CITY VISIONS
Imagining Place, Enfranchising People

Edited by
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Contents

List of Figures

List of Tables

Foreword

In 1994, the Department of the Environment initiated a debate about how best to accelerate the regeneration of Belfast, drawing on the successes already achieved but recognising that much more had yet to be done. As a result, in July 1996 an alliance of elected representatives, business leaders, trade unionists and community activists formed the Belfast City Partnership Board. The aim of the Board is first, to facilitate the widest possible community input to the formulation of a 25-year strategic vision for Belfast and, then, to oversee its realisation. Aware that a visionary approach has been successfully adopted by a number of cities around the world, the Board has been keen to provide a new strategic and policy framework by seeking widespread agreement on what Belfast could be like in 25 years' time. Some have referred to this as 'backcasting', that is, securing agreement on what you want to achieve and then working backwards to identify the steps to realise the vision.

This publication records a series of public lectures on 'City Visioning' sponsored by the Belfast City Partnership Board. Designed to provide an opportunity for those interested in the Belfast Vision process to hear at first hand case studies and policy insights from a range of eminent practitioners in the field of urban regeneration and city visioning, the lecture series provided an invaluable opportunity to validate a visioning approach and to raise horizons about how Belfast could strive towards its fullest potential.

From the beginning, the Board recognised that renewing the city involved an integrated look at the many dimensions of effective urban living. Thus, this book addresses the wide range of issues we have had to consider, including city governance, cultural diversity, urban economics, social exclusion and regionalism. The outcome has been mutually reinforcing for all those involved – not only have we taken the opportunity to learn from the experience of other cities, but we are now convinced that there are useful lessons which can be drawn from the urban regeneration experience in Belfast. As a manifestation of this cross-fertilisation, practitioners in the field of urban regeneration in Belfast and Chicago have developed an exchange programme, funded by the MacArthur Foundation, which has served to inspire and

strengthen the resolve of those involved to tackle the common challenges confronting both cities.

I have no doubt that this publication will contribute significantly to the body of knowledge on urban regeneration and the process of city visioning. I wish to acknowledge the efforts of all who participated in the public lecture series, those who delivered papers now reproduced in this book and the University of Ulster's Urban Institute in organising the lecture series and editing this publication.

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Introduction

We live in an increasingly urban world. Whereas at the turn of the twentieth century, one in ten of the world's people lived in cities, a quarter of the way into the next century, about seven in ten of the planet will be urban dwellers. Far from being a relic of an industrial age, the city is the habitat of the future. But, the nature of cities will change. In the advanced economies, this challenge is pressing. It involves remaking the purpose of places that were once the site of smoke stack industries and large public bureaucracies in an age when both are in decline. Future urban prosperity will depend more on producing and using information cleverly.

But how are we to help shape this future when so much of local development seems to be at the mercy of huge private corporations and large economic blocs in a new global economy? One argument in this respect is that resignation to such external determination disenfranchises people. Conversely, an active citizenship intent on taking responsibility for future development generates an empowering process in itself. This attitude to 'taking power' derives from a view that the best way to predict the future is to help create it. As expressed by Ellyard: 'The future is not a probable place we are being taken to, but a preferred place we are creating. The tracks to it are not found and followed, but made by laying and constructing a trail.'[1]

In this way, vision planning is designed to foster an inspiring and imaginative approach to developing cities. It seeks to get round the limitations of conventional urban planning, which has tended to:

- separate the physical from the social, the economic and the environmental, rather than treating all of these elements in an integrated fashion;
- be tied down by contemporary economic restraints, public spending projections or immediate practicalities of institutional arrangements;
- in effect, exclude many sections of society, left with little sense of ownership of planned change in their city; and
- be based on projected trends of social life which can often be flawed or overtaken by events.

As the world becomes a less predictable place, the effectiveness of trend planning, based on trajectories of present patterns, is severely compromised. Such planning tends to be over-influenced by what appears to be inevitable social destinies to a point that it becomes self-fulfilling. What is needed is a widely agreed view of where the city wants to be two decades or so hence, with in-built flexibilities to review that vision and its related goals. Taking a long span like 20 years permits a more ambitious picture of a desired future, since any radical transformation will demand that kind of time period.

Vision planning, in seeking to get beyond land use and zoning (the traditional concerns of planning), attempts to dissolve old demarcations, integrating the various dimensions needed to ensure a holistic development. It looks far enough ahead to avoid the immediate concerns about 'feasibilities' such as cost. Such considerations inhibit imagination about preferred futures by emphasising the current limits of resources, agencies, or the disposition of key actors. By contrast, vision planning, supported by an informed view, is offering more of a blank canvas to sketch from, and scratch the shape of tomorrow's society. Thus, the vision is intended to be free from a blinkered view, which perceives current problems and divisions to be largely unchangeable. It allows participants to leap ahead of such immediate obstacles. Accordingly, vision planning is not designed for crisis management or even coping with change. It is about making positive change happen.

Moreover, since the visioning process is not just about *where* we want to go, but also about *why* we want to go there, it inevitably throws up the need for explicit discussion about the values and principles underpinning the goal. The process of inclusive engagement across all the diverse urban interests is itself helpful. A compelling vision that comes from such encounters and networking is well placed to rally and motivate people throughout the city. It can produce openness to change and innovation. It demands wide ownership because its ultimate success depends on it being something people appreciate, share and pledge backing to. As expressed by Klein et al.: 'Proponents of visioning believe that plans that resonate with citizens' deepest aspirations and values have the best chance of being implemented.'[2]

Critics of vision planning might charge that it amounts to no more than wishful thinking at best and authoritarian utopianism at worst. But, this is to misunderstand the nature of an effective vision plan. It is not the product simply of untamed imagination and flights of fancy. Rather, the vision is influenced by an acute understanding of the complex forces driving social change. Thus, the process deploys techniques such as scenario planning, which allow people to step mentally into possible, probable and preferred futures to script a number of narratives for their city decades hence.

Such a forward-looking approach to development highlights key aspects of a changing social and economic environment, such as:

- the new *importance of languages* in a multi-lingual Europe;
- or the need to respond to the *changing nature of work*, e.g. teleworking, electronic commerce, and the redeployment of surplus office/retail space that might follow such trends;
- or the way certain *health technologies* such as scanner software for home PCs could revolutionise diagnostic medicine, and our use of acute care.

Other methods, such as visualisation, can be used. This is designed to show participants concrete examples of proposed change (models or photographs) since some people have difficulty with an abstract perception of changed urban form. A variation of this is the Visual Preference Survey, which in broad terms is a device to test people's assessment and prioritisation of a range of options for the future of their city and/or community.

This type of vision planning took off first in the USA. By the late 1980s, a series of cities and communities were involved. For instance, Rock Hill, South Carolina produced an award winning effort called 'Empowering the Vision' in 1989; Gresham in Oregon started their visioning process in 1986, with their final plan emerging in 1991; the city of Torrance in California designed theirs in 1995 following a year-long planning process tied to comprehensive consultation; following the production of a vision for Greater Vancouver in 1993, the 1995 City Plan in Vancouver offered a long-term vision for the city's future, embodying a framework for prioritising city programmes and actions. However, not all of the plans that claim to be visionary are entitled to the name. For instance, Cleveland's Civic Vision 2000 concerns mostly its Downtown and Waterfronts. Critics of the planning processes adopted in Cleveland charge that it is not inclusive of the poorest constituencies and does not embody essential values like equity.[3]

Interestingly, the visionary approach has been slower to take off in the UK. Yet, as Shipley and Newkirk note: 'There is some irony in this because, unlike Canada and the United States, where visioning does not seem to have been mandated, Britain has new Regional Planning Guidelines (RPGs) that require that visions be prepared.'[4]

Visioning Beyond Division: The Case of Belfast

This book has come from the visioning process in Belfast, a city that has experienced not only the universal processes of economic restructuring and traditional decline, but also the particular stresses of its deep

political conflict. Necessarily, its drive for regeneration has to be twinned with an effort to redress the polarisation of its sectarian and cultural division. With this in mind, Belfast formed a City Partnership Board, comprising representation from the City Council, business, trade unions, community and public sectors. Over a period of two years, this Board engaged in widespread consultation across the city, attempting to engage the imagination of its diverse constituencies in a series of workshops and forums.

In crafting its Vision Plan, the Belfast City Partnership had to consider a complex range of issues affecting prosperity, equity and quality. Thus, it recognised that it would be helpful in catching the popular imagination to have one 'hook' or overarching theme to hang the total Vision upon. Insofar as the messages from its consultations provided some guidance, the general idea of a connected city emerged. Such a connected or *Mutual City* was one that encouraged links and collaboration among all sections and areas, and opened the city up to the wider world, e.g. linking:

- the city with its wider metropolitan hinterland;
- the social, economic, cultural and environmental aspects of development to that of the physical and land use;
- the statutory, private and voluntary sectors into collaborative multi-agency partnerships;
- City Hall with all government departments and with active citizenship into a 'joined up' governance of the city;
- different stages of education in pathways of lifelong learning;
- the progress of work-rich areas of the city with that of the work-poor parts;
- the development of Downtown and Waterfront to that of neighbourhood 'urban villages';
- those with a weak attachment to the labour market to the world of work;
- the goals of social cohesion and environmental enhancement with those of economic competitiveness and overall sustainability;
- the young to the elderly in projects which bridge generations and develop mutual respect;
- Protestant to Catholic where there is a wish to have cross-community interaction;
- the future to the past in creative ways that help provide a recognisable tread from its best traditions.

The *Mutual City* concept does not deny real contests of interest. It does, however, suggest that such conflicts should not preclude the practice of common action and collective support, which ties the

fortunes of all sectors and parts of the city together as much as possible. As the vision emerged, the following components were prioritised.

A Buoyant City Economy demanded consideration of *structural* changes – getting a strategic framework for integrated development, sectoral selection, role of the social economy, and such like – and of the *cultural* – the need for changes in attitude and behaviour towards risk, enterprise and quality. There was a need to get *beyond fragmented development* whereby a myriad range of urban initiatives tended to operate in isolation. Greater cohesion and synergy required development to come within an overall strategic framework. The search was for 'win-win' scenarios rather than zero-sum games such as out-of-town retailing depleting Downtown, which could amount to expensive displacement rather than net gain.

Moreover, the nature of the development itself demanded consideration, since *development was more than growth*. Thus, economic progress needed to be tied to targeting social need, fair employment and equal opportunity, with the integration of underdeveloped areas, and groups such as the long-term unemployed. A more diversified economic base would require *specialisation in clustered growth sectors*. There were recognised benefits in concentrating on certain sectors, which could be clustered to achieve optimal critical mass and service and supply linkages. Within this, Belfast could identify appropriate *niches* that complemented the rest of the region, with corporate champions to drive competitiveness and investment. Whatever the sector, the importance of more export-led, high valued-added industries and tradable services was recognised. But, there was a need for a *mixed portfolio.* The focus on sectoral specialisation did not imply one source of prosperity. Thus, the expansion of services should not preclude the contribution of manufacturing. Nor should the drive for inward investment distract from the effort to nurture home grown business into a vibrant Small and Medium Enterprise sector. Similarly, the role of the private sector needed to be balanced with the economic scope of community enterprise and the public sector.

In this respect, there was an important *role for the social economy.* In the most depressed areas in particular, there would be advantage in strategically developing a social economy that tied projects for local social, cultural and environmental improvement with local job creation. In general, the city had to *build on its strengths*.

A range of positive factors had been associated with location in Belfast: proximity to customers and suppliers; good labour relations; quality of communication; availability of premises, availability and ease of recruitment of management and technical staff; and quality of working environment. Building on such attributes, the city had to tackle the traditional negatives in business operation: such as low skills, and

poor productivity and profitability together with problems in accessing finance.

The benefits of linkage were affirmed. Here, there was a need for a more proactive effort to integrate inward investors into the business community to foster greater local linkages. Another example was the benefit of a cross-fertilisation of ideas and experience between public and private sectors, e.g. staff exchanges.

Less dependence on low factor costs. We used to compete for investment and trade on the basis of low costs (e.g. in labour and rental costs). But, in future we could be increasingly squeezed between low cost areas like Eastern/Southern Europe and Asia for low valued-added markets and higher productivity locations in Europe for the high value-added. Certain aspects of production costs would remain significant, for example the high local cost of energy, particularly affecting profitability in low margin industries. But, in the main, factors such as ingenuity and quality would be ever more critical, requiring:

1. A new culture. This involved a move away from a conservative and insular culture to one that fostered risk-taking, global perspective, continuous improvement and quality control. Centres of excellence with exportable learning product and mentoring to spread best practice could advance such approaches.
2. Opening up the city labour market. There was some recognition that the economic zone in cities included the wider urban hinterland. This would require a concept of a Greater Belfast labour market. Such a city-region approach chimes with European thinking on urban and regional development.
3. An arterial routes strategy. There was recognition of the need to reclaim and renew the economic role of the main radial roads, through such initiatives as niche retailing, cultural quarters, etc.
4. Fostering knowledge assets. The basis of competitive edge was shifting to the knowledge and skills base. This implied a premium role for research and development, and the spread of know-how to the widest population. To optimise the capacity of the city's human capital would require, among other things, an increasing alignment of education to enterprise. More than that, it involved the establishment of a whole new learning culture for a 'learning city'.

The overriding message is that in a city which has become increasingly polarised in sectarian terms, voluntary integration can be facilitated. However, any intervention in this field has to respect the complexities, insecurities and sensitivities that arise. At least four developments in the city may point to progress in addressing division: new local initiatives for peace and reconciliation; the area partnerships, which are cross-community instruments for regeneration; the higher profile

of ethnic groups, which contribute to a greater multi-cultural complexion in the city; and new schools – integrated and Irish language – which acknowledge the virtue of diversity.

The Source of this Book

As part of the effort to engage the citizens of Belfast and to identify the salient driving social forces shaping the future pattern of cities, a series of public addresses were held, with renowned speakers from a number of disciplines in urban development. This book brings together those key addresses. In the opening two chapters, we seek to set the theoretical context of urban change and the challenge of building a competitive city that can accommodate social inclusion. In Chapter 3, Peter Hall sets out a detailed understanding of how the modern city form has to be appreciated in its metropolitan context. This has involved the spreading out of the urban, and indeed suburban, into a wider economic hinterland of a city region. Such a wider economic geography of investment and employment is matched by settlement patterns. However, Wim Wievel and Joseph Persky caution against a pattern of low-density development that sprawls into greenfield environments and thins out central cities, in the process losing the economies, efficiencies and especially the equities of a more compact urban form. Citing the US experience, Wievel and Persky contend that continued suburbanisation and edge city development have encouraged a flight of talent and funds from the traditional core of cities, sacrificing the productive use of existing physical and social infrastructures, and creating problems of great social exclusion. In Chapter 5, we comment on these arguments, and seek to contextualise them in the concept of sustainability.

Michael Parkinson summarises the key changes in recent urban policy in the UK and Europe in Chapter 6. This is followed by our review of the lessons to be drawn from these kind of urban interventions, pointing to the likely new urban policy agenda, within which cities' regeneration efforts will be set. Charles Landry reminds us in the next chapter that the premium quality in remaking industrial cities is that of creativity, and in Chapter 9, we seek to build on this analysis in assessing the potential contribution of the cultural industries to cities like Belfast, which endures the consequence of cultural conflict.

Whatever the physical, economic and social pattern of cities in the future, and whatever the policy path they pursue to creatively regenerate, city management will be crucial. Patsy Healey outlines the features of good governance in Chapter 10, emphasising the need to expand the role of participatory democracy and active citizenship. Brian Hanna's follow-up contribution examines this message with regard to the growing role of partnerships as a means to achieve a more inclusive

form of urban decision-making. In the Conclusion, we set out the critical considerations about urban development that need to be faced if a credible city vision is to be scripted with the signature of all sections of the population behind it.

Notes

1. Ellyard, P. quoted in Share the Vision, http://www.ci.diamond-bar.ca.us/share.htm
2. Klein, W. et al. (1993), 'Vision of Things to Come', *Planning* 59, 5, p. 10, quoted in Shipley, R. and Newkirk, R. (May 1998), 'Visioning: Did Anybody See Where It Came From?', *Journal of Planning Literature*, Vol. 12, No. 4, p. 411.
3. Krumholz, N. (Nov. 1991), 'Equity and Local Economic Development', *Economic Development Quarterly*, Vol. 5, No. 4.
4. Shipley, R. and Newkirk, R. (May 1998), 'Visioning: Did Anybody See Where It Came From?', p. 411.

CONTEXT

1 Understanding the Contemporary City

Frank Gaffikin and Mike Morrissey

In most of the industrial world, the period since 1945 saw the development of a rational planning system, framed to decentralise jobs, investment and people from concentrated metropolitan areas, while providing incremental improvements to the built environment in the old cities. By the 1980s, the urban issue had changed. More fundamental questions were raised about the very viability of the city, in the context of a radical shift in the political economies of industrialised societies like the UK and USA. This chapter explores the tentative remaking of urban and social theory to make sense of these 'New Times'.

It addresses two key questions: first, whether the standard urban theories are adequately comprehensive and operational in the economic geography behind the contemporary recasting of capitalism; second, whether the recent emphasis on locality studies is a timely rediscovery of the contingency of space, or whether it represents a sidelining not only of totalistic theories of the urban, but of theory itself. The purpose is to contextualise recent urban developments in major social, economic and political change – variously characterised under rubrics such as post-Fordism, post-industrialism, disorganised capitalism, or even more boldly in terms of 'New Times', post-modernism and 'the end of history'. Such understanding is essential if visions of future cities are to be rooted in an analysis of the key drivers for urban change.

Increasingly, urban researchers are wary of restricting their analytical reference to the purely urban, but rather frame urban developments in wider societal change. Some, like Saunders, dispute altogether the relevance of spatial constructs like 'the urban', contending that since modern industrial societies are urban in character, it is more fruitful to examine the impact of macro-policies of collective consumption than to focus on the relatively modest outputs of urban policy per se.[1] This perspective would also accord with a general Marxist claim that the issue is not so much an urban crisis but rather a more fundamental crisis of welfare capitalism, transparent since the 1970s. Implicit in these

3

views is an appreciation that the acute micro-change at the urban level by this stage could only be explained fully by an account of macro-change at the national and increasingly global level.

The End of Keynes

By the mid-1970s, the maintenance of full employment and continuous economic growth was in jeopardy. The central problem for government was the poor performance of the British economy and the inability to balance inflation, growth, full employment, currency stability and external trade. High (relative) levels of unemployment in 1971 and 1972 were reduced by a substantial increase in aggregate demand accomplished by tax cuts, increased public investment and a large expansion of the money supply. This 'Barber boom' was accompanied by a surge in imports and increasing inflation. The principal Keynesian remedies seemed to be generating as many problems as they solved.[2]

The acknowledgement of the inability of Keynesian macro-economic policies to respond to these problems was contained in a passage of the Prime Minister's speech at the 1976 TUC conference described by Keith Joseph as 'reminiscent of Milton Friedman':[3]

> We used to think that you could just spend your way out of a recession and increase employment by cutting taxes and boosting government spending. I tell you, in all candour, that that option no longer exists, and that insofar as it ever did exist, it worked by injecting bigger doses of inflation into the economy followed by higher levels of unemployment as the next step. That is the history of the past twenty years.

Keynesian demand management seemed to have reached a point where its major effect was an expansion of the money supply, thus fuelling inflation and import penetration. In theory, government can 'fine tune' aggregate demand to equal aggregate supply via fiscal policy. Thus, demand deficits can be compensated by additional spending and overheating by increasing expenditure. In practice, there are many reasons why public expenditure will tend to 'overshoot' appropriate targets. For example, political parties will have made promises which require expenditure increases. The general upward trend in the consumption of services will increase the demand on public services. Demographic and other changes will increase the resources needed simply to maintain public service levels. Finally, a commitment to full employment policies will produce a bias towards high aggregate demand.

With a surplus in aggregate demand (caused by an expansion of the money supply generated principally through the public sector borrowing requirement), two trends emerge: first, supply and demand will move towards equilibrium via price increases – inflation; second, if competitors' prices are increasing more slowly, imports grow in volume (and exports decline) hence precipitating a balance of payments deficit. Both will contribute to unemployment since a growing proportion of aggregate demand will target competitor products, while a balance of payments deficit forces a cut back in government expenditure and/or a currency crisis treated by higher interest rates which, in turn, inhibit private investment.

Apparently, Keynesian solutions had become the 'problem' in a number of different senses:

- first, the practice of 'fine tuning' the level of demand in the economy turned out to be a less than perfect science;
- second, the association between the growth of demand and import penetration had resulted in a period of 'stop-go' policies which undermined the prospect of longer-term planning and minimised the prospects for non-inflationary growth;
- third, no effective comparable international mechanism of demand management had been established – the implementation of Keynesianism at national level was compromised by global economic processes;
- finally, even if the Keynesian promise of perpetual, full employment growth had materialised, there remained the problem of underdevelopment in the Third World and, indeed, the ecological damage generated by the spread of industrialism.

At the same time, supply-side theorists were contending that the public sector, through an excessive fiscal burden on business, was creating a situation where productivity increases were used to reduce costs rather than increase output. This contributed to the growth of unemployment.[4] Gaffikin and Morrissey have explained the popular interpretation thus:[5]

Under welfarism, wealth redistribution had been allocated greater priority than wealth creation. This had led to a profligate public sector, borrowing beyond its means in a vain attempt to catch up with ever more generous definitions of social need and poverty. The ratchet effect of a universalist welfare system had increasingly crowded out the private sector, feather-bedded the work-shy, demeaned the work ethic, and imposed a penal tax burden on the risk-taking entrepreneur.

Welfarism Under Threat

Central to the political and economic disturbances of the 1970s were the contesting legitimacies of welfarism and capitalism. Certainly, these strains were experienced more sharply in the solidaristic welfare state of the UK, compared to the US liberal version.[6] The objectives espoused by welfarism included those of a social cohesion born of common citizenship; social need redressed by collective provision; equality of opportunity, if needs be via positive discrimination; and full employment sustained by state intervention. These credos were at odds with capitalist imperatives: competitive individualism; the primacy of want, as expressed in market demand, over that of need as generously defined by empire-building welfare bureaucracies; and inequality, properly reflected in the preferential status accorded the risk-taking and industrious entrepreneur. The intriguing aspect of this value conflict was that it engaged both left and right, who differed more in prognosis than diagnosis.

The left believed that welfarism and capitalism were in uneasy coexistence because the former was forever at the discretion of the latter. Wealth creation, inspired pre-eminently by private profit and capital accumulation, was destined to confine the public sphere to a poorly funded casualty station for the individual and spatial victims of a flawed economics. Always the poor relation, the public sector constantly risked being simultaneously marginal to economic policy-making, while being blamed for, and penalised by, its failures. The most cherished welfarist objectives could only be securely attained through socialism.

Whereas the left bemoaned the dilution of welfare by capitalism, the right maintained the converse: 'public' values had trespassed too far into the preserve of the 'private'. Dislocating the relationship between effort, achievement and reward had enfeebled capitalism. The post-war social democratic consensus was supposed to balance an opportunity ladder for the ambitious with a safety net for the dependent. In fact, the net had become a featherbed for the undeserving poor, purchased by a punitive tax burden on the enterprising. This, in turn, had engendered an economic crisis, whereby both work ethic and profit motive had been eroded by an intrusive and profligate state, hooked on taxation and regulation.

But for the right, the malaise existed at multiple levels: cultural, ideological, fiscal and planning. The growth rate of social reproduction costs had pressured government to extend its revenue base not only by means of tax increases but also through borrowing and/or printing money. This, in turn, reduced the supply, and raised the cost, of money for the private sector. Consequently, private investment potential, and with it employment creation, were curtailed. As expressed

by Bacon and Eltis,[7] this process involved a fiscal transfer from the marketable to the non-marketable sector, at once 'crowding out' the private economy, while expecting it to sustain productivity growth. The ultimate fall-out was greater unemployment and poverty, most manifest in older industrial spaces, whose problems generated yet more welfare demands. But, more welfare simply reinforced circuitous patterns of extra government spending leading to less investment and employment. In the process, many urban communities had become welfare-dependent.

Apart from the fiscal bind of how to finance welfare, there was also the dilemma of how to plan and administer its delivery.[8] In the USA and the UK, two 'monopoly' parties competed in a political market, demand-led by an electorate, whose rising expectations were stimulated by inflated promises of social consumption. The result was 'government overload'.[9] The law of diminishing returns determined that the more government assumed responsibility, the less competently it accomplished any particular task, a process destined to bring planning itself into disrepute.

According to some, the particular severity of this crisis in the UK, as compared say to the USA, was attributable to the impasse of class stalemate.[10] Specifically, the working class, spatially concentrated in the old urban areas, had been defensively organised to resist pressures from the capitalist class, but was too politically conservative to impose a socialist alternative. Meanwhile, a deteriorating economic performance could not sustain welfarist demands, thereby straining corporatist structures. The very lack of competitiveness made workers resistant to the rationale of economic restructuring, since production change seemed inevitably to bode ill for job prospects. Yet, this attitude confirmed the image of a workforce shielded from realities of massive 'hidden unemployment', a deception in which government had colluded.

A New Production System

The emergence of Fordism as the pre-eminent production form in the post-war growth sectors was a critical contribution to the spatial redistribution of employment to depressed areas. Involving, as it did, mass flowline rather than nodal assembly, producing standardised goods at a scale economy demanded by the new consumer society, it offered numerous, reasonably secure and remunerated labour opportunities. But in its use of mechanisation to rationalise labour, and its focus on low cost formulaic rather than quality design, several rigidities emerged in its vertically integrated corporate decision-making. As change at the local and global levels quickened, its reactions were often stalled,

evident in the time lags in transferring innovation into production. By the 1970s, the system's durability was in doubt.

Some characterised the manufacturing job drain at this time in blanket terms of 'de-industrialisation'.[11] But some, like Massey and Meegan,[12] understood it as a significantly differentiated process, requiring disaggregation at two levels. First, job loss was an outcome of changes in output and/or productivity. Second, industry's drive to improve international competitiveness could assume three distinct forms – rationalisation, intensification and technical innovation – each 'justifying' labour shedding. Rationalisation involved a cut in total capacity. Intensification was designed to extract productivity gains without significant new investment or production reorganisation, features inherent in automation and robotisation.

By the late 1970s, it was widely acknowledged that the structural and spatial effects of the new micro-technology on employment would be significant and persistent.[13] While some expressed apprehension, others lamented industry's hesitant embrace of the new opportunities.[14] The issue of whether these changes amounted to a collapse of Fordism is subject to much contest. Harvey has identified three theoretical responses.[15] One detects a seismic shift in which 'markets for standardised mass-produced goods have given way – in part at least – before a growing profusion of shifting niche markets'.[16] These new fragmented consumption patterns have coincided with changing production technologies,[17] prompting, in the view of Piore and Sabel and Lipietz,[18] a distinctive regime of flexible specialisation. It represents a change so profound that some like Aglietta and Scott have designated it as neo-Fordism, a radical attempt by Fordism at self-adjustment, and some like Murray speak of post-Fordism, as a qualitatively new era beyond Fordism.[19]

Post-Fordism, as a new production model, is seen to involve a switch from being operations-led to being market-led. In its new customer-driven guise, the premium is on innovation, quality and design. A finer integration of research, development and production demands decentralisation into less hierarchical control teams, which combine responsibilities for engineering, production, customer services and marketing. Quality with cost control, to be achieved by zero-defect objectives, not only encourages networking, franchising and joint ventures with other producers, but also a more long-term relationship with selected sub-contractors, rather than reliance on competitive advantages from multiple sourcing.[20] Post-Fordist production is more alert to segmented markets, whether divided horizontally around such factors as age or gender, or vertically around income and status. It applies various technological antennae to correlate commodities with lifestyle niches, and in that respect production targeting is about scope as much as scale.

The second theoretical strand is sceptical. Amin and Robins refer to the 'mythical geography of flexible accumulation'.[21] Sayer questions the incapacity of mass production to respond to diverse markets.[22] Gordon[23] sees the arguments about the increased spatial mobility of capital being a feature of its enhanced flexibility, as fatalistically and prematurely demoting the capacity of nation-states to regulate capital. In a similar vein, Pollert characterises claims for a flexible regime of accumulation as complicit with an ideological onslaught against working-class resistance to industrial change, an 'offensive which celebrates pliability and casualisation, and makes them seem inevitable'.[24]

The third approach, and the one in which Harvey positions himself, contends that post-Fordism has a social and spatial reality, but that 'flexible technologies and organisational forms have not become hegemonic everywhere'.[25] This is a view which accords most closely with the confused reality. The experience of Fordism itself for many depressed conurbations and regions has been partial and transitory, even allowing for the decentralisation of production to undeveloped areas under regional policy in the 1950s and 1960s. Instead, therefore, of conceptualising in terms of 'neo' or 'post' Fordism, it is our assessment that a more differentiated system is in operation, which, as Hudson remarks, reproduces in modified form, pre-Fordist and Fordist production methods.[26] This more circumspect approach to restructuring and its local 'reproductions' is found in Warde,[27] while more fundamental doubts as to whether the most important changes in the 1980s have come from consumption rather than production have been floated by Thrift.[28]

While writers like Murray and Lipietz[29] concentrate on changing patterns of consumption and production, a distinctive emphasis of Harvey's work, in this regard, concerns the way innovative techniques and deregulation in financial systems, have contributed to the new volatilities and 'flexibilities'. The pace, scale and global reach of financial flows have unsteadied national strategies for capital accumulation, while appearing to offer governments, corporations and consumers strategies to unblock Fordism, none more evident in the 1980s than what Harvey calls the production of debt, speculative and fictitious 'junk bond' capital:[30]

> Casino capitalism had come to town, and many large cities suddenly found they had command of a new and powerful business. On the back of this boom in business and financial services, a whole new Yuppie culture formed, with its accoutrements of gentrification, close attention to symbolic capital, fashion, design, and quality of urban life.

By the early 1980s, as the pace and scale of economic restructuring became apparent, pessimism about reversing mass unemployment grew. The British Labour Movement proposed an Alternative Economic Strategy, contesting the fatalistic revisionism that full employment was no longer feasible.[31] Contending that any credible programme would have to accommodate reappraisal of the work ethic and new leisure opportunities, Jenkins and Sherman argued that a transitory adjustment phase in the micro-computer age would require government intervention to cushion job displacement. They projected that surplus generated by new technologies could finance generous social compensation for the negative fall-out for some people and places:

> Technological unemployment will be based on high growth, high profits and returns, a highly competitive manufacturing and service base and high incomes, and these enable constructive policies to be adequately funded.[32]

However, by the early 1990s in the UK, the new flexible workforce was more evident than anything resembling a return to full employment. In spring 1993, some 9.7 million (38 per cent of all UK workers) were either in part-time, temporary or self-employment, or on government training schemes or were unpaid family workers – an increase of 1.25 million since 1986. The share of male employment now part of this 'flexible workforce' has grown from 18 per cent in 1981 to 27 per cent in 1993, while for women it has stabilised at around 50 per cent.[33]

Post-Industrialism: 'From Welders to Waiters'?

Economic transformation in this period has been more radically framed in terms of 'post-industrialism'. The term has a pedigree going back to the First World War, when some figures applied it to infer a preference for a return to decentralised artisan workshops.[34] Back in the late 1950s, Riesman equated the concept with the affluent society, in which the diminishing role of work would usher in a leisure society.[35] By the late 1960s, Touraine associated it with a more pessimistic prognosis about technocratic dominance in a 'programmed' society.[36] By the 1970s, Bell projected the axial basis of the new order as not technology per se, but rather theoretical scientific knowledge. In an information society, the social framework rested upon a knowledge theory of value, by which surplus value derives primarily from information rather than productive labour.[37] In this post-industrial age, the service economy would acquire prominence over the goods-

Figure 1.1 Percentage Employment in Manufacturing and Services, 1973–91

Manufacturing

Services
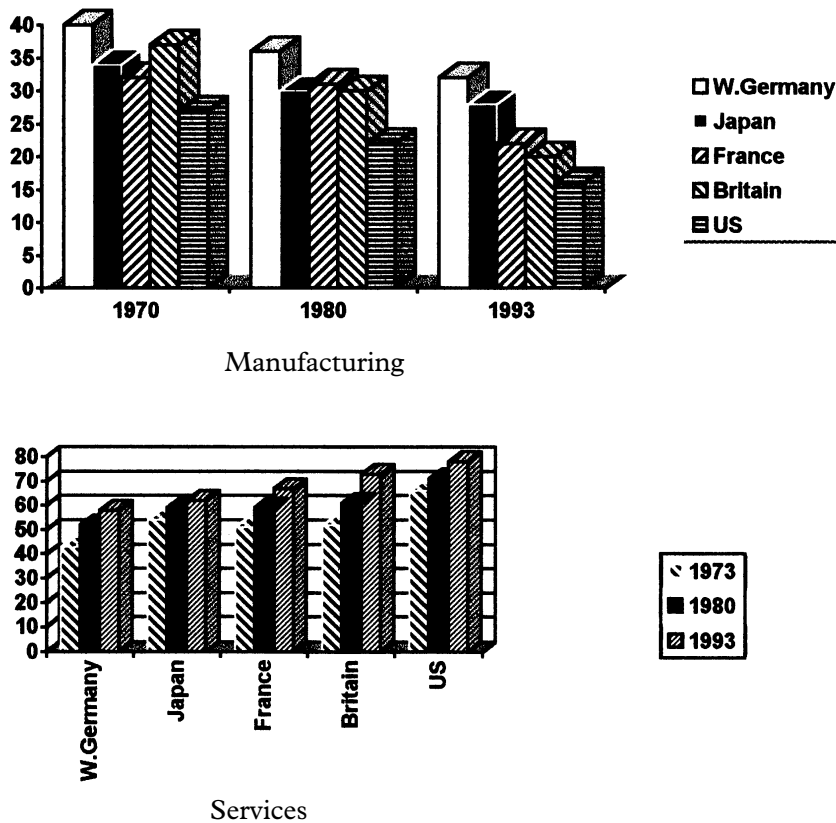
* For W. Germany, Japan and France, the last figures are for 1991

Source: OECD, National Statistics and Industrial Policy in OECD Countries, *Annual Review*, 1993

producing one, giving pre-eminence in the occupational structure to the professional and technical class.

These ideas can be seen as part of the 'stages model' of development, whereby society moves linearly from pre-industrialism dominated by agriculture, through to industrialism dominated by manufacturing, to post-industrialism dominated by services. Basic facts are marshalled to support this periodisation, for instance that in the industrial world the service sector accounts for over half the output and labour force. Manufacturing companies employ one in six workers in the USA, one in five in the UK, and one in three in Japan and Germany. The shift is represented in Figure 1.1.

The greatest manufacturing decline is in Britain, where job totals in this sector have been almost halved since 1970, compared to an 8 per cent drop in the USA over the same period. Since 1970, the

service sector's share of all jobs in Britain rose from just over a half to nearly three-quarters. In the USA, services now account for 78 per cent of all employment. There are only three OECD countries – Greece, Portugal and Turkey – in which fewer than half the workforce is in services.[38] The composition of US service employment growth in the 1980s is shown in Figure 1.1, alongside the increasing share held by services in total exports and GDP.

Plausible reasons are advanced for this move to post-industrialism. The supply-side component of the explanation is that rising manufacturing productivity has created a labour surplus 'pushed' into a more labour-intensive service sector. In the seven largest OECD economies, in the period 1979–90, real output per manufacturing employee grew annually on average by 3.1 per cent, compared to an annual average rate of 0.9 per cent for services.[39] The 'pull' factor stems from the recomposition of demand, whereby as income rises in society, a growing share of expenditure shifts from basic material to non-material needs, such as cultural and leisure services.

Clearly, this narrative of automatic sequence is simplistic. For one thing, a burgeoning service sector can often attend a rise in manufacturing, which requires services such as design, marketing, advertisement and distribution. Second, there is no neat pattern of labour displaced from manufacturing being absorbed by services. Indeed, as one indication, UK labour market trends refute any notion that the loss of full-time male jobs is compensated by the growth of part-time female ones. Between 1978 and 1993, full-time male employment declined by 2.98 million, while part-time female jobs increased by 0.96 million.[40] Moreover, Gershuny has argued persuasively that a buoyant self-service economy is replacing some services with manufactured goods such as television and washing machines, though these in turn rely on services for repair and maintenance.[41] Finally, statistics purporting to show shifts in employment and output are themselves contaminated, since they group under services contracted-out activities once done in-house by manufacturing, such as auditing, catering and cleaning. Some businesses assigned to the service sector, such as computer software, could just as readily be designated as manufacturing.

Nevertheless, these considerations do not preclude radical social reformation linked to a new pivotal role for services, one which is seen to harbour new contradictions. For some, like Bell, these include tensions between the bourgeois work ethic and the individualistic, hedonistic lifestyles generated by a credit-card service economy.[42] For critics of capitalism, like Gorz, the change threatens a social regression, whereby stratifications are accentuated. Overworked economic elites purchase leisure time by sub-contracting personal and domestic tasks to a deskilled servile class for modest remunera-