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An Introduction to
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Abstract

Globalization, new urban governance and the desire from the private sector for more responsibilities marked a new era in both British and French urban policy initiatives and choices. Within a context of economic vulnerability, recession, global recession and a world that was more entrepreneurial and market oriented, the 1980s inaugurated the rediscovery of inner cities in both Britain and France with the aim to solve urban decay and disorder. The emergence of neoliberal ideologies corresponded to the most significant factors of evolution in the direction of the urban regeneration in both Britain and France. This chapter will discuss the relationship between medium-sized cities: Leicester in Britain and Reims in France and globalisation. A key aspect of this is to understand the different socio-economic, political and cultural frameworks within which British and French cities operated. The academic discussion on globalization currently focuses mainly on a select range of global cities, ignoring the challenges and difficulties faced by medium-sized cities. Therefore, this chapter will examine how city officials in both Leicester and Reims reshaped the physical structure of their urban space, promoting and enhancing the specifics of urban culture, to best suit a neoliberal context in order to attract new businesses. The role of local pressures and contexts in the face of globalisation remains the central thrust of the paper.

Key words:

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Introduction

According to David Harvey, the emergence of the neoliberal society inaugurated, by the 1970s, a period of fundamental change. He argues that the transition from modernity to post-modernity led to the break-up of the Keynesian society system and the long post-war boom in 1973 which paved the way for “more flexible labour processes and markets, geographical mobility and rapid shifts in consumption practices”. The political scene and ideologies changed as a result of the international economic crisis in 1973. Urban economic growth had clearly been determined by capitalism, increasing economic flux and uncertainty that has to be acknowledged as directly correlating to the process of globalization. The destabilisation of the international economy ushered in the end of economic optimism triggering a long period of unemployment that also marked a turning point in the urban planning strategies apparent in both Britain and France. This period of rapid change led to the emergence of a more pragmatic and strategic urbanism with the increasing growth of partnerships between the public and private sector. The rediscovery of inner cities was one of the fundamental characteristics of urban policy from the 1980s in both Britain and France. Within an increasing global and changing world, the urban policy initiatives of both countries gave a new impetus to the specific role of the urban and stressed the resurgence of the local. This chapter outlines three key points: 1. the role of the market, 2. the role of the social conscience and 3. the process of decentralisation. Following this, the chapter concludes by examining the impact that these different approaches had for each city.

The Rediscovery of British and French Inner Cities in a Neoliberal Context

Britain: The Promotion of Market-led Urban Regeneration

In 1979, the election of Margaret Thatcher led to a neo-liberal revolution where the welfare state was challenged. Thatcher aimed to limit the power of local authorities vis-à-vis the central power. By the time the Conservatives won the general election in 1979, certain urban problems remained unresolved: deindustrialisation, unemployment, low economic rates, and poverty. Therefore, Thatcher showed a real commitment for the inner city which was one of the main characteristics of the 1980s’ urban policy under the Conservatives.

Thatcher’s ideology had a significant influence on the direction of urban planning in Britain as its belief in capitalist and enterprise ensured that the

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2Until Thatcher, the Labour government prosecuted a social urban regeneration programme. Thatcher changed this to focus on physical-led urban regeneration and in doing so brought in the private sector. The key Labour date is the 1968 Urban Programme.
private sectors was key in delivering property-led urban regeneration\(^1\). This was two-fold. Firstly, there was a strong desire to both put an end to the post-war bureaucratic forms of socialism and secondly, to launch an entrepreneurial culture into cities. By 1979 the aim was to privatise the city with the re-centralisation of the state, leading to more and more dependence from the local authorities to the government. The Urban Development Corporation and the Enterprise Zones were the two major significant initiatives in the Planning and Land Act of 1980. Urban Development Corporation would secure urban regeneration\(^2\) of a defined area achieved by bringing land and buildings into effective use and encourage the development of existing and new industry and commerce. The aim was to provide less bureaucracy with a government ready to compete in a global economy that also considered cities as the source of national economic decline.

The Conservative government, especially from the mid 1990s with initiatives such as City Challenge, instituted a notion of urban competition in which local authorities had to bid to win regeneration funds and in which levering private sector funding was key.\(^3\). Hence, by the 1990s, urban policies in Britain became more engaged towards more local strategies that stressed a new concept of localism. The general election victory of the New Labour party in 1997 re-established and changed the relation between the central government and local authorities. Since then, new attitudes led to a new vision of cities being seen as the principal motor in the economic recovery. The vision of the inner-city in decline was replaced by a new description of cities as being spaces of hope rather than spaces of disorder\(^4\). The New Labour urban policy in Britain promoted an urban idyll in an attempt to develop desirable and attractive city centres. The aim was to combine the urban cultural and economic capital in order to enable cities to assert their profile in a global world. Through an entrepreneurial mode of economic development the central government aimed for social inclusion within inner-city. The major change by the late 1990s and 2000s was the conciliation of both economic competition and social well being with the attempt to integrate people into their own city. By restoring a city’s credibility, Tony Blair’s government gave new hope and new impetus for the future of inner-cities that were seen as the heart of national economic success. This system did not go against the Conservatives’ approaches but rather represented an assimilation of the Conservative’s heritage. Cities were not seen as the problem of economic recession but as the solution to national decline.

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\(^3\) Atkinson Rob and Moon Graham (1994). *Urban Policy in Britain. The City, the State and the Market*. Basingstoke: Macmillan p.138

France: The Dominance of the Ideals of Social Regeneration

Unlike in Britain the relationship between the state and local authorities were cemented by a system of multi-level partnerships between the state and the local authorities. For example the City Contracts (Contrats de Ville) program established in 1989, implemented a joint action plan between the state and the local authorities in order to socially revitalize cities and to reinforce social cohesion. By the 1980s the ‘city’ became a major preoccupation of the French public authorities due to the overriding need to alleviate urban socio-economic problems. Mitterrand’s government inaugurated and intensified its belief in political intervention into social problems through a consistent focus on formulating and implementing urban policies that aimed for social cohesion.

Schmidt underlines that the French state did not follow the British system of market-led capitalist reforms but rather “moved from ‘state-led’ capitalism to a kind of ‘state-enhanced’ capitalism”1. Despite some neoliberal and market-oriented initiatives with policies of privatization under Mitterrand’s left-wing government and Chirac’s right-wing government, the French state could not be considered as fully market-oriented in the same sense as Britain. The state combined neoliberal initiatives within social interventions – a move that pre-dated the British ‘Third Way’ implemented under New Labour. The traditional focus on welfare was clearly evident in French urban policy initiatives and emphasised the idea to socially revitalize some selected deprived areas, the so-called ‘priority neighbourhoods’. As such, rather than promoting urban economic competition as Britain did, the French state activated social well-being to solve urban problems.

Mustafa Dikec reflects on Schimidt’s idea to further argue that the key difference between the French state and the British state was that the “republican tradition emphasized the active role of the state for the well-being of its citizens”2. Dikec’s thesis argues that France “has followed the political rationality of the republican tradition, and not that of neo-liberalism, which seeks to extend and disseminate market values.”3 The French state thus intensified its social interventions through numerous urban policies aiming for social cohesion. The conventions for the Social Development of the Neighbourhoods, (développement social des quartiers, DSQ) in 1982, aimed deal with social, educative, economic and political prosperity problems in problem districts. The idea was to help deprived areas and priority neighbourhood and to integrate the people within their own city. By the early 1990s the aim was to enhance the neighbourhood and city-region connection by creating a new form of solidarity and inter-communal cohesion. The Loi de Donation de Solidarité Urbaine of 31st May 1991, promoted financial solidarity and aimed to encourage inter-communal solidarity with donations of funds from richer communes to communes with economic and social

3Ibid, p.59
problems. However, the 1990s also marked a major change with less state intervention and an attempt for a more repressive approach to deal with the *malaise des banlieues*, especially with the arrival of the right-wing government in 1993. Indeed, this was noticeable with the *Pacte de Relance pour la Ville (PRV)* created in 1996 by Juppe’s government which aimed for economic success. According to Mustafa Dikec:

“The PRV was arguably the closest French urban policy got to neoliberal approach, with a shift in focus from solidarity between communes to economic success within strictly defined spaces of intervention.”

Mustafa Dikec’s argument illustrates the ways in which social intervention in France were well anchored in its urban regeneration scheme despite some attempts towards neoliberal initiatives by the 1990s. There is no denying that the French urban policy reflected the idea of a growing Republican nationalism well established in the urban agenda with an emphasis on resolving *la crise des banlieues* in order to fight against communitarian groupings and the development of ghettos.

*Decentralisation in Britain and France*

In Britain, the central government allowed for more freedom to the local authorities in their planning policies - for example the creation of City Challenge in 1990 under Major’s government. Philip Allmendinger and Mark Tewdwr-Jones draw a parallel between the Blair’s government and the New Right agenda by assessing that the planning and environmental policy left by Major’s government paved the way for new political perspectives:

“The 1991 Planning and Compensation Act introduced what was termed ‘local choice’ and a shift away from the ‘anti-planning’ sentiments of the 1980s to what appeared to be a far more ‘pro-planning’ plan-led approach”.

The short-lived Thatcherism deregulation system opened the window to the idea of local choice by the early 1990s under Major’s government. An attempt to transfer the responsibility in decision making from the central government to local authorities was set up in the late 1980s by the conservative ‘New Right’.

The 1981 election of a Socialist government in marked a turning point in urban policy. The government implemented more state intervention and nationalisation. Mitterrand promoted initiatives of autonomy and gave more scope to local authorities’ initiatives. The decentralization policy of 1982

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1Ibid, p.70
2Ibid, p.79
aimed to bring urban issues closer to citizens thus paving the way for more participation from local inhabitants. Furthermore, with the process of decentralization in 1982 under Mitterrand’s mandate, Mayors obtained more autonomy in decision making. In France, a growing partnership between local and central government clearly emerged. Michael Keating and Paul Hainsworth argue that:

“Decentralisation came into the political agenda in France partly for ideological reasons but partly because of the recognition that centralization was sapping the capacity of the French state itself for adaptation and change”¹.

Also, decentralization “could free the centre from the pressures of local politics”². Indeed, local communities were viewed as pressure groups enabling the central government to act properly. However, the delegation of power certainly corresponded to new modes of urban governance in the early 1980s. Michael Keating and Paul Hainsworth describe a system still in its infancy during the early 1980s, considered as the grande affaire of the Mitterrand presidency³.

Decentralization in both Britain and France reflected an irreversible world-wide trend, resulting from a major change which implied irrevocable organizational consequence of the modern state. Decentralisation could also be considered as a means for the local authorities to deal with the new social and economic disorganization, dismantlement and severity of the global world. As a result, public interest was seen as the major focus and seemed to be essential to allow for a stable form of governance in this open economy and neoliberal context. A more equal distribution of power for the local authorities would lead them to be more autonomous and would strongly enhance their global aspirations.

The Impact of these Two Approaches on Reims and Leicester

Leicester and Reims embody the tension and the ambivalence of globalization. Within a context of global structural changes, localism and the need for a distinctive and marketable urban identity the two cities required strategies to continue to develop between the period 1980-2008. Hence, the new neoliberal society had huge consequences in both cities as since the 1970s there were substantial closures within some of Leicester and Reims’ traditional industries. Leicester, once known to as the city that clothed the world is a good example as from 1980 to 2008 the city’s economy and physical structure had drastically changed. It is interesting to analyse the way Leicester, whose

²Ibid
³Ibid, p.3
industrial success was centred on the shoe, boot, hosiery and engineering industry, became more responsive to the requirements of globalization. Contrary to Leicester, Reims was mainly known for its long historical tradition but also for its glass, champagne and metal industry. Within this context Reims pioneered new kinds of urban development where the service sector was the growth industries in the late 1980s.

*Strategic and Pragmatic Urban Initiatives in a Context of Urban Competition*

Local authorities had to re-model the city’s physical and economic structure in order to be better placed to survive in a context of globalisation. Since the early 1980s, Leicester and Reims were aware that they needed to assist in the creation of new firms to replace those that terminally declined and to develop new technologies to supplement declining or stagnant traditional industries. As a result, a different local economy structure emerged in both cities in response to local, national and international economic factors. Leicester and Reims became more responsive to the requirements of this global changing world as they had to compete to attract new firms into their cities.

The greatest expansion in job creation was in the service sector, including job in consumer services distribution, insurance, banking, finance and business services. For example, in 1986, 55 % of firms in Leicester were in the service sector and only 10% in textile\(^1\). In 1990, the service sector represented 72 % of employed people in Reims and the primary sector employed less than 30% of employed people during the same period compared to 45% in 1954\(^2\). Also, the growth of small firms was one of the main features of both Leicester and Reims that irrevocably shifted towards a more service-based economy. In 1987, 70 % of firms in Leicester employed over 25 employees and less than 10% up to 25 employees\(^3\). In 1996, 79 % of firms in Reims had less than 10 employees\(^4\).

The investment thus moved spatially outward which affected former industrial areas which were for years de-industrial and run-down. Firms and offices tended to relocate from inner area sites to outer area sites in both cities. During the late 1980s the main development outside the city was the Meridian Business Park in Leicester and the *Pôle Technologique Henri Farman* in Reims. Reims and Leicester aimed to persuade as many businesses as possible through local plans and planning strategies to locate in a large growing urban area and both actively promoted policies that stimulated needs for services in a context of urban competition. Many of the newer industries in both Leicester and Reims, particularly ‘high-tech’ and service industries have more demanding site requirements and generally promoted prominent location in

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\(^2\)AMC, box 267 CW 24


\(^4\)AMC, box 267 CW 24
campus-style surroundings. A new type of ‘business park’ and ‘retail park’ emerged in the early 1980s which required new and improved infrastructure.

Enhancing the Character and the Quality of Life of the City: The Resurgence of the Local

Reims and Leicester did not have the same assets or heritage, nevertheless their initiatives aimed to enhance their distinctive identity within a global changing world. Leicester set up the City Wildlife Project in 1983\(^1\) but also established ecology strategies and developed the Local Plan in 1989 as being its main feature in order to improve the quality of life of its urban environment\(^2\) until the 2000s. Both cities intended to preserve and maintain their historical heritage as a means to enhance their local distinction. Local distinctiveness is important in a context of urban competition in order to attract human, tourism and capital investment to the city. Reims has a strong historical background with its Cathedral built during the XIII century and was also well known for its traditional local business of Champagne which increased drastically from 1980 to 2008. For example, the exportation of Champagne increased by 9.5 percent in the first 10 months of the year in 1983 (37 million bottles exported)\(^3\). Leicester also possesses a long historical tradition with its street patterns dated back from the Roman period and New Walk, a pedestrian road created during the Georgian period. Therefore, one cannot neglect Leicester’s major concern for the conservation of its Victorian character\(^4\) from 1980 to 2008. The difference with Reims is that Leicester did not necessarily rely on its historical asset as much as Reims did which probably explains the fact that some people might not consider Leicester as maintaining the image of being a ‘historical town’. By relying on their different particularities, these two cities wished to remain unique places by promoting their own specific culture as key to becoming a vibrant city.

However, within this homogeneous situation, the way Leicester and Reims aimed to integrate people within their own urban environment differed. In Leicester the promotion of small businesses was a means for social inclusion and urban regeneration. The 1980s marked a revival in the value of family networks in the creation of new companies where the private sector was often energized by the Asian business community which represented more than a quarter of the city’s population. This explains the fact that Leicester’s inner area managed to maintain some industrial activity and did not suffer from the state of decline by contrast to Reims. By the 1980s, the expansion of these ethnic business sectors was palpable and largely contributed to Leicester’s local economy. In Reims, the 1980s was mainly marked by the concern of social integration and the local authorities aimed to fight against the ‘spiral negative’ of some neighbourhoods. Social intervention measures such as le

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\(^1\)ROL, 574 Ephemera, City Wildlife Project 1983-1989
\(^3\)Carnegie Bibliothèque de Reims, L’Union Reims Archives, Décembre 1983
\(^4\)ROL, L725.2, Leicester City Council: Planning conservation of shops to houses, 1982
Développement Social du Quartier Croix Rouge was activating social well-being to solve urban problems which followed the idea of integrating people to the common culture and identity of the Republic. The habitation à loyer modéré\(^1\) (HLM) has always been one of the main characteristics in Reims since the 1970s. Reims was led by social obligations.

**Conclusion**

Since the 1980s, the central governments of Britain and France established explicit national urban policies in medium-sized cities. The international economic recession led to strong governmental commitment in the 1980s to redress the negative image of cities solving unemployment, social disparities and poverty. As a result, by the 1980s municipal responsibilities in both Leicester and Reims had a much more active role in enhancing the character of the city that cultivates a distinctive city-image. The urban policies established from 1980 until the 2000s in both Britain and France indeed reflected respective government effort to adapt to the changing realities of liberalisation that disrupted society. However, two different political contexts shape the way cities respond to this global changing world as the choices of urban policies and ideologies in both Britain and France clearly differed. France was not in a neoliberal form of urban policy in the same sense as Britain as the emphasis was put on the idea of integrating people to the common culture and identity of the Republic. Britain favoured markets and small business development as the key for urban regeneration and integration.

**Bibliography**


\(^{1}\)Council flats