

Manchester: the limits of property led regeneration

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Manchester transformed report from
foundationaleconomy.com web site

Two concepts of infrastructure liberal collectivist vs financialised

- **Liberal collectivist social concept of infrastructure**
- State role in constructing a providential and physical infrastructure: health, education and welfare as citizen right, pipe + cable utilities connecting every household; meeting foundational needs
- **Financialised concept of infrastructure**
- Private initiative within a business model; infrastructure is a private asset, classically a contractual right to income; often limited in natural monopolies from railway acts to regulators
- **Difference in what gets built + a political contest:** social vision of citizenship vs what makes money or eg housing a social right or asset

Manchester's 1990s U turn: no contest with Labour sponsorship

- **A city with a magnificent 100 year tradition of civic provision:** 1890s 95 mile long Thirlmere aqueduct or 1930s Wythenshawe an 11sq mile garden city of social housing
- **From early 1990s reversal under Labour Borough Councils in Manchester City + Salford;** main activity for 20 years was giving planning permissions to private developers
- ✓ A controlling constraining central gov. 86 Thatcher's abolition of city region gov in '86 (collapse of Bulpitt's dual polity)
- ✓ Deindustrialisation left property developers as the dominant element in local business: Peel Holdings + Bruntwood, Allied London

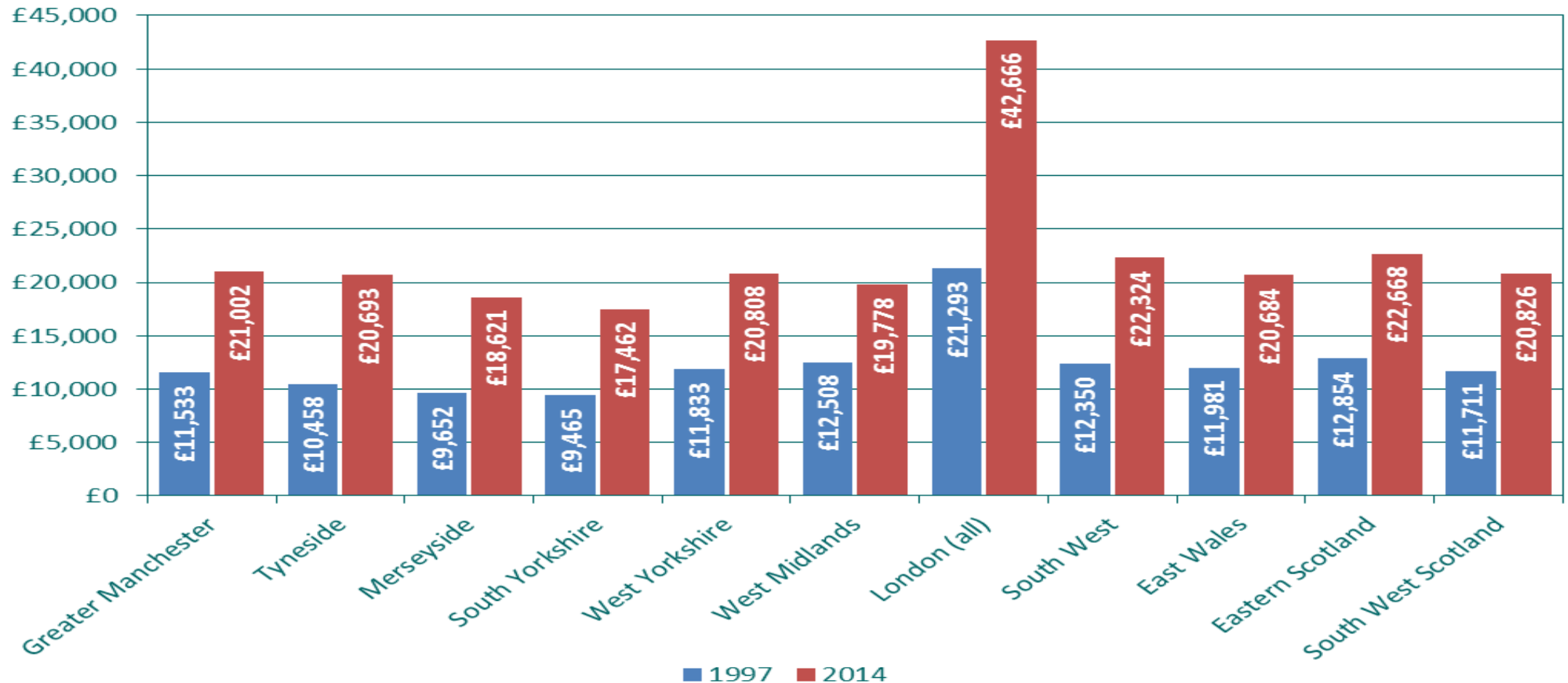
**(1) Property led regeneration
and no econ transformation of GM**

Property led regeneration

- Re-population of the city centre
- Growth of retail and leisure, business services
- Public showpieces: tram + iconic buildings



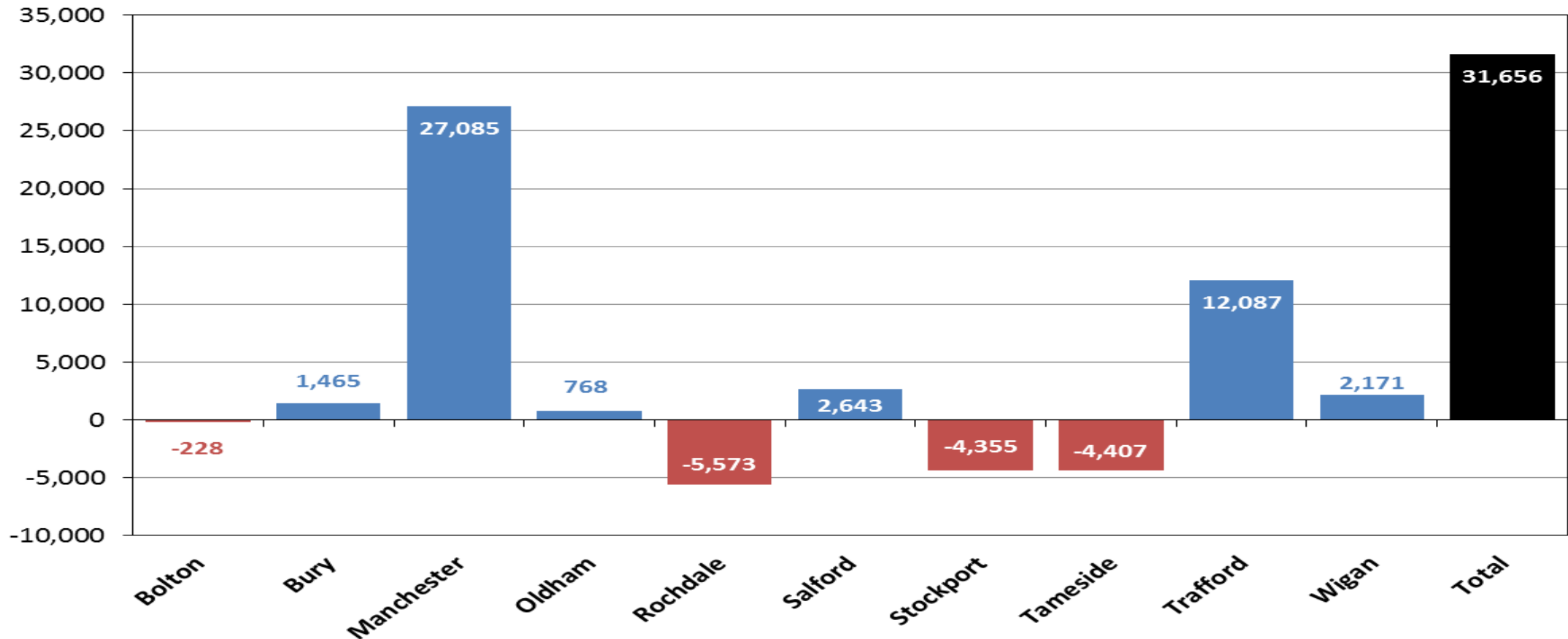
But not closing the GVA gap with London (GM does no better than other city regions)



Weak record of job creation (concentrated in central boroughs)

Change in AGMA total employment between 2009 and 2014

Source: BRES, Nomis



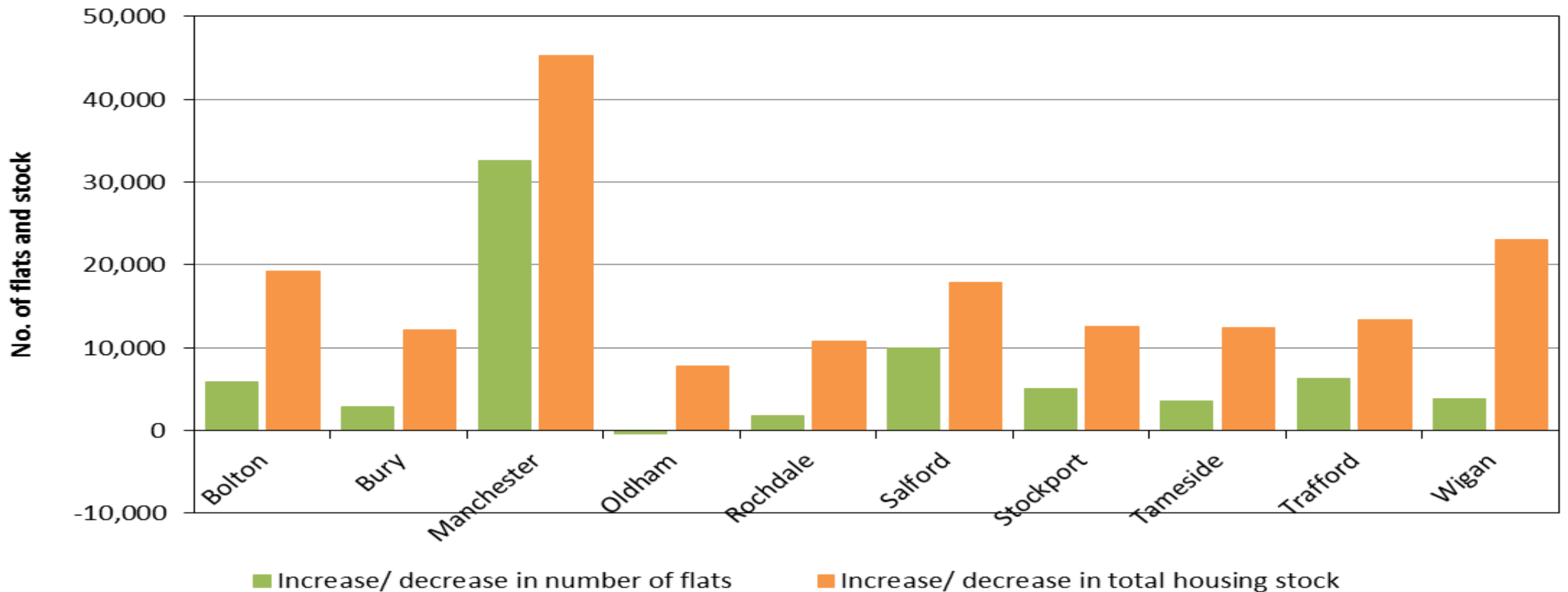
The city reformatted:
a private new town since the mid 90s

Manchester City + Salford: a private new town for junior white collars

- Old style Brit new town was liberal collectivist planned on green fields (Telford + Milton Keynes)
- In Manchester City and Salford a private new town on brown fields ex industrial land when developers see profit in turning square footage into cubed volume.
 - ✓ 50,000 new office work spaces
 - ✓ 40,000 new flats (1-2 bed buy to let)
 - ✓ 45,000 more 25-34 year olds in Manchester City and Salford (declining popn elsewhere)

Buy to let flat building (in central boroughs)

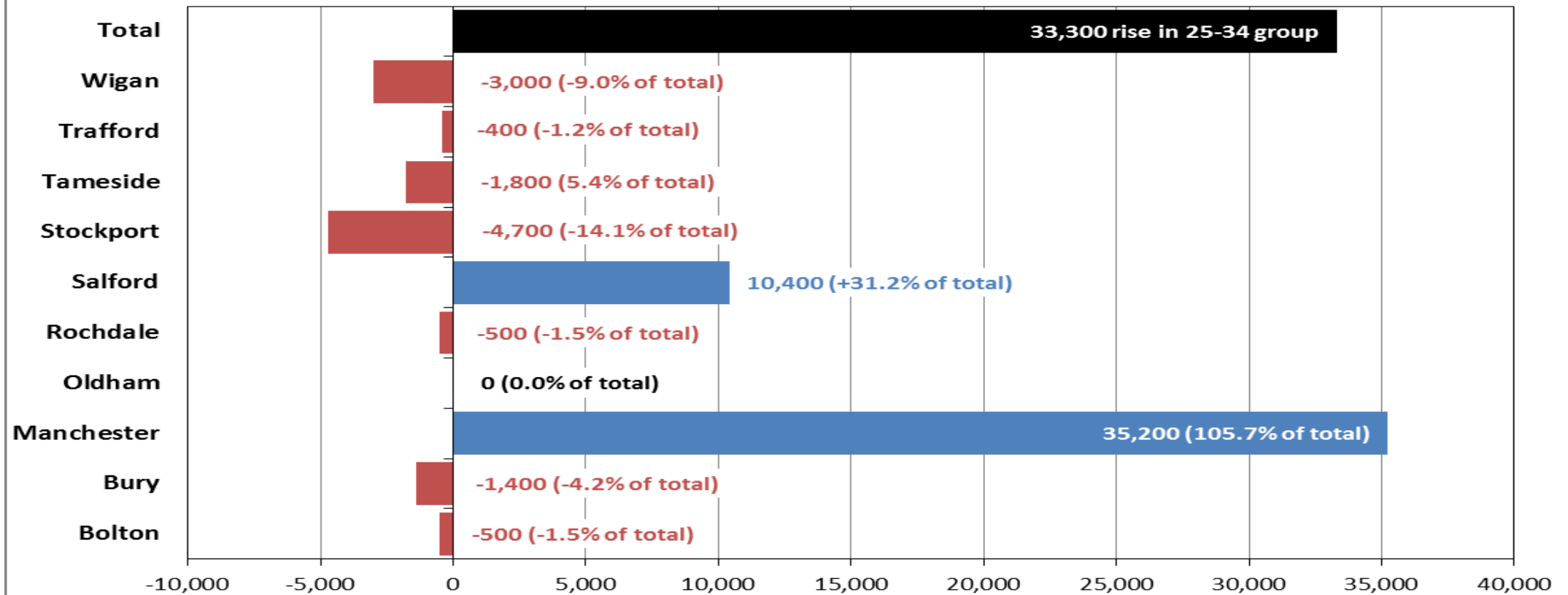
Change in the number of flats and total housing stock by local authority in the AGMA region, between 1991 and 2011



Growing 25-34 year old GM population (in central boroughs, 2001-14)

Change in AGMA's 25-34 year old population
between 2001 and 2014 and share of change

Source: Nomis



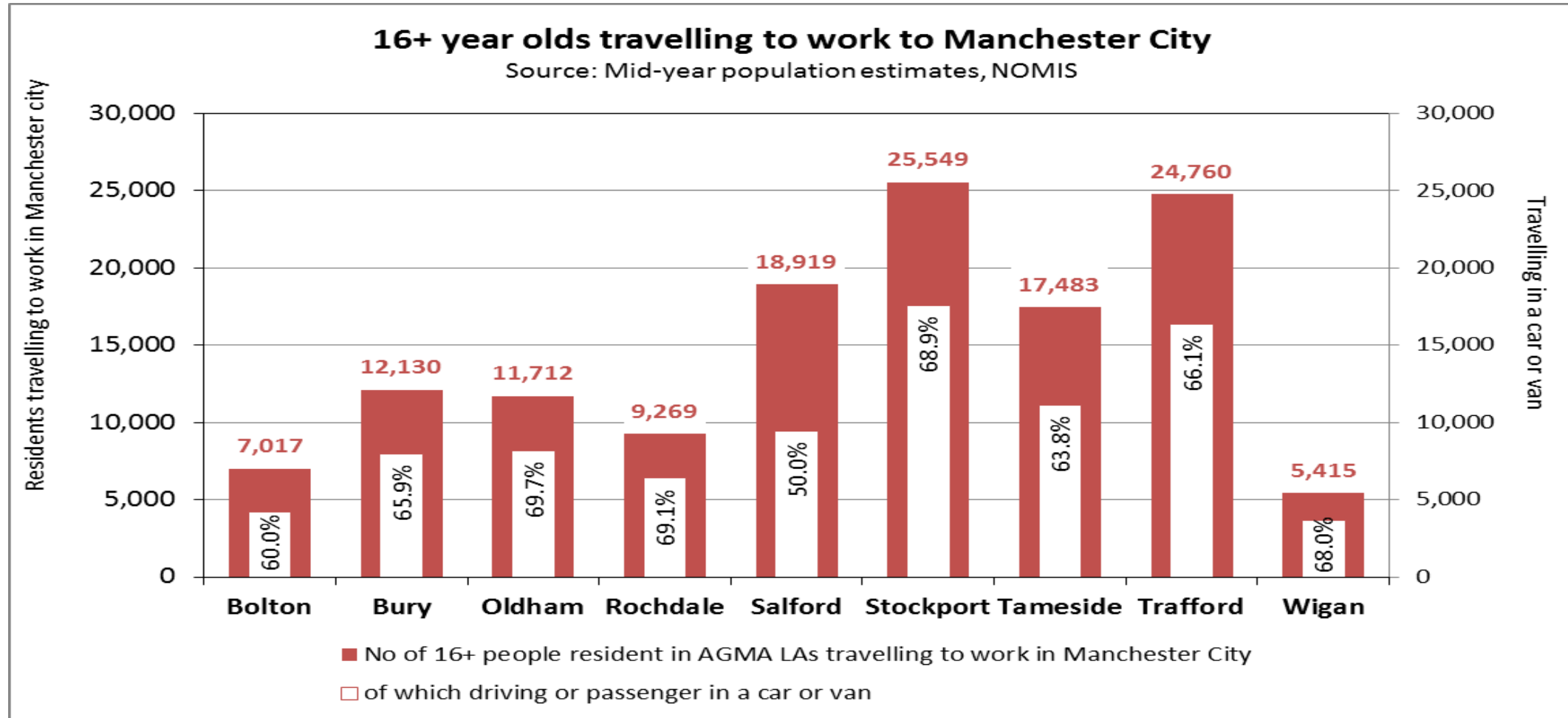
(3) Socio political consequences:
the GM mess

GM mess

(a) the city region chimera + the growth coalition

- 2009 MIER added rhetoric about building a city region where public transport infrastructure + upskilling will allow radial commuting solution to the problem of the outer boroughs (generic fix reflecting agglomeration thinking)
- This kind of city region is a chimera: city of orbital commutes by car + the central office jobs are held by young workers who sleep over
- Policy makers can't engage realities because the political legacy of property led regeneration is a **growth coalition** of developers, officials + leading councillors eg GMSF plan for more of the same to 2035 ie doubling of central flats + an edge city around the M60 orbital

Commuting into Manchester city (a) no. of >16 population and (b) % of commuters by car or van



GM mess: the priorities gap

- The electorate is everywhere ungrateful for standard policies + doesn't understand the discourse eg EU aid did not win gratitude from Cornwall and Blaenau Gwent in the referendum; 61% can't choose the correct definition of GDP, 51% confuse gov. deficit + debt.
- First past the post + no new ideas protects the political classes for a while eg the GM Mayoral Election
- *GM Peoples Plan* indicates a priorities gap vs the outer circle of the political classes; what people want is traditionally liberal collectivist eg housing as social right in a city with 80,000 on waiting list for social housing

Implications: issues about funding + financing infrastructure

- Infrastructure is politics continued by other means; what's built performs the priorities of the society
- The financialisation of infrastructure in Manchester has shifted priorities + formatted the city for exclusive growth
- The fog of politics spreads confusion eg the Tory leaders pitching strong + stable leadership vs “life long Labour voters..cannot bring themselves to vote for Corbyn”
- But centrist democratic politics (left and right) is coming apart...unless we rediscover the liberal collectivist concept of infrastructure