and industrial activities. It is important that the establishment of these activities come to enclose the centre in a circular direction to link the city to the other neighbouring cities. The agricultural area would come around the urban area. The city created was intended to be very comfortable in the sense that people who live in it wouldn't be confronted to heavy traffic and long commuting (Hackworth 2007).

It was very important for the "garden" to have enough economic activities so as to get the majority of its residents included in the economic activities. As it was previously mentioned, the total population of the city according to Howard has to be around 30.000. Howard views of the new towns design were welcomed by the majority of planners and architects. The American Lewis Munford wrote about the new cities as conceptualized by Howard:

> "It should…be large enough to sustain a varied industrial commercial and social life. It should not be solely an industrial hive, solely an overgrown market, or solely a dormitory; instead, all these and many other functions including rural ones, should be contained in a new kind of urbanization to which he applied the slightly misleading name of garden city. Howard had no thought of a return to the "simple life" or to a more primitive economy; on the contrary, he was seeking higher levels of both productions and living. He believed that the city should be big enough to achieve social cooperation of a complex kind based on a necessary division of labour, but not so big as to frustrate these functions as the big city tended to do even when viewed solely as an economic unit….a city, no matter how well balanced, can never be completely self contained. He pointed out that in a group of garden cities united by rapid transportation each would have facilities and resources that would supplement those of others; so grouped, these "social cities" would in fact be the functional equivalent of the congested metropolis" (Munford 1986).

Howard's idea about new cities plan was that these cities didn't have to be isolated and the creation of other cities around was imperative. Concerning ownership of the land and as it was hinted to earlier, the land property according to Howard didn't have to be in the hands of private owners; that would necessarily lead them to develop it as much as possible without

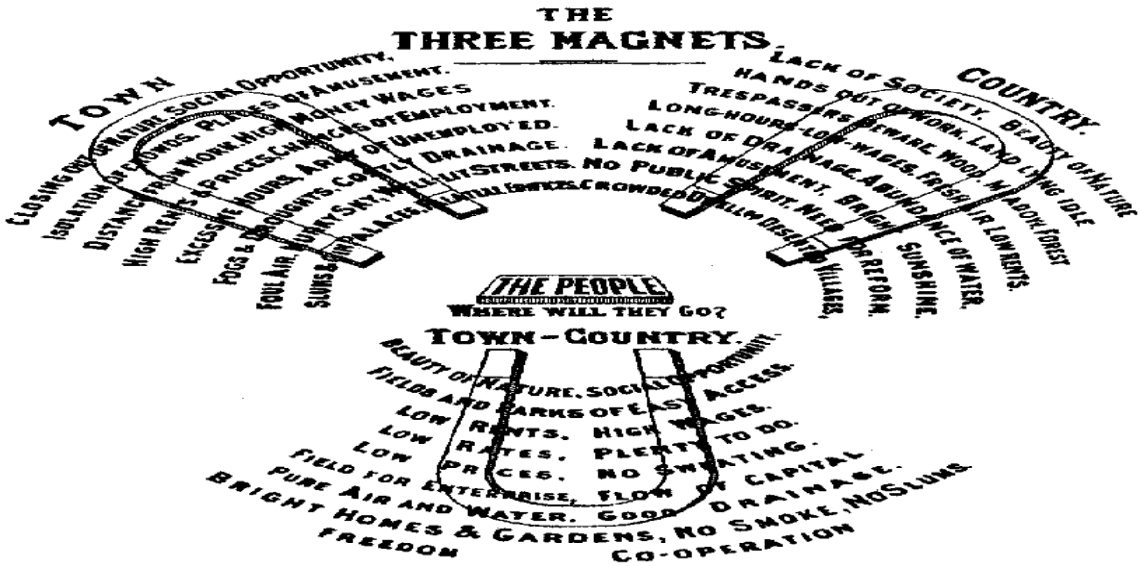
caring of the alteration this would have on the rest of the community (ibid). That's why in his plan was the idea to make the land profitable to the municipal treasury.

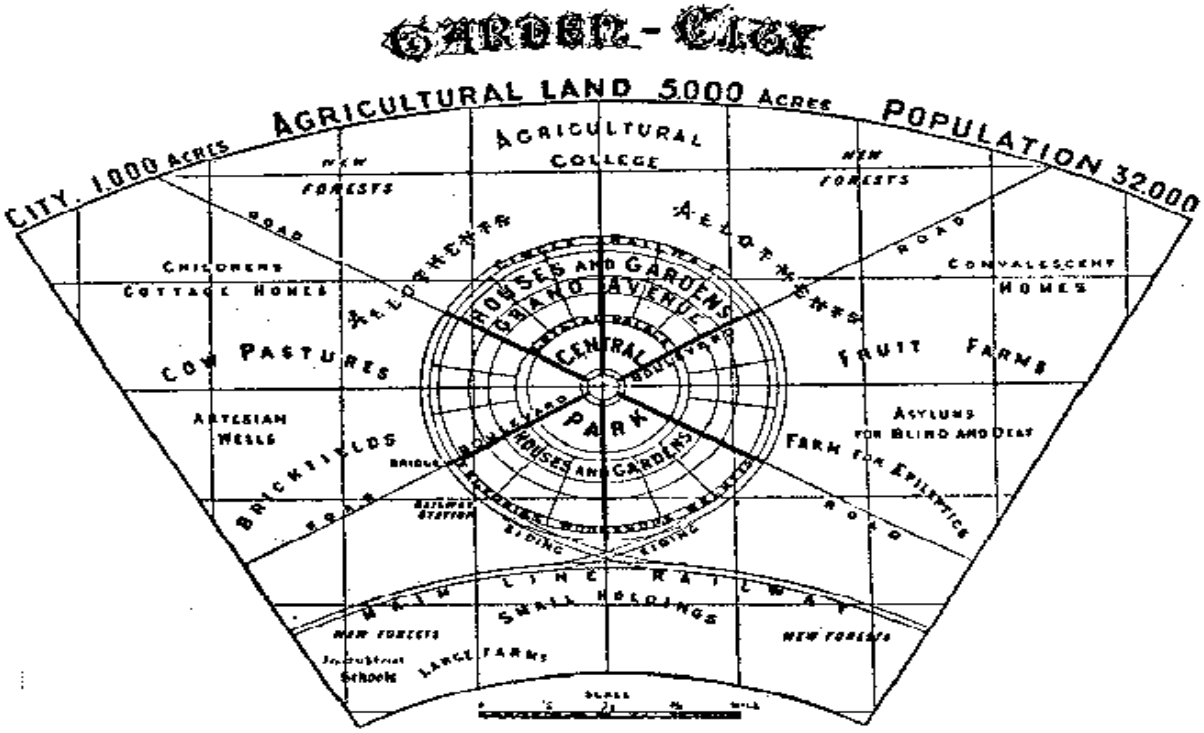
Howard's plan seemed very pragmatic and rewarding. Thanks to his views, ideas and plans many cities were created in Britain, the U.S and elsewhere. Letchworth is among those cities, it was among the first trials of his views, and it was created around London in 1903. F.J Osborne, among the New Town Movement leaders after Howard, stated about it in 1945:

> "For Letchworth was, and remains, a faithful fulfillment of Howard essential ideas. It has today a wide range of prosperous industries, it is a town of homes and gardens with ample spaces and a spirited community life, virtually all its people find employment locally, it is girdled by an inviolate agricultural belt, and the principles of single ownership, limited profit, and the earmaking of any surplus revenue for the benefit of the town have been fully maintained" (Howard 1970).

Britain's first town planning was created in 1909; the Housing Town Planning & C. Act didn't prevent it. However, the newly created areas were more resembling to suburbs and extension of existing cities. During the interwar period some attempts were made, and the problem of urban concentration was discussed by the government presided by Neville Chamberlain (1919- 1921) coming out with the restriction of further industrialization in London.

Other trials during the 1930s, the real new plans for London to address the issue of relocation didn't come until post-war period. The study for the establishment of new towns was accomplished within eight months resulting in the establishment, development organization and administration of new cities. Thus the New Towns Act 1946 followed by Town and Country Planning Act 1947 facilitated the creation of new urban centres in a total number of 28 new towns to be created in the next half century. In this work two towns have been chosen to be described North Burck 1965 and Milton Keynes 1967.


THE
THREE MAGNETS
TOWN
COUNTRY
THE PEOPLE
WHERE WILL THEY GO?
TOWN – COUNTRY.


GARDEN-CITY
AGRICULTURAL LAND 5000 ACRES
POPULATION 32,000
CITY. 1000 ACRES
AGRICULTURAL COLLEGE
NEW FORESTS
CHILDRENS COTTAGE HOMES
CONVALESCENT HOMES
COW PASTURES
FRUIT FARMS
ARTESIAN WELLS
BRICKFIELDS
ASYLUMS FOR BLIND AND DEAF
FARM FOR EPILEPTICS
HOUSES AND GARDENS
CENTRAL PARK
MAIN LINE RAILWAY
SMALL HOLDINGS
LARGE FARMS

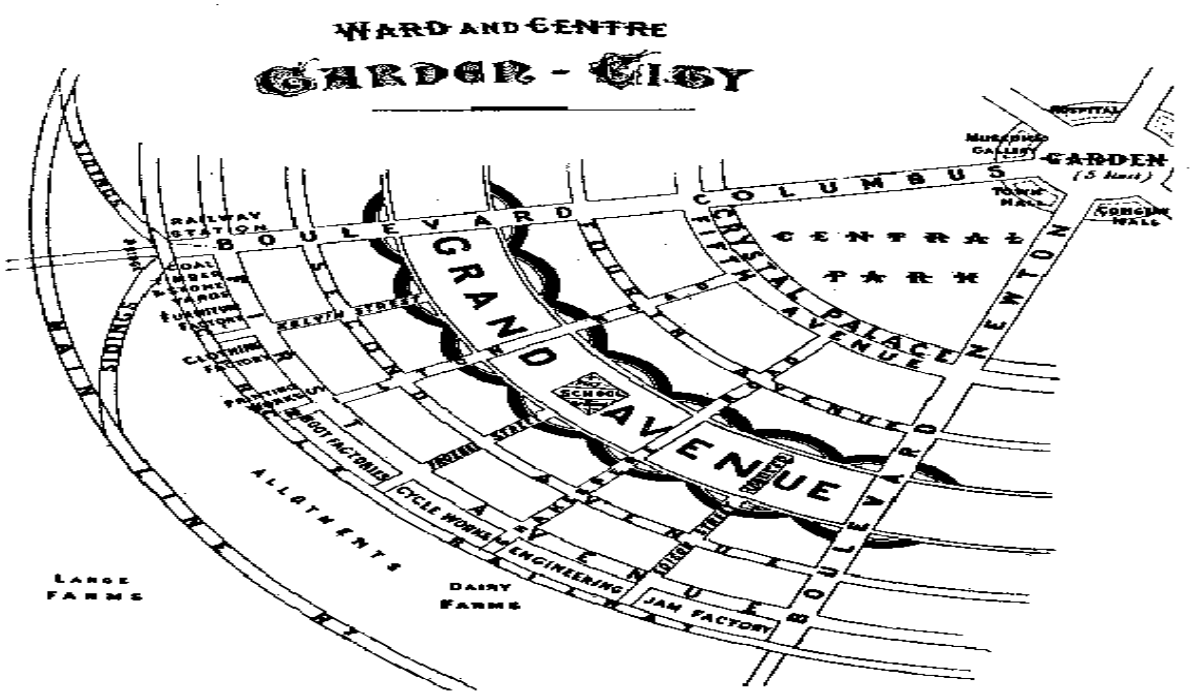


Figure 02: Plans of City Growth as proposed by Howard.

Source: Garden Cities of to-Morrow (London/ Faber and Faber, 1946, 50-57, 138-147.

Obviously, the most important event which characterized the British urban policy after World War II was the green belts and the new towns. The disastrous urban conditions in which the nation was left after the war pushed the government to accelerate the process of rebuilding the nation. Thanks to slum clearance and new towns creation, the face of Britain was redrawn again.

2. Urban Policy in Britain Prior to the 1970s

Howard concept of the city revealed to be not that much efficient, some dissatisfaction was noticed especially at the economic level; especially that the creation of these new suburban centers and new towns sucked jobs and incomes from old inner cities, leaving those who lived there out of the participation of the economic activity and by so participating in the general prosperity of the nation (ibid). This depression in inner cities, caused by regulation and heavy taxation led to some revolts and had a bad effect on the economic development of Britain which was slow compared to other surrounding nations (Harloe 2001).

The situation of Britain as a sick man, and the deterioration of the living conditions in the inner cities because of unemployment and heavy taxation were due to the distinction

between regional policy and strategic planning. At that time, neoliberal ideas and principles seemed to be the magic solutions to what was happening (Harvey1989).

In the *Capital*, Karl Marx focuses on the process of human labour leading to the idea that changing the world around us is one condition to changing ourselves. In other words, the necessity of the environment that surrounds us is of a vital importance. The two British geographers Jamie Peck and Adam Tickell, in fact have identified two major periods in the neoliberalisation process. The rollback during which the government deseeded the inherited institutions (communist ruled economy), Thatcher and the roll out in which the government tries to repair the chaos of the previous phase without neglecting the institutionalization of the trends which appeared in that phase to be used for that new policies and instruments (Lascouma and Gales 2004).

The coming of Labour to power in 1964 saw the motivation of creating new towns and the second New Town Act in 1965 came as an expansion to the first of 1947 and the state remained sponsoring urban planning responding to population increase (Ministry of Housing and Local Government 1964). Milton Keynes City, this town created late in the 1960s as a result to new post war urban planning policy. The town was intended to improve the quality of housing in the nation. Pre-war garden cities as Letchwort and Welwyn Garden City were described as welfare states, self contained with all the required amenities for a descent healthy life, and as an ideal urban rural environment (Hall & Tewdor 2011).

Milton Keynes was designed on January,1st, 1967; halfway between London and Birmingham on a surface of 885000 Km^2 and with a population of 250.000. This town raised much controversy within environment and planning scholars and the government. Milton Keynes was conceived with the aim to provide its residents with more freedom of choice, the plan was decentralized including industrial, social and commercial facilities all over the designed area (MK Development Corporation, p12).

This approach was summed up by the chief planner Lord Levelyn Davis as follows:

> "The future is rather indeterminate…in planning of this sort of cities. It's futile to make guesses. You have to design a city with as much freedom and looseness of texture as possible. Don't tie people up in knots" (illustrated London News 1970)

Figure 03: Milton Keynes

Source: guettyimages.co.uk

The economic situation in Britain worsened especially under Edward Heath's Conservative government with rising inflation and industrial crisis (Turner 2008). The situation was temporarily stabilized with the labour government after 1974, the national economic decline was obvious and the IMF[11] loan stabilized the decreasing value of the pound (Moran 2010). This led to the abandonment of the objective of full employment, cuts at the level of budget and the costs of living, the situation became even more chaotic leading to stricken riots and the policy adopted by the government at that time prouved unsuccessful. The reputation of the labour party was seriously damaged because of this boiling population willing for a radical change. Keynesianism was then insufficient to remedy the situation.

North Bucks New City was supposed to represent an achievement for British planners who were given the opportunity to turn designs into realities. Between 1947, year when the New towns Act was promulgated, and 1950 fourteen New towns were created. However, they were modest compared to planners and architects ambitions. During the 1950s, only one new town was created; the conservative government preferred the existing cities to be expanded instead. The end of this decade witnessed a new round of new towns and then in the following decade (1960-1970) the number of new towns realized doubled with a new conception and design, still influenced by the ideas of Howard and Le Corbusier (Harding 1988).

[11] International Monetary Fund

The new towns were with glamorous shopping centers and design destined to high density population. The only problem that worried the planners was the recent increase in car ownership, they wanted to avoid congestion. The previous new towns created were living in traffic jam because those cities were not accommodated for such numbers of cars like Cumbernauld (1955), Runcorn (1964) and Washington (1964) (Kargon & Molelle 2008).

It was in this context that North Bucks New City was created by the Buckinghamshire UK Conty Couriel's architect and planner Fred Pooley. The specificity of this town the public transport system which was Fare Free for the users called "The Monorail". In May 1965, the project was frozen and put on the shelves unfortunately for Pooley and his team; in October 1967 Milton Keynes was created. Pooley and his follower Bill Barrett didn't give up and carried on for more than three years, they located and site for their city and conducted transport feasibility studies, realized models of monorails, visited active monorails abroad and negotiated with councils and ministry and organized more than a hundred of public meetings (Gold 2008).

Cities were living an intense will for a change and the ministry of housing was receiving hundreds of proposals for city redevelopment, making an enormous impact upon the nation's urban landscape (ibid). Compared to previous decades, fifteen plans where received in 1959, seventy in 1963 and more than 500 in 1965 (Mandler 1999).

Pressurized by the increasing population and the increasing car ownership threatening to overwhelm the countries towns and villages and also by the parallel programmes in other cities around and in Europe; the British government had no option but to think of the creation of new towns. Effectively on January 1962, the possibility of a new city in North Buckinghamshire started to be explored. The reports published by Buckinghamshire County Council's department of architecture and planning posed the problem of population congestion and encouraging the idea of monorail city for 250.000 residents; the plan of what was going to be North Buck New City was developed by Pooley and his team in the next two years. (Pooley 1975) Pooley plan was genuine as it was innovating in the urban form so as to release traffic congestion[12].

The traffic congestion was causing a general thrombosis and accidents leading to a challenging alterability to the face of Britain (John M. Levy 2009). This automobile triumph

[12] The number of motor vehicles in Britain doubled between 1950 and 1960. From nearly 4500.000 to more than 9000000, so that in the early 1960s, the nation was referred to as " A car owning democracy"

required a re-imagined city responding to its success (Review of Developed Plan 1963 CBS. AR 178/198, NC.7). From September 1962 onwards many reports were published to develop more these ideas, and the monorail started to pave its way into reality[13].

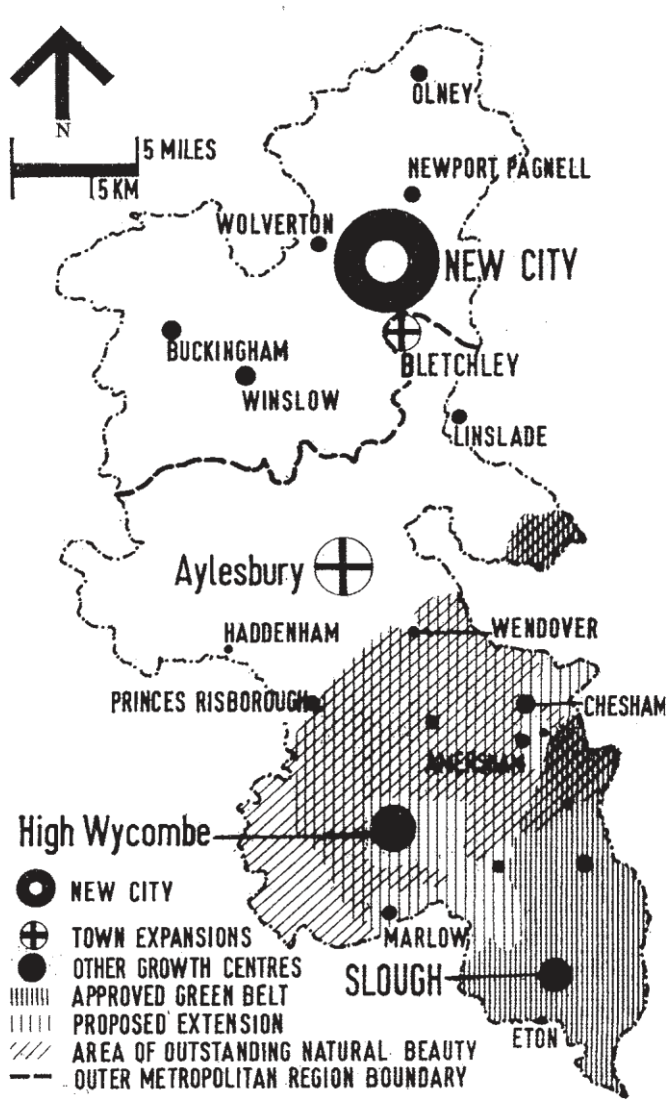
In his description of the city, Pooley stated in his report:

> "The city would be large, but built to human scale: In addition to each home's proximity to a station. No station would be farther than a fifteen minute journey to the centre. Children could cross safely beneath the tracks without dodging the traffic, while elevated foot paths, in the city centre would separate pedestrians from traffic below. This system would save more than seven million miles of car journeys per year" (North Bucks New City: CDA and designation: 2 report p.6).

Figure 04: Monorail in London

Source: guettyimages.co.uk

[13] Strings of beads were put as for schools, shops, clinics leaving spaces for parks and would be free of ticketing.



Map 1: Map of Buckinghamshire, showing the greenbelt bordering London in the south, and the new city's location between Wolverton and Bletchley in the north.

Source: Reprinted from Fred Pooley, North Bucks New City (Aylesbury, 1966), p. 9, by permission of the Centre for Buckinghamshire Studies.

By the end of 1963, Pooley's proposal became public and in January 1964, the study was submitted to the County Planning Committee. For one day and a half later, Pooley was defending his dream of building a city with a monorail at its centre (Pooly 1974). The new cities created were to be socially diverse, including all classes of workers and coping with immigration from the Commonwealth, luring them by the promise of attractive comfortable homes. However, the Commonwealth Immigrants Act of 1962 restricted immigration and the colonial office was informed by the Ministry of Housing that immigrants had no right to housing and employment plans (K. Lightfoot –Ministry of Housing- to M.Z Terry –Colonial Office-, 21 January, 1960, The National Archives, CO 1031/3927).

In May 1964, the proposal for North Bucks New City was formally approved by the Buckinghamshire County Council. The ambitious proposal was attracting both public and state enthusiasm and no single council seemed to object it. The plan was given many names by the journalists like "City of the Future" and others (Levy 2009). However, bus companies response was not positive and warned of monorail problem that may happen and suggesting shipping people to Australia instead of North Bucks (ibid).

Farmers also objected the plan arguing their protest by the pending loss of agricultural land. But the Ministry of Housing of the time Richard Crossman declared on January 1965 that the prospect of a new city was a magnificent concept (Parkinson, M., 1994). In May 1965, the project was shelved again despite the colossal efforts of Pooley to bring it into reality instead the new town of Milton Keynes rose in 1967.

In its preparation to a prosperous economy route, the city was at the centre of the British government policy. The vision provided to the city was fantastic laying on three commercial plans. It was supposed to be, as described by Professor Cyril Northcote Parkinson.

> "A fantastic city with commercial traffic below, passenger cars in the middle, and pedestrians above; tall buildings in the centre would be connected by bridges at the thirteenth floors all overlooking a picturesque lake. Visiting tourists, stuck by the achievement, would wonder what a nation capable of such a feat might be able to offer their own countries, export of urbanism woulkd offer Britain both domestic prosperity and international standing"[14]

He carried on declaring: "A new city, newer than Brazilia, better planned than New York, more convenient than Paris, would do more for British prestige than a score of misguided missiles or a dozen failures to reach the moon."[15]

North Bucks New City and Milton Keynes were an attempt to rethink the city and starting a new phase in British urban history.

3. Urban Policy During the 1970s

During the 1970s new expectations appeared, though much had been accomplished in the previous decades. The country was changing politically and new voices rose calling for the abolition of what has been called "the welfare state" and for retiring power to the state and giving it to markets. Urban planning policies always change according to the new political

[14] R.Sharpe, « A City of the 70s. CBS. AR 178/1981. The plan outlined in Pooley, North Bucks New City, Aylesbury 1966)
[15] ibid

trends followed by the government; the last two decades of the twentiethth century witnessed a big change in urban policy.

Urban policy of the 1970s was meant to address four major problems:

- The increasing urban poverty.
- Housing needs.
- Job-loss in the inner city areas, low income earners and unemployment.
- The concentration of racial minorities in major central centres.

The significant change after post war policy was the shift from physical redevelopment to the emphasis on urban poverty and economic revival.

> " Main stream urban policy, including housing, planning and industrial location were in principle to be linked to inner city decline for the first time and the post war policy of dispersal while not discarded, was accorded lower priority than ever before." (Barrekov et al., 1989)

The government then started to give more importance to inner cities, this was with the 1977 white paper: Policy for the Inner Cities. In order to regenerate those deprived inner areas a revision of the urban programme was imperative, the strategy followed was the initiation of the Partnership Programme (Lawless, 1989). To reinforce this strategy an other Act was promulgated in 1978, The Inner Urban Areas Act it's issue was to expand provisions of funds to private companies in conjunction with the urban programme and the government's mandate for economic regeneration.

With the partnership programme seven distressed urban areas with considerable decline were targeted: The London Docklands, Hackney- Islington, Lambeth Newcastle- Gateshead, Manchester, Salford, Liverpool and Birmingham were the areas concerned by this experiment. This approach was criticized at the level of funding distribution and management of partnerships also.

Figure 06: London Docklands in the late 1970S.

Source: Royal Docks website, 2000

The first objective of the partnership was to manage and direct the resources and efforts of all the parts involved in it in the areas on inner city, which were really in a critical need of redevelopment. Private investment initiated as a new approach for redevelopment in the late 1970s, it could obtain significant capital guarantee of more regeneration initiatives in the following decade (Lawlass, 1999).

Some scholars suggest that what has been called regeneration and restructuring of urban policy is nothing more than the continuity of capitalistic political decision making. Capitalism has always been present and the regeneration of the late 1970s had only a marginal impact on local economies of different cities in England. This fact induced a social disorder in the form of social riots which are always linked to poverty inequalities and social polarization. At this level, some questions need to be asked: What kind of city people would like to live in? Is the change necessary? Are the people conscious of transformation legacies? How did the new government remedy to the chaotic situation of the country?

Our understanding of the concept and the process of its application will be enhanced by its application in the location that dominate most narratives about it in the UK, emphasizing on its significant impact on cities conception and physical appearance. Our assessment of the ideology implement would be based on Gramsci's point of view linking identity to apparent differentiation as well as diversity under the apparent identity. Moreover, the story of neoliberalism genesis worths to be reassessed as till now its significant impact on our societies and identities is felt and how the role of cities and urban spaces in the functioning of societies and economies today.

Conclusion

Neoliberalism is perceived as an alternative policy agenda to replace great society liberalism, British social democracy and Keynesian economic policy. It represents new approaches to macroeconomic management and the deregulation of financial markets and industry.

Neoliberalism appeared as a new trend in economy and started to come to the surface by the end of the forties when liberal thought started to be considered more suitable and to show the failure of Keynesian theories and principles based on the classical theories of Karl Marx. The concept of neoliberalism proved difficult to define given its conceptual flexibility and can be adapted to other doctrines like Liberalism, Conservatism and even Labour Socialism. The concept advocates personal freedom and supported free market principles with a restricted intervention of the state. By the creation of the Mont Pelerin Society F.A. Hayek wanted to engage in a battle to put an end to state control over business and centralized state planning.

In the US, the concept also appeared in post war period the possible alliance with the Soviet Union even after the war raised susceptibility within the liberal think-tanks who decided to enhance their power. Milton Friedman took the responsibility to make the intellectual entourage aware of the dangers of state interventionists and a mixed economy.

Much ink has been spilled over neoliberalism led to its adoption by the end of the 1970s in both the United States and Britain with a strong will to reform and change. Margaret Thatcher, who was elected British Prime Minister in May 1979, was determined to abandon Keynesianism and give a new breath to the British economic policy by dismantling the welfare state and enhancing a policy of privatization of public enterprises, encouraging entrepreneurial initiatives and creating a suitable environment for foreign investment.

The influence of the implementation of neoliberal policy was very obvious in the city conception; it resulted in big changes and alterations at the level of urban planning and house building conception due to the new way of business and commerce management. At the same time, through the readings to accomplish this piece of work, it is obvious to the researcher that all what has been written about neoliberalism is critical as the ideology that emphasized as class interest making the poor poorer with the spread of economic liberalism. This policy has been accused by many scholars as being in a close relationship to the different financial crisis all over the world and of being the reason of the international economic collapse.

Neoliberalism has been put guilty of being the direct reason for disintegrating the collective identity and promoting individualism. Is the concept of neoliberalism becoming an obstacle to the understanding of the twenty first century reality?

One of the reasons that motivates for the challenge of studying urban regeneration is that it can't be isolated, it is interrelated with many social phenomena and reveals the dark side of capitalism through the myth of neoliberalisation. How was this neoliberalisation accomplished during the conservatives' governing? This is what is supposed to be treated in the coming chapter.

Chapter Two: Neoliberalism and the City: Neoliberal Urban Policy in England from 1979 to 1997

Introduction

I. Neoliberalism and the Remaking of the City.

II. Neoliberal Housing Policy: The Housing Improvement Programme (HIP).

III. Neoliberal Policy and Redevelopment of Cities during the 1980's:

1. Urban Development Corporations UDCs
2. Enterprise Zone.
3. Urban Development Grant (UDG).
4. City Grant.

IV. Neoliberal Urban Regeneration Policy during the 1990s:

1. City Marketing or City Challenge Fund (CCF).
2. The Single Regeneration Budget (SRB).
3. Private Sector Involvement in Provision (Partnerships).
4. Competitive Bidding.
5. Management of Commercial Areas (Policy of Zoning).
6. Property-led Regeneration Development Policy
7. Gentrification.
8. Regional Development Agencies (RDA).

V. Urban Development by Attracting "The Creative Class" and Economic Development Incentives.

VI. The Increase in Central Control and the Conflict over Finance.

1. Financial Conflict.
2. The Increase in Central Government Control

VII. Urban Neoliberal Policy: Justice or Injustice?

Conclusion

Introduction

Without doubt, cities are on the rise and have a strategic role in the contemporary remaking of political economic space because they are taking advantages of the opportunities of the globalization process. Since the great depression, monetarism, deregulation and market based reforms were the ideas to which politicians and civil servants turned to in order to address the biggest economic crisis. Cities experienced profound transformations of the urban model; they represent different governmental interest and culture. Among the prominent researchers in the field of urban sociology and urban political economy, Patrick le Galès he argues that new modes of urban governance are emerging giving the opportunity to cities to become collective actors within European and even global governance (Patrick le Galès, 2002).

This is therefore a timely opportunity to investigate the reasons for this shift to neoliberal ideas and how these ideas came to dominate politics in Britain in the last quarter of the twentieth century. The chapter reviews the origins of conservative urban policy and assesses the impact of a decade of conservative urban policy in Britain. Moreover, it focuses on the role of public private partnerships and urban development corporations in the area of regeneration.

During the 1970s, neoliberalism was hailed as the perfect body to fit the opportunities created by the economic and social storms of the period. The advent of the conservative party to government in May 1979 represented a major shift in British politics especially at the level of economic policy mainly characterized by privatization, massive control and overarching programme of authoritative control which was finally rejected by the British people (Le Galès, 2008).

The present chapter is intended to elaborate a description and a critical evaluation of the neoliberal reform projects brought by the tory government since the end of the seventies to 1997. It charts the 1980s urban regeneration and speculates for its impact on the 1990s. It also highlights the neoliberal mutation experienced during the period from 1979 to 1997; the aim is to demonstrate how urban policies were articulated and how theyaffected the social environment.

I. Neoliberalism and the Remaking of the City

As it has been mentioned by many scholars, neoliberalism is the most useful concept to make the connection or the link between political discourses concerning economizing the social life, the welfare state reforms and the complex process of globalization (Brenner, Peck and Theodore, 2010). The main objective of urban planning is funding technical infrastructure, organizing urban housing and constructing central business districts. The need of urban regeneration became imperative because of primarily urban decline. Urban failure is usually linked to poverty, dereliction, and crime showing the strong link with economy. The following table shows the change in different British cities during the twentieth century:

City/Year	1901-51	1951-61	1961-71	1971-81	1981-91	1991-01
Birmingham	**+ 49.1**	**+1.9**	**_7.2**	**_8.3**	**_5.6**	**+0.7**
Glasgow	**+24.9**	**_2.9**	**_13.8**	**_22**	**_14.6**	**_4.7**
Leeds	**+19.3**	**+2.5**	**+3.6**	**_4.6**	**_3.8**	**+5.1**
Liverpool	**+10.9**	**_5.5**	**_18.2**	**_16.4**	**_10.4**	**_2.8**
London	**+25.9**	**_2.2**	**_6.8**	**_9.9**	**_4.5**	**+10.5**
Manchester	**+08.3**	**_5.9**	**_17.9**	**_17.5**	**_8.8**	**_2.1**
Newcastle	**+26.1**	**_ 2.3**	**_9.9**	**_9.9**	**_5.5**	**_0.1**
Sheffield	**+23.0**	**+0.4**	**_6.1**	**_6.1**	**_6.5**	**+2.5**
UK	**+32.1**	**+5.0**	**+5.3**	**+0.0**	**+0.02**	**+2.3**

Table 1: Population Change by Percentage in British Cities during the twentieth[s] Century (Hart & Johnston, 2000; Office for National Statistics, 2002).

After the second World War discussions were about "Reconstruction", this was not only rebuilding what had been destroyed by the war but also destroying the buildings the areas of slum housing which had appeared during the nineteenth century in order to shelter the growing work force. Urban reconstruction was in fact replacing what has been demolished by new roads; state sponsored mass housing and some new infrastructure in parts of inner cities.

The effect of deindustrialization on British cities was disastrous and the loss of huge number of jobs negatively affected life standards in the UK, especially in inner cities. Then, the challenge facing post- industrial cities was fighting the problems of widespread dereliction,

market failure, poverty and low density land use, those resulting in the incapacity to maintain an efficient urban infrastructure. Urban regeneration funding came as a key element to solve the physical, social and economic financial expectations.

The most important form of economic intervention was land- use planning so as to improve the physical landscape of cities. In 1979, the conservative party came to power and Margaret Thatcher was elected Prime Minister, her government focused on the regeneration of city centres, so as to re-establish higher rents there. Central government intervention was essential because of many social and economic problems among which the urban ones. This started with the 1977 Urban White Paper and the Policy for Inner Cities (Department of the Environment 1977). When urban regeneration was launched; thus increasing government funding raised from £ 3m to £25 m per year (Noon*et al*, 2000).

To encourage this Urban Development Corporations (UDCs) were set up in 1980 to reinforce redevelopment in depressed urban areas. To attract investment, the focus was on improving infrastructure and forming a single site of land from many private owners (the process of assembling land packages). In order to run this regeneration, moving from the national level to the local one, organizations were created to function independently from city councils, the fact which revealed the permanent mistrust to Labour views by Thatcher's right wing government; at the same time this shows the serious obstacles faced to realise urban economic growth.

To achieve a more significant development, efforts were focused on specific areas; this approach was termed Areas Based Initiatives (ABI). The assumption or the principle on which this approach was built was the effectiveness of directing a limited fund in a relatively small area instead of spreading it thinly across wider ones (ibid). The benefits coming from the regenerated area would be spread out to the areas surrounding it. This approach showed success in some areas; however it did not prove success in others (Imrie and Thomas, 1993).

What fostered neoliberal policies, was that the modernization and the urbanization of the cities required a big investment. This is the case in cities all over the world, forcing them to compete ultimately. Consequently cities were making their bids according to their ambitions, the success in this contest is guaranteed by the ability of cities to convince private businesses to invest in partnership with their public manager who will secure the approvement and

implementation of the projects instead of being regulators and controlling bureaucrats. In other words, local authorities have to embody an "Entrepreneurial Spirit".

"Entrepreneurialism is a direct consequence of neoliberal policies at the global and national levels. It is also itself an integral aspect of neoliberalism, answering to its central recommendation that public agencies should behave more like private companies" (Segor, 2011). Most of the urban planning policies are entrepreneurial; their aim is to attract both people and business companies to the city. For the sake of economic growth, neoliberal policies spring from the neoliberal belief into competition. This is to show the importance of mobile finance capital and public entrepreneurialism in neoliberalism.

- **What is Urban Regeneration?**

Neoliberal urban policy was intended to attract corporate investment instead of improving the already-built stock of houses. That was called "Urban Regeneration"; initiatives for regeneration were for targeted areas only.

In his book *Urban Regeneration in the UK* (1993) Roberts says:

> " …From relatively modest beginnings in the 1980s regeneration has become a tool applied in almost all urban areas in the UK, accelerating in the past decade in parallel to rapid growth in the property market. Regeneration developed as an holistic term for the economic, social and environmental transformation of run down urban areas…Regeneration as a concept has been somewhat diluted as a result and although the policy rhetoric retains the language of an holistic approach, regeneration does seem to have retreated to having a much greater emphasis on interventions in the built form to stimulate economic growth."

Talking about city transformation is dealing with urban regeneration, that's why it is advisable to start with the set of a clear definition of urban regeneration. The process of adapting what is built with the needs of the area and the direction of the state is referred to as Urban Regeneration. The term regeneration is generally associated with any development happening in cities and towns (Roberts 2010). A city is a "spatial concentration of human economic, social, cultural and political activities distinguished from non urban rural places by both physical aspects such as population density or administrative definition and life style characteristics." (Tallon, 2013) Cities are never finished objects, the urban area sometimes extends and others shrinks. Land uses change permanently and plots are redeveloped. This

change is the result of several reasons which may be economic, social or also environmental or even a combination of all these.

Urban regeneration is a new term which appeared in the 1980s with a particular meaning[1]. This phrase was tightly associated to Margaret Thatcher Neoliberal Urban Policy, the term regeneration was chosen for its moral strong impact, in a sense neoliberal ideas were seen as something much more than a mere development or reconstruction but a healing to all past soul injuries and a radical solution to past errors (Evans 2008, Furbey 1999).

In this respect urban policy differs from urban regeneration. Urban policy is the resolution to urban problems; it links urban areas to urban process and the population who lives in these areas. Basically, a policy represents an approach, and a method. In other words, a practice conducted by a government to rule (Roberts 2000). As linked to environment transition, urban areas are the cell in which the processes that drive the economy are practiced. Therefore, urban regeneration can be perceived as the outcome of the interaction between the economic processes in those areas of management (Cochrane, 2007). In other words, urban regeneration is the improvement of urban areas which have been in decline.

In the introduction to his book *A Brief History of Neoliberalism* (2005), David Harvey argues: "Future historians may well look upon the years 1978-1980 as a revolutionary turning point in the world's social and economic history." He added: "…revolutionary impulses seemingly spread and reverberated to remake the world around us in a totally different image." (Harvey, 2005)

It is impossible to discuss city remaking or transformation and development without having a look at the policy context in which it operates. For the late three decades the political context of urban regeneration in England can be described as neoliberal. This approach was embodied by the thatcherite principles that made it clear that the state could no longer be the primary and sole actor in the redevelopment of cities. What was suggested and implemented was the promotion of private investment, with the state intervening only in case of being a condition for the private sector to step in (Tallon, 2013).

This neoliberal shift took place in an important political context, mainly characterized by the financial crisis of the 1970s. This required direct reaction in the form of the cuts in public

[1] Some sociologists claimed that the term hints to some Judo- Christian notions of rebirth, as its meaning in Latin is rebirth.

spending, as under Thatcherism the public sector was no more seen as efficient. It was perceived inefficient and giving too much power to the unions. In this context, the main concern of Thatcherite urban policy was the reduction of the power of the local authorities, taking the control over spending at the local level and putting aside those labour councils that were hardly battling against hard-left tendencies.

Thatcher government partially bypassed local authorities. They were considered as agents of urban development. The leading role was given to UDCs which represented the dominant policy initiative wishing to make the market more effective as a creator of wealth instead of job opportunities (Dorey, 1999).

As it has been mentioned above, it is impossible to tackle urban regeneration in England without having a look at the policy context in which it operated. It is crucial to show the details of the different urban policies and how this neoliberal context altered city planning. The period from 1979 to 1983 is considered as very significant in the history of British cities. Michael Hestline , who served as a secretary of state at the Department of the Environment throughout this period ushered part-privatization of social housing that largely increased owner occupation by encouraging tenants to buy their houses at substantial discounts thanks to a legislation allowing that. This was among other initiatives that he took as a response to the 1981 riots in the deprived inner cities like Birmingham and Liverpool. Consequently, a series of policy intervention were developed in these depressed areas so as to bring investments and social activities (Roberts, 2008).

II. Neoliberal Housing Policy: The Housing Improvement Programme (HIP)

Housing Policy is considered as one of the most important particularities of the public neoliberal policy of Margaret Thatcher. It was central to the transformation of the society in the UK over the previous three decades. The victory of Thatcher in 1979 elections was the starting point for housing privatization[2]. Because of the conditions imposed by the IMF and

[2]The privatization of public housing was thought of since the nineteenth century, Local authorities were obliged to sell housing thanks to Housing and Town Planning Act. In post –war period huge number of council housing

the introduction of austerity by the Labour government in addition to the capitalist crisis during the 1970s[3]; the advantage was easily given to this neoliberal project brought by Thatcher aiming at challenging the current housing system not only through privatization of the existing stock but also by putting an end to direct state intervention to meet housing requirements.

Before their coming into power, the Conservative Research Department[4] set housing specific policies in the purpose of finding a strategy to bolster the idea of privatization within the wider austerity in which the country was living. Considered as a training ground for leading conservative politicians, the CRD assessed the housing policy of the pre-conservative period:

" How to re-orientate the public sector housing policy to ensure…substantial reduction in public expenditure whilst ensuring those unable to provide for themselves are looked after [and] impetus… to the growth of owner occupation" (Conservative Research Department, 1976:1)

But in practice housing was used as a political weapon to strengthen the Conservatives position and weaken the Labours' one in power at that time (Hodkinson, 2013).

"The Conservative party needs to attempt to negate the existing close affinity of the Labour Party with council tenants. We believe encouragement should be given to tenants ' co-operatives and model tenants' a charter defining the responsibility of local authorities to their tenants should be considered" (Conservative Research Department, 1976:3)

During the first two terms of the conservative government, the public housing system of privatization relied on two mechanisms mutually reinforcing. The first was the selling of council houses to their tenants with reduced prices and other measures, helping them to

were built so as to realize a balance between capital forces and labour and as a response to capital accumulation, so tenants could acquire housing at reduced market prices (Ball, 1982).

[3]The period between 1973 and 1975 knew a big economic crisis in the western world as a whole putting an end to the economic expansion of post war period with high rates on unemployment and inflation after 1975. British economy remained unstable and public services continued to be crippled by strikes in addition to unemployment leading the prime minister of the time James Callaghan to ask for IMF bail of a multibillion so as to recover the ill British economy.

[4] The Conservative Research Department is a part of the central organization of the Conservative Party and considered as a training ground for leading Conservative politics. It was created by Neville Chamberlain in 1929 and is considered as the first think-tank of the right British politics. At the beginning it was the private political property of Chamberlain providing him with contribution to his speeches. After the Second World War, its role became more significant and was then the tool through which the Conservative policy was determined. After the election of Thatcher as a leader of the party, the CRD was in charge of organizing the full policy review. Once in office the CRD was more valued and operated in an effective way by communicating for the party the reasons for the need of a radical political change and explaining its results. It was considered as a very important link between the party and the reforming administration.

become owners, including financial deregulation so as to increase competition in the supply of mortgages (Crook, 1986). This policy is known also as Conservatives' flagships electoral policy, tenants were given the Right To Buy (RTB)[5] their council homes, thus becoming the main agents of privatization.

The second mechanism to bolster the previous one, was to put an end to public investment in public housing paving the way to private sector. Government cuts and controls to public expenditure largely affected council housing. This served to promote privatization for both tenants and local authorities especially that this system was representing a national subsidy centralizing ministerial power over councils and building in the long term a strong arm for rent increase (Molpass, 1990).

The implementation of this 1988 Housing Act, which was strategically enabling authorities to manage their housing with obligatory cuts and strict financial control on borrowing (ibid), led to the creation of many housing associations which bought the entire housing stock from local authorities. This process was encouraged and widely supported because of the large benefits the state could obtain from the housing stock selling (ibid). This procedure was also known by scholars as: "stock transfer" which started in the south of England was then generalized to the whole country gradually and by 1997 housing associations had around 280.000 houses voluntarily transferred (Molpass and Mullins, 2002).

Thatcherism was not only intending to make of home ownership expanding at the back of council housing, but also removing the town hall from the direct day to day provision and social housing management. Despite the initial success of the RTB, new privatization initiatives were taken so as to transfer the public housings into private landlords. Though the anticipated success of the RTB, tenants and local authorities resisted to many state initiatives (Woodward, 1991). This was regulated by the 1988 Housing Act which ended the statute enabling local authorities to directly meet housing needs, it facilitated more the transfer of council housing into housing associations[6](Hughes and Lowe, 1995).

[5]The RTB was introduced first in 1980 providing council tenants of three years or more keeping with the legal right to buy their house with 33 to 50 percent of discount.

[6]Housing associations are private (non- profit-making) organizations that provide low cost social housing for people in need of a home.

At the same time, housing associations relying on the private sector were given the responsibility for building new social rented housing with the aim of stimulating the long term centralization and commercialization of the non- profit sector (Ginsburg, 2005).

This was among Thatcher reforms determined to know exactly the level of funding supplied by the central government to local authorities, in order to finance their urban redevelopment. This approach was meant to fund the maintenance and regeneration of local authorities to remain free to direct the supply of the grant allocated. At the same time, competitiveness was raised through the requirement from local councils to put proposals together with the aim of redeveloping housing estates and areas.

Those proposals were evaluated with others within the region authorities. The grant was supplied to the most deserving projects. This led to the injection of huge amounts of money for inner city regions redevelopment. At the same time, it stimulated a sort of unfair contest because every area or region local authority tended to put its most depressed areas into these competitions so as to increase its chance of getting funds. But this concentration of fund supply on very deprived areas had its drawbacks upon the areas which didn't succeed to get funds; they became in a worse and more declined situation. The other reason for their decline was cuts on maintenance; consequently the overall HIP allocations were reduced.

The HIP paved the way to urban regeneration through what would be called later City Challenge[*]. In a way to assess housing public policy in the UK, one may say that it was accused of being the reason for the lack of affordable houses today and for the availability of unaffordable houses at the same time, this is going to be treated in the following chapters. Urban planning had been tremendously affected by neoliberal views; the focus here is how neoliberalism manifests itself in urban development?

Period / Policy Type ___	**IMO'S Resconstruction**	**1960s Revitalisation**	**1970's Renewal**	**1980's Pie development**
Major Strategy	Reconstruction and extension of older	Continuation of 1950's theme; suburban and	Focus on in-situ and Neighborhood	Many major schemes of

[*]City Challenge was formally announced in 1991 by Michael Hestline the Secretary of State of Environment. Fifteen authorities among the fifty seven could bid competitively for a five programme amounting nealy fourty millions pounds.

and Orientation	areas of towns and cities often based on a master plan; suburban growth	peripheral growth; some early attempts at rehabilitation	schemes; still development at periphery	development and redevelopment flagship projects; out of town projects
Major Policies	Town and Country Planning Act of 1944 and the New Towns Act of 1946	Urban Programme (1968)	1977 White Paper: Policy for the Inner Cities - Partnership Programme ; Inner Urban Areas Act (1978)	1989 White Paper: The Future of Development Plans 1989 Planning and Compensation Act Action for Cities Programme ·Urban Development Grant (1982) ■ A special inner-city priority category for Derelict Land Grant (1982) ·Garden Festivals (starting in 1984) ·City Action Teams (1985) ·Task Forces (1986-87) ·Urban Regeneration Grant (1987) ·City Grant (1988) ·Urban Development Corporations (1981) {Enterprise Zones (1981
Key Actors and Stakeholders	National and local government; private sector developers and contractors	Move towards a greater balance between public and private sectors	Growing role of private sector and Decentralisation of local government	Emphasis on private sector and special agencies; growth of partnerships
Spatial Level of Activity	Emphasis on local and site levels	Regional level and activity emerged	Regional and local levels inti-ally; later more loc al emphasis	In early 1980's focus on site; later emphasis on local level

Economic Focus	Public sector investment with some private sector involvement	Continuing from 1950's with growing influence of private investment	Resource constrains in public sector and growth of private investment	Private sector dominant with selective public funds
Social Content	Improvement of housing and living standards	Social and welfare improvement	Community based action and greater empowerment	Community self-help with very selective state support
Physical Emphesis	Replacement of inner areas and peripheral development	Some continuation from 1950's with parallel rehabilitation of existing areas	More extensive renewal of older urban areas	Major schemes or replacement and new development; 'flagships scheme[1]
Erroronmental Approach	Landscaping and some greening	Selective improvements	E nvironmental improvement with some innovation	Growth of concern for wider approach to environment

Table 2: The Evolution of Urban Regeneration,

Source: Adapted from Roberts and Sykes, 1999.

Year	Era	Issues	Strategy
1945-1965	After Second World War	Urban problems,housing shortages, poor housing quality and urban sprawl.	New towns, Greenbelts and Housing redevelopments
1965-1979	Transition of Conventional and Government policies	Pockets of poverty and racial tensions	New towns, Greenbelts and Housing redevelopments

1979-1990	Margaret Thatcher's government	•Fragmentation of policy •Lack of coordinated policy •Problems ofgovernance	Regeneration Policies: •Industry development intohousing areas •Community involvement •Urban entrepreneurialism •Creation of business elites •Growth coalitions of public and private sectors
1991-1997	John Major's Government "Islands of decline in the sea of prosperity".	•The lacking of strategyfrom the previous administration.	•Multi sectoralpartnerships •Creating catalyst •City challenge: Centralrole to local government and local communities •Single regeneration budget . Diversity of labourmarket, infrastructure, social and health.
1997-present	Contemporary		Adverse urban effects of iindustrialization,decentralization and sub-urbanization.

Table 3: Urban Regeneration Policies

Source: Andrew Tallon, *Urban Regeneration in the UK,* 2010

III. Neoliberal Policy and Redevelopment of Cities during the 1980's

Great changes in government policies directing urban planning have been noticed in the 1980s. The shift to market-based regeneration with the 1977 White Paper "Policy for the Inner Cities" defending the argument that the decline of economic establishment was the main reason for the deterioration of inner cities (Tallon, 2013). The identified programmes

and strategies was the possibility of the inclusion of all sectors public and private. Based on the assumption that central government could not provide all the resources necessary for urban regeneration, the notions of *Partnership* and *Leverage* for commercial development appeared. These resulted in the consolidation of the culture of enterprise, the tendency suggested and implemented by Thatcher. The two most significant initiatives that accelerated the process of urban regeneration were the UDC (The Urban Development Corporations) and the Enterprise Zones, those were in conjunction with urban development and Urban Regeneration Grants (Berswick 2000).

This approach led by the conservatives during the 1980s had its imperfections and mistakes. However it could reconfigure at a large scale the urban structure of those areas suffering from economic decline which was the result of deindustrialization and their shift away from manufacturing led economy. Urban regeneration which started at small paces in the 1980s developed a rapid growth in the property market.

1. Urban Development Corporations (UDCs)

UDCs were set in the most depressed areas to promote physical and economic renewal in those areas bypassing the local authorities. The London Docklands Development Corporation (LDDC), the Central Manchester and the Maryside were among the paramount ones largely investing in new infrastructure projects. Among its great realizations: the Canary Wharf[7], though it couldn't achieve the project of new private offices development, which started collapsing in the market.

The UDCs (Urban Development Corporations) represented the main core of urban regeneration of Britain's policy during the 1980s. Their role was to bring land and buildings into effective use, to help in the development of existing industries and new ones, to permit an attractive environment and to ensure social help especially housing facilities, consequently encouraging people to live in the area (Berrytal, 1993).

By securing the development of land and property, the regeneration of deteriorated areas would be accomplished. Michael Heseltine the Secretary of State of Environment was the

[7] Canary Warf takes its name from the quay where fruit and vegetable from the Mediterranean and Canary Islands was once unloaded, the disused docklands site formed by a loop in the Thames was turned into a second financial district to rival the city of London after 1987. Today Canary Wharf's cluster of skyscrapers in east London is home to some of the world's biggest banks, such as Citigroup and HSBC (The Guardian, Julia Kollewe, January, 28th ,2015).

responsible for the creation of the UDCs project. He perceived the failure of past urban regeneration efforts as a product of public sector-driven policies. The UDCs were vested with decisive powers and substantial annual funding enabling the physical regeneration of land and buildings in specific areas (Berswick 2000).

Figure 07: Canary Wharf

Source: Royal Docks website, 2000

The UDCs enabled projects to get grant planning permission within the designated areas. They may also provide grants and financial aid to private developers. Similarly, they have the responsibility for developing the infrastructure resources,notably water, gas, electricity in the designated area. This was important so as to attract the private sector, which was believed to be the primary means for securing urban regeneration. However, neither the private sector strategic plan was making authority, nor they were bound to plans created by local authorities (ibid).

The UDCs are considered as the responsible for the promotion of partnership frameworks and regeneration projects. One may not deny the physical improvement of the areas brought by the UDCs particularly LDDC. The LDDC was competing with other similar organizations in other cities like Manchester, Liverpool, Birmingham, Glasgow and others. However, the major problem was that it largely contributed to the development of an area but not its regeneration creating then socio-economic tensions and problems in the areas where luxurious new offices were not created. In other words, the building of houses all alongside the river Thames attracted residents from other areas who were lured by the cheap price of the houses. These were followed by the creation of shops and bars and restaurants; consequently, the LDDC contributed to the boom of the houses price in the late nineties. Indeed, the

opportunity to buy houses at a discount price led to a number of abuses. the LDDC was finally wounded in March 31st 1998.

The argument was that this development created an area of extreme wealth ignoring the neighbouring areas which were left suffering a terrible poverty (Florio and Brownhill 2000). This led to the project abandoning by the late 1980s, as the UDCs were expensive funds. Later by the 1990s, the British government became more pragmatic and the neoliberal agenda was softened accepting to work with Labour controlled local authorities, these were considered as full partners in the regeneration process but with a limited power. These councils did not have all allowance in the process; however they were of a great help in community issues like education, health and social welfare (Tallon, 2013).

2. Enterprise Zone

By the mid 1980s, eleven enterprise zones were designated in the UK; this strategy was to create aesthetic creativity. The standard development control regulations were well set (Berry et al 1993). The standards for access and height and land were specified. The consent for numerous development projects was quickly provided because of the simplified planning regime of the designated areas. This was the fact that lured developers and investors.

The enterprises created were given consent to work in areas considered of physical and economic decline, where economic activity couldn't be raised or sustained by conventional policy. At the same time, in order to test the efficiency of those enterprise zones approach, they were located throughout the country in areas with different circumstances. In addition, economic incentives were also offered, such as relief from development land taxes for a given number of years. Allowances of up to 100% were also given on commercial and industrial buildings, this represented a very attractive incentive for developers (Lawless, 1989).

3. Urban Development Grant (UDG)

This was introduced in 1982, as a policy instrument which had one only goal: to involve the private sector. There were no restrictions on the types of projects appropriate to or acceptable for this grant. The principle was that it was the capital offered by the government but only to those projects that involved both local authorities and the private sector. The assumption was that by including public funding for inner city projects, it was easy to gain the

private sector confidence making them feeling freer to collaborate. This was meant to optimize the ratio of private to public funding for projects (Deakin and Edwards, 1993).

4. City Grant

Both UDG (Urban Development Grant) and URG (Urban Regeneration Grant) were for private sector-led joint projects. In other termsthe government was encouraging enterprise driven regeneration. In 1988, both UDH (Urban Development for Housing) and URG were merged into the new City Grant and raised as a policy instrument in direct link with the Action for Cities programme. The local authorities were completely bypassed in the application of this programme, as the applications for the grant were evaluated by a private sector committee and awarded directly to the investors. The purpose was to overcome bureaucratic constraints,fix specific problems and disadvantages of inner city sites, and also assist the project's commercial success and viability; as all faith had been lost in the previous renewal efforts of the public authority and local government.

The removal of power from local authorities was an important change during the Thatcher regime during the 1980s because of the non-capitalistic views of the Labour Party local authorities, preventing the neoliberal policy from progress. The great transformation under Thatcher was the excessive marketing of private sector. The idea was that regenerating the inner cities was a job for the private sector, and then local authorities would be diverted to a minor role leading to a control of the possible damage these authorities could do.

An evaluation of the urban policy and its economic impact during the 1980s suggested its contribution in some areas to reduce unemployment, however out of 57 areas only 18 revealed to get positive effects, while 21 had poor outcomes, in the rest 18 it was not successful. The emphasis on private policy investment in many schemes marginalized local communities and failed to include local people in redevelopment programmes. The partnership approach was the key issue to this situation; it would permit a more comprehensive approach aiming at generating a better value for money for the public purse.

The urban regeneration policy of the 1980s started to raise some questions about its top-down approaches leading then to a re-evaluation and a possible restructuring of the policy framework towards more locally interconnected strategies. A new concept was put into practice: "New Localism", it represented a managerial, competitive and corporate approach to

a regeneration and allocation of funding. Like this, the new tendency was a more integration of physical, social and economic strategies for change. The orientation of the policy was towards a partnership approach which became more dominant and the reinforcement and alliance of key actors and stakeholders through the allocation of funds. This required a partnership between the private industry, local and national government authorities or agencies and community.

IV. Neoliberal Urban Regeneration Policy during the 1990s

During the 1990s the urban regeneration of cities shifted away from grants towards integrated regeneration projects controlled by local councils. The first of them was City Challenge in 1991. This approach was seen as the solution for the problems resulting from the previous ones, it was regarded as different in terms of its organization and conveyance, and its main principles have been considered as innovating urban regeneration funding policy because it had given a considerable importance to physical regeneration without neglecting the economy and social problems (Roberts 2009).

- **The New Initiatives:**

In economic terms, the private sector which was previously the primary source of capital investment was reached by public and voluntary sectors at the same level. During the 1990s, the policy of regeneration helped the establishment of many other new agencies. Important programmes intervened through the Private Finance Initiative, Urban Task Forces, Housing Action Trusts, Training and Enterprise Councils and the Employment Services. These new initiatives not only reinforced the previous ones but acted in a better coordination locally, regionally and nationally.

These new initiatives launched in the 1990s as City Challenge, the Single Regeneration Budget, and the European Funding Programmes were intended to support the regeneration process from bottom-up within a framework of comprehensive partnerships. These new initiatives redefined the regeneration policy by adding to its priorities and interests housing, employment, transport, education, environmental management, planning health and community development in addition to reinforcing the comprehensive approach to

regeneration. The following table illustrates these new policies according to the sphere of their influence:

Urban Economic Development	Infrastructure Provision	Housing and Neighborhood Renewal	Management of Commercial Area
-City Marketing -Urban development by attracting the creative class. -Economic Development Incentives. -Competitive bidding.	-Public private partnerships -Private sector involvement in financing and operating transport infrastructure. -Private sector involvement in procuring Water.	-Liberalization of Housing Markets. -Gentrification -Privately governed and secured neighborhoods. -Quangos organizing market oriented urban development.	-Business-friendly zones and flexible zoning. -Property-led urban regeneration. -Privatization of public space and sales boosting exclusion.

Table 4: Conservative Policies and the Spheres of their Influence during the 1990s
Source: Tore Sager, Elseveir, 2011

- **The Contribution of European Funding**

In the aim of reducing inequalities between all Europeans, the European Regional Development Fund (ERDF) and the European Social Funds were created so as to come in social and economic help to depressed regions of Europe. Actually the fund was meant to provide investment for agricultural economies like Ireland and Greece; however deindustrialization areas in more developed nations led to their receiving of funds in the 1980s and the 1990s. For example Birmingham got £260 m between 1984 and 1994 (Duffy, 1995). Since the late seventies, £5bn had been spent or invested in the regeneration of areas in the U.K (ibid).

Nowadays, European structural and cohesion funds are divided into three independent funds: The ERDF, The ESF (European Social Fund) and the CF (The Cohesion Fund). The

main target of cohesion and regional policy is promoting regional competitiveness and employment also territorial cooperation in Europe and convergence.

1. City Marketing or City Challenge Fund (CCF)

This policy was introduced in 1991; it targeted the improvement of market sites in cities taking into consideration particular activities (Walker, 2000). One of its major strategies was promoting places, specifying some target groups to some localities in the aim of changing people's behavior and raising their awareness so as to contribute to the city branding which considers a leading principle for a larger marketing effort (Kavaratzis, 2009). It is these branding strategies which define the degree of attraction of the city and differentiate it from the rest of cities competing with it.

City Challenge worths considering because it was meant to be different at the level of its values, organization, capacity and output. Its main principles are:

- Find an approach which directly addresses physical regeneration without neglecting economic and social problems.
- Limited to a period of five years with the same level of grant supplied in equal annual sum of money.
- It was competitive.
- It allowed local authorities to draw up plans and select areas in order to allow the capacity to respond to the demands of local circumstances.
- Prestige projects or flagships developments were the main feature of city challenge programme.
- Bids could be put by public private partnerships.

So, the idea was promoting the city through encouraging some activities to take place there, mainly to encourage tourism and attract people. This policy targets three categories of people:

1- Inhabitants wanting high standards and attractive places to live in.
2- Companies wishing also high standards sites to locate their business and offices
3- Visitors or tourists coming for leisure and entertainment.

There is a close link between place and the branding ideas and initiatives in urban planning (Hodkinson, 2013).

Cities are different and they all aim at luring different groups of people either for culture and art or for shopping. Cities also compete to become important production sites (ibid). City Marketing was thought as being the best way of achieving the increase of inward investment and tourism, it reinforces community development and the identification of citizens and their local identity avoiding them a social exclusion (Kavaratzis, 2004).

Many reasons helped to foster City Marketing from the neoliberal view, the most obvious one is the decline in manufacturing industry in Western European cities, the fact which stimulated local authorities to become innovative and entrepreneurial so as to keep the existing business and to attract international investment, tourists and public funding. The neoliberal political environment which emphasizes on market-led solutions helped to put all that into practice (Walker,2000).

City marketing policy requires alliance between commercial interests and public bodies. The role of the city shifts from managerial to entrepreneurial and under neoliberal governance. Urban planning realized that shift as it widely boosted housing and shopping through the privatization of space. Globalization at the eve of the twenty first century aimed at promoting cities well developed economically and geographically.

It is the only largest urban policy budget; this fund is allocated to the projects aiming at regenerating with the idea of partnership including all sectors and levels of governance: public, private, voluntary and community. The local authority is responsible for choosing the urban regeneration plans for important areas to the regions restructuring. Unfortunately, the approach failed to insert the private sector at its right position causing a flood of applications for additional funding by the private sector; the applications were more concerned by the funding than forming a genuine partnership (Robert, 1993).

As a consequence, the voluntary and community sectors were not really active in establishing plans and regeneration schemes that received city challenge funding. Concerning community involvement, it was at the level of areas suffering from large rates of unemployment, in those areas efforts at community capacity building should have been undertaken before the onset of the project. The city challenge fund quality of outputs was greatly affected by the lack of genuine partnerships (DETR, 1999).

- **An Evaluation of City Challenge Approach**

This policy was criticized by some scholars who saw in it at the opposite of what was said by those who defend it, a complete loss of authenticity and diversity, as they perceivedtourism as homogenizingleading to a loss of distinctiveness hiding the local culture (Gotham, 2007).

This search for success according to Lui (2008) pushes cities at using the same formula and so becoming resembling one another:

"Instead of being different, they are beginning to look alike. The responsibility of a successful formula, the proliferation of 'signature architecture' and iconic buildings (and the loss of their 'limited edition' status), and the fact that mega-events have become more or less annual affaires have only intensified the competition, making it more difficult for cities to become something different or to strategically reposition themselves vis-à-vis other equally aggressive urban centers." By its nature a complex system containing a variety of groups, finds itself "forced" to follow a conventional direction for development followed by all the rest of branding cities. Scholars argue that social diversity and urban heterogeneity are hidden by branding a city which no more represents its original identity.

Rebecca Fearnly critically evaluated the City Challenge approach in the region of Stratford in East London perceived by the government as a perfect representation of it. Fearnly explains that though the success of City Challenge scheme in increasing housing satisfaction and decreasing crimes and fear in the region. It had however failed to achieve its full aims and did not manage to create jobs available, the scheme was successful only in the renewal of the housing stock (Fearnly, 2000).

Fearnly most important criticism on the City Challenge is that it didn't nurture community led organization and projects. It kept the existing structure of local services without seeking their development. The point was to get community into the process of regeneration. That's why it was high time for conservative neoliberal policies to think of a new approach capable to lure multiple parts: private sector, state agencies and community so as to reinforce the regeneration projects. This fundamental idea of bringing partners into regeneration was the major principle of partnerships.

What City Challenge approach deserves to be considered and applied for was that it raised what has been called "New Localism" within the U.K urban regeneration, allowing

individual cities to direct their regeneration projects but in a competitive way and a managerial one (Stewart, 1994).

To usher this competition, the outputs had to be consequent and delivery plans had to be drawn with partners so as to compete with rival offers. But this approach though beneficial for some local authorities had disadvantaged those who were unable to develop plans in such a format and who couldn't show the ability to deliver. For example the city of Bristol was unable to secure city challenge resource. This disagreement, misunderstanding and disunity led the neoliberal agenda to be criticized (Roberts, 1993). But this didn't prevent the competitiveness spirit to remain dominant in regeneration funding until today. The city challenge programme of the 1990s in the UK was an illustration of introducing competition without the existence of a proper market (Hatkinson, 2013).

2. Single Regeneration Budget (SRB)

The SRB programme was an ambitious innovation of the conservative government during the 1990s with the following variety of views:

- The belief that problems of deterioration and deprivation are more linked to spatial causes.
- The importance of partnerships within the programme.
- Economic competitiveness versus social investment.
- Implementation of winning bids.

The SRB Challenge Fund targets a wider range of objectives that fall under seven major areas. Among the priorities, one may list (Robert and Sykes, 1999):

- A better housing for the disadvantaged local groups

- The improvement of employment opportunities for local people through training.

- Improving competitiveness between the local firms.
- Improving the physical and environmental state of the area
- Reducing crime and improving community cohesion.
- Improving access for ethnic minorities.

The SRB emerged in 1993 as an effort to integrate all existing regeneration programmes into one single framework. In other words the SRB is supplied by the Integrated Regional Offices of Central Government. This approach considers the extension of the ABI (Area Based Initiatives) approach, which was considered to make winners and losers altering the efficiency of the policy. It covers, essentially all the government quangos [8] (Quasi Autonomous National/nongovernmental Organisation). It allows competitive building in attempt to rescue the declined areas and to effectively re-use the remaining budget.

The cause of introducing the SRB approach to urban regeneration was that the government realized that certain policies lost of their efficiency. The SRB was meant to launch a number of programmes from many government departments with the aim of simplifying the government assistance into one funding. In 1995, the SRB brought together 20 existing programmes for economic development and regeneration in the UK. The word Single means a unified programme with extensive cooperation between local and central agencies. The SRB was characterized as a practice of neoliberal economy: "It identifies and institutionalize communities of actions; provides them with a minimum of competitively allocated resources; encourages the development of local policies within rigid and closely monitored managerial frameworks; and reconfigures expertise in ways which bring to the fore values of cost-minimization and effectiveness and the shifting of responsibilities…onto trained local representatives." (Raco & Imrie, 2000)

However, the SRB was characterized by the lack of restrictions on the areas that the SRB bid covered (Soger, 2011). Some scholars described the SRB as a typical neoliberal policy meant for regeneration, more concerned with economic opportunities than deteriorated areas, while others defending it argue that it was not that bad because of its fair share of funds as Brennan (Brennan et al. 1999).

The SRB Fund depended on partnerships formation to be led by the local authority or the Training and Enterprise Councils. Local authorities are granted flexible powers which,

*There was a term used at that time not too much used now "quango", that were powerful executive agencies but which could answer only relevant ministers. They were outside the civil service; receiving financial support from the government (Robert, 2008). But under Thatcherite rule, the only organizations which could be considered as quangos were the UDCs.

means the grant of financial support or services aiming at either direct or indirect participation throughout the process (DETR website, 2000).

The SRB partnerships have proved effective at acting "horizontally" in other words, access traditional departmental boundaries demonstrating the positive impact that can be reached through the combination with other funding programmes and through the influence and impact of private investment (DETR, 1998, Statement by Deputy Prime Minister).

But after three years of implementation, problems were raised at the level of governance, resources and policy (Hall and Nevin, 1999), and what brought things from bad to worse was the forming of a single resource. In other words partnerships had to fit within the exact criteria stated otherwise they will not receive any funding. The best example of these restrictions was the difference in funding between Leicester and Newcastle; whereas Leicester which attracted £ 17 m over the first three rounds of SRB funding, Newcastle received £109 m despite the similarity between the two cities at the level of socio-economic deprivation (Robert, 1993).

Then the implementation of this policy created winners and losers, because in order to achieve a concrete change, redevelopment efforts were limited to specific areas, this approach was termed ABI (Area Based Initiatives), the principle of this approach was that the fruit of funds would be more visible and appreciable if they were concentrated on small areas. This policy as the previous ones aimed at more private engagement in the building of urban infrastructure; it also encouraged entrepreneurial working skills. Between 1994 and 1997, the conservative government saw the amount of money available through the SRB falling by some 32%, continuing to promote economic regeneration at the expense of social issues (ibid).

3. The Private Sector's Involvement in Provision (Partnerships):

The objective of this policy is to include private investment capital. The neoliberal conviction of the superiority of the private sector in directing economic initiatives, and solving many planning problems through that. A very convenient definition to public private partnerships: They are joint working relationships where parties are:

- Independent bodies
- Agreeing on the achievement of a common goal

- Having the ability to create new organisational structures or processes to achieve this goal.
- Plan and implement a joint programme.
- Ready to share relevant information, risk, and rewards (Lamie & Ball, 2010).

Partnerships are different from conventional subsidy with a one way flow of money, they are voluntary and strong lasting forms of co-operation between private business and public government enabeling both actors to develop plans and realize projects jointly, of course this policy is linked to other neoliberal urban policies attributing more influence and impact to the private sector like the previously mentioned quangos organizing urban renewal projects (ibid).

Thanks to partnerships many projects providing infrastructure have been realized as: restoring historical monuments, revitalizing neighborhood commercial centers, transforming ancient building to new ones, providing clean water… This policy has a long history and takes numerous forms which come from the ways responsibilities resources and rewards are divided between two actors that represent this partnership.

Beauregard says that: "Partnerships forms emanate from the ways in which the state is differentiated from and integrated with capital, that resultant and ever-contested division of resources and responsibilities between the two, and the constant rewriting of ideological justifications that buttress the political economy." (Beauregard 1977).

From a neoliberal point of view, this policy of partnerships is very useful and practical for urban development, first the public sector is well implied and consequently the production process would benefit from both actors private and public, second, interesting profitable opportunities for investment in addition to venture capital sharing. Third, partnerships had changed the way in which the government used to function and had a direct impact on communities and public services; it facilitated the realization of huge projects helping to the city promotion and competitiveness (Linder 1999).

To sum up partnerships transformed the role of the government from provider to purchaser of public services; the efficiency of such a policy relies in the transfer of responsibilities and risk to the private sector. Thanks to partnerships funds were in hands and projects could be built in a very efficient way putting away the problem waiting many years to reach the required public budget. Partnerships could easily bypass the annual public budget shortage

helping to develop or redevelop downtown infrastructure projects (Beauregard 1997). This is the argument used by planners favorable to this policy.

What made planners anxious was that subsidies would be limited only to private business promoting their own interest, exchanging the public sector and shifting the goals of the partnership in itself, especially in the implementation of big projects. Other problems were transparency and the restriction of inspections.

Other forms of partnership are coalitions[9]. A successful city is a city with all comfortable facilities for its population, among which an efficient transport. The neoliberal urban development policy largely fostered the involvement of the private sector in this field facilitating the withdrawal of state funding to this infrastructure (Walker and Smith 1995).

The well known trend was competitive bidding in the transport sector. The neoliberal urban policy sought to downsize government role and expenditure by establishing partnerships and paving the way to them to provide the required development to this sector, and building roads congestions and facilitate commuting as well. At the same time neoliberal policy suggested to users to pay charges for the services supplied, for example road tolls[10].

For airports the trend with neoliberal policy was to develop commerce and business inside the airports with hotels, offices…This was fostered by the privatization of airports. The idea was that, this private ownership of airports would develop flourishing markets and roads building around the airport connecting it to the city and permitting its development. Concerning the railways, the neoliberal policy was also favorable to privatization but it separated ownership of the rail infrastructure from ownership of rail operating Traffic Company.

The private sector was included in the railway in three ways: first, denationalization by selling publically owned assets. Then, lessening state regulations introducing competition into stationary monopolies. Last, the franchising to private firms of the production of state financed goods and services was agreed on by contracts (Olson 2007)

[9]The name coalition is also attributed to define the mixture of local branches and local capital to implement development objectives for the city. But in most research on neoliberal policies coalitions are discussed as partnerships and not as a separate neoliberal policy.

[10]Contracts suggest that the private partner get paid through tolls paid by the users. Tolls bring more income the more the road is used. This would rise competitiveness within constructors at the level of mentainance and quality but this was criticized by planners because motorists who couldn't pay tolls are obliged to use less satisfactory transport options.

Being an important shipping nation, great consideration was given to seaports in the U.K. The neoliberal policy dealing with the privatization of seaports was aiming at putting the country in the middle of the global economic competitiveness in addition to regional development.

The expression "private sector participation" is used by scholars to define the contracted-out process between a public agency and a formal one (private company). Privatization is a term usually referring to the increased private sector involvement[11]. Neoliberal policies include market stimulating privatization, less state subsidies and decision making techniques. This is what was launched in the 1980s and carried out in the 1990s by conservatives. One of the aspects of this policy leading to its critic is that the priority is given to private sector above the public and that private companies are more important than the realization of public plans.

4. Competitive Bidding

One of the most striking innovations of urban policy during the 1990s was competitive bidding especially for regeneration projects. This policy was quite beneficial for the central government. Though the latter could keep control over the regeneration projects expenditure, this process of competition helped to shift the responsibility of dealing with economic decline and social disadvantage to the local level (Hatkinson 2013). The point is that competition has always been a *stimulus* for improvement and this was the idea supported by the local government; the competition for funds would improve the quality of output based on an assessment of need on a national level (Parker, 1990). This process enhances competitors to make promises and supplies guarantees to hold them. They would make efforts to improve regeneration and put their rivals away. Sponsors maximized social welfare by choosing the best quality offer among the incoming bids.

In theory, competitive bids fitted with the principles of neoliberalism as the latter had always encouraged and promoted market competition and the culture of enterprise (Taylor & al. 2001). This represents what was perfectly happening during the 1990s urban regeneration in the UK; national agencies were representing the purchasing side and local partnerships across the public private sector divide, they were often the supply side actors which means that they could create wealth (Stewart, 1996). Neoliberal government purpose was to make local authorities change their behavior as traditional executors of the state will and become

[11]This term can also be used for explaining divestiture which means selling business interests or investments.

more entrepreneurial and open to partnership and working across agency boundaries[12] (Oatley, 1995).

The most difficult challenge for the planners of urban regeneration was to make a balance between development opportunities and social deprivation with the convincing bids instead of being just in help to groups who are in need according to statistical criteria of economic decline (ibid). This was in addition to the frustration that failed bids would cause, resulting in non realization of projects for areas of severe social need. This would not necessarily make people work harder[13]. This policy and all the others are closely linked especially to City Challenge policy. This is shown in the management of market mechanisms.

5. Management of Commercial Areas (Policy of Zoning)

One of the important and tricky games of the urban neoliberal policy during the 1990s was 'Zoning', the basic principle of this policy was to create business friendly zones and others flexible. In other words zoning is a set of controls dividing land uses with the aim to prevent negative impacts of the proximity of incompatible activities. This aim was regulated by Town and Country Planning Act 1990. The purpose was to ensure balanced economic development and a better environment.

For the majority of scholars, the attitude of neoliberalism towards zoning remains ambiguous (Clays 2004). The argument is that this policy serves more the developer interests and supports controlling policies and anchors competitiveness of the city according to investors preferences. The best illustration to support this argument is the homeless shelters placed not far from city malls and centers. Rather than thinking of a better environment and a well urban built up area. The question to ask here is: Is zoning imposing excessive restrictions on human liberty?

The leaders of the neoliberal policy thought about methods to make zoning more accurate to the needs of the time, they thought of flexible zoning so as to give more freedom for a led urban regeneration and Inner city zones to offer more help and chances for investors to invest there by simplifying the planning zones designed for urban development and business improvement districts tax free to lure investors (Atkinson 1997). These zones division is a

[12] Even those who make bids in vain would gain at the level of experience and stimulus of new thinking and enhanced exposure to partnership working.
[13] This was among the reproaches to this policy.

particularity of Tatcherite thinking in a way to revive some inner urban areas and a test to free market ideas, once these ideas were proved to be successful in the inner cities, generally ignored by the private sector, they could be generalized throughout the whole country (ibid).

Other initiatives for the management of commercial areas are the BID (Business Improvement District) and the CID (City Improvement District). The idea is that the private local businesses are required to pay an extra levy so as to fund projects within the district zone boundaries. The levy is paid rather by the occupier and not the owner; the services funded are perceived as inadequately done by the government such as: Street cleaning, maintaining a welcoming market area…, these services are performed in addition to the ones supplied by the local authorities.

BIDs offer an important increase of quality of services and responsiveness of the public policy by directly involving the occupiers of the area, but at the same time it is challenging the traditional governance through their high degree of autonomy from public government.

6. Property-led Regeneration Development Policy

It means the regeneration of inner cities area by changing its image through improving the environment, attracting private investors and keeping them confident to invest more. It usually involves "flagships" projects like Canary Warf and London Docklands which are still representing the neoliberal blast of the 1980s.

Neoliberals advocate private market solutions to all problems. As continuity to the Property-led local economic development policies which became a driving force of urban policy in England during the 1980s; the policy carried its path in the 1990s encouraging privatization as a practical and efficient approach to city renewal and invigorating. This policy is perceived as a tool to restore the confidence from the part of the private sector to invest the inner cities with other policies. The result targeted was to ensure a market activity in those areas previously said to be "unmarketable" (Thomas 1993).

All the neoliberal policies interact with each other, urban development corporations largely rely on property led strategies, the latter basing itself on partnerships. Benefits of property-led development may be increased through flexible zoning. Property-led policy faced criticism of planners who argued that it focused more on projects rather than plans and strategies, the fact which led to a failure in benefits distribution (ibid).

Privatization reached also public urban spaces. In exchange of productive economic return many public spaces were privatized. This policy relates to other policies: the privatization of the housing stock for example was the result of the liberalization of the housing market, even the area surrounding the houses was diverted for single houses family leading consequently to its privatization and this was the principle of Gated Communities[14].

The main critic to the privatization of urban public space is the exclusion of some categories of people notably the middle class. The assumption is well felt in areas like malls these places are centers filtering the society and putting away middle class from intensive spending and social influence. The same thing; for downtowns which developed into beautiful landscapes for leisure becoming exclusively consumerist.

Private ownership of urban public spaces is viewed in two ways, the first is that since the public activity within these spaces is maintained and since the daily practices are the same so this is what makes the space public. The second view argues that the rules of access and entry are what make the difference between a public and a private space, limiting the scope of collective actions and freedom to 'interact with' others (Sandercock, 1997). Urban public spaces which are meant to provide location and space for free initiatives become the reason for undermining people's right to meet and interact (ibid).

7. Gentrification

During the 1990s, the neoliberal policy continued at giving interest to market and privatization a more significant role in the supply of housing. Preferences rose within people for getting high quality homes near shopping and leisure districts of the city. Residential neighborhoods arose giving the priority to those with high willingness to pay. The house building industry in itself changed. A policy of privatization of the previously public housing stock is similar to the one for transport infrastructure. This policy was perceived as very beneficial to the state which saw its role as provider diminishing focusing on individual responsibility and entrepreneurial form of regeneration and also giving priority to the economic aspect of housing more than the social one.

During the 1990s "Gentrification" became an intended feature in the UK though the process was enhanced during the 1980s to recover some districts. Housing policy in the U.K

[14] Gated communities or walled communities are a form of residential community or housing estate containing strictly controlled entrance.

during the 1990s carried on with the same objectives of revitalization, urban renewal, urban renaissance and urban regeneration. The aim of gentrification was to involve the change in population and land users. The new users were supposed to be of higher socio-economic status than the previous ones. The change in building and environmental renewal was in a direct link with the economic power of the new users. With gentrification the concept of New Urbanism appeared.

Gentrification may be understood as a part of neoliberal policy aiming at bringing middle class people back to the city through an urban regeneration process, flagships projects-financial deregulation and real estate transactions (Smith, 2002). Gentrification helped to make the city centre more attractive and more useful for business creating good living conditions for employees for corporations and esthetical renewal of the architectural physical fabric[15]. Gentrification is considered as a remedy for condensation of homeless and poor people by dispersing them. It helps to make urban poverty less visible but without eliminating its causes (ibid). Sometimes in the aim of displacing residents mainly working class people rent was increased forcing them then to move seeking for affordable rent of houses and shops (Atkinson, 2003).

Neoliberalisation as a policy that stimulate the accumulation of wealth creating classes which could afford high quality living standards helped to strengthen gentrification and create gated communities. Those who lost in the competitive market had no option but to move to peripheral boroughs. The growing demand of high standard housing units had to be satisfied through the fragmentation of the big cities into enclaves and gated communities with a state withdrawal from collective actions. This withdrawal of funding from the central government enormously frustrated the local authorities, seeking to develop solutions and regeneration strategies for declining cities[16].

8. Regional Development Agencies (RDA)

[15]Revanchist city was the solution found by the government as a solution to the problem of inner cities. The role of architect was crucial in inner cities to design luxurious houses for international investment and in the outer boroughs of the city to design houses that respond to the conditions of middle class people at the level of both physical appearance and price.

[16] The £800 million which were available through the 'Millennium Fund' for flag-projects over the past three years can be contrasted with the £ 1.1 billion being made available coming from the Single Regeneration Budget to find the social, economic and physical regeneration strategies of 201 winning partnerships over the next seven years.

In the purpose of reducing regional inequalities in England, the coordination of economic regeneration and economic development was necessary; that's why the RDAs were established enabling competitiveness and sustainable development (DETR website, 2001). This considered the principal institutional developments in the late 1990s. The economic and financial work of the RDAs was the provision of resources like Assisted Area Policy under the traditional programme and the New Deal for communities under the new initiatives, in addition to revised funding arrangement for the Single Regeneration Budget (Tallon, 1993).

Figure 08: London Docklands

Source: Royal Docks website, 2000

V. Urban Development by Attracting "The Creative Class" and Economic Development Incentives:

They were considered as the most significant action held to overcome or deal with urban decline. They represented the new urban regeneration agencies responsible for the reclamation and development of neglected, underutilized and vacant lands (Roberts, 1999). This was thanks to the fusion of the functions of the communions for the New Towns with the national role of the Urban Regeneration Agency.

Neoliberal urban policies largely sustained the idea that economically advanced societies had entered a capitalist competition in which economic development relies imperatively on

creativity. This creativity had to be transformed into commercial opportunities, however, the major point to take into consideration is that urbanization and modernization under the flag of neoliberal policies need an enormous capital investment, the fact which leads cities to compete and look for ways as original ideas and ambitious projects. Cities in need of infrastructure capital, factories and renewal of housing stock for its population; had to make attractive bids (Hodkinson 2013).

Urban spatiality pattern was altered because of physical products of urban entrepreneurship, usually by colossal projects like parks, up-markets, residential blocks, districts with art galleries, downtown shopping malls, exhibition centers, and sport stadiums. This physical transformation of the city particularly the cultural one will lure more investment among already planned projects because the city was becoming of high magnitude (Peck and Tickell, 1996). This again reinforced the idea that cosmopolitan diversity, cultural industries in addition to creativity were very important to the economy of large cities (Scott, 1997).

That's why 'the creative class theory' exactly matches with neoliberalism because it widely considers inter-city competition, globalised capitalism and the need for urban entrepreneurialism. It also focuses on economic growth and on the promotion of creative talents (Segor, 2011).

"Creativity is a key concept…because of its ability to act as a catalyst in the cultural transition from "citizens" into "entrepreneurs" and "consumers", the "idealized companions" of the neoliberal state…" (Gibson and Klocker, 2005)

Peck also asserts:

"City leaders…are embracing creativity strategies not as alternatives to extent markets, consumption and property-led development strategies, but as low cost, feel-good complements to them. Creativity plans do not disrupt these established approaches to urban entrepreneurialism and consumption-oriented place promotion, they extend them." (Peck, 2005)

The main criticism of this theory by scholars of urban planning and economic geography was that it fostered the concept of class and emphasizes on a pure capitalist mode of development (ibid). In other words, with this theory urban investments were derived from deprived areas and people to pumper the creative elite; a shift of funds from social projects to competitive talents (ibid).

This may seem opposite to neoliberal principles, as it is far from competitive bidding. However, neoliberal policy was used to deal with different situations. In the case of many offers of investment for a given project, then competitive bidding imposed itself as a way to make a choice. In case of less firms or corporations were interested, economic incentives were given. These were also used to encourage new development or to refurbish degrading buildings. In order to retain and create larger business, some forms of economic incentives may be as follows:

- Income tax relief
- Property tax abatement[17]
- Rate Emission
- Taxation allowance
- Grants for facilities of expansion
- Low interest loan
- Loan guarantee
- Rent free period
- Tax increment financing

There are five factors mentioned by scholars which influenced the new policy trend of prestige development in the 1990s:

- The global restructuring of industry; the intensification of inter- urban competition for private investment; the shift from welfare issues to economic ones in national urban policy.

- Restrictions on local government powers and resources and the transfer of urban regeneration approaches from the United States to Britain.

- The Global Restructuring industry; in response to the long standing economic decline experienced in the UK and in the aim of meeting new demands of capital urban regeneration agencies made an attempt to restructures the urban fabric of cities and diversify their local economics to meet the new demands of capital (Hall, 1993).

[17] This will compensate the non profit from lower ban prices. Abatements then substitute an efficient by operating market system for land (Wassmer,1992).

- The intensification of global inter-urban competition was strengthened by the internationalization of capital. Cities were, in a sense, obliged to invest in flagships projects and place marketing activities in order to attract and retain private investment (Harvey, 1988).

- The redirection of local economic development policies away from social welfare towards economic and more precisely property-led regeneration such as UDCs and UDG (Urban Development Grants), was carried on during the 1990s though this policy revealed to be out fashioned (Moon & Atkinson, 1994).

Urban development corporations have seen the restructuring of urban areas through zoning and privatization of public spaces and also promoting city marketing important as essential mechanisms for decreasing central government intervention and increasing global and inward investment. The physical transformation of what was called previously as declined or deprived urban areas made into evidence the importance of flagships projects transforming the downtowns of many British cities[18]; as Robinson and Shaw note:

> "…Many areas of our major cities clearly look different compared even with 10 years ago. Urban policy working hand-in-hand with the property industry has spawned huge glass towers, shopping malls, Olympic-size swimming pools, heritage parks and water frontdevelopments. All this is a tangible impact, the stuff of ministerial photo-opportunities; cities have been changed by all efforts" (1994)

By the mid 1990s the limitation and inconvenient of the property-led regeneration became apparent to think-tank, of the conservative (Audit Commission) and then the policy makers. Prestige projects and flagships though they remained an important feature of urban regeneration during the 1990s but the policy took a broader meaning with the establishment of City Marketing and SRB as what was expected from this policy was to regenerate communities and not only markets and lands (Robinson and Shaw, 1994).

Nevertheless, though this policy was meant to reduce inequality, flagships projects remained the trend of the policy of the 1990s, billions of pounds were invested in large projects. Those projects, from the eyes of policy makers and politicians, could improve cultural facilities, create jobs and be a coherent plan for community renewal (Brook, 1994).

[18] Like the International Convention Centre in Birmingham, the Albert Docks in Liverpool and the Canary Warf in London Docklands.

In addition to the International Center of Conventions in Birmingham and the Albert Docks in Liverpool and London Docklands, the Manchester City Pride Prospectus is a good illustration of these prestige development projects. It had been set with the objective to integrate the inner city with the city centre, moreover it sought to promote the city of Manchester into an international centre of commercial, cultural and creative potential in addition to other facilities. This is going to be treated in details in the following sections.

Urban regeneration policy has changed its direction over decades, it moved from regeneration efforts for specific areas to a strategic regional and national perspective. However, property-led regeneration effort and the focus of the government upon economic urban policies were largely criticized; claims were that the government through its efforts failed to remedy the critical social and community issues and problems.

The fact of including social and environmental policies, in association with economic and physical policies considered an illustration of a comprehensive approach so as to heal urban deprivation, particularly through government efforts in the 1990s. There was a very considerable trial to include and integrate the previously fragmented institutional programmes in order to coordinate funding and the activities of agencies. In addition, the government emphasis on genuine partnerships between the public and the private sectors shows a major change in state urban policies to achieve successful and durable regeneration.

VI. The Increase in Central Control and the Conflict over Finance

The political context in which the neoliberal shift took place is important to explore so as to understand the philosophy followed to adopt this tremendous change. The financial crisis of the 1970s had an instrumental impact on both political and economic environment. It required cuts on public spending. At the time when conservatives came to power, the labour party was controlling many city councils. As a part of conservative hit against the left, Thatchetite urban policy aimed at reducing the power of those labour on local authorities, however this did notchange labour councils attitudes in work. It is true that the central government controlled more the spending at local level but this did not mean that urban redevelopment was entirely under the private sector domination.

1. Financial Conflict

The conservatives came into power with new principles applied to all local authorities with the aim of budget reduction. Local authorities were required to reduce their budget by 3% in 1979/1980 and 5% in 1980/1981 (Harding 1998).The central government was given a new power over the reformed central grant system thanks to the 1980 Local Government, Planning and Land Act.

This meant that the central government had a big share of maneuver in the distribution of grants to local authorities. These grants supply was regulated according to principles applied to all authorities. The Act also permitted the central government to alter grant submission in case of increased expenditure by the local authority. In other words, this system of penalty was set for a rationing of the grant use; the grant could be withheld or lost if their rate of spending was above the specified level (ibid).

The relationship between central government and local authorities worsened because of accusing the latter of being "over-spenders". In 1981 a referendum on local rate increase was expected by the government; but the legislation was abandoned. In 1982, the Local Government Finance Act increased the power of the secretary of state in setting a specified level for each local authority legalizing then the targets. This was put into practice by the Rate Act in 1984. This Act made it possible for the government to rate-cape the local authority in case its spending exceeds £10 m or was considered excessive.

Many authorities suffered from penalties as they did not keep within the targets leading them to severe sanctions concerning grant supply. This Act heavily altered the central-local relationship, but this did not last long, as targets were abolished in 1985. The conservative tactic of controlling localities under labour control led to a campaign of rebellion within local councils, requiring the government to intervene directly, but this rebellion failed to change the government policy, and the powers to restrict council budget were replicated in the coming legislation.

Although the central government made a great effort to cut capital and reduce grant spending in some fields like housing, the total level of spending couldn't be entirely controlled (The Government Expenditure Plans, Cmnd. 7439, London, HMSO, 1986).This led to further policies, however the system of penalty was legally complex, there was ambiguity

and inadequacy in the law, and local authorities could find loop hole through which they could find a way out this legislation.

After 1985-86 another conflict raised around the Poll Tax also called the community charge, this was a system of taxation providing for paying a single flat rate per capital tax on every adult. Once implemented the poll tax was widely criticized as being unfair to lower classes. Mass protests were coordinated in all Britain leading to its abolition in 1993, only two years after its announcement.

2. The Increase in Central Government Control

The decades that followed the IMF intervention in the UK in 1976 can be seen as a long sequence in which the organization of a neoliberal economy took place. Central government pressure increased and the main preoccupation was local authority spending. In addition to the reduction of the welfare state and an increase of individual freedom of choice, the fact which greatly altered the underlying approach to local government. More freedom of schools was given to parents and council tenants obtained the right to buy their own homes (ibid). These policies were introduced as requirements and they were not welcomed by some authorities representing labour councils. The reason which led the central government to use its legal powers in order to ensure the legislation implements (Murie and Forest,1985).

The relationship between central government and local authority went from bad to worse with the increasing control imposed by central government to correct the "over spenders". Some Labour controlled authorities did not manage any efforts to openly challenge these radical councils and protested against "cuts" (Atkinson 2000). The Greater London Council was among them; its policies permitted the secretary of state to gain more power and control over strategic services, it also regulated spending like with transport authorities for example by setting a limit for expenditure for public transport (ibid). The same for the secretary of state of the environment; that gained more powers and changed the arrangements for wastes disposal for example in case the ones made by the boroughs did not seem satisfactory.

The centralizing measures from 1979 to 1987 were a response to previous reforms by previous governments, considered as incoherent with the expectations of the localities. In general, these policies permitted the reform of local governments, though at this stage they seemed as general initiatives appealing to conservative values like property ownership, the

increase of private enterprise and the decrease of the public sector size. In order to ensure the implementation of its policies by local authorities, a number of grants for specific programmes had been increased by the government. Among the reforms; the 1980 Local Government Planning and Land Act, which permitted the Secretary of State to manage labour organisation to save capital then local authority's highways, building construction and maintenance were put out to tender.

This Act also empowered the Secretary of State over local authorities concerning this latter planning functions and land disposal, by the creation of urban development corporations. These were of great importance; they have put aside the participation of local authorities in the promotion of local economic development permitting this only to central government; this implied that local authorities were not the appropriate bodies to carry out the new policies; leading to the creation of new local institutions without local authorities as key participants such as City Action Leam and City Technology Colleges (Hodkinson 2013).

More power was granted to central government in the reforms concerning housing, education and transport. The 1980 Housing Act gave central government powers over the sale of council houses and the level of housing subsidy. The 1980education Act supplied power to the Secretary of State in order to set the composition of school governing bodies, which became directly funded by the Department of Education and Sciences. The 1980 Transport Act permitted to the secretary of State to designate and regulate areas for public transport (ibid).

The 1980 Planning and Land Act also removed some controls. Capital expenditure of local authorities was not always linked to central control; for example the need for approval to some specific projects was omitted. However, the central government kept the control over the total capital spending to local authorities. The government created special codes so as to direct an exceeded expenditure and the capital left in case of left unused capital. However, these control over unused capital receipts and the decline in the capital expenditure granted to local government led to a decline in capital investment especially in housing (ibid).

In 1982, the Audit Commission was established. Its role was to promote the value of money through the auditing of local authorities. This shows how the government used its influence over the financial practices of local governments seeking a better value of money in

local government and also that financial information was well communicated to the public through the publishing of statistics (Harding 1998).

In an attempt to ensure the right implementation of its policies by the local authorities, the government increased the grants for specific programmes. In 1984, a system of education support grant was introduced by the Department of Education and Science (Education Grant and Award Act, 1984). Other specific grants were also expanded under the urban programmes. The Housing Act of 1984 also permitted direct finance urban housing renewal and the priority estate projects. These specific grants lessened the general one leading once again removing some of the freedom of the local authorities in the way they spend their grant. Restrictions imposed on local authorities were at the level of all sectors mainly transport; the Transport Act of 1985 abolished the bus licensing system in a way to push them to subsidize transport services paving the way to private contractors or former council employees to provide it.

Many other functions were lost by the local government. The Local Government Act 1985 abolished the six County Councils of the metropolitan counties set in 1974 by the Local Government Act 1972, and the Greater London Council set in 1965; instead many single authorities known as "Joint authorities" were established. This legislation permitted councils to make joint arrangements for waste disposals and services wishing to provide together. Other bodies were set to replace the previous ones for example the crown prosecution service replaced the police prosecution service. Local government also lost the control over regional water authorities and five airports that became run as private companies keeping local authorities as share holders (Water Act, 1983). Representation in school boards was also limited thanks to the Education Act of 1986, parents were given more power and political indoctrination was forbidden in schools. Local education authorities were asked to consider political issues in an attenuated way, in 1987 the body responsible for determiningteachers' salaries was dissolved (Lanslay, Goss, Walmar, 1989).

To coordinate urban policy, and as a reaction to the overturning of a greater number of planning consents task forces and city action teams were set (Stocker, 1988). Funds previously granted to new housing had been diverted to the Housing Corporation instead of the councils and to priority estates projects and estate rather than urban redevelopment

bypassing the local authorities' power. Consequently, rate support grant rising in the 1960s and the 1970s were seriously held down during the 1980s.

It took on more powers itself declining the strategic role of local authorities. The relationship between central government and local authorities became more antagonistic, as increasingly policies for local authorities were introduced without their consent transforming the relationship into more legalistic with more legal control and regulations. Similarly, consultation became more formal with less dialogue than previously. Some conflicts were even taken to the court (Loughlin, 1986).

The British political scene during the 1980s was convulsed by huge social and political changes, and since 1979 the measures taken have largely increased the role and power of central government (Parkinson, 1987). Centralization may be defined as the extent of central government intervention at the local level; however the description of the situation in the 1980s in Britain was less clear because central government imposed its will on local authorities.

The distribution of capital expenditure remained the major argument, which characterized the political scene and reason for conflicts and disputes between central government and local authorities. Central government had failed to achieve this important objective with success, and some policies were not always successful at the level of local government activity, mainly urban development corporations which in addition to their little number covered a small area[19]. At the same time many experiments of new policies like local economic development, equal opportunities and urban transport were experienced and again centralization was not uniform (Lanslay,1989). The Conservative government had the objective of reducing the total level of public spending, as it was emphasizing on defense, police and National Health Service (ibid).

Many reasons contributed to the change in the traditional structure and functions of local government and to the reduction of its role as a direct supplier of services. It was under the pressure of consumers reaction against what was perceived as bureaucracy of the welfare state, which was seen inefficient to the consumers' expectations unlike markets, which were

[19]Six up to 1988 and ten afterwards.

increasingly seen as a more effective means of providing services. The process of government centralization was accelerated when some local authorities opposed the new policies, especially those controlled by Labour local authorities. The fact which antagonized the conservative government leading to further constraints like the abolition of the Greater London Council and some other counties.

In this case, the market inspired policies of the Conservatives in order to limit the welfare state turned out to be not at the expectations of the radical policies from Labour councils. This in addition to an obvious divergence in values and different style of governing between central and local, contributed to a great extent to the legislature of policies in the purpose of controlling these Labour local governments.

Undoubtedly, Britain went through a profound urban transformation during the decades that followed the election of the conservative government in 1979. This transformation came as a result of many reasons like the restructuring of the international economy, the decline of manufacturing industry and its export to low wages economics and many other reasons (Parkinson, 1989). The consequence of this policy over different social groups of the labour force was poverty and inequality, marginalization of some social groups and the emergence of peripheral and core workers.

VII. Urban Neoliberal Policy: Justice or Injustice?

The question of how these different perspectives have shaped the first wave of neoliberal urban policies in the UK needs to be considered. Various debates identified and evaluated the procedural problems and highlighted the unfair distribution of power, the lack of democratic control over the institutions created by these policies and even the lack of transparency, notably during the Thatcherite period(Brownhill, 1993, 1998).

The entrepreneurial urban model developed and prospered in the 1980s. It was challenged by a series of assessments made by scholars in this scope of research. An evaluation was made of the UDC approach (Urban Development Cooperation) by Imrie and Thomas in a book edited based on different perspectives: political, economical and social. In the Docklands area for example, the struggles against the political exclusion of the inhabitants was highlighted by Pile (1995). In the case of planning, the unbalanced power between the

private and public sectors is highlighted by Michon (2008). Her analysis of the regulation of public spaces shows how socio-spatial fragmentation and spatial inequalities are the result of public sector urban privatization.

1990s regeneration policies under the conservative government with City Challenge and Single Regeneration Budget seemed tobe a priori more transparent; it encouraged deliberative processes in order to set the programmes priorities locally. However, a deep examination of these processes showed that inhabitants' demands were seldom taken into consideration and that deliberation often only led to a surface consensus (Davoudi and Healey, 1995).

Critics doubted of the effectiveness of these policies, these latter sometimes worsened the socio-economic conditions of the affected populations and created tensions between neighborhoods receiving funding and those who were not (Jones and Ward, 2002). That system of competitive bidding, in addition to the inconsideration of real levels of inequality, was a source of procedural injustice: those who received funding were not the worst off territories, but those which might be an investment opportunity for the property sector, or those whose leaders were connected to national institutions (Martine Drodz, 2014).

Whatever the framework used to understand and analyze these inequalities, the injustice of the aforementioned urban policies is obvious. It is more difficult to prove that this injustice result from the neoliberal aspects of the policies. In the name of inflation control, large public spending cuts are organized new accumulation is created because of the big investment in projects in spaces singled out as market failures; however, still this does not really explain the injustices that these policies have created. What explains the injustices is the non-intervention concerning the issue distribution of land value gains representing a product of public investment in certain territories' equipment; this is what precisely happened in London (ibid).

Numerous neoliberal thinkers, including radicals like Hayek, conceived the persistent refusal to fix increasing social and economic inequalities, as an institutional failure rather than a consequence of their theories (Gamel, 2008).

> "In the next few years we are likely to see a growing housing crisis as increasing numbers of middle and lower-income households find that they no longer have the resources to become owner-occupiers (or to maintain mortgage burdens) nor access to public housing (as less and less becomes available via new building and relets). If it becomes clear that the present market dominated system can no longer deliver a

> rising standard of housing provision for the majority … political support for more radical change may grow. But such support is only likely … if the changes proposed do not involve the improvement of the position of the worst off at the expense of those who have achieved a basic standard of good housing, while leaving those who really benefit from the market system – the financiers, landowners, builders and distributors – untouched." (Harloe, 1982: 41–42)

When Michael Harole wrote this nearly forty years ago, he was far from imagining how neoliberal policy would alter the UK housing policy and the global economy in general.Even though the achievement of physical and environmental improvements, the fundamental needs of inner cities residents were still neglected and couldn't reach favorable opportunities to put their skills and capacity into practice. Was neoliberal policy making the poor poorer?

Conclusion

This chapter tried to identify the new modes of urban governance and the important initiatives to the economic regeneration of cities attempting to rise through deindustrialization. For the sake of a good organization of urban regeneration during the 1980s and the 1990s, the neoliberal policy was greatly implied in setting the principle upon which central government schemes would operate.

Among the flaws of the conservative government led by Thatcher was the allowing of much out-of-town developments which though successful to a certain extent, they negatively altered the economies of central cities and increasing car dependency in parallel. The government tried to solve this problem, but it was the New Labour government which took office in 1997 the fact which could really change attitudes towards urban development.

During the 1990s, British cities went through regeneration and urban development projects based on prestige or flagships projects. After the failure of some policies to provide national strategic solutions for the deteriorated or deprived areas, the central government encouraged this trend as the most applicable measure at the time. The challenge in the 1990s was to prove that the new urban initiatives taken could generate both economic and social outcomes, though this policy is widely criticized by scholars and planners who argue that instead of being beneficial to the poor it has in some cases aggravated their problems.

The challenge of policy makers during the 1990s was to find a remedy to distressed urban areas and provide them with useful mechanisms so as to secure the physical regeneration of fragments of urban areas and mask the social and economic divisions within the cities. If the conservatives failed to implement efficient regeneration strategies during two decades in power could Labourists do better in the following decade?

At the same time, it would be really nonsense to exaggerate at putting neoliberalism as a reference to any discourse explaining a social phenomenon, and linking it to all the misfortune happening in the world. An exaggerated use would lower the usefulness of the concept.

Chapter Three: From Thatcherism to New Labour: Urban Policy in England from 1997 to 2010

Introduction

I. From Thatcherism to New Labour

1. Neo-Liberalism and New Labour Market Regulation and Reform
2. 'New Labour' or Neo-Liberal

II. New Labour Neoliberal Urban Policy Framework:

01. New Labour's Answer to Poverty and Spatial Concentration of Exclusion
   a. The New Deal for Communities (NDC)
   b. The UDCs and The URCs
   c. The SRB and The LSVT:
   d. The Sustainable Communities Plan
   e. Urban Task Force, Urban White Paper

02. Statements of the New Labour Planning Policy:

03. Regional Policy
   a- The RDAs
   b- Neighbourhood Renewal in Community-led Policies:
   c- LSPs:
   d- Commission for Architecture and the Built Environment:

04. Construction Policy and the Culture of Training

III. An Evaluation of the Achievements of the Urban New Labour Policy:

01. The Adoption of 'Social Inclusion' Concept:
02. Retrospect of the New Labour Policy

Conclusion

Chapter Three: From Thatcherism to New Labour: Urban Policy in England from 1997 to 2010

Introduction

During the 1980s, significant changes were enhanced by the Thatcher government leading to new reforms and policies at all levels, however the outcome of this neoliberal policy was the reduction of political equality and the decline of socio-economic conditions. The coming of the labour party witnessed a growing prioritization of the deprived regions showing the will to address the situation and a clear interest to trigger the economic growth. However, there was a tight commitment to the conservative's policy at the beginning retaining with the neoliberal policy principles, more there was an acceleration of those principles instead of their reversal (Le Galès, 2010).

In what follows, we try to set a clear assessment of the New Labour urban policy and its outcomes in Britain under the leadership of Tony Blair and Gordon Brown from 1997 to 20O9. The chapter tends to analyse the evolution of this policy showing how Blair and Brown could develop policies making of Britain's government one of the most centralized in the world, and how past decisions had a lasting effect and could not be totally reversed by the new government response leading to its collapse and rejection drawing the end of the New Labour project.

I/ From Thatcherism to New Labour

1. Neo-Liberalism and New Labour Market Regulation and Reform

The victory of the Labour Party in 1997 was as important in British economic history as the election of Margaret Thatcher as Prime Minister in 1979. For some, it was a promise for a reversal of the effects of nearly eighteen years of Conservative governing, both at social and economic levels. During those eighteen years of Conservative ruling from 1979 to 1997, Great Britain had become the European reference of neoliberalism. However, Blair government; at the surprise of those who were waiting for a partial end to that development with the return of socio-democrats, disappointed these hopes. More, instead of having the changes of the Thatcher years repelled, the Labour government took the neo-liberal transformation of Britain a step further and in many ways. Blair's 'New Labour' government seemed to be committed to actively promote its version of neoliberalism in Europe and the

world. For them those reforms were modernizing of the British state apparatus and its economic and social policies.

The New Labour reforms and strategy are often referred to as the 'Third Way', some scholars also describe it as the 'American Way'*; indeed, the consolidation of neo-liberalism in Britain with Blair was paving the way to a transatlantic neo-liberal project which would penetrate further into the European Union. The Secretary of State for Education of the time Blunkett, loudly proclaimed the success of the British presidency in different initiatives like "replacing the old agenda by putting jobs, skills and employability at the heart of Europe' (DFEE, 1998). This is also reflected in British pressure for recognition of its "New Deal" for the unemployed as a model policy for Europe (Gray 1998).

Many elements show and prove a strategy of consolidated Thatcherism's neo-liberal accumulation, among which were (Jessop 2012):

1- Liberalization and promoting free market and forms of competition as the most efficient basis for market forces.

2- Deregulation by giving economic agents a greater freedom from state control and legal restrictions.

3- Privatization: the public sector's share was reduced in the direct or indirect provision of goods and services to business.

4- Promoting the role of market forces by (re-)commodification of the residual public sector, either directly or through market proxies.

5- Internationalization, by stimulating global market forces, encouraging the mobility of capital and labour, and importing more advanced processes and products into Britain as a means of economic modernization.

6- Reduced direct taxes to expand the scope for the operation of market forces through enhanced investor and consumer choice.

These six policies mutually interacting reinforced neoliberal principles and formed the basis of the New Labour micro-economic strategy. Its supply-side strategy was the complement to Thatcherism's macro-economic strategy against inflation based on monetary and financial control. They also shaped the structural and strategic shift from a Keynesian

*While Blair is keen for Britain to opt out of some policies of a neo-corporatist or neo-statist character of EU institutions, he always used to lecture fellow social democrats on moral superiority and the economic effectiveness of New Labour's programme and America's enterprise culture

Welfare National State towards an ill mode of growth excluding any innovative initiatives at the model of Schumpeter theory*.

The post-war mode of growth was understood during the Thatcher-Major period primarily in terms of a shift from industrialisation to deindustrialisation, flexibility replacing rigidity in the social relations of production, and an increased role for firms in job creation. This required a state action to promote enterprise, innovation, and competitiveness, in order to subordinate economic and social policies. However, social policy was more concerned with austerity than promoting economic regeneration. Despite the transfer of economic and social policy functions to public agencies or private-public partnerships that by-passed elected local authorities, there were still strong 'nationalizing' tendencies reflected in micro-management by the central state (ibid).

The coming of the new government didn't change that much of this situation. New Labour's electoral victory in 1997 distanced it from its past and 'big ideas'. The party left its strategic line and political programme undefined as far as the electorate was concerned (Giddens 1998). This idea was reinforced by the argument that the New Labour government seemed to have been more occupied to administer much of Thatcherism's legacy in regard to the six main planks of neo-liberalism and considering their effects economically or politically irreversible as faits accomplis.

It encouraged further liberalization and de-regulation in many areas; it was also committed to the privatisation or corporatization*, of most of what remained of the state-owned sector; being then committed to neoliberal principles. The extension of market forces into nearly all what remained of the public and social services at national and local level in addition to the spread of market forces into the provision of such services in Europe and the rest of the world were also among New Labour priorities.With this policy, the party confirmed its position of firm attachment to the internationalisation of the British economy, this also logically and consequently proved its welcoming to inward investment, its active promotion of the

*Joseph Schumpeter theory of economic development highlights a circular flow excluding any innovation leading to a stationary state.

*What is meant by Corporatization is the transformation of publicly accountable state-owned enterprises into corporate entities operating according to commercial criteria and protected by a cloak of commercial confidentiality, even if they continue to receive state funding (Jessop 2008).

international interests of British-based financial, commercial, and industrial capital, even though not British and its support for the Washington Consensus on the benefits of free trade in services on a world scale (ibid).

Indeed, it may be said that New Labour has tightly embraced the principleof neo-liberal globalization following the American model, trumpeting to all whether at home or abroad its inevitability andglobal benefits. It also accepted some economic plans of the last Conservative government like the income tax and spending plans as the basis for its own first period as ruler. The new government proclaimed being convinced by some of the previous government' actions, and that its commitment to it was, not only for prudential electoral reasons but also on more principled grounds, re-affirming during the 2001 election campaign its commitment to maintaining the current top rate of income tax (Jessop 1998).

This explains why New Labour priorities were trying to reduce unemployment; the objective was to cut the social assistance bill and to raise tax revenues (Blair, 1996). More, to find areas where cuts can be made to free resources for its social agenda, so as to introduce social policies with as much as possible low cost (ibid).

Nevertheless there were some modifications on neo-liberalism compared to the years of Thatcher and Major. These changes have enabled New Labour to contrast some of its key policies with those of the previous years of Thatcherite rule leading some commentators to say that the party rejected neo-liberalism. But those revealed to be self-serving and ill-judged interpretations, however, one may recognize that neoliberalism is an evolving economic and political project which has already passed through numerous stages, it can be adjusted to different fields and at different scales, consequently, it has to be adapted to changing economic, political, and social circumstances.

Then, significant changes in the central government's role had to be anticipated especially, as the neo-liberal regime shift was consolidated. This period of transition, if one may call it so, was marked by a concern with restoring the exceptional forms of central government intervention linked to attempts at crisis-management in the previous regime, at the same time putting forward the institutional architecture for a new regime, securing the balance of forces needed for this, and establishing the new forms of state intervention perceived as appropriate

to that regime. Then the first steps on the consolidation of neoliberalism as the norm in politics were done, by developing supporting policies, and providing mechanisms to compensate for its negative economic, political, and social legacies (Fairclough 2000). The territorial unity, the future of social cohesion and the re-election were also of major concern for the labour government (Jessop 1990).

The difference with the Thatcher-Major years was the New Labour's aim to adapt neo-liberalism to new requirements on a global, European, and national scale. Especially at the level of economy, its strategy reflects a further intensification of the dominant neo-liberal mode of globalization. Thus, New Labour proved its commitment to neoliberal principle by developing a strategy for a knowledge-driven economy (ibid). Within the framework of a strong commitment to expanding the European single market and maintaining the dominant position of the City of London, New Labour was making of neoliberalism its chart and doctrine.

This strategy was clearly articulated in the Department of Trade and Industry's White Paper, in which neo-liberal arguments about competitiveness inherited from the previous conservative years were combined with more substantive claims about the importance of information and communication technologies, the knowledge base, the culture industries, the information economy and human capital as the most important foundations for competitiveness in an irreversibly globalizing economy (Gray 1998).

Then this is clearly illustrated by the position of the UK as the world's second biggest services exporter after the USA, though manufacturing continued its relative decline,overtaking other European developed nations like Germany and France. This was on the basis of an explosive growth in such creative industries as film, fashion, pop music, and advertizing as well as continued strength in financial services as information technology and computing. Then, the 1998 White Paper marked a shift to a new approach to competitiveness based on ‘knowledge- driven’ globalizing economy.

In this sense, New Labour was more concerned by creating a strategy that would make of neoliberalism the basis of a globalizing economy; then by managing the transition from rigid labour markets to flexible labour markets, a task already largely achieved under Thatcherism.

Its accumulation strategy in this regard sought to reconcile and realign the interests of financial capital and a knowledge-intensive productive capital (Grover and Stewart 1999).

The New Labour's social strategy was not that much different from the economic one, it showed not only the continuing desire to subordinate social policy to the supposed economic imperatives of global competition but also its will to address the marked increase in social polarization and exclusion which accompanied the neo-liberal project as pursued by the Thatcher-Major governments. That was especially important given the noticeable uneven development of the British economy during the Thatcher-Major years which was relatively stagnant because of de-industrialization in the North and overheating in London and the South (Jessop 2008).

Many neoliberal economic measures were enhanced in order to improve the efficiency of flexible labour markets and to try to reduce the social costs of labour market However, these reforms were limited by cost constraints in the first two to three years of the New Labour government and also by worries that they might create political space for opposition to the New Labour project. This didn't prevent them from being the centre-piece of the second New Labour government.

This impression of neo-liberal primacy is then highly reinforced by the permanent conviction that marked the continuity of neo-liberalism both theoretically and practically though New Labour discourse and actions seemed to be in counter current of it. However, that task of neoliberal continuity was difficult to accomplish; because of the opposition from party members, trade unions, and new social movements, New Labour proved highly susceptible to business criticism about its supposed neglect regarding the market mechanism (Gray 1998).

An increasing role was attributed to business in the privatization of public and social services. In official review and advisory bodies business is over represented. This was in the aim of winning the trust of business on the grounds that this would make it electable and help to secure a period of economic stability and growth that would provide the resources to reform the welfare state.

However, Scholars and specialists in the domain of economy argue that New Labour welcomed and adopted the City agenda with neo-liberal thought and paid less attention even

to regional chambers of the CBI, Chambers of Commerce, and other representatives of the domestic economy, left alone the trade unions. Indeed, it seemed to have replaced the Conservatives as 'the party of the City, the big transnational corporations and the Foreign Office – the overseas lobby' (Ramsay 1998).

The Thatcher effect on labour markets may be characterized in five elements: First de-industrialization, with a noticeable weakening of the strongest and most militant trade unions; second legislation directed at trade unions' ability to engage in strike action and collective talks, and to represent their members in other respects; third a general de-legitimization of corporatism and tripartism as means of co-making and co-implementing economic, social, and political policy; fourth the de-regulation and flexibilization of labour markets; and last the development of neo-liberal 'welfare-to- work' strategies (Jessop 2008).

The first of these elements is obvious and had already fundamentally altered the social basis of the Party and its relationship with the trade union movement even before 1997. The second element had warmly been embraced by Blair. Indeed, as reported from Gray 'he created political capital for himself with the power bloc and the wider electorate through his sustained attacks on the economic and political power of trade unions as well as on Clause Four of the Labour Party constitution, which committed it to the nationalization of the commanding heights of the British economy' (Gray 1998).

In addition to that, even though some favourable measures to unions have been introduced by the first Blair government,for example at the level of union recognition and family-friendly employment policies, this government at the model of the Thatcherite one was enchanted with entrepreneurs, business leaders, and the business community more generally. The Labour Government, had a leading role in policy evaluation and policy advice, and had important positions in an increasing range of public-private partnerships; continuing by so doing to reject tripartism and corporatism. Major concessions were made to business regarding their content, scope of application, and timing of implementation, consequently the business elite continued to have privileged access to the Labour Party.

The shift towards 'workfare'* did not come with the New Labour government, Thatcher-Major years saw a growing turn to neo-liberal workfare with the aim of replacing welfare, the idea was promoted by Major himself before he became Prime Minister. This shift can be dated since the introduction of the Restart Programme in 1987*, this system was initially introduced in the US; itpermitted to the unemployed to search for job and accept work or training opportunities in return for benefits (PSI Policy Studies Institute 1992).

This scheme was reinforced by the Social Security Act 1989, which obliged unemployed individuals not only to search for employment but to accept private sector jobs in return for continued state aid (Dolowitz 1997). With this Act the unemployed citizen was not given the chance and the choice to choose a 'suitable' employment, but only employment; whatever were the conditions the unemployed had no choice but to accept, and it was no longer considered a 'good cause' for refusing an offer if that employment involved part-time, low-waged, or the excessive hours. This hard workfare approach was tougher in Britain than in the rest of Europe, as it obliged people to accept any job and was more punitive in its application than the US model on which it was based (ibid).

Instead of rejecting the bad demands of these schemes, New Labour welcomed them. The Jobseeker's Allowance scheme (1994) and the 1995 Jobseeker's Act, were a good illustration to the continuity of what had been initially introduced during the conservatives' years. The qualifications for access to benefits of this scheme were tightened. The next year, Project Work pilot schemes came as an extension to Jobseeker's approach with the introduction at the US-style*.Indeed, Blair did not leave any chance for the people to refuse his proposals from the Labour Party . He advocated workfare through series of speeches on rights and responsibilities. Jobseeker's Allowance remained the feature of New Labour market policy in welfare-to-work policies, as Gordon Brown extended the policy to 18-24 year olds.

*Workfare means getting unemployed people into paid job, reducing welfare payments to them and then creating an income that generates taxes.

*In 1986, the government established a new system to review the position of those who were still registered as unemployed. This system was meant to be a link between the unemployed person and other services within a wider system of provision. This was realized through a counselor.

*workfare programmes in the US offer the long-term unemployed 13 weeks' intensive training in job finding and work preparation. After this period, individuals without regular employment must participate for three months in work experience projects; those who refuse to participate or do not complete the programme lose benefit progressively.

Therefore unemployment was no more seen as a shortage of jobs in a need to manage demand in order to secure full employment but was interpreted instead as the product of a shortfall in job-readiness reflected in a lack of full employability in terms of workfare policy. The New Labour response to unemployment were policies to force the unemployed into work in order to reinforce the work ethic, scrap welfare dependency, and generate social security savings andtax revenues that can be applied to more worthwhile social ends (Jessop 2008).

In addition to its supposed anti-unemployment strategy, New Labour developed an anti-poverty strategy to address and heal the legacies of the conservatives' years. The neo-liberal reforms of the Thatcher/Major years seriously affected the social situation, more it worsened it. So, at the opposite of the Thatcherite view that economic growth was the solution that would solve any residual problems of social exclusion, New Labour saw the existence of an underclass and social exclusion as obstacles to economic growth (Cochrane 1999). This distinctive feature of New Labour policy is well expressed in the following statement:

> In place of the indifferences and neglect of the Conservative years, when unemployment was simply the price that had to be paid for controlling inflation and when the prevailing governmental response to the existence of poverty was one of denial, Labour has launched a raft of new policies and initiatives in this area while setting itself exacting poverty-alleviation targets' (Haughton et al., 2000).

This was obvious in the statistics or the data comparing the income during the eighteen years of conservative rule, while average real income increased by 44 per cent from 1979 to 1996/7 and the real income of the top 10 per cent rose by 70 per cent, the real income of the poorest 10 per cent fell by 9 per cent. Families with children account for the largest group in poverty (22 per cent of the total) with the result that more than 1 in 3 children were in poverty in 1996/7 compared with 1 in 10 in 1979 (Jessop 2008). The fact which; led scholars to accuse Thatcher neoliberal policy of making the poor poorer. The very poorest were more concentrated in the most needy areas (Benington and Donnison 1999).

The New Labour answer to such problems was Blair announcement in March 1999 a programme of 20 years to completely suppress child poverty as a first step to an overall strategy to eradicate all forms of poverty and to reduce social exclusion. This was prioritized

in workless households, especially those with children. In spring 1999, when the scheme was announced, 17 percent of households were workless, they all contained children*.

Among New Labour's approaches to poverty, in particular child poverty was the banning of the assumption of lifetime employment for the male head of household. In addition lone mothers could not look for employment before their youngest child becomes four years old*. A programme of childcare support promising to create 50,000 extra childcare places was also introduced, in addition to other policies intended to 'make work pay' for those with dependent children.

The overall package of measures includes:

- The National Minimum Wage.
- A reduced rate of 10 percent for the first tranche of taxable pay, the Working Families Tax Credit (WFTC).
- An increase of the threshold at which employees pay National Insurance contributions.
- A Child Care Tax Credit for low income households where all parents are in work.
- A range of other plans to integrate the tax and benefit system.

These transfer payments for the working poor need to be highlighted in the scope ofthis research. For example, in the years 2001-2, New Labour government spending on the New Deal programmes was £900m; during the same year, an extra sum of £6,000m was spent on increased benefits and tax credits aimed at low-income families.

This suggests that the use of job-search-focused programmes in order to eradicate unemployment and to help children get out of poverty was a very cost-effective way. Though this was not the first time the UK introduce such kind of expenditure to the poor, in 1973 the first income supplement for poor families was introduced. Thus the New Deal Policy as suggested by New Labour was not really new as it may appear at the first sight. What was really important of it was the reversing of the conservatives' years income inequality by the improving the incomes of disadvantaged households (Robinson 2000).

*The proportions of poverty were roughly three times larger than those found in the 1970s and four times those in the late 1960s at the height of the Fordist boom.
*Again, this was an innovation brought from the USA

In the purpose of eradicating social exclusion numerous programmes were held. A Social Exclusion Unit (SEU) was established by the Labour Government in the Cabinet Office, its role was to find sustainable approaches to the problems of the worst housing estates, including crime, drugs, unemployment, community breakdown, schooling and so on (Mandelson 1997). However, education and crime were the main focus of the SEU in its first years, rather than social security. Overall responsibility for the latter remained with the Treasury, which increased its control over welfare strategy policy (Deakin and Parry 2000).

The 'New Deal for Communities' was among the programmes for suppressing social exclusion, it consists of multiple actions towards the fields of health, education, and employment in six inner city areas; and 250 Sure Start education schemes for children in poor families (ibid). These policies were pursued within a broader framework of policies to target social welfare on poor families. More details about the New Deal Programmes in the coming sections

The effects of the welfare-to-work scheme raised much polemic debates and criticism. According to some observers, it increased the number of people in low-wage job markets, pressurizing them for working for poor wages, and further destabilizing employment. This policy approach acted differently in areas of high and low labour market demand. In the former, welfare-to-work reforms helped some people to find a work more effectively. In areas of demand deficit, however, the reforms only took people off the unemployment register and engaged them in some ambiguous forms of useful job preparation activity. Sometimes, and given the threat in some programmes of pushing people off benefits into work, the programme created a downward spiral of job insecurity and low pay that badly harmed all those looking for being a part in this precarious segment of the labour market (Haughton et al., 2000).

New Labour's economic and social policies aimed at boosting competitiveness and the enterprise culture, in addition to reducing unemployment and poverty through getting people out of the unemployment register and reducing welfare spending. Much of the positive effect of these policies is attributed to the stable and favourable international economic situation that characterized the first four years of the party in office and also to its following to the traditional macro-economic measures.

2. 'New Labour' or Neo-Liberal

The question to be asked here, given the arguments and analysis above: To what extent can we describe the New Labour government as moving Britain along a neo-liberal path? What one may say first, is that New Labour certainly adopted an important innovations as global competitiveness, the enterprise culture, the promotion of technology and information known as knowledge-driven economy, and the development of a 'learning society'. As Rustin noted:

> "the fundamental assumption of the Blair project is that unless Britain can reach the standard of performance of its global competitors, in virtually every aspect of life, there is no hope of achieving lasting improvements in well-being. "Getting competitive" is the name of its game. This frame of thinking is shaping most fields of government policy" (Rustin 1998).

New Labour rejected the levels of taxation and public expenditure needed to pursue a consistent effective strategy, just like the preceding Conservative governments. Instead it was more oriented towards a weak competition based on deregulating enterprise and reducing labour costs relatively in the interests of allocative efficiency rather than developing strong competition around enhanced structural or systemic competitiveness (Cox 1995). The New Labour government with this strategy followed the American road to economic success. Blair was impressed by the US economic prosperity rather than any other state of the various Continental European or East Asian roads.

However, Blair and his government members did not seem to admit that political and economic conditions in the US and Europe were quite different despite the latter's growing. It was difficult for them to recognize that the US success, if one may say, could not be repeated elsewhere. Only one leading capitalist economy could run the others. Important trade deficits among leading capitalist economies could be run by only one world debtor. Only one economy was able to print the most liquid international currency to finance its debts; only one major economy, despite weak public education, was and is still able to exploit a global brain drain to hold its technological power; only one economy was able to impose its definitions of intellectual property and other standards to raise its own producers profits; and plenty of other conditions that exist only in the US.

Moreover, it is obvious that New Labour policy was committed to a workfare strategy based on labour market flexibility and maintaining downward pressure on the social wage of international production. This active labour market policy was a common trend across the

advanced capitalist economies. Therefore, the economy was more oriented to a neo-liberal shape or model(Gray 1998). However, that welfare-to-work as practised in the UK did not necessarily lead to social inclusion as it was aimed at (Cook et al. 2001).

In contrast to the preceding Conservative governments, however, New Labour's approach to workfare was more a 'One Nation' inclusionary than a 'Two Nations' exclusionary strategy. To distinguish itself from Thatcherite approach, and in order not to be accused of continuing into a neoliberal path; New Labour has invoked 'the stake holding society', 'the giving society', 'communitarianism', 'social citizenship', 'social capital', 'partnership', and, of course, 'the Third Way'. But these were rarely put into practice in case they threaten the neo-liberal project. That's why, instead New Labour proceeded to implement its social programme in a very secret soft way rather than by keeping the socially excluded behind a radical hegemonic project (Fairclough2000).

This shift in approach motivation is well expressed in the following statement by Mandelson:

> [But] flexibility on its own is not enough to promote competitiveness. It is the job of government to play its part in guaranteeing "flexibility plus" -- plus higher skills and higher standards in our schools and colleges; plus partnership with business to raise investment in infrastructure, science and research; plus an imaginative welfare-to-work programme to put the long-term unemployed back to work; plus minimum standards of fair treatment at the workplace; plus new leadership in Europe in place of drift and disengagement from our largest markets' (Mandelson 1997).

What is important to retain from the sentence quoted above is the extent to which poverty needs to be eliminated as a back coin of flexibility.

What can be said concerning New Labour strategy, is that it was committed to fisco-financial redistribution. The first three New Labour budgets statistics saw most comprehensive estimates of the impact of changes to the tax and benefit system in combination with the national minimum wage, it suggested that the worst cases of households would gain by around 8% on average whereas the best ones by around 0.5% (Immervoll et al., 1999). Further improvement in this concern was noticed in the second term of office. Yet, as Glyn and Wood note:'…since the bottom quintile receive more than 80% of their post-tax income in the form of benefits and these are indexed to inflation rather than earnings, around one half of the so-called 'redistribution' achieved by Labour's budgets and other measures (such as the minimum wage) simply prevents the poorest falling even further behind as benefits rise more slowly than earnings' (Glyn and Wood 2001).

The debate about New Labourefforts to try to extend citizenship, implement communitarian values, build a stake-holding society, promot public-private partnerships, and pioneer a 'Third Way' between laissez-faire market capitalism and top-down national economic planning and bureaucratic welfarism, is very long Indeed. To achieve all that, a closer coordination is needed between the different parts of government whether local,regional, and national and European and also a complete integration between the different spheres of society: public, private, voluntary, and the grassroots community(Benington and Donnison 1999).

In addition, Blair's government role was very strong so as to get a 'New Britain'. This was clearly set in the state's role concerning the promotion of the enterprise culture among the unemployed, the permanent supervising and observing of individual schools, hospitals, universities, government offices, local authorities, and others. More,the authoritarian government strategy towards hooliganism, and migration.

Gordon Brown followed Blair's commitment, as can be seen from his expensive programme of redistribution was less hostile to an active role for the state. However, Brown's continuous support for Private Finance Initiative remained enigmatic for many scholars. For him, that was an expensive means of purchasing capital goods on annual rental from profit-making enterprises. For the majority of economists, New Labour strategy remained Neoliberal.

II. New Labour Neoliberal Urban Policy Framework

After the Second World War poverty reached important rates in Britain, but it reached its optimum in 1997, the New Labour government newly in office had to deal with this serious problem gangrening the country. The neoliberal policy of Thatcher turned out to be inefficient as children and households were living in relative poverty. Inequalities of income in London had an excessive increase: in1980,50% of median national income was still earned by 25% of poor people; in 1988these were only earning 39% (Raco, 2003). Since then, thelabour market went into a non- stop polarization ever since (Wills et al., 2009).

Chapter Three: From Thatcherism to New Labour: Urban Policy in England from 1997 to 2010

During the Thatcherite premiership, there was an emphasis on bringing partners into any regeneration process; this practice continued and extended with the New Labour policy and the implications of this in terms of governance are centres of numerous debates. Thatcher's government enlarged the number and variety agencies dealing with regeneration, and gave them morefreedom and power. Labour governments since 1997 continued the process of regeneration with these state agenciesat the surprise of citizens.

Once in office, The New Labour government promised to find solutions for the recovery of the situation* and to create a "more equal society"(Mandelson, 1997) while continuing the Neoliberal' economic policies (public spendingcontrol and monetarism). The term 'exclusion' appeared as a new term replacing the one of poverty and referring to economic inequality.

However, the new government's measures to heal the situation of income and inequality were cautiously avoided to be mentioned. Instead, it concentrated on how to reduce unemployment andnew education policies.All this was thanks to the generalization of the workfare policies and other initiatives like minimum wage implementation aiming at providing better working conditions for poor workers (minimum wage implementation).
(Peck and Theodore, 2001)

In 1997, the Social Exclusion Unit was created; these commissions had the objective to measure and qualify social exclusion, which was described as being the major social exclusion of the time (Mandelson, 1997). Social exclusion did not mean material poverty; it was considered as the result of a combination of processes. Indeed it was meant as:

"a short-hand label for what can happen when individuals or areas suffer from a combination of linked problems such as employment, poor skills, low incomes, poor housing, high crimeenvironments, bad health and family breakdowns." (SEU 1997)

The obvious point in this quote is that for New Labour, not only people suffer from exclusion but also places do. To fight this problem, area-based initiatives didn't seem to be very effective and not all parts of government agreed on, especially in view of the evaluation

*In 1997, the UK had reached a level of inequality that was only exceeded by the USA in the industrialised countries group.

of result of the two 1990s urban programmes and also because the approach doesn't include all individuals*(Kleinman, 1999).

1. New Labour's Answer to Poverty and Spatial Concentration of Exclusion

The question to be asked here is: Are area based initiatives efficient inorder to fight exclusionin terms of spatial justice, though this approach was widely creticised in the eighties? The point is to enquire into whether territorial inequality is a result of areabased initiatives coupled with inter-territorial competition. In many cases, as previously shown in chapter two, it was not the worst off territories that received funds, this is the contradiction of this approach.These territories which lost competition are considered as already marginalized because of the lack of resources.

The amelioration of the marginalized community and neighbourhoods were at the heart of the New Labour agenda in the reformulation of its neoliberal project. Though this objective also figured in the previous government urban policy making (CDP, 1977). Within a neoliberal economic framework; the social programmes kept to be financed thanks to the economic growth between 2003 and 2008 (Hills et al., 2009).

This might be the reason why New Labour government had put aside the social justiceand economical inequalities concern to focus on the reformulation of citizenship ie the lack of political participation and civic engagement that seemed to affect especially poorer neighbourhoods. It can not be denied that though many scholars have noted that New Labour economic policies were more the same as those of the previous Thatcher- Major years rather than in opposition to them; nevertheless more funding was attributed to social policies to foster citizens' participation; this remain a specific characteristic of 'Blairism' (Davies 2012).

Although encouraging participation and then encouraging the development of the democratic process was also among Conservatives' concerns in the 1980s and 1990s, looking to make public debate easier and build stronger relationship with citizens (Healey, 1997). This project took a more authoritarian shape once the New Labour was in office, permitting then thereconfiguration of the role of the state in the neoliberal context. For this purpose, local

*some live in areas which were not considered as excluded.

institutions "communities" were created and funded, their objective was to help a soft transfer of State level services and responsibilities towards civil society, or the private sector, (Drozdz, 2014).

This active citizenship, though not obligatory, permitted thewithdrawal of the state at a local level:

"To the extent that powers and responsibilities can be passed down to smaller scales, politicsand government can be freed to concentrate on what they alone can do ... of thinkingstrategically, while leaving citizens and communities to govern themselves" - G. Mulgan chief adviser to the prime minister from Raco and Imrie (2003).

This approach of "active citizenship" raised some criticism as it opposed deserving citizens to undeserving citizens, as noted by Imrie and Raco (ibid).

This injustice is well justified in the support to citizens taking an active part in the management and control of theirneighbourhood through the "community", this was considered by others against this approach asan unfair treatmentof citizens.

a- The New Dealfor Communities (NDC)

The question is: How did the second wave of neoliberalism position itself in urban policies? The New Deal for Communities is the implementation of the New Labour urban policy. This programme was encouraging"community building" in what was considered as deprived neighbourhoods.With this programme, social, economic and political exclusion were fought in local boroughs with the goal to improve their deprivationindex score and the perception of their territories[*]. In other words, while the Conservative governments[*]focused on the importance of stimulating entrepreneurship and re-energising broken markets, New Labouradded a political and social dimension to their programme (Tallon 2013).

[*]The project has been surveyed every two years by the market research company IPSO MORI. This has allowed them to measure the change in inhabitants' perception of participation, risk, neighbourhood quality as well as measuring the material deprivation of the residents. These studies where completed by an observation of the variations of the deprivation index score of relevant territories (an index tracking data relative to training, health and employment).
6/2014

[*]R. Imrie et M. Raco (op. cit.), in their study of New Labour communautarian public policies gave the following definition of the term "community": "Community", given this interpretation, is the aggregationof families connected through social networks, in and through which a cohesive or organic society, with "common goals and a shared vision"(Home Office 1999), can emerge".

In practice, the programme differed from the one of previous governments as it diverged from the policy of territorialcompetition which represented the focus of the previous governments. Boroughs could include local groups in the project by applying with a proposal showing their strategy; if the deprivation index was particularly high.

Description	Spatial Organisation
39 areas with a highscore on the deprivationindex received each GBP 50 million over 10 years.	- Funds were distributed to particularly marginalised areasby the boroughs receiving the fundings. - The programme is a continuation of the SRB for "verysmall areas that will typically contain 1000 to 4000 households" (SEU, 1998). Scale: neighbourhood. - Boroughs submitted a development plan for the targetarea outlining a strategy to include inhabitants in the project. The targeted areas were not necessarily the oneswith the worst score on the deprivation index in the borough

Table 5: The New Deal for Communities 1999 – 2009

Source : Martine Drozdz, "*Spatial inequalities, "neoliberal" urban policy and the geography of injustice in London*", 2014

The selected boroughs had the freedom to spend the attributed budget of £ 50 million received over a 10 year period. The projects continued the previous programme of SRB, but with much more funding and were multi-sectoral and they couldtarget improvements in health, education, and of course housing and public spaces.

The priorities for social improvement and urban renewal were set by a board including members of associations, elected residents' representatives, and representatives of non-governmental organisations particularlyregeneration agencies. The first year of the NDC implement was considered as "year zero" that was so as to accumulate enough social capital

to "activate"citizens*. The money was used tomotivate and prepare residents, to set up the programmes and also to know potential localleaders. Those who were not or less represented in this type of structure were helped by non-elected board members who were appointed, reinforcing the power of localsocial networks.

The NDCs were not of great success and were largely criticised. The reason was the important lack of entente between central and local authorities. Funds were underspent because locally agreed targets were centrally rejected. As Imrie and Raco (2003) argue: 'Communities are often "shoehorned" on to local policy initiatives according to central government guidelines … limiting the effectiveness of programmes on the ground.' Though the efforts and will of the New Labour Office not to fall on the same Thatcherite errors, these efforts failed because there was a difference between what had been said and the way it was applied. The objective was a deprived community empowerment and the reality were centrally-driven priorities restricting the freedom of local authorities, resulting in policy tension.

b- The UDCs and The URCs

The UDCs, as already mentioned in the previous chapter, were active under the Local Government, Planning and Land Act 1980. They represented an important tool for Thatcherite urban regeneration policy, their main objectives were: effective use of land and buildings; creating an attractive environment; fostering the development of existing and new industry and commerce; and ensuring that housing and social facilities are available to encourage people to live and work in the area (Johns and Evans 2008).

The main reproach to this policy by critics was in the sense that the UDC should attempt to encourage community cohesiveness or dynamically work with existing communities within their active area. This was what the Labour Government particularly aimed at through these bodies: effectively engage in state-sponsored gentrification, build infrastructure in order to

*The NDC programme was supposed to cease in 2009. In fact, some partnerships continued to be funded up to 2011.

lure a new population supposed to be wealthier, instead of engaging and remain always dependable on the state with the needs of the existing community.

During the last years of Conservatives' premiership, the UDCs were considerably less well funded and it was obvious that the model was no more effective as it was too expensive to be applicable. Under the Thatcher government local authorities were partially bypassed as agents of urban redevelopment, with urban development corporations used to lever in non-state partners and finance. During the 1990s, the neoliberal agenda was more accepted by the left local authorities. In turn, with John Major as Prime Minister, there was less control over local authorities and these bodies were rehabilitated as partners in the regeneration process. Finally, local authorities had more responsibility than the expertise in physical renewal but also in community issues such as education, health and social welfare (Roberts and Evans 2011).

One of the major instruments of urban policy during the New Labour rule was: the urban regeneration companies (URCs). These were meant for delivering the objectives of the Urban White Paper (DETR, 2000). The URCs policy was launched in 1999 reaching 21 companies in England. These companies were representing strategic partnerships working alongside with RDAs and local authority. This was quite different with the policy of urban development corporations of the previous government of which the aim was to bypass the failing local authorities. The URCs were funded by CLG.

The objective of the URC was to put out an effective plan for the regeneration of a specific area. They were central partners to the public sector which could use them to redevelop the key infrastructure of areas. The resources for the URCs were not significant; their main role was to bring the other parts together with the objective of physical redevelopment rather than community renewal. At the same time, the URCs were effectively involved in very significant projects in different cities all along England; one of them in Liverpool city the redevelopment of the Paradise Street, and the transformation of the Ropewalks district into a cultural quarter were realized thanks to Liverpool Vision, one of the first URCs there.

In 2004, the ODPM (Office of the Deputy Prime Minister) which was responsible for urban policy for England, 2001–06; and after an analysis and a review of the policy of the URCs decided that the programme would continue to be implemented. However, the details

of its implementation and the relationship between the URCs and the RDAs and then English Partnerships and to what extent their partnership would be involved raised much controversy within observers and decision takers, all that for the sake of improving and well applying the programme.

The location of the URCs worths to be considered; these bodies were geographically disproportioned as they were for the majority centered in the former northern, industrial lands, perceived by the government as still in need for state intervention. Although the UDCs programme was prosperous and expanded from the 12 URCs originally planned in the Urban White Paper, the Labour Government, however, took the initiative to revive the Thatcherite UDCs and judged their efficiency in certain conditions.

c- The SRB and The LSVT

The Single Regeneration Budget (SRB) was introduced in England by the mid nineties during Thatcher premiership with the aim of reducing complexity in theUDCs system through a different funding scheme. However, this fund did not target only very deprived areas like the UDCs. Indeed, having rolled together a number of different programmes, the typesof project which could receive funding varied enormously, that was a significant advantagefor taking an holistic approach to tackling complex socio-economic-environmentalproblems in an area (Brennen 1999).

Initially the SRB was administered by the Government Offices for the Regions – essentiallyregional offshoots of the Department of the Environment. After 1997, they were supervised bythe Departmentfor Environment, Transport and the Regions (DETR). The fund then remained as such very much controlled by central government. In 2001 it was announced that SRB was supposed to end running, in fact the existing projects would continue to receive funds. These projects administration was attributed to the newly established Regional DevelopmentAgencies (RDAs), which were given the responsibility to operate for the replacement of the SRB bythe so-called ‘single pot’, this latter was considered more regionally focused. This meant a change in governance arrangements.

With the New Labour Party in office, the SRB was still kept as an essential programme for competitive bidding and there was nopremise to move away from this. Another programme

was enhanced this was the Large Scale Voluntary Transfer (LSVT). In neoliberal terms, this approach was considered as a logicalextension of right-to-buy (RTB) legislation, which had reduced the overall size of councilhousing stock by encouraging residents to get their homes at a significant discount. Those who supported the programme argue that the transfer of houses to residents would allow more investment for building more housing; however, those who criticise it said that it was only a back door for privatisation policy.

Thebasic principle of the LSVT programme was the encouraging of local authorities to transfer the ownership and management of their remaining council housing to housing associations. These housingassociations, though suitable for public sector grants and administered by the public sector, wereeffectively private sector, non-profit bodies that could borrow private finance; their activitydid not then appear in case of public spending (Robert and Evans 2011).

The implement of the LSTV raised some questions, some councils had assumed that this housing transfer policy reduced the spending on the housing stockbecause of the very tight restrictions imposed by the New Labour Government.Transfers required a vote in favour from residents and to attract those tenants, they were assured that transferwould bring with it a significant injection of new funds. In addition to another implicit argument which is the threat thathousing stock would continue to be neglected for lack of resources if left with the localauthority. The rate of transfers, which had remained less than 50,000 housing units per year with the Conservatives, moved 100,000 a year between 2000 and 2002 under New Labour. Indeed, of 133resident ballots between 1999 and 2004, only 16 resulted in a refusal of the transfer proposals(Ginsberg, 2005).

The implement of LSVT approach in addition thefact that local authorities were no more permitted to build newhomes had significant implications for urban regeneration. The areas where housing stock had notbeen transferred, it was nearly impossible to practise significant changes to the physicalinfrastructure of these council housing areas. At the example of Birmingham, which refused stock transfer in2003, still struggles to find investment for run-down areas of council housing.On the other hand, Glasgow, which voted in favour of transfer, could easily getto work onvery important schemes of demolition and rebuilding some areas of the city.

At the same time, it was very difficult to carry on with changes at the level of the formal institutions and letting the policies operate alone. Indeed, the complexity of the bureaucratic process was among the reasons which led to the establishment of another executive agency: the Academy for Sustainable Communities with the role of building capacity within local communities and other those trying to negotiate what they described as hazardous regeneration policy.

d- The Sustainable Communities Plan

One of the most important changes during the New Labour rule was the creation of a new Ministry: the Department for Environment, Transport and the Regions (DETR) this was under John Leslie Prescott, the Deputy Prime Minister from 1997 to 2007 and representative of Hull East in Parliament from 1970 to 2010. In 1997 Prescott was given a complete responsibilityfor urban policy. The new Ministry was integrating the old Department of theEnvironment with some functions taken from other departments to give a much morecredible approach when it came to regeneration.

The appearance or integration of the word ‘communities’ had a profound and quite significant meaning; with a message to convey to people. The new name reminds people that instead of altering physical forms it holds the responsibility of providing people with a better quality of life; in other words ‘the point is that urban regeneration is not new buildings and townscapes, but rather reforms to the physical environment are just one part of making life better for people, improving both society and communities’ (Roberts and Evans 2011).

In February 2003, the most important action at the level of physical environment by the ODPM/CLG’s was launched, this was the Sustainable Communities Plan. The plan had strong impact on the building of housing in Britain, it was very ambitious and reconfigured the physical reconstruction in the country. Its first objectives were set in a report: Sustainable Communities: Building for the Future (ODPM, 2003).

Areas were classified according to priorities, these were set as follows: the 20% most depressed wards in England; the former coalmining areas; growth areas in the south east like Milton Keynes and the south Midlands, the London–Stansted–Cambridge–Peterborough

Corridor, Thames Gateway and Ashford; the northern growth corridor; strategic areas of brown field land; and the Housing Market Renewal Pathfinder areas (ibid).

The document was very debatable, especially for the fact that it suggested more than 200,000 homes in the south east of England, particularly in the Thames Gateway area. That's why for those who criticized this plan, it was beneficial only for some regions like the south east of the country. The Communities Plan could not be run without English Partnerships, these had a important role in the delivery of this plan, English Partnership remained the most prominent regeneration agency bypassing the old Commission for New Towns, the UDCs and also the Housing Action Trusts. It became finally an important landowner in many strategic areas and consequently the leader of the delivery of the main changes in physical infrastructure[*].

During the period from 2004 to 2008 colossal sum of money were allocated to support these delivery scheme: £1.2bn was attributed to the Market Renewal Fund, with Pathfinders also hoped to get more resources from the Neighbourhood Renewal Fund and the New Deal for Communities, both of which targeted the regions which suffered from social problems because of the decline of traditional industries like mining and represented the 'social' side of regeneration.

Any programme that suggested physical reconfiguration and the bringing of new residents is widely open to critics, the case of gentrification during Thatcherite period. This scheme had supporters and opponents, on the one hand, those who supported for whom this programme was quite an enlightened initiative, optimizing the great challenges and renewal in certain areass of England compared to the high-demand south east,and the opponents who claimed that Britain heritage was demolished, that this renovation was unnecessary especially that of Victorian housing in the north west of the country.

The Housing Market Renewal Plan was accused by the abandonment of the particular needs of individual communities' areas to a wider regional policy of modernizing housing and

[*]The Pathfinders operation was extended to three other regions in 2005; these were: West Cumbria, West Yorkshire and Tees Valley.

environmental appearance of those regions; in addition the way some historical constructions were demolished also raised some critical voices to the scheme. As a reaction to this criticism the CABE's (2005) review of how the programme was progressing, emphasized the need to work at a sub-regional level, in order to consult carefully with communities and then fix the source of problems in particular areas.

Even though the responsibility of planning policy was attributed to the CLG, Nonetheless, struggles for power remained at the level of the different branches of the civil services. This difference was not really felt by 'communities' but it seriously impacted the direction of urban policy during the Blair regime.

e- Urban Task Force, Urban White Paper

These policies were very ambitious and put the standards of British urban policy at a high level. With Urban White Paper and Our Towns and Cities theshape of urban policy was stacked at an early point in the Labour Administration. This ambition to have high quality design at the image of other European cities like Barcelona for example, combining high-density housing, high standards of urban design and vibrant cultural identity; was based partly onPrescott's commission report of a task force on urban policy. The report, Towards an Urban Renaissance (Urban Task Force, 1999), showed big optimism and ambition for great cities given Richard Rogers involvement.

There were some critics concerning the Urban Task Force report (Cooper 2000). The blame was that though the importance of having nice big cities, issueslike local involvement in decision-making, and emphasis on partnership working and a reinvigoration of local and regional government were neglected.

Thecommitment to sustainability could be the most important feature that characterizedboth the Urban Task Force reportand the White Paper policy. Sustainability is a concept at the heart of urban policy with a central importance to the contemporary policy. Then, no initiative was launched without making some reference to sustainability.As the White Paper argued:

> We also have to bring together economic, social and environmental measures in acoherent approach to enable people and places to achieve their economic potential;bring social justice and equality of opportunity; and create places wherepeople want to live and work. These issues are interdependent and cannot belooked at in isolation. … That is why moving towards more mixed and sustainablecommunities is important to many of our plans for improving the quality of urbanlife. (DETR, 2000)

Under the DETR the majority of decisions concerning urban policy were bureaucratic and sustainability seemed coherent to those decisions. After being mixed communities became sustainable, the Urban Task Force purpose was that a sustainable community is not only concerned by demographics income, age, family structure, and ethnicity and so on, but also by living quality, work, play. After the election of 2001, the integrating of economic, social and environmental concerns was lost.

The importance of the concept of sustainability in urban policy wasvery reflected in the established framework within which local authorities operate planning policy. The Planning Policy Guidance(PPG) series, were replaced by another document for the same purpose.

The new documents were called Planning Policy Statements (PPS), the objective of this document is thestatement that: 'Plans should be drawn up with community involvement and present ashared vision and strategy of how the area should develop to achieve more sustainablepatterns of development' (ODPM, 2005b: 3). Again, the link between involved communities and sustainability is obvious. The years post to 1997 observed an important shift to supporting these visions actively pursuing a sustainabilityagenda, though in practice according to scholars interested in the issue it was not very clear. What one may say is that there was no real shift from one policy to another but only an extension of the previous one.

2. Statements of the New Labour Planning Policy

New series of Planning Policy Statements (PPSs) were set for the sake of a re-organisation of the already existing Planning Policy Guidance (PPG). In order to secure a good implement of the policy and avoiduncertainty in the planning system and unresolved changes; the ODPM prioritised the most potentially depressedareas. Like this, both the existing PPGs and the newer PPSs support each other. According to many, the most controversial of all those

planning statements was*PPS, Housing*, published some time later so as to use the resultsof the Barker Review of Housing Supply.

These are the Planning Policy Statements as taken from: Roberts and Evans, *Urban Regeneration in Britain*, 2011:

Planning Policy Statement 1: Delivering Sustainable Development (February 2005)
Planning Policy Guidance 2: Green Belts (March 2001)
Planning Policy Statement 3: Housing (November 2006)
Planning Policy Guidance 4: Industrial, Commercial Development and Small Firms(November 1992)
Planning Policy Guidance 5: Simplified Planning Zones (November 1992)
Planning Policy Statement 6: Planning for Town Centres (March 2005)
Planning Policy Statement 7: Sustainable Development in Rural Areas (August 2004)
Planning Policy Guidance 8: Telecommunications (August 2001)
Planning Policy Statement 9: Biodiversity and Geological Conservation (August 2005)
Planning Policy Statement 10: Planning for Sustainable Waste Management (July 2005)
Planning Policy Statement 11: Regional Spatial Strategies (September 2004)
Planning Policy Statement 12: Local Development Frameworks (September 2004)
Planning Policy Guidance 13: Transport (March 2001)
Planning Policy Guidance 14: Development on Unstable Land (April 1990)
Planning Policy Guidance 15: Planning and the Historic Environment (September 1994)
Planning Policy Guidance 16: Archaeology and Planning (November 1990)
Planning Policy Guidance 17: Planning for Open Space, Sport and Recreation (July2002)
Planning Policy Guidance 18: Enforcing Planning Control (December 1991)
Planning Policy Guidance 19: Outdoor Advertisement Control (March 1992)
Planning Policy Guidance 20: Coastal Planning (September 1992)
Planning Policy Guidance 21: Tourism (was cancelled in May 2006 and replaced bythe *Good Practice Guide on Planning for Tourism*)
Planning Policy Statement 22: Renewable Energy (August 2004)
Planning Policy Statement 23: Planning and Pollution Control (November 2004)
Planning Policy Guidance 24: Planning and Noise (September 1994)
Planning Policy Statement 25: Development and Flood Risk (December 2006)

As it was already said above, sustainability of communities and environments was at the centre of the New Labours' economic policy; the new policy statements came as a consequence to the Planning and CompulsoryPurchase Act, 2004. This Act introduced a numberof important reforms with the objective of making the planning process more suitable, modern, organized and efficient; more to make it attractive and acceptable in the eyes of the people.

The old regional spatial strategies were replaced by new regional planning, this came to replace the old regional planning guidance but, with the expected power to reach the objectives set. At the local level, local development documents working with the regional spatial strategy came to replace the previous plans, like the unitary developmentplans. The target of these new plans was to put developers in a confident position and give them more clarity and certaintyabout the process saving the plansfrom decay and decline withinthe system.

This agenda of making the planning process pleasant and more effective wasconducted in part by the Barkerreviews[*]. Kate Braker was an economist and member of the Monetary Policy Committee, she was asked by the Chancellor and the Deputy Prime Minister to make commissions in order to set recommendations on the planning system policy in the UK. The first of these reviews began in 2003, the first Barker report, Delivering Stability: Securing Our Future Housing Needs' (Barker, 2004); this report claimed that housing supply was not being organized according to demand. When this reportwas commissioned, the prices of the houses were sharply rising for a number of years leading to economy inflation according to theTreasury, and a cut down in affordability according to the ODPM.

Before Barker report, local authorities were responsible of allocations of housing land these were based on populationprojections. The point was that the areas with low demand for housing could provide too much lands for development, at the opposite the areas with high-

[*] There were series of reviews commissioned b the Chancellor of the Exchequer to set recommendation for the planning system in England

demand saw local authoritiesrefusing more planning permissions because their demographic targets were reached and the development cycle couldn't permit more residents in this area.

The suggestion of Barker was that the market price of land had to be the regulator and in a close relationship to the allocations of housingland.This opinion raised too much debates and was perceived as quite controversial because it was seen as more encouraging the growth of thesouth east of England, where there was clearly a high market demand for development land (ibid).At the same time the review was judged by scholars as clearly aligning Planning Policy Statement number 3 (PPS 3) :Housing released at the end of 2006.

This was a very important change in British Urban policy as itmeans that the Treasury was then getting more involved and took a direct role in shaping planning policy, leading indeed to a market-driven direction. A lot of positive reforms were registered Planning Policy number 3, particularlyconcerning the need to guarantee high-quality design and ensure environmental restoring andafford housing by providing socially rented properties, securing then mixed communities. However, even with these aims some groups like the Campaign to Protect Rural England (CPRE) showed some reservations about forecasting market needs up to 20 years ahead of time and claimed that it could raise some problematic. The CPRE argued that housebuilders will simply build at low densities* to fill upthe land surplus, if demand is not as high as forecast (CPRE Oxford shire, 2006).

Another review of Barker came to complete the previous one which strongly influenced PPS3; this was Land Use Planning (Barker, 2006). The review major point was that the organizing of the land release for general development was based on the market. The second point Indeed, was that sometimes, and in order to secure better planning, reconfiguration of the green belt surrounding urban areas might be necessary.

Themain concern of people who criticized this review was that if not carefully managed,it seemed to be leading to the boom of out-of-town shopping centres that occurred in the late 1980s. This would put the urban policy far from its initial aims of reducing car commuting or car reliance transport, and then far from revitilising the urban centres.

* Types of homes often associated with rural residential areas; described as large blocks where separated large dwellings of 600 or 700 square meters are constructed separately.

In reaction to the Treasury view that the slow planning process was the major reason for the brake on economic development, the review then advised for significant changes to the planning process in order to give house builders a clearer sense of the needs required and therefore speed up the processing of applications. What one may notice and what is interesting here is that though the major Treasury involvement, the review strongly align with the language of sustainability, far from past principles of the 1960s forexample, which aim was to promote 'growth'.

3. Regional Policy

a- The RDAs

After the breakup of the DETRin 2001, the regional economic policy was no more the concern of the new ministry, though it kept some responsibilities for the regions. The regional developmentagencies (RDAs), which came to replace the Single Regeneration Budget in 1998,moved to the Department for Trade and Industry (DTI). The RDAs represented a significant funding for the DETR and their loss meant that the Ministry with responsibility for urban regeneration lost direct controlof this policy of regeneration.

The major concern for the RDAs was to permit a further economic development in the regions,and make of regeneration an important part of an economic agenda, rather than a step of a process of which economic development is one part. However, the RDAs had a complete freedom in spending the fund allocated to them (Greenhalgh and Shaw, 2003). The money came from CLG (Department for Communities and Local Government) but this body did not have a great influence over how that moneywas spent, with the Department for Business, Enterprise & Regulatory Reform (DBERR,the successor to the DTI).

The RDAs were supposed to become part of the regional agencies, newly established, however these assemblies had a very limited power; and were not elected bodies. In 2004, the proposal through referendum for directly elected assemblies was totally rejected; and then at the exception of the LondonAssembly, none of the English Assemblies were directly elected. Thiswas a bit contradictory because the bodies which were supposed to give a legitimate

democratic effective supervision to theactions of the unelected RDAs were themselves without democratic mandate.

However, these bodieshad another responsibility which was the drawing up of the regional spatial strategies for economic development,housing, transport, the environment, and others. They had also the responsibility ofestablishing at regional level the locations, size and priority of development for the regeneration process; among which, forexample, determiningthe amount and location of land to be released for housing development. The democratic deficit, after the 2004 referendum was well felt in the regeneration planning for these regional areas.

b- Neighbourhood Renewal in Community-led Policies

During the New Labour premiership there was an obvious split within urban policy. This policy had two components; the first was labeled 'renewal' and it was destined to communities, and the second was labeled 'regeneration' and was more concerned by the changes at the level of physical infrastructures. Though this division, the close interaction between society and environment cannot be denied.In a trial to put these two strands together, coordinating agencies were set such as the Housing Market Renewal Pathfinders, or previously in 2001 the Neighbourhood Renewal Unit (NRU).

In 2002 another central delivery programme for the Sustainable Communities Plan was set; this was the Housing Market Renewal Pathfinders or the Housing Market Renewal Initiative. Its aim was to renew the failing housing market in some areas of the country, notably the North and the Midlands in other words the physical reconfiguration through the demolition of the said to be physically decayed housing and the rebuilding of new ones also to make the areas more attractive, improve neighbourhoods and encourage people to live and work in these areas. The programme was launched by the Deputy Prime Minister John Prescott in 2003, and concerned nine areas; these were Bimingham/ Sandwell, Hull, East Manchester/ Salford, Meryside, Newcastle/Gateshead, East Lancashire, North Staffordshire, Oldham/ Rochdale, and Yorkshire.

Although with varyingdegrees of success, through these agencies the government attempted to reduce the gap between these areas and the rest of the country.The associatedNeighbourhood Renewal Fund (NRF) gave £1.875bn in the period from 2001 to

2006 to 88 of themost deprived areas' authorities in England;another fund of £1.05bn was allocated in the period from 2006 to 2008 to the86 most deprived authorities in the country (Neighbourhood Renewal Unit, 2007 from Tallon 2013).

One may say that the most significantinitiative operated by the NRU is the New Deal for Communities (NDC), even thisprogramme was set a little before the NRU in 1998. The major objectives of the NDC partnerships are set up at local level to fightfivekey indicators of social deprivation: unemployment, educational failure, crime, health and of course housing problems and the physical environment, but the NDCsdid not have big resources for conducting large-scale rebuilding programmes.

c- LSPs

The Local Strategic Partnerships (LSPs) were created with the aim of restructuring and rescaling areas considered as more deprived, however they worsened the already existing tensions in community policy. Unlike the NDCs which targeted specific areas, for example: a groupof housing estates; the LSPs had a larger target. The LSPs included most areas of the country, though initially they were limited and were supposed to cover the areas which qualified for NRF resources.

The NRFs could not pass to those deprived areas without the LSPs, they represent the channel through which Neighbourhood Renewal Funding reach them. These bodies were not elected but are run through representatives from partner organisations, ie state and non-state actors more precisely local police authorities, local authorities, as well as the education and health sectors.

During the decade from 2000 to 2010 the notion of 'floor targets' appeared, this term was established in the Treasury'sSpending Review of 2000 in order to set minimum criteriabased on a variety of social measures fordeprived areas in order to reduce the gap between the deprived areas and less deprived ones. The LSPs worked around this notion, which became an important feature of Labour policy (Bailey,2003).

In 2007 the notion of floor targets was given a formal statut and became Local Area Agreements (LAAs). The point was to reduce the tensions between central and local

authorities, and then from 2007 LSPs were needed to work via LAAs. These were to represent an coordination between the local authority, central government, and the LSP concerning the priorities for action in the target area. As for the NDCs, while the logic ofjoined-up thinking between different agencies was supposed to be very beneficial for deprived areas and guarantee at least their social improvement in different fieldssuch as health, education, and public safety. However, the effective response of LSPs to local needs through LAAs remains very debatable for scholars and observers.

d- Commission for Architecture and the Built Environment

What one might say about the New Labour urban policy is that it was distorted by the parallel ‘renewal’ agenda covering social policy, skewing towards physical infrastructure concern. At the same time this was in a sens obligatory, as like the Conservatives when the Labour party cameto power in 1997, the country was still in need of physical and architectural recovery, and post-war legacies were still apparent.That’s why in the first New Labour term and in addition to the Urban TaskForce new other reforms emerged that insisted on the importance of good quality architecture and spatial planningin Britain’s cities.

In 1999, the Commission for Architecture and the Built Environment was set; this was the continuity of The Royal Fine Art Commission already created in 1924. Its aim was to comment on development plans and make reviews though it had no official power toimpose or apply changes the same as its previous form Royal Fine Art Commission. With the creation of CABE as with Urban Task Force the priority was to promote high quality design through comments and advice of developers and the different public bodies on their development plans.

The CABEhelped to provide guidance on how buildings were drawn-up, this was known as the principle of ‘design coding’, through this principle, the designated redevelopment areashave a series of design standardsat different degrees of detail laid out for them.These could include such elements like the height of buildings, distance from the street (or set back from street), overallstreet-frontage patterns, guidance on material textures and colours, and others. The idea of coding was applied in a series of projects from 2004 to 2006 and was attached to Planning Policy Statement 3: Housing (CLG, 2007).

4- Construction Policy and the Culture of Training

New Labour policy concerning construction was widely based on the views of Sir John Egan, he was the head of Construction Task Force, and his view impacted all the urban policies that followed. The review of Sir John Egan was of great interest to urban policy; it emphasised the introduction of new technologies and training for construction workers and developers in order to meet new challenges; it also highlighted the flexibility of the construction industry. To give more credibility his review Egan noted the numerous advantages that could be won from partnerships between construction firms and developers, notably the benefit of housing association from the quality and price or cost advantages of these arrangements (Construction Task Force, 1998).

The importance of construction industry was obvious for Egan who could show it to the rest, that's why a new executive agency was set supporting his ideas; this was the Construction Excellence, funded by both the CLG (Department of Communities and Local Government)and the DBERR (Department of Budget, Enterprise and Regulatory Reforms). Because of the large impact of construction on environment, its role in achieving a sustainable developmentwas central. Then Egan agenda was very encouraging to new technologies application at the level of construction, it restructured the manoeuvre of this industry and sustainable construction.

The New Labour Government ambition for sustainable development and then sustainable construction led to the impressive standards to tighten the Building Regulations, with more strict standards concerning environmental impact andenergy use.The objective of these Regulations was to scrap environmentaleffects of new construction, like minimising the quantity of surface water runoff throughthe use of sustainable drainage systems (SuDS) (Roberts 1998)[*].

In 2006 the CLG's Code for Sustainable Homes was launched in the purpose of the application of sustainable construction principles. This represented an environmental assessment for rating the quality and performance of new homes in the UK. They represent national standards for design and encouragement for continuous sustainable house building

[*]The Building Research Establishment has also been driving this agenda through its Environmental Assessment Method (BREEAM) and its Eco-Homes standards.

improvement[*]. In the purpose of reduction of carbon footprint English Partnerships run and are still running a Carbon Challenge enhanced by the CLG to promote the buildingof carbon neutral homes, the objective was reaching all new homes having to be carbonneutral by 2016 (English Partnerships, 2007). The government seriously took into consideration the climate change and threat in putting its policy into practice.

- **The REC, the ASC and the Culture of Training**

The general objective of the Sustainable Communities Plan was the general concern with the regeneration process through the improvement of capacity and quality of building among the different regions of the country. Thanks to recommendations fromthe Urban Task Force Report, the Urban White Paper (DETR, 2000)and the RDAs; 'Regional Centres of Excellence' were established with the aim to encourage or better stimulate atraining culture and skills for issues around the built environment.

This idea was raised and fostered by Egan Report on Skills for Sustainable Communities (ODPM, 2004), thanks to this review eight centres of excellence were created. These bodies were meant to help the groups of the public private and community sectors to acquire the necessary training and skills needed to run the regeneration process but not to supply that training.

Those centres of excellence are backed by theAcademy for Sustainable Communities (ASC). The ASC was a governemental body responsible ofthe improvement of the new environment created in the regeneration process through increasingthe skills base in the sector. This organistaion did not differ from REC in its principles, the ASC was notexpected to provide training itself, but rather to promote and optimize a culture within the sector whichperceives the importance of skills.

The Future Awards Vision was launched by the ASC as part of the ODPM scheme for innovation in 2007, the aim was to encourage those coming with new ideas and ways to improve community sustainability, this was to acknowledge innovation and good practice.

[*]'Level 6 of that Code is for homes which are effectively carbon neutral, in that they generate sufficient energy from renewable sources to 'pay back' any energy they draw from the national grid' (Johns.& Evans 2008)

III. An Evaluation of the Achievements of the Urban New Labour Policy

1. The Adoption of the 'Social Inclusion' Concept

Much has been said about the need to identify policies that can be shown to 'work', and are not simply based on 'ideological conviction' or 'common sense' (Davis et al., 2000, 1). New Labour's approach to urban policy may be usefully assessed by asking three key questions: Were the needs and dynamics of communities better understood? Did the new approaches to community involvement significantly change the process of regeneration? To what extent was the approaches adopted by the labour government able to overcome the limitations of previous policies?

One of the most important approaches that characterized the post-1997 period was called by scholars 'realist' approaches to evaluation that sought both to describe and explain policy outcomes (Ho, 1999; Taylor and Balloch, 2005). Government appointed committees with a number of long-term national evaluation programmes producing maybe the most considerable and wide-ranging evidence-base ever produced on area-based regeneration in the UK. Among the examples that can be cited are the national evaluations of the New Deal for Communities programme (CLG, 2008c), of Neighbourhood Management (CLG, 2008d), and of Local Strategic Partnerships (ODPM, 2005b). This approach of describing and evaluating in addition to detailed research and policy analysis on the problems of deprived areas, their residents, and the associated policy response helped the government to have a clear view of the situation and to set solutions. unlike during the 1980s, when there was an obvious absence of detailed government evaluations and policy reviews (Shaw, 1995).

The key point in the new government policy was itsemphasis on tackling social exclusion and its efforts to improve understanding of communities, and their problems. This was obvious in its prioritisingof social exclusion framework, in both the machinery of government and the strategic direction of policy. 'Social exclusion' is not only income poverty, but much more than that; it is a term for what can happen when people or areas have a combination of linked problems, such as unemployment, poor health conditions, discrimination, low incomes, poor housing, high crime and family breakdown. These problems are linked and mutually

reinforcing (Social ExclusionTask force website, www.cabinetoffice.gov.uk/social_exclusion_task_force)*.

The concept of social exclusion was adopted in the UK as a process involving all the people. Unlike poverty and deprivation, therefore, exclusion focuses our attention on what others do to us. (Alcock, 1997). The debate over deprivation was extended to the reasons that lead individuals, groups and communities to be excluded from mainstream society (Morrison, 2003). The approach to understanding these disadvantaged communities is related to how some categories of the population are 'cut off' from the labour market, and don't have access to effective public and private services and a good local environment in addition to their struggling to have good education qualifications(Camina, 2004).

The focus on replacing 'social exclusion' by 'social inclusion' established a strategic policy bat the national level, with a number of local authorities moving on from their initial 'anti-poverty' strategies to developing their own local social exclusion/inclusion strategies (see, for example, Newcastle City Council, 2008). There was a a moral imperative to address social exclusion by: Community involvement in the regeneration process, and the strong commitment to 'engaging' the community in the process of regeneration. This led to changed practice, fostered innovation and revealed new insights because left unaddressed, the exclusion of disadvantaged groups revealed to be costly (Burton, 2003; Robinson et al., 2005; Skidmore et al., 2006).

Then to address the situation, New Labour government promoted engagement as a mechanism of UK urban regeneration policies. There was a well-established consensus that local communities needed to be involved in the process of regeneration. The key strategy of the New Labour in the early twenty-first century was to break-open systems of governance, to make them more responsive, more accountable, and perhaps most importantly, more effective and efficient through giving communities the advantage to give their opinion about the policy priorities and resources spending ,this was a part of a broader strategy to moderenise the party and to change the image of the "Old Labour" portrayed as always betraying its electoral

* The term has its roots in European policy development and the EU placed social exclusion at the centre of its approach to fighting poverty after the Lisbon Summit in 2000 (Kahrik, 2006).

promises, so as to reassure the public that the party made of communities an integral part of any strong democracy (Imrie and Raco, 2003)*.

There was a wide range of procedures available for the expansion of the process of involvement with established techniques such as 'planning for real' or consultative forums including different kinds of opportunities for involvement. These range from voting in community elections (Shaw and Davidson, 2002),participating in surveys of beneficiaries (CEA, 2005) shaping regeneration plans, such as new housing developments (Cole et al., 2004), to influencing service provision (CLG, 2008d), being involved in participatory budgeting exercises (PBU, 2008), contributing and playing a part in evaluation (Graham and Harris, 2005) and becoming (often elected) community representatives on partnership boards (Rallings et al., 2004).

It was then, generally accepted thatthe engagement to reach the bottom of local authorities had to draw upon a variety of different approaches, because different people want to be involved in different ways hence different kinds of opportunities. The concept of a 'life-cycle of engagement' adoptedby the new government suggested an evolving process in which there was a change in emphasis over time so as to reflect different priorities, stages of development, and the arrival of new groups into a neighbourhood (CLG, 2009a).

The regeneration initiatives developed since 1997 have demonstrated the benefits of community involvement; and it was obvious that these measures were embedded in practice and very likely to be sustained as a principle in future regeneration initiatives. A good illustration is the New Deal for Communities programme, where nearly £2bn of public expenditure had been spent in 39 localities over the last decade, it can be said that the focus on community was the central feature of the whole programme. Whatever the drawbacks of

*The Efforts of the government to enhance the capacity for involvement have also led to the development of good practice in monitoring community involvement (Wilson and Wilde, 2003). One useful example is evaluation based on four criteria of involvement: influence; capacity; inclusion; and communication .This contributed to the wider debate on how communities should be directly involved in shaping and monitoring local indicators that are both 'bottom-up' and capture the aspirations of local people, such as the 'Communities Count' and the 'Prove It' frameworks developed by the New Economics Foundation (NEF, 2000; Lingayah and Sommer, 2001).

involving the community, if 'properly channelled it can help identify choices, reveal who the real losers are, and reinforce the importance of bringing benefits of the programme to all residents' in short, the 'alternative is far worse' (CLG, 2008e, 13).

Another programme which may be referred to in community involvement in the post 1997 period is the Housing Market Renewal. Its evaluations praised the progress made on community engagement, 'particularly in exploring the views of potential residents and people in groups which are difficult toreach. All the pathfinders developed community engagement strategies, establishing various mechanisms for resident participation and community consultation' (NAO, 2007, 26).

Similarly, the Neighbourhood Management Pathfinders represents one of the more successful of the recent regeneration programmes, this programme placed community engagement at the heart of enhancing local service provision, and ensured that the relationship between service providers and residents has helped service providers to 'shape their service more in line with local priorities' (ibid). What one may say about thisorganisational integration and community involvement is that it directly contributed to the emergence of a more comprehensive, integrated and, even holistic, understanding of problems and appropriate policy responses.

2. Retrospect of the New Labour Policy

The key mechanism of the New Labour strategy was the idea of developing what has been called by scholars and economists 'joined-up' approaches to understanding problems, finding solutions and implementing policy (Ling, 2002). The result was concrete in urban regeneration, as in other policy areas. Probably the greatest success of this policy was achieved in Neighbourhood Management projects, where multi-sector partnerships (including residents, service providers and representatives of the voluntary and private sectors, elected members) were established, paving the way to a governance more appropriate and suitable to local needs and facilitating dialogue with service providers which helped them identify the 'need for additional or re-shaped services' (CLG, 2008d, 42; Power, 2004).

The UK government concentrated its intervention in the assistance of the regions hit by social and economic problems through introducing several institutions to promote economic

development and implement new initiatives. It was clear for the government that the situation was going from bad to worse and thanks to commissions it could understand the cycle of decline in poor neighbourhoods and the complex, interacting, factors including 'low levels of economic activity, poor housing and local environment, unstable communities, and poorly performing local public services' (Prime Minister's Strategy Unit, 2005). It was then high time for the government institutions to realise that integrated and tailored solutions were required and to start thinking of the potential impact of the types of intervention enhanced such as renewal and outcome area change (CLG, 2008f, 54). understanding the complexities of deprived neighbourhoods and the realisation that population residential mobility is one of the key issues for regeneration partnerships (CLG, 2008c, 51–56).

It is obvious that holistic interventions can result in other related benefits: interventions in one area may have a positive impact on other outcomes (CLG, 2008c; 2008f). Then this may include strong, relationships between improving housing and the built environment and reducing crime; and also relationships between residents feeling part of their community and improved educational outcomes; and reduced levels of unemployment and improved health outcomes (Taylor, 2008). The same thing concerning the New Deal for Communities, as the national evaluation notes: ' local people point to the 'importance of ensuring new housing developments improve the environment and help "design out" crime; training schemes can provide local residents with the skills required for new housing schemes in the area whilst at the same time helping the most disadvantaged into jobs; new health projects can train local people; and so on' (CLG, 2008c, 51).

The Sustainable Communities Plan (ODPM, 2003a), with its engagement to bringing together the social, economic, and the environmental objectives in a coherent strategy, shaped the emerging policy approach on environmental exclusion or the relationship between deprived areas and poor environmental quality. The fact which highlighted a remarkable unfairness in relation to three interlinked components: access to environmental 'goods', such as food, transport, shelter, and nature, quality of access to public space; and environmental protection (ODPM, 2004b, 4).

In addition New Deal for Communities and Neighbourhood Management projects seem to have largely contributed to reduce crime and promote positive initiatives at the neighbourhood level (Shaw, 2004). This means that New Labour urban policy adopted a more

balanced approach, in which physical regeneration is linked to wider economic, social, and environmental objectives. It was perceived as a conventional wisdom that in order to promote sustainability, major investment programmes needed to be integrated into wider strategies which encompass physical, management and social issues', for example, housing investment alone was unlikely to turn around estate decline and bring long-term changes(Cole and Reeve, 2001, 4).

However, the omnipresence of partnership working was certainly not always a great success; its principle is to bring agencies and interests together so that there is at least the prospect of a joined-up approach (Glendenning et al., 2002) but the welcomed distinctiveness and innovation of New Labour's approach to urban policy and regeneration had certainly evident disadvantages, some in relationship to the past. Three elements are particularly notable: assumptions on the causes of urban deprivation; the long-standing acceptance of a small-area focus; and the continuity in the adoption of physical 'solutions' to complex social problems.

British Commentators linked the legacy of social pathology to a deeply ingrained tradition of individualistic explanations, in which the 'poor' are kept to blame for their own misfortunes and so need intervention to help in changing their deviant behaviour and attitudes (Masterman, 1909). The reason for an emphasis in public policy, and in public discourse, on individual deficiencies from the part of the government and the requirement for individual 'problem solving', requiring a large dose of self-help. Whether categorised as the 'dangerous class', the 'residiuum' or the 'undeserving poor', the urban working class that lived in the 'great gloomy cities' of the nineteenth century were both condemned for living their lives in social and moral degradation, and were feared because they were regarded as having predisposed potential to contribute to civil unrest and social disorder.

Consequently, these individuals and groups in poor communities are seen to struggle not just because of lack of employment, poor health, low educational attainment, but because they are perceived to be not good neighbours or non-active citizens*.The fact of blaming the victim

*Value judgements are applied to the poor, not the rich: no one ever asks that the residents of Mayfair get involved with their street lighting or pavements, so why should these people whose difficult lives and lack of

diverts attention away from structures and institutions, and how they create and reinforce economic inequalities. The other side of the coin is how this community involvement in regeneration is practised: people are encouraged to take part and become active citizens, however not toquestion the powers which generate and maintain disadvantage.

The second point that may reduce the efficiency of the New Labour urban policy is the focusing on small areas. These interventions in small areas may well improve conditions for some, but will not heal the main causes of poverty and disadvantage. Relatively small-scale, locally focused urban policy interventions will always be open to charges of tokenism* in other words, making a symbolic effort to make the appearance of equality; because they cannot counteract opposing trends caused by the operation of the wider economy. The criticisms levelled by the Community Development Projects (CDP, 1977a; 1977b) over 30 years ago remain valid today. As Oatley has remarked: 'The CDPs' reference to wider structures and to causes outside neighbourhoods and communities seemed to 'fall into the category of "inconvenient" knowledge, best ignored' (Oatley, 2000, 93).

One may say that over the past forty years urban policy had linked social problems to particular areas, and the solutions suggested and the policies adopted were area-based and didn't really change over this long period. As a consequence, urban deprivation was identified as an exceptional problem and it became possible to develop area based policies to deal with this probleminstead of attempting to provide a more or less 'universal' welfare safety net(Cochrane, 2007).What may be noted is that it was and still remains impossible for governments to develop a narrative of urban problems which identifies them as wider structural powers practising contemporary capitalism (Atkinson, 2000).

The long-standing critique of capitalism is that it makes the poor poorer as it was the case with the previous government , the new one is widely creticised for its policy of area-based interventions, and its assumption that there are no area problems, merely structural problems that find their place locally (Chatterton and Bradley, 2000, Cheshire 2007). It has been noted

money make it harder. This is a curiously Victorian notion that 'community activity' is a good of its own, or at least that it is good for the poor on council estates. (Toynbee, 2003)

* The fact of doing something only in order to do what the law requires or to satisfy a particular group of people, but not in a way that is really sincere (Oxford dictionary)

that poor people might be made poorer by the nature of the local area in which they live, the central issue is that the poor do not choose to live in areas with low safety and higher crime rates for example and worse pollution: they cannot afford to be in better places. That is, the incomes of people determine the character of the neighbourhood they can afford to live in. The problem is poverty, not where poor people live. (Cheshire, 2007)

In addition, focusing efforts on a small area may bring about real changes in that area, but the overall impacts over the whole city or, indeed on the society as a whole, are going to be very limited. There is a tendency of acceptance that 'neighbourhood effects' do exist and that certain types of place-based interventions can sensibly allow for the targeting of vulnerable groups concentrated in particular localities (CLG, 2008f). Evaluations and assessments of small area interventions, either commissioned by government (CLG, 2008c; 2008d) or undertaken by independent researchers suggest that, for all the activities undertaken (and the billions of pounds spent), the impact on the life chances of individuals has been rather modest (Taylor, 2008; Hills et al., 2009).

In her review of evidence for the Joseph Rowntree Foundation[*], Taylor genuinely demonstrated the inefficiency of physical solutions to complex problems. Emerging from the view that strong neighbourhood renewal programmes operating in Britain have not done enough to turn the tide around the disadvantages in deprived areas suffering of weak economies, high unemployment rates , low skills levels and insufficient enterprise (Taylor, 2008). The New Labour government thought of physical 'solutions' to complex social problems. It suggested and applied physical change and development, whether through clearance (demolition) or construction, however though it is clear that there is a tangible result, this policy turned out to be not really efficient and the problem of 'housing market failure' in the cities of northern England provided a prime example of that.

The Housing Market Renewal Pathfinders made of large-scale demolition the strategy to deal with low demand and create new, mixed communities through redevelopment. It is not

[*] Joseph Rowntree Foundation is an independent social change organization working to solve UK poverty. Established over one hundred years ago by Joseph Rowntree, a businessman and social reformer, to provide housing in communities and to understand the root causes of social problems. Rowntree built New Earswick, a village in York, for people on low incomes, including stuff who worked in his factory giving them access to decent homes at affordable rent. In addition to two other trusts founded in the beginning of the twentieth century. These were Joseph Rowntree Charitable Trust and John Rowntree Reform Trust.

surprising then that concerns were raised about the loss of existing communities and the destruction of the 'heritage' and 'damaging vernacular dwellings" the same as with the planning and housing policies of the 1960s' (TCPA, 2006, 2). During the first decade of the twentieth century, Labour Local authorities emphasis on demolition and extensive new construction also informed a number of highly contested regeneration schemes in several northern cities, such as Middlesbrough and Newcastle(Byrne, 2000; Shaw, 2000).

In practice, such strategies turned out to be problematic, affected first by the housing boom, which called into question their validity, then by a bust which has stopped redevelopment. Physical regeneration seemed to be the only option to address the social critical situation in which England was living in post Thatcherite decades, however this policy mean nothing more than gentrification through the displacement of working class residents by an incoming middle-class population (Smith, 1996).

The mechanisms and strategies developed within the Housing Market Renewal areas and in some of the local regeneration approaches in northern cities, can be viewed as 'state-managed' gentrification, as agencies purpose was to recreate housing markets by attracting a mass of middle-class home-owners into areas of low demand through demolition, this meant altering the existing tenure mix substantially in favour of owner occupation, this reminds us of the actions initiated by the conservative government (Atkinson, 2003).

As Atkinson argued: "For a more sustainable revitalization of our towns and cities we need to look less to an influx of middle-class gentrifier households … and more to ways of improving amenity and environmental quality for existing residents while reducing inequalities and improving neighbourhood management. Within this there is clearly no reason to believe that diversity is bad but that such discourse has often served to mask a supplanting of existing residents, rather than their integration into future places and plans". (Atkinson, 2004)

New Labour urban policy in the UK had been largely stimulated by the persistent concentration of unemployment and deprivation and social exclusion in some areas, the fact which urged public authorities to intervene and take measures. This meant to promote an agenda that both tries to involve and enhance social inclusion amongst existing residents, but also aims to attract a new group of wealthier residents into 'regenerated' and 'socially mixed' communities. The government adopted different approaches like the New Deal for Communities, Neighbourhood Management Pathfinders and Housing Market Renewal. However, considerable tensions resulted in the application of these programmes; it can be

argued that not only are the tensions difficult to reconcile, but that the achievement of one may reduce the possibility of achieving possible success in the other.

Nevertheless these innovations implemented by New Labour did not contribute to a great extent in the reductionof the fragmentation within the institutional framework and some regional initiatives continued to be centrally managed.Then, while these innovations attempted to improve the relationship between the different tiers of government, they brought the regional issue into the foreground and made it clear that other changes would be necessary (Mired,?).In these new conditions, regeneration was likely to require more state intervention. Giddens, author of New Labour's 'Third Way' (2000), believes that 'the period of Thatcherite deregulation was over and that the state was back (Giddens, 2009). There was a new role for the state which wasthe regulation ofpublic-sector house building and public-sector enterprise. Was is then New Labour or New Capitalism?

Conclusion

As a part of restructuring the urban policy in the UK, the New Labour government launched a number of policies. There was a rapid increase of agencies at different levels, following the neoliberal policies of the previous Conservative governments. This led scholars to inquire into the extent to which New Labour's urban policy was embedded within neoliberalism. Many consider that urban reconfiguration enhanced by New Labour Office was the reason for the emergence of local tensions and contradictionsleading to an obvious injustice.

The first term of Labours in office knew a number of important urban policies, described by some academists as exciting and innovative, among which were: the Urban Task Force led by internationally known architect Richard Rogers and the establishment of the Commission for Architecture and the Built Environment (CABE). During Labour's second term, the Office of the Deputy Prime Minister (ODPM) came to replace the DETR, the ODPM retained the local government and regional files, but left much of the economic growth issue to the Department for Trade and Industry (DTI) and the environmental issue to the newly established Department for Environment, Food and Rural Affairs (DEFRA). In addition to the departments cited, the Department for Communities and Local Government (CLG) was created. Unfortunately with the dismantlement of the DETR, the Regeneration policy lost a lot

of its coherence becoming just as any other department competing for resources from the Treasury.

Among the programmes which represented a key policy of the New Labour urban policy were two programmes that reshaped urban governance arrangements, notably Local Strategic Partnerships (LSPs) and New Deal for Communities (NDC). These programmes were based on the assumption: equality of opportunities and on a communitarian aspect which represent the doctrine of the contemporary neoliberal policy theory; however in practice more inequalities and injustice characterized its implement especially with the promotion of local government power.

The NDC programme was a clear example which shows how redistribution policies and the prevailing target of profitability led to the failure of giving deprived residents'a voice. As a consequence, this reformulation of citizenship raised socio-economic inequalities and inequality of political representation. In addition, the concentration of investment only in the considered profitable areas implied that the territories and groups who had less to offer and were considered as non-profitable in this regard were left behind.This shows that though the humanitarian and communitarian aspect attributed to the New Labour policy in general and urban policy in particular, the unfairness it produces was very apparent.

New Labour urban policy tended to base itself on political and cultural recognition as necessary concepts in order to remedy injusticesleft by the previous governments. However, those actionstowards a greater political and cultural recognition of certain groups led to their exclusion if they didnot match with programmes targeting redistributionsystem. The Labour social action against injustice aimed at a remedy of injustices affecting residents of marginalised neighbourhoods as well as transforming the opportunities' structures of the worst conditions of groups off.

To realize that goal of correcting or preventing these injustices, one may imagine different ways; the critical examination of the basic economics, as suggested by Peck, or to give more importance to the voices of rebel economists. This would incite us to reconsider the debate about the degree to which markets can be left to regulate social activities. Then a critical analysis of the democratic process and how it is implemented is necessary.

In this concern, the rapid succession of regeneration programmes had beenoften widely criticized as it altered the notion of sustainable regeneration through the fracturing of the economic development responsibilities from the social –community development this later was realized under what was called ‘renewal’. In addition itonly permitted to groups to participate when they were already operating inlocal activities. Including the most excluded required more time than was allowed byregeneration programmes.

Barker reviews had greatly directed the Treasuryfunding and emphasized on land development through market forces this hadsubsequently influenced planning policy.The proliferation of funded powerful agencies also significantly altered regional planning policy in England; however it was compromised bya lack of democratic accountability.Another controversial point in the New Labour planning policy was the Sustainable Communities Plan which had conducted colossal building programmes,especially in the south east of the country, yet, basing itself on demolition andreconstruction in the Pathfinder regions made of it perhaps the most controversialelement of this policy (ODPM/CLG’s work).

Although the efforts of the New Labour government to widen the public sphere of regeneration and fix Thatcherite unfairness, it was not very efficient at the level of correcting unequal political inclusion, the fact which negatively affected those groups most concerned by regeneration. We conclude that New Labour's restructuring urban regeneration policy is better understood in terms of the extended reproduction (roll-out) of Tatcherite neoliberalism. Its implement was nothing more than bringing to the surface tensions and internal contradictions within the communities supposed to be saved from injustice of the previous regime but in any case these initiatives had contested neoliberalism and capitalism.

Chapter Four: Neoliberal Policy in Practice

Introduction

I- Neoliberal Cities

1- London

2- Manchester

3- Newcastle

II- Urban Policy beyond the City Centre

1- A Short Historical Background

2- Sub-urban Regeneration in Practice

a- North Solihull

b- Portishead

c- Waterfront Edinburgh

d- Lightmoor

III- Neoliberal Policy and Cultural Regeneration

1- Cultural Regeneration Strategy in Making Cities

a- Waterfront Redevelopment and Re-use of Historic Buildings

b- Cultural and Subcultural Districts

c- Liverpool: The European Capital of Culture

2- Sports-led Regeneration as part of Neoliberal Urban Policy

Conclusion

Introduction

Urban policy has never been far from urban regeneration; the difference between the two has been stated earlier, some of the core elements of regeneration have appeared in urban policy before its neoliberalisation, though with slightly different labels. In post-war Britain there was a discourse of reconstruction, the process was not only concerned by addressing areas which had suffered the destruction of wartime bombing, but also by demolishing the large areas of slum housing thrown up during the nineteenth century. In other words, large parts of the inner cities were demolished and replaced with major new roads, state-sponsored mass housing and new pieces of urban infrastructure.

After the 1970s, UK towns and cities have been enjoying something of a renaissance, both economically and physically.Post industrial decline and the shift of cultural preferences towards suburban, low-density living and open space led to a flight from the inner city and consequently the blight of inner cities across the UK. In the last forty years different approaches emerged and were adopted to face the need to manage this de-urbanisation, including the encouragement of business growth through Enterprise Zones, cultural-led regeneration strategies such as the European Capital of Culture Programme in the 1980s, and retail-led strategies such as town centre management, which existed from the early 1990s.

During the 1990s, urban regeneration was made a priority in urban policy and became a policy focus for the Labour administration. The NDC, the SRB and the Urban Task Force led the cities towards an Urban Renaissance as set out a programme to regenerate city centres through sustainable, high-density residential development. There was also an increase in city centre apartment building, particularly in large cities, however, the extent to which this is seen as a result of policy is mixed, and is likely to be more linked by critics of that policies to changing economic geography and demographic and social change.

Declining global growth and the onset of the banking crisis in 2008 had its effects on many urban areas*. It is argued that while New Labour's approach since 1997 has been

*Considered by many economists as being the most serious financial crisis since the Great Depression of the 1930s; neoliberal economy conducting the world for nearly thirty years, till then, saw financial banking giants

distinctive and, in some respects, innovative, especially in relationship to community engagement, it had continued to adopt a flawed conceptualisation of the urban problem which led to a limited policy response. Thus, what had been seen as more than a decade of continuing growth, and uninterrupted investment and economic buoyancy that led many cities out of structural decline by some;was then perceived as being at the root of new problems. While it is still unclear to what extent this is true.

This chapter has a critical task and tends to chart the successes and failures of neoliberal urban policies in the UK through empirical evidence from different British areas. Its aim is to explore the role of neoliberal ideas in the transformation experienced by contemporary European societies. This new empirical evidence was collected through comparative research about the effects of neoliberal governmental decisions upon three cities: London, Manchester and Newcastle in addition to other sub-urban areas.

The chapter also explores the broader notion of culture-led development, the re-use of historic buildings and sport led- regeneration through cases studies. Having previously explored aspects of both continuity and change in the direction and implementation of urban policy during the 1980s and the 1990s, this part is devoted to the legacy which is likely to have a continuing influence on policy. Looking ahead, new challenges need to be faced, notably at the level of economic recession and climate change.

I. Neoliberal Cities

The American sociologist Robert Park said: "The city is man's most consistent and, on the whole, his most successful attempt to remake the world he lives in, more after his heart's desire. The city is the world which man created; it is the world in which he is therefore doomed to live. Thus indirectly, without a clear sense of the nature of his task, in remaking the city, man has remade himself." (1952)

The obvious symptoms of urban failure are poverty, dereliction and crime; however the underlying causes tend to be economic. In order to understand neoliberal urban policy and why urban regeneration was needed, itis first important to appreciate a hint to the economic history of British cities. The modern British city emerged in the industrial era of

falling bankrupt one after the other from the United States to France to Britain. This global economic meltdown effects will be felt years after.

the eighteenth and nineteenth centuries, and the decrease of the British manufacturing sector in the second half of the twentieth century has been the major cause of urban decline. In other words, the problems facing UK cities were related to their general economic decline, and the goal of British urban policy of the eighties and nineties was to enable cities to compete within the new economy.

Cities are vital to the prosperity and development of the UK as a whole, the fact which explains the political priority attributed to urban policy leading to their regeneration. In 2004, London contributed 17.9% of the UK's overall GDP (Growth Development percentage), while housing 12.4% of the national population (Office for National Statistics,2007). Similarly, a recent government paper (HM Treasury, 2001) showed the strong relationship between the economic performance of cities and their regions, for example, Manchester generates 42% of the GDP of the North West region. Jane Jacobs (1985) argues that as engines for regional innovation and growth, cities are more important economic units of study than nations, and policy-makers have understood now that 'city-region' has to be made a focus of concern (Jones and Evans, 2008).

Regenerating a city economically can be achieved by two measures: external measures, designed to attract investment in from outside, and internal measures, designed to stimulate and invigorate the creation of local enterprise. Externally, the urban regeneration pattern of mixed-use planning is stimulated by the need to attract economically practical land uses, like office space located in the same development asliving and recreational space, and other standards. Taking this a step further, the social and environmental dimensions of urban regeneration are often justified as a very important step in encouraging economic regeneration. The goals of the Urban White Paper (DETR, 2000)are the best illustration for that; the objective behind the creation of high-quality built environments is the underlying aim to attract people back into the city. People, who work, run businesses that generate jobs and wealth. Thus, it may be concluded that the entire urban policy regeneration agenda is underpinned by the economic imperative.

The government failure to provide a national strategic framework for the regeneration of distressed urban areas during the 1980s and early 1990s led to the adoption of regeneration strategies based on prestige projects in some of the largest and most distressed

British cities. This trend was encouraged by Central Government together with the urban development corporations; it was implemented through the provision of specific property-orientated urban funding regimes. Over the past 35 years numerous urban development corporations and increasingly local authorities, governing large cities such as London, Liverpool, Birmingham, Manchester and Sheffield, had sought to use such developments strategy as an important tool of local economic development and as a means of securing the physical regeneration of declining urban areas (Hoyle, 1988).

It was largely admitted and argued by policy makers and academics that publicly subsidized prestige projects have provided relatively little benefit to the poor at the opposite, in some cases these projects have exacerbated their problems. Prestige projects, were providing a useful mechanism to secure the physical regeneration of fragments of urban areas, but also served to mask the more deep-seated and fundamental social and economic divisions within cities (Imrie & Thomas, 1993). The challenge in the mid-1990s for those policy makers and politicians who supported boasterist policies focused upon prestige projects was to demonstrate how these urban initiatives could generate socially just outcomes.

This approach of flagship projects as a vehicle for urban regeneration was not, however, that new to urban policy in the 1980sthe establishment of earlier flagships such as Birmingham' s National Exhibition Centre in the 1970s and the Bull Ring Shopping Centre development in the 1960s show that. What was new, however, during the1980s was that it was basically underpinned by the ideology of "privatism", the idea of the remarkable consensus about the usefulness of flagships among public and private actors involved in the process of urban regeneration (Bianchini*et al*., 1992). For policy makers a city without a flagship did not have a regeneration strategy.

In this context, neoliberal urban policy in England based itself on some key strategies to make of British cities areas of reference for good living conditions, moreover, to attract private investors and income through tourists. In contemporary regeneration some buildings are seen as more worthy than others of being revived, rather than being destroyed and replaced, which may be more costing. There seems to be a obvious assumption that anything constructed in the 1960s is automatically of limited value. The listing of historic buildings for preservation is the major mechanism for protecting the best quality examples

of architecture from a particular period. This is not an uncontroversial process, particularly when it comes to twentieth-century buildings. This is going to be demonstrated through the focus on some areas in big British cities.

01-London

London, a very ambitious city where the ancient and the modern constructions are side by side peacefully; as Britain's biggest city, London needed a particular consideration in terms of how neoliberal policy would be adapted to its redevelopment. Nevertheless, there was a resounding opposition to the policies of Prime Minister Margaret Thatcher. The formal institutions of local government in London had been in flux for some time, and as they were reformed, so the opportunity was to move the institutional aspects of London's governance in new directions. The Greater London Council (GLC), under the leadership of Kenneth Livingstone in the early 1980s, had been vocal in its opposition to the new reforms of the government. The response of Thatcher was the abolishing of the GLC in 1986. Its powers and responsibilities were devolved to various central government departments. The result was a bureaucratic mess which Tony Blair's New Labour government, elected in 1997, quickly tended to rectify, putting in place a new form of citywide government called the Greater London Authority (GLA)[*].

London city region constitutes the largest personal mandate of any elected politician in the UK. While the GLA comprises an elected assembly, its powers are limited by holding the Mayor to account rather than playing an active role in policy-making; the Mayor is the only who has executive power. This combination of constitutional authority with the electoral mandate gives the Mayor considerable personal power within the area where the GLA can operate. But, when defining that remit, there was a tension whether the new London Authority would be based on the model of a local authority (as with the GLC before it), or something more to the delegated regional governments being set up in Scotland and Wales?

[*]In May 2000, Livingstone defeated Frank Dobson, Tony Blair's preferred choice, and was elected Mayor of London by a comfortable, if not overwhelming, margin. He was allowed to rejoin the Labour party in 2004 and won another four-year term, this time as the official party candidate, in May of that year.

As a result, the GLA's formal powers are in some ways very restricted. A series of existing bodies and funding streams were put together and the GLA was given control over four important agencies: Transport for London, the London Development Agency, the Metropolitan Police Authority, and the London Fire and Emergency Planning Authority. However, the GLA therefore had no formal role in education, for example, which remains in the hands of the individual boroughs. The authority of the GLA was defined by the Greater London Authority Act 1999 as having the objective of promoting the social, economic and environmental development of London.

The GLA therefore had the responsibility to operate in some particular areas except where it was explicitly required not to, unlike ordinary local authorities where the roles they can play were strictly defined. Although, the GLA was explicitly forbidden to reproduce activities being undertaken by statutory authorities like health or education, it could work in partnership with these bodies so as to promote the general well-being of the city. These agencies which were rolled into the GLA had already been working on strategic planning for the city and tried to put forward these agendas into the formal London Plan which was later set by the GLA (Thornley et al., 2005). Concerning planning in the city of London, the Mayor has éè views to protect: the Parliament, Big Ben and St Paul Cathedral…apart of these, buildings can be constructed for the economic progress of the city. Competitiveness was also a key strategy to the Mayor's remit, as business interests have managed to establish close links into GLA decision-making process[*] (ibid).

Neoliberal policy relied itself on the RDAs to tackle economic exclusion. The London Development Agency (LDA) represents the regional development agency (RDA) for the city. Like the other RDAs, the LDA's flexibility was dramatically increasing by the introduction of the so-called 'single pot' funding structure, mentioned earlier, for several different funding streams for the projects it undertakes. This type of governance of regeneration in London remains somewhat fractured. Truly, the Local Strategic Partnership (LSP) mechanism were introduced after the foundation of the LDA and operated as a new tier of governance, matching local authority boundaries, and aiming to raw together local

[*]The somewhat hazy defined remit of the GLA, combined with the important personal authority granted to the Mayor meant that Livingstone (Mayor of London from 2000 to 2008)was able, on some levels, to shape the informal mechanisms and procedures of the new institution to his suiting. , the Plan was dominated by the personal, political, vision of the Mayor, who was able to stamp his authority on the newly coalescing institutional structures.

and national funding streams and priorities to find solutions for local social, economic and environmental problems.

As originally envisaged, the LDA was primarily focused on tackling economic regeneration, with social aspects left to other agencies. Recently, the LDA's remit drifted a little more into the social aspects of regeneration, for example through the opportunities Fund (2005–) which focused mostly on skills and the building capacity among deprived and socially excluded communities (LDA, 2007). In many ways, the LDA's role remains quite conventional, however, focusing on land assembly and infrastructure. Its role in the reshaping of Stratford for the Olympic Games of 2012 was central, this means that it is very difficult for local communities and businesses to stand in the way of a determined state; this will be treated in details later.

In addition to UDCs and RDAs, different programmes were suggested by neoliberal urban policy since the 1980s, the majority of programmes geared toward regeneration. A comparison of the different programmes implemented in London shows that the majority of the funds were attributed to one specific sector: housing. Two features distinguished this programme: First, the transfer of public social housing ownership to the private sector, and second the investment in local amenities, especially parks and public spaces.

Why did this uniformity exist across the different programmes? Firstly, the majority of the projects were only targeting social housing neighbourhoods, which were acutely deteriorated as a result of under-investment since the 1980s. As a result, better housing conditions were seen as a priority by residents and council administrators. The Boards' governance is a second reason for this uniformity. In most cases, a third of the board members were regeneration professionals encouraging property-led regeneration that was in favour of investment in better amenities, greater densities and the creation of a real estate market for the middle class (Diamond, 2007).

To achieve all that, the main strategy used in London was the transfer of social housing ownership to the private sector. Partnerships were created between the Boroughs and housing associations. The renovation of older social housing stock that had not been demolished was realized thanks to the funds available through the sale of new housing

built in NDC projects. The dynamics of real estate markets in London encouraged this approach.

Little freedom was attributed to Boroughs in finding funds as subsidies were suppressed in case they opposed the transfer of public housing stocks (Watt, 2009). In Tower Hamlets, for example, 20 of the 50 million pounds allocated to the NDC programme were suppressed because of the refusal to privatise the public housing ownership to a private tenant. The funds only became available after an agreement between the borough and residents, this time it was only the management of the buildings which were transferred and not their ownership, which allowed the project to go ahead without residents' votes. The NDC board was also reduced to eleven members, including only two residents representatives versus nine municipal experts and real estate developers (ibid).

In London at least the Labour NDC programme was a new way of putting urban regeneration policy into practice, this had been driven by the private sector, in particular real estate developers, helped by the boroughs' councils. However, this policy have been creticised as maintaining the injustices observed during the previous period and far from finding solutions to them. The communitarian aspect of the neoliberal project only applied to small scale projects. Strategic projects like the privatisation of collective infrastructures or public housing did not enter the public debate.

To examine the practicability of neoliberal urban policy in London the area chosen is the Themes Gateway

- **Thames Gateway**

In 1995, the Thames Gateway in east London was identified by the Thames Gateway Planning Guidance Framework as a key location for a new regeneration development project This area was and is still truly massive area, consisting of some 100,000 hectares running east along the River Thames from Canary Wharf in London to Margate on the coast. It was thanks to the Sustainable Communities Plan that the plans for this area were given weight in 2003. The strategy set by the government was to build 200,000 new homes in south east England by 2016, 120,000 of which would be in the Thames Gateway.

The Thames Gateway truly represented a mega-regeneration project. Three reasons helped to put this project in practice:

- It contains 3,000 hectares, or one-fifth, of all brownfield land in south east England.
- It is located in the area of the UK with the highest demand for new housing.
- It is argued that the Thames Gateway has the potential to link London and the regions to Europe (ODPM, 2005a).

In light of these factors, policy makers were confident that the economic potential of the area was great and that alongside the 120,000 new homes, 200,000 jobs were hoped to be created. Consequently it was argued that the Thames Gateway represented the biggest most ambitious regeneration project in the UK if not in all Western Europe. Though the urban policy goals were characterised as being similar for all the areas, the scale of the suggested development was different and challenging sometimes. In other words, the idea of undertaking such a large scale regeneration project was very ambitious allowing greater coordination and integration of the different elements of development put forward by the neoliberal urban policy. However, making this work in practice is another matter. Those challenges can be identified as follows:

- the challenge of planning across a large area that contains urban, suburban and rural land uses.
- the organisational challenges of coordinating and delivering physical and social infrastructure on such a scale.
- the environmental challenges associated with building a massive new development in a floodplain.

The progress of the Thames Gateway was unfortunately at small pace. The National Audit Office (2007) issued a report claiming that very little had been achieved in the twelve years since the project began.

Strategically, the government's vision for the area was to create 'a world-class environment' (CLG, 2007b). The British urban policy in the beginning of the twenty first century aimed at being an example to follow for the rest of Europe. There were pre-existing urban areas, in the Thames Gateway like Barking and Ebbsfleet and being already the home to some 1.45 million people. More, several industries were located there alongside the Thames, their decline left a negative environmental impact on the region.

The region is characterised by a lack of services, unemployment and poor housing provision. It comprehends 15 different local authorities and contains some of the most

deprived areas in the country. The strategic vision is to invest in major transport infrastructure to create a well connected network of cities in order to develop the existing urban conurbations. The policy framing that project was aiming at attracting business, providing high-quality housing, and improving the environment.

In the frame of the policy intended to develop the Thames region four specific development sites identified by government came to complement The Thames Gateway's three areas: London, Kent and Essex, these were referred to as 'transformal locations' (Thames Gateway, 2007). These four locations represent the focus the policy framework and are similar to the Area Based Initiatives (ABIs) previously discussed but on a larger scale. They are intended to drive growth in the surrounding areas and are located where there is a concentration of available land. Three specific developments need to be considered in order to understand how this process was intended to work.

One of the major economic developments was the London Gateway Development, collaboration between DP World and Shell, the objective was to construct an international port and establish an important logistics and business park. The London Gateway Port was intended to be located at the existing 600 hectare Shell Haven oil refinery in Thurrock and would have the largest container ships in the world. It was projected to be operational be 2011, with an attached business park opening at the end of 2008. The business park, known as London Gateway Park, was supposed to cover 300 hectares and aimed at attracting the usual high-tech sector, but also form a cluster for the distribution and logistics industries. 16,500 new jobs were intended to be created thanks to the development project, more importantly, to act as a growth pole for the Thames Gateway regeneration initiative in Thurrock (Hammerton, 2005).

Some 790,000 m^2 representing the area around Ebbsfleet adjacent to the Bluewater shopping centre was intended for a number of major mixed-use developments. For example, housing, retail, residential, hotel and leisure sites were planned to take place there. Major developer Land Securities (2007) planned to construct, 10,000 new houses, five schools, leisure uses and transport links, and 40% of the site was left as an open space to create a sustainable community.

Sports-led regeneration is often regarded as stimuli to address existing economic and social problems. The East End of London forming part of the Thames Gateway area is a good example for that. The 2012 Olympic Games and Paralympic Games in London were justified as partially responsible in terms of their contribution to those wider regeneration goals[*]. 40,000 new homes were planned to be created in the area around the Olympic park, in addition to schools, health facilities and the largest new urban park in Europe with a network of restored waterways and wildlife habitats.

Partnerships consider a key element of neoliberal urban policy, delivering integrated urban regeneration projects could not be achieved without involving partnerships between a range of organisations from the public and private sectors. Ultimately a project in the size of The Thames Gateway couldn't be realized without English Partnerships heavily involved. .The Thames Gateway development area fell under the jurisdictions of three regional development agencies (RDAs): the London Development Agency (LDA), the South East England Development Agency (SEEDA)and the East of England Development Agency (EEDA). Each of these RDAs had set up a sub-regional agency to attract inward investment to their respective parts of the Thames Gateway: 'Gateway to London' was supposed to deal with the Thames Gateway London area, 'Locate in Kent' was responsible for the Thames Gateway North Kent area, and the 'Thames Gateway South Essex Partnership' handled queries relating to the Thames Gateway South Essex area. The government body UK Trade and Investment also had an 'Invest in Thames Gateway Team', which aimed at competitiveness at the international scale.

Although the development of the area was dependent upon the involvement of the private sector, the complexity of the network of agencies, public bodies and partnerships involved created confusion among would be investors, was acting as an obstacle to regeneration (National Audit Office, 2007). The confusion concerned also the physical and social infrastructure, as there were some 30coordinating bodies involved, ranging from the Highways Agency to the Strategic Health Authority. The number of new agencies and partnerships continued to grow but progress seemed to be relatively slow, with individual

[*]Speaking at the Thames Gateway Forum in late 2006, Olympic Delivery Authority Chief Executive David Higgins described London 2012 as the 'Regeneration Games' (Olympic Delivery Authority, 2006).

developments taking place in isolation*. Although the government had spent £7bn in that development project since its launching in 2003, the National Audit Office (NAO) report found that ministers were reluctant and did nothave a costed plan for the programme to join up local initiatives (National AuditOffice, 2007).

A good example of this is seen under health provision, where the Thames Gateway websiteonly lists the new specialist cardiothoracic centre in Basildon, the Boleyn Medical Centre in Newham and the Gravesham Healthy Living Centre, what could be noticed is that there was no hint for a new hospital planned for the area. Moreover, in terms of transport, the only major new infrastructure project was the Channel Tunnel Rail Link, which opened in late 2007, creating a high-speed railway line from London through Kent to the Channel Tunnel. Another high-speed service intended to link Ebbsfleet Station to London St Pancras in fifteen minutes was supposed to open by the end of 2009,this led the plans to be largely creticised for the little opening of a few new bus routes (Cavendish, 2007). Unlike the Olympic Development Authority, which had a clear deadline by which it was obliged to deliver the infrastructure and venues for the Olympic and Paralympics Games, the other Thames Gateway development had no deadline for completion.

The impasse in which the development project of the Thames Gateway appeared to be in leads to questioning the efficiency of the dominant models of neoliberal urban policy relying itself largely on such as the partnership approach, for example, which turned out to be so complex to put into practice when so many organisations are involved. A number of implications can be drawn from all this: it may argued that the area was simply too large to be planned in a good integrated way, or it may be said that different political bodies needed to be created to make regeneration work on that scale. Equally, the logic of private investment alone may not be capable of delivering the massive new infrastructure projects that are required to create a new metropolitan region. Whichever explanation one chooses to accept, the problem of scaling regeneration up to the regional level remained pressing.

Another important element which was worth considering before planning any development project was the threat of environmental change that would demandlarge-scale strategic responses. Decisions about where and how development was to take place had to

*The Thames Gateway Forum is the annual meeting place for all those involved in the regeneration of the Thames Gateway and Olympic region. In 2006 the event included 160 top-level speakers, and was billed as 'the largest ever gathering of the people and organizations responsible for delivering the most exciting regeneration project in the world' (Olympic Delivery Authority, 2006)

be taken in the context of sustainability with the objective to limit negative environmental impacts and promote economic and social benefits. In the case of the Thames Gateway, for example, two key elements needed to be considered: Issues associated with building in a floodplain and Environmental protection.

The problem in the Thames Gateway was that many of the new houses area would be built in flood risk areas. Policy makers had placed sustainability at the heart of the planning policy; debates concerning the problems of obtaining home insurance in areas prone to flooding were and still are on the government's central policy discourse. It seems that these considerations were outweighed by policy makers. The fact that the scale of the development, the problem of flooding associated with sea-level rise and increased storminess could be severe, and they are worth to be considered[*] (Talloon 2013).

The Thames Gateway area development project raised some tension in some locations, as it includes rural and natural areas, such as the North Kent Marshes, which were recognised as Environmentally Sensitive Areas and Sites of Special Scientific Interest. Concerns raised because the Thames Gateway project threatened to develop significant areas of the marshland habitat. For example, there was a proposal by the government's White Paper on air transport (Department of Transport, 2003) for the building of an international airport on Cliffe Marshes in Medway. But because of opposition from local residents, the council, and various environmental non-governmental organisations the project was eventually dropped in 2003. Another reason for the expense of the plan was the obligation to raise the ground level by 15m. The government turned to looking at other potential locations for the projected airport in the area.

In addition, a conservation park of six hundred hectares was intended to be created to become a wildlife sanctuary. The park was three times the size of Hyde Park. But again, there was some tension concerning the decision to spread the Thames Gateway development over such a large area. Many commentators viewed better to confine new housing to the area within the M25, and that more high-quality green space was needed so as to attract a nupwardly mobile professional workforce into the area. The danger

[*] The Thames Estuary is one of the least understood and researched estuaries in the country. The current tidal defences for the estuary were built in the 1970s to protect against 1:2000 year flood (or a 0.05% risk of flooding). With sea-level rise, this will gradually decline, as planned, to a 1:1000 year flood (or 0.1% risk of flooding) by 2030. From 2000 to 2004 the region has experienced some of the worst floods on record. One of the worst affected areas was Kent, where 310mm of rain fell in October of 2002 compared to a monthly average of 80mm (James & Evans, 2008).

concerning marshes was the risk that planners would not be able to concretise the whole project for development (Selman, 2002).

The questions of who will benefit? And who will not? characterise many policies and urban projects. It is important that the social objectives of any project shouldn't be neglected the expense of poorly conceived plans. For example, the Thames Gateway Bridge in east London £450m project was cancelled by the then Mayor of London because the public inquiry showed that the proposed six-lane urban motorway would have caused major local air pollution and congestion that would have impacted most heavily on exactly those poor communities that the Thames Gateway project aimed to help. The project was launched again in 2009 with all those considerations. It is within contexts like this that the White Paper on Planning, which sought to remove the ability of local groups to block large-scale developments, can be understood.

What needs to be highlighted here is that the dual goals of sustainability and community cannot be delivered within the neoliberal framework of the Thames Gateway development (Edwards, 2008). The scale of the Thames Gateway makes these issues difficult to ignore and difficult politically to resolve, as local opposition to parts of the strategy can delay or damage the overall strategic goals of the development. Recent reports show the difficulty to coordinate effective regeneration partnerships across such massive areas like the Thames Gateway. There is a difficult balance to achieve between sustainability and social satisfaction. Are large scale development projects and neoliberal policy representing a trade-off?

London remains a complete urbanistic challenge with all its complexity and contradictions.

2- Manchester

Manchester is one of the largest metropolitan areas in the UK, located in the North West of England at about 320km from London. The objective of neoliberal urban policy was to promote British cities towards prestige developments. This view had been adapted to Manchester during the 1990s. The Manchester City Pride Prospectus, which set out policies seeking to integrate the inner city with the city centre, had the objective to promote Manchester as an international centre of commercial, creative and cultural potential and further develop high-profile sporting and conference facilities. What should be noted is

that The Prospectus, however, also targeted the marrying of an enhanced international prestige with local quality and benefit (Manchester City Council, 1994,). Achieving this laudable goal, however, may prove to be exceptionally difficult.

A big importance was given to leisure and entertainment by Urban Policy in the last three decades, the fact which enhanced many renewal and regeneration projects of old buildings for that purpose. Manchester city is a product of industrial revolution, but the city is noted to be the first modern industrial city, it was given city status in 1853 due to its rapid development. It had the first true canal and railway station for goods transport those were the Bridgewater Canal and the Manchester Liverpool Road Station. During the height of industrial revolution the city counted nearly 2000 houses, now many of them have been converted to other uses, however their external appearance remained unchanged giving the city its industrial gloomy character.

Modern Bridges were also given importance in the regeneration of the city of Manchester like the Trinity footbridge in 1994 and the Hulme Arch Bridge in 1997. But the real beginning of the practice of urban policy and the regeneration of Manchester's city centre was by 1996, it was given a unique kick-start after the IRA bomb, which caused huge damage to the central shopping area. This destruction induced a £750m investment spree in the city, replacing a somewhat out-fashioned retailcore with a host of fashionable developments, such as Urbis museum representing a centerpiece of the regeneration projects, also the iconic skyscrapers like the Beetham Tower completed in 2006 being as the tallest building in the UK outside London. Today a Harvey Nichols retail outlet standson the site of the IRA bomb blast.

One of the centerpiece areas is The Manchester Printworks building[*]which had been the headquarters of a number of nationalnewspapers, located in a prime city centre location on Corporation Street, but had stoodderelict after the demise of Robert Maxwell's newspaper empire in the late 1980s.To refurbish it a sum of £150m was invested, the Printworks was known as Europe's first urbanleisure and entertainment complex, covering

[*]The Pinterworks entertainment venue is a site of business premises located in Withy Grove site, it was established in the 19th century by the newspaper proprietor Edward Hulton. The site was the largest newspaper printing house in Europe until 1986 when it was bought by Robert Maxwell and closed and left unused for more than a decade

approximately 32,500m2 of floor space and35 themed bars, 14 food outlets, a health complex, and the second largest Imaxscreen in the country.

The cost of refurbishing old industrial buildings in bad conditions is generally high, and this is the mainreason that they tend to remain unsafe. The internal layout of floors and walls needed to betotally redesigned in order to accommodate retail and leisure developments, althoughthe original layout of the Printworks makes it a unique space for this kind of development.Basic infrastructure, such as electricity wiring and water supply, had to be re-installed.Despite these costs, these buildings were retained as elements of industrial heritage and local communities associate them with a city's former pride.

Throughout the 1990s Manchester City Council strongly embraced this approach of giving importance to leisure to regeneration (Robson, 2002), so as to transmit a very positive vision of the city based around leisure. From the Commonwealth games and its internationally famous football teams to the 'Manchester' music scene that emerged from the Hacienda nightclub and bands such as the Happy Mondays (Evans & James, 2008). Inthe 1990s prestige developments were adopted in the city. The Manchester City Pride Prospectus, which was responsible to set out policies seeking to integrate the inner city with the city centre, sought to promote Manchesteras an international centre of commercial, creative and cultural potential and further develop high-profile sporting and conference facilities. The Prospectus, however, also noted that: "The vision rests on the marrying of an enhancedinternational prestige with local quality and benefit" (Manchester City Council,1994). Achieving that laudable goal, however, may prove to be exceptionally difficult.

Linkage policies have not been really successful in the UK and, especially in the case of Manchester. Urban policy did not do much to the poor areas of the city, scholars interested in the field of economic history of cities have noted that the continuing and deepening erosion of the position of the poor and of the areas outside the centre were seen to remain as a problem which was only scratched by urban policy (Robson *et al*. 1994). Equally, the continuing withdrawal of funding by Central Government was highly frustrated local authorities which sought to develop comprehensive regenerationstrategies for declining cities. For example the £800 million which waspotentially available through the Millennium Fund for `grand projects' over thefollowing three years could be contrasted

with the £1.1 billion being made availablefrom the Single Regeneration Budget to fund the social, economic and physicalregeneration strategies of the 201 winning partnerships over the following sevenyears (Johns & Evans, 2008).

In 2001 around seven barsand restaurants were opening each week in Manchester, considering an important amount in a city of half a million residents (Tallon, 2013). The opening of the Printworks in Manchester in 2000 marked the last and final phase in the rebuilding of Manchester's retail centre after the bombing.Analogues of thePrintworks can be found in almost every city, such as the Mailbox in Birmingham and the Met Quarter in Liverpool. They are also considered as unique buildings that can be keptamong otherwise generic developments, enhancing and showing the identity of a city and its ability tolure potential businesses and visitors. The Printworks development indicates theimportance of leisure and entertainment uses in urban regeneration policy.

3- Newcastle

Newcastle is located in the North East of England at 446km from London and 166km South Edinburgh. Like all the UK cities Newcastle knew important transformation since the implementation of neoliberal urban policy. Sustainability was among the approaches adopted by the government to help poor areas. Bridging Newcastle Gateshead (BNG) was among the nine Housing Market Renewal Pathfinders set by the Sustainable Communities Plan, it covered the inner urban areas of both Newcastle and Gateshead. The impacts of postindustrial decline were still felt by the conurbation with economic growth at around 1.3% compared to a national average of 3.1%. The BNG covered an area containing 140,000 people and 77,000dwellings, of which 47% were socially rented and 40% owner occupied. Vacancy levels run at 7%, which was relatively high and the area experienced a 6% population decline between the 1991 and 2001 censuses (Leather et al., 2007).

Around 800 homes had been upgraded or refurbished during the first three years BNG, particularly targeting the 'Tyneside flat', a housing type peculiar to the north east of England, converting these into single family homes. A further 50 empty properties were brought back into use, while some 1,300 'obsolete' properties were demolished to build room for new properties. The BNG also boasted that during its first three years private developers delivered 1,850 new properties andthat land for a further 600 new dwellings was acquired (Coulter et al., 2006).

- **Grainger Town district in Newcastle**

A large portion of central Newcastle was built between the 1820s and 1840s by the developer Richard Grainger creating some rather nice streetscapes in the neo-classical style. While some of these buildings were demolished as part of redevelopments in the 1960s and 1970s, the inner core area around Grey Street and Grainger Street was kept unchanged.

In the early 1990s the local council identified Grainger Town district for a major redevelopment programme. Between 1997 and 2003 the regeneration of the area was led by Grainger Town Partnership, a coalition of the City Council, English Partnerships and English Heritage. The streetscape and façades were by and large retained in this process, however the buildings in a state of disrepair, the buildings were smaller and had less flexible; this led to a tension between the demands of developers and their clients.

Finally, many of these buildings were demolished, with the façades retained to front new, modern buildings with all the facilities demanded by contemporary businesses. The Grainger Town streetscapes were intact, the cleaned and repaired façades, in combination with a scheme of pedestrianisation, had significantly improved the aesthetics of the area. However, unfortunately in many cases, the historic touch of the urban fabric was lost, which raises a point about the kinds of culture which are valued in these projects; in this case, aesthetics mare than something else. The Grainger Town district was declining in the early 1990s but improved thanks to the intervention.

II- Urban Policy beyond the City Centre

In the UK, ‘suburb’ refers in general terms to the outer city in other terms what is beyond the city core, though within the same political territory (Whitehand and Carr, 2001). Thus defined, around 86% of the UK’s population lives in suburbs and as such are exceedingly heterogeneous. The question to be asked here is: Can the central city regeneration model be transposed onto the suburbs? There has been relatively little academic work dealing specifically with the regeneration of these areas. However, the issues of policy adapted to these areas and regeneration in the suburbs and the extent to which they pose a different challenge to the central city has received fairly limited attention.

1- A Short Historical Background

Historically, in the UK, the idea of suburbia has had rather a negative connotation.Prior to the development of rapid transportation, the suburb, the area beyond the town,was where the area where poor lived. During the nineteenth century, with changes in transport technology,suburbs became the place where people could escape from the noise and smellof the city. As cities expanded, so negative images began to be associated withthem, suburbs becoming characterised as a sprawling cancer of bricks spreading outacross the British landscape (ibid).

In the UKsuburban expansion boosted the widespread use of green belts, formalized in a government circular of 1955, to restrict further outward growth. Although,this development of suburbs continued in post-war period between the edge of towns and theirgreen belts, it must be mentioned and emphesised, however, that both during the inter-war and post-warbuilding booms, it was not just large houses for the middle classes that were being built,but also very large estates of council housing, which had a distinct demographic profile andpose distinct challenges for urban policy and regeneration later.

The way that towns have developed historically means that the suburbs form a mixture of different land uses, demographic groups, house types, andenvironmental qualities. Joseph Rowntree Foundation produced one of the most useful studies of suburbs and regeneration

and attempted to supply some critical form to this supposed heterogeneity by producing a classification of suburbs:historic inner suburb;planned suburb;social housing suburb;suburban town;public transport suburb; andcar suburb.This classification or typology is far from being perfect: both rich gentrified areas and poorly maintaineddistricts housing where large numbers of socially deprived people live could fall under the categoryof ‘historic inner suburb’ and yet require very different degrees of regeneration and policy intervention(Gwilliam et al., 1999).

The typology produced by the Joseph Rowntree Foundation was useful, however, at the level of breaking down the idea of perceiving the suburbia as amonolithic category, with suburbs home only to the white middle classes.This classification of suburbs could also help partnerships operating betweena series of county councils and the Civic Trust to produce guidance on more sustainableapproaches to suburbia. This Partnership adopted the typology and used it to inform their discussions about the diversity ofthe suburban experience.

Examining the specific needs of suburban areas, the Partnershiphas highlighted a set of principles for ensuring sustainability and a good quality of life forresidents outlined as follows: First an appropriate and stable context;continuous improvements in environmental sustainability;good-quality, affordable housing, with more choice in tenure and type of house forpeople of all ages and social groups;choice in mode of transport, so that walking, cycling and public transport become more variable;access to good-quality local services and facilities;a community hub or heart;a diverse local economy with jobs for local people; andsocial inclusion and community safety (In Suburbia Partnership, 2005).

During the Blairiste rule, much importance was attributed to climate change and environmental problems that's why there was a clear stress on transport infrastructure, in particular transport choicesbeyond the private car, in order to reduce pollution. Similarly, there was an emphasis on local employment to reduce thedependence on commuting outside the area*. Nonetheless, this paved the way to a mainstream policy discourse in the UK. A newwave of house building on the edges of towns and cities emerged, with the emphasis on community, mixed uses, compact buildingdesign, walkability and public transport options.This model of local provision combined with good connectivity closely fitted with the 'suburbantown' type as identified and described by the Joseph Rowntree Foundation report (Gwilliam et al.1999).

As time goes on, towns and cities have grown outward, smaller settlements on the edgeof the urban area tend to be swallowed up within the central city. London is often described as a city of villages, places like Camden, Greenwich andKew were all urban

*There were obvious similarilities here with the north American idea of 'smart growth'. The context for development in the United States is somewhat different, with uncontrolled outward sprawl of cities still a major problem and the principle of state intervention to better regulate development not as well established as in the UK.

settlements in their own right before they became buried in London'smiddle suburbs. These areas have kept their own identities keeping many of theirindependent functions, acting as towns within towns, with shops, services and sources ofemployment as well as good public transport links.

At the same time, because these areaswere and are still developing on a relatively small scale, they can function as walkable settlements. Therefore, urban regenerationfor the small-scale, sustainable mixed development is already was put in place. This is not only true of London; but in all of the major cities it iseasy to identify local sub-centres that have obviously developed from historically distinct settlements.These areas have provided good models on which suburban regeneration can build.In a sense, it was like this that the notion of a poly-nucleated settlement is having its way into planning discourse,whereby multiple centres and communities within the urban area are each self-contained to a degree.

Yet, theprovision of local services is critical, because suburban areas lack the competitionfor service provision which is maintaining at least theoretically, the quality and price incentral places. The major challenge for the poly-nucleated city of suburban towns is theshopping centres extent to out-of-town and competing them while at the sametime increasing the dependence on the private car and that was the principle of neoliberal policy under conservative government. There was a reaction against the planning policy of the late 1980s which encouraged out-of-town extent developmentand the value of suburban centres was recognised. Unfortunately, however, there was atension with the direction of planning policy as laid out in the Barker reporton land use planning (Barker, 2006). This report, with a number of caveats called forthe selective release of development land on the edge of existing areas to meet demandsfor growth.

There were obvious economic reasons for this reduction of shopping centres extent at the edges of towns and cities. Indeed, the Labour government reforms took into consideration some environmentaljustification to attenuate the risk caused by that unfettered, market-driven development on the fringes of urban areas, as this would had prompted a return to car-dependent models which out-compete in-townprovision.Another reason for that was that Suburbia had a particular status in the English psyche. Whereas continental Europe and Scotland were more comfortable with the notion of

apartmentdwelling for a whole life, in England there was a sense that familieswith children should be based in a house with a garden.

This view meant that although the city-living model largely took off over the past ten years, it remained distinct to the 'young' phase of the lifecourse, with two-thirds citycentreresidents aged 18–34 then likely to be single as the national average (Nathan and Unsworth,2006). This was a factor encouraging the relatively rapid turnover of central city populations,as against the comparative stability of communities in many suburban areas.Max Nathan and Rachel Unsworth (2006) have identified the historic inner suburbs asproviding a key opportunity to smooth the churn of city-centre residents moving out ofthe inner city as they get older and plan making families.

However, some developers have, started to apply the successful city-centre model to these inner suburbs, notably withinnorthern cities where some inner suburbs have suffered from building high-density blocks of studio and one-bedroom flats. This represented in itself demand problems of thekind which are being targeted by the Housing Market Renewal Pathfinders (see Chapter 3). Still this posedquestions about how sustainable this was, especially that these districts are usually slightly toofar from the centre to truly give easy walkable access to central resources and consequently loseone of the important selling points of the city-centre experience.

At the same time, the larger properties,typically Victorian terraces characterising those areas were really fitting family needs in the inner city as they were large in size and relatively inexpensive. That's why the demolition of such propertiesand their replacement with smaller flats damaged the potential for demographic mixing withinthese areas and this was a major critique of the Housing Market Renewal Pathfinders. Moreover, other issues had to be considered, such as the quality of local schools,which was usually a key determining factor for settlement among middle-class families.That's why two factors were to be very determining of the urban policy and regeneration of these areas, first the social needs of the wealthier residents to be attracted in addition to the market potential.

What needs to be highlighted here is that the highly profitable central-city model ofbuilding small apartments is not necessarily appropriate to suburban areas, because it didn't help to address the social needs central for a successful policy ofregeneration. At the

same time, selling these units remains profitable for developers. There is a question that may be asked here: Was the neoliberal urban policy in the UK more successful in central cities rather than suburban areas? Is it true that what worked well in central cities was inappropriate to suburbs?

To answer this question three different case studies have to be explored at three different scales: suburban developments within the city boundaries; 'ex-urban' developments which are not attached to the city but have a clear relationship to it; andmega-regeneration, where an entire region is being reconfigured.

2- Suburban Regeneration in Practice

Social housing suburbs are one of the major categories representing the main targets for suburban regeneration*. However, though economically successful, middle-class areas were not priorities for major interventions. Three types can be distinguished of thesesocial housing suburbs. Those builtbefore or just after the Second World War generally comprised large three-bedroom houses,after they were sold under the right-to-buy (RTB) legislationof the early 1980s many of them turned into private ownership. While these properties werecharacterised by relatively stable and somewhat demographically mixed communities still they were subject to many different problems. First, theseestates built in the 1950s and 1960s were built with unpopular characteristics and experimental techniques giving them unusual appearance, in addition they were isolatedand far from central city services and employment(Jones, 2005). Because of these reasons these dwellings were accepted only by the poorest who could not afford something better. As a result, many larger city councils were left with sink estates on their peripheries, some of which were transferred in a voluntary mechanism into associations. Today these social housing suburbs represent the greatestregeneration challenges in the urban periphery.

a- North Solihull

Solihull, a large town in West Midlands England at 150km from London, is somehow a divided town. Most of Solihull is wealthy and prosperous, while its suburbs could be said to be middle-class enclaves. The northern part of the city is, however, quite different.Solihullwas given control over a very large suburban housing estate. This was

*these were identified by the Joseph Rowntree Foundation

following the reorganisation of local authority boundaries in the mid-1970s. Built by Birmingham City Council in the late 1960s, the estate was built very quickly making the timelocal authority proud of the result achieved in a record time (Alarge city built in only five years).

Unlike the new towns of the time, there was an obvious lacking of the careful mix of shops, services, sourcesof employment and demographics. Thougha number of small shopping centres serving the estate but still the townwas felt isolated, linked to north and east by the M6 motorway and to thesouth by Birmingham International Airport. A proportion of the houses were built for sale, though the majority were for local authority tenants this remained quite innovatively for the time.

The town was not problems-free, while parts of this vast estate were in good living conditions for its residents; others were representing the cliché of socially deprived residents. In 2005 and in order to tackle the area's problems, Solihull Metropolitan Borough Council established the North Solihull Regeneration Partnership as the best solution to regenerate the area. This was a 15-year regeneration project covering an area with more than 15,000 households. The localauthority had the leadership on this, but many other partners were brought in like: Bellway Homes, InPartnershipLtd. and the Whitefriars Housing Group as part of a Public Private Partnership (PPP) toundertake the redevelopment. Partnerships were one of the main characteristics of neoliberal urban policy. The project was huge with interesting stated aims: Changing almost 40,000 people's lives for the better;£1.8bn public and private investment over the next 15 years;8,500 new modern homes;new, state-of-the-art primary schools; andvibrant village centres delivering key services (Solihull MBC, 2007).

The primary aim of urban policy through this regeneration was not creating a whole new urban environmentbut actually improving people's lives. Given that some 8,500 new homes were planned in what was already quite a densely built-up residential area shows that a large number ofdemolitions were anticipated, particularly targeting some of the estate's 34 high-rise blocks. The fact that many of the new homes being built were meant for private sale, however, indicates that there was an obvious mission to change the demographic mix of the area, reducing the concentrationof tenants in socially rented properties.

The solution adopted by the North Solihull Regeneration Partnership was to create a series of ‘village centres’ in the area so as not to absorb the older settelement that’s why the estate was built on a green field. Like this Solihull was not perceived as a nonflexible housing estate and with the idea to rebuild it into a series of distinctive site . The estate was originallybroken down into a series of sub-settlements, preserving their own identity, butthese were quite large and not particularly distinctive. The aim of the urban policy adopted was the creation of walkable, mixed-use communities with greater accessibility of services and some forms of local employment. Given thephysical isolation of the site both from Solihull centres and Birmingham, this notion of villages was the only option to appeal sustainable development and the model of the polynucleatedsettlement far from the central city model.

The local community was not excluded as far as the project was carried out. The North Solihull Partnership engaged in a series of public consultations in each of the villages with theoverall masterplans for each area subsequently revised in accordance with some of the recommendationsby local residents. That’s why demolishing and rebuilding areas was not done without effective local consultation. For example, some homes that mighthave ended up on the demolition list were retained because they were very popular with people living there.

As mentioned earlier, given that old Britain’s cities were perceived already too big, people and employers had to be relocated from overcrowded urban areas to new settlements built some distance away beyond the boundaries of the already existing towns and cities.The point of the new towns was that they should be independent, rather than a satellite. After 2007, Prime Minister Brown pledged to build five new ‘eco towns’ each housing 10,000 to 20,000 people in low carbonemission homes (Watt and Revill, 2007).

A major criticism neoliberal urban policy concerning suburbs developmentwas that though the creation of new areas for residents; it retained functional dependence upon the central city for jobs and services.In other words, though seen as detached settlement these remained under the political control of city authorities. The sustainability of such developments needs to be questioned as they tend toincrease the reliance on the private car. Thisfirst case study described here, indicates some of the problems that are generated by

cardependent,wealthy ex-urban developments, while the following one suggests ways of overcomingthese disadvantages.

b- Portishead

Portishead is located on the Bristol Channel about 13km west of Bristol and 30km fromBath. During the 1980s, because of industrial decline, the town's two power stations fell into disuse, with neighbouringdocks and factories similarly declining, leading to a large waterside brownfield site. Its location at just 5km of the M5 motorway south west of the region, Portishead is strategically economically making these brownfield sitesa prime redevelopment opportunity.In 1997, the planning permission was granted andthe old dock district was branded Port Marine, the project was led by CrestNicholson, a major UK developer which has focused its core business on regeneration Activity.

Population increased from 13,000 in 1992 to 30,000 when Port Marine was completed, with the development contributing some 4,000new homeswith varied styles from town houses to social housing to exclusive flats in addition to an area built in the style of a fishing villages at the image of the seaside towns with narrow streets and multicoloured houses with waterside bars and restaurants and cafés. This was a major change to a small town, but where the post-war new andexpanded towns were predicated to generate their own source ofemployment for residents, Port Marine had been primarily marketed at people wantingaccess to Bristol and the strategic motorway network in the region. Like this, the developmentmay be considered as ex-urban looking outwards to other urban areas beyond thetown in which it is situated.

As mentioned earlier, the housing style in Port Marine was varied, in developing Port Marine; Crest Nicholson avoided the reproduction of small apartment model and provided a mix of three- tofive-bedroom houses alongside apartment blocks. However, the risk with such development was that where larger local authoritieshad more experience in squeezing concessions from developers onaffordable housing, or contributions to community facilities; smaller authorities foundthey have less power.

With the Barker Report on land use planning (Barker, 2006) suggesting a strategic release of green belt and greenfield sites in some areas, developments of this kind may well increase following the lines of major transportation corridors. Some discontent was shown

among the newcomers who moved to Port Marine that promised social facilities and public realm improvements have not yet materialized. The town had major traffic problems, especially the road linking it to Bristol (Anon., 2007). With a new residential population that tends tolook beyond the town, the development may not contribute as much to the economic andsocial well-being of the host town as expected.

Nonetheless, Portishead was considered interesting because it represented a town struggling to attract a large residential population. Its strategic location is critical, however, because developers like Crest Nicholson would not look at an isolated village on the west coast of Scotland as a major development opportunity, if he didn't considered its impact on the regional transport infrastructure. Though its dramatic expansion, Portishead is still a smalltown, in pleasant rural surroundings which, as a result of an ambitious urban policy could be an attractivewaterfront. An increase in these kinds of ex-urban development required a strategic transport improvement from the part of government. Port Marine itself is far from being a bad example of regeneration activity representing the neoliberal urban policy.

c- Waterfront Edinburgh

Historically, Edinburgh was not located on the waterfront and was neighbouring Leith that was the main port of the Firth of Forth*. During the inter-war period, Leith was absorbed into Edinburgh as the city grew, but the area retains a detached feel, with the capital turning its back on the waterfront. The decline of the port led to good opportunities for a whole series of brownfield developments in Leith docks and further west along the waterfront. Waterfront Edinburgh refers to the problems of not considering transport issuesbefore development took place. The nature of the development of this site means that it can be considered as ex-urbanrather than suburban. Although this area is only 4km from central Edinburgh, it has a distinct identity, unfortunately poor transport connections made it somewhat isolated.

Llewelyn-Davies Architects*drew a masterplan for the area around Granton Harbour in 1999. This masterplan was adopted later by Edinburgh City Council in 2001 as the

*A fifteenth century castle in Edinburgh

*A firm with an experience of more than seven decades in undertaking healthcare and masterplanning peojects.

development framework for 'WaterfrontEdinburgh' with a number of key objectives: First, to deliver a comprehensive and viable regeneration plan to reinforce Edinburgh's roleas a major international city.Second, to produce a highdensity live-work environment would make a 'buzz' in the area.Third,to integrate socially and physically the development with neighbouring communitiesand contribute to their regeneration (Edinburgh City Council, 2007).

Clearly, the area had its distinctive character and function and was not perceived only as part of the wider regeneration of Edinburgh, and as another one of its suburbs. North Edinburgh is rather a deprivedarea with a great deal of social housing. Unlike other areas where the plans for a mix of socially rented andprivate properties, the development around Granton Harbour had been very much driven by the private sector with an unclear view of the neighbouring estates development, a policy discourse was necessary for that.

The emphasis on high-density living and working population was interesting. The objective was to attract busy youngprofessionals without children to live in this area, but without the major sources ofprofessional employment that locate in the central city far from the metrocentric development model. While some of the new residentswill work in the new business parks built as part of the development, many others remained dependent on the city centre foremployment.

Fifty seven hectares were covered by the masterplan, making of it a large site, but the conditions of the somewhat depriveddemographic of the surrounding areas highlighted the difficulty to make it really independent from the central city.A new road was constructed to service the developments in addition to a new tram line, linkingthe city, the new waterfront district, Leith, and the airport*. However, that project could not be workable before 2011, even on the most optimisticassessment. More worryingly, there was a risk to have the link out to the waterfrontthe first to be dropped in case of financial problems (Ferguson, 2007). Waiting for the realization of the scheme, therefore, thecity's waterfront developments remained very dependent on private car commuting, putting

*Formal approval for the city's tram network was granted in 2007 in spite of opposition from the Scottish National Party, which had formed a minority aministration in the Scottish Parliament earlier that year and had a manifesto commitment to scrap the scheme

additionalpressure on to the already congested road network heading into centralEdinburgh.

There were many critics about the reconstruction of Granton it was seen as a product of bland architecture, the major objection was the complete lack of local services making of it a soulless area.The project was qualified as 'ghettos' because of its isolation beyond a socially deprived suburban fringe. The viewsacross the marina into the Firth of Forth is very beautiful and attractive, however the development scheme seemedto be missing some of the key objectives of contemporary regeneration: integration, mixed use andsustainability. Although there were very innovative initiatives undertaken in that area like the revival of the seventh century Caroline Park. Similarly, some of the street layouts sought to create interesting aesthetic effects with the underlying topography.

Basically, the waterfront represented the major part of that project, but given that Edinburgh was not traditionally a port meant that the waterfront was outside the centre, in contrast to the situation in some neighbouring areas like Glasgow where the Clyde runs through the city. In the end, the waterfront development in Edinburgh turned out to be car-based commuter settlement with some additional business park development. Like that the waterfront of Edinburgh was the proof of the hazardous inherent to ex-urban projects and questioned the urban policiesundertaken.

d- Lightmoor

Lightmoor is a wonderful wild area just beyond the urban fringe of Telford[*], which was itself originally a post-war new town built to absorb the overspill of people and businesses from the overcrowded West Midlands. This final case study represents a specific response to an ex-urban site,Lightmoor, appeared to beclosely allied to policy discourses on mixed use and sustainability. More, it reveals some indication that such developments could be undertakenin these areas. The construction of Lightmoor wasquite a unique settlement; certain historic features on the site, including hedgerows, lanes and parts of a canal, have been also integrated into the design in an attempt to give the new development some character. At the opposite of Edinburgh, Lightmoor was a partnershipbetween private sector developers and Bournville Village Trust, a major

[*] Telford is 230km far from London

housing associationin the region. The project also had an important input from English Partnerships becausethe site was part of the land bank it inherited from the old Commission for New Towns.

The building of Lightmoor village started in summer 2005 ona 72 hectare green field site; the projected cost was £31m. Planning permission was allowed for 800 homes, of which at least 25% were to be affordable,provided and managed by Bournville Village Trust. Permission was also granted for the building of a primaryschool, community centre and a small amount of local retail shops suitable for a 'village' (Lightmoor, 2007).

This development project was underpinned by the following objectives: a well-defined compact village surrounded by landscape;a strong distinction between the recreational open spaces encircling the village and theprotected rural wildlife site;a mixed-use centre arranged around the High Street and a village green, located so thatfoot access is promoted;higher residential densities clustered around the Village Centre, with areas of lowestdensity at the edges of the village where transformations between urban and rural characterare made;the character of the existing lanes is retained and they are integrated into the movementnetwork as recreational routes for pedestrians and cyclists (ibid).

Lightmoor was the reincarnation of the new urban policy agenda, what was produced was a planned village with walkable local services and a mixed demographic. The project can be described as a modern planned settlement, beyond theurban fringe, with a strong sense of social mission. The development showed also the importance attributed by the Labour government to the ecosystem even before the government decided to enhance low carbon domestic buildingsin 2006, the decision was taken that all houses in the development should meetEcoHomes 'excellent' standard. The buildings were also designed to be flexible, in order to permit alterations and extensions according to future needs arise, ensuring a longer life span for the buildings. More environmentallyfeatures, like sustainable drainagesystems (SuDS) for surface water runoff, were included into the design of thearea development.

This said, Lightmoor had the image of a demonstration project responding to its location beyond the urban fringe, it was a modern version of the rural village with high-density building cover, attempts to subordinate the car and a postmodern pastiche of

historic building styles. The reputation of Bournville Village Trust was as a very good 'brand' in terms of social mission and was known forbeing able to deliver high-quality developments. This reputation was important for the realization of projects of this kind, being so innovative such kind of projects could seem risky to privatedevelopers*.

Unlike Edinburgh Waterfront, Lightmoor could not be accused of being mono-cultural or with a metro-centric model to a location far from the central city. The area was aside with the urban policy of the time looking to fuse social integration and environmental sustainability.The village was likely to remain for the most part a commuter settlementfor people working in Telford, that's why significant questions remain about its reliance on theprivate car by virtue of its ex-urban location.

III- Neoliberal Policy and Cultural Regeneration

The ambiguity of the word 'culture' has been stressed in many research works and studies. Individuals and communitiescan be labelled as belonging to a particular culture depending on differences categorizing their habits and living style. The term can also be used in relationship to design quality, in other words, the way things look.

A successful "good" urban regeneration is always underpinned by a good design quality which is in itself frequently linked to the idea of culture. The flagships projects adopted by neoliberal urban policy programmes can be an obvious illustration to this. Flagship projects, linked to cultural resources are perceived as having invigorated the quality of regeneration programmes because an architecturally impressive new building could attract private investment toa previously unfashionable forgotten area. However, it must be noted, that this didn't have any guaranteed result, securing an iconic buildingfor a site does not guarantee that the cultural resource within it will be a success, northat other regeneration activity will follow in its wake.

*The Trust also has a longstanding commitment to use innovative environmental technologies, having experimented with orientating houses to let in maximum sunlight as early as the 1920s. This reduces the costs of heating houses and has become a central principle used by contemporary sustainability gurus ZedFactory, who used solar orientation for their BedZED development.

1- Cultural Regeneration Strategy in Making Cities

Cultural regeneration had largely contributed at making citieseconomically competitive. This idea has already been discussed in chapter two, the argument about the need to attract members of the 'creative class' helping in economic discourse. Flagship buildings and cultural resources contribute to a part of this in addition to the idea of boosting cultural districts. Two questions may be asked here: whichkinds of culture are integrated within these cultural districts? Are policies encouraging economiccultural clustering marginalizing other cultures?

One of the most important elements putting forward regeneration through culture could be the development of the post-industrial economy. This had two majorimpacts : first, very large, previously industrial areas within cities, but in disuse, provided major redevelopment opportunities; secondly, the move to a services-based economy created a broader culturalchange within society, with different types of employment driving a demand for differenttypes of work: leisure, residential space.

a- Waterfront Redevelopment and Re-use of Historic Buildings

Waterfronts represent a key opportunity to urban regeneration. Their redevelopment is a classic example of how structuralchanges occurred, giving rise to the economy of the area and to the global economy in general[*]. Waterfrontredevelopment is considered as a cliché of regeneration, and now we may see cafés and converted loft apartments and shops where once men sweated in docks and shipyards. The postwar move transformed the image of cities, putting dockland areas to new uses and creating whole new districts of the city. This has transformed the cultural identity of cities along with theirphysical appearance.

Two phases distinguished waterfront redevelopment in the UK, the first through the 1980s untilthe property crash of the early 1990s, the second through the late 1990s andprogressing very quickly from 2000. It must be noted that it was difficult to access to

[*]Waterfront redevelopment is not a particularly new phenomenon. In the late 1960s the city of Baltimore, with financial help from the United States federal government, redeveloped its Inner Harbor district. Pollution was cleaned up, historic buildings restored, parkland replaced dockland and during the 1970s the area became the location for various cultural events. This culture-based regeneration paved the way to the National Aquarium and Maryland Science Centre alongside Harborplace, a large retail and leisure complex. An abandoned, polluted space was transformed into a highly attractive quarter right at the heart of the city, helping to drive the broader cultural transformation and economic redevelopment of the city centre.

Britain's industrial waterfronts when in use, people couldn't do a simple promenade along the river given the high levels of pollution suffered by many of Britain's working rivers. Throughthe 1980s, water quality began to improve dramatically thanks to the decline of British industry and new regulations and sewage treatment, by the early 1990s even salmon had returned to the once toxic RiverMersey (Tallon, 2013).

The regeneration of waterfront and bettering the marine environment permitted people the access to areas wherenone could go before. Improved water quality reinforced the innate attraction of waterfront area, with the aesthetic appealof reflections on the water, boats going by, leisure activities, and so on; attracting at the same time commercial attention. The leaders of waterfront development in the UK werenot private developers, but urban development corporations (UDCs). TheseThatcherite instruments of central government intervention in very deprived areas had a notable success. The best illustrations are Canary Wharf in London and the Albert Dockin Liverpool.

One of the most interesting innovationswas the work of the Merseyside Development Corporation in revivingthe Albert Dock (Liverpool). The dockbuildings could not be demolished as considered architecturally valuable and so were redeveloped. The ground storey was a mixof retail and cultural uses, including the Merseyside Maritime Museum and, later, the artgallery Tate Liverpool. The upper storey levels were a mix of offices and loft-style apartments. Granada Television also located offices and a studio in theredeveloped site (media companies are often perceived as the ultimate seal of approval fora cultural regeneration).

The diversity of uses at the Albert Dock was highly innovative for theUK at the time, with some elements of the scheme being quite high risk for a city with adepressed property market. Nonetheless, the mixing of uses saved the Albert Dock from the price fall in the office property market in the early 1990s, the way the newly completedCanary Wharf was partially empty and its owners in bankrupt in 1992. However, London Docklands has gone on to become a world hub forfinancial services.

The Albert Dock represents also a good illustration for the cultural validation and re-use of historic building, giving them a new life through redevelopment. Cleaned-up and recycled, such buildings were architecturally interesting and could regain their character

when sensitively integrated into a development programme. However, it is considerably more expensive to re-use an old building than to create a new one, as the development process required more ingenuity to fit new uses and new requirements for structural and environmental function into an existing superstructure.

In addition, there was a tax charged for refurbishment of old buildings but not for the new ones, this was the Value Added Tax giving reasons not to retain older buildings. The only possible solution to that problem was "façadism". In other words, having the front of the building kept, such that it could look the same to a passerby, but the remainder was demolished and a new building erected behind the façade. This could be effective sometimes but it could look a little strange where an original façade was used to form the lower storeys of a much taller new building. Then, a broader philosophical point of view about 'façadism' is that it is dishonest, because though it may preserve the aesthetics of the streetscape, it destroyed the functional logic of the historic building is destroyed.

As regards to urban policy, the waterfront development can't be seen only as a triumph, this is on many levels, with polluted waterscapes cleaned up, historic buildings given a new life,economic activity created from acutely deprived areas and cultural uses given a new home. The only criticism, however, is that many of these schemes did little for the surroundingarea. For example, poverty and wealth sat side by side in the Canary Wharf district; crumbling social housing was set next to thenew financial district generating extreme wealth. Nonetheless, as a whole the very impressive visual impact of a whole new quarter of a city arising from derelict waterfront is exceedinglyappealing and it is little wonder that this approach has proved so popular, especiallywith so many examples of similar successful projects elsewhere.

Another ongoing programme redeveloping its inner dock areas was the Gloucester Quays, considered in the past as England's most significant inland port. The city saw a very ambitious scheme of massive expansion of the docks which fell out of use; they remained derelict untilthe mid-1980s when the City Council moved its main offices there as part of a major redevelopmentscheme, although this only dealt with the interesting historic buildings very near to the city centre. Another wave of development saw a series ofnew schemes for the docks later, including a mix of conversion and new build residential flats.

The £200m Gloucester Quays scheme received planning approval in 2004, its final approval was granted by the Government Office for the South-West (GOSW) and the Department for Communities and Local Government (CLG) in June 2006. Its realization was as a partnershipbetween British Waterways and Peel Holdings, assisted by a newlyestablished urban regeneration company (URC), Gloucester Heritage. Covering 25 hectares of previously developed dockland, Gloucester Quays mixed upscale residential, workshops, 'Designer Outlet' shopping, offices, a supermarket and Gloucester College of Further Education's new campus, all set around a cleaned-up canal and upgraded road infrastructure.

Gloucester Quays scheme produced a very remarkable change to the urban landscape of inner Gloucester. Still, there were some concerns about theimpact this scheme could have on retail within the old shopping core of the city, it must be noted that the first of the newly built apartment developments were not really inspiring in terms of their architecture, although the effort to make them fit the historic flat building.But the general idea about it is that it well represented an attempt to get maximumland-use value out of a large deprived area.

Essentially, critics noted the existence of a tension betweenculture as physical artefacts and culture as a way of life that is difficult to resolve.The treatment of historic buildings in redevelopment was and still is very dependent on the existing fashion.During the post-war reconstruction, it was obvious that Victorian architecturewas no more of the same value and could be sacrificed. Even the high-quality Georgian buildingsproduced by Richard Grainger in Newcastle, previously cited, were not resistant to this destructive urge and only the central area was retained by 1960s City Council, the other buildings were demolished, such as the Royal Arcade, which was replaced by an urban motorway and roundabout(Pendlebury, 1999).

Park Hill inSheffield was one of the first council housing mega-structures in the UK, built in the early sixties by twoyoung architects Jack Lynn and Ivor Smith, under the new emerging style of "brutalism" the newmovement associated with Alison and Peter Smithson. Park Hill is considered as the first builtexample of the deck access model in the UK. The idea that the dynamics of the workingclassstreet could be replicated in high-rise

form through everybody's front door openingon to a wide gallery which ran the length of the building. When Park Hill was listed asGrade II* listed building[*]. In 1998 there was a strong public disapproval in Sheffield that this huge concrete 'monstrosity' should be deemed rather than preserved.

There was an obligation for Sheffield City Council to put together acomplex partnership arrangement in order to find a way of preserving the estate.In 2006, Urban Splash[*] were chosen to lead the redevelopment project of Park Hill, creatinga very fashionable inner-city flat development, reducing the number of sociallyrented units to one-third of the total and bringing in a variety of new businesses. The way the area was redeveloped by Urban Splash was intriguing it was like a photomontage, the original development sufferedpartly because it became anestate for the poorest and most vulnerable tenants andalso because of severe centrally imposed restrictions on maintenance spending that leftthe area physically neglected for many years. Thanks to the Urban Splash Company and with a very reduced number of social housingunits, theestate was at the level of the images in its promotional materials ofthis time around.

Park Hill was not the only mid-twentieth-century building redeveloped contemporarily saving its architecturaland cultural value. Other structures in London like Keeling House in Bethnal Green, were refashioned as exclusive apartments, while Trellick Tower, are considered today as an icon of modernist chicrun by a tenant management organisation. All of these buildings have, however, receivedlisted status. Nevertheless there were many other buildings of this period which may be considered as good, although notof the high quality required to be among the listed ones, may in time be rehabilitated to fashionable status such as Victoriana. In these areas redeveloped the neoliberal urban policy agenda paved the way to urban renaissance along with the remains ofthe modernist cityscape. The policy of re-use of historical buildings can give a redevelopment significant characterbut at the same time it was considered as expensive. An expensive signature building was

[*] A listed building may not be demolished or extended without special permission from the local planning authority.

[*] Urban Splash is a company which regenerates decaying industrial warehouses. Founded by Tom Bloxham and Jonhathan Falkingham in 1993, Its headquarter is located in Manchester but works all across the UK. The company has expanded its regeneration work and is now one of the most in demand developers for large,complex sites, including Fort Dunlop in north Birmingham and Royal William Yard inPlymouth.

sometimes an embarrassment, instead of being a source encouraging new development if the resource it housed was not successful.

Ironically, it was probably Newcastle that benefited more in economicregeneration terms in the first phase of development as speculative apartments were built on the Newcastle side of the Tyne, where Gateshead simply gained the cultural resources. Gateshead Quays changed in the second phase, the area had seen huge transformation and is now one of the very attractive destinations with many world class attractions and is till now looking forward for other development projects. In 2006 Kier Properties Group were chosen as the best developer with their proposals for a mix of retail, cinema, and restaurants parking along with 324 residential units to fill in the gap between the BALTICand the Sage(James& Evans, 2008).

However, there is a condition to guarantee the success of a landmark cultural iconic building, itis that the cultural resource must itself be a success, working hard to attract visitors to an area and maintain its flow of income. There was an obvious agenda here that cultural icons will shift to private investment and Gateshead Quays seemed to be a great success economically, till now it is one of the UK's most iconic waterfront locations just as Salford Quays in Manchester was before it.

Some of the projects which were at the forefront of regeneration programmes were not a great success, such as the National Centre for Popular Music in Sheffield or maybe evenmore dramatically, 'The Public', a community arts resource in West Bromwich, West Midlands. Designed with an original budget of £38m, the cost went over £50m and. The building was designed as a black box pierced with blob-like magenta openings, quite original, but the failure to get it off the ground as an actual working resource, rather than simply alandmark building, has made it much less attractive in terms of levering in private capital.Indeed, The Public the building started receiving even before its opening, but far from being an asset.

b- Cultural and Sub-cultural Districts

When considering cultural regeneration in neoliberal urban policy, the idea of clustering together cultural resources and the creative industries is underpinning the debate as having beneficial effects. As a result, the idea of fostering culturalquarters is a major

element of neoliberal urban policy discourse (Montgomery, 2003). The idea of clustering means having craft-based businesses, music, graphic design and arts organizations ranged and working in proximity with companies at different size from the multinational to those micro businesses of one person making and selling his/her own products . In this context creative people will be still more creative, with the clusteringreinforcing innovation and economic development.

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The obvious counter-argument against cultural clustering is the fact that it results in marginalizing and isolating artists, in other words it generates a process ofgentrification. Often artists of various kinds live in down parts ofcities, because of their inexpensive living conditions and rent. However, the presence of this artisticculture can help to make that part of the city fashionable enough to attractother people and businesses, transforming it into an expensive area for the artists who were the first there and they will be squeezed out by higher rents, unless they fit the condition of attracting subsidy (Zukin, 1982).The question that may be asked here is: What kinds of culture are valued in terms of regeneration?

The city of Sheffield in the South of Yorkshire was hit particularly hard by deindustrialisation in the late 1970s and 1980s, with the collapse of the city's steel industry. The Cultural Industries Quarter (CIQ) was built on an area running east and south from the main railway station. By delineating this area as a specific 'district', the CIQ gives this area an identity around which to frame urban development within the context of the broader regeneration of the city. This area was the location for small workshops involved in the metals trade. The CIQ Agency was established in order to coordinate the development of the quarter, with funding secured from round 6 of the Single Regeneration Budget (SRB). The CIQ was also adjacent to the Sheffield Digital Campus, conceived as a city-centre business park for small and medium-sized firms working in the ICT sector.

The CIQ Agency had two stated aims: First, to develop the physical landscape of Sheffield's Cultural Industries Quarter and second, to further develop the creative business economy in the CIQ and across South Yorkshire (ciq.org.uk, accessed 11 January 2007). The Agency's priorities can be summarised as: producing a coordinated approach to cultural policy and practice in south Yorkshire; encouraging the private sector to provide cultural workspaces rather than high-profit residential accommodation; delivering the

Townscape Heritage Initiative, where funding has been secured from the Heritage Lottery to preserve 20 listed buildings; and improving public space, especially pedestrian access (Dabinett, 2004).

The idea of the City Council was to bring a number of cultural businesses, such as Red Tape Studios, in proximity to the existing cultural facilities such as the Leadmill live music venue which opened in1980. The opening of the Workstation was in 1993 with 460m2 of space rented to media companiesworking in video, sound, design, etc. The concept wasto encouragethe collaboration and mutual support, providing flexible workingspace for the kinds of small and micro-businesses flourishing in this sector. The project to produce an integrated transport hub at the adjacent train and bus stations, which was coordinated by the local URC, for example, keys into the neighbouring CIQ as one of a number of development quarters being opened up.

The National Centre for Popular Music, a museum for contemporary music and culture opened in 1999, but was less successful. Housed in an impressive signature building by Nigel Coates Costing £15m with funds from the National Lottery, it ran into financial difficulties withinseven months and closed in 2000, by order of the City Council who considered that the cultural quarter was not developing sufficiently at the level of the CIQ Action Planexpectations. The buildings became later the student union for SheffieldHallam University.

The policy makers idea of promoting 'cultural industries' was very interesting ; this development was explicitly promoted as giving entrepreneurs an opportunity to deeply embed themselves in the networking opportunities offered by the density of cultural businesses in the CIQ. Developers sought to overcome the trend wherebythe fashionable nature of a district attracts residential and other land uses that price out thevery sectors that made the district fashionable to begin with. A good example of this was The Cube, which contained 25 work spaces promoted by the regional development agencyYorkshire Forward as a demonstration project.

c- Liverpool the European Capital of Culture 2008

The first UK city to be awarded the designation of the ECoC in 1990was Glasgow. At the time it was called The European City of Culture. This designation provided a good

opportunity for Glasgow to shift focus away from its image ofbeing a deprived post-industrial city and to remind people of its rich cultural heritage. In other words, to replace the city's reputation of manufacturing industries with a new focus on culture. This experience was considered as a big success among policy-makers, but not of that success among some critics who argued that this event did not really have that much of an effect in terms of social regeneration(Mooney, 2004). Regardless of this disagreement on whether Glasgow being the ECoCwas an economic success for the city or not, it should be noted that Glasgow's reputation was transformed post-1990, more; it is not surprising at all that when it was again the UK's turn to host ECoC, there was a fierce competition between cities for the 2008 designation. Finally, the result was announcedin 2003, and it was Liverpool that came out on top.

Like Glasgow before, Liverpool was labeled by a dramatic poverty in its inner urban and suburban social housing estates. Today, thanks to the regeneration process under neoliberal commitmentthe city has significantly moved to a revitalised, exciting city of culture although still poverty has a diabolic catch on the city. The Capital of Culture label helped Liverpool to undergo several redevelopment projects. Jones and Wilkes-Heeg (2004) argues thatperhaps a more important underlying factor was the belief that Liverpool was the city mostlikely to 'do a Glasgow' by using the label as the lynchpin for economic restructuring in terms of city re-imaging. The other rival cities, such as Oxford, Bristol and Birmingham, though also suffering from poverty, arguably would not benefit the additional impetus supplied by the Capital of Culture label in their ongoing regeneration programmes.

Among the reasons which fostered the competition between British cities to the 2008 ECoC were the claims that the Capital of Culture label would create 12,000new jobs and will double visitor numbers to 38 million per annum and bring £2bn of extra spending in the local economy. In fact, the bid team's consultants, ERMEconomics, painted aquite less rosy picture. Their estimation of visitors was approximately720,000 per year, instead of the 19 million suggested. Truly, though the report did talkabout an extra 13,200 new jobs, these were not directly created by the ECoC, but a projection of general growth in the creativeindustry sector; those created by the ECoC were estimated at less than 1,400(ibid). Liverpool had been experiencing chronic unemployment and population loss fordecades, no doubt the ECoC year had a successful regenerative process and consultants and academics have obviously spent many years post-2008 analysingit.

Culture-driven regeneration programmes in Liverpool began with the Albert Dock in the mid nineteenth century. During the 1990s The Ropewalks area ofthe city, just to the south of the Central Business District (CBD), was designated for a regeneration scheme and the RopewalksPartnership was established for the purpose to carry forward a plan produced by the Building DesignPartnership. Consequently, a very ambitious programme of new construction, refurbishment of historic buildings and improvements to the public realm were undertaken to make of Ropewalks as a cultural district. With European Union Objective funding secured through the GovernmentOffice for the North West in addition to resources from the North West Regional DevelopmentAgency (James & Evans, 2008).

Ropewalks was one of the important developments flagged in the ECoC bid to indicate that 'culture' in Liverpool was not merely trading on the city's historic legacies but highly promoted by neoliberal thinking. The FACT Centre Foundation forArt and Creative Technology) was another important anchor part of the programme. Having cost £ 10m it opened in 2003 as one of Liverpool's main shopping areas, by Ropewalks square in the city centre. The building contains three gallery spaces, four cinema screens with 70mm projection and THX sound and a multimedia suite, a café a bar and a lounge area boasting exhibition and work spaces, training courses.

Founded in the mid-1980s, Quiggins an indoor market in the city centre of Liverpool just behind the city's main shopping axis, it occupied a large building onSchool Lane. The area was low-rent and permitted to many small traders to run their businesses. Home to many small craft designer and to a varietyof 'alternative' traders, Quiggins served as a central city business. The building was approximately 200 metresoutside the boundary of the Ropewalks cultural cluster, but well within the Paradise StreetDevelopment Area and that was the reason which threatened the centre with a compulsory purchase order in 2004 whichpersuaded its owners to sell up.

After several objections from the part of the traders, petition signed and a large compaign of mach protest, the Deputy Prime Minister John Prescott approved the development of Paradise Street Scheme in 2004. Many of the traders moved to a new home, 'Grand Central',housed in the old Methodist Central Hall, although this was located somehow out from thecity core. The façade of the Quiggins building were retained in the new development scheme,but it simply formed a part of the huge new shopping complex

which was built.Indeed, the Quiggins centre was the wrong kind of culture in the wrong place.The issue of its closure was a very minor distraction in the rapid pace of change in centralLiverpool.

The last major peace in the puzzle of Liverpool European Capital of Culture was the Kings Waterfront development. This area was already redeveloped in the seventies and was famous for hosting music concerts. In 2008 its completed regeneration was an iconic success of theBritish urban policy. At the heart of this waterfront is ACC Liverpool, an arena and conference centre, the project housed leisure, residential and conference facilities with more than ten thousands seats capacity as well as 7,000m2 of exhibition space. This convention centre cost £146m development and was designed to play a major role in the ECoC celebrations (Edwards, 2007)

The accomplishment of King's Waterfront project was again thanks to Objective 1 funding. Liverpool Vision was also a key partner in leading the physical transformation of the city in the new millennium. Liverpool Vision Development Company was set up in 1999 as the first URC in the UK. The company helped to bring together a number of schemes in the city, including the Paradise Street redevelopment. The ACC scheme also levered a significant amountof private capital for apartments, a hotel and other developments anchored by this keycultural resource. ACC Liverpool also hosted indoor sporting events giving the city major venue.

2- Sports-led Regeneration as Part of Neoliberal Urban Policy

Sport was not considered as a cultural phenomenon in its own right, but as a key strategic source of development or redevelopment in urban policy activity. One of the first cities in the UK to benefit from sport explicitly to undertakeregeneration activity was Sheffield, which hosted the 1991 World Student Games.With the deep fall in steel industry in the Don Valley area by the mid-1980s, the ruling Labour group of the City Councilsaw no option but to promote the idea that sports and leisureactivities could be one way of rebuilding the city's tired economy (Henry and Paramio-Salcines, 1999).

The local government spending imposed in 1990 to host the World Student Games was seen as the success of this strategy, though there were some Labour councilorsin

Sheffield who were unhappy at resources levered to be diverted to that new sports-led strategy at the expense of conventional social programmes*. Althoughthe city benefited from world-class sports facilities clustered in the Don Valley, it should be noted that this was at the expense of some community-level facilities, particularly for swimming, whichwere closed to help pay for the centralised resources (Henry and Dulac, 2001).

Another interesting example where sport led-regeneration is well felt was the Manchester commonwealth Games of 2002. The money spent on sporting infrastructure in Manchester was around £200m, makingit the most important investment in sports hosting in the UK prior to the London Olympics. Moreover, £470m was also spent on other non-sports infrastructure as part of amajor redevelopment programme in east Manchester.

The objective of urban policy of the time through sport-led regeneration was to ensure long-term benefits to the economy of the area targeted once the event celebrated was over. This was not really felt in Sheffield but at the opposite, it was well done in east Manchester. To accomplish the task of managing the legacy of the programme, the Commonwealth GamesOpportunities and Legacy Partnership Board was set up in 1999. After the Games were finished, the sporting facilities were branded asSportcity and the stadium became the main ground for Manchester City football club whilethe other sporting venues have been used to establish the English Institute of Sport, providingelite training facilities and generating an ongoing revenue stream in the area (Georgina Blakely, 2017).

In addition the New East Manchester URC was established in 1999 to better coordinate the regeneration of east Manchester, more generally to securing a use for the Sportcity facilities. The area was covering some 1,100 hectares. The URC's initial aims were todouble the population to 60,000 over 10–15 years; construct up to 12,500 new homes offering a range of tenure and type;improve 7,000 existing homes;create a 160-hectare business park;create a new town centre with 11,000 m2 of retail provision; create an integrated public transport system; produce a new regional park system;bring educational attainment above the city average (New East Manchester, 2001).These aims cost £25m fromSRB round 5, £52m from New Deal for Communities and around £3m

*Most of the £147m capital costs being met by the Council(Henry and Dulac, 2001).

from SureStart. Inaddition, the URC also levered private capital to make new facilities to the area, includinga regional-sized supermarket.

At that time, the housing market in the east Manchester was suffering from severe structural problems with a dramatic failure of the market in somequarters.However, the importance of the sport event and the value of the Sportcity brand really helped in the redevelopment of the area, therefore the URCcould bring in developers, who could produce a residential plan for the area in addition to working on a series of new housing schemes. Clearly, although east Manchester is still an areasuffering from multiple deprivation, one can not deny that the area remains an example for how sport led regeneration was a key strategy of the British urban policy*. Sporting event andthe associated infrastructure to it were a catalyst for a more general economic andsocial regeneration involving a mix of public and private resources.

Sometimes, but it was an exception and not a rule, someindividual sports teams engaged in regeneration activity, likewhen Arsenal Football Club moved to a new stadium. The club in coordination with the localauthority and other partners undertook a series of newdevelopments. New homes were built in the developments to be affordable so as to tackle the severe shortage of affordable homes in the club's neighbourhood. Newlon Housing, asocial housing provider, was put in charge of providing 25% of the 2,500 homes. Some of the developments took place in the oldstadium, part of which was listed for preservation and was converted into new homes (New East Manchester, 2001).

The old stadium pitch itself has become a memorial garden, respecting the memory of the fans whoseashes were scattered there. Small and medium business units were created in addition to other community development projects promoted by the Arsenal Regeneration Team, which includes representativesfrom the club.The Arsenal regeneration was

*Though the US experience with neoliberalism was very inspiring to the British especially the Blairist government, still there were some interesting differences between the UK and United States, for example sporting teamsin the UK tend to be far less 'footloose' while, Middle-ranking cities in the USA frequently competeto attract sports team franchises to their cities, offering tax breaks, large new stadium in addition to complexesand other incentives. The economic benefit to the community of this kind of investment is interesting, particularly as there is little to stop teams moving onceagain if another city offers an even better deal (Crompton, 2001).

relatively modest; the stadium redevelopmentproject catalysed a targeted regeneration at the local community. At the opposite, considerable redevelopments, with an emphasis on sustainability, were conducted to host the Olympic Games in London in 2012. In 2007 the then Culture Secretary Tessa Jowell admitted that the estimated cost of the Gameshadincreased from £2.4bn to £9.3bn. The Games have proved immensely controversial, not least becausesome of the projects were considered a legacy outputs were happening anyway (Tallon 2013).

At the level of transport, many initiatives were undertaken, the Channel Tunnel Rail Link, second phase of construction was rebranded the 'Javelin train', and although prior to winning the bidTransport for London had explicitlystated that the extension of the east London Line would happenregardless of whether the Olympics came to London or not (Gilligan, 2007). In 2003, a planning application stage took place in Newham, Stratford City a majorshopping development and leisure hob, very popular within families with associated residential accommodation, restaurants, bars, fashion shops;again, prior to the bid proposal. These increasing costs meant cuts to other agencies, however, including SportEngland, in other words reduced funding for programmes to increase sporting participationat the community level; this was a major objective in social regeneration (Bond, 2007).

In order to facilitate the redevelopment of the area,changes to the laws on compulsory purchase were made. As a great amount of land in the Lower Lea Valley area wasbought, and then the whole Queen Elizabeth II Olympic Park site was secured thanks to a compulsory purchase order (CPO)[*] by the London Development Agency. Consequently, some positive reforms accompanied the Planning and CompulsoryPurchase Act 2004, this was including placing a statutory requirement on planners to 'contribut[e]to the achievement of sustainable development' (section 39, 2). The section 226 of the Town and Country Planning Act 1990, also knew an amendment in order to include a general'well-being' clause. Compulsory purchase can be justified under the new Act if thepurchase can be demonstrated to improve one or all of the economic, social or environmental'well-being' of the area (section 99, 3) (Johns & Evans, 2008).

[*]Compulsory purchase is a very time-consuming and controversial process, meaning that local authorities and those development agencies granted these powers generally prefer to negotiate with landowners, with compulsory purchase being seen as a last resort.

The somehow vague idea of ‘economic well-being’ canbe seen as giving local authorities more freedom when it comes to securing compulsory purchaseIn November 2005, an agreement was finally made on access provisions to the Olympic Village between the London Mayor of London Ken Livingstone and Newham Council, whereby the CPO over the Westfield site was removed. In the Olympic case, compulsory purchase powers were supplied to the LondonDevelopment Agency to acquire the 306 hectare site. The vast majority of residents andbusinesses were moved through negotiation, though some individuals resisted; notablythe Gypsies and Irish Travellers who had been long-term residentsof the area, but they lost their appeal against the compulsory purchase order in May 2007 (Williams,2007).

The changes to compulsory purchase legislation, though said for “public benefit”, have however wider impacts thana politically important national project happening in London, and apply across England. While compulsory purchase remains a long and very time-consuming process, the reformed legislationmakes the threat of compulsory purchase a much more powerful opponentwhen negotiating with reluctant landowners.

Conclusion

The urban area is a never finished object; it is always in expansion, rarely does it shrink.Obviously, land uses change and plots are redeveloped. There are many reasons leading to change land uses, depending on economic, social or environmental needs, or it could be a combination of all these. Since the beginning of the 1980s the policy direction of the UK started to take a new turn, and consequently large-scale process of adapting the existing built environment has been undergone ever since,these were with varying degreesdepending on the area and its needs.

Neoliberal urban policy was synonymous to the physical and economic revitalization of urban areas, in other words, transforming parts of urban areas and making them attractive to property developers and inward private investors. With the primacy of the private sector in bringing back the fortunes of depressed urban areas, and the secondary role of the public sector in creating the right conditions for private sector wealth creation and cities competition (Loftman & Nevin, 1992).

In addition, to their encouraging to external cities competition, policy-makers; whether Conservative or Labour, realized the internal importance of cities as centres of innovation and enterprise within regional economies. In this way, economic regeneration deploys local economic policies and initiatives to free forces of local enterprise and innovation within the city. The chapter considered the key policy initiatives that had been developed to stimulate urban regeneration under neoliberal influence, using case studies to reflect upon their successes and failures.

There is a tension in this chapter, concerning the use of ‘culture’ as something of value that may be exploited for economic development. This tension results from the fact that cultural regeneration reasons maybe contradictorybecause of the claims behind the promotion and uses of culture. The kinds of cultures accepted by some and rejected by others communities, especially when thinking about culture as representing a way of life for individuals and communities. In addition, some of those who were the source of the areas attractiveness and development find themselves excluded from it once embarked for redevelopment because simply they can not afford to live in.

Culture may also be embedded in the notion of the ‘knowledge economy’,with cities competing to attract workers and businesses; flagships projects strategy was adopted to make the city more appealing to the so-called ‘creativeclass’, as well as tourists. The creation of cultural districts came as another key manifestation of this,attempting to cluster business working in the creative sector in order to produce a kind of talent and creativity face-to-face network. As these districtsdeveloped,enterprises with financial troubles and marginal arts were driven out, except wherelocal authority or regional development agency, considers themworthy of subsidy.

Neoliberal urban policy also used aesthetics as a key strategy to create a distinct and innovative appearance of the city. Therefore, attractive, flagship buildings producedby internationally renowned architects have become a feature of many redevelopment projects, with the hope that they will create an image ofexciting and worthy of investment, fostering further commercial development. However, the investments in those projects was not always a success, in some regards, the buildings were only successful to the objective

to which they were put. Many flops have left some areas with embarrassing and very expensivebuildings for which new uses had to be found. Another problem with aesthetics is that the attractiveness of a development is entirely subjective, with changing tastes making it very difficult to please everybody.

The re-use of historic buildings and the redevelopment of waterfronts represented a cliché of urban regeneration and a good opportunity for urban policy to bring businesses and private investment to the city centre and then shops, restaurants, bars and flats became a part of the waterfront development. However it was not always a success, with the added complexity that an insensitive conversioncan destroy some of the coherence of that building as a manifestation of the culturethat originally built it.Undoubtedly, the complexities and contradictions within neoliberal urban policy became obvious at different aspects among which culture, re-use of historic buildings and flagships projects though they likely played an ever more important role in the transformation of cities and areas in practice.

The present economic climate in the UK provides an opportune moment to reflect on the extent of recent growth and urban change and assess the integrity of the urban regeneration policies. Some critics say that much of what had taken place in recent years in urban areas had been renewal rather than regeneration, given its physical rather than economic or social nature, its exclusive design and its limited impact on addressing existing needs.

As a final note and in this context of unequal urban development inherited from British post-war history, to the beginning of the twenty first century, one should question the future effects of the neoliberal urban policies (1979-2010)? Although neoliberal ideology seems omnipresent, by decision-makers undertaking regeneration projects, it does not constitute a coherent and homogeneous set of principles, uniformly applied. In the same way as there were several different national forms of capitalism before its neoliberal mutation, this transformation did not lead to a unique model for the neoliberal city and state (Peck and Theodore, 2007).

Introduction

I. An Insight into the Neoliberal Urban Policy Perspectives

1. British Neoliberal Urban Policy Revisited
2. A Critical Reflection on Cities Transformation in the UK
3. A Retrospective View of the Challenges of Urban Regeneration
   - 3.1 Partnership
   - 3.2 Sustainability
   - 3.3 City Liveability
   - 3.4 Tackling industrial decline and the new economy
   - 3.5 Gentrification
4. Debating the Neoliberal Urban Policy Retrospect and Prospect

II. A Foresight in the Future of Neoliberal Urban Policy

1. Devolution
2. Globalisation
3. Reflections on the Future of Urban Regeneration
4. Recommendations :What to be done a step forward
   - 4.1. For Local Authorities
   - 4.2.For National Government

Conclusion

Introduction

"We are only at the beginning of urban civilization; it is up to us to bring it about ourselves using the pre-existing conditions as our point of departure… The urbanists of the twentieth century will have to construct adventures." Internationale situationniste, 1959 Journeys

The future success of cities is crucial to the future success the whole nation. Neoliberalism though becoming synonym of capitalism; has a big impact on the strategic policies for the future of cities in the UK. The culture of capitalism in different areas has certainly resulted in a variety of new social practices and beliefs (Comaroff and Comaroff, 2000). The UK is a system of diverse cities. Each has a distinctive history and its own bespoke set of relationships with its neighbours and with central government. Neoliberals believe that the state should be confined to protecting individual and commercial liberty in addition to securing strong property rights. However in practice, because of corporations aim to secure higher profits, their dependence on states has been pervasive for at least 100 years. They lobby international organizations, as well as states, both to create conditions more favourable to their own individual interests, and also to increase the proportion of economies in which private corporations are allowed to operate.

According to the academic literature concerned by urban neoliberalism, one may argue that cities have become more "neo-liberal" in England, nevertheless they are suffering a complete withdrawal of classical forms of state intervention, as the state is no more the major developer and regulator, its role has been importantly reduced ceding the floor to extensive privatization, and imposition of a pervasive "market mentality" (Brenner and Theodore, 2002; Peck, 2012). Mike Emmerich asserts that most of British cities are economically weak though they witnessed an urban renaissance since the end of the nineteenth century leading later to their transformation to important urban agglomerations more too smart metropolitan cities, however based on a consumption-dominated economy (Emmerich, 2017). This structural shift is difficult to evaluate and offers a "guarded optimism" for the future.

This is a concluding chapter, based on the conclusions retained from the previous study and analysis, its aim is to question to which extent neoliberalism contributes to the understanding of the current challenges facing cities in England, in addition to its influence on the latest and future long term thinking of British cities under urban policy making.

I. An Insight into the Neoliberal Urban Policy Perspectives

1. British Neoliberal Urban Policy Revisited

Since the late 1970s onwards there was a general agreement among politicians that the economy was root of everything in relationship to these issues. In order to have a more effective intervention at the level of cities, economy should be seen as a network of interlinking and interacting systems, including food and agriculture, transport, communications, education and housing. This would allow examination of the principal forces driving the development of each system. In addition, this might provide a better basis for evaluating the effectiveness of each system in meeting the needs and expectations of population; moreover for identifying the improvements needed to increase the effectiveness of the network. In evaluating any system, important criteria of effectiveness could include how the directions in which each system development impacts the interests of the different sections of the population, and also the environment.

The macro-economic framework is not sufficient to evaluate what happened during the decades that followed the coming of Thatcher to government, however it was used to justify many privatisations that happened during the 1980s as well as outsourcing of public services, primarily those within the authority of local governments. In the case of England Many scholars argue that it is worth to be noted that the policies implemented from the 1970s onward would not be qualified as neoliberal until the 2000s. Their progress during the 1980s was at first described as "entrepreneurial" (Harvey 1988, Deakin and Edwards, 1993). What has been thought to be neoliberal policy by some consisted in the transition from a Keynesian framework for the production and management of urban structure based upon a controlled and strict regulation of land uses to a model where the market had an increasingly important role in the spatial distribution of social activities and interests. The process has been called by Peck "neoliberalising space" (Peck, 2002).

The neoliberal thought has been shaped by three principles; first, the conviction that the urban development process or regeneration had to be drived by the private sector, secondly, the large use of profitability targets for managing services provided by the public sector and thirdly, encouraging competition between territories for public funding (ibid). Privatization has in many cases improved conditions for private organisations, however it

has worsened the access to some services like health and housing As a consequence of privatization, deprived population have often had to rely on charities and humanitarian agencies in order to bridge the gap in public provision (Waitzkin et al., 2007). In an attempt to deal with this situation, and in a context where an increase of public spending was not acceptable and completely rejected, the Conservatives' first initiative was to fix and sometimes suppress the local regulations of the worst urban areas with the objective to direct investment towards them. A good illustration of the early 1990s property led regeneration, is The Docklands model with its most spectacular achievement in Canary Wharf.

The government at that time adopted the approach of competitiveness and issued the policies suitable to supervise the operation, notably by the creation of the Urban Development Corporation and the attribution the area of the Isles of Dogs the status of enterprise zone. Like this it was removed from the governance of local representative democracy, considered there as an obstacle to the process of redevelopment. In order to make the area more attractive, a large public fund investment in transport infrastructure was invested (Brownhill, 1990).

This action can be understood through what is called in economy: the trickle-down effect and utilitarian ideology, according to which taxes are reduced on businesses and the wealthy in society as a means to stimulate business investment in the short term and social benefit in the long term, In other words, growth in the enterprise zone and public investment in transport would automatically make the poorer better, without the need for direct intervention on redistribution.

By the late 1980s, there was a large consensus among academics that cities could be the origin of a response to the Fordist Keynesian crisis which was affecting the country (Deakin and Edward, 1993) as cited by Jones and Ward (2002). The city started to be perceived as a hub with new institutions and public private partnerships emerging, attempting to reproduce at a smaller scale the policies adopted in the Docklands.

Thus, the major elements that challenged the urban institutional landscape were: privatization, promotion of competition, reform of local government finances, and redistribution of executive responsibility away from local authority control and finally the

promotion of partnership work (Buck et al., 2011). This situation led to a tight control of public spending, with the aim of avoiding funding in new public sector such as jobs or social housing. The following decade saw the creation of two new funds for the inner cities (City Challenge in 1991 and Single Regeneration Budget in 1996), the fact which fostered competition between areas; even the most marginalised areas were included.

The antagonism between central and local government lasted for more than a decade, thanks to auditing practices, these policies could bring the restoration of public private partnerships at the local level[*]. Another legacy of these programmes was limited profit of some areas from the funding of area based initiatives resulting in the fragmentation of some boroughs' territory. The area receiving the investment was limited to a small part of the borough.

Observers agree on the failure of the Thatcherite model of neoliberal policy and highlighted the procedural defects such as the unfair distribution of power in addition to a lack of transparency and democratic control over the institutions created by the policies during the conservative period of governing (Brownhill, 1993, 1998). Economists and scholars made interesting procedural analysis was and assessements challenging what they called 'the entrepreneurial urban model' developed in the 1980s. Many of their works have widely creticised the consequences of the policies implemented by the Tory government, like UDC programme for example, in a book edited by Imrie and Thomas, an evaluation, based on different perspectives: economical, social and political was made to Urban Development Cooperations. Political exclusion of the inhabitants was also discussed Pile (1995), who studied the phenomenon in the Docklands area.

Concerning planning, Michon (2008) highlighted the long term dramatic effects of the unbalance in the power equilibrium between the private and public sectors. Her analysis of the regulation of public spaces showed how privatization of urban public services leads to a more socio-spatial fragmentation and a considerable amount of spatial inequalities. This is also debated by Drodz (2014), she explored how urban policies, spatial injustice and neoliberalism were articulated in London during this period of neoliberal transformation of the state.

[*] The evolution of auditing in the 1980's and 1990's is among the scope of research of Patrick Le Galès (2005).

A consistent examination of the second wave of regeneration policies under the Conservative government revealed that those policies like City Challenge and Single Regeneration Budget did not do that much to promote population interests. The scholars blamed th government for exhibiting a more transparent governance in theory, while in practice it championed deliberative processes for local programmes. A careful examination of these processes, though, showed that the demands of associated inhabitants were rarely considered and that deliberation often only led to a surface fake consensus (Davoudi and Healey, 1995). Critics emphesised on the meager effectiveness of these policies which have driven the the socio-economic conditions of the affected populations from bad to worse, leading to the creation of between neighbourhoods receiving funding and those who were not (Jones and Ward, 2002).

The approach of competitiveness adopted by neoliberal urban policies is a source of procedural injustice; it made things worse for some areas, taking into consideration the real levels of inequality. The criteria limiting funding attribution are not serving the areas which are really in need of investment, but those which constitute an investment opportunity for the private sector, or those whose leaders are in tight connection to national institutions. Whatever is the framework used to understand these inequalities, the result is the same and no one can deny that the aforementioned urban policies were unjust. At the same time, one cannot put all the blame for this injustice on the neoliberal aspects of the policies. There are other reasons which have led to a great economic collapse in the UK, such as Inflation, large public spending cuts and following market fundamentalism. Moreover, the investment of public funds in projects creating new accumulation dynamics in spaces already described market failures.

Still, this does not really explain the injustices created by these policies. Economists explain these injustices through the persistent refusal of the government to intervene on the issue distribution of land value gains, a product of public investment in certain territories' equipment. This refusal resulted in the monopoly and the concentration of land value gains and profits in the hands of a minority. This is illustrated by the fact that economic inequalities, as measured by the Gini index[*], increased by 30% in the period between 1978

[*] The Gini Index, also called Gini coefficient or Geni ratio, is a measure referencing income and wealth ie the income distribution across population percentiles. A higher Gini Index shows greater inequality, because individuals are receiving much larger perecentages of the total income of the population (investopedia.com)

and 1991 (Hills et al., 2010). Obviously, London doesn't make the exception; inequality levels are the highest in OECD (Organisation for Economic Co-operation and Development) countries, labour market polarisation in London is the worst in the UK (Kaplanis, 2007). Finally, the continuous refusal to find solutions to fix the increasing social and economic inequalities was perceived by many neoliberal thinkers, even those singled out as radicals like Hayek, as a great institutional failure; far from being a consequence of their theories, but a bad manoeuvre of them (Gamel, 2008).

2. A Critical Reflection on Cities Transformation in England

"Cities need to be able to align their unique strengths with their long-term priorities in order to achieve more prosperous futures. This in turn will lead to enhanced national performance." Rt Hon Greg Clark, Secretary of State for Communities and Local Government.

If one had to talk about the challenges facing the UK's urban policy scene, two key elements may be used to argue on a set of policy proposals. The first one concerns the economic development of UK cities. This growth of British cities during the nineteenth century is largely due to a mixture of geography and climate that favoured textile production in addition to the availability of cotton; surplus agricultural labour and the availability of capital brought from aristocratic sources. Aristocracy had an influent role on urban environment because of its religious freedom and culture of self improvement (Emmerich, 2013).

However the roots of decline are deep, and are obviously linked to the decline of staple industries because of international competition, in addition to failures in education and training and low levels of capital investment. Later, industrial cities failed to capture the opportunities associated with new waves of technological change that benefitted London and smaller cities. According to Emmerich, London is the best illustration at the level of urban regeneration, as it began its recovery long before the financial boom of the 1990s thanks to a large investment in infrastructure. Therefore what should be kept as a lesson for other cities is that scale and 'major transformational' projects are really important and required for a better future for cities.

The second important element is the political self-confidence of cities whose culture was one of Liberalism, non-conformism and scientific learning. Manchester for example and other industrial cities were formed by business, with political governance. While

public health problems stimulated the creation of local government, however cities were slow to respond to this new opportunity, ceding their early autonomy to national government in ways that centralised power in London.

The fact of lacking strong institutions caused the long decline of British cities. This failure is attributed by some thinkers to 'British cultural snobbery'; this concept was raised by Emmerich as an undefined and peculiar concept on which to rest decisive explanatory power. The idea is that developing transport infrastructure, providing appropriate sites and raising skills, require more devolution. Many are easy to agree with but are difficult to evaluate because of a lack of detailed examples of success and failure. However economic history of England cannot deny the attempts made by the government aiming at attracting textile investment back to Manchester, this would be a very interesting case of study concerning neoliberal urban policy in England.

Contemporary debates about local and regional development have always been constructed around arguments of the failure of the central government to make a real devolution to local ones. Later, another cry comes from protectionists and the left those who want to protect national champions with financial support. However, this does an injustice to the sophisticated case for industrial policy developed by Mariana Mazzucato[*]. Again British snobbism seriously suggested that there are no lessons to be learned from elsewhere, and then it is simply just not possible for a city like Birmingham to learn directly the lessons of Barcelona or Copenhagen concerning green belt projects for example. (Emmerich, 2013).

The growth of social inequality can plausibly be linked to the economic models that are presented as solutions to the problems of urban growth like: city-centre, consumption-led development. The best illustration and clearest expression of this was the geography of the Brexit referendum in which some larger provincial cities typically voted "Remain", while their metropolitan hinterlands voted "Leave". An additional argument concerning the lacunae of British government in securing model cities include the implications of an ageing population and the rising cost of social care which, alongside austerity, underpins

[*] Mariana Mazzucato is a prominent economist and professor at University College London in Economics of Innovation and Public Value. She is also the founder of the Institute for Innovation and Public purpose in the same university. She wrote many books about Investment and economic value, her research focuses more on the relationship between markets , innovation and economic growth, she works with the Schumpeterian framework, previously cited, of evolutionary economics about companies and industries.

the fiscal crisis of local government. Given the relationship between growing inequality and the increasing political disenchantment, much more needs to be said.

For the objective of having model leader cities in the future, wise decisions must be taken now and how policy makers are planning on getting there. For Milton Keynes, the first town created in the sixties to release housing congestion in London, economists, researchers and policy makers agree that potential long-term futures need to be explored. This is as part of the emergence of Milton Keynes as an important UK city with an economy of increasing significance and a history. Milton Keynes has historically been a city with a strong sense of identity and future brand.

Many tools and resources are needed by city leaders and officials in order to develop a promising powerful future identity and vision for a city. Adaptation and evolution of this identity is critical, without losing sight of the uniqueness of Milton Keynes; This cannot be feasible without a clear foresight, and a well studied project, taking into consideration the activities that provide an evidence base for developing such a vision for the future. Choosing the right and credible approach, that fits with the realities of the environment and social balance.

However, the long term future of cities can be compromised by land use change led by urban policies. In areas where land was sold by local authorities (as significant land owners in urban areas) to private developers in order to raise finance for regenerating the city but later for the explicit purpose of raising land values and producing new neighbourhoods, this means that these areas risk an irreversible residential and commercial gentrification. Areas where authorities have accelerated private investment and ownership, often resulting in a complete destruction of social housing estates to make way for private housing, this was the case in Little London and EASEL in Leeds (Atkinson, 2008). Local authorities often issued compulsory purchase orders to local residents and businesses like in East Side, Birmingham. It might be argued here that authorities were negligent towards local residents because they have not acted in their interests in a process of being selective of the future new residents of the area leading to a ‘socially selective withdrawal from a city’ synonym to socio-economic cleansing.

While Local authorities have a duty of care for their residents, many areas suffered a total resident exclusion, in the case of Leeds, for example, where only four out of 102

sectors could have affordable housing (Hodkinson and Chatterton, 2007) and Birmingham where 20 000 new high-income dwellings are being constructed, it is difficult to see how urban policy was equitable in those municipalities. Leeds City Council's invested £32 billion in the construction of a megaproject of skyscrapers during the period from 1997 to 2007 and a further £72 billion was invested until 2010 (LCC, 2007) and Birmingham's commitment to a further 900 ha of new developments, 68% of which are private ownership; clearly show the escalating contradictions of neoliberal urban policy as it may create divisions throughout the city (McLeod, 2002). Prestige flagship and residential developments have largely dominated urban renewal in recent years, however the current recession at the long run may reduce or halt the scale of such commitments.

Both in Leeds and Birmingham the divisions created by neoliberal urban policy are obvious. In the case of Leeds, what may be noted that the empty apartment complexes at the heart of recent initiatives for the renewal of the city have obviously failed (Hodkinson and Chatterton, 2007). This failure had disastrous impact on the area; first failing to address local needs for affordable housing, and also saturating local markets with a limited range of property, and finally reinforcing the mono-functionality of the city. Similarly in Birmingham, with the inner city core renovation by the construction of ten new major residential complexes in the city centre, a five years project directing employment space to outlying areas. Like in other areas, neoliberal urban policy failed to address the real local needs of housing and employment and paved the way to a sort of uncontrolled urban regeneration in which private capital drives irreversible changes in land use. This pursuit of economic returns is unfortunately at the expense of local issues.

Another major problem is the social gap that has appeared as a result of this policy aiming at giving a new face to cities through a renewal work already underway. This disconnect led to an obvious class gap and might be described as a type of 'class revanchism'. This has largely contributed to the marginalization of lower-income groups in a very explicit way. Academics like Law and Mooney (2005) and others argued on Glasgow's apparent success story around its city of culture status. They noted the vigorous place marketing and prestigious art, culture, architecture and retail investment linked to Glasgow's cultural status. The fact which has affected many other British regions like: Birmingham, Blackburn, Bristol, Liverpool Manchester, Milton Keynes, Newcastle, Nottingham, Plymouth, Portsmouth, Salford, Sheffield, York. So, as it is stated earlier, it has been claimed that the 'Glasgow Model' has largely contributed to worsen the levels of

poverty and deprivation and to deepen inequalities that shape the city today. This has been primarily done by isolating and excluding any alternative strategy based upon large-scale public sector investment in socially necessary facilities and services (Mooney 2007).

Among the major initiatives enhanced by the neoliberal urban policy throughout the last decade were the prestige projects; these have been presented as an essential means to solve cities' problems. However and as times goes on, the effectiveness of this formula becomes doubtful. Again, reflections done on Glasgow cultural success, note that the huge funds devoted to this area in ten years, contributed to change the image of the city in the sense of improvements in certain urban areas impacting minimally on the most needy neighbourhoods, but made policy makers retain one lesson which is that such inner-city problems cannot be resolved on the basis of modest temporary financial aid bringing about social and economic well-being (Kirk, 2009). The reality is that these projects increase land value and, stimulate gentrification leading to destabilizing social cohesion. At the same time, the benefits are often localised or private: many of those living near regeneration zones have not benefited even by way of employment. At the opposite, 'newly built centres have been set all along continued deprivation' (All Party Urban Development Group, 2008).

England's official deprivation indices indicate that three quarters of the worst performing districts in 1998 were still the most deprived in 2007, this means that not much has been done during that decade to improve social and economic conditions in the cities. A good illustration to this is, as noted by the All Party Urban Development Group (APUDG, 2008: p. 6) can be found in Birmingham. During the last 15 years, Birmingham city centre has witnessed significant physical and economic renewal with the creation of 50 000 jobs. However, the city scores 22 per cent of the working age population (129 000) claiming unemployment benefits, notably in Ladywood, a ward near to the city centre, has the highest child poverty rate in the country.

What should be noted in this research after the analysis done to different cases of studies is that it is obvious that local needs such as housing, employment, and health have not really benefited from the assumed the trickle-down economy system suggested by neoliberal urban policy recently was not really efficient at the level of some areas. Thus, what was supposed to be a good offer as a result of recent strategies is more likely to be nothing more than a contested relationship between the post-modern urban spectacle of

largely forced aesthetic and real needs, disputes and politics. This therefore raises significant questions about the real impact of neoliberal urban policy programmes concerning regeneration of cities and their continued practice. It also raises very pertinent questions about who drives a city and the very nature of the decision-making process that drives urban programmes. In theoretical terms, this might be framed as a question about the degree to which neoliberalism is synonym to capitalism and neoliberal urban policy under capitalism constrains rights to the city in order to warrant its continued use as a regeneration tool (Harvey, 2003).

Cities are becoming areas of concentrated poverty and unemployment though the same cities have witnessed are becoming locations of concentrated economic activity. Nevertheless, significant numbers of the population continue to live in urban areas with high crime risk and poor education and health services, the fact which shows a stringent diminished quality of life from that enjoyed by the UK overall.

Like this and at this scale, neoliberal urban policy programmes and strategies have to be reconsidered and their challenges revisited. What might be of great inspiration for policy makers is to bring from the empirical work of urban sociologists such as Jane Jacobs[*] whose works are based on an approach to physical and social heterogeneity in city building(Jacobs, 1961)in other words calling for cityscapes based on diversity and multiple uses. To reconcile those differences policy-makers have to think it practical and usefully draw on Jacobs' work so as to have a positive intervention in the urban environment and to limit uncontrolled regeneration initiatives by large-scale private development their task should be to promote greater diversity and equity in urban neighbourhoods.

Even though large areas of land ownership have been ceded in cities through land sales[*] , still there are different possibilities through which authorities can exert influence and regulate the market. Because of their legal statute as holders of public money, local authorities and regional development agencies may intervene in order to regulate all the activities planned for the regeneration or renewal activities of the private sector. This can also be done through organized planning frameworks which can reduce the land sale destined to prestige projects and divert it to local social developments, like minimum quality thresholds. There are some inspiring examples for such practices in the UK and in

[*] Jane Jacobs was an American- Canadian activist, being journalist she greatly influenced urban studies by her writings. She promoted a new community –based approach which inspired great American cities.

[*] Authorities indicate that drastic land use change is now out of their control.

other countries, in Rotterdam, the major port city in Holland, physical renewal of the city has been possible to achieve renewal and the construction of high standing apartment complexes alongside with social regeneration through affordable housing (McCarthy, 1998).

What can be concluded from all what has been said previously is that cities are changing entities affected by a process of transformation and trends of change; this is sometimes according to middle class needs and wealth, and other times to satisfy some special groups of the society. Some cities can adapt to these changes and transformations without any problem while others find difficulties to cope with the structural changes that deeply affect their aspects of urban life in addition to dramatic legacies on their social structure leading to a huge loss of their population.

The role of cities in the UK doesn't differ from any other place in the world; cities are perceived as an area of consumption closely linked to social and economic conditions. The process of transition to a post-industrial city requires transfer of land from factories to other uses mainly service centres with a corresponding rise in professional groups. However, this change can compromise the sustainability of urban environments because of the social and economic changes resulting from the regeneration or renewal of the area in order to accelerate land use (Granger, 2009). No one can deny that it is very important for the future type of cities we want to live in, in the twenty first century to consider the urban demographics, social mix and land use change. There is a clear tension between the rapid and uncontrolled expansion of land transfer for renewal of cities and the urging importance to preserve a good quality of life. That's why diversity and sustainability should be a major concern for all municipalities (ibid).

The lesson that needs to be retained here is that the policy putting urban regeneration into practice should adopt a more interventionist role within the public sector for the sake of facilitating a very equitable development capable to be socially responsive and sustainable and which can achieve the right balance between commercial enterprise and the transformation process. Otherwise the consequences may be very apocalyptic as far as wealthier classes are concerned, neglecting the social issues will lead to a terrible revenge from the part of the population excluded and a terrible disaster prepared to the future

generations (Sill et al., 1988)*. The debates over the issue are very relevant concerning the policy for the planning and the urban development of cities in the twenty first century.

3. A Restrospective View of the Challenges of Urban Regeneration in England

One cannot think of the future without reconsidering the key issues that neoliberal urban policy seeks to address. It is worth briefly reconsidering these issues in order to contextualise the strategies that emerged after. Initially, regeneration was perceived as a right choice to face the decline of industrial cities associated with the loss of manufacturing industry during the second half of the twentieth century. The first issue is the severe depopulation and dereliction in some areas, leading to a series of social and economic problems, particularly within inner cities.

A key question concerning urban development in England is how to make cities attractive places for living and working. Recently, the issue of providing adequate housing supply for the population has come back to the surface, because of the excessive house prices and high standing levels of household formation have aggravated shortages around the country. Policy makers have chosen to solve the housing problem in the already existing cities, rather than building over the countryside, with spreading new developments, existing cities are seen as the ideal places in which to solve housing shortages by bringing their land back into use.

Because of the importance of these challenges, one may understand why the urban policy agenda has attributed such importance to urban development and urban regeneration. The policies engaged in order to promote the British cities and make them attractive seemed to be very rewarding. The driving force behind regeneration has been primarily political in nature; however there are in order to put one brick on top of another require a multitude of steps of political imperatives. In addition to these imperatives different people and agencies need to come together to make urban developments happen in practice.

* A good illustration of this, are the urban initiatives of the end of the 1960sin the UK, which were heavily influenced by ideas from across the Atlantic, such as 'the culture of poverty' and 'cycle of deprivation', which held that anti-social behaviour was transmitted from generation to generation of spatially concentrated extended families (Lawless, 1988). Later in the 1980s, identification of a so-called 'urban underclass' pointed to a stratum which could be distinguished from the rest of society both by relative poverty and behavioural distance from mainstream norms, values and behaviours (Murray, 1990).

A successful regeneration requires input from many sectors, such as development, environment, planning, health, transport and education, with coordination and resources needed from both public and private organisations. Urban regeneration involves developers, government, communities, architects and planners working closely together. Additionally, partnerships and collaboration are needed across different sectors in order to avoid the mistakes of the past and create quality, sustainable environments where people will find it pleasant to live and work.

3.1.Partnership

Partnership is discussed as a recent particular approach to urban governance, and as the means to redirect urban development (Lang, 2005). With the shift of political scene in the UK into neoliberal, the key difference between neoliberal urban regeneration and previous interventions in UK cities has been the emphasis put on partnership between government and the private sector in developing cities. This approach is now considered as central to urban policy. Decisions of building or rebuilding cities are no more the concern of local authorities alone; it is now no longer the case that a local authority can simply take the decision to rebuild a rundown part of the city and then make it happen (James & Evans, 2008). The reason is that being in a more neoliberal position, state funding for projects is perceived as a means to bring private investment into areas which otherwise would be seen as too risky for intervention.

This practice which appeared in the 1980s has been widely creticised because according to observers. Drawing in private sector partners simply acted as a state subsidy to rich developers. However, this critique was not really taken into consideration be policy thinkers because the scope of regeneration has developed to bring together a social, economic and environmental component and a whole variety of outputs were found from the public private investments. Especially because of large sphere of urban regeneration, the intervention of a variety of actors with different expertise from the public, private and charitable sectors is considered as quite logical.

Some scholars argued that through partnership the aims of the state are still dominant, these are those who believe that partnership as a mode of governance is interesting since non-state actors have been introduced into the process (Jonathan Davies 2002). This is in

contrast with the second view which have developed the idea of governance to help explore and to better contextualise this bringing together of different actors (Harvey, 2005). The state comprises a complex series of overlapping agencies operating at different geographic scales which pursue various and sometimes contradictory objectives (James & Evans).

Hence, local partnerships are not that effective and that there is a difference in terms of partnerships at the level of local development concerning effective structure and process (Lang, 2005). What one may say to ligitimise some views is that better to reduce regeneration to delivering the aims of the state, especially that the involvement of various partners may alter the intended direction of a project. For example the Thames Gateway, considered among the huge projects enhanced in the regeneration of London, shows how large projects seem difficult to coordinate the many different partners involved in it. Ironically, it is concluded that the current governance structures in the UK find an enormous difficulty to cope with the kinds of complex project in which input from other agents is required, and where a big number of people are affected. It seems then quite clear that norms of how governance could be are far from reality (Lang, 2005).

3.2.Sustainability

The term sustainability and the idea of sustainable development entered the main stream in the last decade of the twentieth century. Now this idea is omnipresent in all policy initiatives. This idea represents has to be understood as an integrative concept to urban policy in addition to social, economic and environmental needs. Ideas of sustainability go hand in hand with many of the key trends in regeneration activity in the UK, notably the re-use of brownfield areas in order to reduce urban sprawl, in addition to drawing economic activity to declining regions and tackling social issues like as access to affordable housing (Roberts, 2000).

However, sustainability is perceived sometimes as incompatible with economic development and urban regeneration and described by some scholars frequently about trade-offs. For example, economic activity can have negative impacts on the environment although the social benefit it may bring. That’s why a strategic long term agenda has to balance those undertaking regeneration schemes, this is to say that perhaps perceiving ecologically diverse brownfield sites as more rewarding for their potential to provide

affordable homes than their amenity value. Getting this balance right is not something evident at all, particularly in England, where policy makers are more favourable to promoting a strong economic agendas in order to compete with other developed countries (Tenz,2003).

In England, there is a clear disconnection between social issues and the discourse of urban development, while large parts of the regeneration agenda have been passed to the regional development agencies, which have a primarily economic basis. There is also a danger with sustainability in the sense that the concept becomes somehow meaningless because of its largeness. That's why no one today in the UK, working in regeneration projects would claim that their project was not sustainable because the limits of the concept cannot be limited. For example, if a developer makes a fortune through his success in selling apartments, then the project is considered as economically sustainable regardless of its effects on local communities and the environment. In spite of some cynicism about how the word is applied, no one should deny the fact that sustainability is a very enlightened concept, leading urban development towards more holistic approaches with the attempt and the will to make the world a better place.

3.3.City Liveability

What scholars have observed through the process of urban development in the UK is the coming back of population to city centres. This represents one of the most stringent shifts in the functioning of UK cities and was hard to imagine during the 1980s. Before, city centres were not places where people lived, while now it is becoming quite fashionable to see flats and apartments in urban cores, with many more being built each year. Additionally, the rise of complimentary leisure functions has accompanied this development. Like this, UK city centres are no longer shut down at 5pm. This model of inner urban redevelopment has largely contributed to the reduction of car dependence and to the providing accommodation for the growing number of smaller households.

Yet, the city centre is not the whole city, the changes brought to the latter cannot be appropriate to all the city areas. The emphasis on high-quality design represents a part of the attempt to attract people back into cities. But this not only applies to city centres, but also to thoughtfully designed settlements elsewhere, making use of smart growth principles of walkability and high-density design alongside innovations such as design coding

(Granger, 2009). This was realized through flagship architectural projects in the city centre, to the sensitive restorations of historic buildings elsewhere, to simple improvements in the form and neatness of the public zone, cities are being made more attractive places to live and work (Lefebvre, 1996).

At the same time, it should be noted, that this development has its negative drawbacks on cities. The great deal of innovative and high-quality design, particularly in the last two decades, led to an explosion of bland, buildings without identity or character, built by the major house-building firms. This kind of design does little to improve the city living experience.

3.4.Tackling industrial decline and the new economy

As part of restructuring the global economy, large areas of towns and cities fell into dereliction as industrial functions moved elsewhere. Nevertheless, the shift to a post-industrial economy remains perhaps the most important factor driving regeneration in the UK. However, this also left a legacy of high unemployment rate and a frightening economic stagnation in many urban areas of the UK. The aim of neoliberal policy has been to reverse the flow of higher income groups out of the city by attracting new businesses and forms of economic activity it has sought a better development for cities. Hence, services, tourism and leisure have become ever more important, trying to change the image of cities making them no longer function as places where people simply work before going back to suburban enclaves each evening.

The urban development process has been, then, widely driven by the transformation of former industrial sites and derelict portions of city centres. Brownfield redevelopment has permitted the expansion of urban economies without further sprawl into the countryside. More, areas of former dockland have become high-value office spaces, and Victorian factory buildings have been transformed into high standing loft apartments. The economic disaster of industrial decline has been transformed into an economic success. The regeneration of various areas provided the opportunity for wholesale change and is a story of real success in some parts of the country.

Among the good illustration to the successful reimaging of cities making them places where people actually want to be, Manchester, the city has been transformed from being

described as a grimy, northern industrial city, to a very dynamic and fashionable area, a very pleasant place where people are excited to live. This has been accomplished through the creation of new facilities, new public spaces new apartments and new jobs in new sectors of the economy. At the heart of this change: the knowledge economy, with brains instead of brawns as the engine of development and success.

However, it has to be mentioned that not everyone has equally benefited from this economic growth. Not all regions could keep the rhythm out of this economic restructuring, with low-paid service jobs replacing high-skill manufacturing work in many areas (Mooney, 2009). Policy makers have thought of a new approach to address the passivity of some areas and make them more attractive. The enthusiasm to draw to cities Richard Florida's (2002) 'Creative class', working in the IT, media and communications sectors, in order to make a more attractive urban environment. In addition to this, there is also a belief that the the establishment of clusters can foster the development of these creative industries, where people working in these sectors can easily meet and interact with each other, this would obviously add value to their businesses (Florida, 2002).

The strategy of having creative quarters within cities has been applied by a number of towns and cities. These quarters of one kind or another, are including cultural facilities, in order to foster and boust growing clusters, Like the FACT centre for example in Liverpool's Ropewalks district. However, this raise a pertinent question about distinctiveness; if all cities are following the same strategies in order to try to attract creative businesses, what makes an individual town distinct from the others and stand out in a competitive market? The answer is that the city centre is not the city (the idea is developed in the coming element)

3.5.Gentrification

Another result of this research seems to be a bit controversial. The way in which neoliberal urban policy affected the social structure of cities differ from one area to another. The word 'gentrification' though representing all what urban development aims at, is never used by those working in the regeneration sector. This undoubtedly makes it easier to bring private developers to the scene, who can market to a more rich demographic who can allow public bodies to negotiate with developers in order to make a proportion of affordable homes, subsidised services and other social benefits.

At the same time, bringing in new people and businesses involves the displacement of considerable numbers of existing residents, notably, the poorer and more vulnerable members of society leading to social exclusion. The connection between neoliberal urban policy and gentrification is very delicate issue and the present research work does not suggest that there are any easy answers to make this relationship easy and legitimate. Among the reasons which make its difficulty to tackle is the fact that in practice existing communities structure have been traumatized because they represent the weakest actors in programmes of urban physical transformation of areas, for all of the policy rhetoric about inclusion and social cohesion[*]. The question of gentrification raised various debates about the guilt of neoliberal urban policy in destroying communities, this shows again the need for trade-offs.

What do observers and commentators blame gentrification for is the fact of producing very bland, mono-cultural developments, comprising young professionals without children housed in very common generic constructions; sometimes, very different people but with a shared interests. Though, this may be the opposite of the policy objective, but in the UK over the last two decades, this kind of development has frequently happened.

4. Debating the Neoliberal Urban Policy Retrospect and Prospect

Since the Second World War, urban policy has been the subject for long debates in Britain. The British political scene witnessed many changes that dramatically impacted the economic, social and also physical image in UK cities. Every government aimed at issuing the appropriate urban policy that could tackle the particular manifestation of the 'urban problem' at a particular time. Those problems appeared after the deindustrialization of the British landscape from what is left of the industrial era and still exist till now in different ways. What may be described as 'the urban problem' or 'the urban decline' may be referring to the following issues: the poor physical environment, spatial inequalities in the distribution of jobs and people, pockets of deprivation, lack of opportunities for private investment, or the

[*] Those existing residents who are able to remain in a very regenerated area should benefit from the increased value of their homes, an improved environment in addition to better local services and a generally healthier local economy. Other residents will be priced or forced out of that area. There have been some cases where artist communities, for example, have been used to make a low-rent area fashionable before being displaced by wealthier groups attracted to the very thing they are forcing out (Geddens, 1998).

intensification of social exclusion. But as time goes on, both the nature of 'the problem' and its definition and conceptualization have changed.

Comments and views upon the approaches applied by the different British governments to address the urban decline in the country differ. However, there is a well-established view that shifts in policy and approach have only amounted to little more than superficial change. One commentator speaks of an urban policy that allows 'an intended denial of the past and a stubborn refusal to learn the lessons of past practice and experience' (Burton, 1997, 243). Another has said that urban policy-makers have suffered from a form of 'policy amnesia' with the result that 'wheels have had to be reinvented, and long established truths rediscovered' (WilksHeeg, 1996, 264). Jones and Ward (2002, 481) talk of the 'exhaustion of policy repertoires' and how 'old policies are recycled'.

Recently, Cochrane seems to imply a kind of eternal optimism, despite the repeated failure, he concluded that policy-makers seem to have had their 'memory banks wiped clean, so that they are persuaded that this time it really will work' (Cochrane, 2007, 24). Thus, different phases of policy are seen as being incapable to break up with the past, or as inevitably having the same streams and flaws as the previous generation, and because of this, new approaches and ways of working are unlikely to emerge, let alone succeed. It seems that little or nothing is learnt.

These critiques are true to a great extent. After all, it is easy enough to find illustrations to point to failure. Tower Hamlets, one of the most populated districts covering the east end of London, is still suffering from harsh poverty and deprivation, more than half a century after its creation in 1965 (Gripaois, 2002). Even prior to 1965, a paper entitled 'Why Place Matters' by the government notes that the maps of Charles Booth describe the area around Bethnal Green Road as one of the most deprived in London in the late 19th century. Nothing changed a century after the writing of this paper; these areas are now part of Weavers Ward which remains the second most deprived ward in London (CLG, 2008f, 12). Another example, previously tackled in the previous chapter is Newcastle, though the successive phases of regeneration in the west end of Newcastle which has served as a 'policy laboratory', subject to various forms of urban policy intervention since the 1960s, nevertheless none of them could solve this cities' problems (Johns & Evans, 2008).

No one can deny that the conditions in the UK cities have greatly improved with the neoliberal trend, it may be noticed that people are living in very comfortable houses, in better health and live longer, more they are relieved from hard labour. However, this couldn't be achieved without the repeated attempts to regenerate different areas with similar deprivation conditions. That's why it would be really unfair to say that nothing has been achieved by the different neoliberal urban policy interventions, both at the level of social and economic fields. The contribution of the different policy programmes in order to heal many areas suffering from isolation and deprivation cannot be ignored and it would be inaccurate to describe all urban policy interventions as failures. Even though this contribution is not triumphal, it could to some extent help to arrest decline like in the case of Newcastle previously described as being still suffering from isolation and deprecation, it has to be noted that some efforts have been done to solve the urban problem there (Robinson, 2005).

Commenting on the arrival of a new initiative, like the Housing Market Renewal Pathfinder, one may say that the scepticism to past experiences is very understandable. Though urban policy played a central role in the slum clearance, it also largely contributed to the unemployment crisis. The British government till now is still trying to find solutions (Robinson, 2005). Many academics, economists and commentators argue that New Labour's urban regeneration policies have been really disappointing. These policies were clichés from their precedent experience and consequently past mistakes have been repeated and the some of the suggested solutions failed, promises faded away. Instead, what became more obvious were the contradictions and the incompatibilities, especially between the direction that economic growth was taking and the global and national objective of environmental sustainability. Furthermore, after more than a decade of Labour rule in government, there was a general assumption which started to take place, a feeling that there have been too many initiatives, and a great investment of money and effort with too little concrete results to show for it.

Many commentators link the failure of the New Labour administration to address past remained problems to the attempt to reduce social exclusion and neighbourhood inequalities at the local level, and at the same time promoting a neo-liberal approach to the economy as a whole. Hence, while the rhetoric at the local level talks of community-based 'solutions' to tackle unemployment crisis, policy outcomes remain heavily impacted by the central adherence to flexible and deregulated labour markets, notably national changes in the

eligibility for some benefits and entitlements for those who are unemployed (Ball-Petsimeris, 2004, 180).

For several economists and researchers, the shift from 'government' to 'governance' has also been a key feature of the neo-liberal approach. Thus, it permitted democracy and responsibility to be undermined because of the creation of un-elected local partnerships at the same time it helped the promotion of the assumption that deprivation can best be reduced through the reform of local public services, rather than via any change in the way the private sector operates. Geddes has noted that despite poor boroughs suffering because of business decisions on wage levels, and on the dislocation of investment or because of poor private services, local partnerships tend not to make any demands on local business, which exemplifies the 'reluctance of neo-liberalism to exert pressure on private capital to commit to public policy objectives which are not in its narrow interests' (Geddes, 2006, 932). Nevertheless, it would be too simplistic to view New Labour's approach merely as a form of 'warmed-up Thatcherism'(ibid).

It has been reflected on the post-1997 approach to urban policy by some academics that it represents as a mixture of often competing agendas, some of which clearly show neo-liberal or market-led assumptions, while others purpose is to permit a diversity of local groups access and influence. As Raco has noted of the Sustainable Communities Plan, 'embedding' policy proposals in specific places provides opportunities for different existing actors, from community groups to local authorities, to impact the implementation and evolution of actually existing policy agendas (Raco, 2005, 343).

Therefore, it can be said that the most significant advances have been done since the coming of New Labour to government in 1997. These were both the form and the content of urban policy, because these changes were intended to leave a positive and useful legacy for the coming phases of policy intervention. For the policy thinkers and makers it is very important to make a diagnosis of the situation of cities, this is for a better understanding of what the problems and priorities are, and also what should be done and how the right intervention should be accomplished. The right policy to be adopted is supposed to suit, for example, a generation of active residents who have become accustomed to, and know well how the urban regeneration process work, and who will not sanction any return to the past 'bad old days' of top-down regeneration. Partnership is now perceived as the only and best

approach to work. There is also the spirit of joined thinking and action by welcoming interconnections and the variety of views and suggestions (Giddens, 2009).

The challenge for urban policy at the eve of the twenty first century is to deal with new, complex and difficult issues, notably economic recession (CLG, 2009b) in addition to the effects of climate change and resource consumption. The economic critical situation and global economic crisis have driven property markets and the financial sector at the trap and led to a dangerous unemployment increase. For UK cities, climate change and resource depletion represent a real threat, ranging from flooding to power shortages which are directly linked to these two causes. The right choice is to change attitudes and to think of retrofitting programmes resulting in much more emphasis on low-energy solutions such as housing refurbishment, instead of demolition and also rationalization of expenditure (Moony, 2009).

Additionally, regeneration in the UK has become a major element of urban policy, and since the 1990s this policy considered a crucial element which is the environmental sustainability. The idea Therefore it is right to say that the priority for an efficient urban policy is to prioritise sustainability, and urban growth and development will need to be reviewed at this level. Hence, communities themselves will have to adapt new ways for less consumption and new ways to live sustainably. These challenges were sometimes the reason for radical policy options, the state needed to refocus urban policy and take into consideration environmental and social justice in ways that will enhance and guarantee employment prospect, without neglecting the problem of social exclusion (Coaffee, 2009). Urban policy moved from Thatcherite deregulation to "The Third Way" as called by economists because the new circumstances required more state intervention (Giddens, 2009). Giddens, author of New Labour's 'Third Way' (2000), believes that 'the period of Thatcherite is over. The state is back' (Giddens, 2009).

The economic decline in which the country was living leaves no option for the government but to think of an effective intervention at different scales in order to find a more rational redistributive approach to taxation, widen the scope of key welfare benefits, and especially to promote national strategies to create new jobs in key sectors that link to more sustainable forms of economic development (ibid). Why not to stimulate the economy by a Green New Deal promoted by government for example (NEF, 2008). The idea behind this new dimension to urban policy is that new development should make the areas more attractive places in

which to live and work. The crucial objective of neoliberal urban policy is to respond to economic decline and climate change, however New Labour policy, reduced the reliance on small, area-based interventions, because they were thought to be fundamentally unable to tackle problems caused by national and international structural change, whatever their contribution to increasing social capital.

This was critically debated by many scholars because in the areas where sub-national interventions could play a very useful role, the move away from neo-liberal approaches at the national level is likely to reduce the probability and the believed assumption that the impact of initiatives at the local level, in tackling poverty and unemployment crisis for example, are undermined by the actions of central government.

What needs to be mentioned is that the objective of more freedom to elected local authorities enabling them to provide leadership in difficult and uncertain times was to resist a rolling back possibility, the myriad of un-elected local partnerships and networks that comprise the 'cluttered' governance of the locality, began to shift back from 'governance' to 'government'. It has to be retained that urban policy developments of recent years intended to provide a good basis for developing policy and practice for the new era. However, it could be worth looking back at what lessons we can learn from an earlier time, before neo liberalism, a time of state intervention and regulation. Urban development practice in the UK often is labeled as urban regeneration; it remains the most important pillar of urban policy. The way forward for urban regeneration should be to combine progressive vision and leadership with the resources of the state and the insights and interests of local communities (Giddens, 2009).

There is no single cause for all the urban problems; urban decline is caused by forces of different nature. Most of the studies on urban decay focus on the process of urban transformation of cities. These transformations in the UK are led by the private sector and inner city mixed-use developments. Many cases of study revealed that economic regeneration and more exactly property redevelopment is the major driving force regenerating the area, while environmentally sustainable regeneration process will most likely take much longer to be achieved. Nonetheless, development plans offer protection to key aspects such as townscape, landscape and built heritage. Additionally, good urban design and aesthetic considerations are also imperative drivers of urban development or transformation, however

in inner cities stakeholders' involvement in these processes remains modest compared to UK big cities like London, Manchester or Liverpool.

One may not discuss neoliberal urban policy in the UK without debating what the Urban Task Force approach could bring to urban development. The UTF was commissioned by the UK Government during the late 1990s, it suggested the identification of urban decline and the development of compact cities using mixed use developments and higher density as a new vision of cities in England especially the inner ones. By 2008, the UK government was also aiming at having 60 percent of additional housing developed on some areas. Obviously, there are many significant regional differences in meeting this very ambitious objective, given that in some cities such as Liverpool, there is a large amount of previously developed land available, and the anticipated demand and associated growth in housing is small. This approach has been widely creticised by several authors, they argue that urban compaction as part of the regeneration process may not be practicable or acceptable in the UK context and that people in general are not aiming at this type of urban renaissance.

Accordingly, what has been thought to be the solution to avoid social exclusion, has been far from what people aspired to. The areas with high density urban living made life less comfortable for its residents and therefore negative impacts on quality of life of residents like smaller living spaces, with less opportunities for walking, and potential for more crime and insecurity. Research reveals people's preference to quiet neighbourhood, near the countryside, with low crime. Others claim that though high density limits socio-spatial segregation to a certain extent, it increases crime rates. The UK government introduction of the Sustainable Communities Plan in 2003 provided a vision for developing these communities over the next 20 years. However, it did not show a great success at the level of quality of life and was highly blamed for its high financial consumption.

The creation of sustainable environments is very tricky to achieve in practice, among the examples that can be cited to show the SPC target: the regeneration northern England's industrial urban belt acknowledging thus the need for urban development and regeneration programmes in cities like Liverpool and Manchester. The idea supporting this initiative from the part of the government is that these new sustainable communities can be a stimulator and a driver force to urban regeneration, making of sustainable communities the most essential ingredients of any regeneration scheme. This approach was considered as the best mechanism

to give a new life and a new chance for deprived areas; and consequently making of them places where sustainable communities could be created. This implies the improvement of the physical, environmental, social and economic conditions which are necessary to achieve sustainable communities through the creation of new towns and demolition of empty properties, but this turned out to be very costly for the government and resulted in a high investment for not that much success of the project.

It is clear that in order to understand better the effects of contemporary urban renewal and housing regenerations strategies in the UK on communities, more research is needed. This is to identify a clear foresight of the challenges facing the development of sustainable communities and the type of physical environments required for their creation. All the commentators and authors of research works in this scope agree on the fact that neoliberal urban policy in the UK largely contributed to the improvement of the physical, social, environmental and economic conditions of neighbourhoods and communities. At the same time, research exploring these themes is timely in light of recent increase urbanisation of cities in the UK. At a time when UK cities are considered are gaining prominence at both national and international levels, still the government is trying to look for effective strategic policies to strengthen the mechanisms and processes available for a prosperous future for cities by examining the long term and take evidence-based action.

II. A Foresight in the Future of Neoliberal Urban Policy

Traditionally, cities have always been diverse places, home to the different ethnic and demographic cross-sections of society, and urban planners and marketers play on these legacies in order to find a new way of governance permitting a better future to UK cities. The challenge for British policy makers is to have a clear foresight of the British cities by choosing the right process to realize that in other terms developing a compelling future identity and vision for the city because the future success of cities is the future success of the nation. Policy makers have to find the key protagonist to the British urban scene in order to secure a better future and cope with all the changes happening.

1. Devolution

Observers acclaim that currently the UK is not having a clear view about the future of its cities; policy makers are not considering the full richness of possibilities for a better future of cities. This situation can change by having national and local governments working together by strengthening the mechanisms and processes available for cities to examine in the long term and taking more efficient actions based on evidence made by a deep analysis of the context in which British cities are put to shape their own futures

Many benefits can be drawn from the process of thinking long-term future of cities and across wider geographies. Devolution can break down the perceptions that are limiting a city's possibilities, like the traditional competition between industrial centres in northern England. It can supply new ways of coalition building both between cities, and between the public and private sectors. Add to this, the process of thinking long term future of cities including the different components of the society can emotionally engage citizens, and permit city workers to think more freely. Several cities have benefited from new strategic partnerships for specific local issues consequently of foresighting, for example the project 'Newcastle City Futures 2065' by the Newcastle City Futures Development Group.

All like Newcastle, cities in England truly suffered from a twisted relationship between central and local governments, that's why the practice of joint reflection is really needed because it builds ability to cope with future change, stimulating the recovery of a city from the previous difficulties. What can be really beneficial for the future of cities is the sharing of data and evidence; this would offer to the newly elected Mayors a chance to prove their leadership qualities in setting a genuine and distinctive direction for the areas they rule, while engaging creatively with all the members of society including partners and young citizens. This futures thinking would really make citizens engaged and motivate people to get more involved in civic matters like finding opportunities for different new social enterprises to deliver public services, or organising funding for environmental projects. This space reduction between authority and citizens would certainly lead to civic pride, rebuild confidence in municipal leadership, and increase electoral turnout.

For a more effective urban policy, the future of cities has to be played locally. Devolution means that cities will be more in control of their properties, resources, wealth and strategic policy choices over the next coming decades than they have been in the past.

For the sake of addressing the long-term productivity problem of the country and leading the world in innovation and competitiveness, cities will have to control and use their unique resources more cities have to be the places that attract high value firms and skilled workers. The decisions taken now will determine the wealth, health and resilience of cities and the nation in the future. Cities are preparing and repositioning themselves for future roles, not only in their region, but also nationally and internationally, for the aim of meeting the challenges of the twenty first century.

The role of devolution is to provide cities with new tools in order to effect change where needed in addition to building upon existing strengths to shape effective local economies and places. A wide range of evidence have to be considered for effective decision making first understanding the national and local contexts and second a clear vision for the future of cities. A deep analysis and research needs to be done in order to give decision makers a comprehensive evidence of anticipated and possible future changes in a very complex and interconnected environment.

New ways of working across sectors and scales are developed by cities and national governments are already being developed within a neoliberal framework. The new governance arrangements will put in practice and ensure enhanced visibility and opportunities to exercise leadership which helps to guide action through local authorities and their partners. A good promising and compelling plan for a city's future development trajectory, supported by evidence and analysis, is the best way to provide assurance for the existing businesses and attract additional growth and investment to it. What cities need, is to promote their individuality, build on local strengths and carry on local priorities, but also be supported by neighbours to join up ideas, people and skills between cities and across city-regions.

Devolving power and responsibility is necessary to central government today for a clear foresight of the future of cities, there is much to be gained from taking a systematic view of the long-term future of our cities through learning from past lessons and seeking for a way to improve the relationship with local authorities giving them more freedom to manage their areas and the right to choose what is good for their regions. It is also high time for public institutions to be reshaped in order to achieve greater operational efficiency

and effectiveness, and so policy makers need tools and processes that have high impact with relatively low resource investment.

At a time of greater devolution, UK cities are gaining influence and prominence on the national stage. Waves of City, Growth and Devolution deals are changing the control that cities have over their assets, finances, service delivery models and policy choices. The decisions made in this process will shape the future of British cities for the next decades. Changing the structure of governance present a good opportunity for cities to reposition themselves for their new future roles at whether at regional, national and even international levels. Decision makers will greatly benefit from the context of opportunities and risks faced by each city to shape an efficient policy for a strong and effective vision of the future. Better management of the strengths and resources of individual cities will lead to a more productive and competitive national system of cities.

2. Globalisation

In recent decades, economic activity is becoming more and more global. There is an obvious shift from the economic assumption of all the employees working in the industrial sector to an economy based on the growth of the service jobs based on the different needs of the labour markets. This change did not serve all the areas, particularly those which were very industrialized, showing difficulty to adapt to the new global economic context. Scholars make a strong relationship between this economic restructuring and urban decline in previously industrialized regions, notably in the small towns.

Urban policy in England could not be isolated of Globalisation. The creation of global cities was the objective that framed the new economic regeneration policy in the UK. Cities started to shift their attention towards encouraging a new basis for their development in the new global economy, as manufacturing industry diverted its focus to overseas locations. Within this context of de-industrialisation, the main objective of regenerating cities is to secure employment, preferably in the form of creating middle- to high-income jobs in the service sector. Looking for stimulating economic growth and development cities compete with one another in order to attract industries providing them with attractive living areas and business environments that's why cities must 'sell' themselves as important desirable locations within this new economy.

In literature concerned by neoliberal urban regeneration and globalization the idea of 'competition' is usually used to describe this situation of city marketing. In 1997 an important five-year research programme called "Cities: Competitiveness and Cohesion" was funded by the UK government in order to investigate these processes further. Two ways had been identified by the programme, these importantly contributed to make the competitiveness of cities commonly understood (Begg, 2002). First, cities cannot be perceived as competitive unless they offer a place in which it is cheap to do business; secondly, cities can be viewed as competitive if they have a mix of attributes that is more attractive to key industries (ibid).

The notion of urban competitiveness is obviously vague for many, that's why it is hard to be measured. However, the research identified three conceptual approaches to measurement: economic outputs, such as income, unemployment, growth; intermediate measures of success, such as visitor numbers and student population; and more general indicators of quality of life. While the idea of competitive cities is largely adopted by neoliberal thinkers and policies and is undoubtedly here to remain, this idea has been largely creticised by some economists who argued that only firms compete, and consequently it makes really no sense to apply the term to territorial units like cities (Krugman, 1996).

Within globalization a number of attributes are desirable. Many aspects are considered in order to attract visitors and business, cities seek to establish cultural pursuits such as arts and theatre, shopping facilities, conference facilities in addition to sports and an attractive and pleasant living environment. The physical built environment represents the core assets that drive economic regeneration, that's why modern offices are required for the purpose of attracting important interested employers. The creation of these environments requires a large-scale infrastructure planning in addition to an effective modern transport system necessary to make the access to attractions easier and reduces the negative effects of congestion and air pollution. The latter and global warming represent a considerable challenge to the new millennium governments.

Regeneration projects need to be planned, financed and executed in order to make life easier in these modern cities, information communications technology (ICT) infrastructure is necessary and is increasingly critical, providing internet to private homes and schools in

addition to wireless internet connection in public spaces. Other considerable characteristics are less easily created and realised, such as the presence of countryside and attractive villages nearby, in which potential white collar managers may live. However, it is hard to ensure that the new facilities are located in the right place with the right mix of land uses. (Duffy,1995).

Many economists and researchers interested in British urban history and future claim that only those places able to attract what they call 'the creative classes' will prosper in the new global economic system. This category has been defined as a select group of people who are employed in 'science and engineering, architecture and design, education, arts, music and entertainment, whose economic function is to create new ideas, new technology with new creative content' (Florida, 2002). What makes this emergent class distinct from the rest of service sector class is that fact that they are primarily paid to create rather than to execute orders and are typified by very high levels of education and human capital (ibid).

Thus, in the jargon of the new economy, the expression 'knowledge economy' emerged, in which the most valuable asset is information and know-how. Researchers claim that the creative class is a very important driver of economic growth, as these people tend to earn twice as much as average workers and work in key growth industries such as IT and biotechnology. It is also argued that this class of people value specific lifestyles that incorporate individuality, self-expression and openness to difference, and that these moral norms and desires are seen as inseparable from creative work. The creative class seeks what may be called an 'experiential lifestyle', which offers a high range of creative experiences that complement their less constrained working arrangements. What may be taken as the key message for cities here is that in order to attract these people cities need to become capable of providing these levels of lifestyle. Consequently, cities have tried to create attractive living environments that offer high living standards and specification like housing close to recreational and leisure areas.

For the sake of transmitting historical identity to regenerated areas and providing individual lifestyle environments such as loft-style apartments with home office space, and unique retail spaces, mixed land uses are complemented by efforts. Tolerance and diversity are crucial in affecting the economic fortunes of a city though often indirectly; however,

the advantage of being home to differences does not necessarily mean that people will be more tolerant to these differences*. The task of making existing urban inhabitants more liberal and tolerant towards the creative classes and those groups that may attract them seems to be a hard task and needs a well educated population.

Some economists argue that cities with a more educated population will gradually become more prosperous and developed over time, while those with less educated populations will fall further behind (Florida, 2002). Knowledge economy concept requires creating a skilled population that is able to work within a knowledge-based sector. This needs education initiatives at school and university levels. This also means encouraging more people to stay in education for a longer time and at the same time retraining unemployed industrial workers. Within the knowledge economy, higher education institutions like universities and research institutes act as centres for education and innovation they are encouraged by the government to contribute to the development and prosperity of cities and nation. Their task is to make people more interested in knowledge and education in addition to creating a good environment for production and innovation all this for a better living environment. The central questions related to education involve how to encourage entrepreneurship and business start-ups among the population of a city.

Environmental changes are not abstract national and international issues, but are played locally with the help new governance able to give a new life to these rejected areas, that's why it is hard to disassociate economic measures from general regeneration measures in order to encourage cultural amenities and improve the environment. Three points merit further attention. First, in order to make a city attractive it needs a complete face-lift, for example cities like Sheffield, which have really suffered from de-industrialisation, are notified as a pool of a large number of unskilled labour and a very deteriorating urban environment that may be visually unappealing and socially undesirable. Consequently people would not move there by choice. Sheffield was at the image of British cities, particularly the inner cities, of the 1980s, this image was incredibly bad. This

* The Gay population for example is still difficult to accept in many parts of the world notably England at the opposite of the US where the 'Gay Index' measures the total gay population in US cities as a proxy measure for liberalism and tolerance, with levels of innovation and high-tech industry, finding a very big interrelationship between gay population and high-tech industry (Florida, 2002).

was obviously a major problem when trying to attract important knowledge-intensive industries.

The second point, as previously mentioned is talent and competitiveness. The attraction of a city will certainly depend on the different types of business it can suggest. This will make it competing in different markets. Some illustrations, such as, London trying to be an international financial business centre and so competes with New York and Tokyo, while Cambridge tends to attract high-tech ICT industries and then competes with Reading and Oxford. Other major regenerated regional cities of the UK like Manchester, Glasgow and Leeds are competing with each other primarily for business within the domestic market, at the same time trying to put themselves as European and global players. This group of global cities constitutes an exclusive club for cities which really showed their will and capacity to attract people and business, but the potential rewards of breaking into this group means that these cities manage great efforts attempting to do so.

Regenerating cities tend to establish a specific place-identity. While the new economy attempts to be perceived as a homogeneous phenomenon, the place of cities within the global context is necessarily more differentiated responding to different economic opportunities and niches, the fact which allows policies to be tailored to the unique characteristics of individual cities.

Thirdly diversity, as a key element to attract the creative class remains important for the future of cities making them open to a bespoke relationship with their neighbours and central government. For example, the case of Manchester which emerged as UK most creative city, followed by Leicester. However, though the notion of diversity has been criticised for failing to describe the distribution of creative economies, as Montgomery (2005) has noted, while Manchester is indeed a centre for creativity, it is largely overtaken by London's creative economy on every count, from number of employees and companies to overall economic output. Similarly, Leicester scores highly on account of its ethnic diversity, but is far from being a hotbed of innovation and creativity.

What might be said concerning some economists ideas about the success of the British cities and their future, notably Florida's three Ts of talent, tolerance and technology is that this view should not be seen as a solution that will fix all city problems, but as part of a

new way of governance and a more complex suite of factors that come together to allow a city to regain its economic prosperity. Cities and government are already developing new ways to work together so as to ensure a compelling plan for the cities' future development.

3. Reflections on the Future of Urban Regeneration

British urban policy's first aim was to repair the disastrous image left by the war in cities. This policy has an integrated perspective on problems and the potential strategies to address these problems, focusing on social, environmental, cultural and economic problems. Like all forms of politics, the urban development process in the UK is the hope that a more brilliant future for British cities is possible. All along the present research work, it has been proved at the end of every chapter that successful urban policy schemes occur when collaboration has been effective and fair, while difficulties are related to failures to find equitable compromises and balances. It has been also demonstrated that sometimes the neoliberal approach to urban policy led to some excesses, which have resulted in some cases. This happened, when rather uneven distribution of economic benefits, and the sidelining of social and environmental concerns occurred.

Among the stringent debates around the effectiveness of neoliberal urban policy in the UK is the question: to which extent have people in extreme socio-economic poverty benefited from urban regeneration? It has been noticed that the prioritisation has been attributed to the economic development in the Sustainable Communities Plan, which seems to have less objectives for social and environmental sustainability. One of the most controversial elements in the neoliberal approach to urban policy is the emphasis on massive expansion of house building in some areas associated to demolition and gentrification in other areas notably Pathfinders areas. Yet, the Treasury-driven Barker reviews have granted more importance to market forces determining how land should be developed and this has been dramatically rewarding subsequently into planning policy.

These observations are not meant to make neoliberalism guilty and responsible of all the misfortune and failure of the urban development process in the UK. It is important to note that the initial objectives of neoliberal urban policy were economic, and that by most economic indicators prosperity in the urban areas of the UK has increased substantially. However, cities still face challenges. In 2006 it has been reported through State of the English Cities Report (ODPM, 2006) that levels of socio-economic deprivation remain

increasing and very widespread in cities, resulting in higher levels of unemployment. Moreover, in the face of future challenges, these tensions will become increasingly difficult to ignore. Thus, the government has to think of arguments reflecting on the future challenges and potential strategic trends reversing economic, social and physical decay in cities.

The success of cities is widely related to their capacity to compete within a global economy and attract the most wanted industries. However, not all cities do this; that's why individuality will become considerably critical to the success of cities. When planners in the 1980s and 1990s accepted, what has been described as generic architecture and the huge dominance of flats and apartments, their excuse was that they targeted to solve the housing problem facing the country. For the future projects, policy makers have to think of regeneration projects creating truly unique and attractive places taking into consideration a sense of history and the local culture of the area.

Now, the British urban policy is placing a great emphasis on 'high-quality' design combining notions of both aesthetic and functional aspects of cities. The UK is a system of highly diverse cities, each with its distinctive history and its own culture. This is to signify the products of those individuals and communities, whether these be material objects or performances. Hence culture allows people to think about symbolism and the image of cities in addition to attitudes that may direct decision-making in particular directions. In the urban development process the term 'culture' tends to be used for a whole range of issues, ranging from design and architecture through artistic works and sporting events to a more general sense of creativity and the knowledge economy.

For well developed cities in the future and an interesting evolution of urban regeneration in the UK today, cities need to be more creative in terms of their development in order to distinct themselves from other areas. Policy makers need to make decisions now about where they want to go and how they are planning on getting there. For example, in the case of Milton Keynes, there was a strong consensus that potential long-term futures needed to be explored, as part of the emergence of Milton Keynes as a UK city and economy of increasing significance. City leaders and officials need the tools and resources in order to develop a promising future identity and vision for a city, and Milton Keynes has historically been a city with a very strong sense of identity and future brand. Adaptation

and evolution of this identity is critical, without losing sight of the uniqueness of Milton Keynes (Peter Marland, 2013).

Cities can permit more profitable development and afford to be more demanding of developers, this is to be unique and pleasant. Local authorities no longer need to beg developers to come and build anything they want simply to attract some form of investment. For example, rather than demolishing vast areas in order to present developers with interesting large land packages, cities can choose to retain characteristic features, demanding more creative and higher-quality development proposals. This would also address other problems such as social inclusion and cultural retention, as the existing communities would be part of the vision for an area.

The greatest challenge neoliberal urban policy in the twenty first century is the global environmental change. There are other serious issues in terms of the balance that needs to be redressed between economic and social interests af cities, the social imperative to build houses is contradictory to economic gain, all this in addition to the necessity of environmental awareness. It will become increasingly imperative to make serious studies of areas and their environmental situation before planning any development. It is difficult to talk about site developments if flooding becomes more widespread for example, whatever are the causes: increased intensity or quantity of rainfall, or sea-level rise. Thinking of future leading cities will require to be more sustainable to live in. Sustainable development cannot be achieved without putting the technology and knowledge about it into practice. The real challenge is making sure that it is adopted[*].

In this sense, the government is trying to raise public awareness concerning global change and to create wider politics of environmental change, through creating institutions capable of engendering joined-up thinking. This will lead us again to the idea of devolution, whether empowerment of local authorities is really practiced and to which

[*] Most professionals are aware that it is environmentally inadvisable to build on floodplains, but this information is not taken into consideration because these areas represent a cheap supply of under-utilised land. Eco-friendly housing already exists in many forms, but the challenge of adopting it is another issue. This kind of housing is more expensive and consequently, it is claimed to be unsuitable for mass-production. Developers argue that the kinds of houses are being built accordingly with the consumer demand. Both UK house buyers and the volume house building firms tend, however, to be rather conservative – it is not that the market does not exist, but rather that education is needed to help realise it (James & Evans, 2013).

extent it is practicable. On the one hand, urban policy has been profoundly affected by the introduction of a regional tier of government and the emphasis on local action embodied in sustainability and the neoliberal discourse of self-help and community ownership. On the other hand, the government has been widely blamed for being at the level of expectations concerning this issue of local empowerment; the recent obligation to reduce the opportunities for communities to stop large projects is a good illustration to this (Hodkinson and Chatterton, 2007).

This is also in relation to social and environmental change challenges. Central government is undoubtedly starting a new era in which it will need an executive capacity in order to face large-scale challenges, like housing shortages and sea-level change. The UK has also a medium-term problem with energy supply, such as the series of nuclear power stations reach the end of their life over the next 15 years (Tallon, 2013).

The sitting of new power stations and trying to find encouraging measures in order to reduce energy use in the households represents a true challenge to central government. This was the source of much controversy because such facilities are rejected by people and nobody wants these power stations close to their homes. For example, large-scale developments such as the Thames Gateway need important and massive infrastructure building programmes, in order to supply sustainable transport and especially waste systems (Tallon, 2013).

Recently, the planning reforms removed powers from communities in order to engage the placement of major developments considered to be in the national interest. These reforms are intended to make it easier for the government to respond to major challenges with large-scale strategic developments. The urge to balance economic and social interest increased executive decision-making powers with the empowerment of local communities represents a major political challenge that really goes beyond the urban policy agenda. Pertinent debates have been enhanced over the best way to govern in the twenty-first century, and issues surrounding social and environmental investment and citizenship, these are very rewarding at as far as urban development is concerned.

Finally, what can be said about the future of UK cities facing the challenges outlined above, is that it is very important to learn from successful international examples. There

are weekly reports in the press concerning paramount various innovative developments all around the world, whether it is Dongtan, the new eco-city being constructed in China with the aim of housing 500,000 people, or the totally car-free Vauban development in a suburb of Freiburg, Germany, where a project of 2,000 new homes have been realised. Indeed, Prime Minister Gordon Brown announced plans to build eco-cities in the UK as part of the government commitment for additional homes supply, nevertheless there is some interrogation and debate over when and where they will be built.

While neoliberal urban policy in the UK has widely inspired itself from trends from the USA in the past, the sector of regeneration and urban development is becoming undoubtedly global now and many of the challenges facing the UK are similar to those faced elsewhere. In the hope of having leading British cities at the level of sustainability and environmental care, and for the sake of meeting these challenges in the most effective way it is necessary to retain lessons from the past failure and from others elsewhere and more importantly to take very innovative initiatives because the future success of cities in important for the future success of the nation.

It is very obvious to all those concerned by the field of urban development studies, that the neoliberal urban agenda has already massively impacted cities in the UK. Through a wide range of activities, regeneration of cities is rooted in British urban policy and practice as one of the most dynamic and innovative sectors. Those who will choose regeneration as a career and to become professionals in this field are in the fore step of a fast moving world, with great interesting challenges and great possibilities of creation and innovation because this field is very evolving and in a continuous development.

4. Recommendations: What to do as a step forward

When talking about long term future for cities, two elements have to be taken into consideration. First, the majority of the cities planning projects look no further than 15-20 years forward, while the long-term future is important for a more effective foresight for cities. A period of 50 years can be more appropriate for the exploration of various creative and possible futures possibilities. Second, most of the analyses suggested have omitted business in their views of the future. This may suggest that a city is not prepared for a range of possible outcomes. However, this short-termism is a relatively recent compared to

the past. Historically, creative thinking about the long-term future of cities was something common plans envisaged city development over periods up to 50 years. For example, Abercrombie's 1944 Plan for Greater London and the masterplans for the New Towns. The potential of long term future plans is to help regain a broader perspective of towns and choose the right the tools, evidence sources and capabilities for a better future for cities.

There are some actions which need to be enhanced by authorities whether local or national in order to encourage a city foresight process. This is to provide a valuable proposition to encourage small cities in the UK to engage for a better future. This can't be done without a serious engagement of both local and national government officials and partners. This analyses and reports suggested by the specialists can be used as a basis for understanding key foresight methods and pave the way to the decision-makers, particularly in local government, to enhance effective actions for the future of cities.

4.1.For Local Authorities

In order to show leadership, cities have to demonstrate to national government their individual and collective capacity for driving the development of the UK's system of cities. Moreover local officials have to establish mechanisms for collaborations between local, city-regional and national partners in order to localize problems and find effective solutions in the long term. A well studied foresight process would be very rewarding because it can provide timely access to valuable knowledge, and lead to wider ownership of policy issues.

It is also important to retain past lessons in order to avoid the same mistakes and also learn from other cities experiences. Cities can learn from each other whether about the strengths or weaknesses of the various approaches to plan a prosperous long-term future. This exchange of insights will provide evidence about the effectiveness of different approaches in different contexts. As mentioned earlier, creativity and innovation are very important for cities engagement in a brilliant future. Cities have to be creative through techniques that may be adapted to their own needs and circumstances. The previously mentioned actions should be continuous and evolving, and avoid giving up and non-motivated partners or officials and distraction from the central goal which would prevent them from being true in practice (Go Science/ gov.uk).

4.2.For National Government

The first thing that the government should do is to encourage realistic studies and analyses, based on empirical examination by experimented scholars in the field of urban regeneration and give interest to their findings and suggestions. This would help to know cities' own long-term aspirations for a more widespread and systematic articulation of cities' long-term priorities. The government engagement towards their city counterparts can bring a clearer image context to figure out cities needs and consequently the appropriate policy to put these aspirations in to practice. In addition, the policy makers have to give cities license to experiment and set new ways using strategic visions and legally sanctioned, statutory local plan to plausible futures (Go Science/ gov.uk).

Furthermore, national government has to provide evidence for cities to have a foresight of their future assumption within the national system of cities. This can be achieved through three elements which would be helpful for cities to know more about their local position within the national system of cities level: First, departmental scenario work and horizon-scanning undertaken by central government; second, variant sub-national population projections for England; and finally exploring the possible scenarios of alternative future population distribution and options for future national infrastructure funding. Additionally, central government should trust local intelligence in national policy decisions, because a better understanding of the mechanisms and processes through which evidence about the future is put and practised at a local level can lead to engaged national policy approaches to long-term challenges (Go Science/ gov.uk).

Conclusion

This chapter provides comments on the history and the future of urban policy in England during the past half century in the light of a neoliberal ideology. The history of any phenomenon or policy can be described as a process of experimentation and learning. Truly, until the past decade, the aims and objectives of urban development have become more ambitious and comprehensive. Having public and private resources committed, and the stakeholders engaged in the urban development process, The British cities witnessed a big change; from modest local community service projects in the 1960s to transformational multi-thematic programmes in the early twenty first century.

However, this evolution has been ended by the fiscal austerity that followed the election of the Coalition government in 2010. For the first time since the 1960s, British cities witnessed a complete retirement of formal, state sponsored, urban regeneration policy. Until then, the defining characteristics of urban policy in England have been an area-based approach, with regeneration programmes based on state formulation and investment, but implemented by local actors. This policy, has been widely creticised recently, many economists attributed the 'market failure' to the perception of regeneration in the light of neoliberal urban policy; as a process of reversing physical, economic and social decline in areas where the private market could not address this decay without public intervention. These areas are located primarily in the core Victorian neighbourhoods and peripheral social housing estates of London and the major industrial conurbations of the Midlands and North (Dorling, 2006).

Hence, what depressed most of scholars and researchers in the field of economic history, is the assumption and the belief that neoliberal urban policy in England could reverse the social and economic decline in British cities, this belief did not single only England but was shared also in France and Germany. In practice, this was far from the reality. The multiples objectives that characterized urban policy in England have been imprecisely articulated, and were described as not fitting the intended benefits for people, areas and even public authorities (Hall 2007).

Governments of different political persuasions have ruled the country, but there had been an obvious difference concerning whether the state enhanced public provision or the market increased deregulation; represent the most effective ways to fix market failure. Between conservatives and labourists there had been a relative importance placed on economic development as opposed to social inclusion, and the extent to which these are pragmatic or ideological questions. Both have relatively different views on how cities needed to progress.

Cities often find it hard to check their assumptions. A more realistic analysis of the operation might start from empirical examination of Approaches to future city visioning move from very creative to very formal, for cities this mode of thought is particularly concerned by exploring the long-term objective and role of an area. This cannot be achieved without individual and collective construction of visions, in addition to structured explorations of expectations and priorities. For example about future housing and

infrastructure investment, and to identify possible interaction and cooperation or conflicts with decisions made in neighbouring or other cities.

There is no one true future vision for a city; instead, many visions should be explored and complementary visions aligned. National government could help by providing sets of future evidence, such as exploratory scenarios of alternative future population distribution and options for future national infrastructure investment. The nature of this process is obviously political, nevertheless diverse participation will enhance ownership of a vision and increase its eventual impact. The chapter attempted to present a short evaluation and the future perspectives of the urban challenge in England through debates and ideological shifts and their implications for urban policy.

General Conclusion

The emergence of capitalism as a global system announced a new era of the world economy. Such a political, social and economic system paved the way to a new international economic order that has progressively been altering the international scene. Economists and scholars consider each economic crisis as a stimulus for a new social order which, in turn, impacts the international one.This is what brought neoliberalism back to the surface in the late seventies. Though the term neoliberalism exists since the 1930s, its revival is a way of describing current politics and the ideologies of their partisans.

The term “Neoliberalism” implies an economic switch from public to private control. It is associated with the “laissez-faire” policy to express the supremacy of market freedom. It is also considered as the result of the fusion of Classical Liberalism, Capitalism and Socialist Planning. Some economists underline the acceptance of capitalism as a general norm of life in the era of neoliberalism. The latter made its way through a moderate form of liberalism to assume the meaning of a radical capitalistic set of ideas. That is to say, it migrates from laissez-faire to a social market economy. The predominance accorded by some economic actors to the phenomenon of liberalism does not make this notion an easily definable concept.

During the past forty years, the term neoliberalism has become quite widespread in political and academic debates. Several authors have even suggested that neoliberalism is “the dominant ideology shaping our world today”, thus giving the label of neoliberalism to the age we are living in. The end of the 1970s is considered by historians as a revolutionary turning point in the world’s social and economic history, because it refers to the beginning of the practice of new approaches and an obvious economic and political change in several areas around the world.

In the case of the United States and the United Kingdom, this change in economic beliefs was also called “Conservative Revolution”. Ronald Regan and Margaret Thatcher were the leading figures in the application of the new neoliberal ideas as political projects (Jobert 1994). Though the transition considered at the time as an evolution had been brutal in the UK, it had never been totally abolished or disapproved of. Its legacies are considered as major issues for debates until nowadays.

Since the 1930s, the British government sought to establish a regional policy aiming at a fair development of the national territory and a strategic planning to renew the urban policy and disperse activities and the population from around big cities and urban areas (Hall 2007). Regional plans were to be conceived as a means to satisfy the needs of these big cities and their surrounding rural areas. According to some economists and authors, this management mode granted a certain degree of power to the working class in exchange for their acceptance of capitalistic production regulations. That is how some important left parties obtained numerous voters and big industrial centres during the twentieth century.

At that time, the cities did not really have a central role in the economic development; they had a weak autonomy as they depended on the central states politically and financially. Their action concerned globally three tasks: Firstly, to participate partly in the “social salary”, secondly, to put into practice vital but not sufficiently rewarding policies for the capital, in order to encourage the private sector to take part in the change. A third task was plan the use of transport, urban infrastructure, health and education, environment improvement and amelioration. In this way, the government’s role had become complementary to that of the private sector (Painter,1995).

Thus, urban policy in Britain after 1980 appears to be a response to the socio-political and geographical contradictions of the pre-Thatcher era. After the Industrial Revolution and state experimentation resulting in different policies and programs, the urban problem in Britain became obvious. British cities suffered from social disorder, welfare dependency and, above all, a great rate of unemployment due to limited economic activity. By the end of the 1970s, a new urban policy based on an intense economic restructuring; with the idea of a modernizing project by the neo-liberalization of British cities had been set.

Thatcher's policy was based on encouraging private businessmen to invest in run-down areas. The aim of that policy was to develop an industrialfabric through bringing buildings and lands into use, so as to create homes and other facilities and new city centres. More than thirty years earlier, signs of reinforcement of urban and metropolitan government had multiplied. The emergence of great urban leaders, the reinforcement of metropolitan institutions and the large choice of policies practised by the cities in addition to the launching of huge projects and the organization of big events are, according to its leaders,a great proof of the triumph achieved by this policy.

For some, this return to cities operated as a sign of entrepreneurialism and the coming into force of neoliberal agendas. Whether they were liberal or conservative, the governments seem to have given the same priorities to their actions: it is all about creating the best conditions to lure enterprises for investment and the so-called "creative" classes and tourists. The aim was to ensure the reproduction of the working factor (jobs) and competitiveness, the latter which would be largely devised by urban municipal authorities who would thus become key leaders in neoliberal globalisation.

Much has been said about the urban policy of the last three decades before the coalition government. The concepts "Space Neoliberalisation" (Peck and Tickell, 2002), "Neoliberal Urbanism" or of "Neoliberal city" (Hackworth 2007) are conquering more space in the debates linked to the context of describing the development or evolution of contemporary cities. The appearance of what has been called "Neoliberal Towns" finds its origins in the deep change that affected political views and practices, economic beliefs as well as cultural practices (Harvey 1989). This change was triggered by the industrial crisis of the 1960s and the 1970s, and post-war legacies, as the period from 1945 to 1975 was marked by a particular relationship between government and the economy, paving the way to an exceptional accumulation regime (Boyer, 1986). The latter is based on complementarities between mass production and consumption permitting a sharing of both productivity and profit (Aglietta,1977).

England witnessed what had been called "locational policies" during the 1980s that were also known as offer policies the objective of which was to attract companies into an inter-urban competition context (Brenner, 2004). Another evolution that characterized that decade concerned local governance forms. The 1980s saw an exclusion of the vertical

relationships for the benefit of horizontal ones, gradually and increasingly including the private sector in urban policies (Mayer, 1994).

These two evolutions led to the appearance of qualifiers: At the national level: "The Schumpeterian Workfare State" (Jessop, 1993), which aimed to ensure the distribution of gains, but increased territories competitiveness. At the local level, the "entrepreneurial city", with the prime motivation to attract resources, labour and capital which came after the "Managerial City" of the previous period. Those changes witnessed in political practices were linked to the powerful growth of the neoclassical economic thesis within the political sphere. After having been considered as marginal economists, thinkers like Milton Friedman and Frederick Hayek, great defenders of free competition and laissez-faire, became the leaders of the new economic policies and trends. They were supported by others who adopted their theories and made them both prevalent and famous (Dixon 1999).

The influence of Thatcherism, with its neoliberal ideas, on British policies, has been felt all the way through the last two decades of the twentieth century to the present time. The argument is that Britain's cities are host to ineffectual regulatory strategies because urban policy appears to be a response to the socio-political and geographical contradictions of previous rounds of the same policy, and not the underpinning contradictions of accumulation. Whatever state power is able to manage and reproduce, the highly oppressive irrational and self-contradictory capitalist system is an open question (Offe, 1984). However, the restructuring of Britain's urban areas resulted in very important social disequilibrium not far from capitalistic scenery showing the economic "failure" of neoliberalism. The demonstration of this failure in this paper is backed up with evidence from the writings of scholars and economists specializing in the issue.

First, with neoliberalism the state intervention is intensified at different scales. It is perceived as an extension of the irrationalities of capitalism. Some scholars like Peck and Tickell claim that neoliberalism is "…part of the problem not part of the solution…" (Peck and Tickell,1994: 268). Second, urbanization and the creation of big cities are among capitalist revolutions. With neoliberalism, the idea of cities as economic centres has been reinforced and stretched, a fact that led to the presentation of cities as a solution to the crisis the country was undergoing (Clark and Gail 1998).Third, there is a link between

capitalism, crisis and the urban policy formation because the neoliberalisation of Britain's cities has been accomplished through three elements: geographies- institutionalization and the rescaling of management crisis.

Following the 1980 legislation, geographical areas for private investment were defined. Facilities were granted to the investors as 100% tax allowance for spending on commercial buildings. The areas chosen were in major decline. According to some specialists, this policy of private investment had its advantages and was efficient to a certain extent in the development of some districts in London, yet not all scholars agree on its success. The period from 1979 to 1997 also witnessed the growth of political inequalities and the deteriorating of the socio-economic conditions of some segments of society. Urban policies, spatial injustices and neoliberalism were articulated in the three areas on which the study is carried: London, Manchester and New Castle. What the Thatcher policy encouraged was to let private investors put their money in rundown areas. The aim was to develop a trade industry through bringing buildings and land into use, so as to create homes, stores and other facilities. .

However, many Urban Development Companies failed in redeveloping the areas they were supposed to cover. This was first due to the refusal of communities to legitimise their decisions, and secondly because of the late 1980s recession that rocked the UK property sector. In addition to that, investments in the areas where some development could be achieved, and where infrastructure and buildings were leading to some business and job creation, proved to be very costly; millions of pounds were used. It is estimated that between 1981 and 1983, 130 million pounds were spent with a cost of 17,000 £ for each job created. Finally in 1987, an end was put to the policy for having failed to create the expected number of jobs. Though that policy was not really successful, it participated greatly to the regeneration of London Docklands and the development of the Canary Wharf, for example.

The socio-economic transformation that occurred in British cities with the advent of the conservative governance, more precisely under Margaret Thatcher as Britain's Prime Minister shows the extent to which the neoliberal ideology indicates something more than standard right-wing goals and purposes. The reform projects accomplished by Margaret Thatcher not only show the strategic role of the cities in the contemporary remodelling of

the economic space but also a brutal reordering of social reality. The neoliberal reconstructing program presented by Thatcher in the 1980s was considered by some scholars and economists as aggressive in comparison to what was occurring in other countries.

The transformation in the political project with the coming of the Labour Party to government paved the way for a new model whose implementation was justified by the failure of the previous one. This transformation applied to urban policies was the Labour response to the problems resulting from the neoliberal impact on urban policies. The left wing tried to elaborate a genuine policy to correct the legacies of the Thatcherite neoliberal policy. It attempted to issue a policy efficient in reducing unemployment and social exclusion, bearing in mind the lessons kept by the following governments. However, after the 2008 financial crisis Prime Minister Tony Blair, inspired by the American President Bill Clinton, abandoned the left's traditional commitment notably to advantage workers and solve the problem of social exclusion. He opted instead for global financial elite self-serving policies that enriched the rich people and impoverished workers enabling a sickening rise in social inequality and poverty.

Some scholars find a major difference between whether to classify the changes brought by Thatcherism as "redevelopment" or "regeneration". Some argue that none can deny that Canary Warf was a success; at the same time, it was not really beneficial to the targeted area in the East of London. That is why no one can conclude that redeveloping and regenerating have different backgrounds. These scholars argue that what is meant by regenerating an area is combining physical redevelopment with social benefits. Redeveloping an area in social and economic decline means creating more economic activity and more jobs for local communities while, building skylines without any benefits for locals cannot be said to be a scheme of regeneration. However, neoliberalism failed to make this challenge real.

To sum up, since the1980s, the use of the term neoliberalism has expanded both in terms of absolute incidence, and also in the diversity of theoretical and disciplinary contexts where it has been adopted and adapted. Neoliberal urban policy since the 1980s in England from a national context to another and from a city to another has driven the country to differences at the level of objectives of competiveness and has fought against

inequalities. The main concern of this work is to trace back the evolution of these cities under that neoliberal urban policy, to study the process, its origin, its actors and its purpose. This policy turned out to be at the origin of class struggle, though it is universally recognised that cities have always been centers of conflicts, changes and transformation. Nevertheless, neoliberalism emphasises the strategic and central role of cities in the remaking of political and economic space.

Nowadays, and after a quarter of a century after Margaret Thatcher left the government in 1990, some lessons can still be kept from her urban regeneration policy. The term regeneration is still used or misused, as there is a small hint to the help of their proposed scheme to local communities. The project is classified by some scholars as "mix-use-generation" rather than "shops with some flats on top" just to lure and get an easier ride from the local planning authority. Yet neoliberalism has been a victim of its own success. A growing tide of conceptual criticisms has begun to probe its usage and meaning. Does neoliberalism imply a contraction of the state vis-a-vis the market, or just a different kind of state that promotes and works depending of markets requirements?

Indeed, it seems that "neoliberalism" has become a rhetorical weapon, in the sense that it shapes the ideology reigning on our era. Such an ideology that puts market benefits before anything else. Is neoliberalism "a political slur"? Actually, it could be the case. Neoliberal policies maybe described as an agenda imposing deregulation on economies around the world, in order to force the opening of national markets to trade and capital, at the same time demanding government shrink themselves through austerity. Neoliberal policies are becoming synonymous to an anemic growth, ups and downs cycles and inequality. In short, "neoliberalism" is not only a simple name attributed to market policies or for compromises with finance capitalism made by failing social democratic parties, but it is a name for a premise that, quietly, has come to regulate all we believe in and practise: In other words, competition is the only legitimate organising principle of all human activity.

If one may question the benefits of neoliberalism, it can be said that, through a neoliberal lens, the world can be seen in a constant development and progress. With its regeneration and sustainability strategies promoting contemporary urban design, sustainable housing, housing renewal and adaptation. Also, with business large scale

streets, refurbishment of brownfields and remediation of deprived areas, leisure entertainment and cultural regeneration and finally the conversion of historical buildings into mix activities buildings. All this makes political thinkers' admiration to Thatcher and Regan ideals legitimate.

At the same time, from a populist lens, neoliberalism is making the world a universal market far from being a welfare state or a family, but rather individuals similar to calculators bearing inalienable rights and duties, programmed to compete and adapted to rational behaviour. Are we becoming more egoistic because of neoliberalism? Is neoliberalism at the root of all our problems? Our cities are well reflecting a big yes to answer these questions, neoliberalism has been applied to all of the society, it has invaded the basis of our personal lives and our attitudes, and the best illustration is how salesmen comportment has become that of prisoners of all modes of self-expression with the only one objective, making profit.

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Appendices

Appendix One**Guide to the Transfer of Public Housing Estates / London**

The guide covers:

- the voluntary sale of housing estates by housing authorities and other local authorities, including county, county borough, district or London borough councils, the Common Council of the City of London or the Council of the Isles of Scilly, the Broads Authority, a joint authority established by Part IV of the Local Government Act 1985, the London Fire and Emergency Planning Authority, a police authority established under section 3 of the Police Act 1996 and National Parks authorities. The local authority voluntary sale provisions are to be found in sections 32 and 43 of the Housing Act 1985 and section 133 of the Housing Act 1988
- their acquisition and disposal by housing action trusts
- the impact of the preserved right to buy. The preserved right to buy provisions are to be found in the Housing (Preservation of Right to Buy) Regulations 1993 as amended, which set out Part V of the Housing Act 1985 as it applies by virtue of those regulations

It will thus be of interest to those acting for local authorities and for social landlords and other bodies acquiring public housing estates.

This guide is set out broadly in the chronological order of a proposed transaction. That is to say it deals with the questions that each party will have to resolve during each step in the disposal. There is one exception to this and that is the subject of consents to the various transactions by the Secretary of State or the Welsh Parliament. These are interrelated and are, therefore, dealt with as one subject. There are also certain additional matters which relate only to specific situations and these appear in separate sections at the end.

1.2 Subjects not covered

This guide does not cover:

- the voluntary sale of housing estates by urban development corporations (which do not require the Secretary of State's consent), though it does cover the incidence of the preserved right to buy on such sales
- disposals of individual houses and flats under the compulsory right to buy provisions, (the right to buy provisions are to be found in Part V of the Housing Act 1985. This guide does contain information about the preserved right to buy) and the voluntary sales provisions (the voluntary sales provisions are to be found in Part II of the Housing Act 1985) of the Housing Act 1985 and under the Housing (Extension of Right to Buy) Order 1993, (S.I. 1993/2240)

1.3 Retention of documents lodged with applications

Original documents are normally only required if your application is a first registration.

A conveyancer may, however, make an application for first registration on the basis of certified copy deeds and documents only. For information about this see practice guide 1: first registrations – Applications lodged by conveyancers – acceptance of certified copy deeds.

If your application is not a first registration, then we will only need certified copies of deeds or documents you send to us with HM Land Registry applications. Once we have made a scanned copy of the documents you send to us, they will be destroyed. This applies to both originals and certified copies.

However, any original copies of death certificates or grants of probate will continue to be returned.

1.4 Consultation with the Local Land Registrar

In view of the value and the potential complexity of all the transactions covered in this guide, except for the preserved right to buy, the parties to a potential transfer should consult the Local Land Registrar personally at

your closest HM Land Registry office. This will enable us to offer advice at all stages of the transaction and to have a better understanding of our customers' requirements.

2. Statutory powers and land registration

The initial vendors in the transactions covered by this guide are not natural persons. Their powers are conferred by statute and they can only undertake actions in accordance with the law governing them.

The registrar is satisfied that all the transactions covered by this guide are within the powers of each of the initial vendors. No further enquiry on this point will be made.

Where the title is registered, there may be a restriction in the register which reflects the limited powers of such a proprietor compared to the unrestricted powers conferred on registered proprietors generally (under section 23 of the Land Registration Act 2002). If there is such a restriction it must be complied with. On first registration of title to property acquired from an initial vendor, evidence of compliance with statutory requirements (usually the consent of the Secretary of State or the Welsh Ministers) will be required.

Consents are discussed further in The consents from the Secretary of State or Welsh Ministers and the restrictions which enforce them.

For the relevant purchaser protection provisions and a general outline of the powers of each of the initial vendors to undertake the transactions, see Powers of initial vendors to dispose of the land and the relevant purchaser protection provisions.

3. Common matters

3.1 The identification of the land to be transferred and the plans needed

Some readers will not have dealt with the transfer of an entire housing estate, or even a part estate, in one transaction, particularly one where there may have been extensive activity by way of sales or leases in recent years. Perhaps the nearest comparison would be the purchase from a residential builder of the half built residue of an estate. Where the housing estate is unregistered particular care is needed.

Points to consider are the following.

The boundaries of the estate

The initial vendor's terrier will give considerable help, if it has been kept up to date. Boundaries shown on old conveyance plans should be compared with the modern Ordnance Survey Map and any discrepancies affecting the land to be registered should be resolved. Often the surrounding areas will have been registered. You should, therefore, make a search of the index map to guard against conflicting registrations or unrecorded sales by the vendor. Having completed these preliminary matters, the precise extent of the estate to be registered should be considered and plans prepared for the application as set out below.

Registration of discrete manageable extents

From our experience, we have found that it is often administratively easier for all concerned if very large estates are sub-divided into manageable areas. Such areas may be determined either by reference to extents contained in earlier conveyances of title or simply by reference to suitable topographical features (for example, roads, footpaths, rivers, adjoining estate features). We will be pleased to advise if required.

Housing action trust disposals

Where the disposal is being made by a housing action trust and some, but not all, of the estate is occupied by secure tenants, it may be appropriate to split such housing from the other land. The mandatory restriction can then be confined to the part occupied by secure tenants (see The consents from the Secretary of State or Welsh Ministers and the restrictions which enforce them).

Internal sales off

Local authorities have been selling off houses and flats to tenants since at least 1957. During the 1980s very large numbers were sold. Where the sales took place under the right to buy legislation, they had to be registered. Unless the area was one where compulsory registration on sale applied, voluntary sales made under the Housing Act 1957 and what is now Part II of the Housing Act 1985 did not have to be registered. Many will have been registered but an official search of the index map which does not reveal a registration cannot be treated as evidence that the authority still owns it.

Internal leases off

Flats and maisonettes will invariably have been sold on long lease and so will some houses under the shared ownership provisions of the Housing Act 1985. These will need to be identified and either excluded or included depending on the contract.

Passageways and rooms over them

Many houses have been built with joint passageways and with rooms over them. Adequate records of these features are often unavailable and consequently many sales off have taken place on the basis of the ground floor layout. Some of these, but not all, have been picked up on registration. Care should be taken to ensure that the conveyance or transfer plan does not conflict with the prior sales. The result of the official search of the index map may assist, but as the register or the index map may not be correct, a physical inspection is advisable.

Roads, footpaths, common parts

The plans must also identify:

- any roads, footpaths, common parts, unadopted sewers etc which serve the area and which run over the remainder of the estate being retained by the initial vendor
- any easements previously obtained by the initial vendor from adjacent owners to enable the estate to be developed in the first place

Plans and the Ordnance Survey

The plans used in the conveyance, transfer or lease must include sufficient details so that the land can be identified clearly on the Ordnance Survey Map. Extracts of the Ordnance Survey Map should be used and, generally, the preferred scale is 1/1250 but only if the details of the layout including individual house boundaries can be shown clearly. Where rooms over passageways or other such detail exists, which is not easily shown at this scale, a scale of 1/500 should be used, as insets if necessary. Please see rule 26, Land Registration Rules 2003. We will not accept plans described “for identification only” or marked “do not scale from this drawing” or any other similar phrase. Practice guide 40: HM Land Registry plans: guide overview and practice guide 41: Developing estates: registration services with its supplements give advice on acceptable plans which may be applied as appropriate to an already built estate.

For these reasons, it will not normally be possible to draw on the plan a simple red line around the estate to transfer it all; careful consideration needs to be given to plan colouring and colour wash may be preferable to edging. Again, we will be pleased to advise where necessary.

3.2 The existing incumbrances to which the land is subject

The extent of the land to be sold is not the only problem. Most if not all of the prior disposals will have involved the grant and reservation of easements over the land to be comprised in the estate disposal.

Note: The grant and reservation of new easements in the estate disposal is covered in sections New easements granted over unregistered land and New easements granted over registered land.

Where the land to be comprised in the estate disposal is already registered then these beneficial and adverse rights should already be shown on the title. Where the land is not registered, note (7) of the Certificate of Title form PSD17 gives guidance on how the easements, covenants and other rights granted and reserved in those sales may be treated in the conveyance, transfer or lease and in that form.

When the register is prepared following the estate disposal, the easements will be treated as follows.

Where previous disposals of land from the estate under the right to buy provisions have created statutory easements, they will be covered by an entry in the property register along the following lines:

"By [transfers] [conveyances] of adjacent or neighbouring land pursuant to Chapter 1 of Part I of the Housing Act 1980 or Part V of the Housing Act 1985 the land [in this title] has the benefit of and is subject to the easements and other rights prescribed by paragraph 2 of Schedule 2 to the Housing Act 1980 or Schedule 6 to the Housing Act 1985."

Other easements, if granted in common form, for example, in standard form transfers under Part I of the Housing Act 1985 (voluntary sales of council houses) or under Schedule 11 to the Housing Act 1988 (sales of a single house under voluntary provisions by a housing action trust) may be dealt with by general entries like the above.

Where specific unusual rights were granted, they will probably be referred to specifically in the register.

Beneficial easements will be entered in the register as appurtenant to the title if the title of the servient land is registered and an entry relating to the right is shown in the charges register. They will also be shown as appurtenant where the servient land is unregistered unless both the conveyance, transfer or lease and the Certificate of Title form PSD17 exclude them. Initial vendors who have doubts about the title to a prior beneficial easement should therefore exclude the easement specifically. They should bear in mind the effect of section 62 of the Law of Property Act 1925 and covenants for title if they do not specifically want to transfer the benefit of a right. If they do not, they may be liable to indemnify the registrar if it is not shown to be a legal easement in the event of any subsequent dispute.

Where the land was acquired under any compulsory purchase provisions and the authorising statute either permitted the acquiror to extinguish any private rights such as easements which previously affected the land or extinguished such easements automatically (for example, section 295 of the Housing Act 1985), then these facts should be stated in the Certificate of Title.

Other entries will be made in respect of restrictive covenants burdening the estate being registered.

The conveyance, transfer or lease should refer to the restrictive covenants which affect the land or any part of it. However, if preferred, a general statement that restrictive covenants affect may be made there provided the Certificate of Title form PSD17 gives full details of where the text of the covenants can be found.

Some legislation allows local authorities, in effect, to suspend the operation of restrictive covenants while they own the land (for example, under section 237 of the Town and Country Planning Act 1990). However, when the land is sold the covenants may again be enforceable. Such covenants should be referred to in the conveyance, transfer or lease.

If the land is subject to leases which need to be noted in the register, or disclosed as overriding interests, you should lodge certified copies of the counterpart leases.

A lease needs to be noted in the register if it was granted:

- for a term of more than 7 years
- to take effect in possession more than 3 months after the date of the grant
- under the right to buy or shared ownership provisions in Part V of the Housing Act 1985, or

- in circumstances where section 171A of the Housing Act 1985 (the preserved right to buy) applies (leases of these kinds must be protected by notice because they do not have overriding status under Schedule 1 to the Land Registration Act 2002)

In addition, any lease granted for a term of more than 3 but no more than 7 years, and which still has more than one year left to run, must be disclosed as an overriding interest, so that it can be noted in the register (rule 28 of the Land Registration Rules 2003).

Certified copies of counterparts of any other leases should be lodged if they contain options to purchase, as this information will be needed to protect the option by notice in the register.

The entry in the charges register for shared ownership leases will be along the following lines:

"The leases specified in the Schedule of Leases which are shared ownership leases made pursuant to [Part I of the Housing and Building Control Act 1984] [sections 143 – 153 of the Housing Act 1985] took effect with the benefit of and subject to the easements and other rights prescribed in paragraph 2 of Schedule [2 to the Housing Act 1980] [6 to the Housing Act 1985]."

There may be other overriding interests that need to be disclosed. See practice guide 15: overriding interests and their disclosure for more information. Where form PSD13, form PSD14, form PSD15 or form PSD17 are used, you should give details of any disclosable overriding interests on it. If you do so, you will not need to lodge a form DI as well (the PSD form will be a document of title under rule 28(2)(b) of the Land Registration Rules 2003).

3.3 The consents from the Secretary of State or Welsh Ministers and the restrictions which enforce them

Once the extent of the estate disposal has been agreed, you will usually need to obtain the consent of the Secretary of State or Welsh Ministers to the disposal. This section deals with the relevant provisions.

You must distinguish between:

- initial consent to the disposal of the estate by the initial vendors, and
- subsequent consent to a disposal out of that estate by the purchaser

Initial consents will usually contain provisions which allow the disposal of assets with the subsequent consent of the Secretary of State or Welsh Ministers.

Because of this interaction the consent requirements are dealt with in this section. It also sets out the required statements in the conveyance, transfer or lease which declare under what provisions the transaction is being made and the restrictions that will be entered in the register to reflect the requirement for subsequent consent.

3.3.1 Initial consents

Initial consents from the Secretary of State or Welsh Ministers will be required for any disposal of housing by local authorities, (under sections 32 or 43 of the Housing Act 1985) or housing action trusts, (under section 79 of the Housing Act 1988).

3.3.2 Subsequent consent, required statements and restrictions

Disposals by local authorities

Where an initial consent was required for the initial disposal under sections 32 or 43 of the Housing Act 1985, and that consent did not otherwise provide, the subsequent disposal generally requires a further consent (section 133 of the Housing Act 1988). It will usually do so unless the original disposal was to a private registered provider of social housing or (from 15 August 2018) to a registered social landlord. However, such consent may provide that only some of the houses on the estate are subject to this further restriction on disposition. If this is the case then they should be listed. If convenient this can be done negatively, meaning the whole estate can be stated to be subject to the restriction save for example 'numbers 1 to 21 (inclusive) Acacia Avenue'. It is

important to be accurate in identifying any such properties by making it clear, for example, whether or not they include even or odd numbers or both.

Where there is a requirement for a subsequent consent the approved form of the required statement in the disposal deed is as follows.

"The requirement of section 133 of the Housing Act 1988 for the consent of the [Secretary of State] [Welsh Ministers] to disposals of [the land] [the following properties] in this [Conveyance] [Transfer] [Assignment] [Lease] applies to a subsequent disposal of the said land or properties by the [purchaser] [lessee]. The [purchaser] [lessee] hereby applies to the Chief Land Registrar for the entry of a restriction in form X."

The restriction will be entered in the proprietorship register in form X, as follows.

"RESTRICTION: No disposition by the proprietor of the registered estate or in exercise of the power of sale or leasing in any registered charge (except an exempt disposal as defined by section 133(11) of the Housing Act 1988) is to be registered without the consent of

(a) in relation to a disposal of land in England, the Secretary of State, and

(b) in relation to a disposal of land in Wales, the Welsh Ministers,

where consent to that disposition is required by [as appropriate [section 133 of that Act] or [section 173 of the Local Government and Housing Act 1989]."

Disposals by housing action trusts under section 79 of the Housing Act 1988

A housing action trust is a public sector landlord and thus subject to the right to buy. Its powers of disposal of a house subject to a secure tenancy are limited by section 79(2) of the Housing Act 1988. The sale must be either to an "approved person" or to a housing authority or other local authority. If the sale is to an approved person and takes place before 15 August 2018, the requirement in section 81 of the Housing Act 1988 that the consent of the Secretary of State or Welsh Ministers be obtained to any subsequent disposal of the house by the approved person applies. The disposal deed must state that the requirement applies to any such disposal. The recommended form of the required statement is as follows.

"The requirement of section 81 of the Housing Act 1988 for the consent of the [Secretary of State] [Welsh Ministers] to disposals of the land in this [Conveyance] [Transfer] [Assignment] [Lease] applies to a subsequent disposal of the said land by the [purchaser] [lessee]. The [purchaser] [lessee] hereby applies to the Chief Land Registrar for the entry of the restriction in form X."

A restriction in form X will be entered in the proprietorship register as above but substituting section 81 of that Act for section 133.

If a disposal comprises both houses subject to secure tenancies and other houses or land, it should be completed by 2 instruments, one relating to the houses subject to secure tenancies and containing the required statement, the other relating to the other houses or land. The former will be registered with the appropriate restriction under a separate title number.

The consent requirement in section 81 of the Housing Act 1988 will not apply to dispositions dated 15 August 2018 (the date on which section 81 will be repealed by the Regulation of Registered Social Landlords (Wales) Act 2018) or later.

Disposals under the preserved right to buy

The requirements in relation to the required statement and the restriction are dealt with in sections The disposal subject to preserved rights to buy and The required restriction.

Cancellation of restrictions

The restrictions set out above are obligatory and cannot, therefore, be withdrawn by the proprietor of the land. They will, however, be cancelled on registration of a subsequent transfer made with the consent of the appropriate authority.

3.4 Contracts and their protection

The disposals covered in this guide, with the exception of those under the preserved right to buy provisions, are consensual. They may, therefore, be preceded by a contract between the parties in the usual way. The terms of any contract should have regard to the matters discussed in this guide and to the requirements of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989.

If the title is registered, the contract can be protected by an agreed or a unilateral notice. If it is unregistered, a land charge class C (iv) (estate contract) should be registered under the Land Charges Act 1972 at the Land Charges Department, using form K1. If this has been done, applicants for first registration must produce the cancellation certificate with the application.

Where a qualifying person is entitled to a preserved right to buy, in the case of registered land a notice should have been entered in the register in respect of that right when the property was transferred to the new landlord. Similarly, where a new property becomes subject to a preserved right to buy, the landlord should apply to enter an agreed notice in the register. If the landlord fails to do so, the tenant can apply for an agreed notice if they can satisfy the registrar that their claim is valid, under section 34(3)(c) of the Land Registration Act 2002. Alternatively, they can apply for a unilateral notice. If the land is unregistered, a land charge can be registered.

An application for an agreed notice should be made in form AN1, and for a unilateral notice in form UN1.

Register entries relating to the preserved right to buy are dealt with see The Preserved Right to Buy. It is considered that such entries provide adequate protection for a person entitled under a preserved right to buy.

An application to the court (for example, under section 181 of the Housing Act 1985) to enforce the statutory duty of a disponor of land subject to a preserved right to buy to transfer it subject to that right may well constitute a pending land action within the meaning of the Land Charges Act 1972. If so, it can be protected by an agreed or unilateral notice (sections 34 and 87(1)(a) of the Land Registration Act 2002) or, if the land is unregistered, by registering the pending land action at the Land Charges Department. Similarly, any court order enforcing the statutory duty could be protected by agreed or unilateral notice (sections 34 and 87(1)(b) of the Land Registration Act 2002), or registered as a writ or order affecting land in the Land Charges register.

However, a preserved right to buy is not an overriding interest (even where the person entitled is in actual occupation), (paragraph 6(1) of Schedule 9A to the Housing Act 1985), as substituted by paragraph 18(10) of Schedule 11 to the Land Registration Act 2002. Consequently, if the property is transferred for valuable consideration without the preserved right to buy being protected in the register, the tenant cannot register a notice in respect of it, (because the purchaser will have gained priority over it under section 29(2) of the Land Registration Act 2002). Nor can they register a land charge if the land is unregistered (paragraph 6(2) of Schedule 9A to the Housing Act 1985).

3.5 Searches

Because of the extent problems already discussed, you should always make an official search of the index map. An acquiror under any of the disposals covered in this guide will be able to make an official search with priority to protect the purchase of the land, (under rule 148 of the Land Registration Rules 2002). This includes a purchaser under the preserved right to buy provisions.

3.6 Discharges of existing mortgages

The general principle for all the disposals covered in this guide is that all mortgages, unless the contract otherwise provides, will need to be:

- discharged as to the whole or part using the appropriate HM Land Registry form
- in the case of disposals by lease, to be accompanied by a consent from the mortgagee, or
- in the case of unregistered land, released or consented to in the usual way

There is one exception to this principle where the legislation provides that the mortgage is automatically discharged or released, although the mortgagor's personal liability will not be. This exception arises under the right to buy (whether or not preserved) (paragraph 21 of Schedule 6 to the Housing Act 1985). No discharge, consent, or release will be required for such a disposal.

3.7 The form of the transfer, conveyance or lease

The prescribed form of transfer for these transactions is form TR1 or form TP1. There is no prescribed form of conveyance or lease. The instrument must contain the required statements and where necessary, the list of properties occupied by secure tenants.

3.8 Unregistered land and the Certificate of Title

The Certificate of Title which must be given under the legislation is Certificate of Title form PSD17 for all transactions covered in this guide, (the Certificate is that approved by the registrar under section 171 G and paragraph 2(4) of Schedule 9A to the Housing Act 1985, section 108 and paragraph 2(2) of Schedule 12 and 133(8) to the Housing Act 1988) except individual sales to tenants exercising the preserved right to buy (there are 2 Certificate of Title provisions under the preserved right to buy. The first, for the disposal of the estate or individual house to a person other than the secure tenant is made under Schedule 9A Housing Act 1985. The second, where the former secure tenant exercises the preserved right to buy is under section 154 of the Housing Act 1985 as applied by the Housing (Preservation of Right to Buy) Regulations 1993 as amended. Such latter cases will be rare, as discussed in

Usful websites

Because Urban regeneration is a field in a rapid and continuous development and it can be quite hard to keep up with all the changes happening around, which is why certain key sources are worth consulting on a regular basis. Government sites are very useful in giving access to key policy documents.

http://www.regeneration-uk.com Provides an excellent portal with links to a variety of

sources for news and other resources, though perhaps with a more economic emphasis.

http://www.communities.gov.uk/ Department for Communities and Local Government

in England, with good links to relevant parts of other departments and executive agencies.

http://www.cabe.org.uk/ Commission for Architecture and the Built Environment has

lots of good material on urban design.

Exercise of the preserved right to buy by a qualifying person, because the estate will usually already have been registered. However, the new landlord can, as discussed below, move tenants to unregistered property and a sale to the tenant will then be under the second regime).

The Certificate of Title avoids the need for the purchaser to investigate the title and any easements granted in the disposal, and the registrar can rely upon it when considering what class of title to grant in respect of the land. If there are any errors in the Certificate of Title and as a result the registrar suffers loss by having to indemnify a proprietor or anyone else (under section 103 and Schedule 8 to the Land Registration Act 2002) the giver of the certificate will, in turn, have to indemnify the registrar.

3.9 Compulsory registration

The various regimes originally contained provisions which required the compulsory registration of any disposals under them. These provisions have now been superseded by the general requirement to register contained in section 4 of the Land Registration Act 2002.

Note, in particular, that the grant of a lease under the right to buy, or the grant or transfer of a lease where the land is subject to a preserved right to buy, gives rise to compulsory registration, even if the lease has less than 7 years to run (section 4(1)(b)(e) and (f) of the Land Registration Act 2002. See also section 27(2) of the Land Registration Act 2002 where such a lease is granted out of a registered estate).

3.10 New easements granted over unregistered land

Where any land over which easements are granted is unregistered then the Certificate of Title should be given, see Unregistered title and the Certificate of Title. HM Land Registry's view is that the requirement for a Certificate of Title and the power of the initial vendor to give it extend to the grant of any easement over unregistered land in the ownership of the vendor even if the dominant land is already registered. Any easements granted in conveyances by initial vendors will be registered as appurtenant to the title unless other extrinsic evidence available to the registrar contradicts the certificate (for example, if part of the servient land was already registered in the name of someone other than the initial vendor).

3.11 New easements granted over registered land

Where specific beneficial easements are granted over other registered land in the ownership of initial vendors by the instrument of disposal they will be treated in the normal way. The application form should give the title number of the servient land. As long as the servient land is registered wholly in the name of the vendor the easements will be included in the registered title.

3.12 The registration of the transfer, conveyance or lease

If it is not possible to lodge an application electronically, you should send your application to the stated address for applications.

3.13 The registration of the proprietor

Where the purchaser is a body corporate of a particular type, such as a registered social landlord, restrictions may be required to reflect limitations on their powers to deal with the registered estate. Where the purchaser is a non-exempt charity, the appropriate charity restriction will be entered in the register – see practice guide 14: charities - advice for applications sent to HM Land Registry.

3.14 Fees payable

HM Land Registry fees are payable under the current Land Registration Fee Order, see HM Land Registry: Registration Services fees.

3.15 Dealing with disposals while the estate is being registered

In many cases, the financing arrangements made by the purchaser will mean that it is relying on making sales to tenants and others while the land is being registered. The problems to which this gives rise are well known and are not discussed here. However, there are purely practical ways of avoiding a long delay in being able to complete the sales off. These include:

- the initial vendors completing as many sales as possible before completion where tenants have exercised their rights under the Housing Acts
- making sure the application is correct and that all necessary documents are lodged
- dividing the purchase up into parcels so that a problem on one part does not affect the whole
- where it is known in advance that properties are to be sold, obtaining separate Certificates of Title (where applicable) and transfers for them so that they can be registered individually

It is strongly recommended that these matters should be discussed with the Local Land Registrar at the HM Land Registry office concerned, particularly as the use of multiple applications could lead inadvertently to increased fees. See Consultation with the Local Land Registrar for further details.

3.16 Mortgages after acquisition by the purchaser

Where the legislation requires the entry of a restriction in the register, then, even if the title has not yet been registered, a charge or mortgage is a disposal. Since it must occur after the purchaser has acquired the interest being registered, a charge is subject to the need for consent under the restriction before it can be registered. However, provision is made for this so that where such restrictions apply there can be an exempt disposal of an interest by way of security for a loan (sections 81(3) for disposals before 15 August 2018) and 133 of the Housing Act 1988 for disposals on or after 15 August 2018. In all these cases exempt disposal is defined in section 81(8) (for disposals before 15 August 2018) or section 133 (for disposals on or after 15 August 2018) of the Housing Act 1988). It is also provided that the charge itself will be subject to a condition of consent before the proprietor of it can exercise powers (sections 81(4) (for disposals before 15 August 2018) and 133(2) of the Housing Act 1988 for disposals on or after 15 August 2018). Where the new landlord is subject to the preserved right to buy regime, consent to the creation of the charge will be needed, see A mortgage by the new landlord.

Where the proprietor of the charge exercises the power of sale a purchaser will need to be satisfied, and be able to satisfy HM Land Registry, that the consent has been given. Where the consent is a general consent which provides:

- that the property will be vacant at the time of the sale
- that the purchaser is an intending owner occupier
- that the price is the best reasonably obtainable

then the registrar will require a certificate from the vendor/mortgagee that the conditions of the consent have been fulfilled in respect of the transfer. In these circumstances the registrar would have no objection to this certificate being endorsed on the transfer.

No enquiry will be made by HM Land Registry as to the existence of any such consent if application is made to protect the charge by an agreed or a unilateral notice. If subsequently application is made to register it substantively (it will have to be if any exercise of the power of sale is contemplated) the consent will be needed.

However, where the court has ordered a sale under section 90 of the Law of Property Act 1925 the consent will not need to be produced on the basis that the court will have had to be satisfied that a charge existed in equity before making the order and will have thus had to satisfy itself that there was consent.

3.17 Restrictions on other disposals

The restrictions on further disposal discussed in this paragraph do not include the provisions restricting disposals where the preserved right to buy also applies. In such a case, a consent under those much more restrictive provisions will also be needed and will be reflected in the separate proprietorship restriction for those regimes – see The required restriction.

As reflected in the proprietorship restrictions discussed above, the general rule is that all dispositions are restricted by the need for consent unless they are classed as exempt disposals. For the purposes of the legislation a contract to dispose of an interest is a disposal (section 133(4) of the Housing Act 1988, sections 32(4) or 43(5) of the Housing Act 1985 and section 173(4) of the Local Government and Housing Act 1989.

Before registering any disposition, therefore, the registrar will need to be satisfied either that:

- there has been a specific or general consent to the disposition by the Secretary of State or Welsh Ministers, or
- that it is an exempt disposal

Where application is made to note a contract for a disposition, (section 34 of the Land Registration Act 2002) the applicant will have to satisfy the registrar similarly.

HM Land Registry reserves the right to require the applicant to obtain confirmation from a vendor that the transaction falls within the consent and, in particular, that any conditions set out in the consent, such as valuation or notification to tenants, have been complied with. Such confirmation is particularly likely to be required where the consent is a general consent by the Secretary of State or Welsh Ministers. The confirmation is required to ensure that a disposition which needs consent is not registered by mistake. If the conditions have not been complied with, it is likely that the transaction is not within the consent and may therefore be void.

See Retention of documents lodged with applications, regarding retention of documents sent to us.

So far, this section has dealt with disposals of registered land. However, in the case of disposals of land owned by a housing action trust, the land itself may not be registered. As mentioned, a trust may acquire its land by statutory vesting and may not have registered it. Where it has not been registered, it will need to be registered on a disposal by the trust under the normal provisions (section 4 of the Land Registration Act 2002).

The registrar will require similar evidence on the registration of the disposition as if the land were registered, but certain additional requirements are imposed on sales by housing action trusts and these are as follows.

Sales of a single home under voluntary provisions

Unlike the right to buy provisions, where a housing action trust has been added to the list of landlords against whom such provisions operate (section 83 of the Housing Act 1988), special provision is made for voluntary disposals of land by housing action trusts (section 79 and Schedule 11 to the Housing Act 1988). Where consent is given by the Secretary of State or Welsh Ministers and that consent allows sales at a discount and does not exclude the imposition of a discount charge, the usual obligation to repay the whole or part of any discount on early disposal and the charge to secure the obligation apply.

There are no provisions requiring the housing action trust to give a Certificate of Title under such voluntary sales to the purchaser.

Since these provisions are very similar to those contained in Part II of the Housing Act 1985 they are not further discussed.

However, if the housing action trust imposes a discount charge under these provisions, the disposition must make it clear that the trust is acting under its powers under Schedule 11 to the Housing Act 1988 so that the appropriate entry may be made in the charges register of the purchaser's title.

The form of the entry will follow that of the entry of the discount charge under Part V of the Housing Act 1985 but with reference to section 79(13) and Schedule 11 to the Housing Act 1988.

Cancellation of the discount charge will be dealt with in the same way as discount charges under the Housing Act 1985.

Disposals of homes subject to a secure tenancy

There are special provisions on the disposal of a house or flat which is subject to a secure tenancy immediately before the disposal. Although the legislation (section 79 of the Housing Act 1988) refers to a house or flat, it is in fact more likely to be appropriate to sales of an estate or part estate and the following discussion assumes this to be the case.

The purpose of the legislation is to protect the tenant as the tenancy moves from being a tenancy in the public sector to one which may be in the private sector.

This it does by:

- requiring that such transfers can only be to approved persons, (defined as a registered social landlord, non-profit registered provider of social housing, local housing authority or other local authority: section 79(2) of the Housing Act 1988). and
- (to ensure that such persons cannot then dispose of the estate to unapproved persons) providing that there cannot be a further disposal without the consent of the Secretary of State or Welsh Ministers

There is an exemption for transfers falling within Part V of the Housing Act 1985 (the right to buy). These provisions can be contrasted with the preserved right to buy provisions (see The preserved right to buy) which protect a specific right of such a tenant to buy their house or flat. The 2 regimes can, and often will, run in parallel in the same transaction.
The following is a list of exempt subsequent disposals of land for which no consent is required as defined in section 133(11) of the Housing Act 1988 (as inserted by the Regulation of Registered Social Landlords (Wales) Act 2018). However, it does not include disposals permitted under the preserved right to buy provisions which, although they are similar, are not the same and are dealt with under The disposal subject to preserved rights to buy. The disposals include:

- the disposal of a dwellinghouse to a person having the right to buy under Part V of the Housing Act 1985, whether the disposal is in fact made under that part or otherwise
- a compulsory disposal within the meaning of Part V of the Housing Act 1985 (whether the disposal is in fact made under that Part or otherwise)
- the disposal of an easement or rentcharge

- the disposal of an interest by way of security for a loan – see Mortgages after acquisition by the purchaser
- the grant of a secure tenancy or what would have been a secure tenancy but for any of the paragraphs 2 to 12 of Schedule 1 to the Housing Act 1985
- the grant of an assured tenancy or an assured agricultural occupancy, within the meaning of Part 1 of the Housing Act 1985, or what would be such a tenancy or occupancy but for any of the paragraphs 4 to 8 of Schedule 1 of this Act
- the transfer of an interest held on trust for any person where the disposal is made in connection with the appointment of a new trustee or in connection with the discharge of any trustee

In addition to the above exempt disposals there is one further circumstance, (the legislation is contained in section 133(2) of the Housing Act 1988). where consent will not be required. This is where the proprietor of the land loses it by operation of law or by an order of the court and the land passes, or is transferred, to another person. In these cases the new owners will be registered but subject to the same restriction.

Where the proprietor is registered with a restriction preventing the disposal of an interest without the consent of the Housing Corporation, the Regulator of Social Housing or Welsh Ministers, this restriction may be ignored if consent is given by the Secretary of State under one of the restrictions set out in The consents from the Secretary of State or Welsh Ministers and the restrictions which enforce them (section 133(7) of the Housing Act 1988).

Finally, the registrar will make one non-statutory, and wholly discretionary, exception to the need for consent. This is where the registered proprietor certifies that the land comprised in a disposition (whether transfer of part or lease or transfer of whole) is land which, while it was originally included as part of a larger parcel which contained houses on which the restrictions on further disposal operate, has never been subject to such restrictions. This is intended to cover the situation where, for example, houses around a green were disposed of with the green in one original transfer, so that they were registered under a single title with a restriction, and there is subsequently a disposal of part of the green. In such circumstances the certificate that the land in question had never been affected by the restriction will need to be signed by a responsible officer of the registered proprietor.

Source: HM Land Registry, published October 2003, GOV.UK

Appendix TwoBarker Review of Land Use Planning: final report recommendations

Key Recommendations • Streamlining policy and processes through reducing policy guidance, unifying consent regimes and reforming plan-making at the local level so that future development plan documents can be delivered in 18-24 months rather than three or more years; • Updating national policy on planning for economic development (PPS4), to ensure that the benefits of development are fully taken into account in plan-making and decision-taking, with a more explicit role for market and price signals; • Introducing a new system for dealing with major infrastructure projects, based around national Statements of Strategic Objectives and an independent Planning Commission to determine applications; • Promoting a positive planning culture within the plan-led system so that when the plan is indeterminate, applications should be approved unless there is good reason to believe that the environmental, social and economic costs will exceed the respective benefits; • In the context of the Lyons Inquiry into Local Government to consider enhancing fiscal incentives to ensure an efficient use of urban land, in particular reforming business rate relief for empty property, exploring the options for a charge on vacant and derelict previously developed land, and, separately consulting on reforms to Land Remediation Relief; • Ensuring that new development beyond towns and cities occurs in the most sustainable way, by encouraging planning bodies to review their green belt boundaries and take a more positive approach to applications that will enhance the quality of their green belts; • A more risk-based and proportionate approach to regulation, with a reduction in formfilling, including the introduction of new proportionality thresholds, to reduce the transaction costs for business and to increase the speed of decision-making; • Removing the need for minor commercial developments that have little wider impact to require planning permission (including commercial microgeneration); • Supporting the ‘town-centre first’ policy, but removing the requirement to

demonstrate the need for development; • In the context of the findings of the Lyons Inquiry into Local Government, to consider how fiscal incentives can be better aligned so that local authorities are in a position to share the benefits of local economic growth; • Ensuring that Secretary of State decisions focus on important, strategic issues, with a reduction by around 50 per cent in the volume of Secretary of State call-ins; • Ensuring sufficient resources for planning, linked to improved performance, including consulting on raising the £50,000 fee cap and allowing firms to pay for additional resources; • Enhancing efficiencies in processing applications via greater use of partnership working with the private sector, joint-working with other local authorities to achieve efficiencies of scale and scope, and an expanded role of the central support function ATLAS; • Speeding up the appeals system, through the introduction of a Planning Mediation Service, better resourcing, and allowing Inspectors to determine the appeal route. From 2008-09 appeals should be completed in 6 months; and • Improving skills, including through raising the status of the Chief Planner, training for members and officers, and wider use of business process revieews

Context and terms of reference 1.1 The Chancellor and the Deputy Prime Minister commissioned an independent review of the land use planning system in England in December 2005. The terms of reference were: To consider how, in the context of globalisation, and building on the reforms already put in place in England, planning policy and procedures can better deliver economic growth and prosperity alongside other sustainable development goals. In particular to assess: • ways of further improving the efficiency and speed of the system; • ways of increasing the flexibility, transparency and predictability that enterprise requires; • the relationship between planning and productivity, and how the outcomes of the planning system can better deliver its sustainable economic objectives; and • the relationship between economic and other sustainable development goals in the delivery of sustainable communities. 1.2 This report sets out the initial analysis of the review. Its focus is on understanding how the planning system impacts on economic growth and employment, by analysing the direct and indirect impacts of policy and processes on the key drivers of productivity – enterprise, competition, innovation, investment and skills. It also sets out areas that will be explored further in the final report. This will be submitted to the Chancellor and Secretary of State for Communities and Local Government in late 2006. 1.3 The Planning and Compulsory Purchase Act 2004 addressed large parts of the planmaking process in particular, but this is not the whole of the picture. There are still other questions to ask in the context of the wider challenges to the planning system which are set out in this report. Globalisation, for example, is intensifying – according to the OECD there was a 27 per cent increase in global foreign direct investment in 2005 alone, to $622 billion.1 And there is the need to look at how the planning system as a whole will fit with the potential recommendations of related government reviews and studies to enable policy-making to move forward in a properly joined-up way. The planning system plays a key role in the delivery of sustainable development 1.4 The planning system has a profound impact on our quality of life. Its outcomes influence almost every aspect of our life, from the quality of our urban environment to the size of homes we can afford, the employment opportunities available to us, and the amount of open countryside we can enjoy. By addressing deficiencies in the free market for land use and development, the planning system can work towards the delivery of sustainable development objectives that maximise net welfare to society. It does this by integrating and, where necessary, balancing complex sets of competing economic, environmental or social goals within the framework of democratic accountability. Overall sustainable development goals can be hard to define and to measure. However, the planning system broadly aims to deliver a range of outcomes to help deliver sustainable development: Aims and Objectives 183 DInterim report executive summary 1 OECD, International Investment Perspectives, September 2006 (forthcoming). D Interim report executive summary • economic objectives – plan-making can support the economy by providing greater certainty for investors about the likely shape of future development in a locality or region; it can help deliver public goods such as transport infrastructure; it can promote regional inward investment by supporting regeneration and enabling comprehensive redevelopment where the landowner has monopoly power, for example via compulsory purchase orders; • social objectives – positive planning can also help deliver important social objectives, including protecting the vitality of town centres, providing new housing, aiding regeneration, and protecting our historic built environment in part via the listing of 370,000 buildings.

Planning authorities can play a positive role in shaping our towns and cities through, for example, urban design coding; and • environmental objectives – there are benefits to the environment more widely, though protecting and enhancing the countryside and natural environment, minimising the effects of, or influencing the location of, developments that create noise, pollution or congestion and using mitigation measures to limit the flood risk potentially associated with new developments in certain areas. 1.5 But while planning policies and processes aim to address market failures, there can also be costs associated with government intervention. Where information is imperfect, plans may under or over-provide for certain non-market goods, while the transaction costs of intervention may be high. There may also be unintended consequences of policy. The planning system therefore needs to ensure it tackles market failures in an efficient and effective manner. 1.6 The principal framework through which planning is delivered is the Town and Country Planning Act (TCPA) 1990, as recently modified by the Planning and Compulsory Purchase Act (PCPA) 2004. Both are based on the first comprehensive planning legislation that was introduced in 1947. The TCPA 1990 is plan-led system of land use regulation, with important roles for participation and democratic accountability. Other planning consent regimes with separate legislation exist for certain sectors such as transport and energy infrastructure. Key elements of the town and country planning system are: • a hierarchical structure of guidance and plans at national, regional and local level against which planning applications are assessed – following the PCPA 2004, the plan-framework comprises a Regional Spatial Strategy and a Local Development Framework (LDF); • the requirement for planning permission for any development of land. Planning applications are normally determined by local planning authorities. Under the plan-led system, decisions on planning applications are made in accordance with the development plan unless there are material considerations sufficient to overrule the plan; • extensive powers for the Secretary of State (DCLG) enabling the direction and shaping of planning policy at both the national and regional level, and of determining a very small but high-profile number of planning applications through use of 'call-in' powers; and How the system operates 184 Barker Review of Land Use Planning – Final Report Interim report executive summary D • strong policies protecting the countryside and containing urban areas. Only 8.3 per cent of land in England is urban, as a result of a number of policies including density targets and the designation of large areas of land for the protection of biodiversity, important landscapes or to prevent urban areas coalescing (see Table 1).2 The UK has around double the OECD average of the proportion of protected land.3 Table 1: Designations and other land uses in England Number of sites Hectares % of total land Sites of Special Scientific Interest (SSSIs) 4110 1,072,540 8.2 Special Protection Areas (SPAs) 77 609,240 4.7 Special Areas of Conservation (SACs) 229 809,199 6.2 Areas of Outstanding Natural Beauty 35 2,040,000 15.6 Green Belt 1,678,200 12.9 National Parks 994,000 7.6 Urban Areas 1,100,000 8.3 Source: Environment Agency; DEFRA; DCLG; JNCC; National Association of AONBs. But the changing context of planning means more is likely to be demanded of it in coming decades 1.7 In every country, planning involves making difficult and complex decisions. This is particularly the case in England, where a relatively high population density of 383 per square kilometre combined with high levels of average per capita income leads to strong demand for travel, retail, recreation, and housing. With so many people in a relatively confined space, decisions on land use and development will often affect many others. 1.8 Making these trade-offs is likely to become more challenging over the coming decades, as the planning system will need to adapt to a number of key trends. These include: • globalisation and technological change: The global economy is in the midst of a radical transformation, involving far-reaching changes in technology, production and trading patterns. Emerging and developing countries are forecast to have increased their share of global output from 15 per cent in 1980 to 31 per cent in 2015.4 This is resulting in significant structural change in the English economy. Demand for commercial land is increasing, while businesses need to respond with increasing speed to changes in the market. A flexible, responsive, and efficient system of plan-making and development control can help business respond to these changes. Some 79 per cent of respondents to a recent CBI survey stated that planning, as a public service, is important to supporting their competitiveness;5 • climate change and environmental limits: The clear evidence of changes in the global climate requires that the planning system at all levels plays its role in helping the UK meet its targets for greenhouse gas emissions through, for example, helping deliver renewable energy. Spatial plans can also help address the consequences of Long term challenges Barker Review of Land Use Planning – Final Report 185 2 Some of these designations overlap. In particular SACs and SPAs often fall within SSSIs. 3 OECD, Environmental Data Compendium. 4 Consensus Economics, Inc., Consensus Forecasts: Long-term Forecasts (2004); International Monetary Fund, World Economic Outlook 2004 (Washington DC, 2004). 5 CBI Public Services Survey 2006. D Interim report executive summary climate change – for example by taking full account

of the flood risk associated with new development. The need to protect the wider environment is also a growing challenge given the changing understanding of environmental issues; • demographic change: Rising population levels also pose important challenges for planning. More people require more homes, infrastructure, workplaces and retail premises. The population of England expanded from around 43 million in 1951 to 51 million today. Current projections suggest the population will grow to 56.8 million by 2031, when there may be 435 people per square kilometre. Demographic changes, such as an increase in the proportion of single-person households, will also affect demand for space; and • increased prosperity: The planning system also has to respond to the challenge of a more prosperous population. The more affluent people become, the more they seek larger homes, the more they are likely to travel both at home and abroad, and the more they are likely to consume leisure and other goods and services. A trend growth rate of even just 2.5 per cent per annum implies a doubling of national income in less than 30 years. 1.9 All four of these factors are subject to considerable uncertainty. Economic change, population growth, climate change and other resource pressures can only be projected with a wide margin over long time frames. The 2006 household projections, for example, show average household growth of 209,000 per year, compared with 189,000 and 153,000 in the 2002 and 1996-based projections respectively.6 The Government Actuary's Department variant projections show how sensitive these projections are to different variables. A low estimate for life expectancy results in a projected average annual household growth of 196,000 and a high estimate for life expectancy in 221,000.7 This poses particular challenges for a planning system that operates on the basis of long-term plans, which on a regional level involve making estimates for housing or employment land needs over a 15 to 20 year time-period, though these estimates are reviewed typically every five years. A key question is whether the planning system provides the right balance between certainty for those making long-term decisions and responsiveness for those seeking to respond to changing circumstances. 1.10 In addition, while increased wealth and population growth implies pressure for development, environmental constraints make the location of this development increasingly sensitive. Many of these trends involve increased demand for space – ensuring the planning system releases space horizontally (through supplying sufficient land) or vertically (through permitting upward build) to respond to these pressures, while delivering its environmental responsibilities, is a major challenge. At the same time, there is pressure for efficient public service delivery to minimise costs to businesses associated with uncertainty and delay, and to maximise taxpayer value for money. Despite some progress, more could be achieved in terms of efficient delivery of timely and transparent decisions 1.11 Planning decisions involve gauging individual and community preferences to factor nonmarket values into the decision-making process. Ensuring decisions are informed by the relevant economic, social, environmental and resource considerations through proper consultation is likely to be both costly and time-consuming, particularly for major projects. This is a necessary part of Implications for planning 186 Barker Review of Land Use Planning – Final Report 6 Office for National Statistics, Population Trends 123 (London, 2006). 7 DCLG statistical release available at http://www.opdm.gov.uk/index.asp?id=1002882&PressNoticeID=2097. Interim report executive summary D the planning process. Equally, the window of commercial opportunity for business tends to be rapidly shrinking. Firms therefore require a value-for-money service that is timely and transparent. A recent select committee inquiry found that the majority of concerns expressed by business around the planning system related to 'day-to-day operational issues such as delays, direct costs to firms, and uncertainty.' 8 The challenge is therefore to improve efficiency without compromising the effectiveness of outcomes. 1.12 The planning system has experienced substantial reform in recent years, as the Government has aimed to help planners respond to the changing circumstances in which land use regulation is operating and to address longstanding concerns surrounding the efficiency of the planning system – including tackling delays to plan-making and decision-making, and increasing transparency. These include: • the introduction of PCPA 2004, which aimed to create a simple, transparent, efficient and effective system of plan-making, aiming to halve the 5-7 years which local authorities previously took to update their plans. Reforms included the removal of one of the three tiers of plans and the introduction of a new spatial approach that aims better to integrate planning into wider policy delivery; • the introduction of the Planning Delivery Grant (PDG) to help local planning authorities respond to the needs of applicants in the context of rising case loads – almost 700,000 planning applications were determined in 2004-05. £600m of additional funding has been provided in this form. PDG has also enabled local planning authorities to manage the process of change regarding the introduction of new Local Development Frameworks. It operates alongside targets to incentivise authorities to determine planning applications within 8 and 13 week targets; and • reforms to the national policy framework, including the introduction of Planning Policy Statements aimed at reducing the volume of national policy to reduce levels of complexity within the

system in the context of a Green Paper that found that 'the sheer amount of guidance imposes considerable burden on the planning system and reduces its effectiveness as a means of communicating national policy priorities'.9 1.13 There has been some significant progress in terms of local authority development control processes as a result of recent reforms. Almost 80 per cent of all planning applications are now decided in eight weeks (Chart 1) and of the 18,800 applications for major developments in 2004- 05, 57 per cent were made in 13 weeks – up from 49 per cent in 1999-2000. As volumes have also risen, there has been a more than 60 per cent increase in the number of applications determined within the 13-week target for major applications and a 50 per cent increase in the number of applications determined within the eight-week target.10 Reforms have also been successful at reducing the length of the time to decision for 'call-ins' and major appeals decided by the Secretary of State (DCLG) with over 80 per cent of cases now decided within the 16 week target from the close of the public inquiry. Delays Reform to date Barker Review of Land Use Planning – Final Report 187 8 Housing, Planning, Local Government and Regions Committee, Fourth Report, Planning, Competiveness and Productivity (London, 2003). 9 Office of the Deputy Prime Minister, Planning: Delivering a Fundamental Change (London, 2002). 10 DCLG, Development Control Statistics 2004-05. D Interim report executive summary 1.14 There will always be a limit to how quickly complex planning decisions can be made, particularly given the importance of consulting with a number of parties and the need for democratic accountability. But in the context of a survey suggesting that 69 per cent of businesses are dissatisfied or very dissatisfied with the record of local government in improving the planning system,11 more could be achieved: • the appeal system has become slower in recent years, in part due to rising case loads: six per cent of planning inquiries took over a year to determine in 2001-02; by 2005-06 this had risen to 34 per cent, with increases in processing times for other types of appeal. Given that some of the most economically significant cases go to appeal this is a cause for concern; • in terms of applications to local planning authorities, around a third of local planning authorities (130 in total) are not meeting their target of 60 per cent of major applications being determined in 13 weeks (though this number is falling) while over 20,000 minor applications take more than 13 weeks to process. Some recent reports have suggested perverse outcomes from the local authority targets, such as late registration of planning applications, though the nature and scale of this issue is disputed;12 and • start-end times for larger or more controversial applications, which often include lengthy pre-application discussions or section 106 negotiations. Reliable data here is limited but according to a major housing developer large applications now take around 14 months to process, compared to 12 weeks 25 years ago.13 Major infrastructure delays – often determined under separate legislation such as the Electricity Act – are also still common. These cases are often very complex, and so 188 Barker Review of Land Use Planning – Final Report 11 CBI Public Services Survey 2006. 12 See, for example, Audit Commission, The Planning System: Matching Expectations with Capacity (London, 2006). 13 Barratts Response to the Barker Review of Land Use Planning – Call for Evidence. Chart 1: Applications received and decided and speed of decision England: 1988-89 to 2004-05 0 100 200 300 400 500 600 700 800 900 1,000 1 1993/94 1994/95 1995/96 1996/97 1997/98 1998/99 1999/00 2000/01 2001/02 2002/03 2003/04 2004/05 1990/91 1991/92 992/93 1988/89 1989/90 0 10 20 30 40 50 60 70 80 90 100 Number (thousands) Per cent Decided Received Per cent decided in 8 weeks Interim report executive summary D it is perhaps not surprising that they take considerable time to be determined. But the question of whether timings are excessive needs to be addressed. Transport and energy decisions can take several years (see Table 2) – the North Yorkshire power line took an exceptional six and a half years to determine. In this context it has been argued that a clearer articulation of national policy could reduce delays. Table 2: Case studies of major transport decision timings (months taken) Close of Inquiry Receipt of Application Length of to receipt of report to Total Scheme Years to Inquiry Inquiry report decision time M6 Toll Road 1992-1997 28 16 17 4(+20*) 65(85) Heathrow Terminal 5 1993-2001 27 46 21 11 86 London International Freight Exchange 1999-2002 13 7 6 15 41 Upgrade of West Coast main line 2000-2003 11 11 7 8 37 Dibden Bay Port 2000-2004 14 13 9 7 43 Camden Town tube rebuilding 2003-2005 11 5 5 6 27 * The additional time was the result of a legal challenge Source: DfT, PINS 1.15 Planning often involves making complex judgements and there will inevitably be some complexity of process in decisions involving many interests. But in this context it is particularly important that unnecessary complexity is avoided. This is the rationale behind recent reforms aimed at simplifying the national policy framework and plan-making process, and re-engineering the planning application process through, for example, the introduction of e-planning. It is too early to conclude what the impact of many of these reforms will be. A layer of plans has recently been removed, but there still appears to be substantial complexity in the system, which is adding to costs for both taxpayers and businesses, and increasing resource strain on local authorities: • while some of the new

planning policy statements are shorter than their predecessors, they are sometimes accompanied by lengthy guidance notes. Partly due to the range of interests to be considered, it has taken over two years to update just nine of the 25 national policy guidance notes – completing the task could take another five. There are still thousands of pages of national policy and guidance, including circulars; • the new framework of plan-making needs time to bed down, and while it may deliver increased flexibility at the local level and should deliver quicker planmaking (the aim is a three year process) there are some concerns that Local Development Frameworks are jargon-laden and over-engineered; and • in terms of the planning application process, the extent of supporting evidence, the range of players involved, the extent of conditions and the number of consent regimes (12 within the Town and Country Planning Act legislation alone) all add to complexity. Documentation can provide vital information but planning officers need the time and expertise to assess them. 1.16 For the reasons set out earlier, where it promotes the quality of the planning system in a proportionate manner, complexity should not be reduced nor speed arbitrarily increased. Indeed complexity can add to certainty for investors when it provides useful additional information. However, unnecessary delays and complexity result in additional costs for business and local authorities. Though planning costs typically are a small proportion of overall development costs, planning fees, for example, now cost over £200 million per annum, with hundreds of millions also Complexity Barker Review of Land Use Planning – Final Report 189 D Interim report executive summary being spent on consultants' and lawyers' fees. Very large applications (involving consultancy and legal fees) can cost millions of pounds – the recent Dibden Bay application, for example, cost £45 million. If further progress can be made to increase efficiency without compromising effectiveness this would therefore be desirable, although there are a number of constraints here. The planning system can be made more responsive to the needs of sustainable economic development 1.17 In the context of globalisation, planning should help deliver productivity growth, where this is consistent with delivery of wider sustainable development goals. The review has therefore explored the potential impact of planning on investment, competition, enterprise, innovation and skills. 1.18 There are a number of ways in which planning policies and processes can support investment. They can: • provide compatible land uses. One of the economic benefits of planning is certainty of land use. A hotel, for example, can be built in the confidence that an unsightly or noisy industrial plant will not be given permission to build next door; • help provide regeneration and place-shaping. Proactive planning, used effectively in conjunction with other tools and working alongside other private and public sector bodies, can help provide regeneration and to create places where people want to live and work. This can aid inward regional investment as in the city centres of Manchester, Birmingham and Liverpool. It can also help deliver the Sustainable Communities agenda, principally in the major growth areas of Thames Gateway, Milton Keynes/South Midlands, London/Stansted/Cambridge/Peterborough and Ashford; and • generate valued public goods. Planning improves the physical environment through infrastructure provision and through helping deliver a sense of place and space. It thereby helps to make England an attractive place to come to work and to do business. It plays an important role, for example, in stimulating the £74 billion tourism industry. 1.19 The system can, however, work to the detriment of investment. Refusal rates have been growing in recent years. The proportion of refusals for major applications has grown substantially from around 13 per cent in 1998-99 to 25 per cent in 2004-05, with minor application rejections (which do not include householder consents) rising from 15 per cent to 24 per cent. Major nonresidential application refusals have been rising for the past five years from under nine per cent to 13 per cent though over a ten-year horizon they have been stable.14 Total applications withdrawn or turned away have grown from 22,000 in 1995-96 to 48,000 in 2004-05. 1.20 A proportion may be resubmitted, and in certain circumstances the investment loss will only represent the difference between preferred investment and the alternative, rather than the value of the whole investment. Conversely, there are likely to be some lost investment opportunities from applications which are not brought forward, but it is hard to measure the extent of this, or how it is changing. But there was a 36 per cent drop in the number of commercial properties built 1991-2001 compared to 1981-1991 and a 20 per cent drop in new floorspace in the same period, and the question of whether the planning system has played a role in this needs to be considered.15 In terms of foreign direct investment, according to UK Trade and Investment, planning is consistently one of the top six concerns of companies looking to invest in the UK. Planning and investment 190 Barker Review of Land Use Planning – Final Report 14 DCLG Development Control Statistics, 2004-05. Interim report executive summary D 1.21 While it may impose economic costs, it is right that the planning system turns down inappropriate proposals or imposes necessary conditions. This is a vital function of development control. Investment objectives need to be balanced against other objectives. But while some factors work to the advantage of applicants – large

firms, for example, may have financial resources available to them that work in their favour – there are also a number of factors that may work in the other direction: • there is currently little financial incentive for plans and decisions to promote economic development, particularly in the economically stronger regions of England. With the exception of section 106 payments, whereby developers pay local authorities for costs related to the development which would otherwise be refused, and initiatives such as the Local Authority Business Growth Initiative, the local government finance system may provide little incentive to adopt a growth agenda. This is in contrast to countries such as Germany, where a combination of local taxation and per capita grants provides a strong incentive for local authorities to promote growth; • related to this, there are often local interests against development. These can be for good reason, and community involvement and democratic legitimacy are vital to planning. But plan-making and development control can favour smaller and more concentrated special interest groups at the expense of more diffuse interests. If a development will, for example, lower prices by improving the efficiency of a firm, it will do so for a wide group who each gain marginally, but may more directly affect a small group who may feel increased costs of higher congestion in the area. Evidence suggests that 60 per cent of planning changes brought about by the process of public participation result in a reduction in the amount of development proposed as against 13 per cent where development targets are increased.16 A recent survey suggests there is broad opposition to development (see Table 3); Table 3: Public attitudes towards hypothetical developments being proposed in their area Strongly Strongly oppose or Somewhat Somewhat support or Net oppose oppose support support opposition Waste collection/land fill site 80 6 3 9 –73 Power plant or utility 77 6 5 8 –70 Quarry 75 7 5 7 –70 Office 53 14 11 17 –39 Retail park 54 7 9 27 –24 Department store 50 8 9 29 –19 Supermarket 50 7 10 31 –16 Social residential – flats 39 13 15 27 –10 New road project 36 8 15 36 7 Govt office, church, non-profit 33 7 20 34 13 Private residential – housing 24 9 23 38 28 School 10 8 15 61 54 Source: Saint Index, March 2006 17 Factors at issue Barker Review of Land Use Planning – Final Report 191 15 Derived from DCLG data used for publication of the Commercial and Industrial Floorspace Statistics series. 16 D. Adams, The Urban Development Process (1995) 17 Percentages may not sum to 100 due to rounding. D Interim report executive summary • similarly, the nature of political pressures and time-horizons means that there can be a bias against developments that could have long-run gain and short-term costs: development may, for example, result in short-term local disruption to traffic (particularly with major infrastructure projects such as airports) even though the benefits it supports directly or indirectly may be felt over many years to come – though this can also work against certain long term environmental interests; • perceptions about development are not always accurate. The public cannot be fully informed about the nature of a number of specialised policy processes, of which planning is one. For example, even twenty years ago two-thirds of the population believed that 65 per cent or more of the UK surface area is urban, when only eight per cent of England is urban today;18 and • finally, the administrative boundaries currently in place for planning authorities can exacerbate some of these tendencies. Local planning authorities for towns and city centres will frequently be smaller than the travel to work area, or wider city-region catchments, where benefits of economic development will be felt and this may therefore result in sub-optimal outcomes. New plan-making arrangements that provide opportunities for regional/sub-regional plan making and local development documents covering more than one area may help to address this issue. 1.22 There are a number of ways in which planning can help promote competition and enterprise. Compulsory purchase orders can be used to overcome barriers to new development. And it can also be used to provide wider public goods such as busy and attractive high streets. Where planning is delivering effective infrastructure and regeneration this can also support competition in specific locations, while providing employment land can support the development of new enterprises. But planning can also have some adverse effects, though their overall significance is hard to evaluate: • the complexity of the planning system provides insider-power, as incumbent firms are able to exploit their knowledge of the system when making applications and objecting to proposals from competitors. Similarly the plan-led system may enable incumbent firms with the strongest lobbying powers to influence the location and availability of development sites. Large firms are more able to pay for quality consultants and legal fees; while delays provide rival firms with time to react to the threat of entry. Only 51 per cent of Small and Medium Sized Enterprises (SMEs) were satisfied with how their contact with Government in terms of planning permission process had been handled – the lowest levels of satisfaction of any of the ten areas surveyed;19 • planning requirements may lead to development being constructed below an economically optimal size, shape, condition or in a sub-optimal location, leading to higher cost structures and/or lower revenue flows. Similarly other restrictions to the use and development of property can preclude the efficient use of capital and lower competitive intensity, though they may be justified by wider goals such as

cultural heritage; and Planning, competition and enterprise 192 Barker Review of Land Use Planning – Final Report 18 B. Cullingworth and V. Nadin, Town and Country Planning in the UK (London, 1988), p. 184. 19 Small Business Survey, Annual Survey of Small Business 2004-05 (London, 2005), Table 8.2a. Base: 674. Interim report executive summary D • to the extent that restrictions to land supply raise land values and property prices, this raises the cost of entry to the market. Equally, the targets for development of previously developed land may mean that only larger developers are able to handle complex issues, such as site decontamination, tend to be able to enter some markets. Land supply restrictions also increase the potential for strategic barriers to entry to foreclose markets by closing off access to land – for example by purchasing land options. A recent report also found that local authorities also sometimes appear to favour the interests of firms indigenous to the area, for example by giving preference to local firms at particular sites.20 1.23 The impact on competition and choice may affect some sectors more than others. There is evidence that the hotel sector experiences difficulties with planning and that this might in part account for the age of England's hotel stock.21 A number of studies have also concluded that land supply constraints are lowering retail productivity by raising barriers to entry and inhibiting the ability of more efficient firms to benefit from economies of scale.22 A Competition Commission report in 2000 found that there were substantial economies of scale in stores up to 3000 square metres, but that the average store size in the UK is less than 500 square metres, with the planning system being partly responsible for this.23 Recent reforms to planning policy on town centres may go some way to addressing these issues and any costs associated with the impact need to be assessed against potential wider benefits. The relationship between town centre vitality, transport, and 'town centre first' policy is more complex than often assumed. Growing consumer expenditure, for example, suggests there is not always a zero-sum game between town centre vitality and development beyond the centre, and Planning Policy Statement 6 considers this. 1.24 There is less evidence of the impact of the planning system on the demand and supply of skills than for other productivity drivers. But it can be used to facilitate the expansion of the education sector at a time of growing demand for higher-level skills. It can aid labour market flexibility through its impact on housing supply and transport infrastructure. And it can be used to influence the types of employment and hence skill-base likely to be employed in a given locality: • in terms of facilitating the expansion of schools, colleges and universities the picture is varied. The biggest difficulties often relate to land supply issues, with planned expansions at Bath, Surrey and York all taking several years to negotiate their way through the planning system; • in terms of influencing labour mobility there is evidence that regional house priceto-earnings ratios influence net migration between the South East and the rest of England, in part as homeowners from lower-priced regions cannot afford to move to higher-priced areas. Similarly, delays to transport infrastructure provision can influence labour market flexibility; and Planning, skills and labour flexibilty Barker Review of Land Use Planning – Final Report 193 20 ECOTEC Research and Consulting Ltd and Roger Tym and Partners, Planning for Economic Development: A Report for the Office of the Deputy Prime Minister (2004), pp. 9,81. 21 Better Regulation Task Force, Tackling the Impact of Increasing Regulation – A Case Study of Hotels and Restaurants (London, 2000). 22 See among others, M. Maher and M. Wise, 'Product Market Competition and Economic Performance in the UK', OECD Economics Department, Working Paper no. 433 (Paris, 2005) and R.H. McGuckin, M. Spigelman and B. van Ark, The Retail Revolution: Can Europe Match US Productivity Performance? The Conference Board (Groningen, 2005). 23 Competition Commission, Supermarkets: A Report on the Supply of Groceries from Multiple Stores on the United Kingdom (London, 2000). D Interim report executive summary • planning policies can also influence the demand for skills through the planframework that can influence the type of employment in a certain area. Policies to encourage jobs that suit the needs of low-skilled residents, for example, may limit the growth of new enterprises. 1.25 The planning system has the potential to influence the size and development of agglomerations of economic activity. Larger towns and cities may reap benefits in the form of labour market pooling and supplier specialisation. Where planning constrains city growth it may constrain these benefits – recent research has suggested doubling the size of a city can result in productivity gains of three to eight per cent.24 1.26 In terms of innovation, the UK has persistently spent less on research and development (R&D) than key competitors – in the last five years the UK has spent 1.8 per cent of GDP on R&D while Germany and France have spent over 2.5 per cent. There are a wide range of potential explanations for this, most of which are unrelated to planning. The Government has responded in a number of ways, including introducing a ten-year science and innovation investment framework. But in recent years there has been growing interest in spatial explanations and the cluster benefits from proximity to similar firms – 54 per cent of high-tech firms finding local access to innovative people, ideas and technologies of value to their business.25 1.27 Planning is

only one factor among many in determining the success (or otherwise) of innovative clustering. Local authorities that choose to adopt pro-growth policies aimed at promoting clusters can be instrumental in ensuring their development and continued success, as the City of London illustrates. But the system does not always play this positive role in the development of successful clusters: • the Cambridge cluster, for example, now employs over 30,000 people, but, until the early 1990s, regional and county planning guidance aimed to disperse economic activity; • Oxford also developed a strategy of displacement, in the context of a tight city boundary which limits available employment land and raises house prices; and • for 'Newcastle Science City' the planning framework and administrative boundary issues may also be slowing development aimed at attracting 100 new technology start-ups to Newcastle and the surrounding area by 2010. 1.28 There is therefore evidence of land use regulation impeding the development of clusters that could have developed quicker or more extensively – a report for the DTI concluded that planning restrictions can be a 'significant barrier' to cluster growth.26 This is true both in terms of land designated for the purpose of cluster formation, and wider policies relating to planning such as the need to ensure an adequate supply of housing to support local labour markets. Where the wider conditions exist for cluster formation, the planning system needs to ensure that it does not act as an impediment within the context of its wider sustainable development objectives. Planning and innovation 194 Barker Review of Land Use Planning – Final Report 24 S. S. Rosenthal and W. C. Strange, 'Evidence on the Nature and Sources of Agglomeration Economies', in J. V. Henderson and J-F. Thisse (eds.), Handbook of Regional and Urban Economics, vol. 4 (2004). 25 D. Keeble, C. Lawson, B. Moore and F. Wilkinson, 'Collective learning processess, networking and 'institutional thickness' in the Cambridge Region', Regional Studies, 33/4 (1999), p. 325. 26 Lord Sainsbury, Biotechnology Clusters: report of a team led by Lord Sainsbury, Minister for Science (1999), p.41. Interim report executive summary D There are issues around the responsiveness of the planning system to price signals 1.29 There are large differences in land values for different uses in England. For England and Wales (excluding London) the average value of mixed agricultural land is around £10,000 per hectare.27 But land values for other uses with more limited supply (see Chart 2) are much higher. Average costs are £2.6 million per hectare for housing land, £660,000 for industrial and warehousing, and £780,000 for general office class B1.28 In certain parts of the country this differential is even higher. In the South East, for example, while agricultural land is worth £12,000 on average, general business class B1 land is worth £1.7 million and housing land £3.2 million per hectare.29 On average it is not surprising for there to be a large discrepancy in land values between certain use classes. But research suggests this discrepancy is also found at the border between use classes. 1.30 While there are non-market values of land to be taken into account, which can be substantial (rising to over £10 million per hectare for urban core public space) it is not clear that wider social or environmental benefits can always account for the level of discrepancy in land value for different useclasses.30 In terms of traffic emissions, for example, although it is often suggested that there is a link between density and emissions – and that one justification for high price differentials between urban and agricultural land may therefore be the need to reduce emissions – the nature and extent of this link is disputed. Over the long term, other policies, including road-pricing, may help to achieve the desired goals more efficiently. Equally, there may be wider costs associated with limiting the growth Barker Review of Land Use Planning – Final Report 195 27 Valuation Office Agency, Property Market Report 2006. 28 Valuation Office Agency, Property Market Report 2006. 29 Valuation Office Agency, Property Market Report 2006. 30 Eftec and Entec, OPDM Appraisal Guidance, Valuing the External Benefits of Undeveloped Land: A Review of the Economic Literature, A Report for the Deputy Prime Minister (London, 2002). Chart 2: Land use as a proportion of total area 2001 NB: Percentages have been rounded, a small percentage of land use is unspecified. Source: Generalised Land Use Database 0 20 40 60 80 100 London England EoE SE SW East Midlands West Midlands NW Y&H NE per cent Greenspace Developed Water D Interim report executive summary of towns and cities, as in some instances when sites of higher biodiversity within urban areas may be developed in favour of less valuable open space beyond the city boundary. 1.31 Land supply restrictions (only 0.6 per cent of land is developed to non-domestic buildings) combined with height restrictions such as tall buildings policies or protected views, are likely to have a hidden cost of increasing business rents – usually the second highest component of business costs after wages. It is clear that there is some relationship between price and supply of space – developers are, for example, revising down their rent estimates in certain Central London locations in the light of the anticipated 5.2 million square feet of space coming on stream at the nearby King's Cross development. Though precise rankings vary in part due to exchange rate fluctuations, England has some of the highest occupation costs in the world (see Chart 3): • of the world's 15 most expensive prime commercial property locations, five are in England; • London West End

occupation costs of £98 per square foot are the most expensive in the world. They are around 40 per cent more than any other city in the world, and double that of Paris, the next most expensive European city; and • prime site occupation costs in Manchester and Leeds are around 40 per cent more than mid-town Manhattan.31 1.32 While land is limited in England and demand is high, the magnitude of the differentials means it is difficult to account for the figures above in terms of these factors alone. Nor do construction costs appear to be higher in England than elsewhere. Research commissioned for the review on 14 local office markets going back to 1973 suggests that regulation – including planning – plays a significant role in determining price.32 And the need to deliver land for housing may be having a knock-on effect of distorting the market for employment land. 196 Barker Review of Land Use Planning – Final Report 31 CB Richard Ellis, Global Market Rents, January 2006. 32 P. Cheshire and C. Hilber, 'The Cost of Regulatory Constraints on the British Office Market', Report for the Barker Review of Land Use Planning, May 2006. Chart 3: Total Occupation Costs for Selected Cities, 2006 (Prime Commercial Office Space) Source: CB Richard Ellis 0 20 40 60 80 100 Brussels Madrid New York Midtown Manhattan Frankfurt Birmingham Leeds Manchester Paris London City Tokyo Inner Central London West End £ per square foot per annum Interim report executive summary D 1.33 But there is other data to consider. There is evidence that suggests that planning is not a major constraint on the supply of space. In London, for example, the stock of available permissions greatly exceeds the average rate of new construction starts, while in areas such as Yorkshire and the Humber there appears to be an oversupply of employment land. So in addition to supply constraints there may also be issues relating to the operation of the land market. In short, this is a complex area and research in the field is fairly limited. But though the degree is uncertain, planning restrictions are likely to be contributing, along with other factors, to high occupation costs in England. NEXT STEPS 1.34 Planning often involves making difficult decisions, and reaching judgements can be controversial. There are a number of ways in which the planning system appears to be integrating and where necessary balancing competing interests in an effective manner. The extent of open countryside, the degree of heritage protection, the vitality of many town and city centres, the successful separation between land uses such as heavy industry and housing, the ability to reach consensus about the nature and extent of development via community involvement, and the regeneration of many deprived areas are just some of the ways in which proactive planning actively contributes to wider quality of life goals. Many recent reforms should also help in the delivery of key outcomes – the new system of spatial planning, for example, should also help ensure that planning is better integrated with other policy goals at a regional and local level. 1.35 But more can be done to ensure the planning system responds more effectively to the challenges of globalisation. While there are important economic benefits associated with effective planning, there seem to be some negative direct and indirect effects, to varying degrees, on all five of the main drivers of productivity, though the literature in this area is often not extensive and it can sometimes be hard to isolate the impact of planning from other factors. This does, however, suggest that improvement in the performance of the planning regime could – where justified – help to close the productivity gap between the UK and other developed countries. 1.36 Responding to this challenge does not and should not imply prioritising the needs of business over other interests. Indeed, it may be that there are reforms that could also enhance environmental and social outcomes so that an overall better set of outcomes can be achieved. But it means improving a system whereby, according to a recent study commissioned by the Government, 'in general, planning for economic development is a lower priority and has a lower profile compared to other major areas of the planning system, notably housing and retail development. A culture of positive proactive planning for economic development is not firmly embedded, although there are positive examples where it does occur.'33 1.37 Among the issues that the review will explore in making its final recommendations are: 1. Efficiency of process – how can the planning system be made more efficient, so that it delivers high quality and sustainable outcomes while providing value for money? The review will consider how unnecessary delays and complexity in the planning system at all levels – national policy, regional and local plan-making and development control – can be further reduced, and how the skills of decisionmakers can be enhanced and how to ensure they are able to focus those skills on the most significant issues. Where planning policies seek to deliver important Government priorities, it will explore whether any might more appropriately be Barker Review of Land Use Planning – Final Report 197 33 ODPM (now DCLG) Planning Research, Planning for Economic Development: Report for the Office of the Deputy Prime Minister (2004), p. 7. D Interim report executive summary tackled, at least in part, by other policy routes or whether there are ways to deliver more joined-up policy. 2. Efficient use of land – many of the ways that planning impacts on the economy – including the expansion of universities, the impact on occupation costs, the development of innovation clusters, the setting up of small enterprises – relate to the supply of land. This raises

questions about whether sufficient land supply is designated for development. In addition there are environmental concerns about whether the right land is being used for new development. 3. Flexibility and responsiveness – can the planning system be made more responsive to price-signals and changing economic circumstances at a local and regional level, while also providing the certainty that businesses value? In this context the issue of the incentives facing decision-makers will be explored – for many local planning authorities there is often little financial incentive to adopt pro-growth strategies or enhance competition. The issue of the level at which decisions are best made will also be explored, considering how the principle of subsidiarity might best be applied. 1.38 In drawing its conclusions, the review will take note of emerging findings from related reviews, including the Lyons Inquiry, the Energy Review and the Eddington Transport Study. In considering potential reforms to address these problems, the review will also take into account four critical background issues: • it is important that participation and democratic accountability is maintained within the system; • in an age of increased legal challenge, risk-aversion among public bodies and private sector applicants is to be expected and this will necessarily have an impact on the speed and complexity of the planning system; • beyond an assessment of evidence relating to gold-plating, the potential for reform of European legislation is constrained; and • there have been a number of changes made to the planning system in recent years, and constant change bears its own costs. 1.39 There are complex sets of trade-offs to be made in planning and there are unlikely to be simple magic bullet solutions to many of these issues. Nor will reform be suggested for reform's sake. And given that the new plan-making process is bedding down, the focus of the final report will not be on this aspect of the system. But in the context of the issues identified, and the economic costs that may be being imposed on businesses and consumers as a result, the final report will consider how and whether planning can improve the efficiency and effectiveness of sustainable economic development while protecting or enhancing its wider sustainable development goals. 198 Barker Review of Land Use Planning – Final Report Barker Review of Land Use Planning

Source: Barker Review of Land Use Planning Final Report Recommandation, December 2006. GOV.UK