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## Urban redevelopment and social (in)justice: Neoliberal strategies for “moving upmarket” in shrinking cities

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### Abstract

The current gentrification policies in many shrinking cities in France and the United Kingdom provide a wealth of options for analyzing the neoliberalization of urban policies in what they contribute to the restoration of “class power”, i.e. the power of real estate interests, in relatively poor spaces. This article calls to mind the joint action of two major factors to report on the generalization of this phenomenon. On a national scale, I will touch on the recent evolution of urban policies of the French and UK central governments which both favour “social diversity” as a solution for getting out of the “urban crisis” although for different reasons. On the local scale, I will then show how present representations of the post-industrial city make it possible to depoliticize the redevelopment issues and foster the emergence of growth coalitions whose action in favour of gentrification is based on very real economic and political interests. In shrinking cities, gentrification policies thus make it possible to excavate an evolution of class power, from industrial capitalism toward real estate capitalism. I will finally propose replacing the concept of “gentrification policies” with strategies for “moving upmarket” in order to reflect the subsequent modification of urbanization frameworks in many declining western cities.

*Keywords: Neoliberalization, Shrinking Cities, gentrification, urban policies*

“[tr.] Personally, I never go to Vaulx-en-Velin unless there is a jazz festival” (interview with vice president of Greater Lyon, April 2013).

“[tr.] A servant class, especially appreciated as they are so numerous, has appeared, whose only duty is to cater to the every whim of their owners and make sure that they have all they need in order to unproductively consume a great many services” (Veblen, 1970 :44).

### Introduction: The neoliberalization of government action, gentrification and social injustice in a context of urban decline

The urbanization targets of many cities in developed countries have undergone a profound change over the last three decades. This can be summed up more or less as follows: After having long attempted to attract and retain the working class, attracting middle-class households is now what is sought. Until the 1970s, urban prosperity was especially dependant upon the existence of a strong secondary sector, based first and foremost on the benefits related to spatial localization, on which government authorities as a result had no influence (proximity of primary materials and market opportunities, plentiful labour, etc.). Capital was locked up in factories and the profit was based first and foremost on the economies of scale made possible by the mass production of relatively standardized goods. The industrial economy was characterized therefore by a high degree of geographic inertia: due to the length of

time necessary to make a profit, the secondary sector was immobilized over a territory: the industrial city. This situation placed the workers, who were the core of the urban economy, in a position of relative strength in the local negotiation for "manufacturing" the city. The massive construction programs of Keynesian central governments, which "sustained" Fordism's "regime of accumulation" by proposing a "social floor" promoting consumption (Painter, 1995), were along the same lines as the concerns of urban governments. Elected by a population that was by and large, working class these governments favoured the advent of a relatively inclusive urbanism. At the outset of the Fordist era, many major industrial cities thus fell under the control of social democratic or communist parties of the masses, which directly translated the interests of the working class into urban policies. The production of a great deal of public housing on the basis of urban sprawl characterized Keynesian urbanism<sup>1</sup> practiced in many heavily industrialized cities. In Sheffield, for example, which is the capital of the British steel industry, the number of public housing units intended for the working class, managed by a local labour authority that was perfectly aligned with the Keynesian central government, went from 40,000 to 75,000 between 1945 and 1973 (Dickens *et al.*, 1985: 167). Similarly, in Roubaix-Tourcoing, where the local employers themselves took charge of the construction of housing through the employers' 1% fund for housing [PEEC] (Cornuel and Duriez, 1983), 30,000 units primarily intended for textile workers were built between 1947 and 1969. This situation, which was the norm in many cities due to the significance of the urbanization/industrialization pairing, has recently however, experienced an abrupt evolution under the effect of the worldwide recomposition of industry. With deindustrialization being the main factor in urban decline, the most heavily industrialized western cities are leading the pack in the many cities in decline, a global phenomenon that makes it necessary to challenge city growth as a sure thing (Martinez-Fernandez et al., 2012). For example, the disappearance of manufacturing jobs in Roubaix and Sheffield led to negative demographic growth due to the departure of many skilled workers looking for jobs as well as many middle-class households fleeing the social consequences of the impoverishment of cities (Roubaix lost 13,000 inhabitants while Sheffield lost 42,000 during the 1970s); the disappearance of these jobs also drove up the unemployment rates of both cities to 23% and 16% respectively in the late 1980s (Rousseau, 2011).

Over the course of the 2000s, many public housing units were privatized in Sheffield; in Roubaix, the current urban renewal of social housing neighbourhoods is clearly aiming at the diversification of housing and resident population alike. At the same time, both cities' urban policies have been guided in the last 15 or so years by an increasingly significant set of standards according to which the return of the middles

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<sup>1</sup> It should be specified that at this time the Keynesian urbanism referred to here would not be ideal from a spatial justice perspective. The Fordist city is in fact a city in which social and ethnic segregation develops. In British and French industrial cities, socio-ethnic segregation most often results from "socio-economic structural processes", to go back to the terminology proposed by Sonia Lehman-Frisch (2009): This segregation is therefore fundamentally unjust. In Roubaix, for example, the new housing primarily benefits French workers, who leave their unhealthy housing built in the 19th century, and who are replaced by a mainly poor immigrant population.

classes to the downtown areas is a "solution" to urban decay (Rousseau, 2008a; 2009). In the context of British post-industrial cities, it moreover seems possible to generalize this phenomenon: Atkinson indicates that from now on gentrification could well constitute the new redevelopment strategy pursued by the central government and taken over by the municipal governments of the shrinking cities in Northern England (Atkinson, 2004). Urban policies implemented with this objective have been subject to ongoing scrutiny by researchers as have been, for example, cultural policies (Cameron et Coaffee, 2005), transportation policies (Reigner *et al.* 2009), or alternatively, the "revanchist" reconstruction of public spaces (Atkinson, 2003). In France, research has focused more on major metropolises like Paris, whose working class neighbourhoods in the north and east of the city have undergone housing improvement programs (Bacqué and Fijalkow, 2006 ; Clerval, 2009), or Lyon (Authier, 1993). Nonetheless, recent books show that this type of strategy can also be found in traditional French industrial or port cities that are in difficulty today, like Saint-Etienne (Rousseau, 2008b), Le Havre (Boquet, 2009) or Marseille (Péraldi and Samson, 2005; Pinson, 2009).

The objective of this article is to propose some possible ways of understanding this phenomenon currently observed in post-industrial cities in decline in France and the United Kingdom. The generalization of these strategies is an excellent angle from which to analyze the neoliberalization of urban policies, the polysemic concept of "neoliberalism" being understood here as strongly defined by David Harvey (2005) as the "restoration of class power" at the end of the Fordist-Keynesian compromise. The analysis of gentrification policies makes it possible to cast light on a new role for public action, directed at favouring certain capitalist interests (real estate market actors), but also certain social groups (particularly the young middle-class household made up of service sector workers). These policies are fundamentally unjust. They effectively involve a redistribution of public wealth that benefits relatively advantaged social groups in poor cities. So, what explanation can there be for the spread of these strategies?

Two main factors will be examined here. On the central government level, this is the evolution of the set of national urban policies, which act as encouragement and/or constraints for urban governments. These policies provide a general framework but also resources for urban gentrification policies. On the urban level, gentrification is shaping the particular form that recent entrepreneurialism has been taking in post-industrial cities since the early 1990s. In this article, we will observe how the low numeric presence of the middle class in declining cities is compensated for by its role in the construction and spread of an urban life model for the post-industrial city. By helping to depoliticize the redevelopment issues of shrinking cities, this process which is related to a form of cultural imperialism, glosses over the economic and political interests at the origin of these strategies. *In fine*, we will demonstrate that the neoliberalization of urban policies must therefore be understood as a

multidimensional process that includes economic, social, political and ultimately cultural aspects<sup>2</sup>.

### **1- The change in the post-Keynesian central government frameworks: Gentrification as a “solution”**

The redirection of the British government’s urban policies toward gentrification as a solution to the “urban problem” has been well demonstrated by research (Collomb, 2006). This redirection is the result of a change of framework in the 1990s under a “roll-out” neoliberalism entrenching the general principles brought in by Margaret Thatcher’s government while expressing new concern for their most negative social consequences with regard to urban policy (Béal and Rousseau, 2008). The urban policy supporting gentrification is first and foremost related to economic development which is a major objective of the “Urban Renaissance” program implemented by the neo-labourists. Atkinson (2004) thus shows that the purpose of the strategy carried out in the cities in the north was to renovate and build new types of attractive dwellings in the “inner cities” affected by the industrial crisis, such to attract the middle classes. So, this is clearly a strategy aiming at economic redevelopment. It should be noted here that the middle classes now make up a large portion of the New Labour electorate for two main reasons: the demographic decline of the working class on the one hand; and the enduring rejection of the Tories inherited from the neoliberal “roll-back” policies of Thatcherism in a segment of the middle classes on the other (Kingdom, 2000). Tony Blair’s strategist, Anthony Giddens, puts it this way:

[tr.] “With the radical collapse of the working class, roughly only 16% of the population does blue-collar factory work in this country. You must respond to such changes and create a new coalition on which to support yourself.” (quoted in Hoang-Ngoc and Tinel, 2003 : 5).

The concrete details of the “social diversity” forming the redevelopment objective of declining industrial cities remain, however, ambiguous. According to Collomb, the term is hardly made clear in official documents, which mainly stress *residential* diversity, i.e. mixed types of occupancy – social housing, private rental housing, assisted home ownership – and type of dwelling – apartment or house (Collomb, 2006 : 27). Now, *residential* diversity does not necessarily lead to *social* diversity, and due to the existing urban planning rules and the precedence given to the market, the politically committed urban renewal under the auspices of “urban renaissance” is likely to result in two perverse effects. In the best case, another type of segregation appears. It is no longer *between* neighbourhoods but right *within* neighbourhoods where the hoped-for social interactions do not develop among the new and old residents. This is already a long-standing observation in France (Chamboredon and

<sup>2</sup> This article takes up certain elements of a thesis (Rousseau, 2011) which builds on an in-depth qualitative investigation based on the analysis of various documents (press archives, grey literature) and numerous interviews with key actors in urban governance in two post-industrial cities (Roubaix and Sheffield) in order to identify a model for interpreting development policies of this type since the Second World War.

Lemaire, 1970; Charmes, 2005). Thus, according to Butler, who studies the Islington neighbourhood in North London, the new gentrifiers reject contact with “the others”, i.e. the lower social groups, and live “in their bubble” (Butler, 2003). This form of segregation at the neighbourhood level is not fundamentally unjust as it is first and foremost the result of individuals’ free choice (Lehman-Frisch, 2009); it simply shows that a policy of social diversity based on the use of the middle classes cannot at the same time claim to work toward spatial justice. Moreover, in the worst-case scenario, the influx of the middle classes culminates in quick evictions of the former residents due to the rise in real estate prices (Davidson and Lees, 2005).

In France, too, the recomposition of state action in disadvantaged cities and neighbourhoods is the result of a perceptible change in framework starting in the early 1990s. In 1991, the *Loi d’Orientation pour la Ville* (LOV) [tr. law on direction for the city] effectively established for the first time the principle of “social diversity” as a solution to the ills of ghetto-type neighbourhoods and requires that at least 20% of housing be social housing in communes of more than 3,500 inhabitants located in an agglomeration of over 200,000. The way out of the spiral of exclusion is now less the jurisdiction of urban planning or support to the community-based associations than the disenclavement of resident populations through the daily contact with the middle classes (Lelévrier, 2004). This evolution of the French government’s urban policy resonates in certain cities in difficulty. Added to the central government’s urgings to “achieve social diversity” in poor neighbourhoods, are genuine local strategies for the gentrification of certain parts of the city, particularly in the centre, the risk ultimately being the worsening of social polarization by cutting budgets allocated for traditional social policies in favour of solely recreating the city centre for the middle classes. Dikeç (2007) shows the impact of the LOV on the redirection of municipal policies in Vaulx-en-Velin, one of the cities most affected by urban violence since the early 1980s. The grants were eliminated to the Mas-du-Taureau social centre, which was a symbol of young residents’ “thirst for citizenship”, as was city hall’s willingness to dialogue with the local population, and the building was torn down by order of the mayor in 1994. Public funds were then spent to create a new downtown away from social housing neighbourhoods, around the construction of a planetarium and a cultural centre. The city’s residents take a dim view of the entrepreneurial slant. Nonetheless, the change of strategy is accepted by the municipality.

## 2- Cities in decline and up-market strategies

Although a great deal of research has been devoted to the recent role of central governments in gentrification, little research is conducted today on the motives of local officials implementing strategies aimed at attracting the middle classes (Hackworth and Smith, 2001; Fijalkow and Préteceille, 2006). Regarding industrial cities in decline, municipal strategies for promoting gentrification are explained by the desire to find a new redevelopment vector after the failure of the initial strategy for attracting businesses that was implemented in the 1980s (Rousseau, 2008a; 2009). But they also reflect the influence of a “[tr.] culture of gentrifiers” in urban production, in cities where the middle class has been under-represented since the



departure of a large portion of its members with the onset of deindustrialization. This phenomenon makes it possible to understand the alignment of government policy frameworks in France and the UK with local policies at a time when gentrification policies in declining cities are spreading. But at the same time, the fact that there are also very real local interests for the middle classes to settle in traditionally working-class spaces must not be hidden. The conditions thus combine for the coming of actual up-market strategies.

### **The depoliticization of urban development: Is there “cultural imperialism” on the part of the gentrifier?**

A number of researchers point at the role of the press in disseminating an overall “culture of gentrifiers” (Zukin, 1998; Greenberg, 2000). It is presumably under the influence of the media and particularly the publication of the rankings of the “best cities” that the attachment to urban “quality of life” has recently become a new framework for urban policies, despite divergences of opinion about what the term actually covers (Rogerson, 1999; McCann, 2004). This dissemination of the gentrifiers’ urban principles weighs on the portrayals of urban governments, notably in cities subject to a steady decline and grappling with an exacerbated interurban competition in which they appear to be heavily handicapped. For example, a city planning department manager for Vaulx-en-Velin recently explained to me that “[tr.] under the term social diversity, the contribution of the middle classes must be studied; they are generators of new needs, they reinforce a certain modernity in the territory, and they make it more attractive” (interview, May 2011). Even beyond Vaulx-en-Velin, in the territories making up Greater Lyon that were previously intended to house the agglomeration’s factory workers, the political handling of deindustrialization-related problems is now a redesign of these spaces to suit the tastes of the new middle class. The reference to the “quality of life” in particular appears as a middle ground promoting the reconciliation of these areas’ governments and the urban community. However, the consensual narratives valuing “social diversity” mask a very real redevelopment of these spaces for the use of individuals who are better off than the traditional users. For example, a vice-president of the Lyon urban community recently told me:

It’s something that’s been reflected on since 1995-1996, from the time that Collomb found himself one evening in a hallway in Duchère face to face with three guys with cutters .... The political thought then was to really tackle things in certain neighbourhoods: Vaulx-en-Velin, Duchère, Mermoz .... The middle classes have to go to Vaulx-en-Velin, to Duchère. We’ll have won when the Lyonnais say “We’re going out to dinner in Duchère this evening and there’s a piano-bar next door.” We’ll have won when the Lyonnais feel like it. Personally, I never go to Vaulx-en-Velin except if there’s a jazz festival. Changes can be made and not in terms of a conquest for the “bobos” [“bohemian bourgeois”, NDT], but that people want to go to Duchère, Vaulx-en-Velin, Vénissieux... Even the right-wing elected officials are proud of what’s going on in Vaulx-en-Velin” (interview, April 2013).

This type of discourse evokes the change in the current political treatment of deindustrialized spaces. Formerly managed by and for the working class, they have gone through a phase of political isolation starting in the early 1980s, when their economic obsolescence was coupled with political obsolescence against a background of the rising tide of neoliberal frameworks among the upper levels of government. In the 1980s, this growing isolation culminated in collective protests that took a page from the book of radical activists (the first urban riots in Vaulx-en-Velin and Vénissieux, the violent conflict between the mayor of Roubaix and the urban community of Lille, the conflict between the British government and the cities in the North of England governed by the new urban left). However, starting in the 1990s, these spaces being taken into consideration by upper levels of government was facilitated by the depoliticization of the issues related to these spaces. The references to “quality of life” that were on the middle class’ urban agenda since the early 1980s provide precisely the advantage of being a neutral, depoliticized issue. Who wouldn’t want bike paths crossing his neighbourhood or an “ethnic” restaurant to open on his street? More generally, who would be opposed to social diversity? For all that, the rising tide of references to “quality of life” must not mask that “[tr.] it is not a “pluralism” of life styles and consumption modes that reigns, but rather the fact that ideas and definitions of the “good life” of high-income consumers have becoming more influential” (Mayer, 1989). So, this process can be analyzed as the imposition of the gentrifiers’ “cultural imperialism” on the ruins of the working class consumption mode that previously dominated in the post-industrial spaces in decline. Cultural imperialism, the process by which a group is rendered invisible, is one of the five major forms of injustice perceived by Iris Marion Young (1990). In the case of gentrification policies, this cultural imperialism notably produces abundant narrative for the purpose of “selling” the new large-scale urban projects to investors, tourists or potential gentrifiers, or to explain that the rise in real estate prices benefits all the inhabitants (for an analysis of this narrative in Roubaix, see Rousseau, 2011). These narratives depoliticize the nonetheless very real issues of the redevelopment of cities in decline and complicate the ability to draft alternative policies to entrepreneurial strategies<sup>3</sup>. They provide the ideological framework making it possible for coalitions uniting public and private interests to prevail over the redevelopment of cities in decline, slanting this ideological framework toward the attraction of better-off social groups.

### **Local interests in the gentrification of cities in decline**

The evolution of the portrayals of the post-industrial city thus provides the ideological context facilitating a general evolution of the governance of cities in decline, perceptible since the early 1990s, and in terms of which land and real estate market interests gradually overtake manufacturing interests among the most active private actors in urban regimes. After the decline of French industrial employers’ power, policies aiming at the gentrification of cities in decline favoured the

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<sup>3</sup> We note however that the 2009 real estate crisis in the UK, demonstrating the fragility of the strategy taken in many of the declining cities in the North, made room for the emergence of community protests.



emergence of a new power over these spaces, this time emanating from the real estate sector. The post-industrial cities thus provide an excellent observation point for taking stock of the coming of neoliberalism as "[tr.] restoration of a class power", as defined by Harvey (2005). However, the new capitalist class recreating these urban spaces remains closely tied to the class that dominated these spaces up till then.

The theory of two circuits of capital provides an excellent starting point for understanding this transformation in the governance of industrial cities in decline. According to H. Lefebvre, the economy rests on two sectors: the manufacturing, trade and commercial banking sector; and the secondary capital sector: real estate agents, developers, owners and banks specific to the real estate market. The second one takes over from the first in the event of a crisis in order to keep the rate of return high on capital. As H. Lefebvre states:

[tr.] What's important is to stress the role of urban planning and more generally, "real estate" (speculation, construction) in the neo-capitalist society. "Real estate" as it's called, plays the role of a second sector, a parallel circuit to that of manufacturing working for the non-durable goods market or at least goods that are less durable than real estate. This second sector absorbs the shocks. In the event of a depression, capital flows toward this sector. Profits are initially fantastic but soon get bogged down. In this sector, "multiplier" effects are weak as there is little induced activity. Capital is immobilized in real estate. The overall (so-called national) economy soon suffers for it. However, this sector's role and function of never stop growing. To the extent that the main circuit, i.e. the routine production of "moveable" goods slows, capital will be invested in the second sector, real estate. It may even happen that land speculation becomes the main source, the nearly exclusive locus of capital formation, i.e. the realization of capital gain. While the overall share of capital gain formed and realized in manufacturing drops, the portion of capital gain formed and realized in real estate speculation and construction grows. The second circuit supersedes the main circuit. By happenstance, it becomes the main circuit. But this an unhealthy situation, as economists say...urban planning as an ideology and as an institution...mask these problems.... Urban planning is unknowingly a class-based urban planning (Lefebvre, 1970 : 211-212).

The theory of two circuits of capital makes it possible to understand how the "financialization" (Aalbers, 2009) of production of the city logically results from the deindustrialization of western cities in the context of a globalized capitalist economy. This process explains how national scale, not to say international scale, operators (major banks and major real estate development groups) have massively invested in western city planning over the course of the 1990s and 2000s, notably causing a "third wave" of gentrification affecting secondary cities that until then were unattractive to outside investors (Smith, 2002). Cities like Vaulx-en-Velin and Vénissieux which have already been dealt with in this article and whose supply of housing for the middle classes is currently produced by large groups, are in precisely this category. However, in other cities that have not attracted capital, the production of a supply of gentrifiable dwellings initially comes not from attracting outside investments but from a direct transfer of local capital invested in the production sector and "trapped" in the second sector by the industrial crisis. It is not necessarily the case however, to hastily conclude that when accumulation was based on industrial production, local capitalism was not concerned with the production of the city. What changes with the crisis in industry is simply that city planning becomes a

directly profitable sector. This evolution therefore involves a revolution in the urban vision of local capitalism. The urban space becomes a “condition”, to use David Harvey’s terminology, for production, more than a mere “component” of accumulation (Harvey, 1985: 91).

Combined with the growing scepticism among the elected officials of these cities with regard to the previous strategies of urban redevelopment which aimed at attracting the kind of businesses that rely on an important amount of unskilled labour force, and the resources that are now contributed by central governments in order to “trigger” gentrification, the strategy for converting capital from the “first” to the “second” capital circuit following the manufacturing crisis explains the multiplication of “growth coalitions” aiming at the renewal of the population of cities in decline starting in the 1990s. As a result, as the “culture of gentrifiers” spreads, the urbanization targets under neocapitalism evolve from the former working class to more solvent groups under post-Fordism, particularly youth working in the service economy. The analysis of the creation of a loft market through a network of actors promoting Roubaix’ heritage, but also pursuing the interests of local property owners, has, moreover, already been the topic of publications (Rousseau, 2010; 2011). However, it’s a good idea to recall here that this network is closely tied to the local bourgeoisie, which originated in the textile industry that is now in an advanced state of crisis. The protection of the city’s architectural heritage is coupled with the inveiglement of a potentially profitable market by a small group of actors in search of profitable investments in the second capital circuit. The most telling example of this process is the conversion of factories into lofts by their very owners.

### **Rethinking gentrification policies: strategies for upselling**

Despite its heuristic merits, the concept of “gentrification” does not however seem completely operative for thinking about urban policies focused on the production or embellishment of public spaces carried out in many post-industrial cities in decline. As a matter of fact, the arrival of the middle classes is not solely desired in terms of residential settlement. In a broader sense, it’s the city’s set of social customs that these new urban policies intend to change. Residents’ practices are an important component but they must not mask consumption practices. Moreover, while the redevelopment of post-industrial cities is increasingly seen as dependant on the construction of new infrastructure favouring mobility (Rousseau, 2012), these practices may be attributed to temporary visitors – e.g. consumers from nearby cities, tourists and professionals passing through. It is therefore more correct to describe these new policies as *an urban strategy for creating a pleasant environment in the downtown core for the middle class*, with regard to dwellings, employment and leisure (culture, consumption). Gentrification is certainly a significant element of the strategy, but in a broader sense, the aim is to *sell the wider uses of downtown neighbourhoods* to this social group, and to do this by first modifying their image.

A strategy of this type was implemented in the early 2000s in downtown Sheffield, Britain’s former “steel capital” (Rousseau, 2009). It closely combines image and exclusive use of this new central space for this group’s housing and consumption practices. That is why, in the following excerpt from an interview with the executive

director of the redevelopment agency *Sheffield One* (renamed *Creative Sheffield*) established by Tony Blair's government, I was particularly interested in the new "trendy" cafés around City Hall square, which had been presented to me by urban planners on the board as a major sign of the downtown renewal and by synecdoche, renewal of Sheffield:

"[translation] And these cafés for example, what is your role in them? Can you attract a café? What do you have to do to have the Ha Ha Bar and the other new cafés?

-There are two things that make very good squares. One is a very good design and the other is the activities that go on around the edges of the square. This is what the cafés are naturally drawn to. But we couldn't just leave things and hope that this happened. The building for the Ha Ha Bar had been abandoned for perhaps 20 years, and previously belonged to the city council...When we started looking for an associate developer...there was one condition: that the entire ground floor be made up of bars, restaurants and cafés.

-Did you specifically ask for a café?

-We asked for cafés, bars, restaurants.

-But no pubs?

-The term "pub" is somewhat devalued at this time....

-Have you tried to concentrate on a specific type of activity?

-We can control the type of use of a building.

-Really? So you can request a café and not a pub?

-Yes, because fortunately, the entire sector belongs to the council, so the agreement with the developer is very strict and the council must approve the project. I'll give you an example: for the ground floor of the new office tower, the developer proposed a discotheque called *Tiger Tiger*. We were concerned because the project was very big, 3000 m<sup>2</sup>, a number of restaurants, discos, etc. We were saying that it wasn't a good use of the city centre. Too many people could be attracted by the prospect of a drinking circuit, which would devalue the quality of the project. So, we told the developer that *Tiger Tiger* was not a good option.

-And what about the Ha Ha Bar? Did you choose the café?

-The developer had to satisfy the city council regarding the type of use. If that had been a standard bar, the answer would've been no, I'm sure. Because what we have tried to do is set very high standards in terms of public environment and beauty. That's why we didn't want the entire area to be depreciated by the binge drinking culture. We have to have a safe, welcoming environment; that is a key idea. It must also be very well maintained. That's why the downtown ambassadors keep it very clean" (interview, May 2006).

This quote notably shows that the gradual disappearance of pubs in favour of cafés in the UK is not only the result of a spontaneous process corresponding to social evolution: there is also a political process with the Sheffield redevelopment agency controlling the conversion of the downtown's social use. While the pub was the leading venue for the working-class community to socialize (Jennings, 2007), the outdoor café inspired by the cities of continental Europe brings middle- and upper-class consumption much more to mind.

Regardless, this type of strategy consisting of modifying the image of a product or product range to target a higher-profile consumer is widespread in the private sector, such as in the automobile industry. Marketing experts call this an up-market strategy. This term seems appropriate to me for thinking about the new urban policies carried out by many entrepreneurial governments of shrinking cities. This is how the urban governments' new strategies are the opposite of the "traditional" policies for

gentrification through the improvement of housing, pioneered by urban renewal operations. These operations initially considered the use and only later, the image of the city of neighbourhood being altered by the change in the resident population. Thus, in analyzing urban renewal in Paris during the 1960s, Godard concluded that:

"[translation] This simultaneous three-fold change of social class, economic activities and distribution mode of goods, is linked at various levels with a fundamental change: *the change of symbolic space*. A new totality, the renewed neighbourhood, replaces another totality, and it's blurrier because it is less geographically circumscribed. We want to talk about the old neighbourhood marked by the presence of factories, centred around its small businesses, appropriated by a left-voting social stratum, forming a specific symbolic totality" (Godard, 1973: 66).

The up-market strategies now totally upset the urban renewal paradigm of the 1960s. As a matter of fact, the main problem the governments of declining cities are confronted with is that of attracting investors, real estate investors in particular. For this reason, the first change targeted by the new urban policies in these cities is their image, in view of the desired change in use. To use Godard's terminology, and unlike the urban renewal operations, the up-market strategies of entrepreneurial urban governments thus intend this time to symbolically transform the central space, solely to be in a position to change the social composition in order to ultimately change its economic activity.

More specifically, strategies for moving upmarket have a dual objective. On the one hand, they directly address gentrifiers by proposing a new image of the downtown suitable to its supposed taste, with museums, cultural facilities, public art, safety policies, etc. On the other hand, they indirectly address them, by "re-branding" the core neighbourhoods targeting real estate developers likely to produce a "supply" of prestigious residential, professional and business buildings. The second objective of these symbolic policies carried out in shrinking cities is in fact to solve the capital drain problem that caused the urban crisis of the 1970s and 1980s. To do this, these policies act as "signals" to potential investors to attract them by promising that their risk will be limited. Building cultural facilities near pockets to be renovated to create an ad hoc boost to real estate prices, or organizing tours of the new lofts built in the city in the name of a "heritage policy" are actions that download a portion of the developers' risks onto the municipality and thus onto the city itself. In this sense, symbolic up-market policies provide "moral risks"<sup>4</sup> to urban investors. By protecting the developers from the risks of investing in the declining city, they very much aim at ultimately fostering the "return to the city" of the middle classes through support to private construction. So, these are genuinely neoliberal policies in that they directly contribute to the restoration of a "class power" – the power of the main actors in the real estate market, as it so happens – who themselves are often from these cities' former ruling class. However, we should not necessarily conclude that the gentrifiers and the producers of the gentrification supply have formed an alliance against the residents of the spaces in decline. When the real estate market reversed in the late

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<sup>4</sup> The "moral hazard" is a traditional economics concept that states that an agent that is protected from risk will behave differently from one that is fully exposed.

2000s, gentrifiers in Roubaix and Sheffield alike found themselves trapped by the drop in the value of their new homes.

### **Conclusion: Up-market strategies and spatial justice**

The urbanization goals of traditional industrial cities in France and Britain have undergone a profound evolution since the Second World War. Thus, a neoliberal strategy for moving the city core upmarket is increasingly observable in many of these cities in the last twenty or so years; this strategy targets the middle classes and is the successor to the urban Keynesianism that favours the interests of certain segments of the working class and promotes urban sprawl. These two types of urbanisation reflect the evolution of central governments' urban policy frameworks, but also the ways in which the role of urban governments has changed. Now called upon to create the conditions for local economic development themselves, they opt for strategies intended to modify the city's image and making it conform to the tastes of potential gentrifiers. This strategy does not fall under mere gentrification policies just exploiting housing conditions, but instead comes under a broader set of urban policies that I proposed qualifying as genuine "strategies for moving upmarket" aligned with business strategies for modifying a product's image in such a way as to attract more affluent consumers.

From the spatial justice perspective, this type of evolution obviously seems problematic. In a recent work, American city planner Fainstein defines the "just city" based on a model inspired by the philosopher Rawls: this is a city in which the "primary goods", housing in particular, are accessible in a more equitable manner. Moreover, this just city, which would be chosen by most individuals placed behind the famous "veil of ignorance", would guarantee a high degree of diversity and democracy (Fainstein, 2010). The evolution of the urbanization framework in declining cities, guided by a "new urban order" (Rousseau, 2011) first and foremost protecting developers' and gentrifiers' interests clearly goes against the coming of such a "just city". Of course, under urban Keynesianism, the combined action of central and urban governments often led to the strengthening of segregation inside the cities themselves. This was nonetheless a relatively inclusive urbanisation, at least from a social perspective (the immigrant workers being once again the subject of a differentiated treatment in the Fordist city). The redirection of central governments' action toward these spaces that are now in decline, and the gentrifiers' cultural imperialism, combined with the urgency for redevelopment on the other hand, now seem to favour a more ambiguous evolution: the proclaimed struggle against segregation in the name of social diversity seems paradoxically to lead to a form of urbanization that will be more socially exclusive from now on. This urbanization first and foremost serves the interests of actors operating in the real estate sector and contributes to the restoration of class power in spaces deserted by manufacturing capital. It is fundamentally unjust as it places public resources at the service of affluent groups in cities that are relatively poor. Furthermore, the "percolation effect" on the local population often raised to justify the use of public money for upmarket urban strategies does not, in fact, lead to a genuine improvement of the living

conditions of the populations that have been impoverished since the departure of manufacturing capital. Many recent studies show that most of the new jobs created in construction, tourism, trade or personal services are insecure and poorly paid. In the post-industrial cities implementing strategies for moving upmarket, the former working class sees no other prospect than becoming a "servant class" in the service of the "creative class" or the consumers of the "residential economy."

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