Making the Invisible Visible
A Multicultural Planning History
Edited by Leonie Sandercock
California Studies in Critical Human Geography
$45.00 cloth, $15.95 paper, illustrated, at bookstores or order 1-800-822-6657
www.ucpress.edu

“This will be a fundamental and widely used text in planning schools and planning courses.”
—Peter Marcuse, Columbia University

The history of planning is much more than the recorded progress of planning as a discipline and a profession. While the official story of planning celebrates the state and its traditions of city building and regional development, these stories focus on previously unacknowledged actors and the noir side of planning.

Neighborhood Regeneration: The State of the Art

Naomi Cannon

Planned intervention in distressed neighborhoods has been a key planning issue throughout the current century in many countries on both sides of the Atlantic. The purpose of this article, which is based on 20 years of research, teaching, and practical involvement with neighborhood regeneration projects, is to learn the lessons of decades of experience by means of comparative analysis of programs and research works. A byproduct of this learning process is a fair, rich list of relevant references (in English) from countries in North America and Europe. In conclusion, theoretical propositions and constructive proposals for a new era in neighborhood regeneration policies are proposed for use by researchers and practitioners.

While public intervention in distressed neighborhoods can be traced back to the 1900s, it was not until the 1930s in the United Kingdom and the late 1940s in the United States that governments entered the poorest neighborhoods on a massive scale. This is where our survey starts. In the following section, the history of deliberate intervention in slum areas is divided into three consecutive parts: the bulldozer era, the neighborhood rehabilitation era, and the revitalization of the central city. Each is viewed as a generation of neighborhood remedies, a term borrowed from the field of computer sciences. The use of this term assists in analyzing the components of policy, key players, modes of operation, and their results, which were different in each generation. All three appeared in both the U.K. and the U.S. as well as in several other Western countries, although not at exactly the same time nor along precisely the same lines.

First Generation: The Bulldozer Era

Physical Determination

Massive slum clearance started in Britain with the 1930 Greenwood Act of the Labor party—the first to introduce exchequer subsidies for slum clearance. The Greenwood Act placed a statutory obligation on local authorities to relocate displaced households. It was hoped that the slum problem would be solved within five years. (Short 1982, 35–36). More than 250,000 homes were demolished or closed during the 1930s in England and Wales, and about 1.25 million occupants were rehoused. However, when the number of slum areas was counted for the programs of 1939, it was the same as the number of 1935 (Gibson and Langshott 1982, 24–25). Then World War II halted the momentum of clearance and rehousing.

In 1954 a renewed attack on the problem of slums in Britain was given a revised legal framework. With a Conservative government in power, the interests of the private sector played an important role in the promulgation of the Greenwood Act and subsequent operations. In the face of threatened industrial and social unions and the declining profitability of private rentals, the government assumed responsibility for the

Naomi Cannon is head of the graduate program of urban and regional planning and a professor of architecture and urban planning at the Technion-Israel Institute of Technology, Haifa.

housing conditions of the English working class. An end to
such shame was promised once again, this time to be based on
a combination of clearance (demolition and closure, 25,000 to
60,000 units a year by 1970) and the creation of 150,000 new units
of public residential construction a year, which was to be
primarily council housing (Shott 1982, 45).

The government of Britain was seriously trying to cope with poverty and in housing problems of the poor. Congressmen in the U.S. still tended to believe that the poor "are living in shacks and looms because God made them unable to earn a decent living." In 1937, following the Great Depression, Congress passed the Low Rent Housing Bill, which enabled the federal government to lend money to local public housing agencies. Section 1 of the Act made the construction of the first U.S. public housing projects possible. A new U.S. Housing Authority was established, but it emphasized slum clearance, without a simultaneous large-scale building program. Consequently, the main result of its activity was to reduce the supply of inexpensive housing (Hager 1953).

A great change was expected with the passing of the U.S. Housing Act of 1949, which declared that it was a public responsibility to rehouse displaced families in decent, safe, and sanitary dwellings within their financial means (Shayton 1966, 192). While some construction of housing for below-average households followed the Act, its main objective was to revive old city tenements. The base of big city governments and serve the interests of private developers. The typical urban renewal project was a large-scale operation for the demolition of old residential areas, often populated by minorities. The shanty town then became a slow process of redevelopment, of using the vacant land for new roads, office and commercial purposes, and sometimes for housing. Seldom was the new housing built for those who were forced to leave their homes; most cases, the immigrant population was the middle and upper-middle class. Between 1949 and 1964, only 0.5 percent of all federal expenditures for urban renewal were spent on the relocation of families and individuals, or 2 percent, if payments to relocation were included (Gans 1967, 668). (Green 1963, 3) it put in an easy-to-read summary: At a cost of more than three billion dollars, the Urban Renewal Agency, succeeded in materially reducing the supply of low-cost housing.

There were significant differences between the British and Americans policies and programs of the 1950s and the greater part of the 1960s. In Britain, urban renewal activities were controlled by public authorities; the British government covered many more houses and households and, most importantly, arranged for the rehousing of most of those forced out of their substandard homes. In contrast, many urban renewal programs in the U.S. were governed by private developers. As a consequence, renters were thrown out of their residences (with 30 days advance notice) and often forced into other slum areas. Despite these differences, the slum clearance policies of the bulldozers era prospected similar criticism in the two countries (Wmöoth and Young 1957; Gaas 1962; Friedman 1966; Hartman 1971; Parker 1973; English et al. 1976). On both sides of the Atlantic, the officials responsible for the clearance method were accused of disregarding for the high psychological costs of forced relocation and of destroying the social fabric of healthy communities in the older parts of the cities. Critics also accused the housing officials of failing to communicate with the relocated residents; left alone, enabling them to participate in decisions regarding the future of their lives. In cases involving public housing, the planners were blamed for building, inhume large blocks, which were unsuitable for family life, especially that of big, poor families.

The U.K. and U.S. were not alone in using the bulldozer approach to neighborhood renewal during this period, and the criticism was echoed in other countries as well. Similar voices were raised in Canada, where an initial renewal program included 48 projects from 1948 to 1961. A limited number of dwelling units were built, "replacing the built environment with freeways, commercial buildings, and public institutional uses" (Carter 1991, 10). In France, the criticism was directed at the "modernization after clearance" approach to urban renewal from 1938 to 1975 (Bienfais and Mersaleur 1972). In Israel, the "clearance and construction" law of 1965 was charged with concentrating relocation in multiunit housing complexes which soon created a new slum (Aldous 1980). Indeed, many urban renewal programs not only provided opportunities for displacing models of bright future cities of glass, steel, and concrete; but also of old urban functions (Sanders 1980). However, their long-term economic and social costs were usually too high. Hence, even though some demolition of old buildings is considered necessary, the bulldozer method of renewal is not considered necessary.

A second generation of neighborhood renewal programs has been disqualifying whenever it was adopted.

### Second Generation: Neighborhood Rehab

#### Emphasizing Social Problems and Remedies

The critics of the bulldozer clearance schemes had an impact on policies, resulting in "softer" approaches. In the U.S., several amendments to the U.S. Housing Act were enacted (1954, 1959, 1964, 1967, 1974) that provided public assistance for rehabilitation as opposed to total demolition of existing dwellings. Rehabilitation as a percentage of total federally subsidized housing production (in number of units) gradually grew from 6.5 percent in the early 1960s to 10.4 percent in 1970 and 22.5 percent in 1980; thereafter decreasing again (1980). In 1965, additional funds were gradually opened to activities in areas other than housing, such as creating better job opportunities, as part of a renewal project (Shayton 1966, 193-194). In Britain during the 1960s, owners-occupiers frequently took advantage of improvement grants that were available in principle since 1949, although half of the improvements seldom used them for rental units (Shott 1982, 45). But it was

even until the end of the 1960s that the turning point in the evolution of area-targeted policies was reached. The turning point in both the U.S. and Britain occurred with the "rediscovery of poverty." For about two decades after World War II, people tended to believe that economic growth would solve all material problems. But Michael Harrington's book The Other America: The 30,000,000 Poor Americans was published in Britain of the late 1930s, well presented by Callithorpe (1973), provided hard facts to the contrary. In the midst of a generally affluent society, many millions were living in depth poverty. The publication of accelerated economic growth, ideological openness to social proposals, and some cultural and political changes (Hays 1985) paved the way for the deep public intervention that characterized the second generation of housing programs. The following comparative international analysis looks at second generation programs in the U.S., U.K., other Western nations, and Israel.

#### United States

In 1964, the Johnson Administration in the U.S. created the Office of Economic Opportunity and declared the "War on Poverty." This happened against a background of civil rights movement activity, the urban riots by the F.B.I., and the Johnson’s program to reconstruct the West, and the Northernization of accelerated economic growth, ideological openness to social proposals, and some cultural and political changes (Hays 1985) paved the way for the deep public intervention that characterized the second generation of housing programs. The following comparative international analysis looks at second generation programs in the U.S., U.K., other Western nations, and Israel.
Israel's Project Renewal: A Model Case

Israel's Project Renewal started in 1976, was announced as a national program in 1977, and began spending considerable funds in selected neighborhoods in 1979. It gradually encompassed 90 neighborhoods across the country, with at least one neighborhood in almost every city or town. By the mid-1980s, more than 600,000 people lived in neighborhoods that were part of Project Renewal, 15 percent of Israel's then 4.5 million citizens.9

In the mid-1990s, the project is still alive, though its budget has been gradually reduced in the last decade. Unlike urban renewal efforts in most other countries, Project Renewal did not aim at a more productive use of urban land, nor at bettering the housing stock or increasing the tax base of the municipality. Its goals were social in nature. To reduce social and economic disparities in Israeli society and to raise the status of the project neighborhoods. The Project Renewal planners were familiar with the history and criticism of the first generation of neighborhood programs and with the lessons of the failure of Model Cities. In addition, they had their own bad experience with a clearance and construction program in the 1960s. Drawing on the accumulated experience, they selected the following six operating principles: integrated social and physical rehabilitation directing resources to needy neighborhoods, rather than individuals or households; avoiding relocation of residents and demolition of buildings; decentralization and resident participation; intensive and temporary service; and implementation through existing institutions (for details and rationale, see Carmon and Hill 1988). On the whole, Project Renewal studies concluded that the program succeeded in bringing the living conditions in most of the designated neighborhoods closer to the standards acceptable in Israel at that time.

The null hypothesis of the second study was that Project Renewal improved the status of its neighborhoods and made them more attractive. The chosen method was a before-and-after cross-sectional analysis of an experimental group (all the project neighborhoods) and a control group of neighborhoods (200,000 households in total). The data were analyzed by means of contingency tables and a series of regression analyses (Carmon and Barou 1994). The findings showed significant positive changes in the dependent variables of status and attractiveness. However, the null hypothesis was not supported because the improvements were close to equal in the control neighborhood and the control group and therefore could not be attributed to the study. Several explanations were suggested for these findings, but the main one is rooted in the unrealistic expectations of the planners and the researchers of Project Renewal.

Taking the conclusions of the two evaluation studies into consideration, lesson number one is that second generation programs, which actively implement (as in the case of Project Renewal, a version of Project Field) several policies, are more likely to succeed than programs that oppose changes in the neighborhood population (other relocation or gentrification), cannot, by their very nature, have the added value of raising the status of their target areas. We should have learned by now that the status of a residential area is determined mainly by the socioeconomic status of its residents, which is a much more powerful determinant than housing conditions and the level of local services. Long ago, Walter Firey (1947) taught his readers that the image of a neighborhood is mainly dependent not on its instrumental quality but on how the residents perceived it and how it was perceived as an appropriate place of living for respectable people. Many years later, Varady provided empirical support for Firey's theory when he found that concerns about public services did not play a decisive role in affecting residential mobility (Varady 1983). Does this lead to the conclusion that no planned intervention in a neighborhood can change its status? This question is the focus of the last part of this article, following a discussion of third generation programs.

Neighborhood Regeneration

The economic slowdown of the 1970s and the changes it caused in public opinion and local and national policies were the backdrop of the emergence of new approaches to public policies in general and urban regeneration in particular. They developed at a time in which the idea of private-sector control became popular, not only because of the scarcity of public resources but also because it could be backed by research findings. Its supporters could cite various evaluation studies of public programs, the general conclusion of which was that "nothing works." However, Davis's analysis in Living Ground (1984), for example, concluded that the good intentions of government with regard to fighting poverty only succeeded in creating more poor individuals and families.

The third generation approach, with its emphasis on economic development, is related both to the reduction in public involvement in and an unexpected change in the spontaneous development of large city centers. Following decades of decline and of research explaining its irreversibility (without massive public intervention), small private investors—households and small businesses—as well as big private investors—developers and banks—discovered promising opportunities in these centers and started investing in rehabilitating and renewing them.

Thus, the third generation of remedies for urban deterioration is characterized by free market enterprise that partly substitutes for public involvement. As could be expected, this trend has gone further in the U.S., where "a rapid federal withdrawal from community development and other urban programs" was identified (Days 1985, 238), but it has reached Europe as well, starting in the U.K. and spreading into the Netherlands, Germany, and other countries.

The various strategies of the third generation can be divided into two main groups: public–individual partnerships and public–private partnerships (a leading current buzzword). The first term stands for cases in which investments by individual households and small businesses are supplemented directly (individually owned) or indirectly (special regulations, financial incentives, etc.) by government investments. The second term describes cases in which government investments are channelled through an institution, such as a private developer or private or voluntary agency.
Public-Individual Partnerships

Gentrification

The term was coined by Glass (1966) to describe a process by which low-income neighborhoods were gradually invaded by middle-class households. It started with a myriad of small investors, mostly college-educated individuals, who bought and renovated property in older, rundown big city centers (Smith and Williams 1986) of the U.S. (Lipson 1977; Gale 1984; Canada (Ley 1981, 1992; Bourne 1993) and Western Europe (van Weesep and Musterd 1991). Many mayors and planners were thriled; for decades they had been trying to attract the middle class back to the city, and here they were, arriving spontaneously (Laska and Spain 1988). Almost as soon as this "back to the city" process was discovered, municipal governments tried to encourage it (Kaufman and Carmon 1992) by rezoning and annexing building codes, subsidizing housing, and granting tax benefits. State and federal governments followed suit.

Gentrification: good or bad? The answer depends on whose point of view is considered. It is usually good for the gentrifiers, who buy property that can appreciate rapidly; it is good for the local intermediaries who gain new tax revenues and partial revitalization of deteriorated central areas; and it is good for researchers, especially geographers, who find a new and fruitful field of analysis of urban change. It seems to be bad, however, from the point of view of incumbent local residents. Hartman (1979) was among the first to point out this new type of displacement. The rising housing costs and the new expensive shops and services made the gentrified neighborhoods too expensive for their incumbent residents. Even though an extensive empirical study in the U.S. concluded that "displaced households did not seem to suffer severe hardship as a result of displacement" (Schill and Nathan 1983, 199), the claim against involuntary relocation could not be swept away (Patel and London 1968; Marcuse 1986).

Displacement and reduction of the number of available dwelling units for low-income families are issues of concern not only in the U.S. but also in Europe. While inner-city areas are most often affected, it also occurs in public housing in less central areas, especially where large-scale privatization takes place (Morue 1991). Evidence of a possible solution to these problems was reported from Holland, where private sector activities were allowed to run their course in designated areas in Amsterdam. At the same time, the public sector administered a counterbalancing policy, maintaining and developing social housing amidst the private gentrified properties. As a consequence, large-scale displacement with subsequent emergence of homogenous upper-income neighborhoods was avoided (van Werkum and Wingersma 1991).

The process of gentrification occurred almost exclusively in the centers of large cities with a stock of older housing that had some historical and architectural charm. At the same time, different public-individual regeneration processes were initiated in other types of poor neighborhoods.

Revaluation by New Investors

While in the past, the penetration of immigrants into the central cities was considered as one of the main causes of deterioration (still the case in many places), a different process has been recently identified. In New York, which has absorbed large numbers of educated immigrants since the 1965 immigration law, revaluation of older neighborhoods has been observed (Winnick 1980). The new, mostly Eastern immigrants have filled up deserted areas, established small businesses, taken various professional and nonprofessional service jobs (such as doctors and paraprofessionals in the local hospitals and clinics), sent good students to the local schools, and renovated old buildings. They have been influentially supported by public organizations and local governments. Muller (1993) reported that the new wave of immigrants to the U.S. has contributed greatly to urban revitalization, especially true in cities such as New York, Los Angeles, and Miami that receive immigrants from other countries. Similar processes have been documented in a few other places, including parts of Haifa in Israel, where many new immigrants from the former U.S.S.R. have settled in the 1990s. The local municipality is trying to assist the process through changes in regulations and investments in improving public services (Carmon and Amit forthcoming).

Incumbent Upgrading

A more common type of individual-public partnership was named by Clay (1979) as incumbent upgrading, i.e., bottom-up initiatives of local residents who decide to invest the resources in upgrading their living conditions. Some residents usually managed to press for some add-on grants or funds, either from public agencies or private sources. The Neighborhood Housing Services program was established to support such upgrading processes in the U.S. (Clay 1981). The large part of the community development activity in the U.S. may be included in this category.

The British versions of incumbent upgrading was supported by the building societies—the major source of funds for private housing in Britain. They became involved in area improvement schemes and provided local homeowners and householders in Housing Improvement Zones (HIZ), Neighborhood Revitalization Services (NRS), and other areas with the means of carrying out grant-aided regeneration programs (Murie 1989). The annual number of improvement grants in Britain reached its peak ($230,000) in 1984 (Wood 1991). The right-wing government of Margaret Thatcher, which became increasingly concerned about the high level of expenditure, reduced the grants (except in hardship cases) and pushed for linking and targeting of the grants through individual means tests.

Public-Private Partnerships

Common interests have caused public agencies and private developers to cooperate (Healy et al. 1992). Planners in the 1980s and 1990s have been bringing them together. In contrast to the conservative view of planning as antagonistic to business, planning has been redefined as a process by which government allows the private sector to invest profitably in urban space. Planners have been playing the role of entrepreneurs and developers (Frieden 1990).

The most salient public-private partnerships were those that may be classified as flagship projects. These are usually large, prestigious, consumption-oriented urban renewal projects, involving mixed-use land and property development. Flagship projects epitomize the property-led partnership approach to urban regeneration. They became common in the U.K., following the experience of U.S. cities (Buncham et al. 1992).

Famous projects of this kind were constructed in the center of large American cities were analyzed by Frieden and Sigalyn (1989). High rise office and housing developments include Four Seasons marketplace at Boston, Pike Place in Seattle, Town Square in St. Paul, and Horton Plaza in San Diego, and many others—shopping malls, convention centers, hotel-boca, and, frequently, restored adjoining historic neighborhoods. Most of them have been successful. They have attracted business and tourists and have made important additional to the local tax base as well as to the prestige of the cities. The public-private dealmaking that enabled them has transformed the nature of city development practice. At the same time, it has raised troubling issues of conflict of interest and accountability that the participants tend to ignore (Sigalyn 1989).

Some people expected that local poor and minority groups would resist the projects that invaded their environments, but this organized opposition did not exist. The image of grassroots fighting off the bullwhacker is mostly a remnant of old urban renewal. The leaders of the local enterprises were wise enough to stay away from residential neighborhoods and to locate the projects on small, strategic sites, rather than trying to shake entire districts. Thus, few poor people were directly hustled by the new developments. In most places, however, they missed the opportunity to directly benefit from them. Indeed, in Boston and Baltimore, city officials used the same face-to-face skillful tactics that put our city to bargain over jobs for residents, especially low education jobs (Frieden and Sigalyn 1989, 302). In the late 1980s, Allerman (1988) found in a dozen American cities some form of linkage, a policy that links permits for land development to a commitment by the developer to promote specific social services, such as job training or employment, or to construct a certain amount of affordable housing. Without such linkage agreements might have bad ethical problems. In most places, however, linkage policies were either not considered or rejected. The updated Strategic Planning Guidelines issued by the U.S. Department of the Environment as a guide for planning activity in the 33 London boroughs included a declaration that "a local planning authority is not entitled to treat a developer's application for planning permission as an opportunity to obtain some extraneous benefit...for the benefit of the whole community" (Fainstein 1994, 106).

The best known British case of regeneration partnership is the London Docklands, the largest single government-sponsored private development project in either Europe or the U.S. (Fainstein 1991). The achievements of the Docklands project were highly visible: Within six years of operation (1981-1987), 17,000 dwellings were created and 20,000 jobs entered the area. By 1989, some 3,000 million of public money had been spent and 66 billion of private investment had been leveraged (Brownhill 1998). By that time, however, it became clear that not all the goals of the intended economic and social regeneration of the area had been achieved. The main points of criticism were related to very low allocation for the local community, increased unemployment and homelessness, and, to some extent, a lack of integration with the rest of the London area (Church 1988; Stoker 1987; Brownhill 1998).

The critics of the Docklands project expressed the general criticisms of third-generation public-private partnerships established for the purpose of urban regeneration. Most observers agree that even though several of these projects were quite advantageous to the city and some of its publics, one of their salient outcomes is a growing sense of the haves and the have-nots. In Hamburg, Germany, it was found that a marker-oriented policy intended to encourage urban growth and economic revitalization produced a clear imbalance in social benefits. The upper two thirds of the population’s income distribution were seen to receive benefits from the urban regeneration programs, whereas the lower third benefited only negligibly from the public money invested. (Danzscher and Oslobagte 1980, Eaitton 1994), who analyzed property, politics, and planning in London and New York of the 1980s, wrote in her summary that the developers engraved "the image of two cities—one for the rich and one for the poor—on the landscape" (236). Stoker (1989), as well as Kearing and Knobhold (1991), concluded that downtown plans of the 1980s disregarded equity issues; not only was the disparity between the upper and lower strata not reduced, but it may even have increased. Then, the trickle-down theory, according to which the benefit of rapid economic development are expected to filter down and reach all strata of
Looking Back for the Future

Past Experience and the Need for a New Approach

In the past, especially in the 1950s and 1960s, planners and policy makers thought that they knew what should be done to save deteriorated neighborhoods, and that what they lacked were only the political power and budgets to implement their ideas. Today, following decades of experimentation and billions of dollars of expenditure, planners are far less sure about it.

Table 1 combines a description and an analysis of past intervention in distressed neighborhoods in several countries, mainly the U.S. and the U.K. Together with the historical and ideological background, the main actors and activities of each generation of neighborhood remedies, the role of planners, and the principal planning lessons that can be drawn from each generation are outlined. These lessons have a special meaning now, when neighborhood problems are becoming more severe following worldwide changes.

Toward the end of the 20th century, the industrially developed countries have entered a stage in their socioeconomic development that is frequently termed the post-industrial era. Its hallmark is economic restructuring, which means greater competition among cities, regions, and countries on a global scale, directing the economy of developed countries away from manufacturing to producers and toward dependence on services at the main source of employment and income. These changes have raised unemployment and increased poverty and poverty concentration. As Hall (1991) reports from London and Kansas (1993) from the U.S. Mullenkopf and Castells (1991), Sassen (1991), and Fantini, Gordon and Hattra (1992), eminent analyses of the global cities of the world, have all concluded that the big cities of the world are divided and fragmented by deepening inequalities and racial or ethnic tensions, many of which are expressed spatially.

Central and local governments are concentrating their efforts on economic development in an attempt to improve the business competition and to attract new investments. The general tendency is to ignore equity considerations, because many economists argue that social equity causes a depression in economic growth, and hence, prima facie, whatever is concerned with the health of the economy should avoid programs that enhance equity. These economists usually admit that growth is not enough by itself an economic capital, but also on human capital (is healthy and well-educated labor force). But they tend to ignore the necessity of social capital (values and social norms that preserve solidarity and generate social responsibility and contribution) only because they think that they might have noticed that Japan owed its dramatic economic success in great part to its extensive social capital, and that the U.S. prosperity has been assured by deficiencies in its social capital. The amount of social capital in a society—a democratic society, in which people have internalized the idea that all human beings are equal—is directly related to the extent of internal inequality. The greater the inequality, the lower the social capital.

The arguments that equity promotion is a vital component of economic growth has recently been substantiated by Persson and Tabellini (1994); following theoretical modeling and an analysis of empirical data from 56 countries, they found a significant negative relationship between inequality and growth is democratic societies. Thus, research findings prove that promoting equity is indeed a societal need, even when the main goal is economic growth.

Caring for poor neighborhoods is one way to promote equity, and thus—as explained above—to indirectly contribute to economic growth. This is especially important in an era in which the spread of income inequality is creating larger socioeconomic disparities. Such caring can also contribute directly to economic development.

Toward a New Generation: Development with Equity

The analysis of previous neighborhood regeneration programs shows two common scenarios. Typically in the second generation programs, some people benefit and, when they feel enough improvement, they begin to have the old area, which then continues to deteriorate. In third generation programs, the neighborhood benefits from the influx of new population (people and businesses), but the veteran residents suffer and often themselves forced to relocate. Hence, the ultimate goal of the following proposal of a new generation of neighborhood remedies is to benefit people and neighborhoods together, while stopping the cycle of deterioration.

It is possible to achieve this goal if housing improvements, educational and leisure time programs, and other efforts have been unable to affect the status of target neighborhoods and improve the process of deterioration, even where implemented with resident participation as a case in point (as was the case in Israel's Project Renewal), is there anything that can work? My positive answer to this question is based both on theoretical understanding and on my own experience of field work.

The research into the causes of neighborhood deterioration pointed to complex combinations of social, economic, physical, and organizational causes (Varady 1986; Griggy et al. 1987; Carmona 1989). There is much truth in each of these, but in my judgment, none powerful explanation was proposed by one of America's great urban observers, Anthony Downs. Downs (as quoted by Fulton, 1986, 26) argued that households with the lowest income, and often the least competence to live concentrated together, are forced to do so by the forceful determination of the middle- and upper-classes to separate themselves from the poor. My own observation and research corroborate Downs' conclusion. Hence, I offer considering this order determinations as a major factor which explains changes in the metropolitan spatial structure. The policy implications of this theory are integrated into my following suggestion for a new generation of neighborhood remedies.

The proposed approach is based on five principles, two strategic and three tactical. The strategic principles are:

- Regeneration through partnerships. Funding and management skills for regeneration projects ought to come from all the three sectors of the economy: the public sector, the private sector, and the third sector of nonprofit organizations; a fourth vital partner is the local residents.
- A gradual approach. Sensitive planning is needed to preserve old social and physical systems alongside the introduction of new ones.
- Differential treatment of different neighborhoods. Recognizing the deep differences among neighborhoods in different cities, in different locations within each city, and with different internal problems.

To elaborate on the above, let us start with the first tactical principle. Considering the political and economic trends of the end of the 20th century, the only chance to recruit the public support and the capital required for projects of regeneration is to create partnerships. Unlike governments of 30 years ago, no government of the 1990s will take full public responsibility for new, large-scale welfare programs or development projects. Moreover, in many places it is impossible without the hand of local people. Hence, the way to make progress is by diversification, i.e., by finding diverse
souces of support. Planners should use their new skills as negotiators and deal-makers to foster cooperation among governmental and nongovernmental organizations, private companies, and individuals who have an interest in the area. A British expert, Michael Caeley (1990), put it as follows:

"...there is no one correct...model...appropriate responses are both multi-sector and multi-agency...partnerships of central government, local authorities, housing associations, resident groups, private companies, and other agencies. There is an emphasis on fostering meaningful partnerships to undertake neighborhood renewal..." (p. 11) (ii-iii).

The U.K. has launched promising examples of financial and organizational partnerships for sustainable local development in its new Single Regeneration Budget initiative (Bak 1994). Other countries and local authorities will have to develop their own such efforts.

Another critical principle is differential treatment of different neighborhoods. The contrast between blueprint patterns for every type of deteriorated neighborhood, which were typical of the post-industrial era, and the hereby proposed differential treatment is in line with the trend toward diversification in the post-industrial era.

Different Kinds of Deteriorated Neighborhoods

The main distinction is between neighborhoods in "hot demand areas" (Price 1991) and other poor neighborhoods. The first ones are relatively rare; they are usually found in and around central business districts of cities affected by economic restructuring of the post-industrial era, especially where old buildings with some historical value or architectural uniqueness can be found. Spontaneous processes of gentrification commonly occur in these areas, and development projects are attracted to them. The main role of planners in these areas is to act gradually, in collaboration with all the participants in the regeneration game, to encourage some gentrification and medium-sized public development projects, provided that the local residents, especially the poor among them, are among those who benefit from the revitalization process. The Dutch example mentioned above (van Wensveen and Weigenaar 1991) can serve as a model for careful gentrification, in which the gentrifiers do not displace incumbent residents but are rather added to the partly empty city center. Another good example was found in Tel Aviv, where the municipality proposed extra building rights to tenants with low incomes (who paid lower rents) remain in the first floors, while renting out the upper stories to gentrifiers in the higher ones. As for development projects, planners should use their talents as negotiators in order to enable linkage agreements (provided that they are aware of ethical and ethical aspects of such agreements; see Salkiy 1990), and thus enable the conversion of certain properties and a large percentage of affordable housing and/or the provision of jobs for the low-skilled people (Frieden and Kaplan 1998). This combined approach to the development of middle-class residents to the city, assisting them in finding the quality of life and environmental points to stay in the suburbs, and enable poor, veteran dwellers to stay in the same city areas. Thus it contributes to development, to equity, and to a reduction of the common urban segregation of poor households.

Most deteriorated neighborhoods lack the characteristics of demand areas. Many of them are close to city centers but do not have the special additional features that attract gentrifiers and businesspeople. Others, especially in European countries that constructed large social housing projects in the last few decades, can be found further away from the center and at the periphery of cities.

Some of these neighborhoods are deeply detergent from the social perspective. This kind of deterioration can be identified by the level of segregation and the rate of serious crime. If a neighborhood is inhabited exclusively by the lowest class (some prefer the problematic term of underclass) and the rates of crime are very high, the area is probably to avoid urban planning initiatives until other professionals such as social and community workers are in place. Fortunately, the majority of poor urban neighborhoods have not reached this point of extreme deterioration. These neighborhoods of working-class households, often minorities. A collective enterprise of the household has at least one employed person, most of the residents observe law and order, and parents are concerned for the future of their children. For this very common type of neighborhoods in distress, the knowledge gathered by research, particularly the extensive research of Israel’s Project Renewal, suggests a gradual two-stage strategy.

Two-Stage Strategy

The goal of the first stage is to improve the quality of life in the neighborhood and to bring it closer to the standards of residential areas of high-quality urbanization. Implementation of second-generation strategy comprehensively policies, driven by local needs and persons, is highly recommended for this stage: housing improvement programs, major improvement in employment opportunities, well-focused investments in educational programs, and special attention to leisure time and community services. Citizen participation should be encouraged, without forgetting that residents do not appreciate the "empowerment game" unless it comes with real products, e.g., improvements in important services. These special services are to be provided to those living within the borders of the selected neighborhood, without additional means. Establishing different borders for the physical (housing and infrastructure) and social (education and tourism) (because of the lower density of the area that keeps the land price lower), it can succeed in isolating a certain critical number of residents it seeks. Depending on local circumstances and the success of the first stage in improving the services and enlarging their capacity, the inhabitants of the new housing should be encouraged to use the same social services as those used by the veteran residents. Thus, adding higher-quality housing in part of the second stage has the best chance of decreasing the neighborhood and thus improving its quality (Carron et al. 1994). There is a general view to achieve this, two of which are hereby presented: integration through housing development and integration through business development. Both approaches carry the same risk of economic development as the leading cause, but add to it consideration of the interests of the incumbent residents, and, thus, create economic development with social equity.

Revisiting Segregation

Integration through business development means attracting businesses to the deteriorated neighborhood or to its immediate vicinity, provided that business activities that may exist within residential areas and that they bring about benefits—job, affordable housing, better services—to the locals. Assuming that many of the potential businesses are services of various types, they are expected to bring to the area additional workers and many clients, thus reducing the segregation of the poor neighborhood from the surrounding urban environment. This proposal is in ways similar to so-called new ideas of economic development and gentrification, which have been part of the third generation, but at the same time they differ from them. One important difference is the suggested integration through business development does not come instead of quality-of-life improvements; it comes in addition to this first stage, which prepares the local residents to benefit from development. Another difference is that it requires that, starting with the very first stage of selecting projects, business development plays an important role in the decision-making process. This requirement stands in contrast to what is common today, that most new urban economic projects are directed by considerations of the developers and the local authorities, assuming that only public benefits will trickle down in general, and to the local residents in particular.

The idea of integration through housing development, i.e., through construction of new housing in the neighborhood or in its immediate vicinity, is based on findings of the Israeli research analyzed above (Carron and Baroq 1994). The new houses should preferably be for owner occupancy (not for rent), and aimed at attracting residents of a somewhat higher status than the residents, by means of building patterns that are in high demand. This solution is being implemented in a few areas in Israel (Offer 1993). According to the Israeli experience, if such construction takes place after some highly visible improvements have resulted from the beginning, and if the new housing development is stable and includes features sought by the target population and offered for a relatively low price

In conclusion

Further research of the recommended courses of action is necessary. Even though there is more than one research-based evidence of the relevance of the subjects, it is essential to know more about ways and means to achieve development with equity, enhance careful integration of social groups, and...
the implement the tactical principles, especially the one that calls for the creation of successful partnerships.

For a detailed analysis of the British experience with neighborhood renewal, Marine (1990) concludes with a provocative argument that "socially based public policy interventions cannot be expected to do more than... affect those particular people whose lives at which it is directed". The approach suggested above is intended to be broken the cycle -- to treat not only the symptoms, such as the poor housing conditions, but also the causes and the behavioral and social trends. The rigorous and strategic principles of neighborhood renewal can reduce the number of deteriorated areas while improving the lives of the people now living in them.

Author's Note: For reasons beyond the author's control, this article is published with some errors. The author regrets the omissions of several highly relevant references. Some of the sources cited in this article have been empirical works that were supported by the National Institute for Advanced Studies in Science and Technology. The book is based on a core of the British Association for Research in Education and the Fund for Public Education. The author thanks them for their generous support. Special thanks are due to my colleagues, the late Helen (M琳) Hill, Rachel Arrowsmith, Ann Loan, Jeanne Foulkes, Mike Brown, and Ben Zeller, for their help and encouragement. I have also benefited from the experiences of various people, especially from the Urban Design Group. I am grateful to them and to all those who have helped me in the preparation of this article. In addition, I am grateful to the editors of this volume for their advice and encouragement.

NOTES

1. In several countries, in Britain and the U.S.A. and in Sweden (SIB), it is often the case that some areas are dominated by wealthy philanthropists. In 1863, Octavia Hill, a prominent advocate of housing reform and the creation of small houses for working-class families, founded the first of the octavia houses. In 1869, her Octavia Hill and Jacob Riis in New York (Wood, 1931) both worked for the betterment of urban conditions. In the United States, several groups of poor neighborhoods were published in the 19th century. A similar action was taken in the 19th and early 20th centuries in London (Lukas, 1983). They showed that the best way to deal with these problems is to prevent them in the first place. It is this approach that is most likely to be successful in the long run, since it focuses on the underlying causes of the problems. The approach is based on the assumption that prevention is better than cure, and that it is easier to prevent problems than to cure them.


3. Barnett, R. 1993. The development of social housing in the UK: An introduction to the history of social housing in Britain. London: Thames and Hudson. The book is based on a core of the British Association for Research in Education and the Fund for Public Education. The author thanks them for their generous support. Special thanks are due to my colleagues, the late Helen (M琳) Hill, Rachel Arrowsmith, Ann Loan, Jeanne Foulkes, Mike Brown, and Ben Zeller, for their help and encouragement. I have also benefited from the experiences of various people, especially from the Urban Design Group. I am grateful to them and to all those who have helped me in the preparation of this article. In addition, I am grateful to the editors of this volume for their advice and encouragement.

REFERENCES


