

## **Birmingham: Whose Urban Renaissance? Regeneration as a response to economic restructuring**

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### ABSTRACT

This paper draws together two traditionally distinct discourses that have dominated debate about urban policy responses to economic restructuring, de-industrialisation, major plant closures and the rise of the service and knowledge-based economy over the past 20 years.

It investigates the case of Birmingham, where the policy drive of city centre regeneration, flagship development and the re-making of central urban space for new economic activities has been accompanied by much acclaim and boosterist hype. At the same time, the socio-spatial impact of economic restructuring and the resulting policy response has been extremely uneven. The economic difficulties and wider disadvantage experienced by much of the city's population and many of its neighbourhoods, especially those inner city areas with large ethnic minority populations, have endured and even deepened since the early 1990s despite the efforts of numerous area-based regeneration programmes funded by central government.

The paper reflects upon this dual narrative by asking the question *whose urban renaissance?* From this study it is clear that the dominant of the boosterist discourse is significantly tempered by the uneven and enduring socio-economic divides within the city and the partial nature of the city's overall recovery, particularly in terms of providing employment for its residents. In this sense, significant policy challenges remain despite the clear achievements of the past 20 years. The paper concludes by considering new spatial policy approaches that could bind together the dual imperatives of creating new economic opportunities, and addressing aspects of acute need among the local population.

### 1. INTRODUCTION

The economic and social composition of cities in the developed world has been profoundly transformed in the past two decades by the processes of globalisation, deindustrialisation and tertiarisation (cf. Fothergill et al, 1986; Sassen, 2006,). A key contemporary challenge for city governments and their partners, arising from this transition, is balancing an aspiration for economic competitiveness – i.e. promoting a better mix of attributes for business and business success (cf. Boddy and Parkinson, 2004) – with an imperative to promote social inclusion – i.e. seeking to re-integrate those households and individuals excluded from mainstream prosperity and opportunity by poverty, inequality and social deprivation. These two models have tended, since the 1980s, to be subject to *separate* policy regimes and different practitioner, media and academic discourses in the United Kingdom

A distinctive “entrepreneurial” model of urban economic development has evolved worldwide (Harvey, 1989). This involves investment in service sector physical infrastructure, promotion of ‘creative’ industries, ‘boosterist’ city marketing campaigns, development of up-market housing in the central business district (CBD), hosting internationally-important sporting and leisure related events, and ‘themed’ neighbourhood regeneration (Smyth, 1994; Hall and Hubbard, 1998). These

interventions are designed to re-invigorate economically urban areas and, thus, contribute to economic competitiveness. They are commonly branded as examples of "urban renaissance". In reality, the links between urban renaissance and competitiveness are ambiguous (ODPM, 2004a). These entrepreneurial strategies are typically conceived, funded and implemented by coalitions of local government and business stakeholders and are characterised by exclusive, corporatist forms of political process (Davies, 2001). High profile examples include the re-development of the Bullring shopping centre in Birmingham, Manchester's hosting of the Commonwealth Games in 2002 and associated developments, and Liverpool's acquisition of the title of European Capital of Culture 2008.

The pursuit of social inclusion is associated with area based and client targeted initiatives, conceived and funded by central government but implemented at a local level. These policies seek to address the acute, localised socio-economic problems that arise from economic restructuring (e.g. poverty, deprivation, social exclusion). They are characterised by a more inclusive form of political process, albeit one that has met with uneven success. The most important recent examples include the Single Regeneration Budget, New Deal for Communities, Sure Start and the Housing Market Renewal Areas (cf. Hall, 2000; Brennan et al, 2003; Imrie and Raco, 2003).

The discourse of the so-called 'urban renaissance' has become dominant to the extent that claims of economic and social transformation are made in respect of entire cities on the basis of developments in their CBDs. In a global context, Baltimore and its harbourfront redevelopment is often cited as a pioneer of urban renaissance. In Europe, Barcelona has become an icon of urban renaissance, following its successful exploitation of the 1992 Olympic Games. However, in both cases, this apparent success is not reflected in terms of improved competitiveness or inclusion as expressed in positive economic and social outcomes (Levine, 1987, ODPM, 2004a).

In 2000, the Urban White Paper, *Our Towns and Cities – The Future*, noted that, while the major conurbations had performed relatively poorly on most socio-economic indicators, there were some embryonic signs of urban revival during the previous decade in the form of overall employment and population growth (DETR, 2000). More recently, the government has been more forthright in extolling the virtues of the urban renaissance:

"Our cities are back and the reasons are simple. They remain centres for wealth creation, trade and culture, and are cleaner, safer and greener ... The Core Cities have turned the corner ... Economic success, social justice and sustainable communities are being created through leadership and partnership" (ODPM, 2004b).

Birmingham is regarded as a paradigm example of an entrepreneurial 'renaissance' city and is described as:

"A trendsetter in urban renaissance, having transformed its open spaces into plazas, its arcades into shopping experiences. Last month, the new Gaudi-like Selfridges was unveiled, trumpeting

the city's transformation from concrete jungle to model of creative urban design" ([www.newstartmag.co.uk](http://www.newstartmag.co.uk)).

Indeed, local business and political elites have argued that investment in city centre redevelopment, brownfield regeneration and economic diversification, leave Birmingham in a strong position to "weather the storm" of the MG Rover crisis (Building, 2000; Birmingham Post 2005).

Conversely, sceptical accounts (e.g. Turok and Edge, 1999) emphasise the relative decline of the employment base of Britain's major conurbations (a net loss of 500,000 jobs, between 1981 and 1996, in Britain's 20 largest urban areas, compared to a net gain of 1.7 million elsewhere) and, thus, a transition in the role of cities from centres of employment to centres of non-employment, under-employment and social crisis.

In reality, 'urban renaissance' is *selective* both geographically and socially. This paper seeks to address the question *whose urban renaissance* in the context of the City of Birmingham. We compare and contrast the key differences (and commonalities) between the discourse of economic restructuring espoused by policy elites and the reality of everyday life in Birmingham's diverse neighbourhoods. The objective of this paper is not to analyse plant closures per se but to provide a critique of urban regeneration policy pursued during a period during which plant closures have fundamentally altered the economic composition of Birmingham.

## 2. ECONOMIC CONTEXT AND CRISIS IN BIRMINGHAM

The long decline of MG Rover and the closure of the Longbridge plant in 2005 are analysed elsewhere in this volume. In the section, we consider the decline of the manufacturing base in Birmingham and the West Midlands in an historical context and, in so doing, highlight the magnitude of the economic challenge facing local policy makers during the 1980s and beyond.

During the Industrial Revolution, Birmingham and the West Midlands became the pre-eminent manufacturing region of the UK and developed an industrial structure based on small firms with highly skilled workers. This enabled the region to attract new investment in consumer goods industries, especially automotive production (Gwynne, 1996) during the first half of the 20<sup>th</sup> century. The region is, thus, clearly differentiated from the manufacturing regions of northern England – based on large factory organisation and low-skilled mass labour in steel, shipbuilding, textiles and coal – that had been in (relative) decline for much of the 20<sup>th</sup> century.

The economic heyday of Birmingham and the West Midlands coincided with the zenith of the fordist system of industrial production (Bryson et al, 1996). In 1961, some 65% of employment in Birmingham and the West Midlands was in the manufacturing sector, compared to about 39% nationally (ibid.). The most important industrial sector, by far, was automotive production. In 1971, some 151,000 people in the region were employed in motor vehicle manufacture (*excluding* the supply chain) representing nearly 20% of all employment in manufacturing (Spencer et al, 1986). Between 1951 and 1966, total employment in the region increased by 14%, compared to 8.5% nationally, including an additional 360,000 jobs in manufacturing (Spencer et al, 1986). By the mid 1960s, the regional economy was characterised by higher participation rates and wage levels than the national economy (ibid.). Gross Domestic

Product per capita was 10% above the UK average and second only to London and the South East (ibid.).

However, the post war boom was followed by an equally precipitous economic collapse. Indeed, since the late 1960s, Birmingham and the West Midlands have performed poorly on all economic indicators (Spencer et al, 1986). This is indicative of long term structural decline rather than a cyclical problem (ibid.). The concentration of employment in the automotive sector which gave Birmingham and the West Midlands their dynamism during the post war period – and, especially, the relatively low levels of investment and productivity therein – were significant contributors to the decline (Spencer et al, 1986; Bryson et al, 1996).

Between 1965 and 1981, Birmingham and the West Midlands lost some 370,000 manufacturing jobs (Spencer et al, 1986). In the decade, 1971 to 1981, alone, more than 40% of employment in the motor industry was lost (ibid.). By 1981, Gross Domestic Product per capita of the region had fallen to 10% *below* the UK average, making Birmingham and the West Midlands the second poorest region in the UK, after Northern Ireland (ibid.).

By the mid-1980s, then, this rapid decline had created a sense of political urgency in the city around the need to generate a proactive response to economic crisis. The following section examines the ambitious policy initiatives led by Birmingham City Council in conjunction with partners in the public and private sectors.

### 3. THE POLICY RESPONSE: TOWARDS AN URBAN RENAISSANCE IN BIRMINGHAM

In March 1988, Birmingham City Council convened the first 'Highbury Symposium', a conference of local stakeholders and international urban experts, to consider an appropriate response to the decline of local industry. The resulting strategy – informed by the experience of US 'rust belt' cities such as Baltimore – was premised on a spatial argument that posited the CBD as a key potential setting for attracting modern urban economic sectors and fashioning a more progressive, attractive image of Birmingham.

In practice, the strategy consisted of three complementary components: a cluster of flagship projects; a new spatial vision and related environmental investments; and, the promotion of 'city living'.

The first major set of initiatives comprised the development of a cluster of flagship projects designed to lead Birmingham's move into international business tourism and related leisure sectors. The main elements were:

- **International Convention Centre/Symphony Hall (ICC):** A £180 million conference and concert facility opened in April 1991.
- **National Indoor Arena (NIA):** A £57 million, 13,000 seat sports venue opened in October 1991.
- **Hyatt Hotel:** A £31 million four-star, 319 room hotel with extensive leisure facilities.

The primary objective of these investments was to generate an important new business tourism sector for Birmingham and, thus, attract visitors with trickle down effects through the local economy. The projects were also designed to promote further new private investment in services and amenities in the surrounding areas, and to create a new visual identity for Birmingham that could form the basis of a proactive place marketing campaign.

The most important spatial planning objectives set out at Highbury were the breaking of the 'concrete collar' – the post war Inner Ring Road that constrained the growth of the CBD – the promotion of greater pedestrian priority and the development of a series of distinctive quarters surrounding the main core along the lines of central districts found in many European cities (e.g. Jewellery Quarter) Important investments in this domain included the downgrading of the inner ring road, the pedestrianisation of New Street linking to two new traffic-free public squares, and the extensive upgrading of the canal network environment in the surrounding area.

The flagship projects, the environmental investments and the accompanying spatial policy framework, created the conditions for a re-invigoration of the CBD. Accordingly, the CBD has experienced a steady increase in private sector investment since the mid-1990s. The main elements of this investment include:

- **Brindleyplace:** a £300 million mixed use development adjacent to the ICC, combining offices, restaurants, shops, cultural amenities and private sector housing.
- **Broad Street Leisure Area:** a multitude of new bars, clubs, restaurants and leisure/cultural amenities also in the immediate ICC/Brindleyplace area. Broad Street has recently been designated as a US style Business Improvement District which provides increased municipal services financed through a supplementary business tax.
- **The Mailbox:** a major canalside mixed-use development comprising offices, restaurants, high value retailing and hotels.
- **The Bullring:** a £500 million redevelopment of an outdated 1960s centre to provide a retail complex of regional importance, completed in September 2003.

The final element of the strategy was to encourage the growth of a CBD residential population by creating the conditions for new private housing investment. In the early 1990s, Birmingham's city centre population was limited primarily to residents of post-war social housing. However the physical investments and transformation of the 1980s and 1990s created a conducive climate for new private housing development. Following the completion of the first major scheme at Brindleyplace in 1996, residential development grew slowly but steadily in subsequent years (Barber, 2007).

The first wave of Birmingham City Council's CBD regeneration strategy, as outlined above, had been driven by strong political consensus in the 1980s and close working relationship between Labour-led Birmingham City Council and business interests which have seen Birmingham characterised as a prime example of a pro-growth urban regime (DiGaetano and Klemanski, 1993). However, direct public investment in the CBD agenda declined from 1994 and much of the continued investment in the urban

realm was funded by private developers or other external sources, including the European Union or National Lottery funds. However, the political commitment to developing business tourism, CBD regeneration and diversifying the economy has remained a key strand of city policy, enduring intact through a change of city council political leadership from Labour to a Conservative-Liberal Democrat coalition in 2004.

This continued emphasis on the CBD regeneration agenda is reflected in the ambitious plans for the 180-hectare Eastside district, immediately adjacent to the city core. The proposals launched in 1999 are anchored around the themes of learning, technology and heritage, with a less specific but prominent ambition to see the district grow as one of Birmingham's main creative or cultural quarters. The main initial public investment included the demolition of the inner ring road in the vicinity and land assembly for disposal of large sites to private developers as well as for a new library (designed by Richard Rogers) and a City Park. The Eastside project is still in its infancy. However, evidence suggests that, while private development is beginning on the CBD fringe, some difficulties in achieving less commercial elements (including the abandoned library plans) have been encountered and there is growing controversy about the displacement of existing businesses and community networks amid the large-scale assembly and clearance processes led by public agencies (Porter and Barber, 2005).

The vigour and scale of Birmingham's regeneration strategy in the 1980s and 1990s, and the city's high profile relative to its counterparts during this period, gave rise to the beginning of a lively, highly polemical debate. The following section discusses the main thrust of this critique.

#### 4. THE CRITICAL DEBATE

Entrepreneurial strategies such as that pursued by Birmingham in 1980s and 1990s are commonly accompanied by boosterist hype about the extensive physical transformation, the revival of city fortunes and associated re-awakening of civic pride. This is evident in the proclamations of city's political and business leaders, as well as official marketing campaigns. Indeed, at the time of the G8 Summit, hosted by Birmingham at the ICC in 1998, the US President, Bill Clinton, was recruited to the cause:

"I was astonished how beautiful Birmingham was. The buildings, the art, the use of water. It is an extraordinary jewel of a city...I was bowled over when I was there." (Bill Clinton, *The Times*, 2.10.02).

In 2001, Birmingham City Council was designated, by central government, a 'Beacon Council' (a formally sanctioned example of 'best practice') in the domain of 'town centre regeneration'.

However, these narratives were challenged in early 1990s by an academic critique developed by Loftman and Nevin (1992, 1994, 1996). They criticised the apparent lack of employment benefit for the city's deprived populations – for example, noting that, in 1991, 42% of employment at the ICC and 71% at the NIA were in low paid,

insecure cleaning, catering and security classifications (Loftman and Nevin, 1994) – and that substantial local authority funds used to build the ICC were diverted from front-line services such as education and housing which were most heavily used and need by Birmingham's poorer communities. For example, they argue that, during the construction of the ICC and NIA (1986 to 1992), Birmingham City Council spent £120 million less on housing than the average for all local authorities in England (Loftman and Nevin, 1996). One consequence of this underinvestment in front-line services is Birmingham's (until recently) categorisation as a "weak" council in the Audit Commission's Comprehensive Performance Assessment, especially in respect of housing and children's social services (Audit Commission, 2004).

Henry and Passmore (1999, p.61) summarise the case against the city's entrepreneurial strategy as follows: "To many, the flagship projects have created an elite international enclave within Birmingham city centre: a space for the national and international tourist/business class, which is increasingly divorced from its regional and local context".

This attack on the economic rationale and value behind the strategy prompted a polemical response from city politicians at the time. They argued that the critics' approach was too selective, and that it was too early to undertake any robust economic evaluation. Bloomfield (2001), a former senior local authority official argued "to call this an 'elite international enclave' beggars belief". Perhaps most interestingly, critics had attributed distributional objectives to projects which were not part of the core rationale in the first instance. As another academic commentator observed in 1994: "The main aims were to create a new economic base to the other key industries in the region. This excluded the incorporation of the local population into the urban regeneration strategy in a central position. Any trickle-down effect was perceived as a benefit, yet was secondary. It is ironic, although not surprising, that it is on the basis of the 'sub-goals' that the city is facing criticism." (Smyth, 1994)

Birmingham City Council also commissioned two reports by consultancy KPMG to quantify the economic impact of the NEC Group venues. Their second report, published in 1993, estimated that Birmingham's principal business tourism venues attracted 4.5 million visitors in 1992/3. This generated an estimated net income of £180 million pounds (32% to Birmingham, the balance to the rest of the West Midlands region) and supported 16,800 jobs (35% in Birmingham, the balance in the West Midlands region). (KPMG, 1993).

The debate on the 'urban renaissance' of Birmingham has stalled somewhat since the late 1990s. It is appropriate, then, to take a balanced view of Birmingham's experience that can add a more considered perspective to the boosterist hype and the short-term critiques. In the following section, and with the benefit of several years' reflection, we pose the question: whose urban renaissance?

## 5. WHOSE URBAN RENAISSANCE IN BIRMINGHAM?

A decade after the first polemical debate it is evident that Birmingham has enjoyed significant growth in financial and professional services since the early 1990s. These sectors include a significant proportion of high skilled, high value jobs. The CBD is the focus of this growth and has seen the sector develop a critical mass of activity, despite continuing decentralisation pressures (such as re-location of back-office

functions). There are some 115,000 jobs in the Ladywood ward, which incorporates most of the expanded CBD, representing more than a quarter of total employment in Birmingham. Employment in financial, professional, and business services in Ladywood increased from 32,000 in 1991 to more than 50,000 in 2002, and is estimated to rise to 59,000 by 2015 (BEIC, 2006). This CBD sector represents nearly half of the entire jobs growth in the city over this period. Birmingham and the CBD cluster, in particular, have strengthened their role as a regional centre in this field and firms in the legal, property and accountancy sectors have driven their growth by an increased presence in national and international markets.

The 'visitor' economy – including retail, hospitality and leisure – has also emerged as a driver of employment growth. The number of jobs in tourism-related industries grew by 24% to nearly 31,000 between 1991 and 2002 (BEIC, 2006). This was still below the regional and national levels as a proportion of total employment but exceeded the regional and national growth rates over that period. This employment again has been focused strongly on the CBD and the business tourism activities developed as part of the regeneration initiatives of the 1980s and 1990s. The most notable increase in visitors has been from overseas with visitor totals increasing from 390,000 to 670,000 between 1991 and 2002 (*ibid.*); a performance that improved Birmingham's relative standing, rising to the UK's third most visited destination behind London and Edinburgh.

In the retail sector, the opening of the Bullring centre and events including the Frankfurt Christmas Market has strengthened the city's stature as a day trip destination. In 2006, retail consultancy Experian ranks Birmingham as the country's third most dynamic retail centre after trailing 13<sup>th</sup> (and behind all other major regional cities) at the beginning of the decade. The city is now playing a greater role as a regional centre as more than a quarter of Bullring shoppers come from beyond the immediate urban area.

Alongside this economic transition, the 'city living' strategy has developed into a significant driver of change in Birmingham's housing markets since the mid-1990s. More than 9,000 new city centre homes, 85% for private sale, were completed from 1995-2007. This new market began as an integral part of the city centre regeneration initiatives outlined above, and has since expanded outwards into adjacent, previously industrial, districts of the enlarged city centre. New completions in the CBD currently exceed 1,500 dwellings per year and there is growing evidence that these are adding to the diversity of housing options within Birmingham for middle and high income households, and is contributing (albeit modestly) to first signs of a re-urbanisation process and supporting service provision in the inner city. However, 'city living' remains a narrow market, dominated by young professional residents, investor purchasers and rental occupation, a highly transient population and a preponderance of small one and two bedroom apartments. The process is also beginning to exert some gentrification or displacement pressures on nearby communities, most of which are characterised by high levels of deprivation, as well as mainly industrial enterprises in areas such as Ladywood and Digbeth (Barber, 2007).

However, beneath these outwardly impressive changes, there remain evidence of more problematic economic and social circumstances amid the restructuring process. By 2005, the conurbation had a proportion of its workforce in manufacturing (15.0%)

little higher than that of the UK as a whole (11.15) (BEIC, 2006). This might suggest a successful transition from an industrial past to a post-industrial present. However, these figures obscure the fact the Birmingham's manufacturing base remains dominated by low-growth sectors. For example, in 2004, relative employment in the automotive sector in Birmingham was still more than three times the national average (Birmingham City Council, 2006). Conversely, employment in computer manufacture, other electronic industries and pharmaceuticals was 18, 29 and 61% of the national average respectively (ibid.). The most striking feature of the contemporary Birmingham economy, perhaps, is not the distribution of workers between sectors but the fact, at the time of the 2001 Census, a total of 350,658 Birmingham residents were in employment; a figure nearly 40% below the post war peak (SOURCE: Office for National Statistics). Thus, little has changed in the decade since Bryson et al (1996) argued "Birmingham is far from being a post industrial city founded on a strong and diverse service economy with a relatively small (but high value added) manufacturing sector" (p.166).

It is notable that despite the national acclaim for its CBD development strategy, Birmingham has performed poorly compared to its peer cities (which, themselves, may be considered to under perform economically in a European context). In December 2007, the (claimant) unemployment rate for Birmingham (8.1%) was the second highest for all the core cities. Elsewhere, unemployment rates varied from 8.4% (Liverpool) to 2.5% (Bristol) (BEIC, 2007).

Birmingham has benefited from substantial central government investment in area regeneration and neighbourhood renewal in the past decade. This has included some £140 million in Single Regeneration Budget (SRB) programmes, mostly in inner city neighbourhoods, since 1995; £100 million in two New Deal for Communities (NDC) areas (Aston in the inner city and Kings Norton in the southern suburbs); and, a variety of programmes financed via the Neighbourhood Renewal Fund (NRF). Moreover, a third 'Highbury Symposium', convened in February 2005, identified as the top priority for the city's future development, the need to raise the quality of life and to 'shift the balance of priorities in regeneration and renewal by replicating the success of city centre regeneration in local neighbourhoods' (Birmingham City Council, 2004).

Notwithstanding this state investment (a number of Birmingham City Council reports have noted its failure to reduce unemployment differentials throughout the city or, indeed, to have a notable impact on 'headline' unemployment figures in target neighbourhoods, Birmingham City Council, 2006) and that expended in the CBD, Birmingham remains a highly polarised city in terms of social and economic indicators. Analysis of the spatial distribution of deprivation at neighbourhood level in Birmingham between 1991 and 2001 shows that in both years, a 'collar' of deprivation around the CBD is very marked. It is also noticeable that there has been a decline in absolute levels of deprivation in Birmingham. That is, in 2001, fewer neighbourhoods exhibited deprivation levels above the top quartile threshold than in 1991. However, this has led to a 'residualisation' of deprivation. In light of the general increase in standards of living nationally, during the decade, it is possible to argue that the neighbourhoods identified as the most deprived in 2001 are relatively more deprived than in 1991.

Birmingham remains a highly polarised city in terms the distribution of economic and social opportunities between social groups. In 2001, a white Birmingham resident was less than half as likely to be unemployed (an unemployment rate of 7.4%) than one of a minority ethnic background (unemployment rates exceed 15% for all other ethnic groups) (Census, 2001).

Finally, with regard to the significant new job opportunities that have been created in and near the CBD since the early 1990s, it is well established that in-commuting from beyond the city boundaries is highest among the high value occupations that have driven the CBD economic revival in recent years. Indeed, between 44% and 51% of managerial and professional jobs in Birmingham are filled by individuals living outside the city.

In this respect, then, it is evident that the partial economic revival spurred by the regeneration strategy has brought significant benefits primarily to in-commuters, professionals and the small but growing population of mainly young professionals living in the new city centre housing. But at the same time, large segments of Birmingham's population, notably those in outlying council estates and the inner city districts with high BME and recent migrant populations, have been bypassed by the achievement of the city's response to economic restructuring over the past 20 years.

## 6. CONCLUSIONS

This paper has sought to bring together two separate discourses that have dominated debate about urban policy responses to economic restructuring, de-industrialisation, major plant closures and the rise of the service and knowledge-based economy over the past 20 years.

In our case of Birmingham, the policy drive of city centre regeneration, flagship development and the re-making of central urban space for new economic activities has been accompanied by much acclaim and boosterist hype, while proving highly influential on other cities as well. At the same time, the socio-spatial impact of economic restructuring and the resulting policy response has been extremely uneven. The economic difficulties and wider disadvantage experienced by much of the city's population and many of its neighbourhoods, especially those inner city areas with large BME populations, have endured and even deepened since the early 1990s despite the efforts of numerous area-based regeneration programmes funded by central government.

In response to our core question, whose urban renaissance, it is clear that the dominance of the boosterist discourse is significantly tempered by the uneven and enduring socio-economic divides within the city and the partial nature of the city's overall recovery, particularly in terms of providing employment for its residents. In this sense, significant policy challenges remain despite the clear achievements of the past 20 years.

An imperative for Birmingham policy makers, then, is to find ways of binding together the dual imperatives of creating new economic opportunities, and addressing aspects of acute need among the local population. It is not the purpose of this paper to provide detailed policy prescriptions, but we can offer a broad overview of some alternative options open to policy makers in Birmingham and other restructuring

cities. The first two options concern ways of adapting the city centre redevelopment agenda, and the third represents a more fundamental shift in the spatial focus of economic restructuring strategy.

Measures to directly connect new employment opportunities created in city centre regeneration with the communities and areas of need. A precedent for such action was provided by the opening of the Bullring retail centre in 2003. This was accompanied by an extensive public-private initiative to encourage unemployed residents in deprived areas of Birmingham to apply for the 5,500 new jobs being created. Some 2,230 of these posts were taken by people who took advantage of this initiative; more than 1,000 of these individuals were previously unemployed and approximately half were from ethnic minority groups disproportionately affected by worklessness (Barber, 2004). Extending such an initiative to more typically disparate regeneration processes (rather than a one-off development project) is a more complex task, but it is worth pursuing.

Adapt the city centre regeneration agenda to encompass a broader range of objectives, activities and beneficiaries. There are two possible variations on this theme. First, to re-orientate ongoing city centre regeneration around developments that would encourage a more bottom-up approach to economic renewal that can draw upon the interests and skills of its young people: provision of start-up and small business premises, education and training facilities, and the linking of these through targeted policy for important growth sectors, for example in the creative industries. In Birmingham the first seeds of this approach have been evident in some of the thinking behind the Eastside district, although the realisation of such ambitions has been slow to emerge. The second variation is to harness the momentum of the city living development to guide a sustainable restructuring of adjacent inner city districts, many of them experiencing high levels of deprivation. With proactive planning approaches, it is possible to encourage new private housing and economic functions into such areas without generating substantial displacement effects, combining this with regeneration programmes that can link new employment opportunities and local residents in a focused manner.

A third, more ambitious, alternative is to fundamentally alter the spatial approach to economic regeneration policy. This would entail focusing new service sector business and employment growth in a small number of suburban centres closer to the communities and neighbourhoods disadvantaged by the restructuring of the 1980s and 1990s. Such centres and concentrations of new opportunities would need to be anchored by much improved public transport access, and accompanied by continued investment in education and skills training for residents of these nearby areas.

All of these policy possibilities are variations on the core imperative to link the creation of new economic opportunities with the addressing of socio-economic needs through proactive, innovative spatial policy initiatives. All are emerging onto the policy agenda in Birmingham, to varying degrees, but have yet to be applied with sufficient weight. The latter two possibilities in particular require the public sector to exert a strong role in shaping market conditions, influencing the character and mix of new development, rather than relying overwhelmingly on market forces and private sector investment as has often been the case in the past. This is a formidable task for policy makers in Birmingham and other restructuring cities, but an essential one to

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grasp if their strategic response to economic upheaval is to provide sustainable, lasting benefits for all of their residents.

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