

Dilemmas of Integrated Area-Based Urban Renewal Programmes

by **Iván Tosics**
Lead Expert of the NODUS Thematic Network

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Urban renewal policies underwent significant changes in Europe in recent decades. With some simplification, the following periods can be distinguished:

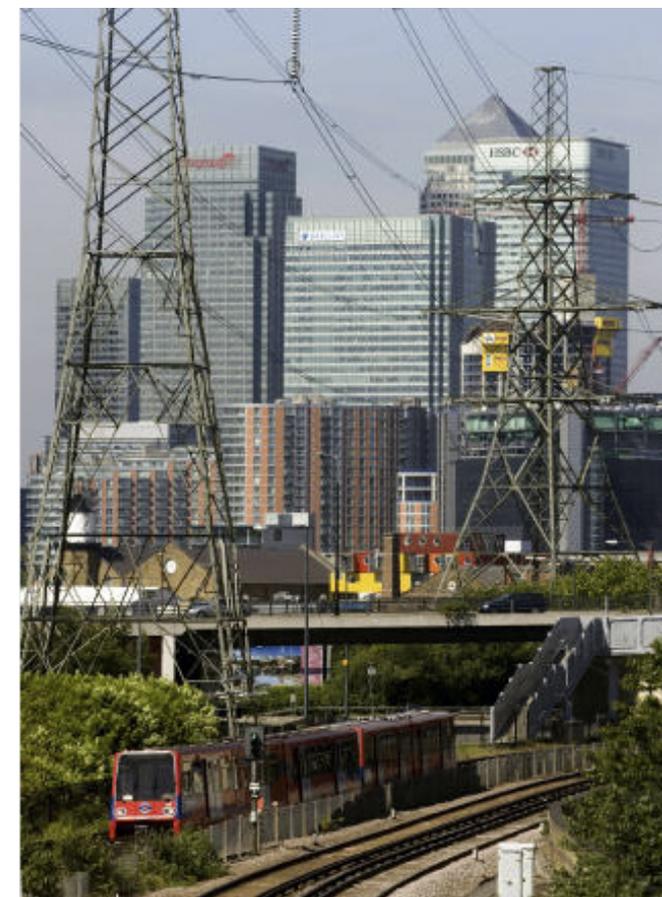
- 1970s: “hard” urban renewal - extensive physical interventions
- 1980s: “soft” urban renewal - efforts to keep the original population in place
- 1990s: “integrated urban renewal” - combining physical, economic and social interventions

The last decade brought heated debates about the understanding of the problems of disadvantaged neighbourhoods and about the potential methods to handle these problems. Previously, the common understanding was that the problems of disadvantaged neighbourhoods were caused by physical characteristics of the places and the composition of their population. Claude Jacquier (see Jacquier 2008) was one of the first to call attention to the role of the crisis of local institutions and their incapacity to regulate the interactions between place (environment), people (social) and institutions (economic and political). According to Jacquier, an integrated programme for sustainable urban development has to

manage and improve the interactions between all three components, in order for deprived areas to have a chance to become a “normal” part of the settlement pattern. From this statement it follows that disadvantaged neighbourhoods need complex interventions which have to cover not only physical and social issues but the whole range of government and governance issues. Thus the “new generation” of integrated area-based urban renewal programs aim at improving deprived areas through complex and interlinked multi-sectoral interventions. Behind this common understanding, however, there are two sensitive dilemmas which are heavily debated.

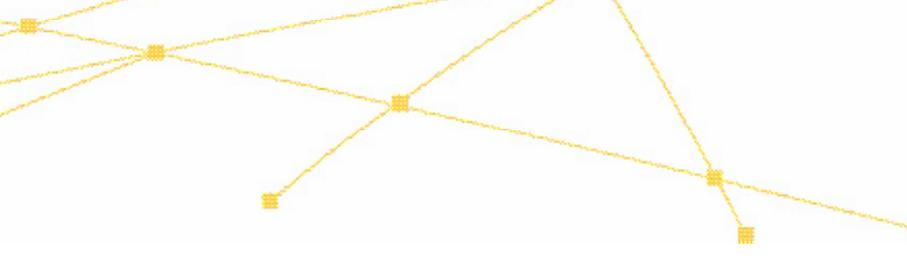
Should Interventions be Targeted to Deprived Areas or Not?

One of the dilemmas of integrated urban renewal is related to the very rationale and value of this type of intervention. The supporters of area-based interventions argue (Vranken-De Decker-Van Nieuwenhuyze, 2003:61) that although general anti-poverty programmes are essential, direct interventions into the most deprived neighbour-



hoods are of basic importance. Such interventions are needed to correct market failures (capital avoids problematic neighbourhoods) and to empower the residents, improving their access to mainstream job opportunities and other institutions of the society.

There are many different versions of area-based policies. The most common is determined by a top-down mixture of different types of (physical, economic, social) interventions. Another type, gaining ground in the 2000s, is characterized by attempts to increase the participation of local residents. One of the best known examples of this second type is the Neighbourhood Fund in Berlin.



■ In 1999 Berlin introduced the system of Neighbourhood Funds. On the basis of objective indicators the most deprived neighbourhoods of the city are selected. Each of these get access to a given amount of money. The decision about what to do with this money has to be made by the residents. In practice a jury is established in each of these neighbourhoods, with at least 51% of the members selected randomly from the local residents. Ideas, collected from the residents, are then judged by the jury which makes the final decision.

There are, however, strong critiques of area based policies from wider societal perspectives. Such territorially targeted approaches "... simply displace problems between different neighbourhoods and do not add to the overall economic and social well-being of the city as a whole – "they are the equivalent of rearranging the deck chairs of the Titanic"... This is the more true as (...) "the causes of the problems and the potential solutions (...) lie outside the excluded areas." (Vranken-De Decker-Van Nieuwenhuyze, 2003:62, quoting Ray Forrest and Michael Parkinson). According to this view the problems of the most deprived areas can not be solved within these areas. Instead, horizontal interventions are needed (reducing poverty, increasing the level of education, etc.) and physical interventions should address larger territorial areas.

Vranken (2008) raises further problems with area-based interventions.

"Selecting only areas with the most severe problems might imply that areas that are only slightly better off do not receive any attention at all. Second, area-based policies may move problems from one area to another. Third, by focusing only on a few neighbourhoods or districts, the potential of other parts of the city or the metropolitan area may be ignored. Finally, area-based policies may just be chosen because of their better visibility – which is a strong argument for politicians – and not because they are more appropriate."

As an alternative to area-based interventions, horizontal policies are put forward. These should take the form of public interventions for the whole urban area, either universally accessible or targeted on the basis of specific characteristics (not through selection of areas).

Some selective examples of such horizontal policies are the following:

a) to give equal opportunities to everyone in education through schools which are of equal quality everywhere (example: significant efforts made in the Finnish educational system to provide equal educational quality throughout the school system);

b) to enhance the skills of residents in order to improve their chances of finding a job (Birmingham city council organized training for unemployed residents to maximise their chances of being employed in a new shopping centre);

c) to improve access to information (example: East Manchester, where the municipality ensured access to internet for everyone);

d) to improve transport to enable residents of poorer areas to reach opportunities existing in other areas (example: Docklands light rail system in London).

In the debate about area-based initiatives one of the views is that area-based initiatives are only good when the major problems of an area are related to the physical characteristics (eg., rundown buildings and/or public spaces). If problems are predominantly social or related to employment however, interventions should not be based on the area. This view, however, is weakened by the fact that horizontal policies quite often do not "reach" the most marginalized groups of society – those living in the most deprived areas.

Needless to say, the dilemma of the rationale of area-based interventions is not conclusive, neither of the opposing views is universally accepted, and all the opposing arguments raised in the debate are true to a given extent (for each of the arguments it is possible to find concrete cases which "prove" the validity of the argument).

How to Deal with the One-Sided Social Structure of Deprived Areas?

The other dilemma relates to the social composition of residents in deprived areas. According to the recently very fashionable "social mix" approach the most deprived areas can not be improved with long-lasting results unless a change in the local social structure can be realised, i.e., unless it becomes more mixed by replacing a part of the low status residents with new, higher status ones.

The original version of this idea aimed to achieve a better mix of different housing categories in poor neighbourhoods, with the hope that a supply of new good quality housing would attract new

affluent households, leading to better social mix of local residents. In a later version of this policy the aim was modified: "(...) social mix can at least offer the opportunity to successful households to stay in the neighbourhood. This means that they will not have to run up the downward escalator and leave the neighbourhood." (Vranken-De Decker-Van Nieuwenhuyze, 2003:61). The presence of successful households in deprived neighbourhoods is also important to provide positive career-routes and aspiration to the future generation.

The growing popularity of social mix policies also comes up against the limits of integrated interventions in particularly deprived neighbourhoods: according to Kahrik (2006), "The lack of social

capital in existing populations was a constraint on empowerment strategies which could be addressed by social diversity strategies (...)"

Social mix strategy has been implemented in Dutch urban renewal programmes. In this case in selected deprived neighbourhoods some of the cheap dwellings are

demolished and replaced by more comfortable dwellings which are offered to successful existing local households, i.e., not only families from outside the neighbourhood.

The evaluation of such policies (e.g., the Dutch Big City Policy), however, shows ambiguous results. According to Musterd-Ostendorf (2008:83) "(...) the idea of attracting the better-off to settle in disadvantaged neighbourhoods appeared not to work". Another problem is that a long period of time is needed until real communication develops between the different social strata living in the same neighbourhood.

Social mix ideas, if not applied carefully and in combination with other public interventions, might develop in sharp contradiction with the social goals of housing policy. A recent case for this can be traced in the four largest Dutch cities.

■ These cities apply urban regeneration through the demolition of some of the worst housing stock and the creation of high-value new owner occupied housing. The aim is to increase social mix through the creation of a housing mix which might attract middle and higher income people back to the city, into the new high quality housing built in the previously poor neighbourhoods. For this policy there is an investment budget of 1.4 billion euros given by the national government with additional resources from urban authorities and housing corporations for the period 2005-2009. However, these policies have been criticized by analysts: attracting higher-income

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residents by positioning these urban areas in competition with the VINEX locations (large scale new developments outside the city's territory), the real aim is to increase the tax base, which leads at the same time to unacceptable social consequences. Here "social mix" means public support is given to those who are already more affluent.

Similar arguments are raised by Glynn (2008), who calls the social mix oriented city-centre regeneration "sugarcoated gentrification".

The outcomes of social mix strategies are rarely surveyed with empirical analysis. Such an analysis – still unpublished – was mentioned in a presentation given by Galster (2009). The empirical analysis of such policies faces a lot of problems. The first is the definition of "disadvantaged" which has clearly to be elaborated in different forms in different countries (income, race, tenure...). The concept of "social mix" also has to be defined carefully, referring to composition (on what basis), concentration (the extent or breakdown of mixing), scale (building, neighbourhood, metropolitan level).

According to Galster, taking a "social mix" approach can be valid on the grounds of equity and efficiency, and in terms of who is the beneficiary of the policy. These rationales can be surveyed through an analysis of the beneficiary of the policies: 1) the disadvantaged, 2) the advantaged, or 3) society in general (i.e., both of these groups, but not necessarily equally). So the evaluation criteria of the effects of social mix policies can be the following:

■ Equity criteria: to what extent is the first group the winner (improving in absolute sense the well being of the disadvantaged)

■ Efficiency criteria: to what extent is the third group the winner, i.e. positive sum outcomes for the society (aggregation of disadvantaged + advantaged), taking both intra and extra neighbourhood effects into account

Galster emphasized that social mix policies might only be efficient within given circumstances. If the share of disadvantaged people in a neighbourhood is below 20%, there is little need and mixing is likely to have little impact. But if this share is above 40% it is too late in a sense—the problems are likely too extensive for social mix policies to be effective. (These figures refer to "disadvantaged" as defined by the US poverty standard, i.e., these percentages are specific to the concept of disadvantaged in that context). On this basis one of the methods to increase social mix might be to reduce the share of disadvantaged people to 20% in all neighbourhoods where the existing proportion is above this threshold. This could mean that disadvantaged families from these areas are "parachuted" to more affluent neighbourhoods, but only to the extent that they increase by

no more than 5% the existing proportion of disadvantaged households. Another possible method is to encourage non-disadvantaged families to move into new housing in disadvantaged areas.

Social mix policies raise many interesting questions. One is the evaluation of the effect of the population change. The effect of the parachuted disadvantaged households on more affluent neighbourhoods can be measured for example by changes in real estate values in these areas. On the other hand the effect of the parachuted more affluent families on disadvantaged neighbourhoods can be demonstrated with the resulting positive communication-based effects. Andersson and Musterd (2005), however, argue that there are usually no such effects, and if this is true, mixing serves only to increase property values in the area, or in other words to offer nice real estate to middle class families.

Another question raised by these policies is the justification for the application of social mix policies. This might be different according to the type of neighbourhood: it may be more justified in deprived areas where the reason for the concentration of disadvantaged people is the lack of choice or racial discrimination, rather than in low-rent or immigrant-receiver areas where mixing can destroy existing social links without offering anything better. Even political counter-arguments can be raised against such policies: social mix can be considered as a new form of unwelcome institutional intervention, especially for ethnic/migrant groups. For example poor black households would not want to move into more affluent white neighbourhoods where they may face hostility and be considered as problem families. On the other hand they would not want to stay in neighbourhoods with bad schools, and little social aspiration. They are looking for something else, which is not on the list of the planners' ideas offered. [1]

An additional question raised by these policies is related to methods of selection of the families to be moved out – whether defined as low income or as "harmful" families (the latter are handled in the UK by the law on anti-social behaviour). Similarly the question can be raised in terms of where they should be parachuted, under which circumstances and to what extent should the residents of these areas be included in the decision-making concerning the rehousing initiative. In order to solve this problem, Lyon has developed a legal charter, "Greater Lyon Charter for Rehousing" as a means of trying to resolve this problem of inclusion in the decision-making

where both residents and municipality are bound by agreed conventions and obligations in the initial phases of the process.

The social mix strategy can easily become too "fashionable", applied without careful analysis of local circumstances and/or leaving important aspects out of consideration. Recently many large-scale demolition programmes have been launched in lower status neighbourhoods in European cities with a reference to social mix policies but with little or no regard to the external effects and social consequences. In the case of Paris, for example, large scale demolition in the *banlieues* (large prefabricated housing estates in the outer parts of the city) are heavily criticized by social analysts due to the fact that in the same areas there is a huge shortage of social housing. There are similar large scale demolitions in Glasgow, Lyon and German cities (just to mention a few), together with large scale investments of many hundreds of millions of euros in transport, upgrading public areas, and erecting new public buildings.

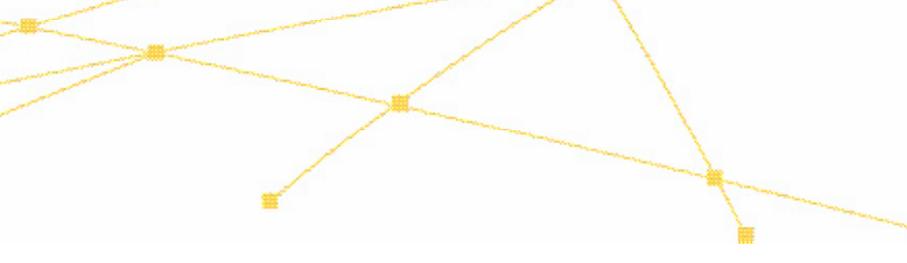
In most cases it is not the physical problems which justify the large urban regeneration programmes linked to extensive demolitions, but economic and social problems. In some areas segregation became unbearably high (the La Duchère housing estate in Lyon is just an example with 80% social housing), the prestige of these estates has decreased, and they have sunk to the bottom of the housing market as a result. In most cases demolitions of technically sound build-

ings are clear consequences of earlier mistakes in public policies, regarding economic development, employment, urban, housing and migration policies. This means that social mix interventions have to be applied in time, before segregation is reaching a level which can no longer be "repaired" through application of such cautious interventions and more drastic measures like demolition need to be considered.

The dilemmas of the social mix approach are highlighted from a different angle by Vranken (2008):

■ What makes world cities like New York, Paris, or London so attractive is the existence of a kaleidoscope of ethnic villages. This means that social heterogeneity should not be a target at the lowest spatial level. Within apartment blocks, streets and even small neighbourhoods, social heterogeneity is not only hard to realise; it often creates more problems than it solves and will be self-destructive in the end. Do not try to create "communities" through physical constructions.

It also means that to achieve social mix in deprived areas requires a well planned housing policy, covering the whole urban area, and ensuring the production of sufficient social housing in less segregated areas.



All of this means that a carefully planned social mix strategy can not exclusively concentrate on a selected area: besides interventions within the deprived area (demolition of bad and construction of higher quality housing) interventions in other areas are also needed, i.e., the neighbourhoods to which deprived residents are to be moved. It also means that to achieve social mix in deprived areas requires a well planned housing policy, covering the whole urban area, and ensuring the production of sufficient social housing in less segregated areas.

■ Lyon provides an example: according to a programme starting in 2001, thousands of housing units were demolished in Venissieux (a high-rise housing estate with a very bad reputation), while a similar number of new social housing units were built in other areas to create new balance across the entire Lyon area. This was a quite costly strategy for the local government who had to buy plots in more expensive areas in order to be able to provide social housing in such “normal”, non-segregated neighbourhoods.

In some countries (e.g., France, Germany) there are national laws existing either to prescribe a minimal share of social housing for each settlement or to ensure that a given percentage of new housing in each new housing project above a minimal size should be affordable for lower income households.

While there are debates about social mix in all western countries, this topic is hardly mentioned in post-socialist countries. One of the reasons for this difference is the fact that in these countries the large housing estates and inner city areas are not yet as segregated as in many of the western cities. There is also another reason, however. In post-socialist countries only very little social housing exists (stock has been privatised, new is not built), thus to find replacement flats for the most excluded is almost impossible and integrating them into existing neighbourhoods is also difficult, due to the strong exclusion tendencies in the majority population.

The Link between the Territorial Scale and the Social Character of Renewal Interventions

From this short overview it turns out that there are no clear answers on the dilemmas of urban renewal regarding area-based or horizontal interventions and how much social mix is needed at all. Of course, the level and type of deterioration of an area might give some ideas: urban ghettos should be handled differently from the case of simply marginal – low rent – areas. However, the final answers to these questions should depend on the

strategy of the given city and the metropolitan region: discussions with the affected residents and with all other actors in the broader area should decide the fate of people, places and institutions.

The joint analysis of the topics of social mix and of the area-based character of urban renewal interventions leads us to some important conclusions.

Urban renewal interventions should never be exclusively area-based – even in cases when most types of interventions concentrate on a selected deprived area, it has to be acknowledged that some types of problems (e.g., employment, education, health care) can not be handled exclusively on the basis of the small area and need therefore interventions beyond the area, on a much broader territorial scale.

The stronger the socio-spatial segregation of an area is, the more “social mix” type of interventions are needed. However, in order to minimize negative externalities, such interventions should be planned on a broader territorial base (e.g., city-region, see Tosics 2007). This also means that the interventions should not only be carried out within the deprived area and the monitoring of the effects should take place for the whole of the broader territory.

In an optimal scenario both area-based and horizontal (people based) interventions should be decided within the framework of a wider urban renewal strategy, covering the whole urban area. Such a strategy should include a longer term perspective about the economic, environmental and social aspects of development of the whole urban area and should create the area-based and the horizontal policies for interventions on that basis.

The introduction of area-based urban renewal policies was a very important step 10-15 years ago, enabling the integration of physical, economic and social interventions within the selected neighbourhood. The growing externalities of such policies, however, make it necessary to recognize that to overcome the “area effect”, the integrated approach should be extended to the city-region level, where the areas for interventions should be selected, NGOs and population groups should be involved in the area programmes and the outcomes should be monitored. This means a “second integration”: local area based actions must be integral parts of larger scale, regional development strategies. These “next generation” integrated policies will also enable the more sophisticated and controlled use of social mix ideas in urban renewal.

Thus the city-region level has a key role to play: instead of simply applying global ideas and/or pre-defined indicators, the governance system of the functional urban area has to identify and understand the local problems and set up the

strategy to handle the problems, with the help of locally developed solutions, ensuring the integrated approach and involving the local stakeholders. At the same time the city-region level is also important to minimize the area (spillover, external) effects.

All these tasks would need strong government on the functional urban area level. The reality is far from that though, the development of integrated policies in the city-regions is quite difficult all over Europe. Both top-down efforts and bottom-up initiatives are needed to “build up” the much needed financial and regulatory functions of the city-regions.

National urban policy should also play an important role in making the step forward from limited examples of good integrated area based programmes towards more systematic practices. In this process practitioners also have a task to act as conspirators (Jacquier) to build in a bottom-up way municipal, regional and national competencies in their various offices and departments, and in the political sense to develop both levels of integrated urban development. ●

[1] This example has been raised by Phillip Thompson at the International workshop “Planning with/for people. Looking back for the future”. 14-17 June 2009 Technion – Israel Institute of technology Haifa

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