Surprising Developments
Urban Renewal in India and Germany

Invited Keynote Speech to the Opening Plenary of the
55th World Congress of the International Federation for Housing and Planning
“The Impact of Housing and Planning on the Economy”
11 September 2011, Estonia Concert Hall, Tallinn

FLOOR is an interdisciplinary research group,
partly funded by Deutsche Forschungsgemeinschaft.

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www.floorgroup.de
Dear Ladies and Gentlemen:

Articles 17 and 25 of the Universal Declaration of Human Rights (1948) inspire planners and other policymakers. The human right to property and the human right to an adequate standard of living are benchmarks for housing developments. The FLOOR sub-project Socio-Ecological Land Policy examines the global human right to social security from the perspective of access to land.

The Association of European Schools of Spatial Planning, more popular under its acronym AESOP, is celebrating its 25th anniversary in Ankara from July 11 through 15, 2012. On behalf of AESOP, I invite you to consider attending the Ankara conference (www.arber.com.tr/aesop2012.org). Submission of abstracts will be open soon.

The overarching theme of the 55th IFHP World Congress is “The Impact of Housing and Planning on the Economy”. Planning and housing obviously are closely linked to the economy. Whatever planning professors teach to their students, as soon as graduates start their first assignment, they learn about the importance of creating jobs. Under pressure from politicians, city planners invent strategies for Smart Growth, produce attractive opportunities for investors, or struggle for some balance between economic, social, and environmental policy goals. In the past 20 years, planners were made to believe that deregulation, privatization, and private investors are much better suited to achieve economic, social, and environmental progress. The London skyline is an example in point. The redevelopment of the London docklands in the 1980s and 1990s resulted in the bankruptcy of Olympia & York. Surprisingly, it also caused a new interest in the City of London. Urban renewal projects boomed. Paul McCarthy’s Pinocchio reminds us to the fact that we cannot always ascertain “truth” in planning and housing easily. We are in for surprises.
Tonight I wish to discuss with you surprising developments. I shall present two examples of urban renewal in India and Germany. Considering the double meaning of “surprise,” you will find that both urban renewal projects attack — and simultaneously support — the neo-liberal planning paradigm and include quite unexpected moments.

The development of land — the improvement of a tract of land by converting it from open space, farming, or brownfield to housing and other building purposes — is one meaning of development. But “development” also has more than one meaning. What is the result of the development of land? Will there be more jobs, social tranquility, and environmental harmony? In a way, “surprising development” is a tautology. Do developments not always involve the unexpected?

How do planners react to the ubiquity of surprises? Jean Hillier (2007: 315) says it quite cleverly: “Spatial planning and governance are performances of representation and perspective. … Both fold together memory and anticipation.” Planners need to expect the unexpected. They have to be willing and able to remember. Nobody can understand or make places without being familiar with their past. Yet, planners do not merely continue the past into the present. They wish to define a perspective that helps us to live a better life in the future.

10 years ago, the world was shocked by the attack on the World Trade Center in New York City. Of course, Manhattan has been the location of many surprising developments, some horrible, others amazing. As a planner, I am amazed at how quickly private investors produced new office space on the Jersey side of Hudson River to replace office space lost in downtown Manhattan.
The Sphere, a sculpture by Fritz Koenig, had been placed in front of the World Trade Center. It was recovered from the debris and re-located to Battery Park. The Sphere had given perspective to the World Trade Center. It now reminds tourists and residents of September 11, 2001. To many, the cracked surface of the sculpture became a symbol of resilience and hope. In a way, The Sphere epitomizes what urban renewal is all about. Although cities are located quite firmly in space, they constantly change. The change often is painful to some and profitable to others. The economy is an obvious driver of urban change, but unexpected factors are also important: natural hazards, urban riots, or terrorist attacks can bring upon surprising developments.

During the 2000s, urban renewal projects mostly were based upon land markets, deregulation, and private investment (Allmendinger 2011). In the wake of the real estate and financial crisis, many developments were abandoned. When the California housing market started to fall apart, only very few anticipated that this would trigger a chain of events that fundamentally changed how we think about deregulation, privatization, and private investors. Surprisingly, some developments continued, invigorated by strong leadership from local government. Here are two examples.

The City of Ahmedabad, located in Gujarat, is the former textile industry capital of India. Its population is about 4 million and growing fast. The City of Dortmund, located in North Rhine-Westphalia (Germany), is a former industrial growth pole of the Ruhr region. Dortmund’s population is about 600,000, the Ruhr’s population is about 5 million and shrinking. Ahmedabad and Dortmund are dissimilar in many ways. However, their current urban renewal projects are surprisingly similar. Let me start with Ahmedabad.
When Gandhi returned from South Africa to India, he chose Ahmedabad as the location for his ashram. From there, he engaged the British Empire in the struggle for independence. Gandhiji commenced the 1930 salt march, protesting the British salt tax, from Sabarmati ashram. But Ahmedabad is not merely the cradle of the politics of non-violence. In 2002, clashes between Hindus and Muslims shook Ahmedabad. Up to the present day, tensions continue. The Sabarmati River runs from the North to the South of Ahmedabad. Sabarmati River is a perennial river only due to recent public infrastructure investments. The river separates the historic walled city where many Muslims are living from the modern parts of Ahmedabad with a predominantly Hindu population.

In 2006, Ahmedabad Municipal Corporation, the Ahmedabad Urban Development Authority, and CEPT University issued the City Development Plan Ahmedabad 2006–2012: “The Sabarmati River Front Development project is essentially a public amenities and land development project undertaken with a prime objective of environmental improvement and provision of housing for the poor who [are] living in life threatening conditions along [the] river bed. The project includes embankment and reclamation works, construction of major level-one roads, installation of infrastructure (water, sewer, storm drainage) networks, resettlement and rehabilitation works, the construction of relatively sophisticated promenades and gardens, maintenance of public spaces during the life of the project, development of urban design guidelines, strategic planning, reconciliation of property rights, management of unclear legal issues and promotion and marketing a portion of the reclaimed land. The project has been planned as a self-financing project. The revenues would be generated from the sale of [re]claimed land” (Ahmedabad et al. 2006: 153).
The Sabarmati Riverfront Development Corporation, a subsidiary of Ahmedabad Municipal Corporation, creates land by raising retaining walls along the riverbanks and filling up the space behind the walls with sand from the riverbed.

The estimated investment cost are Rs. 1200 crore (approximately 190 million EUR). The size of the Sabarmati Riverfront Development Project is about 160 hectares. About 20% will be building land for residential and commercial uses, the largest portion of reclaimed land will be used for public amenities, promenades, slum rehabilitation, and relief roads.

www.sabarmatiriverfront.com
The construction site is surprising, at least for anyone who is familiar with European environmental and occupational health and safety regulations. How does work on the construction site proceed? Workers with little or no protective gear collect the sand from the riverbed by using pumps. The wet sand is picked up and brought by lorries to wherever new land needs to be created behind the retaining wall. Families use the pump stations also for washing.

For decades, the riverbanks have been used to dump waste, but over the past 20 years, more than one million stress migrants from rural villages have set up informal settlements along the river. The Sabarmati project needs to evict slum dwellers and provide them with adequate housing. Sabarmati slum dwellers, however, work within the informal local economy. The informal settlements flock around the city center — the historic
town center and the shopping areas of Ashram Road — because there is the closest proximity between formal and informal land uses. Unsurprisingly, many slum dwellers oppose the Sabarmati project. They claim that the number of slum households has been underestimated and that too little and only inadequate alternative housing has been made available.

I am now changing to the Ruhr and the Lake Phoenix development project.

The Dortmund economy, as is the case with all cities in the Ruhr, has been hit hard by “structural change” (Strukturwandel). Dortmund-Hörde, once the location of prosperous steel factories, has experienced enormous economic change when almost all jobs were lost to global competition.

The site of Lake Phoenix was the location of one of Europe’s most advanced steel processing plant until its owner, by the turn of the Millennium, decided to dismantle the facility and ship its parts to China. The remaining land, empty and contaminated, was cleaned up by a government corporation.

www.phoenixseedortmund.de
Lake Phoenix is an artificial lake created on an industrial brownfield to offer recreational space to the local population and add value to the recovered building land. The City of Dortmund outlines its goals in the statement accompanying the 2007 binding land use plan for Lake Phoenix: “The central idea of reusing the site of the former Phoenix Ost steel processing plant is the implementation of an urban lake, called Phoenix See, through a waterscape of about 34 hectares in size (encompassing the lake and the River Emscher, soon to be restored to its natural state). The urban design for developing the building land adjacent to Phoenix See will compensate for the decline in economic activities in the wake of the plant closure and, through jobs and services, bring back prosperity to Hörde. The Phoenix See and the proposed uses of the adjacent building land create a fresh appreciation of Hörde’s urban qualities and help to attract new groups of users and generate increased purchasing power. The urban renewal spawned by the waterscape, high-end housing, and new open spaces will produce an opportunity for Hörde to reclaim its former position as prominent borough in the City of Dortmund” (Stadt Dortmund 2007: 3; author’s translation).
The estimated investment cost for Lake Phoenix ranges from 180 to 200 million €, funded by the City of Dortmund, North Rhine-Westphalia, the Federal Republic of Germany, the European Union, and land sales. The Lake Phoenix project needs to convince the present population of Hörde that a posh yacht harbor and waterfowl fit with their identity as mostly former blue-collar workers. Of course, there has been fierce opposition. The opponents criticize the amount of public expenditure, the potentially negative impact on the local economy, the disruption of the local identity, and ecological and technical problems with the artificial lake. In fact, Dortmund city planners have been ridiculed to no end for this project.
Both urban renewal developments have been started before the global real estate and financial crisis. Both projects are predominantly public investments that prepare abandoned land for private investors. Both developments are managed by publicly owned development corporations. Both projects involve substantial portions of spatial commons: scenic views of water, promenades and walkways, open spaces, gardens and parks. From an urban design perspective, both projects create remarkable spaces which are rather unusual for public investments. These spaces have several functions: scarcity management by removing land from the land market, production of common spaces which may be attractive to investors and the general public, and, of course, flood control and water management.
The two urban renewal projects — Lake Phoenix and the Sabarmati Riverfront Development — attack the neo-liberal planning paradigm. Municipal spatial planning, multi-level government funding, and publicly owned development corporations work hand in hand to produce building land. This is housing development by the government at its highest level. Both projects, however, simultaneously support the neo-liberal planning paradigm. The principal beneficiaries are private investors and private owners. The view from a private home upon Lake Phoenix — remember: 10 years ago the site of a steel processing plant — has been subsidized by taxpayers to the tune of about 100 million €.

Ipsita Chatterjee criticizes the new generation of urban renewal projects: “Projects like the Sabarmati Riverfront Development Project (SRFD) … selectively displace class and ethnic poor, and ‘liberate’ spaces for private capital. … The AMC appropriates value by reclaiming the river bed … and siphons it to private interests who are assigned the task of constructing a green, clean, dream city. … The dream involves the creation of a livable and productive city for some, but not all” (Chatterjee 2011: 2573–2574 and 2585).
Regarding urban renewal projects and their impact on the economy, the planners and development corporations want their projects to succeed. The Lake Phoenix project and the Sabarmati Riverfront Development project are, in many ways, surprising.

What do they pursue? What do they expect?

Rudolf Henneberg (1863–1868) *Die Jagd nach dem Glück* (The Pursuit of Happiness) reprinted with kind permission from *Staatliche Museen zu Berlin*

Generally speaking, both projects pursue happiness.

One of the German symbolists, Rudolf Henneberg, captures the pursuit of happiness in an exciting way. The rider, in full pursuit of the Goddess Fortuna, crosses a hazardous-ly unstable bridge. Fortuna balances on a sphere, and she beckons the rider to follow her. A maiden, obviously a victim of the reckless hunt, lies prostrate on the ground, and Death lurks behind the rider, in wait for the fatal step.

Obviously quite a succinct description of the everyday lives of urban planners, housing developers, and investors. But what do the symbols mean to us?

- From the perspective of **landowners** (= the rider), urban renewal seeks to protect and increase land values (= the Goddess Fortuna). Even the most careful property main-
tenance (= the trusted mare), protected by property rights (= the delicate sphere), cannot save landowners from widespread urban blight (= Death). Their saving accounts (= the abandoned maiden) soon will be exhausted.

- From the perspective of the **government** or a municipality (= the rider), urban renewal pursues the public best (= the Goddess Fortuna). Public expenditure (= the trusted mare), guided by land use planning (= the delicate sphere), often cannot satisfy the greed of rent-seeking landowners (= Death). A budget deficit (= the abandoned maiden) is inevitable.
• Propelled by their clever investments (= the trusted mare), **private investors** and developers (= the rider) seek to earn some revenue (= the Goddess Fortuna) from urban renewal projects. Feeble land markets (= the delicate sphere) and, of course, obnoxiously inflexible planners (= Death) obstruct private developers. In the face of “red tape” they cannot care less about justice (= the abandoned maiden).

• Finally, let me mention neighborhood groups, who have played important roles as urban renewal actors in Europe and some US cities. Trusting community development (= the trusted mare), **neighborhood groups** (= the rider) are keen to pursue their local identity (= the Goddess Fortuna). They accumulate social capital (= the delicate sphere) rather than rely on economic capital. Neighborhood groups are constantly haunted by the specter of gentrification (= Death). And they exclude outsiders (= the abandoned maiden).

The plural interpretations of the pursuit of happiness reflect the typology of surprises developed by anthropologists Mary Douglas and Michael Thompson (Douglas 1978: 239–241; Thompson et al. 1990: 71–75). Surprises, they contend, are not only about what happens in the world, but about our own perceptions and expectations. We can use surprises, for example, to make our view of the world more complete.

Let me give you an example in the form of a test. Assume that an urban renewal project – like Lake Phoenix or the Sabarmati Riverfront Development Project – will be successful in 10 to 20 years. Which causes of success would surprise you?

— Would you say: I shall be surprised if the principal causes of success will include regulatory planning, public expenditure, and the strict control of all land uses!

— Or would you say: I shall be surprised if the principal causes of success will include market competition, bold entrepreneurship, and private property rights!

— Or do you rather say: I shall be surprised if the principal causes of success will include community groups, common resource management, and many public meetings!

— Or is your response: I shall be surprised if projects like Lake Phoenix and Sabarmati Riverfront will be successful at all!

A test, based upon the typology of surprises, can be a safe and cheap way of avoiding unpleasant surprises. But let me give you a warning: If you have responded to each statement with “Yeah, sure, that’s also important,” you are either very polyrational — or in denial! We do not know, of course, what exactly the economic, social, or ecological impact of urban renewal projects is going to be. Like The Sphere, we have to practice resilience and hope.
REFERENCES


