

Local Notables and the city council revisited: The use of partnerships in the regeneration of Bristol

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Abstract

In post-war Britain the extension of the welfare state from 1945-75 was largely administered and controlled by local authorities. The creation of council estates alongside slum clearance re-shaped the city, alongside the council-controlled roads, shopping arcades, industrial parks, utilities, schools and hospitals. Thirty years of neoliberal economic policy has since undermined local government control in these areas, and replaced it with a plethora of new bodies. This paper examines how the new forms of 21st century urban governance, namely partnerships and networks of local organisations, have implemented policies and allocated resources in Bristol, a typical UK city. Judging the ‘success’ of the urban renaissance by its results, in terms of income inequality, standards of educational and welfare provision, housing allocation and clear public benefit accrued from development, it seeks to understand how far this constitutes an ‘urban transformation’ for the better and how far the new governance constitutes a continuation and intensification of an economic neoliberalism which is socially regressive in its outcomes. It does this by exploring the evolution of urban policy and practise in Bristol since 2000 and the kaleidoscopic fracturing and reforming of institutions that has accompanied the process.

Keywords

Partnership; Regeneration; Mainstreaming; Governance; Social Exclusion

Introduction

Regeneration partnerships were set up by national government to provide the framework for funding, mentoring and oversight which would allow deprived neighbourhoods to take greater control of the resources traditionally controlled by local authorities - education and social services, or by national government - employment training and welfare. Recognising that these institutions, like the NHS, have their own interests and bureaucracies, it was

argued that independent partnerships (with access to public funding) had to be created to allow these grass roots governance initiatives to survive. In order for the new governance regime to be theoretically feasible, test tube conditions are assumed. New formulae are devised within which – given a sustainable environment – the organism can evolve, creating a greater governing capacity of the community which will necessarily articulate its local problems and solutions. The backbone of this new organism will form over time as people organise and volunteer – in the light of the public monies on offer via the increasingly dominant, competitive bidding process. Results will be variable, but the promise of New Labour’s ‘new governance’ - to combat social exclusion through empowering communities to create their own ‘social economy’ – has generated a great deal of activity in the public sector in the last decade (Amin *et al.*, 2002). By 2006, it had become clear ‘such attempts are swimming against the tide of neoliberal politics which, while espousing community, at the same time embraces even more strongly the market forces and individualism which continually undercut social solidarity’ (Geddes, 2006: 84).

The principal barriers to a more socially cohesive society are, primarily, globalisation and the prioritisation of ‘urban competitiveness’ above all other policy goals. One senior figure at the World Bank has berated what he calls the ‘myopic bottom line’ of profit levels (Stiglitz, 2003: 180) that undermines regulated public/private ventures such as public utilities and the ‘not for profit’ sector of the economy (Palast *et al.*, 2003). Indeed, it is often forgotten that it was the profits crisis of the 1980s which led to the abandonment of city factories in the first place, a process that generated much of the urban unemployment, infrastructure degeneration, high crime rates and drug use that has facilitated the subsequent rise in social exclusion (Turok and Edge, 1999).

Citizens’ ownership of their city has always taken the form of a partnership, an alliance of government and local institutions. If the national state wishes to govern successfully it must take into account local conditions, accommodate local interests and key local institutions, or it risks undermining the consent necessary so to do. Since 1976, these partnerships have assumed a neoliberal rather than a social democratic form. Leys (2003) reminds us that the Austrian economist Karl Polanyi ‘helped to keep the threat of ‘deregulated’ capitalism present on the intellectual agenda’ by arguing that, “left to themselves, market forces will destroy society” (Leys, 2003: 217-219). Recent commentators on social policy have taken up this theme and highlighted the dangers of citizens suffering from ‘social exposure’ and the consequent ‘decline of the public’ (Marquand, 2004; Power, 2000).

Writing in exile during World War Two, Polanyi warned that the free market’s tendency to absorb public services into sources of profit – or, rather, treat them as commodities; will always result in an increasingly unequal society, where human beings, robbed ‘of the protection of existing institutions [...] will perish from social exposure [...] the demolition of society’ (Polanyi, 1945: 78). The fear of the destruction of society through the untrammelled operation of the ‘self-regulating market’ was widespread amongst Western governments; from 1945 onwards there emerged a new policy consensus which, like Polanyi, valued welfare institutions, state-controlled nationalised industries and public services. The idea of society as a joint enterprise – of the institutions of labour and those of capital becoming a social partnership, encapsulated in the phrase the *welfare state*.

In social democracies like Sweden and Austria, strong ‘social partnerships’ were established between local and national government and employers and trade unions. In Britain, however, the arrangement was less formal and there was no power-sharing through workers’ participation on company boards and the like, although from the 1950s to the 1970s tripartite partnership bodies representing these different interests did negotiate over working conditions, pay rates and job demarcation (Moschonas, 2002). In cities like Bristol, a new public infrastructure of council housing estates, re-built schools, social services and hospitals evolved (Malpass, 2006), and from the 1950s until 1975 relative income equality increased across the US, Europe and the UK (Iceland, 2003; Hills, 2004). In the UK, the percentage in poverty fell from 10% to 6% between 1960 and 1977, only to rise to above 20% of households by the early 1990s (Imrie & Raco, 2003 3).

Indeed, it is the market driven politics of neoliberalism that broke up the consensus and reversed these equalising trends and more (Harvey, 2005). This is part of a long term process by which market forces have pressurised social democratic institutions to maximise profitability. In local government, as early as 1969 there were local rumblings of discontent over the welfare consensus, with Bristol’s business elite complaining about the way in which welfare state policies did not serve their (and therefore the economy’s) interests, business methods run in business interests being their prescription for the city’s political ills (Clements, 1969). A decade later, as Thatcherism embraced the business agenda and privatised and decontrolled state industries, promoting financial services as the panacea to the decline of manufacturing as a key source of employment, it became fashionable to forget that what Polanyi had written of the socially destructive tendencies of ‘the running of society as an adjunct to the market’ (Polanyi, 1945: 63) in the 19th and early 20th century, has continued resonance in the late 20th and early 21st:

(T)he conflict between the market and the elementary requirements of an organized social life provided the century with its dynamics and produced the typical strains and stresses which ultimately destroyed that society. External wars merely hastened that destruction (Polanyi, 1945: 242).

Although relations between national and local government became increasingly strained, particularly in the Thatcher era, partnerships in regeneration were revived by Heseltine in the Greenwich Dome project in the late 1980s, when the term ‘urban renaissance’ became popular in government circles to describe the desired outcome of urban policy (Atkinson and Moon, 1994). However, these were very different partnerships to those used in previous decades. Rather than extending welfare to equalise opportunities, as envisaged in American ‘great society’ urban reform programmes, and Labour’s 1970s aspirations of ‘equal opportunity accompanied by cultural diversity in an atmosphere of mutual tolerance’ (Sivanandan, 2006); Thatcher’s pro-business methods and priorities were seen by policy-makers as the engine of economic revival in cities, and ‘partnerships’ became the means to bring local interests together to promote that new goal (Boddy, 2003; Jones and Ward, 2004).

These developments set the tone for the following decades, with the political shift towards pro-business and free market ideology deepening ever since:

Democracies around the world are relying on the same market-driven procedures to run their political systems that corporations use to ensure success in the marketplace [...] Preferences are assumed to be given [...] and the task [...] is to discover what they are and then try to make the chosen response to the ‘new reality’ of globalised markets appear to be in conformity with [...] the agenda set by market forces rather than the party in office (Leys, 2003: 69).

This trend towards creating new partnerships between national government, local institutions and community representatives was initially viewed with suspicion in the 1980s and 90s by Bristol’s ruling Labour Council. It was widely believed that local Quangos and nationally funded bodies would supersede their control over urban development (Bassett, 1996). However, since 1997, the local authority (Labour led up until 2004, briefly controlled by the Liberal Democrats and now a Labour/Conservative coalition), has been an enthusiastic advocate of partnerships between public and private bodies, either as a vehicle for winning funding or as a body likely to win approval for commercial property development. The policy commitment to competitiveness (Boddy, 2003), endorsed by urban planners, as enshrined in its primacy in the ESRC list of research priorities (Byrne, 2000 10), makes the commercial nature of these partnerships its primary motivation. The ‘Rhineland’ alternative of an alliance of equal stakeholders who negotiate outcomes to mutual benefit (Hutton, 1995) was never a part of New Labour’s UK regeneration plan. Instead, ‘capacity building’ and the resultant ‘social economy’ promised an independent voice for communities, but would the structures/funding regimes emerge to empower their plans?

The story in Bristol: an emerging partnership?

The Bristol Regeneration Partnership (BRP) was set up in 1998 to allocate European and national government money to community-based organisations that would comprise the new *social economy*. Government legislation made it independent of local government, in order to ensure that all bids and strategies were judged on their merit, and not simply the old organisations and interest groups dressed in new clothes. In reality, however, these developments did not take place under test tube conditions. Any scientific analysis of the results, of the successes and failures of the new governance as a vehicle for community empowerment, has to take into account the various factors whose presence ensured there was no political and social vacuum – thus imperilling the whole project from the start.

The evidence from Bristol since 2000 explores how this process of ‘mainstreaming’ has affected those communities whose interests are supposed to be channelled through Local Strategic Partnerships (LSPs). According to government guidance:

LSPs are collaborative partnerships where each member is an equal partner. Each partner will have a different contribution to make, and their worth needs to be acknowledged. Resources, responsibilities and duties may differ, but the value to the LSP of each partner has to be recognised (DETR, 2001: 15).

This may have been the aim of urban policy under the umbrella of the independent BRP, but legislation came into effect from 2002 which replaced it with the Neighbourhood Renewal programme run by the local council. The historic major stakeholder in delivering urban policy and many other services was back in charge of allocating regeneration funding: The BRP was wound up and voluntary and community organisations found themselves sidelined - their services ‘mainstreamed’. Mainstreaming describes the process where the government funded public services such as Health, Housing, Social Services and Education absorb new independently run regeneration initiatives (Lever, 2005).

The membership of Bristol’s LSP, the Bristol Partnership, is composed exclusively of managers and highly paid professionals from the principal local public service providers. This confirms national research findings:

The emergence of the LSP tends to enhance the prominence of a small elite group of local actors [...] the business of the LSP is largely conducted behind closed doors with only very limited public or democratic transparency or accountability (Geddes, 2006: 83).

Community organisations and voluntary sector NGOs are scarcely represented and it is difficult to get items onto the partnership’s agenda. In 2003, the LSP issued a community strategy without any prior community consultation, reinforcing the impression that, alongside the Regional Development Agency and local and national government, there is no serious intention to address the deepening social problems across the city; namely the crisis in affordable housing supply alongside educational underachievement and social polarisation.

While some observers have noted that ‘evidence of an “empowerment” model of community participation appears to be present in various aspects of neighbourhood renewal policy’ (Hastings, 2003: 94), Bristol’s partnership shows little interest in either consultation or representation from communities. Jones & Ward (2004: 153) have argued that this process of prioritising profit-seeking above other social goals ‘is bound by design to intensify the internal contradictions of capital accumulation’, a process that ‘can only increase the processes of socio-spatial uneven development and territorial injustices occurring in Britain’s cities’.

From the mid 1990s, Bristol’s City Council overcame ‘its traditional suspicion of the local business community’ with ‘the appointment of new council officers thought to have more sympathetic attitudes towards partnership working [...] and relaunching the Chamber of Commerce’ (Bassett *et al.*, 2002: 1758-9). Bassett explains this, after Di Gaetano and Klemanski (1999), as ‘a new pro-growth alliance between the city’s political and business elites around a ‘regional capital’ agenda for the city [...] in uneasy combination with a more reactive and defensive ‘growth management coalition’ of conservation and amenity groups and an emerging ‘social reform coalition’ based around an expanding network of community organisations in poorer areas’ (Bassett *et al.*, 2002: 1759-1760).

This ‘uneasy combination’, which Bassett also calls a ‘fractured regime’ (in Table 1 ‘Bristol: changes in governance’, 2002: 1760), exemplifies the inherent contradictions encapsulated within all partnerships between organisations with contrasting social and commercial interests. It was the Tory national government that first championed the need for urban regeneration, with Michael Heseltine calling for an ‘urban renaissance’ in the 1980s

(Atkinson and Moon, 1994). The methods were to be based on the apparent success of city ‘growth coalitions’ in the US, where local businesses generate the employment and revive economic flows into rundown areas, as outlined in 1995’s Policy document ‘Competitiveness: Forging Ahead’. Some commentators were wary of the benefits of this approach, pointing out:

A locality may become more ‘competitive’ [...] but this will not necessarily have a beneficial effect on the urban economy as a whole, and on workers and job-seekers directly. In fact innovation is currently destroying jobs in Europe and the US (Lovering, 1997: 76).

Moreover, purely commercially-driven projects often fly in the face of the desired social agenda, where the issues are off the radar of profit-related concerns. Its marginality in the employer’s consciousness, reinforced in questionnaire findings where employers expressed indifference to addressing social exclusion in labour market recruitment because ‘they could always get enough candidates’ for their needs (Boddy, 2003). This mentality has stymied any fruitful outcomes for prospective employees from socially excluded groups emerging from the partnership’s aims of promoting more socially inclusive recruitment practices. For example, construction work at the regeneration-funded St Paul’s Leisure Centre has to be halted temporarily in 2002, when it was discovered that there were no builders from minority ethnic groups working on site. This despite the existence of partnership agreements set up to ensure that all employers were committed to inclusive employment. Without a direct interest in achieving social goals, the employer’s ‘partnership’ commitment to sustainability is necessarily superficial, and limited in the face of pressures to maintain short-term profitability.

After 1997, with the advent of a new government apparently more interested in the ideas championed by urban policy analysts to transform run-down and deprived areas, there was great enthusiasm for becoming advocates of a new ‘inclusive’ governance regime – and no shortage of ideas of how their decay could be halted. The title of Power and Mumford’s report reflects this change from critical observer to practical advocate of urban policy: In ‘The slow death of great cities? Urban abandonment or urban renaissance’, they conclude ‘there is real potential for repopulating inner areas [...] more small households to redensify our cities [...] proactive policing [...] an overarching structure for managing conditions’ (Power *et al.*, 1999: 104-105). Ever since the millennium, cities like Bristol were certainly reviving economically and disused land has been marginalized to a few peripheral zones. Up until the bank crash of 2008, ‘Redensification’ and ‘urban compaction’ were advancing at a rapid rate, with extensive brownfield site renovation and rebuilding programmes making the city centre ‘Europe’s largest construction site’ (*Bristol Evening Post*, 5.9.2005). The greatest threat now appeared to be the quality and availability of social housing rather than its dereliction. All that ‘direction of travel’ is now in question, as we will explore further below: But first let us attempt to draw up a balance sheet assessing how partnership governance has met social goals in provincial UK cities like Bristol.

The ‘overarching structure’ of these developments is a partnership between public and private institutions, government and business – where local citizens have little say in the shape of their city. For the government itself:

The reconstruction of local governance in practice has little to do with new local economies or entrepreneurial cities. It has more to do with the deliberate construction of new local political actors and discourses from above, primarily a matter of modifying the mode of social regulation, rather than localising the regime of accumulation (Lovering, 1995: 120).

George Monbiot's (2000) tale of the 'regeneration' of the St Mary's district of another southern provincial city, Southampton, illustrates how, rather than becoming 'empowered', local residents found themselves fighting *against* a council-led, corporate makeover scheme for their neighbourhood. Similar stories from Labour's first term emerge from Govan, Glasgow (Mooney and Fyfe, 2006), and Southwark (North, 2003), where New Labour's urban regeneration programme, which commenced with much fanfare about democratising public planning and funding, has ended up 'mainstreaming' these concepts and resources, thus ensuring power remains with the city's traditional stakeholders (Amin, 2005; Newman, 2005). In another recent review of regeneration in Bristol, the authors expressed disappointment at the way in which the early promise of 'inclusion' has been stymied by lack of access to funds (Bull and Jones, 2006: 783).

Has Bristol's governance evolved?

As early as May 2001 three 'key partners' in the process of the city's planned urban regeneration were acting out this contradiction. A pro-business, pro-growth agenda was well represented in the long-standing personnel and priorities of both the regional development agency and the Council. Growth through commercial expansion, with associated consumer 'benefits' had driven earlier waves of post-war development, creating shopping centres, ring roads and distribution warehouses. More extensive exploitation of underused sections of the city promised the 'win win' scenario of more construction jobs, regenerating 'brownfield' redevelopment and creating a property-led 'urban renaissance' (Boddy, 2003; 2006). The BRP, representing the voluntary sector and community-based non-governmental organisations (NGOs), were obliged to consult and represent these more social, non-commercial values and ensure they were funded. Indeed, the whole rationale of the BRP was to be a voice for social inclusion in employment and environmental development within deprived communities - who were now 'empowered' to take the financial reins of (some of) the public funds previously spent on their behalf.

However, by 2002, the Bristol Regeneration Partnership was closing down. The introduction of the government's 'Neighbourhood Renewal' programme in the same year was billed as an extension of the new 'mode of governance' and it was argued that it would create new democratic institutions – often, but not always, termed partnerships. In Bristol, however, funding allocations (European Social Funds or National Government Regeneration Funds) were placed with the local authority and there was no longer any role for the 'independent' BRP. Without the capacity to fund community-based regeneration independently of the mainstream institutions, it was therefore inevitable that partnership processes would lead to independent organisations being mainstreamed, rather than the

promised outcome of ‘networked’ local governance giving more power to the grass roots (Newman, 2005; Taylor 2003a).

Since 2004 this has led to cutbacks in the funding for community-based NGOs whilst mainstream organisations have absorbed their functions, through the amalgamation and incorporation of local Drugs projects, for example (*Bristol Evening Post*, 26.9.2005). Newly funded projects “frequently run into problems when they interact with existing organisations and institutions - as regeneration partnerships have all too often discovered.” (Atkinson, 2003 105). Additionally, without the BRP to act as referee, new urban developments were no longer required to consult and negotiate with community organisations on every new use of public space or change to public services, but merely to create the *form* of a social partnership - which was hollow, because the kernel of community participation and control had been removed. Hypothetically, councillors and members of the public can scrutinise local developments, but the recent turn towards an ‘inner cabinet’ rather than council meetings, as the venue for decision taking, and the lack of grass roots representation on bodies like the Bristol Partnership, has effectively marginalized the public voice in official discourse. With the closure of the BRP in 2002, Bristol’s brief experiment with participatory urban policy was snuffed out.

Managers of community organisations, who had previously openly criticised the discriminatory and bureaucratic practises of the ‘bad old days’, often in order to justify funding for themselves, realised they would have to stop seeing Council Policies in Social Services, Housing etc. as part of the problem. If their fledgling organisations were to survive they required future funding to be sanctioned by the big local players - the Council, National Government and the ‘Bristol Partnership’. Without a framework for accessing funds and influencing policy, the idea of participatory governance in Bristol could not become reality and the social inclusion element of planning and services no longer had a claim that civic developers were *obliged* to address. A prime example of the anti-social consequences of competition trumping inclusion has been the nature of the regeneration of Bristol’s waterfront and city centre, and it is to this development that we now turn

Down by the Riverside

How best to describe the demographic changes occurring: Are they broadly socially exclusive or cohesive? Unlike Newcastle and London, (Davidson and Lees, 2005), Bristol’s waterfront regeneration has not involved the removal of a poorer community to make space for new residents with higher disposable income. The city’s docks are in the West, not the East where the bulk of the city’s working classes have lived over generations. World War Two bombs cleared many old central riverside slums, and the port’s relocation to Avonmouth in 1910 left declining city docks, which closed altogether in the 1960s. As a result, ‘there is no direct displacement of other social groups and lower income households as occurred with pre-recession gentrification’ (Lambert and Boddy, 2002: 18). Adjoining former working class areas have seen some gentrification in this displacing fashion, creating a more socially mixed *milieu* in once predominantly working-class districts on the city’s inner Southern fringe such as Southville, Totterdown and Bedminster. But the Harbourside development itself has not displaced poorer residents, and it therefore had the potential to be popular and

socially inclusive as well as commercially successful - if it managed to be a true partnership where all interest groups' views were taken into account in its design and use. However, given the corporate and local government control over the whole process of making, judging and rewarding partnerships, the success of this new model should be measured on the outcomes achieved rather than the stated policy aims.

By 1990 'some of the excesses of 'big bang' property development (such as that found in London's Docklands) had been avoided' (Bassett *et al.*, 2002: 1761); not surprisingly perhaps, in a provincial city where stock markets and bankers are thin on the ground. But the near-complete Harbourside redevelopment has a virtual monopoly of business-focused institutions. The circular coliseum of Lloyds Bank, complete with outdoor arena, sit at the hub. Vast office blocks also house Halifax/Bank of Scotland. Further down the river this is replicated at Temple Quay with new HQs for Bristol and West Building Society, BT and the regional development agency itself. The accompanying residential property development process emerged through the same commercial channels (Boddy, 2006). International investment syndicates commissioned apartment construction via land deals with local authorities and other key stakeholders, such as the city's colleges and universities. Estate agents then helped them to sell off a select minority of properties to create an air of owner-occupation. Agencies let the bulk of these properties on their behalf although, because the syndicates' main source of profit is from the investment capital realised from the rising property market, there was initially no onus to ensure maximum occupancy levels. After the crash, what once looked like a sound investment begins to resemble an over-exposed liability and another mountain of potential sub-prime debt for the banks.

This pattern of residential block property development, which slowed markedly post the Northern Rock takeover in 2007 and juddered to a complete halt in late 2008, was creating a degree of urban compaction, as Bristol's once under-utilised inner city and central districts found themselves subject to a wave of investment due to high housing demand and property prices. But the main damage stems from the purely commercial nature of the work which conspicuously fails to address social goals. For example, the provision of affordable housing was simply de-prioritised, Boddy (2006) estimates there are fewer than 30 units of social housing on the Harbourside. In the 'Cabot Circus' shopping mall city centre redevelopment, there will be only sixteen units of social housing, all adjoining a new multi-storey car park whose fumes level would have made them more difficult to sell on the open market.

Because the social and commercial claims on urban development are not allowed to compete with one another, the new development reflects the transformation of the partnership organisation: from a more independent body charged to weigh up the relative claims of the two agendas, to an outright body of commercial interests whose commitment to 'sustainability' is verbal, marginal and best seen as the social window-dressing to create an impression of 'mixed development'. This is part of a national pattern of commercial developers re-inventing themselves as partners in sustainable development in order to secure planning approval. Recent research demonstrates that the veneer of sustainable social responsibility is pretty thin, often not extending beyond mission statements (Myers, 2005). Thus, the community-based proposals for a Harbourside mosque and swimming pool were rejected, whilst the Bristol 2000 partnership oversaw the founding of a cultural quarter in the

Harbourside which is broadly commercial (theme bars, nightclubs and restaurants), plus the heavily subsidised @Bristol interactive museum and IMAX cinema. No new public buildings have been built. The aim seems to have been synergy between the property and entertainment developments; for example, Crosby the developers specially designed the entrance to '@Bristol' in order to accommodate adverts for their apartments on the front of the building in 2005.

Bassett *et al* are clear that 'the Council was both a major land-owner anxious to achieve early development on the site and also the planning authority responsible for making the final decision' - and that this 'posed a number of problems'. The campaign that led to the rejection of the first proposal in 2000 utilised this story of possible profiteering and vested interests to its advantage. But re-submission of a very similar proposal, with more widespread consultation led to unanimous approval by the Council's Planning Committee in 2001. At the time, Bassett concluded that "'growth management" conservation groups and amenity societies proved to be stronger ... the growth coalition weaker' (2002: 1776-8 1773). But this was on the basis of believing that corporate, commercial interests had been thwarted. As the development nears completion it is difficult to sustain this view.

Additionally, the dominant financial interests in the partnership have benefited from the hike in city property prices that has in turn led to further extensive re-building of the city centre and inner districts, as property developers sought enhanced profits: Now they seek to evade responsibility for the financial calamities that have come in its wake. The impact of a sustained high demand for housing caused by 'household fission' (Robson *et al.*, 2000) in a rising property market has made owner-occupation financially unfeasible for a substantial minority of mainly younger people, subsequently helping to maintain revenues from private rental income for syndicates, agencies and individuals owning 'buy-to-lets'. In Bristol, since 2000, like other UK cities, property prices have risen approximately 150%. Using the standard formula of 3 to 3.5 times gross salary necessary for mortgage approval, households now require a £35,000 to £40,000 income in order to get on to the bottom rung of the housing ladder, placing sustainable owner-occupation beyond the reach of at least half the city's population (Malpass, 2005: 148). Despite this, private developers continued to build thousands of new housing units to be sold at the high prices set by the market in Bristol's version of an international unsustainable property bubble which saw 'the proportion of Californians able to finance mortgages on entry level homes fall from 44% in 2003 to 24% two years later' (Davis, 2007: 169).

The recent wave of bank collapses and mergers has resulted from over-investment in poor quality mortgage loans to both over-leveraged first-time buyers, and buy-to-let investors and syndicates whose financial credibility has been fatally undermined – dragging down the values of their investments sufficiently to create a recessionary spiral with impacts far beyond the property market. Two of the Harbourside's largest tenants are the banks themselves – so now the Lloyds Group megabank of Lloyds/TSB and Halifax/ Bank of Scotland has two regional HQs there. This institutional insecurity compounds the volatility of the property market and presages a transformation from property boom to bust:

Without generating an atom of new wealth, land inflation ruthlessly redistributes wealth from asset-seekers to asset-holders...a private ATM machine, providing consumers with magical, unearned cash flows (Davis, 2007: 168).

Residentialisation, gentrification and capitalisation: sustainable communities?

Because of the lack of displacement at Bristol's Harbourside, Lambert and Boddy (2002) opted for the more neutral tag of 'residentialisation' rather than 'gentrification' to explain these developments. Davidson and Lees (2005) prefer to categorise these types of UK property development as gentrification, although they acknowledge that this involves redefining gentrification as less the direct displacement of working class communities by the upwardly mobile, but rather an overall re-ordering of the urban social mix as a consequence of rising property prices and exclusively commercial development. The former point out that this is hard to quantify specifically and that this current wave of urban repopulation in Bristol does not represent gentrification.

Many of the new flats and apartments are rented by young workers. Some of the downtown refurbishments and rebuilds are 'social housing' for university students. Add in the fact that a significant proportion of the more exclusive apartment blocks are under-occupied – due to their primacy as investment income – it becomes clear that 'gentrification' in the classic sense of middle class residents displacing an older working class community - is not occurring. By contrast, in areas like Millwall in East London where gentrification has occurred, Tory councillors have been elected in what was traditionally working class pro-Labour area. In one of the wards in neighbouring Tower Hamlets, Shadwell, which Davidson and Lees cite as a gentrifying area (2005, Table 3: 1178), the left wing Respect coalition won all three seats in the 2006 local council elections, although it has since broken up. Whilst this doesn't disprove their claim that more professional groups are growing in Shadwell, it does emphasise how - up to now - the overall working class character of the area has not changed. The evidence provided about the changing demographics of London's riverside residents, whilst potentially significant, is ambiguous due to the overly-broad nature of the vocational categories used to measure said changes. For example, the 'growth in "elementary workers" (cleaners, kitchen staff, security guards, porters)' (Davidson and Lees, 2005: 1184), probably represents some of the same people no longer working in skilled and unskilled trades. Also, these official statistics fail to capture some recent immigrants who don't figure on electoral rolls or the census.

But if in Bristol gentrification by displacement is not yet driving poorer populations out of city centres, Lambert and Boddy's (2002) 'residentialisation' is rather too neutral a term to describe the dynamics of development in contemporary urban regeneration. In the 2000 – 2007 property boom the costs of owner-occupation rose to unsustainable levels for an increasing proportion of the population. This is as a result of the high profit margins realised by big business, in partnership with the local authority, who claim to share a vested interest in rising property prices and private rental rates i.e. the city's 'urban renaissance'; which themselves fundamentally undermine the ability of residents to maintain a sustainable lifestyle. By excluding itself from virtually any responsibility in practise to provide social or affordable housing within these new developments, the question of how the poorer half of Bristol obtains sustainable secure housing is left unanswered by government. UK home ownership rose from 50% to 74% of households between 1979 and 1999 (Leys, 2003: 48). But with the richest half of the population owning 94% of wealth (excluding housing costs), what hope for those millions incapable of raising a mortgage or securing affordable rented

property? The idea that getting on the housing ladder remains attractive to many, whilst frustratingly financially beyond their grasp (Malpass, 2005a).

Perhaps a better way of capturing the social dynamics of the evolving city is needed. ‘Gentrification through ownership’ is an accurate description, but just because it does not necessarily involve the direct displacement of a poorer community, it does not mean the process of 21st century urban development is not socially exclusionary in its outcomes. For example, the poor provision of any social or affordable housing by developers in Bristol is not an accidental oversight, but rather the inevitable result of a partnership regime which places profitability and corporate control at its heart. By paying little attention to the social exclusivity generated in the ownership of central housing resources, and its ultimately negative consequences in alienating the poorer half of the population from assimilation into the home-ownership ‘culture of contentment’ paradigm - which the market holds up as the future hope of all citizens - it holds out false hope that public-private partnerships will deliver a socially inclusive urban renaissance, whilst social polarisation – the exact opposite - is occurring.

The claim that this process is Janus-like, facing two ways at once, favouring both property and the public good, thus appears illusory and contradictory. A better term than either of the above would be *capitalisation*, in that it is the voracious appetite of self-expanding capital accumulation that has driven property prices into unsustainability for many people in housing need. The inability of the poor to reap the benefits of a rising property market through ownership leaves the field free for society’s wealthier institutions and individuals to profit (Cerny *et al.*, 2004). The state compliments developers by releasing and authorising land for development, and by refusing to carry out public house building programmes at affordable rents, which could meet the housing demand now channelled into private rental income. The financial crash offers national and local government the chance to buy up new developments and allocate housing on a needs basis to bridge the gap, but there is no sign of such an initiative – a genuine urban renaissance.

Bristol, it could be argued, is in danger of becoming a city with a mass of new housing built for owner-occupiers, but owned by a growing *rentier* class growing richer on the returns of an inflationary market which places most would-be homeowners in an impossible position, compelled to rent at top prices that undermine the sustainability of their wage bundle, without security of tenure or the prospect of a first step on the housing ownership ladder. The social consequences are explained by a veteran observer of Bristol’s housing welfare state: ‘The exaltation of markets and consumer choice reflects indifference towards the inescapable fact that markets work best for those who have most money...owner-occupation not only reflects but amplifies inequalities created in the labour market’ (Malpass, 2005b).

Where are we now?

The value of Karl Polanyi’s ‘The Great Transformation’ is that he echoes Marx in not only describing the human cost of a purely profit-centred capitalism, but also demonstrates the necessity of a social reaction that prevents market madness becoming a meltdown of institutional arrangements. He shows us Gladstonian regulation rescuing and strengthening

Victorian capitalism and thereby recommends the 20th century post-war reconstruction of the US New Deal and the Western European welfare states.

In 2009, 40 years on from Clements' earlier study the wheel has turned full circle. Rather than business notables complaining of the power of the local social democratic bureaucracy now it is they who are in the dock: Accused of wielding too much local power over an area – housing - with a previously more social-democratic character, accountable to the electorate through the local authority (Malpass, 2006). Now this anti-social behaviour of mindless profit-seeking is destroying their own market-model of meeting public need for housing provision via commercial property development. In current economic circumstances then, the hope that the Harbourside development would set 'an important precedent [...] of more democratic and open decision-making established that could be generalised to other major planning decisions and other policy areas' (Bassett *et al.*, 2002: 1774) now seems forlorn. A similar process has been noted in the outcomes of community development in Hengrove, South Bristol:

It is paradoxical, therefore, that the local council should be put in the condition of having actively to raise the input of property and commercial developers to an area which they own [...] certain actors – the RDA, the planning consultants – were able to influence the master plan to a much larger extent than the community groups and associations (Bull and Jones, 2006: 778-783).

At a public meeting in 2004, the chair, Bristol South MP Dawn Primarolo was severely criticised by local community representatives for the shortcomings of the Hengrove development. The promised new hospital for South Bristol had turned out to be only a clinic, with limited facilities, whilst the revenues from the sale of the soon to be closed Bristol General Hospital would not go into South Bristol but rather the central Bristol Health Trust. In discussion groups, local residents and paid workers confirmed their fears that only commercial priorities would be approved, undermining the local environment by ignoring the requirements of public infrastructure.

Residents in St Paul's and St Jude's adjacent to the City's new shopping centre will also feel the high cost of the development now emerging on their doorstep, a development The 'Broadmead Alliance' (of local authority planners and construction companies) funded and approved without carrying out the required Air Quality and Race Impact Assessments. The alliance's £250, 000 allocation for community projects represents a mere 0.04% of the £550 million budget. Very early on in the project, local objections were lodged and considered irrelevant as the project was waved through (Clement, 2007). Many councillors preferred not to attend the meeting in the council chamber at all, preferring instead to enter at the close to cast their votes.

The proposed name for the new mall, the 'The Merchant's Quarter' was withdrawn after a public campaign protested at links to the city's slave trading past in the marketing of a location still inhabited by a large African-Caribbean community (Clement and Lever, 2006; Wilkes 2006). It says a lot about local community's input to this huge development, built within one hundred metres of their neighbourhood, that they had to mount a public petition just to influence its *name*. Renamed after an earlier Bristol merchant with slaving

connections, the Venetian Giovanni Cabot, ‘Cabot Circus’ opened in September 2008, just days after the closure of Lehmann Brothers heralded the new recession.

Conclusion

In the early 1990s, before national government had convinced Bristol City Council of the merits of ‘partnership’ working with business, there had been a plan to use the space allocated to the new shopping mall and luxury housing developments to build training workshops with local community control (Lovering 1991). The council’s change of heart reflects the national political evolution of the Labour Party into an avowedly commercial body whose role is to commodify the public realm via partnerships and privatisation.

Centralising New Labour now controls council policy; and new partnership forms of local governance are allowing old forms of representative democracy to be bypassed through the direct involvement of unelected interests (Glynn, 2008: 76).

However, it would be wrong to state that there was organised opposition to the results of Bristol’s new property-development partnerships. The pubs and clubs of the Harbourside remain popular, although the rest of the cultural quarter languishes under a rumoured significant debt. Even the massive road re-build at the city’s entrance was borne patiently by gridlocked commuters. However, concern remains about the lack of affordable housing and quality secondary education within the city, reflecting rising cynicism about the mainstream political parties and their neo-liberal policies generating ever-widening inequalities (Clement, 2007). Since 1997, Bristol has closed five secondary schools – all in poorer areas. Five swimming pools have closed whilst only two have been built. Three jobcentres have closed and in 2005 it was announced that one of the city’s big three hospitals, Frenchay, will be shut down.

For the government, however, Bristol is an ‘affluent city’ with the fourth highest average GDP in the UK, its successful public-private partnerships delivering impeccably on the ‘Holy Grail’ of neighbourhood governance. In 2003, urban policy commentators in Bristol were happy to declare the cup half-full, the argument being that there were many spaces and opportunities for communities to engage in shaping their future (Boddy, 2003; Taylor 2003b). Unfortunately, this faith in the capacity of government to represent the public interest is not borne out by the facts.

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