

# ***Outcomes of Urban Requalification under Neoliberalism: A critical appraisal of the SRU model***

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# MAIN OBJECTIVES

‘Discourses’ are narratives that give rise and justify choices and strategies to respond to specific circumstances and goals.

The main aim of this presentation is to discuss the results of a critical discourse analysis of the Urban Requalification Societies (‘SRU’) model of urban renewal.

The SRU model was launched by the Portuguese government in 2004, and implemented by several local authorities since then.

# STRUCTURE

1. Theory and research questions
2. Methodology
3. The urban and political context
4. Critical appraisal based on discourse analysis
5. Discussion of results

# THEORY AND RESEARCH QUESTIONS

Effective and socially aware public policy research should interrogate the language used in urban policy and should confront that language with issues of power, as language has important political implications supporting the legitimacy of the *status quo* (Marcuse 2015)

# THEORY AND RESEARCH QUESTIONS

‘Policy problems’ are not objective facts, but rather contested realities, and it is, therefore, important to understand how these are defined and redefined by governments and other policy makers (Marston 2002)

# THEORY AND RESEARCH QUESTIONS

Discourse analysis provides a basis upon which to challenge the concept of 'objectivity', particularly as it is used in bureaucratic discourses to create and maintain inequalities and hegemonic constructions of 'housing realities' (Saugeres 1999)

# RESEARCH QUESTIONS

How has the SRU requalification model impacted on issues of affordable housing provision for low and middle-income families? (forced evictions, tenurial transformation etc.)

How have political and practitioner actors with different roles defined and framed strategies & results regarding housing provision?

# CRITICAL DISCOURSE ANALYSIS

Approaches towards the 'critical discourse analysis' have differed in theory, methodology and aims and have been applied to numerous fields of research.

In the fields of housing and urban renewal we applied Fairclough & Fairclough's (2012) '**practical argumentation**' **framework** as we are interested in the analysis of the goals, circumstances, means and ends associated to political deliberation.



# CRITICAL DISCOURSE ANALYSIS

Norman Fairclough (1989, 1992, 1995a) conceptualizes discourse in three main dimensions:

- Textual analysis (micro) is concerned with description about the form and meaning of the text,
- Discourse practice (meso) focuses on the discursive production and interpretation of the text
- Sociocultural practice (macro) operates at the level of broader social analysis.

# CRITICAL DISCOURSE ANALYSIS

As noticed by Fairclough (2012: 12) agency and structures are connected, structures provide agents with reasons for action. We evaluate practical argumentation by incorporating and analyzing both descriptive and normative standpoints by political/technical agents.

By doing this we aim to emphasize how actual discursive practices contribute to maintaining or transforming given social order, including power relations.

# METHODOLOGY

- Analysis of documental sources, such as legislation & written policy texts
- Nine semi-structured interviews, conducted with staff and officials working in SRU (5); local municipalities of Lisbon and Porto (2); and the central institution responsible for housing policy (2). These were digitally recorded with the permission of interviewees, and after anonymized, transcribed and codified.

# METHODOLOGY

The evaluation framework for the interviews focused on issues of Governance & Housing Affordability, involving several groups of questions on:

1. Institutional models of urban requalification (policy history)
2. Practice of SRU / *General views about*
  - *The model and its targets (areas, social groups, etc)*
  - *Tools and strategies of implementation*
  - *Outcomes and social/area effects (tenure, renewal, population, uses)*
  - *Lessons and recommendations*

# THE URBAN AND POLITICAL CONTEXT

## City centre requalification policies in Portugal

- Anti-gentrification phase (1974-1998) – to maintain and assist populations installed in the historic districts; aiming to improve the housing situation of working-class families while avoiding forced removal and displacement;
- Shift towards gentrification (1999- 2004): public investment in public space (streetscaping, pedestrianization, urban refurbishment) and construction of emblematic cultural buildings/facilities and promotion of events (e.g. World Exhibition 1998) to which discretionary planning powers were given.

# THE URBAN AND POLITICAL CONTEXT

- City-centre crisis: high percentage of vacant and derelict buildings, associated to low rents and poor housing conditions;
- Centralized unitary state with low levels of state intervention in housing (0.7% of GDP in 2000, 0,1% in 2015)

# THE URBAN AND POLITICAL CONTEXT

- Housing policy dominated by incentives to owner-occupancy with very limited support to housing rehabilitation
  - between 1987 and 2011, around three-quarters of all public resources spent in housing were used to support interest rate subsidies on bank loans for construction and purchase of homes
- Owner occupancy became the currently dominant tenure (73% of total) + high percentage of population with high ratio of housing costs/income.

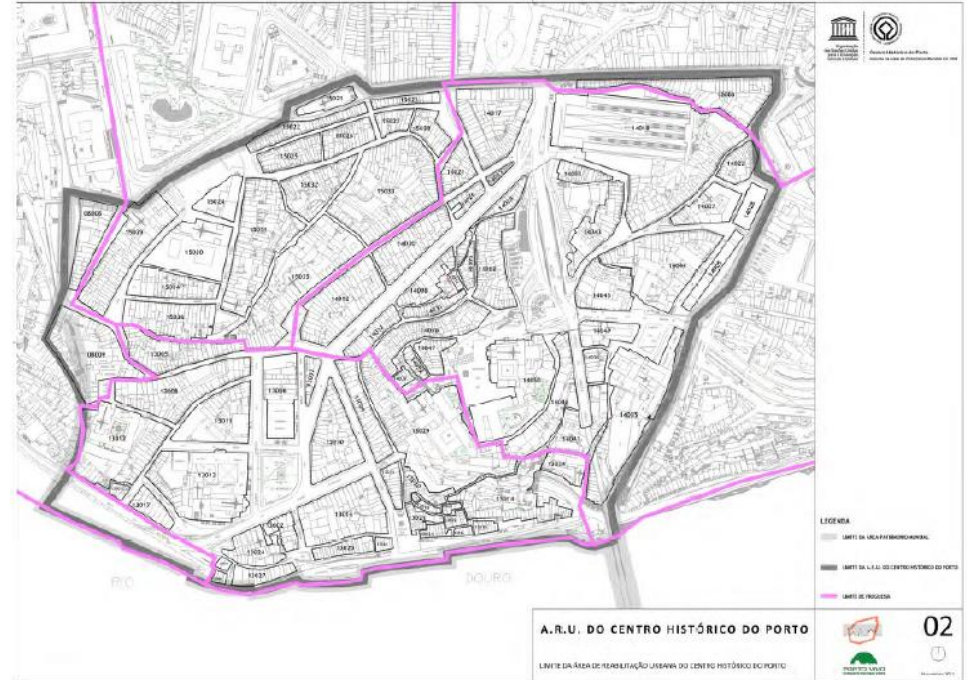
# LISBON AND PORTO SRU



Source: [www.lisboaocidentalsru.pt/](http://www.lisboaocidentalsru.pt/)

## Lisboa Ocidental SRU intervention area

100% owned by the municipality  
0,8 sq km; less than 9% of the municipality's area;  
1300 buildings



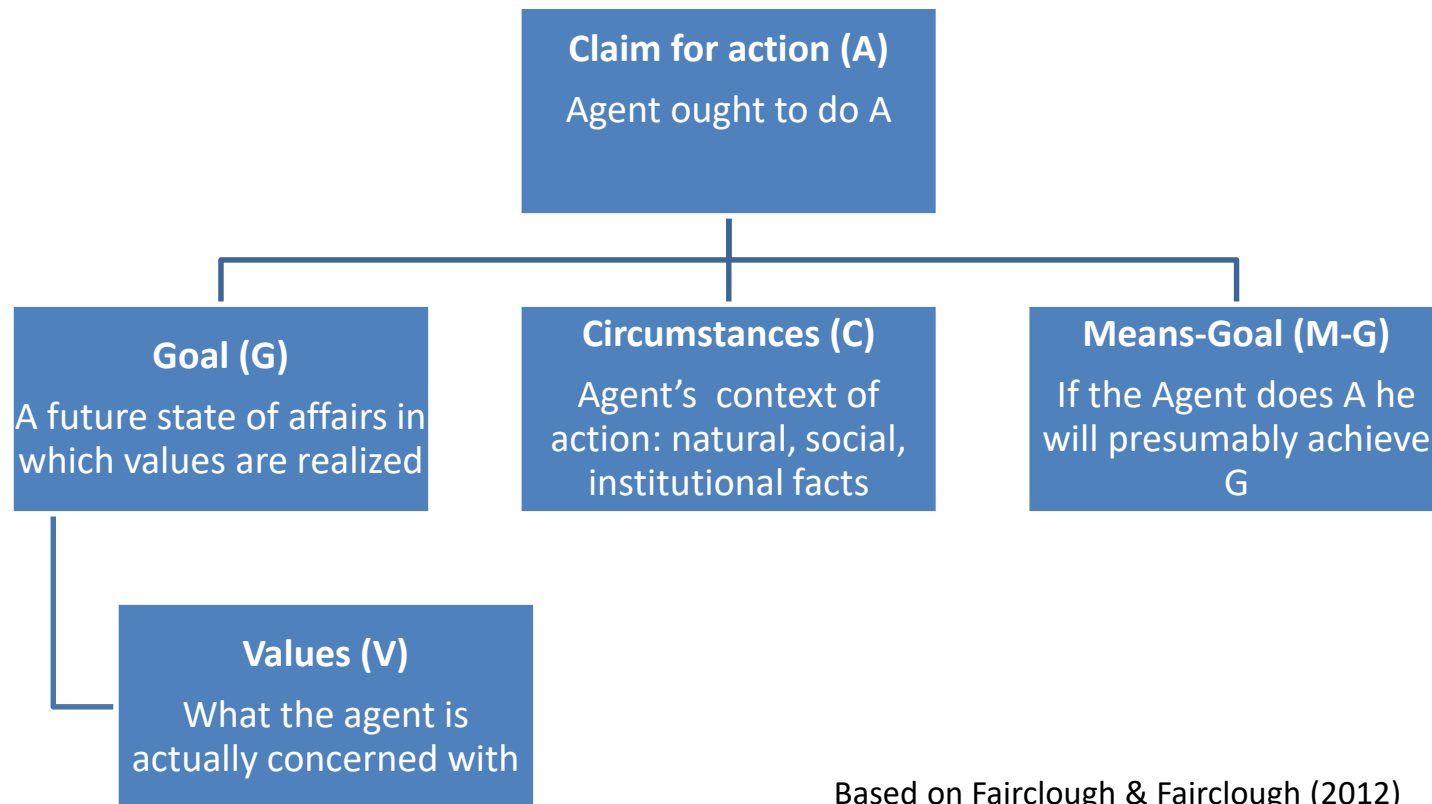
Source: [http://www.portovivosru.pt/pdfs/DEL\\_ARU\\_CHP\\_JUN\\_2012.pdf](http://www.portovivosru.pt/pdfs/DEL_ARU_CHP_JUN_2012.pdf)

## Porto Vivo SRU Historic Centre Urban Rehabilitation Area

60% State + 40% municipality  
5 sq km; 12,5% of the municipality's area; 1800 buildings.



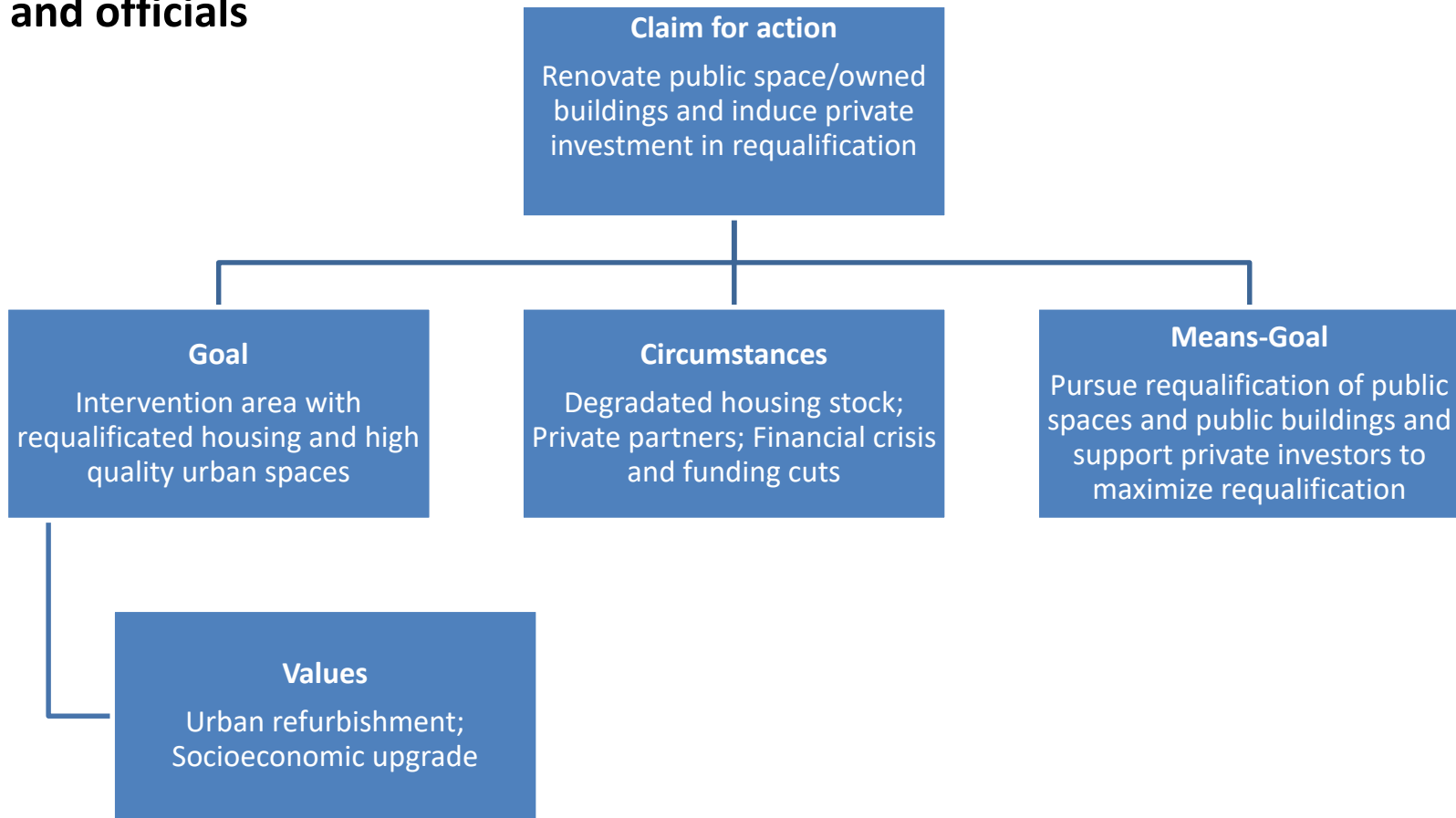
# CRITICAL APPRAISAL – DISCOURSE ANALYSIS



Based on Fairclough & Fairclough (2012)

# CRITICAL APPRAISAL – DISCOURSE ANALYSIS

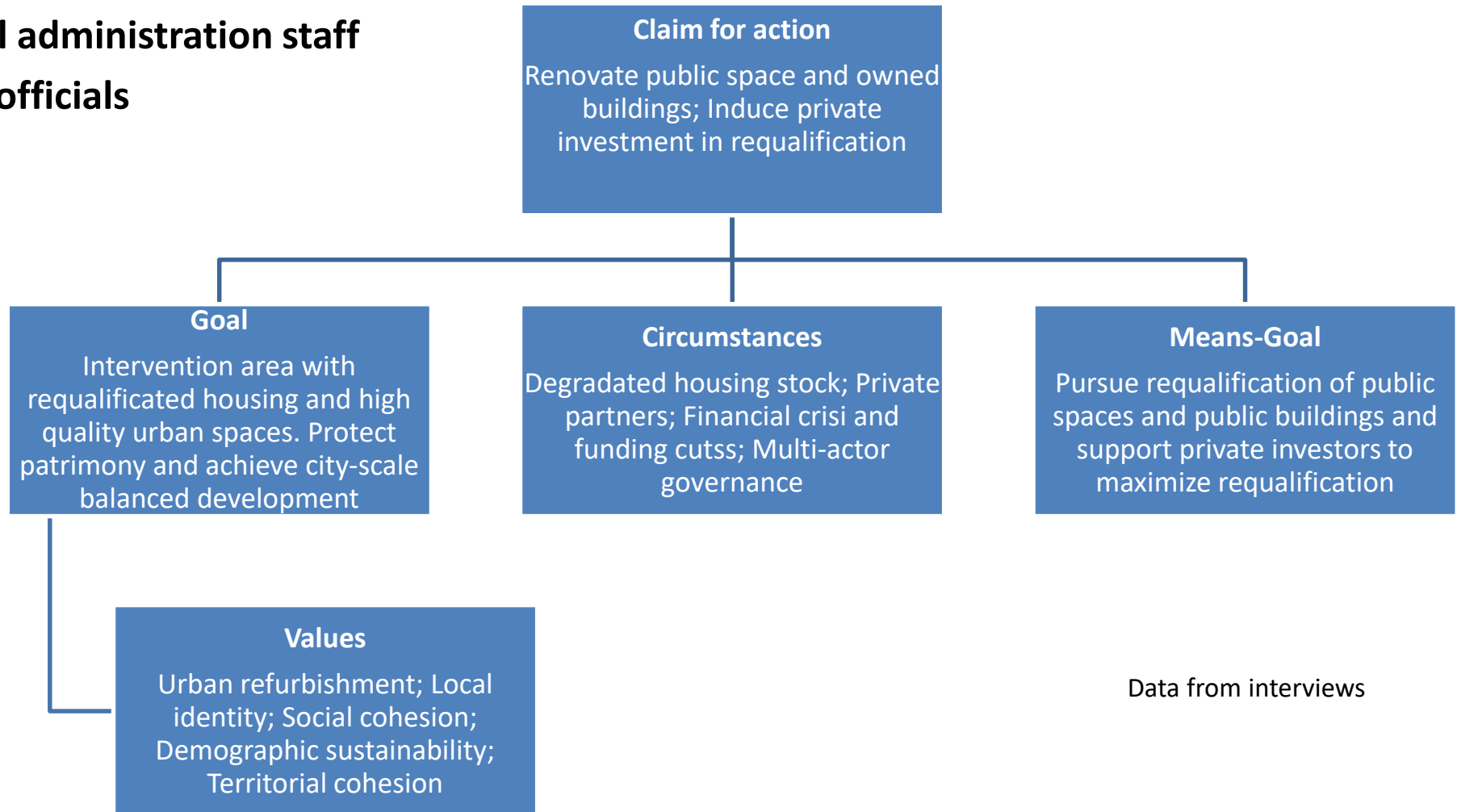
## SRU staff and officials



Data from interviews

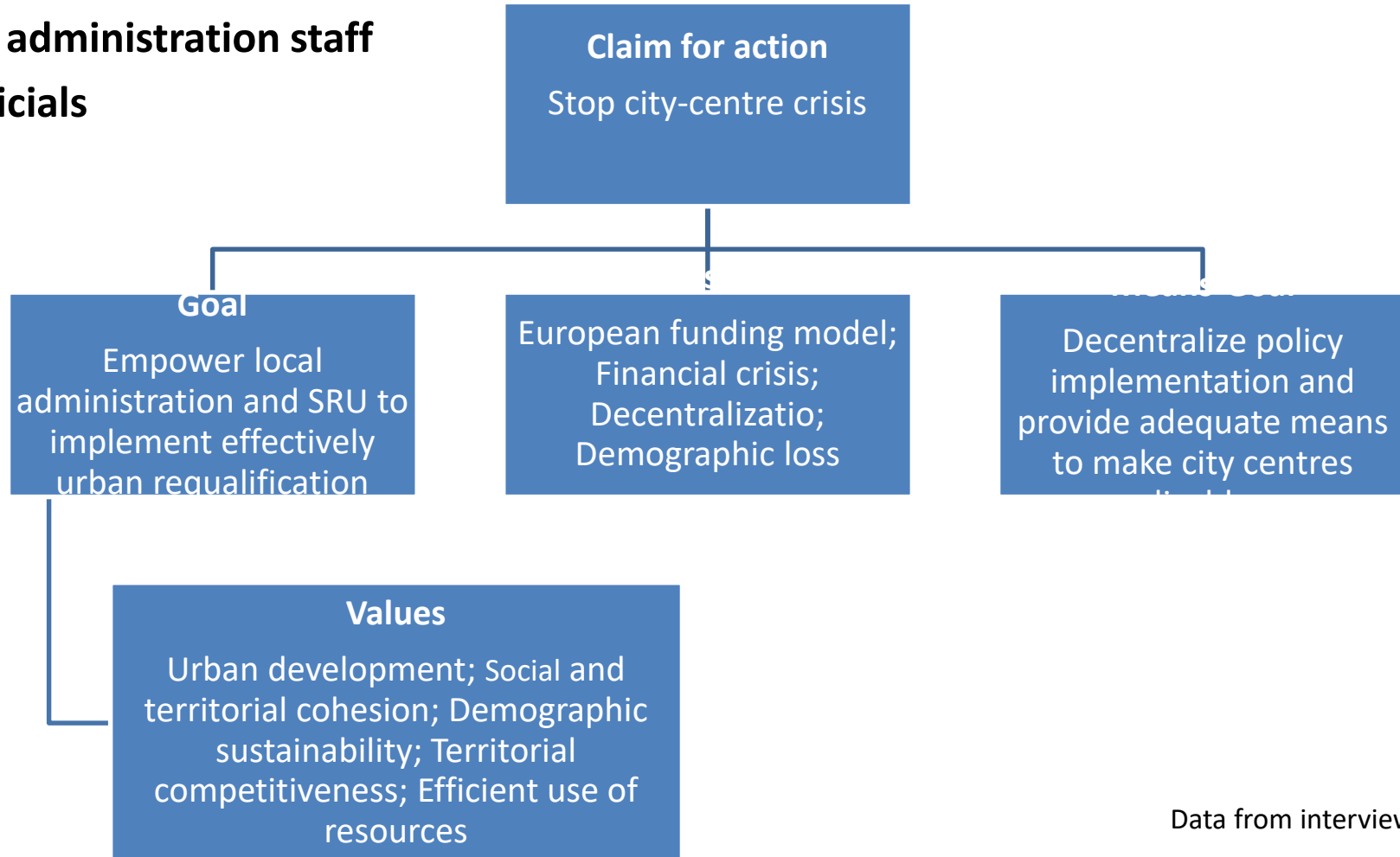
# CRITICAL APPRAISAL – DISCOURSE ANALYSIS

**Local administration staff  
and officials**



# Critical appraisal – Discourse analysis

**Central administration staff  
and officials**



Data from interviews

# CRITICAL APPRAISAL – DISCOURSE ANALYSIS

## Main values regarding policy claims for action in the SRU model

- *Local/SRU* - vertical and 'silo' nature of urban policy, in which housing renewal is separated from aspects of social cohesion and market regulation;
- *SRU* - Housing policy should be subordinated to market mechanisms;
- *Local/Central (Porto)* – SRU interventions must include key values such as patrimony conservation and cost-benefit analysis;
- *Central* – decentralization of requalification and housing policies under central state guidelines

# CRITICAL APPRAISAL – DISCOURSE ANALYSIS

## Main goals:

- SRU should focus on the requalification of public spaces and public-owned buildings & facilitation of private investment;
- *SRU* – should leverage investment in building renewal, supporting the growth of commerce and tourism as a catalyst of requalification;
- *SRU (Porto)* - housing directly renovated by SRUs should meet the demand of more resourceful populations in valuable areas;
- *Local/Central* – housing policy should go beyond social housing and develop affordable housing mechanisms.

# CRITICAL APPRAISAL – DISCOURSE ANALYSIS

## Main circumstances:

- Financial sustainability of public policies demands strong participation of private investors in urban renewal;
- Direct promotion of housing must seek financial sustainability;
- *SRU* - positive cycle in requalification supported in private investment;
- *Local* – insufficient funding from the central state;
- *Central* – insufficient funding for housing aimed at the rental market.

# DISCUSSION OF RESULTS

Were the actions the best possible? Do they stand the test of critical scrutiny regarding the policy goals? (Fairclough and Fairclough, 2012)



# DISCUSSION OF RESULTS

- SRU actions have produced consequences/outcomes that undermine the **goals of requalification policy** itself (patrimony, social cohesion via the exclusion of population from the housing market) and the very goal of financial **sustainability** (high financial costs in large scale operations such as the Cardosas);
- **The means-goal premise that there are no alternatives was no false**, as proven by recent restructuring of funding programs that have introduced incentives to affordable housing for rent.

# DISCUSSION OF RESULTS

The SRU model **supported a one-dimensional (neoliberal) discourse**, an extension of the austerity policy discourse developed in Portugal between 2009-2015 that, as noticed by *Marcuse (2015)* *concealed its subservience to the existing relationships of power and privilege*

# DISCUSSION OF RESULTS

Our results confirm Alexandri's (2018: 36) claim that, in times of austerity, **gentrification** is promoted as a prime investment opportunity capable of reviving stagnating local economies. After others, Alexandri describes gentrification as “an urban process related to emerging investment opportunities, spatial displacement and dispossession of the vulnerable”.

# RECOMMENDATIONS

Other research by Branco and Alves (forthcoming) on the implementation of the SRU model in the city of Porto has shown that operations targeting the renovation of well-located quarters in the city center have **not favored the provision of affordable housing** but of upper-class housing, commercial activities, and more profitable housing uses (namely short rental associated to tourism). The new institutions, with the support of local authorities have been the key actors orchestrating and driving this process, acting as a continuous apparatus of spatial domination exercised by elites.

# RECOMMENDATIONS

Regarding the contributions of this research for policy evaluation, we emphasize:

- Systematic comparative analysis of both the normative and ideologic of policy implementation, clarifying the **impacts on goals, strategies and tools;**
- Identification of the **consequences of these choices on city centre's structures** (social, economic, demographic);

# RECOMMENDATIONS

- Urban renewal policy should pursue measures to promote housing affordability, not to favour gentrification by increasing land and housing values, **critical discourse analysis has disclosed the need to re-frame the values of agents involved;**
- **A more systematic use of this methodology** with a broader range of stakeholders would be useful to clarify the position of each institution (changes in political leadership, for example, have contributed to a discourse of change which should be further investigated).



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