

ECONOMIC PERSPECTIVE

WHATEVER HAPPENED TO GEAR?

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In 1981, in the wake of the summer's violence and rioting, the British public rediscovered the Inner City together with its problems. Ironically perhaps, during the same year, the Glasgow Eastern Area Renewal Project (GEAR), the product of a previous British government's interest in the Inner City was close to celebrating its fifth year of existence.

Claimed at the time to be one of Europe's biggest urban renewal projects GEAR received all the publicity that a government straining to suppress the advances of the then rampant SNP could muster. The project was to receive substantial capital sums, would involve the then nascent Scottish Development Agency (SDA), indeed this would be its first major project, and in addition would offer a co-ordinated multi-agency approach to confront what was considered to be a multi-faceted problem. In addition to the SDA, which assumed the role of overall co-ordinator, Strathclyde Regional Council, Glasgow District Council, the Scottish Special Housing Association, and the Greater Glasgow Health Board were all heavily involved.

According to the SDA's "Strategy and Programme" which was published in 1980 the project had six basic objectives. These were,

- "1. To increase residents' competitiveness in securing employment.
2. To arrest economic decline and realise the potential of GEAR as a major employment centre.
3. To overcome the social disadvantage of residents.
4. To improve and maintain the environment.
5. To stem population decline and engender a better balanced age and social structure.
6. To foster residents' commitment and confidence."

The areas in which these objectives would become operative included the former Bridgeton and Dalmarnock Comprehensive Development Area, together with the Carlton, Camlachie, Parkhead, Shettleston, and Tollcross Districts. In addition the Cambuslang Recovery Area, a vast expanse of derelict industrial land was also included. In total the GEAR area covered 1,600 hectares and a population of 45,000.

In all fairness to the agencies currently involved in the East End, it would not be particularly relevant to attempt to provide an assessment of progress currently achieved on the basis of these aims. Given the extent and time period over which decline has taken place it would be unreasonable to expect drastic change, even if the economy was not in the depths of a depression. As it is, these objectives only became explicit in 1980, less than two years ago. Instead those agencies may wish to concern themselves with a number of more general, but nonetheless highly relevant questions. These concern the ability of areas like the East End to respond to rehabilitation programmes; the capital sums needed to make these successful; and the relevance of the "area based" approach, such as that being practiced within the GEAR area, as a valid policy in these circumstances.

In retrospect, on surveying the East End and its present position the question one constantly asks is "Why was the East End selected for special treatment"? The case does not seem clear cut for a number reasons. True when confronted with the usual indices relating to social and economic conditions the East End comes bottom of the pack. But this should not necessarily be the criteria for the distribution of scarce public resources. The question would be more clear cut if the GEAR area was the only part of the Clydeside conurbation suffering from decay. This however is far from the case. Indeed the updated Strathclyde Region Structure Plan makes this abundantly clear. Its map designating urban areas eligible for priority treatment is to a large extent analogous to the Scottish Development Area Map prior to the changes made in 1979. Virtually the entire conurbation is included!

Given this and the constraints imposed by lack of government funding choices will have to be made. In these circumstances it would seem more reasonable to concentrate rehabilitation in those areas which offer the best chance of responding to treatment. Put another way, this is tantamount to maximising the social return on investment. With the best will in the world however the East End could hardly be considered to be a suitable case for treatment in these respects (although areas within it may be more favourably placed).

As a consequence of continued economic decline and the massive clearance programmes initiated during the late 1960s and early 1970s the area's population was more than halved. Vast areas were derelict and its housing and infrastructure was in a deplorable condition. Moreover prior to designation there didn't even appear to be any sign that the rate of decline was falling or that, sentiment apart, there was a solid basis on which recovery could be based.

Five years later the relative position has probably deteriorated further. The conventional response to economic regeneration, be it urban or rural, has been to attract in from elsewhere mobile industry. Given the onset of depression the odds of any part of a consequently reduced trickle being directed to the East End are small. Moreover it faces competition from areas better suited to receive mobile capital. East Kilbride, a favourite target of such investment is not far distant and is still functioning as an investment receptacle. Worse, Clydebank has been designated as an Enterprise Zone and it is rumoured that Renfrew, Monklands, and Motherwell, all part of the conurbation, will also be receiving favoured treatment.

The Agencies concerned with GEAR might wish to consider the resource costs needed to revitalise areas like the East End. By necessity this will involve some conception of a future end state for the area, something which the documents produced have so far failed to do. Admittedly this is a difficult task. Assumptions would have to be made about the changes likely to occur elsewhere in Strathclyde Region, the consistency of government policies and so on, and all the other problems imposed by a consideration of time. But such an exercise would have the advantage of drawing out fully the cost consequences of any revitalisation process, and hopefully the benefits.

Whether or not this provides any basis for the continuation of the GEAR project a costing exercise may at least put the existing budget in some sort of perspective. As it is there are already criticisms being made to the extent that far from representing a new injection of funds into the area, the resources committed at the project's inception, amounted to no more than would have been spent if there had been no GEAR. In short it could be argued that the whole project is a mere confidence trick. As such it would be inappropriate to expect success to materialise. If the GEAR scheme is deemed to be viable then further injections of public investment may be necessary.

If however the outcome of such a costing (or even cost-benefit) analysis was that it would be inappropriate to proceed a further set of problems would have to be confronted. The most urgent would concern the future status of the East End. Should it be left to decline naturally as to a large extent it was before the advent of GEAR? Or should the state, or other public authorities take action to accelerate the process?

So far government attempts to influence the settlement pattern and redirect the population to more suitable locations in the United Kingdom have been frowned upon. There is a generally accepted view that as far as possible people should live where they want to live. Indeed the planning profession, chastened by its experiences with the 'key settlement' in rural areas, is one of the leading opponents of such a view. On closer examination however these arguments and scruples are fallacious. Only people with the necessary resources can choose the area where they live. Those who are not so endowed end up in the East End. Moreover the argument that people prefer to stay where they are currently residing implicitly assumes that their material circumstances are unchanged in both locations. This needn't be the case if people are **compensated** for moving.

The fact is that there seems to be a consensus that views the established settlement pattern as being permanent, or at least capable of expansion only. The reverse phenomenon, that of contraction seems to be dismissed out of hand. As such retrenchment, or renewal, becomes the only option. Thus scarce resources can be directed into a bottomless pit. Regeneration may never occur.

In such instances a once and for all solution might offer a better alternative. In return for moving out of affected areas residents would receive substantial monetary compensation. Ironically enough this is already being practised in the East End. A chemical manufacturer is being induced to relocate by this method. This option would moreover have several advantages. At a stroke it would increase the real income of the

present inhabitants. In contrast the current rationale of spending money on updating the social and economic environment and attracting in new employment seems to benefit **everyone** else except the inhabitants, many of whom are ultimately forced to move out to equivalent areas. One would hazard the guess for example, that the SDA's contractors and consultants have done quite nicely out of the GEAR project. Its inhabitants may not have noticed a profound change in their situation.

It must be admitted that there are a number of flaws in this argument. Cash compensation is not an automatic process and difficult decisions as to who would qualify for compensation and the appropriate sum would have to be made. There would also be side effects on land and property prices within the area. More important is the fact that it would demand a definite commitment from the government not only to make resources available for urban restructuring but to make fundamental decisions about the distribution of people within the urban areas. So far the government seems unwilling to make such a commitment being content to rely on piecemeal palliatives such as GEAR. However until it does take action then there seems no end to the Inner City problem.

In conclusion it must be emphasised that cash compensation should not be seen as the only alternative to the current regime. Critics of GEAR have repeatedly emphasised the cost effectiveness of 'community development' programmes and the agencies involved with GEAR should also consider these. At its inception GEAR was seen as offering a new alternative to the Inner City problem. Perhaps five years on it may still prove to be.