Community influence and the contemporary local state: potentials and contradictions in the Neoliberal city.

Sara González
School of Geography
University of Leeds
Woodhouse Lane,
Leeds, UK
LS2 9JT
S.Gonzalez@leeds.ac.uk

and

Geoff Vigar
Global Urban Research Unit
School of Architecture Planning and Landscape
Newcastle University
Newcastle upon Tyne, UK
NE1 7RU
G.I.Vigar@ncl.ac.uk
First submitted July 2006

Resubmitted to City February 2007
Abstract

This paper assesses contemporary power relations between the local state, capital and community interests in managing urban area development. It draws on work conducted under a Framework V EU project called SINGOCOM, focusing on one case among nine studied. The case of the Ouseburn Valley in Newcastle upon Tyne, England is mobilised to show how, despite comparatively well-organised community interests, the local state and its approach to urban development still determines in understanding built environment outcomes. Yet the local state is heavily constrained in its actions by: its cultures and practices; its financial and intellectual resources; a highly centralised governance context; and a pervasive discourse of neo-liberalism. The case also highlights the contradictions inherent in state commitments to public participation and the role of communities in shaping development outcomes, especially given these constraints.
1. Planning the just city under neoliberalism.

This paper focuses on a question that runs through many recent contributions in *City*: what authority does community have in an increasingly neoliberal urban governance? Can it act autonomously, is it relegated just to “resist” or does it necessarily need to enter in partnership with the state, and indeed capital, to make a contribution? For example, the April 2005 special issue of *City* explored neoliberalism in the North American city, pointing to the increasing ‘Walmartisation’ of urban spaces through surveillance, unfair working conditions, control of territorial boundaries and unfair transport policies (see also De Souza 2006). Our paper follows Reardon’s (2005) account in that issue which tells the story of a coalition of community and university leaders regenerating a poor neighbourhood in East St Louis, Illinois, through incorporating values of participatory planning and community empowerment. Our account is not as positive as Reardon’s and, as we will show, some of the keys to success in Illinois (such as the broad coalition and its ability to effect political pressure) are absent in our case. More positively and perhaps complementing Porter and Barber’s (2006) account in *City* about the gentrification of Birmingham’s Eastside, our paper also shows that a sense of place, memory and heritage can be crucial ingredients in mobilising citizens to engage in governance processes and that this can enable a challenge to be mounted to a dominant urban regime.

Neo-liberal urbanism highlights that within broader neo-liberal tendencies, the city-scale has become a site of particular intensity for the reconfiguration of governance arrangements (Brenner and Theodore 2002). Cities and city-regions are increasingly seen as sites for competition and less so as crucial sites for social redistributional
national policy and political frameworks (Ward and Jonas 2004: 2121). So, while the domination of business and political elites in local decision-making we present is not a new story, it is argued that a creeping neo-liberalism has led to the systematic subjugation of community and class interests to capital in greater degrees than previously; and of the social to the economic (Groth and Corijn 2005). Paradoxically, at the same time such trends are accompanied by increasing expectations for citizens to have a say in public decisions and a corresponding decline in trust in the institutions of government themselves (O’Neill 2002). Our case study in Newcastle reflects such tensions and highlights the fuzzy boundaries between state, market and civil society, formal and informal actors and norms as our protagonists perform an array of practices ranging from resistance, alliance, confrontation and partnership in trying to make a significant impact.

This complexity of practices leads many analysts to point out the dangers of ‘reading off’ broad neo-liberal tendencies as they play out in specific places. Local contingencies, and agency, will determine how neo-liberal processes play out in specific circumstances (eg Ong 2006). This paper focuses on filling-in this empirical element. In doing so we are particularly interested in the constraints on state action given changes in its abilities, or desire, to intervene directly.

The main protagonists of our story are a group of activists in Newcastle, North-East England, who have since the 1990s tried to protect an inner city area from gentrification and a particular form of property-led regeneration. They have instead promoted local resources, such as heritage, and values of social justice. They have much in common, therefore, with efforts to create the just city (Fainstein 2005), which
whilst being underpinned by a degree of relativism and realism, aims for a minimum level of democracy, equity, diversity, growth, and ecological sustainability, and a transfer in who exercises power and who benefits substantively from governance processes. Our analysis thus focuses on the transformative potential of governance activity in terms of: direct participation; the outcomes of such action; and also with transformations in wider governance processes either through an increased socio-political capability on the part of participants or through changes to governance structures or ways of thinking among political elites.

In this paper, we examine how the struggle for an alternative development towards a more just city is played out within governance arenas. We focus in particular on the formal arenas of governance, and those of the land-use planning system especially, as these are revealed to be central to mediation between the state, the private sector and voices from civil society (de Souza, 2006). Such arenas provide places for discussion and constitute regulatory passage points where public participation in some form is required. In this paper, therefore, we take these arenas as our prime focus as “at once a foundation, an arena and a mechanism for the mobilization of neoliberal political strategies” (Brenner and Theodore, 2005: 106).

2. Newcastle’s Ouseburn Valley: gentrification and resistance

Our case study, the Ouseburn Valley, lies one mile east of Newcastle city centre. It is, partly for topographical reasons, rather disconnected from the City and is crossed by several road and rail bridges (see Figure 1). Although the Valley was central to the industrial revolution on Tyneside in the late eighteenth century, by the 1970s it reflected many parts of the wider North East region in becoming something of a
“redundant space” as mining and manufacturing employment was in steady decline (Hudson, 1989; Robinson, 2002).

Figure 1

The Valley barely featured on the mental maps of most citizens, developers or the local state in the 1970s and ‘80s. Some small-scale light engineering units were built using government subsidy but the property development boom that Britain experienced in the 1980s which attracted investment back to inner cities and riversides, including Newcastle (Healey, 1994), bypassed the Ouseburn Valley. At the end of the 1980s the Ouseburn was thus a left over space, marginalized from the capital accumulation strategy of rebuilding a post-fordist spatial infrastructure.

The disinterest of both capital and state in this relatively central area of Newcastle turned it into an alternative space where all sorts of activities developed. Typically these were light industrial, of the ‘metal-bashing’ sort. But through the 1990s other uses began to creep in at first centred on the Valley’s pubs which had continued to trade. Many began to diversify, often providing a home for live music. They attracted a mixed crowd in terms of age and class but some were home to groups of left-leaning activists. Also during the 1990s, a large warehouse became home to about 100 artists and a recording studio. The opening of a cafe-bar in this building in 1999 provided a medium sized live music venue and improved the leisure ‘offer’ in the area. A Centre for Children’s Books opened in August 2005 next door and a theatre space is proposed. The Valley also hosts an urban farm and an indoor stable which is particularly addressed at “young people with personal, social or educational needs”
As a result, by 2002 over 300 businesses were in operation employing 1,700 people ranging from car repairers, to martial art trainers, artists and pub staff (Newcastle City Council, 2003). An important industrial heritage remains, although some of the buildings are at risk, and the Valley has been granted “conservation area” status, with nine listed buildings. A community Summer Festival has been in place since the late 1990s and a group of volunteers run a heritage program with educational purposes. Despite poor transport connections, these activities draw people from a wider area, as very few people live in the Ouseburn Valley itself.

2.1 Governing the Valley

Community activism in the Ouseburn started as a reaction to the Thatcherite project of property-led regeneration that swept British cities in the 1980s and which kick started much of the urban renaissance of the 1990s. In the late 1980s, UK central government introduced Urban Development Corporations (UDCs) to overcome “land and property market failure, especially in the inner cities” (House of Commons, 2003, p.7) and in 1987, the Tyne and Wear Development Corporation (TWDC) was established to undertake the regeneration of 26 miles of riverside along the rivers of Tyne and Wear.

One of the areas in which the TWDC focused their attention was the ‘East Quayside’, an area including the southern end of the Ouseburn Valley. This area was to be the “jewel in the crown” of the regeneration effort. However, a group of local community leaders and church representatives realised that the development TWDC proposed would endanger the built and natural heritage of certain parts of the local area, the
Ouseburn Valley included, with few positive effects for the community. At a strategic moment where other UDCs across the country were being criticised for their social myopia and with the TWDC wanting to gain legitimacy, the activists group was important in fostering community consultation.

This group organised itself as the “East Quayside Group” in 1988\(^3\) to contest the TWDC vision but progressively developed its own view, connecting issues of development, heritage and community participation. They also focused their attention on the Ouseburn, where they saw the possibility for unfolding a community-led vision which would respect the heritage and sense of place. The group felt that if left to market forces the history and heritage of the area, as well as its particular physical and environmental features, would be lost. In an increasingly professionalised voluntary sector environment, the group felt the need to formalise their voice to gain legitimacy and in 1995 constituted itself into a Development Trust, the Ouseburn Trust.

The Trust led the formation of the “Ouseburn Partnership” to apply for central government Single Regeneration Budget (SRB) funding in the mid 1990s. In tune with the Trust’s convictions, this proposal gathered all the interested parties in the Valley: from artists, to housing corporations, local police, sport associations, businesses and the City Council. The proposal obtained £2.5m to spend over five years (1997-2002) in a project akin to an “integrated area development project” (Moulaert et al, 2000). The focus was on contributing to: the employment prospects, skills and education of local people; developing the local economy; and, promoting an inclusive, mixed and well designed environment. The Ouseburn Partnership also worked as a real devolved power, the only voluntary sector led SRB programme in
the region. One of the crucial consequences of the project was that, through environmental improvements in particular, the Valley was ‘scaled up’: from being a blind spot for the state and particularly investors and big capital, it became a space where these different actors could see potential.

Following the SRB programme the Partnership was scaled back with the two key partners of the Ouseburn Trust and the City Council forming the “Ouseburn Advisory Committee” (OAC), a formal City Council committee that advised on regeneration in the Valley. Membership comprised of half councillors and half local community representatives to directly advise the City Cabinet. The Cabinet does not have to follow the OAC’s advice but a tradition has been established where negotiations help to achieve a consensus. With the establishment of the OAC, the role of the Ouseburn Trust significantly changed. From running an Executive Board and leading local regeneration efforts, the Trust had to engage more with formal structures in local government, becoming an advisor over decisions, rather than leading from the front. It is on events in this latter period, from 2002 to 2007, where we concentrate our analysis.

3. In between the state, capital and civil society

We now turn to analyse relations between the various sites of the local state, capital interests and civil society, and explore the relative power of these three dimensions as alternative visions for the Valley emerged.

3.1 The creative contradictions of neoliberal urbanism: community engagement while market rules
Brenner and Theodore (2005) note that contemporary urban governance processes are a fast-moving series of, often contradictory, strategies and policies. This complexity is confirmed in the story below. A key element is the contradictions within different components of the state itself. Coalitions between elements of the state, business and the third sector were often more coherent than views within any of these given elements.

In securing urban development, the relative authority of the tools of the state inevitably change over time. Under neo-liberalism there is argued to be less public sector capacity to develop places directly and a “rolling forward of new networked forms of local governance based upon public-private partnership” (Brenner and Theodore, 2002: 22). Thus, the state is more reliant on private sector capital. At the same time, the state has tried to develop a participatory urban policy centred on a dialogue with communities. These tensions were explicit in the difference between the people that now claim the Ouseburn (Figure 2a), and those who the Council and developers have in mind (Figure 2b).

Figures 2a and 2b

The City Council awoke to the possibilities of the Ouseburn as part of a city-wide regeneration process in the late 1990s. Newcastle underwent something of an ‘urban renaissance’ in the 90s, along the lines of other UK cities, with a new emphasis on cultural industries and associated tourism, and a repopulation of the central core by new residents, notably young professionals (Cameron, 2003). The possibilities of the Ouseburn as a unique resource to satisfy a demand for such housing and creative
industries rapidly became apparent. In doing so, the area also fulfilled the requirements to be turned into an “urban village”, a powerful concept in the UK planning discourse of creating “sustainable communities” (ODPM 2003). Interestingly, in the Ouseburn the “urban village” concept was co-opted by different coalitions both to justify large-scale development, and to promote a more subtle fine-grained approach to area development. The Council itself owned four big sites in the Ouseburn and elements within it saw the area as an opportunity to provide housing to retain wealthy residents who might leave the City and its tax base. In doing so, the sites would also capture revenue through land sales to developers.

A process of re-positioning the Valley in the mental maps of citizens began to market the area to potential residents and investors. In the early 2000s, the Ouseburn Valley’s postcode was symbolically changed to NE1 (See Figure 3) to try and re-position the area as part of the central City. This was part of a wider process of using public funds to market the Valley to up-scale citizens living in certain postcodes.

Figure 3

The Valley thus became a key site for housing developers offering as it did a unique combination of being close to the City Centre and the Quayside, with a characterful environment with green areas, a spectacular built heritage and river. The first scheme to be built was sold as “just minutes away from the vibrant life of Newcastle’s Quayside” yet a historically rich area with “fascinating old buildings” and a “unique mix of historic riverside” […] “where urban cool meets boho chic” (Metier, 2004)⁵. The combination of an area with a rich heritage, a quirky sense of place and a vibrant
music scene is akin to that described by Porter and Barber (2006) in Birmingham. Here, the Eastside area was also ‘discovered’ by the Council as a location for creative industries on the fringe of the City Centre. Like the Ouseburn, Eastside appeared to be a good example “of the kind of heritage, creativity and local diversity” (Ibid, 221) that the Council was seeking, the result being that they were both in danger of being regenerated and sanitised through attempts to make, “a vibrant, sustainable, authentic city neighbourhood” (Ibid.) amenable to middle-class values.

The Ouseburn Trust and some councillors pushed for affordable, socially mixed (including family units with gardens for example, rather than just 2 bedroom flats) forms of housing, and also for the provision of cheap work space for cultural industries. But in 2001, a competition among developers to work with the City Council on the four Council owned sites resulted in a consortium being established where the proposals were very much in line with government and professional thinking for high density development on ‘brownfield’ sites. The pricing and type of housing proposed by the large house-builders selected would have mostly reinforced exclusionary dynamics through the construction of ‘yuppie flats’, rather than social housing for families from nearby areas for example. Attempts to ameliorate exclusionary tendencies in such development through cross-subsidisation of housing development from valuable riverside sites to others proved difficult due to local government accounting legislation but were somewhat overcome, albeit through ‘ghettoising’ the 10% of the total stock given over to social housing on to one site. As it was, a cooling of the market for flats, in part due to over-supply in the City, stalled the development of the four sites. Subsequently, these sites were earmarked, along with others, for development on a smaller scale but care will be needed in the
implementation of these sites if the area is not to cumulatively be damaged by over-development.

Similar debates concerned development of the ‘Ouseburn Gateway’ site at a key location on the junction of the Ouseburn and the Quayside. The first proposal of a 26 storey residential tower would have provided a clear end point to the Quayside development but would also have cast a literal and metaphorical shadow over the Ouseburn Valley behind. It would also block the view of the historic riverscape, including the seven Tyne bridges, from the Free Trade pub and its beer garden - a key arena for resistance to development such as this over the past decade (see Figure 4 where a graffiti was written on the toilet wall around the time of the discussions renaming the pub “Repressed Trade Inn”)! This development was seen as the developer “appropriating” the new valuable views over the river and re-selling this view to wealthy people without any of this benefit being brought back into the local community. The Tower was defeated due to a change in the political administration of the City Council, although development of some kind on the site remains likely with a mixed use scheme, 42 metres in height, proposed in 2007.

Figure 4

Thus, the local state was pulled in two directions in the Valley. On one hand, it supported community visions for the area; on the other it wanted to realise development for economic gains for itself and the wider City. This contradiction is further explored below.
3.2 Governance and disciplining

All coalitions with an interest in the Ouseburn accepted the need for some development without critically debating the scale, form and type of development that might promote and enhance the area. The arenas of the planning system were thus much to the fore in debating the Valley’s future. Planning decisions were considered at Ouseburn Advisory Committee (OAC) meetings, a specific City Council structure set up to discuss the area’s development made up of representatives from the Ouseburn Trust and the Council. Observations made at these meetings revealed that debate often revolved around discussions of how to capture some of the potential profits that may be realised by developers on land assets. In these discussions the Committee typically divided into two groups with differing views, frames of knowledge and rules of performance. On the one hand, some members of the Ouseburn Trust, community representatives and councillors adopted a defensive attitude, maintaining a generally critical view of all planning applications in the first instance. This sub-group within the OAC looked for signs of development that went against their vision for the Valley, aiming to stop it before it established a precedent. In that sense, the group looked especially for how development might impact on traffic levels and the externalities that might bring, at the density of population, the heights of buildings, respect for the heritage, design, the price of residential units and the mix of uses. On the other hand, in the OAC meetings, the planning and economic development officers adopted a more "professional" attitude, making the members of the Committee aware of regulations and policies that framed how the applications must be considered. The OAC meetings could, in some sense, be viewed as a process of translation between the more utopian and socially innovative language of the Ouseburn Trust and some councillors, to the more official and formal language of
local government professionals. It could also be seen as a process of co-optation or disciplining where the community was forced to conform to the rules and formal mechanisms of the state, through their representatives (Tooke, 2003; Raco and Imrie, 2000).

Through such debates, the Ouseburn Trust had to simultaneously refine its vision for the valley to fit with the formal language of planning, while also having to adapt to fast-changing market circumstances. When the first developers became interested in the valley, few documents existed to guide developers about the projects they could undertake. These, however, were vague about the specific rules that might apply. A developer recalls that when they first bought a site in the Ouseburn, the Council had various documents, mainly written by the Trust, but none of them had clear specifications. Some developers who had pursued projects in areas similar to the Ouseburn were not interested due to this absence of a clear vision for the place. Other developers who did latterly develop sites felt that the vision that the Trust had developed "meant nothing" in terms of planning regulations and disregarded it and the Trust, knowing that the quasi-legal world of planning would be where their developments would ultimately be judged.

The Ouseburn Trust, aware of the need to discipline their vision, subsequently made an effort to write a "development template" which could act as a "useful tool for assessing proposed developments, providing a framework of questions for all aspects of such development and the impact it may have on a local area" (OAC, 2004). This template was an interesting innovation as it tried to assess the impact of proposed developments in terms of their contribution to the local area and the benefit for the
community while effectively ‘de-professionalising’ the knowledge that resides in the planning officers. When presented in the OAC, this report was welcomed by planning officers "as a useful tool for officers in their dealings with developers" but they "urged caution that the Advisory Committee should not prejudge or predetermine City Council policy (which was effectively a matter for Development Control Committee)" (OAC, 2004).

The Ouseburn Trust together with community representatives and councillors in the OAC also made use of other more formal planning tools and documents to reinforce their vision and help structure discussions with developers over individual projects. They lobbied successfully to make a large part of the Ouseburn a Conservation Area in 2000 which gives the area a degree of extra protection against inappropriate development. Latterly, the City Council approved an *Urban Design Framework for the Lower Ouseburn Valley* which signalled something of a change of mood in the Council, suggesting a smaller-scale, more sensitive vision for the area.

The situation remained, however, paradoxical. The OAC was a formal structure within the Council, set up to give continuation to a successful collaboration between it and the community. The OAC could thus be seen as a move to enhance community participation. This inclusion process, however, was inevitably embedded in the market logic that the Council defended at the same time. A community representative in the OAC was perplexed at the behaviour of the city council officers in OAC meetings: "The officers you have the feeling that they are somehow speaking on behalf of the developers and how quite that happened I don’t understand…they clearly are defending something, almost at every meeting they are defending"
(Interviewee 4). This is, in part, a natural caution on the part of professionals operating within the quasi-legal world of UK land-use planning, especially when the Community vision did not fit with past City-wide regeneration experiences and with the dominant planning discourses, of high-density development for example, present at the time. This also reflected the long-standing tension at the heart of planning in local government between local economic promotion and community representation. Arguably this tension is heightened in a period of neoliberal urbanism as entrepreneurial local government competes more fiercely for mobile capital and higher-rate tax payers:

*The council is a big player in the discussions with the developers and although the Advisory Committee is the forum where the development is going to be controlled, I remain to be convinced that the Council is not going to have its own way. We are only an Advisory Committee, the cabinet takes decisions. And if we are in a very contentious problem I am in no doubt in which direction this is going to go* (Interviewee 4).

Thus, the community representatives attempted to adapt their vision and behaviour to the languages and practices of the professionals. This led many in the Valley to see them as becoming institutionalised, a feature we consider below.

### 3.3 Community Participation: finding space for innovative practices

In the Ouseburn, the involvement of third sector actors in the decision-making arenas of local government reflected a change in governance practices and a move from a paternalistic form of state practice to a somewhat more collaborative one. The power that the Trust had in shaping the future form of the Valley stemmed from the capacity of this small coterie of individuals to link across established groupings. This
illustrates how third sector actors can get leverage in place governance. Established communities like city council planning officers or voluntary groups share different norms of behaviour and circulate in different flows of information. The gap between these groups Burt (2002) calls “structural holes”. Although people in these groups might know each other, they are focused on their regular activities and might not engage in exchange. The ability to link across structural holes creates an exchange of information. It also creates challenges as people used to relatively fixed ways of doing things have to adapt to new situations.

This capacity to link across structural holes was best represented in the Ouseburn by an officer at the Council and an activist from the Church of England. Both these actors, skilfully played with their insider/outider roles, translating norms and ways of doing things between established communities of practice. The city council officer acted as a ‘guerrilla in the bureaucracy’ (Needleman and Needleman 1974). He maintained a long-standing professional and personal interest in the Ouseburn and "is the guy that for several years would manage to wing small amounts of money from budgets that had not been spent" (Interviewee 4). He described his work, very much in Burt’s terminology, as liaising with groups and businesses in the area and basically “fill[ing] the gaps that other people have left” (Interviewee 12). Throughout the years he maintained a network of contacts with interests in the Valley from the Ouseburn Trust, business community and arts and culture community, which he skilfully and with a degree of altruism and commitment, linked together and plugged into the City Council’s formal and informal flows of money and influence, even at times when the politics of the Council meant that the area was neglected.
Similarly, another key figure in the development of the Valley demonstrated an extraordinary capacity to link different arenas and work across cultures. A vicar of the Anglican Church of England, he increasingly gained trust and respect among policy makers and community groups in Newcastle. He did this through talking the language of local government and as such gave the Trust a respected image in the Council. His role as an ‘honest broker’ was in part derived from his being in the church. This also enabled him to actively participate over a long period and overcome the participation fatigue that often accompanies such involvement. His role was a difficult one, however, as he had to constantly negotiate a degree of distance and proximity from different sites of state power (Jones and Evans 2006).

Thus, in the case of the Ouseburn, informal networks across different governance cultures and settings were sustained through their commitment to an idea (significantly a place, in our case). However, as the realities of physical development approached, the low level of this power compared with that ascribed through the formal settings of governance, and the planning system in particular, became clear. Therefore the potential to innovate and penetrate the deeper levels of political and economic structures was hampered.

This problem also reflected the Trust’s lack of engagement with other struggles and activist groups in the city (cf Reardon 2005). The Trust had difficulties engaging people and expanding their constituency. Between its foundation in 1995 and 2005 it grew to have between 80 and 100 members but out of these only around a dozen were ever active Board members and almost all activity was initiated by 4 or 5 people. This is partly explained by the very few residents in the Valley itself and so the issues
around which people might feel committed to the area are different. Another problem concerned the character of people involved in the Trust itself. The core people were engaged with the Trust for a long time and developed their own particular culture, mode of communication and philosophy that proved difficult to penetrate. Moreover, some Trust members used the relatively privileged political space they had to pursue “single-issue” interests. A City Council officer commented: “A lot of people who come to meetings are overwhelmed by the combination of the characters involved, the lack of attitude to change, arguments, the shorthand so they don’t know what is going on”. Another broadly concurred:

there is a potential conflict because it is a little bit incestuous down there, it is a small area and a relatively small number involved which is probably one of the weaknesses.[…] people sit on lots of different bodies and they have their own subgroups, and it is always the same people and I am not quite sure…that’s the flaw, everyone knows everyone else, always the same faces. (Interviewee 7).

To conclude this section we note that, although some key actors and individuals have linked arenas and cultures, the Trust as an organization was seen by other key actors as itself rather institutionalised, qualities that make the carrying of transformative power and social innovative difficult. However, this stability was also a strength, imbuing it with the trust necessary to communicate with traditional power bases in local government. The Trust in this sense was caught between using its limited resources to engage with the community, or with the local state and risk being institutionalised further into the governance fabric, a dilemma for all such organisations (Milligan and Fyfe 2005).

4. Where is the space for community action?
As we have seen, the Ouseburn Trust is not an autonomous activist group but a group of concerned citizens engaging with formal governance structures and trying to influence them. Their role has been that of resisting conventional practices of urban regeneration that have limited respect for heritage and social justice. It could be argued, in the light of our research, that they have been co-opted. But a more subtle analysis reveals that their activism has been positive and has contributed significantly towards an alternative model for local development through both resisting development proposals and developing alternative policies, and working with others in partnership.

The Trust made a marginal area more attractive to a rich diversity of users and challenged, to a limited degree, established norms and values entrenched in policy communities. Community activists have introduced values of the ‘just city’ into planning and development discussions. Indeed, had the Ouseburn Trust not existed, the Ouseburn could now be part of a seamless continuation of the impersonal and standardised Quayside. Instead, and due also to a slowing down of the housing market, the future Ouseburn will evolve more organically and with a greater respect for social justice and the existing built form. However, despite a lot of authority and some finance granted to the Trust by state agencies at local and central government levels, it had only limited success in shaping the future of the area. Why might this be?

First, pressures for physical development in the Ouseburn meant that the regulatory passage points of the formal land-use planning system were critical. Planning in England is quasi-legal and highly centralised. A national rhetoric focused on creating ‘sustainable communities’ through ‘mixed-use development’ on ‘brownfield land’ to
deliver an ‘urban renaissance’ led to the domination of a national discourse which shaped local state responses. Thus, rigid and technified sets of governance practices and protocols, deeply rooted in planners and officers’ habitus, were powerful counter-veiling forces to the transformative power of an alternative social movement. The national policy network that linked built environment professionals promoted a discourse that had little nuance in terms of what was actually needed in a specific neighbourhood, city and region. And yet activists found themselves facing a very different vision, but one which shared the same rhetoric as their own – of mixed use development, of the urban village, of renaissance and of housing affordability (see also Franklin and Tait, 2002).

Second, the local state remains very powerful in urban development processes. But this power is circumscribed by wider systems, such as property development rights, increasingly framed by a market-centred approach to development. The local state has diminished power compared with previous eras to develop land itself and is reliant on its ability to negotiate partnerships with others, notably capital. This issue coalesced with the local state pursuing economic gains for itself in developing its land for high density, high value housing, rather than more limited but socially just development for example. This may not so much be a consequence of neo-liberalism as such, but more a slow dissolution of the powers of the state to intervene directly and universally in urban development, combined in the UK with a lack of financial autonomy locally. So, despite engaging in the language of partnership and demonstrating some commitment to devolving the management of areas to communities themselves, their activities are dominated by neo-liberal argumentation in its interactions with commercial interests (see also Brenner and Theodore 2005).
Some of this may be peculiar to the English context where the local state operates in a highly centralised polity, which has a very significant framing effect on what local government does (as much as what it actually has the discretion to do legally). This centralisation applies not just to planning rules but also with regard to the levels of finance available for the local state to pursue its goals and also the freedom to spend what limited funds it has. This exacerbates a tendency for the local state to want to realise its asset base\textsuperscript{7} - both in attracting and retaining local tax payers and in the land assets it owns. So in part there is a covert neoliberalism moving in on the discursive terrain of local governance but, more than this, changed capacities to act among local states that coerce them to act in ways that can be perceived as ‘neoliberal’.

This leads to our third conclusion, that there are tensions to be constantly negotiated between these market pressures and a central and local state rhetorical emphasis on engagement with communities. This also reflects the conflicts that arise when new forms of deliberative democracy come up against more established forms of representative democracy. It is the latter that, through their control of long-standing passage points – such as the granting of planning permission, tend to retain the power to act.

Finally, the above factors combined with a general belief in markets and development among professionalised policy communities. In this way, neo-liberal discourse influences actors’ perceptions of their capacity to act, as much as the realities of what is possible. Thus neo-liberalism shapes the urban landscape in subtle ways and can often subvert the political leanings of the local state itself. This positive sense of
markets contributed to the state failing to see that an alternative development could be realised. This may be somewhat case specific, dependent on the capacities of this particular administration, or it could be an English manifestation. One or two examples of cases in our wider project indicated that local states could engage more ‘justly’, and in less market-driven ways than outlined above but this was not the norm. In particular, in some of the Italian cases, the local state was not as strong or entrepreneurial and the private initiative not as coordinated, so a socially innovative project managed to survive despite the development opportunities of the site. We found that there were no pure neoliberal local states but “a patchwork of projects competing to become hegemonic” (Moulaert et al 2007: 202) however the project overall observed “a very rapid progression of neo-liberal discourse and practice in contemporary urban governance” (Ibid: 207)

To conclude, we believe that although community participation has been positive, it has not achieved substantial leverage. A truly alternative model of development would have regenerated the area in a different way to that actually pursued. Our research suggests a missed opportunity, not least given issues of increasing homogenisation of cities as they implement a familiar mix of waterfront regeneration and iconic cultural architectural projects (e.g. Harvey 2001; Smith 2002; Groth and Corijn 2005). In some places (see Shaw 2005) cities have come to recognise that certain marginal spaces are important to retain as marginal, or at least retaining some degree of difference. This maintains a city’s interest to investors, current and future professional workers, and tourists. Radical change in such places can divest them of this power of place, especially as big capital is conservative and likely to remake areas in the image of others of a similar type. Newcastle, however, has limited
experience of tackling these issues and the City has been warned of the dangers of not hanging on to its most ‘soulful’ assets to avoid the identikit, bland developments that characterised the urban renaissance of the 1990s (Minton 2003). The activities of the Ouseburn Trust also represent a missed opportunity by not linking up to other struggles and groups fighting privatisation and gentrification in the city (Hodkinson and Chatterton, 2006).

What then are the prospects for community interests in the face of these pressures? From our research we suggest that there may be a particular challenge for resistance groups in places lower down the global urban hierarchy where intellectual resources may be less well developed within governance networks. Getting a foothold in political debates may depend a great deal on the capacity of city politicians and bureaucrats to recognise the need to maintain and promote the diversity of such places, but this may be difficult in ‘aspiring cities’. Northern English cities often remain characterised by a paternalism that denies, or at least squeezes, such voices in governance despite rhetoric of community engagement in public policy.

If pathways are to be found between capital and community then the local state will inevitably play a key role in doing so. Its practices are crucial. The state is, as Sandercock (2003) posits, not just a site of repression or transformation. We must remember that it is a set of multiple sites. In our case the power of those in the local authority in control of the land assets and their practices was considerable relative to the wishes of many in the local authority, including those ostensibly charged with the area’s future - the planners. In an age of neoliberalism then, the continuities with previous eras are legion: money talks and the control of land assets is vital. This
creates, or reinforces, a short termism in local government. The ability to deploy the tools available to local authorities has shifted in recent decades to an era where the state is more dependent on others, as it has lost much of the ability to pursue its goals directly. Maintaining community engagement in the face of these pressures demands reflexivity and situated ethical judgement from key state actors to unpick the taken for granted elements of a pervasive neoliberal discourse.

So, is resistance to a capitalist logic futile in the contemporary city? Our answer would be no, but successful resistance depends on:
- the capacity to link across ‘structural holes’: a ‘guerilla in the bureaucracy’ helps (Needleman and Needleman 1974); as does an activist who can be seen as an ‘honest broker’ by other actors;
- an ability to have a positive plan and to position the argued-over space within its wider context (‘what function does this place serve to the wider city?’);
- owning some of the factors of production (the Trust in our case did buy sites and used them to develop its vision);
- and most importantly, an open political opportunity structure in the form of a local state that understands the values of social justice and can recognise the value of marginal spaces and groups, not only of themselves, but also as contributors to what will increasingly make a just, diverse, and moreover successful, twenty-first century city.
Author’s Biography:

Sara Gonzalez is lecturer in Critical Human Geography at the University of Leeds
Geoff Vigar is Senior Lecturer in Planning and Director of Global Urban Research Unit at the University of Newcastle
References


Metier (2004). *Lime Square property development brochure*


Needleman, ML., and Needleman, CE., 1974, Guerillas in the bureaucracy, New York: Wiley.

Newcastle City Council (2003) Regeneration Strategy for Lower Ouseburn Valley


Souza, M.L.de (2006) ‘Together with the state, despite the state, against the state. Social movements as “critical urban planning” agents’ in *City* 10, (3), pp. 327-342

Stepney Banks Stables, *Inner city Community Horse project document*, undated.


**Other sources:**

Attendance at various Ouseburn Advisory Committee meetings

Attendance at the 2004 Ouseburn Trust’s Annual General Meeting

Attendance at the 2004 Ouseburn Forum

Attendance at the launch of a real estate development scheme.

Organisation of a seminar with members of the Ouseburn Trust, policy officers and developers March 2004
**List of Interviewees**

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Position</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ouseburn Trust activist</td>
<td>07-03-03</td>
</tr>
<tr>
<td>2</td>
<td>City council officer</td>
<td>11-03-03</td>
</tr>
<tr>
<td>3</td>
<td>City council officer</td>
<td>19-01-04</td>
</tr>
<tr>
<td>4</td>
<td>Ouseburn Trust activist</td>
<td>21-08-03</td>
</tr>
<tr>
<td>5</td>
<td>Ouseburn Trust activist</td>
<td>13-06-03</td>
</tr>
<tr>
<td>6</td>
<td>Local politician</td>
<td>16-09-03</td>
</tr>
<tr>
<td>7</td>
<td>Local politician</td>
<td>28-10-03</td>
</tr>
<tr>
<td>8</td>
<td>Resident and local activist</td>
<td>05-06-03</td>
</tr>
<tr>
<td>9</td>
<td>Artist</td>
<td>03-02-04</td>
</tr>
<tr>
<td>10</td>
<td>Developer</td>
<td>04-06-04</td>
</tr>
<tr>
<td>11</td>
<td>Developer</td>
<td>17-02-04</td>
</tr>
<tr>
<td>12</td>
<td>City Council officer</td>
<td>13-01-04</td>
</tr>
<tr>
<td>13</td>
<td>Heritage consultant</td>
<td>29-06-04</td>
</tr>
</tbody>
</table>
Captions to figures

Figure 1: Bridges over the Ouseburn Valley
Source: own picture

Figure 2ab: Urban cool meets boho chic? Contrasting views of the Ouseburn
Source 2a: Lime Sq development brochure. Source 2b Courtesy of the Ouseburn Trust.

Figure 3: Symbolic re-imagination of the Ouseburn as the city-centre
Source: http://www.flickr.com/photos/andyproctor/101282043/

Figure 4: "Resistance" graffiti in the Free Trade pub
Source: own picture