Chapter 16 London – Regeneration or Rebirth?

London’s particular – not to say peculiar - position within national and international urban hierarchies raises some fundamental questions for the analysis of regeneration strategies within the city. London is not only a world city, but also the national capital. It is a diverse and multicultural city, a feature celebrated by local (and even national) politicians. It has a growing middle class population and workforce but at the same time it is a deeply divided city, characterised by growing inequality. And it is the centre of a wider urban region which draws in millions more. It has a nationally significant economic role, to the extent that its continued success is frequently identified by government as a necessary condition for the maintenance of the UK’s prosperity. This chapter reflects on these different understandings and the relationships between them as a means of revisiting and reflecting on some of the arguments arising from earlier chapters.

Living in a world city

A focus on London’s role as world city highlights the importance of its connections into wider global networks of one sort or another. From this perspective, it is these connections which have come to define it, to the extent that its relationship to the rest of British economy and society is almost vestigial, and certainly secondary. London is understood to ‘compete’ with other global cities. It is sometimes even suggested that a new networked global politics is emerging that is based around those connections to supersede forms of international relations organised around national state structures (see. e.g., Taylor 2004). In some respects, of course, this is a persuasive story, and it
places London as a node in a particular set of global networks (whether characterized as finance, advanced producer services or anything else).

But it leaves open the nature of the urban society experienced by those living and working in the node. Some residents of the city, such as those Taylor (2004, p. 214) identifies as the ‘network bourgeoisie’, may be defined through their involvement in transnational networks but Castells suggests that the networked, interconnected world is one with significant ‘holes’ in it. He identifies ‘multiple black holes of social exclusion throughout the planet’ which are ‘present in literally every country, and every city, in this new geography of social exclusion’ (Castells 1998: 164). In this context, it is perhaps not surprising that there is a strong tradition in academic writing on London, which suggests that it is a ‘dual’ or ‘divided’ city. (Sassen 2001, Fainstein et al 1992). Most recently, emphasis has been placed on the sharp disjunction between the (connected) urban elites and the new migrants who have a rather different position in global networks and have the task of servicing the business operations of the elites as well as supporting their leisure and consumption activities (May et al 2007)

This emphasis on division certainly captures one aspect of contemporary London (and similar points are made by x in Chapter 7 where the danger of division based around the existence of an unskilled workforce in the East of the city, whose role is to serving ‘entrepreneurial, global city’, is explicitly identified). However, it is important to recognise that the nature of the divisions within London cannot be captured effectively by such straightforward binaries. So, for example, in chapter y Watt discusses some of the specificities of social housing in London in ways that highlight aspects of the complexity of social relations in the city. In inner London, he notes,
social housing represents a much larger share of tenure than nationally (around one third, compared to less than one fifth nationally). More important in this context, he confirms that, although the process of residualisation which has characterised social housing across England, as subsidy has become increasingly benefits based has also been apparent in London, the process has been less extensive there. An apparently disproportionate share of national expenditure on housing benefit goes to tenants in London because rents (particularly private rents) are higher there (Hills 2007, p. 114). But London council housing also continues to be attractive to those who are ineligible for housing benefit, not least because rents are substantially lower than they would be in private rented accommodation (Hills 2007. pp. 63-64, 80).

As Butler and Hamnett point out in Chapter 2 (building on a longer programme of research), the process of social change and division in London cannot be captured in a vision of sharp polarisation (see particularly Hamnett 2003). Instead they identify significant changes in London’s occupational class structure. The growth of the professional and managerial middle classes means, they conclude, that a majority of London’s population can now be characterised as non manual middle class. However, this does not mean that inequality is no longer an issue. On the contrary there is strong evidence that inequality continues to grow, reflecting the development of an increasingly wealthy urban elite, alongside the existence of groups living in deep poverty (reinforced by the attraction of migrant labour whose position is not recorded in official data). In this context, the growing middle class faces pressures of its own – as it is left behind by the elite while having to survive in a city where housing and other costs take an increasingly big share of household income.
**Beyond the world city**

Focusing on London’s role as world city - as what Massey calls a ‘global centre of command’ (Massey 2007, p. 39) – also encourages an emphasis on those areas of the city that are most closely associated with its ‘global’ activities, namely the City of London and its related social and economic impacts (whether in terms of housing, transport networks, cultural provision or the consumption patterns of its employees). However, ‘London’ must be understood to cover a much wider area of the South East of England than can be captured even by the institutional borders of Greater London. As Gordon et al argue, ‘the effective London economy extends well beyond the borders of Greater London, encompassing most of South Eastern England and perhaps some areas beyond, in what is for many purposes a single labour market’ (Gordon et al 2004, p. 30). ‘In this regionalized version of London,’ says Gordon (2004b, p. 41), ‘outer areas now substantially contribute to its agglomeration economies, as well as continuing to benefit from those rooted in central London’ (Gordon 2004b, p. 41. See also Buck et al 2002, Dorling and Thomas 2004, p. 183). Hall et al (2006) identify it as a global ‘polycentric metropolis’ or ‘polycentric mega-region’ – a polycentric urban system.

In some versions of this extended region, around half of England’s population find themselves incorporated within it (see discussion in Cochrane 2006). In other words, London has a strong material impact that is helping to generate an urban experience that stretches far beyond any existing institutional boundaries. Given the nature of this connected economic activity space and the social relations associated with it, it is, perhaps already clear that the placing or settling of London is important – it cannot
just be defined through its position in global networks. But this is reinforced by the need to recognise both the diversity of London’s economy (which is not reducible to finance or even the cultural industries) and the importance of its economic linkages to the rest of the United Kingdom. London’s role as a world city (or with a particular position within world city networks) does not mean that its economy (and society) are effectively divorced from the rest of the UK. Drawing on Gordon (2004a), Massey notes that ‘London’s main export market is in fact the ‘rest of the UK’ (Massey 2007, p. 38), even for the financial services products which are generally assumed to be the most tradable and traded in global markets.

The recognition of London’s role in the national economy is not the end of the story, however. On the contrary, there is a sharp tension between those who see London as driver of the national economy and those who see it as an active agent in generating wider regional inequality. So, for example, Gordon et al (2003, pp. 65-80) strongly argue that the London is a net contributor to the rest of the country through its taxes and the public expenditure for which they pay (see also Hall’s interview in this book). In policy terms, this broad understanding can be seen as confirmation of the role which London and the South-East play in the context of a wider neo-liberal vision of the UK social economy – providing evidence of the success of the new economy and highlighting the weaknesses of the old (industrial) economy, as well as, apparently, offering support to the argument that freedom from state interference is the key (Allen et al 1998).

From another perspective, however, the matter is understood quite differently. Amin et al (2003) argue that the centralisation of power in London means that a ‘significant
element of ‘national policy making effectively functions as an unacknowledged regional policy for the South Eastern part of England’ (Amin et al 2003, p. 17). As a result, they argue that national economic policy is overly influenced by the state of the regional economy in London and South East, with steps being taken to restrain the economy when the region is ‘overheating’, even when the rest of the country still has significant capacity for growth (see also Morgan 2002, p. 800). The rise of a wider city region agenda (apparently focused on England’s so-called ‘core cities’) might have been expected to disrupt this powerful narrative, but, as Morgan notes, it has ‘certainly not devalued the hegemony of London and southern England in the corridors of political power’ (Morgan, 2007, p. 1244).

In this context, Massey suggests that the emphasis on London’s global role is a political strategy (as much as an economic reality) because of the way in which it reinforces particular ways of thinking (which she identifies as neo-liberal). The ‘geographical concentration’ of the very wealthy in London and the South East, ‘into a self-referential echo chamber reinforces their distance from the rest of us’ (Massey 2007, p. 66), and serves to reinforce a policy agenda which includes a commitment to deregulation, an emphasis on the ‘untouchability’ of the financial sector, and a drive to privatisation of various sorts (including ‘competitive individualism and personal self-reliance’) (Massey 2007 pp. 38-40). The ‘global’ is mobilised precisely to reinforce the city’s national dominance to the extent that the ‘Reinvigoration of London…represents the rise of a new elite, and the culture in which it is embedded’ (Massey 2007, p. 49).
More prosaically it also feeds into the sustenance of what has been identified as an 'implicit' (and active) regional strategy which benefits the ‘London super-region’ (Marvin et al 2006). One expression of this is to be found in initiatives like those associated with the ‘sustainable communities plan’ (ODPM 2003) which is justified in terms that stress the need to ensure that there is enough affordable housing in the urban region to ensure that London’s economic strength is not undermined by labour shortages, increased labour costs or the lack of necessary social infrastructure (e.g. because public sector professionals cannot afford to live in the region) (see, for example, Allen and Cochrane 2007, Raco, 2007). Even before the arrival of the Olympics, the scale of the investment in ‘sustainable development’ promised for the Thames Gateway far outstripped anything promised for any of England’s other urban areas (Raco, 2005).

*Social division and inequality*

As the chapters of this book demonstrate, however, London cannot solely be understood in terms that identify it as a privileged space, or a place whose residents all benefit from the arrangements that give it such a central position in national hierarchies of power and wealth. London is a fundamentally divided city in which poverty and wealth grow alongside each other. Although, as Massey (2007) notes, these different – and co-existing – aspects of London are often presented in terms of paradox, particularly because the growing wealth of the city and some of its residents exists alongside continuing poverty for many, this is not some paradoxical outcome but, rather, an inherent part of the development process.
She suggests that the process by which inequality in London is not only reproduced but actively produced and increased is a direct consequence of the way in which the city is re-imagined as a global city – that is, one in which the priorities of global financial markets are taken for granted and the need to keep and attract the financial institutions and the staff associated with them is assumed – has had a dramatic effect. But this also means, says Massey, that ‘London’s poor…and those without higher level skills, are caught in the cross-fire of the city’s reinvention’ (Massey 2007, p.64). Most of the new jobs, she points out, are not ones for which those who are unskilled or with traditional skills are well-suited and those which are created for the lower end of the labour market may be taken on by labour drawn in from around the globe (Massey 2007, pp.64/5. See also the arguments developed b x in Chapter 7)).

These issues are reflected particularly strongly in the labour market in inner London because of the shift in forms of employment to higher end service roles, which attract high levels of in-commuting from the suburbs while local residents with different skill sets remain unable to access them (see Green and Owen 2006, who confirm both that the London labour market is highly polarised and that levels of employment for local residents are substantially lower than might be expected). Even for London as a whole the data suggest that inequality has become more marked. In 1980 weekly earnings of the top 10% of male full-time employees were just over twice as much as those of the bottom 10%, while in 2000 the ratio had moved to over four times as much (yor of London 2004, p. 32, cited in Massey 2007, p. 89). Edwards (2002) identifies London as a ‘wealth machine and poverty machine’ (2002, p. 29, cited in Massey 2007, p. 70) highlighting the ways in which the two processes are linked together and reinforce each other.
The challenges of regeneration

So, how does this relate to possibilities of regeneration in London which have been the focus of the earlier chapters of the book? What opportunities can be created for the excluded or for the re-imagination of parts of the city? The chapters of this book draw on a particular understanding of London, highlighting some of the tensions associated with urban regeneration and renaissance. Most of them focus on divisions within London, rather than between London and the rest of the UK. And in practice, they are concerned with particular parts of London – not the suburbs, not the City, not the gentrified (or already rich) urban neighbourhoods. The focus is on areas that have been bypassed by world city growth or by social groups whose members have gained little benefit from it, but the chapters also point to some of the tensions and ambiguities that are inherent in the growth and development process itself.

London itself is substantially divided and, even as some areas reflect an influx of wealth and property, or exhibit forms of economic revitalisation, others seem stubbornly trapped in decline. There is a tension between those areas which offer opportunities for regeneration (that is rediscovery or reinvention as areas suitable for economic revival or gentrification) and those in which regeneration is likely to be hard fought – a consequence of active public policy engagement (possibly reflecting needs of local populations). In his interview with the editors, Hall points to a series of apparent paradoxes: regeneration against a background of booming growth, the emergence both of what he calls a superclass and an underclass, the experience of immigration alongside localised unemployment.
The various ‘geographical imaginaries’ (Massey 2007) of London come together uneasily in any discussion of public policy relating to the city. The very nature or definition of regeneration reflects the tensions inherent in the process. For Butler and Hamnett, regeneration has a specific meaning – they use it to mean any process of re-growth within the city, any ways in which shifts in use bring change that brings areas of the city back into economic sustainability. In a sense a model that emphasises the way in which ‘excluded’ areas become incorporated once more into the mainstream economy. From this perspective, therefore, the development of new shopping and employment areas within London is a form of regeneration, as is the process of gentrification, while the process of re-growth in central London is better understood as development rather than regeneration (since the area has remained economically productive throughout).

It is this understanding that enables them to explain what they see as the paradox of regeneration in one of the most prosperous cities of the world – the survival of development opportunities because of historical patterns of growth and decline which have left economically unproductive space ready to be brought into profitable use as opportunities have arisen. In many ways this is a helpful way of framing the process, particularly in capturing the development process beyond the state. So, for example, Imrie’s discussion of the Kings Cross development highlights the active process by which developers draw on notions of community to find ways of achieving development that is sensitive to local context, even if it is still a hierarchical process in which the developer is able to mobilise resources inaccessible to the local community (see also Allen 2003). Ultimately this remains regeneration as re-growth,
opening up new investment opportunities for the developers, even if it also requires some engagement with local interests.

In other contexts, regeneration implies a more active process of state led renewal. In some cases, however, this may have similar results and a similar focus as stress is placed on ways of remaking places in ways that help generate opportunity for profitable redevelopment. So, for example, in their discussion of the development of the Paddington Basin, Raco and Henderson emphasise the role of local government in leading a process of flagship regeneration. They suggest that a focus on partnership may understate the significance of the active role taken on by local government. But the planned outcome is precisely to achieve regeneration that produces a new economic centre for the city. The balance between community gain and developer gain is an uneasy one, as spaces are opened up for high end shops and offices.

Baeten’s discussion of development on London’s South Bank approaches the issue from a different angle, but his review of the process emphasises the extent to which regeneration has come to be understood as ‘post-political’, so that the more effective integration of the South Bank into the rest of central London no longer allows space for contestation and alternative models. As Davidson’s case study of the Blue Ribbon Network (Mayor of London 2004, pp193-218) confirms, even when an inclusive vision of regeneration is sponsored by planners the reality provides limited evidence of social mixing, as the process of ‘Riverside renaissance’ delivers outcomes that seem closer to gentrification. Attempts to generate increased social mixing by bringing members of different social groups into proximity with each other, however
well meaning, are in themselves (as Middleton shows in her discussion of attempts to encourage walking through the city) unlikely to have the hoped for outcomes.

But in other contexts regeneration is given rather a different framing, a rather different emphasis, with a focus on it as a process through which the position of disadvantaged groups may be improved, and existing inequalities challenged. Lees and Brown highlight the spatial needs of young people in the process by which council estates are being regenerated in Kings Cross. They draw attention to some of the tensions faced by those who have the daily experience of decay even as they live in a wider ‘sea of renewal’ (regeneration that is apparently transforming the surrounding). At the same time regeneration relocates different groups, so that there are new tensions, for example, reflected in conflicts over space between young people living in the estates and drug users for whom it has become an area within which they are able to access and use the drugs on which they depend.

The role of traditional high rise housing is revisited by Lees, Baxter and McNeil who point to the possibilities that lie within it – emphasising that it is not appropriate simply to dismiss high rise living as a possibility for a range of people. They emphasise that when considering the value of high rise housing, it is necessary to consider a range of features, including its material condition and maintenance; its physical design and security; the extent of anti-social behaviour; and the neighbourhood and community context. In some places, these factors may come together to create housing that is unliveable, but in others the opposite will be the case. Here regeneration is about creating liveable conditions – enabling a form of rebirth – rather than necessarily looking ways of redeveloping the built environment or replacing the existing population. In their chapter drawing on the experience of
Holly Street in Hackney, Manzi and Jacobs confirm that it is possible to undertake regeneration along these lines, but emphasise that it is not an easy option – community involvement can only help deliver effective regeneration and improvements for those living in areas like Holly Street, if it is accompanied by significant direct spending by local government or other public agencies.

The challenge (as well as the opportunity) of urban regeneration in London lies in finding ways of balancing social regeneration of these sorts with the economic, market driven, regeneration discussed earlier.

*Beyond regeneration?*

In many respects debates about regeneration understandably tend to focus on relatively small areas of cities. The promise of regeneration relates to possibilities of up-grading those areas and sometimes of benefiting those living in them. But in important respects, as Keith suggests in chapter x, the notion of regeneration also offers us the prospect of what he calls ‘future thinking’ – of rooting visions of the future in the practice and experience of the present. ‘Future thinking’, he argues, also inhabits the cities of the present, in the sense that different visions of the future are always in contention (see also Cochrane 2007, p. 145). He illustrates this and explores its usefulness as a way of thinking in his discussion of the Thames Gateway and plans for its regeneration. As well as being a project in its own right, the Gateway provides us with a frame through which wider issues can be explored.
Keith focuses particularly on the tension between the Barker Report on housing in the South East (Barker 2004. See also Barker 2006), which identifies the constraints of limited housing supply as crucial limits to the growth of the South East, and Hills’ work on social housing (Hills 2007), which highlights the fundamental limits of the approach which has shifted attention away from the building of social housing towards the provision of subsidy to those on low incomes. In his interview, Hall similarly notes that the effective end of social housing has led to a decline in the total amount of housing available. For Barker, the solution is to free up the market, to remove restrictions on land use and to allow developers to build where previously they have been unable to do so, because of planning restrictions; for Hills the answer is for the state to move more actively into the development of social housing.

In a sense, therefore, both incorporate forms of ‘future thinking’, different visions of what is possible – although each is also fundamentally concerned about the city as it currently is. Keith suggests that the plans for the Thames Gateway very clearly involve forms of ‘future thinking’ and take the form of a compromise between the paradigms developed by Barker and Hills - a ‘compromise or stand off between state and market that the logics of partnership based urban regeneration imply’. In other words, he argues that the model of development needed to underpin successful regeneration, which will benefit existing residents as well as providing the base for further growth will be based around hybrids of state and market, public and private initiative. In this context, he identifies registered social landlords as providing a potential base on which housing accessible to low and middle income residents can be delivered. He firmly locates the Gateway within the wider city region, noting that South East growth is likely to be under threat if places such as the new business
district of the Isle of Dogs and growth sites such as a post-Olympics Stratford cannot be made to work.

Although Keith focuses policy attention on a slice of post-industrial (mainly inner city) Greater London, which has been the target of many regeneration initiatives, he sets his agenda firmly within the wider urban context of the London ‘super-region’. In his interview, Peter Hall takes this further to suggest ways in which London’s regeneration or rebirth might be positioned within a wider national urban and regional strategy. Alongside a commitment to a strategy based around city regions centred on what have been (self) identified as England’s core cities (Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottingham and Sheffield) (see http://www.corecities.com/), he sees the apparently inexorable expansion of the South East (which he identifies as a mega city region) as offering the possibility of drawing more of the country into the region’s growth and prosperity. On this model, and as part of a deliberate planning process Birmingham and the West Midlands might become part of London and the South East, with an emphasis on making it more multi-centred. This is another quite distinctive form of ‘future thinking’, around which regeneration might be organised, namely one in which London becomes solution to, as well as cause of, regional inequality in England. And, of course, it fits uneasily with the approach and thinking associated with Massey and others which was introduced earlier (Amin et al 2001, Massey 2007).

Conclusions and reflections
Twenty-five years ago, the prognosis for London (as well as for other large British cities) was almost overwhelmingly negative. Population loss was the defining characteristic. Everybody, it was said, was moving to small towns, market towns. So London’s transformation into (and reimagining as) a dynamic ‘world city’ (see, e.g., London Planning Advisory Committee 1991) is a remarkable one. And it might be appropriate to label it a rebirth, since this is a London with a new role and new status only made possible because of the particular form taken by globalisation and the positioning of London within the world networks associated with it.

However, as we have seen, this form of rebirth tells us little about how people live in the urban spaces produced by it. Some forms of ‘regeneration’ may flow from it, as previously declining areas are reworked as spaces for retail, office development or even housing through gentrification. But this leaves others and some groups on the outside looking in, sometimes up against the ‘new’ even as the old survives or themselves part of the ‘new’ – e.g. low paid workers drawn in from overseas – look for ways of surviving. In that context the challenge for regeneration an active form of public policy is to take on a different set of meanings, as an active programme of social renewal, seeking to draw in those people and those areas that might otherwise be actively disadvantaged or marginalised.

There is some evidence that targeted schemes can have an impact here, can generate forms of regeneration that are not solely driven by development opportunities. And, in their different ways, with their different future visions, both Keith and Hall offer ways of imagining more inclusive forms of development – ways of re-imagining regeneration through the combination of state and market in what Keith calls ‘hybrid’
forms. Of course, the extent to which such politics can be translated from imagination to reality remains open, and in London the opportunities for development, framed by a world city rhetoric, often makes the balance difficult to maintain. It sometimes looks as if the prime role of state institutions is to underpin development opportunities. In other words, the political and public policy challenge is to find ways of ensuring that a commitment to the delivery of social and community regeneration is actively maintained and not lost in the drive for economic renewal.
References


