The Challenge of Urban Regeneration in Deprived European Neighbourhoods: a Partnership Approach*

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Abstract: This paper sets out to critically examine the adoption of a partnership approach to urban regeneration at neighbourhood level across eight European cities. While all of the cities were committed to the idea of the socially integrated city, significant differences emerged in the conceptualisation and practice of partnership at neighbourhood level. This paper draws on case studies assembled in the course of an EU funded thematic network (ENTRUST) to illustrate, in particular, the challenges associated with (1) mobilising the private sector and (2) engaging the local population in the process. The paper concludes that the experience of partnership at neighbourhood level is largely determined by contextual factors such as local and national institutional structures, political culture and the relative power of potentially competing actors within the urban regeneration system.

Cities are windows on the transformation of social regimes
(Mingione, 2005, p. 68)

I INTRODUCTION

One of the key features of western European governance has been the evolution of state strategies to grapple with the problem of uneven development (Brenner, 2004). Managing the contradictions inherent within a capitalist economic system is a major task faced by the institutions of the central state. The key challenges faced by western Europe in the post-Fordist era have been identified by Mingione (1996, 1997, 2005) as the industrial restructuring and the attendant intensified pressure of competitiveness; the crisis of welfare and public services and the reshaping of patterns of political representation and citizenship. Taken together these challenges have forced a re-working of both the regulatory regime within which the state does its business, and the form and functions of state practices. According to Mingione, Europe is set on a path toward social regimes that are centred on more unstable, fragmented, flexible and non standardised rationales than in the past, (2005, p. 67).

Partnership has emerged as a popular strategy deployed by the state at national and local level in order to address problems of accumulation, redistribution and social exclusion. Urban regeneration strategies in particular, have embraced the idea of partnership between stakeholders in attempts to boost economic development, refashion neighbourhoods for the tourist gaze, address deficiencies in the housing market and re-invent public space. This paper sets out to critically examine some of the convergences and divergences in relation to the partnership approach to urban regeneration at neighbourhood level across eight European cities. The cities examined here form part of the ENTRUST thematic network funded under the European fifth framework programme.[1] Eight cities took part in the consortium: Berlin, Copenhagen, Dublin, Glasgow, Hamburg, Lisbon, Valletta and Vilnius. The selection of cities was based on geographic spread as well as the desire to include the different and emerging traditions of governance across Europe. The project commenced in early 2002 and concluded in mid-2004. Each of the eight city teams was made up of both academic/research personnel and

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[1] ENTRUST- Empowering neighbourhoods through recourse of urban synergies with trades, contract number EVK4-CT-2001-2007. Participating cites were Berlin and Hamburg (GERMANY); Copenhagen (DENMARK); Dublin (IRELAND); Glasgow (UNITED KINGDOM); Lisbon (PORTUGAL); Valletta (MALTA); Vilnius, (LITHUANIA).

municipal/local development personnel. The network was practitioner-led. The primary objectives of the network were to assemble knowledge about the state of art in urban regeneration in Europe, and to identify successful principles and approaches in promoting and sustaining local partnerships. The overall aim of the project was to distil from a series of regeneration case studies, a model of best practice for public-private partnerships in the sector.[2]

While all of the participating cities were committed to the idea of the socially integrated city, significant differences emerged in how the common problems were conceptualised, prioritised and addressed. For example, the definition of public-private partnership on the ground, the levels of engagement of various stakeholders, and the means of community participation varied widely. While each participating city shared a common focus on neighbourhood regeneration, how regeneration was imagined and implemented owed much to contextual factors such as institutional structures, political culture and the relative power of (potentially) competing sets of actors within the urban regeneration system.

II THE EVOLUTION OF PARTNERSHIP

Partnership is the preferred mode of regulation adapted by the contemporary European state. Partnerships are seen as a palatable alternative to hierarchies and markets, (Benington, 2001, p. 203). Partnership is not new, as it builds on a history of inter-agency collaboration and participation by local communities in the implementation of programmes and delivery of services in many countries, (Geddes and Benington, 2001, p. 25). Within the specific policy realm of tackling poverty, the focus is increasingly on the adoption of a more integrated, multi-dimensional and geographically

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[2] The project proceeded in four phases which involved study visits to each city, the production of overview reports on each city, the identification of key themes for comparative analysis and the production of a synthesis report highlighting best practice in each of the participating cities. Over the two and a half year period, eight cross-city visits took place during which participants spent two working days visiting regeneration projects in designated neighbourhoods. Each city team was required to reflect on and report their observations of each visit, and to produce an overview report on partnership and urban regeneration in the home city, in accordance with guidelines set down by the group. Four key themes were identified as forming the principal points of analysis for the project: the aims of regeneration, private sector involvement, community participation, anchoring and mainstreaming. The material across the eight cities was synthesised under these themes. The city reports and thematic reports formed the basis for the final project document which makes recommendations on policy and practice in the field of urban regeneration. See: *Regenerating neighbourhoods in partnership-learning from emergent practices.* ENTRUST 2004.

targeted approaches. This re-orientation toward the local reflects the kind of spatial turn that Brenner and others have identified within Western European governance structures. Indeed, Jessop has suggested that the drive toward localisation of initiatives to combat poverty and counter social exclusion is a direct result of the "hollowing out" of the nation state, (Jessop, 1993). State policies are differentiated across territorial space in order to target particular geographical zones and scales, (Brenner, 2004, p. 89). The mobilisation of states spatial strategies is articulated through a range of policy initiatives such as, for example, urban neighbourhood regeneration schemes.

According to Geddes and Benington (2001), local partnership approaches, particularly those aimed at tackling social exclusion, are attractive to policy makers because they are seen as highly adaptable and flexible, and applicable in multi-scalar contexts. Partnership has assumed centre stage because of a fundamental shift in the way the economy and society are conceptualised by policy makers. In tandem with such policy shifts, the scope of "local community" has been significantly redefined, enlarged and differentiated, (Wollman, 2004, p.1). The neo-liberal winds of change that have crossed Europe have brought in their wake a greater emphasis on slimmed down government, in some cases a diminution of the role and function of municipal authorities, a new concern with the third sector or civil society domain between state and market, and an emphasis on the idea of social capital as a crucial resource for local and regional growth. In particular, "… the focus on the public sector dimension has been de-emphasised whereas the 'societal' and 'voluntary' side and the 'market' dimension of the local arena of the 'community space' has been re-accentuated and expanded" (Wollman, 2004, pp. 3-4).

These forces manifest themselves at neighbourhood level in the new language of urban partnership. In the cities under investigation there was an explicit commitment to *partnership-driven*, *local area development*. This is not particularly surprising, since as has been pointed out above "… partnership is being introduced not only into the language, but also into the structures, practices and processes of EU policy making as a key part of attempt to counterbalance fears of fragmentation with notions of integration, and as a means of mobilising agencies and actors behind economic and social policy goals" (Geddes, 2000, p. 784). What partnership actually means, and how it works in practice, however, varied both across cities and within cities. Partnership is in other words a contested and contestable concept. This is particularly the case when partnership – as a policy approach and as a practice – is deployed by urban regimes seeking to regenerate through area-based economic development.

III PARTNERSHIP AT CITY LEVEL

Historically, European cities developed an urban regime that mediated between particular economic interests and the interest of the city as a whole, (Hussermann and Haila, 2005, p. 59). Citizens and decision makers felt social responsibilities and developed programmes for social housing, public health, poverty alleviation and public education. Indeed, municipalities frequently offered programmes of public assistance before they were made available through the central state. The role of the urban regime, however, has been dramatically reshaped in the post-Fordist era. Since the 1980s a major spatial shift has occurred which has resulted in cities, or metropolitan economies emerging as the key foci of economic development strategies. As Jessop points out "… there have been major shifts in cities' roles as subjects, sites and stakes in economic restructuring and securing structural competitiveness", (1997, p. 28). These shifts are reflected in the new focus on the "entrepreneurial city" at regional and local level. Indeed, the idea of the entrepreneurial city has been embedded in public narratives about the city and has emerged as the dominant response to urban problems (Jessop, 1997, p. 31). The entre-preneurial city promotes economic development aimed at counteracting the deleterious effects of de-industrialisation on the one hand, and at creating new forms of employment and new sites for consumption on the other. The city, in other words, makes a virtue of devising strategies aimed at improving its economic competitiveness. Urban entrepreneurialism is pursued in a variety of ways but most notably, in European and North American cities, through the creation of "fantasy" projects, flagship *grands projets culturels,* and business/ cultural incubation quarters, (Hannigan, 2004).

Cities increasingly have developed urban locational policies and compete with each other on the international stage for inward investment. Mayer argues that these developments are a response to changes in capital mobility and shifts in the technological and social organisation of production, which make it increasingly impossible for the state to retain an organisation/co-ordination role, (1995, p. 232). The economic imperative has come to dominate the urban regime, and in the process the sphere of local political action has been expanded to include not just the local authority but a range of private and semi- public actors.

"The rise of local partnerships seems to demonstrate that neither the market, nor the state, nor civil society alone, are capable of dealing with the complex problems of both economic growth and the accompanying social dislocations which cut across the boundaries and responsibilities of institutional structures" (Geddes and Le Gales, 2001, p. 253). Mayer suggests that the actions of local authorities in response to the changing dynamics between the national and local state, have gradually consolidated into an economic

development policy explicitly oriented toward nurturing growth and employment (1995, p. 233). Besides the new forms of public-private collaboration in economic development, explicit public-private partnerships have emerged in urban renewal and urban development efforts.

Most contemporary European cities face the problem of how to mange and re-invent "excluded zones" – derelict neighbourhoods, sink estates, decommissioned industrial buildings and land, and so on. Geddes (2000) observes that recent research has placed particular emphasis on the "spatiality" of processes such as social exclusion, "… reflecting not only the different positioning of localities within shifting regimes of accumulation, but also political and policy traditions embedded in welfare regimes" (2000, p. 783). It is within this context that local partnership arrangements have become a feature of policy for urban regeneration at the local level across European cities. The "partnership turn" seeks to re-orient regeneration away from the free floating flag ship project, and re-position the process at the heart of urban communities and urban civil society. This turn represents an attempt to move beyond the limitations of both a centralised "statist" form of governance and its laissez faire market-driven alternative.

IV URBAN REGENERATION IN CONTEXT

Before examining the commonalities and divergences of experiences of partnership across the case study cities, it is necessary to acknowledge the structural conditions underpinning the contemporary urban form, and their implications for any study of regeneration. Cities are in a continual state of flux, and re-invent themselves over time. David Harvey argues that the urban process entails the creation of a material physical infrastructure for production, circulation exchange and consumption (1985). The built environment is produced by the accumulation and organisation of capital. The urban environment was built, and is continuously destroyed and rebuilt, for the sake of creating a more efficient arena for capital circulation. This process of "creative destruction" is continually accelerating, and is clearly visible, for example, in cities like Glasgow, Copenhagen and Dublin, where financial services, the "new information economy" and heritage tourism play a crucial role in regeneration processes.

According to (Byrne, 2001, p. 47) the built environment matters for the system because it is the basis of a crucial circuit of accumulation in a capitalist system. However, even more relevant is the role that … *the actual physical restructuring of urban space plays in particular de-industrialised places*. This process of restructuring is intimately linked at all levels with what Castells

(1996) calls the informational global economy. It is connected at the abstract level of the world system because of the determinant influence finance capital now exercises over all economic activities, and in particular its impact on the local revenue base. Increasingly, there is no "local" capital, as cities find themselves competing for inward investment from globally mobile companies. Indeed, at the local level, processes of urban governance re-structure the form of cities to facilitate inward investment, for example, in the kinds of flagship projects mentioned above. In Dublin, this approach is evidenced in the IFSC/Docklands project, the Digital Hub and the proliferation of shopping malls and town centres on the perimeter of the city. The knock-on effect of revalorising certain parts of the city, frequently sets in motion the process of gentrification, and may create conditions of increased polarisation. As Robins asserts "… we are seeing the consolidation of the divided city, in which urban space, while it is functionally and economically shared, is socially segregated and culturally differentiated," (1993, p. 313). The focus of the projects examined in the course of the ENTRUST cities study, was to address this problem of polarisation by developing and implementing strategies aimed at *socially inclusive* regeneration.

The challenges facing the cities in the ENTRUST project are multiple and diverse. Most cities struggle to maintain their resident population due to a variety of factors including the limitations imposed by physical or topographical constraints (the cost of redeveloping many inner-city sites is prohibitively expensive in Glasgow), changes in economic conditions (de-industrialisation and the jobs mismatch in cities like Glasgow and Vilnius), and the influence of social aspirations and the quest for "quality of life" (suburbanisation in Dublin and Lisbon).

With the exception of Dublin, population in the case study cities is either static or in decline. Population was in decline in Dublin throughout the twentieth century, but has recently begun to increase as a direct result of tax-driven apartment building projects in the inner-city. Nevertheless, in the case of both Lisbon and Dublin the relatively high price of property in desirable city centre neighbourhoods, ensures that most of the significant population growth continues to be on the periphery of the city, and in newly emerged suburban communities in the neighbouring counties. Even in a very liveable city such as Copenhagen, people tend to move out of the city and into the suburbs after they start a family.

Glasgow is facing massive population loss to outlying suburban areas, and new towns that offer better opportunities for work. Likewise, many companies have found it preferable to relocate to green field sites in the suburbs, than to stay downtown. This obviously has a long-term impact on the composition of the inner-city community, the pool of social capital and economic resources

available, and the degree to which communities can be mobilised to participate in the regeneration of their neighbourhoods.

The city of Valletta has significant symbolic importance in Malta, but has lost its key urban functions. A population of more than 15,000 residents in the 1960s has declined to a population of 7,000 today. The city is perceived primarily as a historic place with its urban function limited to that of a cultural, administrative and symbolic political city. Crucially, it is not perceived as a city for residential living any more. This makes it difficult to conceptualise urban regeneration other than in terms of the restoration of historic monuments.

Vilnius struggles to re-position itself as a European heritage city, and to shed all vestiges of its recent past as an outpost of Soviet Russia. In the inner suburb of Uzupis, the buildings are in a very bad state of repair. Many dwellings have serious structural problems, including no running water and no indoor toilets. In some yards, rubbish is piled high, while chickens run around. No longer controlled by a centralist Soviet state, the current political regime has opted for an extreme market-oriented form of governance. Housing was privatised immediately after independence in the early 1990s and now 92 per cent of people own their homes. There is no social housing policy, nor any provision for those at the lower end of the socio-economic structure. People are too poor to improve their dwellings so they continue to live in sub-standard conditions.

Political change in Germany post 1989 has had a major impact on the spatial configuration of Berlin. For example, the neighbourhood of Kreutzberg, which was formerly a Turkish and urban bohemian enclave, has, as a result of unification, been re-positioned much closer to the central downtown. This has resulted in significant gentrification in the neighbourhood. More broadly, the city's unification has also placed enormous financial pressure on the municipality, leading to a re-orientation of urban policy toward public-private partnership. Hamburg, the second German city in the study, has seen its manufacturing base (shipbuilding) completely eroded and has shifted toward a more service oriented economy.

Cities, then, experience fluctuations in their fortunes due to various external variables. How does the process of urban regeneration address these shifts? One solution is to promote capital-intensive urban renewal projects that can help re-fashion the city image. The centre of Berlin has undergone massive re-development since German unification in 1990s. Berlin, in partic-ular, has become a conduit used by architects, urban planners and politicians to project a new modernist image of Germany, (Gittus, 2002). On a less dramatic scale, Dublin, Glasgow, Copenhagen and Hamburg have all engaged in major "flagship" projects linked to harbour-side or riverside development,

new cathedrals of consumption, and "new economy" investment. One of the key drawbacks of this approach is that while it may "lift" the city as a whole, putting it on the tourist map and developing a new circuit of consumption, it fails to address the problems of social exclusion embedded in neighbouring locales. As identified above, an alternative model of urban regeneration has emerged in recent years structured around the concept of *partnership*, mediating between state and market and rooted in localities and communities. It is this model that formed the basis of the ENTRUST investigation. Four key themes emerged as points of reference within the ENTRUST transnational learning network: the aims of urban regeneration, private sector involvement, community participation and mainstreaming/anchoring, (ENTRUST, 2004). In this paper I will focus on just two of the challenges identified in the ENTRUST project as crucial to advancing partnership in local urban regeneration processes: (1) mobilising the private sector and (2) gaining the commitment and trust of the local population.

V MOBILISING THE PRIVATE SECTOR

Private sector and employer participation in partnerships has been strongly promoted by the EU, although the evidence available shows that at least at the local level, their involvement is frequently formal rather than substantive. The ENTRUST participants very quickly uncovered the complexity and ambiguity surrounding the idea of public-private partnerships. Discussions that took place about the definition of a public-private partnership illustrated the fundamentally contested nature of the overall concept. Who are the key partners, and what exactly is meant by the term *private* when talking about public-private partnerships? This question more than any other exercised the ENTRUST city teams. The definitional debate centred around the role of the *not-for-profit* sector, and the way in which services that hitherto were delivered by the public sector might be delivered in the future. Ultimately, there was no clear agreement among the eight cities on what should be considered under the rubric of the private sector. While Glasgow regarded the not-for-profit sector that is independent of government – even if partially funded by it – as part of the private sector, Berlin and Copenhagen argued that such actors' primary role is coterminous with that of the public sector. This dichotomy reflects the different political contexts of the participating cities, and the fact that the dynamics between state, market and civil society have been reconfigured, and continue to be reconfigured in different ways across European cities. In Glasgow, serial attempts by the local government to regenerate very deprived areas seemed doomed to failure. A

new approach was put forward in the 1990s, structured around key development companies working at neighourhood level with the power to draw together major stakeholders involved in economic and social development, housing and community capacity building. The success of such agencies in the social economy is seen to reside in their independence from traditional local government structures. Hence, the desire to distance them from the public sector. On the other hand, Berlin and Copenhagen have a tradition of autonomous municipal government, that enjoys a relatively high degree of legitimacy reflected in participatory democratic practices at neighbourhood level. In both of these cities, urban regeneration agencies are not delineated as separate to the municipal structures, but rather are comfortably embedded within them. In Dublin, the urban regeneration agenda has been pursued principally within local government structures, but those structures are historically weak and are not rooted in a model of active local democracy. The absence of trust in the local authority "to deliver" is evidenced by the fact that several flagship projects have been taken out of the hands of the local government by central government and entrusted to quasi-private development agencies (for example, Docklands, Temple Bar, Abbotstown development). Local communities, at least until the recent past, have often felt excluded or marginalised from the processes of urban regeneration in their localities.

Changes in the wider political and economic arena inevitably bring changes in the nature of the urban regime. Hamburg is a good case in point. Federal government grants (one-third) matched by local government funds (two-thirds) were allocated to a programme aimed at social integration and sustainable economic development in designated neighbourhoods in the city in the early 1990s. A specialist agency (STEG) was established by the Hamburg Senate in 1990 with responsibility for regeneration and redevelopment. The agency was successful in leveraging private investment into rundown neighbourhoods and improving the housing stock. A shift to the right in the political regime in Hamburg in 2001, resulted in the privatisation of the agency in 2003, and an inevitable re-orientation of its original goals.

In Vilnius, the demise of the centrist state structures has left a political vacuum at local level. The Old Town Renewal Agency which has responsibility for urban regeneration is semi-autonomous from the local government. However, its capacity to act is limited by its small budget, the weakness of civil society (which makes it difficult for people "to buy in") and the lack of private investment capital.

These background contextual factors help to explain the different positioning of the "private sector" within each city's repertoire. The not-for-profit sector (local development agencies) are seen as part of the private sector

in Glasgow, and also in Vilnius, whereas in Berlin and Copenhagen they are assigned to the "third sector" between state and marketplace. In Hamburg, the local development agency has actually moved from the public to the private sector, as the political regime shifted to the right. The fluidity of what constitutes the private arm of partnership has already been noted in the literature. Mayer, for example, points out that partnership projects in the urban context "… most frequently focus on physical upgrading of a large area near the central business district but increasingly they also involve development planning and implementation in more neglected neighbourhoods, in which case the private partners include community development corporations and other neighbourhood based groups, …" (Mayer, 1995, p. 238).

On the other hand, the *commercial* sector was readily recognised by all the cities, and was relatively easy to define. The commercial sector encompassed all those individuals and parties that have a private investment interest in the locality. All agents that fall into this category are targeted to a lesser or greater degree by urban regeneration agencies or municipalities in pursuit of neighbourhood regeneration goals. Dublin City Council, for example, has taken a very proactive role in targeting the commercial sector through its Community Gain programme. Under the terms of the 1999 Urban Renewal Scheme, five Integrated Area Plans (IAPs) were established for Dublin City. Each IAP has a schedule of tax-designated sites. To qualify for tax designation a developer contributes community gain either in financial contribution or direct provision of facilities. Where financial contributions have been provided a "Community Gain Fund" has been established to ensure that locals benefit from development in their areas. Community gain funding (should all developments on designated sites be completed within the required timescale and avail of tax incentives schemes) is expected to exceed €9 million between 2006-2008, (Dublin City Council, 2006).

Why involve the commercial sector? The reasons vary across the participating cities and include the need to respond to the demands of central government: *Because they government tells us to involve them* (Glasgow); the desire to counteract the fiscal problems of the local state: *The loss of public money for investment in the infrastructure of Berlin after 1990 can only be balanced by an increase in private sector investment (*Berlin*); the aspiration to capitalise more effectively on the land assets held by the municipality: *Government owns assets primarily in the form of land, but lacks the capital for developing the same sites. Private sector involvement is thus envisaged as a way of capitalising on property assets whereby the government grants access to the land and the private sector forks out to develop it* (Valletta), and, finally, the inevitable desire to improve the environs of the city for the tourist gaze: *To*

give an incentive and impetus to qualitative renovation of local commerce and the urban atmosphere in order to promote tourism (Lisbon).

So for a multiplicity of reasons attempts are made to draw the private or commercial sector into partnership with the local state or agency pursuing regeneration. But the thorny question remains, what is in it for the private sector partners? The absence of significant private sector activity in local economies (such as in the de-industrialised neighbourhoods that form the heart of the city case studies) may make it difficult to find private sector partners in the first place. Even if businesses can be inveigled into partnership programmes, there is some doubt about the degree of real input which they make (Imrie and Thomas, 1993; Peck and Ticknell, 1995). The ENTRUST project concluded that there are four main reasons why the private sector might be motivated to accede to partnership arrangements: (1) To improve their business competitiveness or return on investment, (2) To improve the local business environment (3) To gain information and (4) To gain contracts from the public sector. The tax designation/community gain scheme pursued by Dublin City Council is clearly tailored to these specific private sector needs. The private sector is fundamentally profit-oriented. Its participation in any form of partnership arrangement will always be contingent on being able to establish that there is indeed "something in it for us". This cost/benefit approach sits somewhat uneasily with the high aspirations espoused by municipalities and agencies charged with the task of partnership-based, urban regeneration. Only in the case of Dublin were real financial incentives (in the form of tax designated development sites) made available to commercial developers.[3] Dublin, therefore, was exceptional in terms of managing to engage successfully with the commercial sector. If incentives are not on offer, the commercial sector remains reticent to engage in renewal projects.

The examination of the case studies in the eight cities revealed that although local businesses and entrepreneurs were a crucial force within the neighbourhood, they tended for the most part, *not to be an integral part* of the partnership process. The findings reinforce other research carried out into partnerships which indicates that "… business partners have little patience with talking shops, and can find the processes of consultation and decision making tedious and non- productive" (Carley *et al.*, 2000, p.61). There is a real difficulty therefore, in engaging the private sector as a lead actor in local area

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[3] Typically, schemes in other cities tended to focus on the provision of incentives to start up new businesses. Hamburg and Glasgow, for example, had successful schemes that supports business and entrepreneurship in the neighbourhood by providing start up facilities and workspaces. An example of a cultural incubation approach is provided in the next section.

regeneration in cities. The few showpiece cases documented of initiatives taken by the private sector to promote regeneration, tended to be examples not of public-private partnership but of *private philanthropy* providing for the funding of a publicly managed and delivered service, such as the Cisco Systems funded educational academy in Glasgow.[4] Global capital touches down in communities making a potentially positive impact, but it is not anchored in those local communities. Leaving aside examples of philanthropic enterprise, we found little evidence that the *local* private sector is motivated by any sense of civic duty or by any desire to improve the well being of the local inhabitants. But why should it? The private sector, in the main, is purely concerned with advancing its own sectoral interests. The examples of public-private partnership such as those that arise from the tax designation of sites in Dublin City, suggest the creation of alliances on the part of the local state with key entrepreneurial individuals rather than with the commercial sector per se, and the continued role of the public sector as *the* major agent of social regeneration.

VI PARTNERING LOCAL ENTREPRENEURS

Small investors, local small and medium sized enterprises are often targeted by the local state in order to bring new vibrancy into rundown areas. A key regeneration strategy aimed at local economic development is the provision of start up facilities for new businesses often in workspace either purpose built or converted buildings. In almost every city, there were examples of the re-use of buildings that had lost their original purpose as business centres or workspaces. These kinds of projects involve partnership between the public sector and the private sector with a small p – artisans, creatives, entrepreneurs, with the former providing some incentive to the latter to enter into a business arrangement. For example, Boxhanger Platz is a neighbour-hood located in the former East of the city of Berlin, that has been badly affected by de-industrialisation and job loss. The *Boxion* project aims to revitalise vacant street level shops by offering them at subsidised rates to small businesses in the arts/culture/multimedia sector. There are two targets underlying this approach: a spatial target (neighbourhood improvement) and an economic target (creating opportunities for the cultural economy). The

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[4] The seed funding for the Hills Trust Academy in Govan, Glasgow came from Cisco Systems. The Academy focuses on industry-led training and brings the latest developments in ICT to the community. Cisco Systems has since 2003 made a similar investment in three other academies in the Glasgow area.

Boxion project, like others of its ilk, raises a number of issues: first, there is no doubt that the shop fronts contribute to the aestheticisation of the street level. They look very good, and it is possible that their presence makes the street more pleasant and safer in the eyes of the local residents. But on the other hand, the shops are not inviting in the sense that they do not sell essential goods, nor do they look like places where people can come to browse. There is some confusion here as to whether these are actually shops or simply work spaces for artists/artisans/cultural workers. Arts and culture generally thrive through state subsidy and private patronage. They are much less successful when left to the vagaries of the marketplace. The question that must be raised in relation to Boxion is whether it is actually about creating subsidised working spaces for cultural workers, rather than a commercially sustainable sector in the neighbourhood? Put another way, is this local state funded project really about provided a public good rather than a mechanism for commercial regeneration? Zukin and Kosta's work on the vibrant renewal of East Ninth Street in the East Village, New York City is instructive here. They points out that the success of that street can be explained by the clustering of "new" industries, the opportunity to build further on an existing "boho" brand identity in the neighbourhood and a critical mass of consumers and tourists in the locality, (2004, p. 113). None of these factors can be said to prevail in the Boxhanger Platz neighbourhood which is home to the *Boxion* project. In contrast, the Temple Bar cultural regeneration project in Dublin has succeeded precisely because it has been able to deliver the requisite numbers of consumers and tourists. Following the template of New York's Soho, the Temple Bar Development company sought to re-invent Temple Bar in the 1990s. Building on a brand identity as an "arts quarter", new cultural buildings were commissioned and generous tax incentives were made available to investors, owner-occupiers and renters in the area. Ultimately the sustainability of the Temple Bar area has rested not on its cultural cache as was the original intent, but on the significant numbers of consumers and tourists that are attracted there, (Corcoran, 1998). Inevitably, the capacity to attract tourists and consumers is a vital part of a regeneration equation. Public money can help to regenerate a street or a public space or a heritage building but it can only succeed if it can be made commercially attractive to investors and subsequently, consumers. It is not easy to get the formula right.

A Dublin scheme that is similar to the Boxion project in Berlin in terms of focusing on partnerships with the local business community has had very limited success. The Living Over The Shop scheme (LOTS) was introduced in 2001. The objectives of the scheme were to provide additional residential units, achieve greater economic use of retail premises, promote a living urban environment and promote more sustainable use of existing building stock and

infrastructure. Under the scheme, tax incentives were available for the construction and refurbishment of residential accommodation and associated commercial development of premises in the designated streets. In 2005, Goodbody Economic Consultants carried out a review of the scheme. Of the five cities designated under the scheme, Dublin accounts for the highest level of expenditure at just over €20 million. The discounted value of the total tax costs to mid 2006 is 35.5 million. The limited take-up of the scheme, however, has meant that there has been no discernible impact on the supply of residential or retail property in the designated areas. Difficulties encountered included the prohibitive cost of developing old, often listed buildings; long term ownership of non-viable retail units by persons unwilling or unable to sell or invest; adjoining owners not willing to participate and difficulties establishing title to some properties (Goodbody Economic Consultants, 2005).

What the discussion above shows is the multi-faceted and complex nature of partnership at the ground level in urban neighbourhoods. It is relatively easy to engage individual creatives or entrepreneurs who require start up support, and much more difficult to "sell" urban regeneration to hard-nosed developers, and to the wider commercial community. Furthermore, while economic regeneration and the regeneration of the built environment can embrace elements of the private sector, there is still an enormous reliance on the public sector for social provision. Municipalities and regeneration agencies ultimately must rely not on private sector investment, but on funding from the European Union, national government and the local state to set urban regeneration projects in motion.

VII ENGAGING THE LOCAL POPULATION

In every city there is an explicit recognition that *the community be acknowledged as an important stakeholder* in the urban regeneration process. The form that this acknowledgement takes, and how it is practiced, differs across the participating cities. As Geddes (2000) has pointed out, while community involvement is a dominant theme in the discourses of local partnership in the EU, the effectiveness of "community" involvement in local partnerships is variable. Furthermore he contends that

> *… this discourse of inclusion and community engagement frequently glosses over an uneasy mixture of diverse strands – from traditional "community development" and community power* (Harding, 1997) *to the new communitarianism* (Etzioni, 1995) *and from liberal, individualised conceptions of community, democracy and citizenship to much more solidaristic and collective principles,* (Geddes, 2000, p. 793).

The scale and intensity of community involvement varies across the cities and their constituent neighbourhoods. In reviewing the case studies presented over the course of the project we identified a tendency for different kinds of participation to emerge at different scale levels, and at different levels of intensity. In summary, these strategies of participation can be described as representation, deliberation and clientelism.

Representative structures are characteristic of the macro-level of governance within the locality visible in the presence of a relatively small number of local residents on advisory boards, monitoring boards and project boards. Their role is largely to respond to initiatives emanating from the regeneration agency/municipality, to advocate the position of the local residents and to advise on the adaptation and implementation of strategies. Such representative structures are particularly characteristic of regeneration projects being undertaken in Dublin. These representatives are not necessarily elected but are generally "social entrepreneurs" that represent specific interest groups or associations within the neighbourhood or are long standing activists in the community. They may not necessarily be representative of the neighbourhood and its various constituencies. As Burton (2003) points out there is also a serious problem that faces residents who are inducted into a position of responsibility:

> … *they can easily find their legitimacy as representatives questioned from all sides: from other residents who see them as losing touch with their roots; from local regeneration professionals who doubt their technical skills and their political representativeness; and from higher level civil servants who also question their capacity and democratic credentials* (2003, p. 24).

When local municipalities are spending considerable amounts of money on neighbourhood regeneration they are often wary of ceding too much control to community stakeholders. One way of getting around this problem is to resort to expert systems who are often called in to provide "objective" analysis of the problems and outline solutions. This side steps the issue of truly sharing power with the community, and provides the municipality with a strategy for stalling on a commitment, or having that commitment re-defined through the work carried out by the expert analyst. Experts then provide a counterweight to community representatives. In Dublin, where local government has traditionally been weak and where urban regeneration is still very new to local government officials, the practice has been to proceed cautiously when consulting the local population. Representative structures tend to keep the community at arms length, and to maintain power and control in the hands of officials. In cities such as Berlin and Copenhagen, with long traditions of local

democracy and strong public spheres, community engagement through representation tended to be more substantive.

There is a substantial literature on the potential role of deliberation in the recovery of urban democracy. Building on the insights of Habermas and others, Elster defines deliberative democracy as collective "… decision-making by means of arguments offered by and to participants," (1998, p. 8). In urban planning theory, the idea of deliberative democracy has gained considerable currency promoting the idea of community based, negotiated decision-making. In terms of the case studies, we found that deliberative democracy tended to occur at the meso-level and to occur only sporadically. In most cities there are examples of "one off" participatory democracy exercises, that is, specific projects that are directed at actively empowering the local residents by encouraging participation from a wider pool of people, and by entrusting participants with a right to disseminate funding, or plan the precise contours of a redevelopment project.[5] In these cases, residents are given a very real sense of their input into decision-making processes. Residents are constructed as pro-active rather than re-active. Where there is a history of strong local democracy (in Berlin and Copenhagen) there are high levels of engagement and trust on the part of the community, and a more powerful commitment to deliberative democracy on the part of the municipality. In Dublin, in contrast, there is a weaker civil society tradition. Local residents are often asked to become involved in consultative and participatory processes without having appropriate training, and with no access to the kinds of technical support available to the professionals. This seriously impacts on their capacity not only to articulate an independent position but also to defend that position against its critics. As Amin and Thrift point out "… open deliberation often conceals self-interest and institutionalised inequality", (2002, p. 139)

Clientelism occurred most frequently at the micro-level within the locality, and was most likely to be found in cities with traditions of a powerful centrist state. In Lisbon, Valletta and Vilnius we found examples of consultation processes that were targeted primarily at individuals rather than collectivities. The role of the regeneration agency, for example, was largely to convince the individual householder of the potential benefits for the householder accruing from the regeneration process (housing renewal in Lisbon) and to provide incentives for the householder to enter into a partnership with the regeneration agency in order to carry out necessary

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[5] One instrument targeted at community capacity building in Wrangelkiez, a Berlin neighbourhood was the "neighbourhood fund". It provided a neighbourhood jury (51 per cent of whom were randomly picked from the residents' register) with a fixed budget (€500,000) and the responsibility for the allocation of the budget. The project mobilised the local population to become actively involved in regeneration and was deemed a success.

rehabilitative work (refurbishment of housing stock in Vilnius). Vilnius offered a unique example of "partnership" as a relationship brokered between a municipal regeneration agency and the individual, whereby financial aid is offered to the homeowner to upgrade their home and environs. Since individuals generally share their living space with others this requires co-operation with family and neighbours. Paradoxically the programme requires people to become instrumental about their property in order to improve its value (consumerist ethic) but they can generally do so only through co-operative relations with others (communitarian ethos). The clientelistic approach is quite far removed from a rights based approach to democratic practice, and does not emphasis the building of capacity within the community.

Given the variety of means through which people are brought into the regeneration process, it is instructive to reflect on the extent to which they become stakeholders in the planning and implementation of urban regeneration projects. What are the outcomes of engagement for the communities in deprived neighbourhoods across the ENTRUST cities? There has been a "participatory" turn in European social policy, but this has not been uniform across all the countries. Degrees of engagement are predicated to a great extent on the nature of the pre-existing political culture. As a result, communities in the case studies varied widely in terms of their actual participation in the regeneration process. At one end of the spectrum there is active agency on the part of communities and at the other end, communities are restricted to a consultative (or passive) role. In between there are a variety of collaborative relations between the regeneration participants. There is a tendency for partnership structures generally to cluster in the centre of this continuum under the *collaborative tendency*. Activist tendencies are present when we can see a bottom-up approach to regeneration, where traditions of participatory democracy are strong and where the institutional actors react to the claims of the community rather than vice versa (Copenhagen and Berlin). Here collectivist (as opposed to) individualist solutions are promoted. These instances represent a kind of communicative rationality where the interests and concerns of the residents are not only articulated but listened to from the outset of the project. Consultative relations render the community much more passive, or indeed, irrelevant. Here, individuals are targeted as rational instrumental actors to enter into "partnership" that will result in a tangible outcome for the participating individual only (Vilnius, Lisbon). In between there are a myriad of collaborative arrangements where a given set of actors or stakeholders work together pragmatically toward a common end (all cities). While collaboration infers a relationship between the various stakeholders it

does not have as positive a connotation as partnership does. When people collaborate it is a response to differences in terms of access to power and the limitations on their capacity to act unilaterally. The language of partnership tends to gloss over the reality of differential distribution of power.

VIII CONCLUSION

The contemporary European city can be contextualised by examining the wider societal trends that have included key changes in the national state's economic activities:

(a) a shift from nationally determined, locally relayed, welfare oriented measures of economic and social redistribution to (supra) nationally facilitated, locally determined, wide-ranging supply-side interventions in the local and regional economy;

(b) a shift in economic governance mechanisms from the typical post-war bifurcation of market and state to new forms of network based policy co-ordination which cross-cut previous "private public boundaries and involve "key" economic players from local and regional as well as national, and increasingly, international economies; and

(c) an associated shift from an allegedly Fordist, Keynsian, welfarist policy paradigm to one stressing flexibility, innovation, and entrepreneurship, (Jessop, 1997, p. 35).

The diffusion of partnership from the state down to the city and its constituent neighbourhoods, reflects the view that development policies "… should facilitate more targeted and flexible solutions which are able to adapt to increasingly varying social needs in differentiated local contexts," (Kazepov, 2005, p. 26). According to Benington, all partnerships face a number of challenges in relation to legitimation, innovation, problem-solving and co-ordination. The different messages emerging from partnership research "… reflects the different conditions and contexts of partnership across the EU – in different countries, associated with different programmes and with different 'mixes' of partners", (2001, p. 216). The case studies reported on here confirm the complexity associated with the form that partnership takes, and the processes through which it is negotiated, at local level in the contemporary European neighbourhood. The freedom of manoeuvre that localities have, varies across the different cities, and depends very much on the institutional frames of reference, which constrain and enable options at different scalar levels (Kazepov, 2005, p. 26).

The task of regeneration in the European city can only be a piecemeal response to a much larger spatial re-configuration of urban space that is determined by the global circulation of capital. The real money is beyond the control of the local partners – the local state, its agencies and the local commercial sector. Power ultimately resides where the money is, and accessing that money is a difficult task for the urban regime. The creation of local level partnership arrangements allows the central state to off-load some of its responsibility for social provision to the community. However reflexive, open and responsive these local arrangements are, it continues to be structural forces working in global space and mediated by local political forces that ultimately drive forward urban regeneration.

Partnership at the neighbourhood level remains, in practice, highly aspirational. Under the rubric of partnership, cities, neighbourhoods and regeneration programmes deploy a range of strategies as they seek to address individual and collective interests. There is little consensus about the meaning of the term partnership, not all partners in the locality can be successfully mobilised, and community participation in partnership varies from one context to the next. As Geddes suggests, there is no one partnership template but a variety of "partnership regimes" (2000, p. 789). Despite the high priority accorded to the mobilisation of the private sector in the interests of urban regeneration, there is little evidence of success on the ground. In fact, Dublin stands out among the eight cities studied, largely because of the muncipality's unusual capacity to offer direct benefits to commercial developers (through tax incentives) and to the community (through community gain).

Methodologies for embracing community partners tend to appeal to citizens who are already politically engaged in the neighbourhood, i.e. those who are rich in social capital. This can result in the reliance through consultative instruments on semi-professional resident representatives whose views and interests do not necessarily coincide with those of the communities they purport to represent. Local public-private partnerships – in all their different manifestations – do not though constitute an apparatus of social control. Rather, they tend toward a more subtle social incorporation by bringing the community's interests more into line with those of other stakeholders and the private sector.

Locally embedded regeneration agencies that act as mediators between the municipality and the target neighbourhoods generally have greater flexibility for action than the more cumbersome local authority institutions. They also have greater potential to be more creative (and successful) in terms of their methodologies for community participation. This was especially the case in Copenhagen and Berlin. However, the Integrated Area Planning strategy pursued by Dublin (and now being adapted by other cities such as Valletta) are achieving some success in pursuing a de-centralised approach to

urban regeneration. But the degree of freedom of action of such agencies is determined to a great extent not just by the local economic context, but also the socio-cultural context, and in particular, the relative strength or weakness of civil society. What we are witnessing at the neighbourhood level across Europe is a greater fluidity of urban policies, and the creation of a field of experimentation through which agencies and actors can discover what can succeed and what fails. This trans-national learning – a rare opportunity to share knowledge across borders – was a key element of the ENTRUST project. As Kaspov has stated "Cites are once again laboratories of how citizenship, in terms of membership, social inclusion and participation, is going to be constructed in the future," (Kaspov, 2005, p. 33).

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