

RESEARCH ARTICLE

Leadership challenges in the inner city: planning for sustainable regeneration in Birmingham and Barcelona

Austin Barber^{a*} and Montserrat Pareja Eastaway^b

^aThe Centre for Urban and Regional Studies, Birmingham Business School, University of Birmingham, Birmingham, UK; ^bDepartment of Economics, University of Barcelona, Barcelona, Spain

Approaches to inner-city regeneration in Britain, Europe and North America have evolved since the 1980s to reflect greater priority on diversity of activities and more sustainable development. This has in turn posed new challenges for leadership in place-shaping and highlighted the need for different sets of skills, aptitudes and values than those which prevailed in the 1980s and 90s. This article examines how planners and policy-makers in Birmingham and Barcelona have tackled these challenges in the creation of new urban districts. It shows that while top-down approaches still prevail in both cities, leaders in Barcelona have been able to adapt more readily to the demands of a new era. In Birmingham, policy-makers have struggled to break free of the more traditional approach that suited the city well in the 1980s but is less conducive to sustainable place-making challenges in the present day. This divergence of experience can be explained by several factors, most notably the institutional framework within which leaders operate and the prevailing planning culture rooted in the cities' pasts. The findings point to the need for this cultural influence to be taken into account in the forging of new leadership approaches in urban regeneration contexts.

Keywords: leadership; inner-city regeneration; sustainable development; urban planning

Introduction

The pursuit of sustainable inner-city regeneration and the creation of new urban districts have been central to the planning approaches of large cities across Britain, Europe and North America in recent years. These districts are seen as vital to city ambitions in the knowledge-based and creative economy, and to cities' attempts to combat pressures of decentralisation and urban sprawl. But there remains a lack of robust study into the leadership challenges that confront policy-makers and planners in such complex urban settings.

This is especially important as the context of regeneration and leadership has shifted notably in recent years. In the 1980s, regeneration typified by flagship projects and high-profile property development was driven by a type of leadership suited to the particular nature of those ambitions. But more recently the understanding of what is required in terms of inner-city regeneration has evolved, reflected

in more diverse ambitions for new urban districts and greater attention to more sustainable approaches. This in turn has posed some testing new challenges for leadership in place-shaping. In particular, it has drawn attention to the need for different sets of skills, aptitudes and values than those which prevailed in the 1980s and 1990s.

This article explores how this challenge has been tackled in two cities, Birmingham and Barcelona, which have put the creation of new urban districts at the forefront of their regeneration and competitiveness ambitions. It begins with a review of changing approaches to regeneration in the past 20 years and the commensurate implications for debates about leadership of place. It then explores the experience of the Eastside and 22@ regeneration programmes, including reflection on the different leadership styles, the extent to which the planning and leadership approaches in the cities have been able to adapt to new challenges, and some consideration of factors that enable, hinder, and shape the experience of the two districts during this decade. It concludes by reflecting upon implications for other cities as they seek to adapt their leadership approaches to contemporary urban regeneration challenges.

Leadership and inner-city regeneration

Inner-city and city-centre regeneration has been an integral part of urban economic policy for more than 20 years. It has always posed difficult leadership challenges given the inherent complexities of such city areas, and the scale of ambitions involved. However, the nature of the regeneration approaches and the leadership challenge they pose have evolved over time. This section briefly reviews this evolution from the high-profile urban entrepreneurialism of the 1980s through to the more complex place-shaping approach of the current decade. It then reflects upon the key questions for leadership and especially cities' ability to adapt to contemporary regeneration challenges.

The era of urban entrepreneurialism

In the 1980s and through much of the 1990s, the prevailing approach to city centre regeneration in major European cities was bound up in the transition to urban entrepreneurialism. This shift typically combined the development of flagship projects and large-scale property schemes in central areas, vigorous place marketing campaigns, bidding for cultural or sporting mega-events, and the construction of new forms of partnership between public and private-sector interests, both formal and informal in nature. The most high profile aspects of this regeneration was the ambitious re-making of urban space typically in the form of one-off flagship projects – conference centres, upmarket leisure and retail complexes, sports stadia, casinos, aquaria, cultural facilities, often combined with high-quality offices in multi-use complexes.

The leadership approach that drove such interventions was typically characterised by tight-knit coalitions of political and business interests, often defined as 'growth coalitions' or urban growth regimes that formed in order to pursue means of achieving shared objectives. Such interests often acted in a very closed, sometimes secretive manner, and exercised power in a top-down hierarchical approach that focused on the immediate task of realising major development projects, property market

interventions, liaison with investors and associated place marketing and civic boosterism activities. Such approaches were suited to the task at hand – as such, they typically prioritised property and physical development skills and aptitudes, with less consideration for the wider economic and social/community dimensions of regeneration (Marshall 1996, Vicario and Martinez Monje 2003, Ward 2003, Moulaert *et al.* 2005).

Contemporary regeneration and leadership

In the current decade, however, the agendas around inner-city regeneration and the corresponding leadership challenges have evolved. In particular, the shift towards the creation of new urban districts as opposed to more limited flagship project schemes, suggests that a more complex nuanced approach to place leadership is required.

As city leaders have reflected upon the achievements and limitations of the regeneration approaches adopted in the ‘first wave’ of city renewal efforts, the initial emphasis on high-profile flagship projects has given way to a broader range of ambitions in the re-making of central urban space. In particular, the largest regeneration schemes in many cities represent in effect the creation of entirely new urban districts with a diverse and interrelated set of functions underpinned by sustainability ambitions. Hamburg (HafenCity), Toronto (Distillery District, WestDon Lands), Rotterdam (Kop van Zuid) and Lyon (La Confluence) are contemporary examples of this process – districts sited on former industrial, transport, military and logistics sites in inner cities. The ambitions for such areas typically encompass spaces for firms in the new economy, housing and community infrastructure, public space and cultural amenities.

The implications of this regeneration model for leadership approaches are significant. Planning for sustainable new urban districts links closely to new thinking about the need for more complex networked leadership in place-shaping. Recent debates point to the need for a more fluid approach that embraces cross-boundary working and a genuine understanding of urban conditions, if sustainable places are to be created and maintained. For cities, it also emphasises the need to engender approaches that move beyond the prevalence of leadership skills in property market intervention and physical development that have dominated in the past. In the new, more complex, urban environment, skills and aptitudes relating to bottom-up economic development and business growth, and to social/community issues are said to be equally important. Most critically, contemporary challenges demand leadership approaches that can work across these thematic boundaries and can integrate key stakeholders from all dimensions of urban regeneration (Sullivan and Skelcher 2002, Healey 2006, Gibney *et al.* 2009).

This contemporary thinking has emerged with regard to the development of sustainable urban economies more generally, but it is especially pertinent in the context of inner-city regeneration and the creation of new urban districts in brownfield areas. The inherent physical, economic and social characteristics of such areas raise particularly complex sets of leadership challenges for planners and policy-makers. For these reasons, planning for such districts in a manner that combines economic vitality with social and environmental sustainability requires a sophisticated and proactive leadership approach.

A key question then is whether and to what extent cities are able to adapt to this new leadership challenge. What are the important conditions that facilitate this transition, the key factors that need to be in place and critical barriers to successful adoption of new leadership approaches? Such considerations have been little examined.

This article makes a start by exploring these issues through the cities of Birmingham and Barcelona, both of which have put the creation of new urban districts at the forefront of their wider ambitions to develop as competitive sustainable cities in an international context. The next section focuses on the planning of two major regeneration projects, Eastside and the 22@ district, and particularly the general leadership approaches that have driven these schemes. It further explores how evolving leadership approaches are influenced by a range of different contextual factors including the role of institutional frameworks, the actions of key actors and individuals, the wider political/governance context and the underlying planning culture in such cities.

Birmingham Eastside

Birmingham City Council presented initial proposals for regenerating the historic inner-city district of Digbeth in 1999, building upon some general planning principles outlined in the early part of the decade. The proposals, including the rebranding of the area as 'Eastside', were couched in a spatial vision set out by the council in the 1980s as part of its ambitions to regenerate the wider city centre.

Regeneration context

Birmingham has been regarded as one of the pioneers of the urban entrepreneurialism approach that became prevalent in western cities from the 1980s. In response to the effects of severe de-industrialisation that hit the city in the 1970s, Birmingham embarked on an ambitious programme of city-centre regeneration spearheaded by a cluster of flagship projects and associated investment in the urban environment including the previously neglected canal network. These projects – an international convention centre, symphony hall, indoor arena and four-star hotel – were funded largely by the city council and other public-sector sources (notably the European Commission) as a catalyst for further private-sector investment in the surrounding areas.

The leadership approach that drove this initiative was a classic top-down hierarchical model, in which senior city council officers and politicians worked closely with leading business interests in a tight network that undertook major planning and strategic decisions. The core emphasis was on land and property interventions, securing of funds, driving key projects through the planning process and creating a momentum around the regeneration process. Wider thinking about economic development was a secondary consideration and the community dimension was of only minor importance given the emphasis on mobilising major projects. The leadership approach in the early phases of city-centre regeneration thus reflected traditional models highlighted in the literature. More specifically, they also reflected a particular Birmingham planning culture – the tendency towards the 'grand projects', civic building on a grand scale and driven by a few powerful individuals – a legacy that was very much apparent in the wholesale rebuilding of the central and

inner-city areas in the aftermath of the Second World War (Loftman and Nevin 1996, Barber and Hall 2008).

Development proposals

The original 1999 proposals for Eastside, fleshed out in the 2001 *Eastside development framework*, reflected some of the more critical thinking about the city's regeneration experience to that point and articulated a vision of the strategic role that Eastside could play for the city's wider renaissance. The Digbeth district at the time was an historic industrial area experiencing slow economic decline. It was located immediately adjacent to the city core but cut off by an elevated ring road constructed as part of the postwar rebuilding. It was characterised by a gritty urban fabric crossed by railway viaducts and canals. However, despite its somewhat run-down environment, there were several assets in the immediate vicinity – a university and associated science park, numerous buildings and structures of historic merit, and the emergence of a small creative industries cluster in refurbished industrial buildings.

In this context, Eastside was envisaged as continuing the momentum of the city-centre redevelopment of the 1980s and 1990s, but, crucially, with a character that would complement rather than replicate the transformation of the west side of the city centre. To this end, the original proposals were anchored around the three themes of *learning, technology and heritage*. Within this general aspiration, however, there were several core objectives that defined the ambitions for Eastside in the early days (Table 1).

Table 1. Main objectives of Birmingham Eastside regeneration.

Physical renewal and opening-up of urban fabric	Reuse of derelict or underinvested land, opening up of new linkages through demolition of the ring road and insertion of Digbeth into the wider urban fabric
High-technology industry and jobs	A critical mass of new firms and employment in modern growth sectors, representing a more 'bottom-up' approach to economic development than was evident on the west side of the city centre
Creative and cultural quarter	Building upon the seeds sown by the Custard Factory and other investments to grow a concentration of production and consumption activities in creative sectors, such as media, design, music and performing arts
Embellished heritage of the built and natural environments	Use selective investment to bring historic buildings into active use and to enhance key settings such as the canal corridor
New residential communities	Expansion of the city living market in a manner that provides a different housing and residential offer than the dominance of small apartments seen on the west side

This broad and diverse mix of uses reflected the wider shift in urban regeneration priorities towards the creation of new city districts, and the consequent need for more complex and nuanced leadership approaches.

The leadership approach

The development and planning process in Eastside was driven to a large extent by two key public-sector actors. The first and by far the most important was the city council's Eastside team – set up in 1999 and expanded to 18 officers at its peak. These officers were drawn from other city council departments, but operated at arms length to the council's main development directorate (which comprised the strategic functions of planning, regeneration, transport and housing). It was initially headed by the council's previous director of economic development, so it had significant clout within the council's organisational structure in its early days. This team was based in separate office premises on the city-centre edge of Eastside, which also served as a marketing suite.

Its main function has been to act as a co-ordinating body for the overall Eastside development process. The team acted as an enabler and facilitator of regeneration but it did not have a dedicated budget for major interventions. Crucially, whilst this unit did draw together many of the regeneration activities in one place, the emphasis was on the realms of property intervention, securing funding support and the legalwork required to make this possible. This reflected a view that land assembly, clearance and the generation of market momentum were crucial to the realisation of wider ambitions.

The council's involvement in the first several years of Eastside was led by two key individuals – council leader Sir Albert Bore and director of Eastside Richard Green. Bore had been a leading figure in the city's entrepreneurial strategy since the 1980s and had built up a strong working relationship with Birmingham's business community and particularly its property development sector. Green had been Director of Economic Development and enjoyed a similarly good relationship with the business community. Both provided Eastside with impetus and profile in the early years, within the structural and institutional constraints that are discussed below. They also brought an understanding of economic development alongside the core physical regeneration agenda. But, significantly, this economic agenda was not bound into the Eastside structure or approach.

The second key actor has been the regional development agency Advantage West Midlands (AWM), which is funded by, and ultimately accountable to, central government. Its remit is mainly centred on economic development and associated regeneration objectives. It has contributed significantly to land acquisition in Eastside, but this function remained detached from its wider initiatives to support business sectors in the region. AWM provided important funding for the physical aspects of Eastside regeneration but did not take a more strategic leadership role. There was no high-profile individual from the organisation who could make links across the different domains of the Eastside regeneration process.

Despite the scale of the proposals for Eastside, no specific agency or organisation was entrusted with responsibility for advancing regeneration as a whole. This was considered in the early stages – in particular, a possible mechanism to pool the land and interests of public and private stakeholders – but this was felt to be too complex and

there was no existing model that could be easily applied to the Eastside context. As a result, there has been considerable fragmentation in the programme that is presented under the overall Eastside branding – in reality, the project is more a disparate collection of sites that proceed at different paces in very different ways and guided by separate development mechanisms.

In the past five years, however, the institutional context has shifted significantly. Political leadership of the city council changed following the May 2004 local elections from a Labour administration to a Conservative/Liberal Democrat coalition. The new administration took two important decisions affecting the development process in Eastside. The first was to undertake a review of the proposals for a new Central Library at the heart of the quarter and eventually to abandon the proposals altogether. The second change was to subsume gradually the Eastside team into a wider city-centre team for planning, regeneration and economic development functions. In addition, over the course of recent years, the Eastside team has seen the departure of its initial director and then his second-in-command. Stakeholders involved in the development of Eastside express the view that the professional quality and personal drive of these two officers were crucial in the early phase of the area's regeneration. Their departure is seen to have left a gap that has not been adequately filled. The presence of dedicated high-quality leadership of the sort they provided is viewed as essential to successful place-shaping in a complex inner-city environment such as Eastside (Gibney and Murie 2008).

As noted above, a critical early moment for Eastside was the decision not to establish an overarching development agency for the wider area. In the absence of such a body, the Eastside team set up a Developers Forum as a mechanism to bring together the disparate stakeholders. This body of more than 30 members meets every two months – it serves as a medium for public-sector actors, developers and their professional teams to share information but it does not have any decision-making powers. The key organisation in the leadership of Eastside and the nature of their role are summarised in Table 2.

In summary, the leadership of Eastside has focused even more heavily on the physical/property side of regeneration since 2004. There has been some attention to economic aspects but these have remained outside of the main place-shaping agenda. Economic ambitions have been pursued through the city council's creative industries programme and AWM's policy, but for key economic sectors these lack a sufficiently rigorous spatial dimension that would significantly influence the shaping of the Eastside district. Finally, the community dimension has been largely overlooked in the later phases of the process. It was not a significant priority of the original Eastside team and as this has been wound down, community dimensions of the regeneration process have suffered due to a general lack of priority accorded to this by the city council, and constant pressure on resources which have been focused on more pressing issues within the city-centre planning agenda.

Progress and emerging issues

By early 2009, the Eastside regeneration process had seen significant progress with development completed or underway at several main sites, and land assembly and clearance achieved on others. But there have been major delays and disruption to proposals as well, most notably the demise of the library plans, the funding problems

Table 2. Leadership context in Birmingham Eastside.

Actor	Character of organisation	Nature of activity
Birmingham City Council	Up to 2004: Eastside team drawn from planning, regeneration, economic development Post 2004: Officers within city-centre planning and regeneration team	Overall facilitator and enabler role Development of statutory planning framework Land assembly and site disposal Pursue bids for external funding
Advantage West Midlands	East Birmingham/North Solihull Regeneration Zone for funding to support economic development initiatives	Land acquisition, assembly Clearance, demolition
Landowners and developers	Private developers Land traders Education institutions and housing providers	Lead development of individual sites within the area
Developers forum	Informal grouping of key private and public actors (BCC, AWM, developers and professional teams, education institutions)	Exchange of information Growing promotion role since 2007

with the park, and complications with some private development sites even before the economic downturn of 2007.

The area of most significant progress has been in terms of physical renewal and changes to the urban fabric. This is particularly the case in the northern half of Eastside where there has been considerable demolition, land assembly and land disposal for new developments by private investors. The success of the physical dimension (on its own terms) reflects the orientation of the leadership approach in Eastside. Senior council officials have been able to negotiate effectively at times with public agencies, institutions and developers. Much of this, however, has occurred on a bilateral basis rather than as part of a more integrated process amongst key actors.

The economic dimension has been more problematic. Eastside has thus far seen a large-scale loss of manufacturing businesses due to land assembly and indirect displacement pressures, with new employers arriving slowly due to the time-scale and nature of regeneration initiatives. This reflects in part the lack of an articulated vision of Eastside's future economic functions, how they would be realised and especially the potential to nurture a small business base in key sectors. The growth of creative industries has occurred largely independent of policy and leadership influence in the area. At the broader level, the situation reflects a lack of integration between physical and economic aspects in the leadership of Eastside's regeneration (Porter and Barber 2007).

Bound up with the physical changes and economic transition has been significant progress in the development of Eastside as a 'learning quarter'. Several institutions of higher and further education and research have been established in the district, and

agreement has been reached for the relocation of a major university campus to the site formerly earmarked for the new library. These developments, particularly the new campus plans, reflect the application of more traditional leadership approaches in Eastside, particularly an ability on the part of the public sector to negotiate with major investors and secure new projects.

On the other hand, the most glaring shortcoming in Eastside relates to the social and community dimensions. This is seen in the lack of progress towards building a real neighbourhood, with no diversification in housing supply away from small apartments and no provision of community infrastructure. Most importantly, there remains no vision for what is required or how it can be achieved in the longer term, and how this residential dimension might relate to the other aspects of regeneration. Similarly, community engagement has proven highly problematic. It is not a high priority for the main actors leading regeneration. The approach has bred some resentment and dissent, and most importantly a sense of frustration about a lack of communication and involvement. This reflects a lack of understanding about neighbourhood-building in the leadership approach, and how to nurture existing seeds of community life in the area (Porter and Barber 2006, Weingaertner and Barber 2010).

Overall, then, Eastside has been characterised thus far by some notable progress in the domains of physical change and the learning quarter ambitions. This reflects a leadership approach rooted more in the 'old style' than in contemporary interpretations of urban place-shaping. But the experience has been much weaker in those domains that require the new types of working – bottom-up economic development, social and community development, and the harnessing of these aspects to the physical changes that are taking place.

Barcelona 22@ district

Regeneration and strategic context

In the 1980s and 1990s, Barcelona became internationally recognised for the breadth and quality of its urban transformation. High-profile physical, economic and cultural improvements propelled it from a declining industrial and port city to a metropolis that regularly features near the top of rankings of Europe's most attractive cities in which to live, work and invest (Cushman and Wakefield 2009).

In the early years of Spain's post-dictatorship period, Barcelona's initial changes consisted mainly of small-scale interventions at the neighbourhood level. However, the scope of ambition escalated dramatically from the mid-1980s as the city prepared to host the 1992 Olympic Games. The opportunity provided by the Games enabled the city council to build upon the more modest initiatives to plan for large city-scale projects that entailed not only new sports facilities, but also new infrastructure, the opening of a new waterfront, construction of ring roads and enlargement of the airport. This transformation was fuelled primarily by public money, from national and regional governments as well as the city council.

In the late 1980s, with the Olympic preparations underway, the city council turned its attention to the role of, and relationship with, the private sector. Whilst the policy agenda in the 1980s had been underpinned by the strength of citizens' movements rooted in neighbourhood associations, closer working with the city's business

community was seen as essential in order to lever in crucial funds for the major transformations. Under the leadership of Mayor Pasqual Maragall, the council started a process of fostering economic and social consensus that gradually created and strengthened new models of public and private co-operation.

Importantly, this co-operation in the 1980s and in the future remained anchored by the leadership role of the public sector and especially the proactive city council (Maragall 1999, Monclús 2003, Marshall 2004, Casellas and Pallarès-Barbera 2009). This was exemplified by the ambitious renewal of the waterfront district, including the Olympic Village, linking the inner-city areas to the new beaches, and creation of leisure facilities along the coast. Underlying this intervention, there were certain principles, which were kept in mind during successive urban developments, including the 22@ district. In short, they stressed the importance of equilibrium between the different uses of the city. The values of urban compactness and complexity supported in the past were also assumed of critical importance all over the development of the new district in Poblenou (Nel-lo 2004).

The international acclaim surrounding Barcelona's transformation in this period has been seen as the contemporary manifestation of the city's long tradition of innovative and progressive planning dating back to the nineteenth century. In the late 1990s, international planning professionals and media began to talk of a so-called 'Barcelona model' of urban governance and planning. According to local policy-makers, the key elements of this model include creating consensus between public administrations; involving the private sector in the financing of projects; creating autonomous entities to control planning and finance; supporting an architectural approach to redevelopment; introducing strategic planning; and considering that 'good ideas' are more important than 'great finances'. The key elements of this model area summarised in Figure 1.

As Figure 1 illustrates, the 'Barcelona model' stresses the significance of the process rather than the objectives in the achievement of a new urban ideal (Monclús 2003). The core tenets of citizenship engagement, working across professional divides



Figure 1. The Barcelona model.
Source: Based on Monclús, 2003.

and commitment to urban complexity in place-making have been carried forward in the city's largest contemporary development initiative, the regeneration of Poblenou in the inner city.

Development proposals

The urban transformations of the 1980s and 1990s had done much to revitalise Barcelona's economy, particularly in the realms of tourism, the cultural sector and aspects of professional services. However, it was acknowledged that the underlying structure of the city economy was still weak in many respects, and in particular it lagged in the transition towards knowledge-intensive activities. This recognition, alongside the desire to continue the broader rehabilitation of the urban fabric, underpinned the decision to make the regeneration of the inner-city Poblenou district a strategic priority for Barcelona at the turn of the century.

Poblenou was a former industrial area, characterised at the beginning of the 1990s by visible signs of decay, derelict buildings and large plots of land to be redeveloped ('a moribund quarter' according to *Financial Times*, May 2009). From an economic point of view, the city's eastern industrial centre urgently needed intervention to support an economic transformation towards services and knowledge-based sectors. However, from a social perspective, the quarter offered a lively atmosphere typical of many such working-class districts in the inner city.

The creation of the new 22@ district within Poblenou was an attempt to create the environmental conditions for the clustering of highly innovative and creative enterprises as part of the larger city council project, 'Barcelona, city of knowledge'.

In the late 1990s, the possibilities for conversion in the area were the subject of rigorous debate within the city council. Two main options were considered. On the one hand, there were supporters of transforming the area into a residential one; on the

other, some wanted to reinforce the industrial vocation of the district. Finally, a solution came up combining both positions. The new district would be an example of the compact city where services, residential and commercial uses shared the space. This strategy was in keeping with that already adopted in the recently-developed Olympic Village and it reflected the underlying principles that had underpinned urban place-making in Barcelona for many years.

The three core objectives of the new district reflect the overall ambitions for a diverse and complex new piece of the city:

- *Urban refurbishment* of the district in order to recover the economic dynamism of Poblenou within 'a diverse and balanced environment'.
- *Economic refurbishment* of the district to turn Poblenou into 'an important scientific, technological and cultural platform'.
- *Social refurbishment* to facilitate the integration of newly-arrived professionals into the district and involve the participation of district neighbours.

Within these general ambitions, the proposals included the development of business space for firms in four target clusters of media, information and communications technology (ICT), medical technology and energy, with an overall target of 150,000 jobs. These premises were to be supported by facilities for training, research and dissemination in the fields of new technologies. Complementing this was the provision of new infrastructure, the re-urbanisation of 35km of city streets in the districts, and

creation of green spaces in the previously hard urban fabric. Finally, the mix included extensive housing plans, comprising refurbishment of 4614 existing dwellings (mainly social housing) and the creation of 4000 new homes (Clos 2004). This mix is thus emblematic of the international trend towards the creation of diverse new urban districts that have a key role in the cities' wider competitive ambitions.

The leadership approach

In July 2000, a modification of the city's General Metropolitan Plan was passed to allow the establishment of new activities and the emergence of new uses. (The '22@' name refers to the new land-use classification and the ambition to grow high- technology activities in the area.) The resulting Modification of the General Metropolitan Plan established the conceptual basis for the regeneration programme and favoured the diversity of uses, refurbishment of existing housing and new uses that are complementary to housing and compatible with new production activities. This was accompanied by plans for infrastructure provision and preservation of historic buildings through re-use for new economic activities.

Leadership of this robust planning process and the wider regeneration programme was driven by a bespoke agency, the private firm 22 ARROBA BCN, S.A.U, which was created in 2001 by Barcelona City Council and entirely funded with public money. This agency is a management instrument, with its own legal status, which brings together all the necessary instruments to redevelop the district, including overall management and promotion. Importantly, this company is responsible for the more strategic contents of the project including the knowledge-oriented profile of the new companies. The president of this society is the city council's head of economic development, delegating the daily responsibilities into a Chief Executive Officer.

As can be seen in Figure 2, the structure of the 22@ company binds together the planning/re-urbanisation function with the economic development activities, ensuring a co-ordinated approach to these dimensions of place-making in Poblenou. It also serves as a single public voice for the 22@ programme and a forum through which different interests can work together.

Progress and emerging issues

Overall, the 22@ project has seen considerable progress across all dimensions of the regeneration ambitions since 2000. Perhaps most notable has been the extent of the physical changes that have transformed the urban fabric. By mid-2008 some 67% of the land had been refurbished through the instigation of 101 individual development projects, 69 of which were led by the private sector. The key to the physical change has been the early and substantial public-sector intervention in six priority areas intended to drive momentum for the wider regeneration process. This work included not only clean-up of contaminated land, but also crucial underground infrastructure and improvements to the urban realm on nearly two-thirds of all streets in the area. Such public investment has been essential to preparing the conditions for private investment and the realisation of the economic ambitions for the district.

Progress in this economic realm has also been significant. By the end of 2008, 22@ was home to 1441 companies of which 68% were related to the clusters that have been

Organization chart of 22ARROBA BCN, S.A.U. municipal society

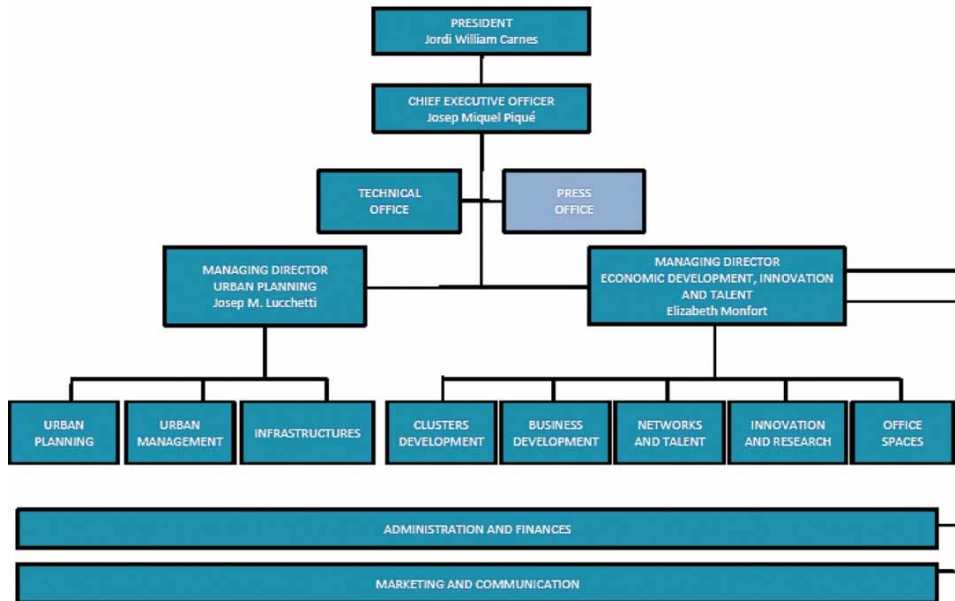


Figure 2. Organisational structure of the 22@ company.

prioritised in the area, most notably design and ICT. Some 44% of all companies in 22@ were established in the district. Research amongst these firms found that they were most strongly attracted by the availability of land and premises, the location and communication links, and the particular brand of the area manifested in technology and innovation support. The development of a new economic base reflects not only the substantial progress on the land and property side of the regeneration, but is also underpinned by a clear strategic focus with regard to the desired new business base and the creation of relevant support services and facilities through public intervention. The early emphasis on the wider urban realm has made the area an attractive investment location, despite the industrial legacy in the district. Programmes co-ordinated by the 22@ company to facilitate business networking and development opportunities have also contributed to the economic growth, especially for fledgling firms.

Finally, the social and community dimensions of the regeneration process have been the most difficult for local leaders. By 2008, work was underway on the refurbishment of 4600 existing homes and the construction of more than 1500 new dwellings, as well as provision of temporary worker residences to provide loft-style live-work space for creative and artistic individuals. These programmes, alongside improvements to the main commercial areas serving the local population, have helped to dilute early resistance from local residents and businesses. Many of these local interests were initially wary of what they saw as a major redevelopment initiative undertaken in a top-down manner. The 22@ project has also included numerous education and technology-related programmes aimed at linking local communities into the new economic activities being established in the vicinity.

Overall, then, the 22@ initiative has seen considerable progress since 2000, driven by a process that has been characterised by a high degree of certainty and integration across various domains of intervention. Crucial to this outcome thus far has been the early, and dependable, role of the public sector in investing in the physical realm (for a wide range of new activities and uses). And this intervention has been characterised by a high degree of co-ordination between the land and property elements and the economic ambitions (new business space, support and research facilities, wider environmental qualities, all with particular types of firm and worker in mind). In practical terms, this has been locked in through the rigour of the planning framework and the joint approach to these domains through the structure of the 22@ company.

Meeting leadership challenges in Birmingham and Barcelona

Thus far the article has examined the experience of two broadly similar regeneration projects sharing the ambition of transforming formerly industrial inner-city districts into hubs of new economic activity and mixed-use urban neighbourhoods. Both have generated significant leadership challenges for policy-makers due to the nature of their urban context and the expansive ambitions. The previous section showed that the 22@ district in Barcelona has been more successful than Birmingham Eastside both in terms of realising its initial ambitions and also in terms of progress against more criteria of sustainable urban districts more generally.

This study has sought to begin to understand the extent to which cities have been able to adapt to new leadership challenges, and to consider the key factors that facilitate hinder and shape cities' ability to adapt. The evidence from the two cities points to the importance and interrelationship of several factors in this respect, with the institutional context and ingrained planning culture emerging as particularly significant. Table 3 summarises main elements of leadership in Eastside and 22@ and the role of such key factors in shaping the respective approaches.

The experience thus far emphasises the crucial role of institutional structures in Barcelona in facilitating effective leadership. The structure of the autonomous 22@ company has been crucial to binding together the physical and economic dimensions of the regeneration process. It has been an important single source of key public investments and provides a highly visible and unified driving force behind a wide-ranging and diverse regeneration initiative. It acts as a cohesive manifestation of the city's involvement in the eyes of the private sector and other interests. By contrast, the approach in Birmingham Eastside has been much more fragmented, however. Even when the city council's dedicated team was in place, it lacked real autonomy, independent financial resources and the mix of people and skills required for the new-style leadership of place. The leadership that has been exercised has lacked visibility and a real presence on the ground that could engage stakeholders including existing residential and business communities. The very different institutional structures in the two cities do not in themselves determine the leadership approaches but the more co-ordinated system in Barcelona provides a much more conducive framework and platform from which new-style leadership of place can be pursued.

A second factor to consider is the role of agency – the influence of key individuals at key moments in time. In both cities, the presence of enlightened and persuasive people in key positions has been essential to achieving progress. But their role cannot be seen as decisive. In Birmingham, even when the early stages of Eastside were fronted by two

Table 3. Leadership approaches and influencing factors in Birmingham Eastside and Barcelona 22@ district.

	Barcelona 22@ district	Birmingham Eastside
<i>Leadership characteristics</i>		
Type of leadership	Top-down	Top-down
Cross-boundary working	Integration across planning, property, economic development, community aspects	Dominance of property interests, limited economic presence but lack of integration
Local engagement	Modest though sometimes problematic engagement	Weak engagement with local interests
<i>Factors shaping leadership adaptation</i>		
Institutional context	Dedicated 22@ company drives activities and funding; provides mechanism for binding together of physical, economic and other dimensions of regeneration	An arms-length unit of city council with some limited autonomy but no dedicated funding source
Agency – role of key individuals	City's head of economic development is embedded in the company and plays key role	Council leader provides initial impetus and two Eastside directors ensure early credibility Their departure from 2004 never adequately replaced
Political environment	Consistently strong support from city council spanning change of mayor but not political party control	Good support from city council particularly from initial leader until 2004, but impact limited by other factors Weak after change of political party control
Planning culture	Long-standing 'Barcelona model' of attention to diversity and fine grain in urban realm, grassroots engagement and co-existence of small-scale initiatives alongside big projects	Long-standing emphasis on the flagship project approach focusing on isolated developments and their immediate surroundings Priority of large-scale infrastructure over the fine grain

committed and highly respected figures, their influence was limited by the institutional and structural constraints highlighted above. They were also operating in a wider planning culture in the city that could be seen as seriously deficient with regard to the challenges of an area like Eastside.

Another important influence to consider is political context. Given that both 22@ and Eastside have been developed and led by the city governments of the two cities, a conducive political climate (particularly in terms of the stability of commitment to the projects) is an essential condition for success. In Barcelona, the relative continuity of political leadership and strategic prioritisation of 22@ have facilitated considerable achievements. Progress and overall momentum of change in Eastside was adversely affected by the change of city council administration in 2004. However, this was not a central factor behind the shortcomings of leadership in the district. Even in the 1999–2004 period, when the Labour administration made Eastside the city's top regeneration priority, the flaws in approach were already apparent with lasting consequences for the nature and form of development that has emerged. In both Barcelona and Birmingham, it is more accurate to say that the influence of the political context is shaped and constrained by other factors – particularly the institutional frameworks and the prevailing planning culture in the cities.

This last, more intangible, consideration of a city's underlying planning tradition has emerged from the research as a critical factor in explaining the different leadership experiences, and is highly influential in shaping other factors discussed in this section. In Barcelona, policy leaders were able to draw upon a rich planning tradition and culture based around the creation of a compact and complex urban form. In the past two decades, the city had also developed an ability to successfully marry such attention to the fine grain of urban regeneration with the large-scale initiative or intervention – most notably in the planning around the Olympic Games. The 'Barcelona model' that provided the context for the approach to 22@ is also characterised by a culture of strong public leadership in city planning rooted in a legitimacy underpinned by active citizen engagement and robust local debate. All of this provided the platform for the leadership approach in 22@ that has enjoyed significant success in dealing with the complex and fluid challenges that such districts present.

Birmingham is also characterised by a distinctive planning culture but it is one of a very different sort and less conducive to the exercise of new-style leadership. The city's tradition has been one of the heavy hand of intervention and comprehensive redevelopment of the urban realm. From the rebuilding of the city centre after the Second World War through to the flagship project regeneration of the 1980s and 1990s, the fine grain of planning at the neighbourhood or district level has not been a priority or strength of the city's approach. This culture worked well on its own terms where property development was the overriding priority, but it is much less well-suited to the more complex and intricate challenges of nurturing new urban districts in areas such as Digbeth or Poblenou. Further, the Birmingham tradition has been one of a top-down closed approach driven by a small group of individuals, and often divorced from any robust civic discourse about the nature of the 'new' city. The essentials of this approach were applied in Eastside and despite the rhetoric about creating a sustainable city district, the evidence is that city leaders have struggled to make the break from the city's prevailing culture and to meet the requirements of contemporary place-shaping.

Conclusion

This article has sought to provide a first insight into how planners and policy-makers in European cities are adapting to the new leadership challenges that are bound up in contemporary urban place-making. It has emphasised that the changing priorities in regeneration and place-making necessitate new ways of working in the contrast to the largely top-down, hierarchical and narrow approach that was prevalent in the 1980s and 1990s. These leadership challenges are particularly complex in inner-city areas where difficult physical, economic and social conditions present significant hurdles to the realisation of sustainable urban districts.

The stories thus far of Birmingham Eastside and Barcelona's 22@ district present two contrasting experiences. In a general sense, both cities are still adopting a top-down approach to regeneration, one that is comprehensive in scale and led by the respective city governments. But within these parameters, the leadership approaches in the two cities differ markedly. In Barcelona, leaders have been able to adapt more readily to the demands of a new era through a leadership approach that attempts to transcend professional boundaries, to develop and nurture networks of stakeholders and interests, and to integrate diverse dimensions of regeneration within a co-ordinated overall process. This approach has not been without its difficulties, most notably with regard to tensions amongst local residents and long-standing businesses in the area. But the overall experience thus far is of considerable progress towards creation of a sustainable diverse new urban district.

In Birmingham, by contrast, policy-makers have struggled to break free of the more traditional approach that suited the city well in the 1980s, but is less conducive to the sustainable place-making challenges in the present day. There has been some effort to approach the challenges in Eastside in a different manner, but the innovations were only modest in scope and the leadership approach ultimately fell far short of the more progressive models highlighted in the recent literature.

Finally, this article has attempted to explain this divergence of approach and experience. Numerous factors have shaped the extent to which cities have been able to adapt to the new challenges. First, and most practically, the institutional context within which leaders operate and exercise their roles in the regeneration process – the structure, remit and powers of the 22@ company make it an important enabler of more progressive leadership in urban place-making. Secondly, and more broadly, the prevailing planning culture rooted in the cities' recent and more distant pasts exerts a powerful influence on contemporary leadership of place. The regeneration approach in Poblenou, including its many detailed initiatives, is underpinned by a rich and progressive tradition of urban place-making dating back to the nineteenth century as well as the so-called Barcelona model of governance that emerged in the 1980s. This is a more intangible dimension of the leadership debate, perhaps, but in reflecting upon the Eastside and 22@ experiences, this cultural legacy has emerged as a vital factor that shapes many other influences upon the leadership dynamics in the two cities.

This, then, is a possible area for further research highlighted by this initial study – to understand in greater detail how this cultural influence actually manifests itself in leadership on the ground in the inner city. This in turn might help us to understand better the lessons from these two cities' experiences, and the barriers that many places will face in adapting new leadership styles. It can also help to develop our thinking

about how cities can adapt more successfully to this important challenge in order to create more sustainable vibrant cities in the long run.

Notes on contributors

Austin Barber is a Lecturer in Urban Development and Planning at the Centre for Urban and Regional Studies, University of Birmingham. His research focuses on city centre development, planning for new inner-city districts, sustainable urban regeneration and spatial policy for the creative city economy, as well as comparative study across British, European and North American cities. He has published on these and related topics in *Town Planning Review*, *European Planning Studies*, *City* and other journals. Austin is also a founder and co-director of the MSc Urban and Regional Planning programme at University of Birmingham.

Montserrat Pareja Eastaway is an Associate Professor in Economics at the University of Barcelona. Housing affordability, social cohesion, sustainable housing and urban development, and urban regeneration strategies are, amongst others, key aspects in her research. She is currently leading the Consolidated Research Group on Creativity, Innovation and Urban Transformation. Comparing European case studies is a regular theme in her research career and publications. She has been the Spanish partner responsible for several EU-funded programmes and has also conducted other international projects. She has been a member of the European Network on Housing and Urban Research (ENHR) Co-ordination Committee since 2000. She is also coordinator of the Working Group on Housing and Urban Sustainability.

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