

BELFAST CITY REPORT

By Jörg Plöger



CENTRE FOR ANALYSIS OF SOCIAL EXCLUSION
An ESRC Research Centre

CASereport 44

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Preface

Europe is a continent of cities with a remarkable history of cultural inspiration, wealth creation, social and political dynamism. But in the late-20th century, many former industrial cities entered a period of steep decline, losing most of their manufacturing jobs and many of their economic functions. Populations declined and wealthier suburbs outstripped the declining inner cities that had housed the “engines of the world” and now housed some of the greatest concentrations of poverty. The US experienced even more extreme decline.

The idea of Weak Market Cities was born at the second UK Government conference on an Urban Renaissance, hosted by Manchester in 2002. European and American city leaders debated the changing fortunes and prospects of former industrial cities. The pressures of growth and sprawl were counterbalanced with inner urban depopulation and decay; the new skills needed for the new “knowledge” and “service” economy were contrasted with high levels of worklessness and poor schools. Cities now house the majority and fastest growing share of the world’s expanding population, and they are on a treadmill of physical pressure, social disorder, and economic insecurity.

The London School of Economics’ Centre for Analysis of Social Exclusion (CASE) with the Brookings Metropolitan Institute developed a programme to uncover the problems besetting such cities, the recovery measures under way and their impact. Generously funded by the Joseph Rowntree Foundation, CASE researchers identified seven cities across Europe, embarking on impressive recovery actions to reverse decline. We wanted to establish the common ground and differences between a group of comparable cities, exploring their progress and ongoing challenges. Seven cities in five countries became partners in our work: Bremen, Saint-Étienne, Leipzig, Torino, Bilbao, Sheffield and Belfast. The five countries – Germany, Italy, France, Spain and the UK – represent nearly two thirds of the EU’s population.

All the cities had four common characteristics: a major industrial and manufacturing history; severe loss of these industries and related jobs; population outflow; a crisis of leadership, economic viability and inward investment. We rooted our study in the actual experience of cities, based on visits, interviews, historical and current local reports. In documenting what we found, we looked for patterns of change and common lessons that might be more widely applicable.

We recognised that the wealth of detailed experience, lived out by local residents, actors and organisations in each particular place, should be captured in some way. Therefore we are pleased to present reports from each of the cities as working papers, documenting what we have found so far and inviting further evidence, comment and debate. The story is both dramatic and encouraging everywhere. But it is also full of uncertainty and only tenuous conclusions are possible. It would be premature to forecast the future trajectory of any of the seven cities.

The seven city reports in this series are seen by us and our city reformer colleagues as work in progress. We hope that students, practitioners, urban researchers and policy makers will find them useful as case studies and will feed in ideas, reactions and any corrections to the research team. We plan to present a clear overview of how cities facing such acute problems are faring in 2008.

I warmly thank our researchers, Jörg Plöger and Astrid Winkler, for the sheer scale of the undertaking and the immensely detailed work involved in collecting ground-level evidence in the languages of the country and writing up the reports. Sharing their learning through the reports will help many to appreciate the spirited comeback of cities. For as the Mayor of Saint-Étienne argues: "Very often the soul of the city is stronger than the industrial disasters, which drag it down, make it wobble and threaten to wipe it out." (Michel Thiollière, 2007)

Anne Power

CASE

26th October, 2007

Acknowledgements

This report on the city of Belfast is based on local field visits, official and local reports, European Union evidence and discussions with many local actors. We would like to thank all the people who have helped us in preparing this report, particularly colleagues in Belfast, the EU, CASE and JRF. Anna Tamas, Nicola Serle, Laura Lane and the LSE Design Unit prepared the report for publication and we gratefully acknowledge their help. We accept full responsibility for any mistakes, inaccuracies or misunderstandings of complex and fast-changing local events. The report reflects work in progress and we would be glad to receive additional information and alternative views on our work. For more information about the programme, please contact Nicola Serle at n.serle@lse.ac.uk.

1. CITY CONTEXT

Northern Ireland is located in the North East corner of the island of Ireland and is part of the United Kingdom of Great Britain and Northern Ireland (Fig. 1). Northern Ireland and some adjacent counties in the Republic of Ireland comprise the historic Irish region of Ulster. Administratively, Northern Ireland is divided into six counties (Antrim, Armagh, Down, Fermanagh, Londonderry, and Tyrone) and 26 districts¹ (Fig. 2). Belfast is the capital of Northern Ireland and in population, functions and economy it is the region's most important city. In 2005, the city had 269,000 inhabitants. The metropolitan area has 645,000 inhabitants, which represents more than a third of the entire Northern Irish population of 1.7 million (NISRA, online).

Fig. 1: United Kingdom regions, location of Belfast



Source: European Commission (online)

¹ The number of districts will be reduced to 11 in the near future.

Belfast's history is closely linked to the history of both Britain and Ireland. Belfast is a derivative of the Gaelic *Béal Feirste*, meaning either 'mouth of the river Farset' or 'approach to the sandbar', the latter referring to its function as a fording point of the River Lagan (Royle, 2006, p 12). The early settlement developed on land along the river Farset which discharges into the larger river Lagan. Anglo-Normans invaded the area and built a castle in 1177. A more significant settlement emerged only from the 17th century onwards when England tried to gain control over the rebellious region of Ulster. The town received a charter from King James I in 1613 and a feudal family, the Chichesters, who helped to suppress Irish rebellions, controlled the fate of Belfast for almost two centuries (Royle, 2006, p 13).

England encouraged the immigration of settlers from the British Isles, among them many Scottish Protestants. Ulster thus became the most significant 'Protestant settlement' in Ireland. This resulted in severe clashes between the Protestant immigrants and the majority predominantly rural and Catholic indigenous population. The ethnic-religious tensions in Northern Ireland that persist today can be traced back to these early conflicts. In 1801, Great Britain took control of Ireland with the 'Act of Union', which incorporated Ireland into the United Kingdom and dissolved the Irish Parliament. The most important historic events in Belfast's history are highlighted in Box 1 (see below).

Fig. 2: Northern Ireland



Source: www.geoatlas.com

Before industrialisation, Belfast's economy was based on trade and the export of goods such as wool, grain, butter and salted meat. A major impetus for the industrial economy came from the opening of the American colonies in the 17th century. Linen weaving was introduced by French Huguenot refugees in the late 17th century. By the start of the 18th century, Belfast had developed into a bustling provincial town of 20,000 inhabitants. With the industrialisation of linen production in the 19th century, Belfast became the world's largest production centre for this textile. The harbour was expanded throughout the 19th century. New industrial sectors such as

brewing and rope and sail-making were added. More important, however, was the development of shipbuilding as a key industry. The shipbuilding company Harland & Wolff was founded in 1861. By the 1914 it was by far the city's largest employer, with a workforce of 14,000, and had become the largest shipbuilder in the world (Fig. 3). The company is widely known for the construction of the *Titanic*, which tragically sunk on its first voyage across the Atlantic.

Belfast's industrial development during the 19th century was remarkable, given its remoteness, lack of energy supplies and raw materials (Royle, 2006, p 19). A third important sector, engineering, was added to Belfast's industrial 'portfolio' in the early 20th century. In the years before and during World War II aircraft production became another important sector.

Box 1: Timetable of important events for Belfast and Northern Ireland

1177	Construction of a castle at Belfast
1613	Beginning of modern history: town receives Charter of Incorporation from King James I
17th C.	Britain encourages settlement of Protestant migrants from British Isles to control rebellious Ulster; violent clashes ensue
17/18th C.	Under rule of the Chichesters; city develops as market town and port.
18th C.	Development of linen production (earliest industry)
1801	'Act of Union': England incorporates Ireland
1845	Foundation of Queen's University Belfast
1861	Harland & Wolff shipyard founded; Belfast becomes important centre for shipbuilding
1888	City status granted by Queen Victoria; construction of representative buildings (e.g. new City Hall) and infrastructures
Late 19th C.	Fast population growth: Belfast overtaking Dublin as largest Irish city
1912	Titanic built by Harland & Wolff starts voyage to America
1912/1914	Conflict over 'Home Rule' for Ireland; first rise of paramilitary groups Irish Republican Army (IRA) and Ulster Volunteer Force (UVF)
1919-1921	Irish War of independence against British occupation
1921	Ireland divided into independent Republic of Ireland and province of Northern Ireland under British control
1921-1972	Stormont governs Northern Irish affairs subject to Westminster approval and funding
1941	Population of Belfast peaks at 440,000
1969-1994	Period of the 'Troubles'; British army occupation
1972-1999	Northern Ireland under 'Direct Rule' from London; suspension of parliament at Stormont
1985	Anglo-Irish Agreement on status of Northern Ireland
Mid-1980s	Peak of urban crisis due to deindustrialisation and violent conflict
	Physical regeneration: Belfast Urban Area Plan, 'Making Belfast Work' Programme
1989	Creation of Laganside Corporation, an Urban Development Corporation to implement regeneration of riverfront
1994	Paramilitary ceasefires
1994	EU assists peace process with special programme (PEACE)
1997	Election of New Labour government in UK
1998	'Good Friday' or Belfast Agreement negotiated between Irish and British governments and major Northern Irish political parties
1999	Reinstatement of elected Northern Ireland Assembly
2002	Plan to develop Titanic Quarter on former shipyard
2003/04	'Belfast: State of the City' initiative and Masterplan
2002-2007	Suspension of Northern Irish Assembly and re-imposition of 'Direct Rule'
2005	IRA announces end of armed campaign
2007	2nd reinstatement of elected Northern Ireland Assembly

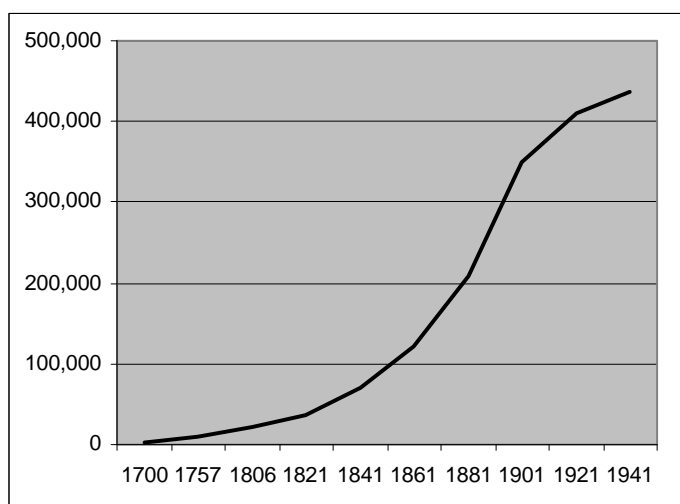
Fig. 3: Workers leaving Harland & Wolff shipyard after shift, around 1910



Source: www.rediscoverni.com

The industrialisation process was fuelled by an ample supply of cheap labour from poor and rural Ulster. Due to the influx of these immigrants, the proportion of Catholics in the 'Protestant city' increased significantly (Boal, 2006, p 71). The population increased from 20,000 at the beginning of the 19th century to 350,000 by the end (Fig. 4). As a result of the rapid growth, Belfast even overtook Dublin as the largest Irish city in the late 19th century. Due to industrialisation and the influx of 'Irish' migrants Belfast was more similar to Glasgow or Liverpool than Dublin (Hanna, 1999, p 197). In 1891, it had become the ninth largest city on the British Isles. In 1888, Queen Victoria granted Belfast city status. The rapid expansion period also saw the erection of many civic buildings, such as the Grand Opera House (1895) and the new City Hall (1906) (Fig. 5). Due to this dynamic process, Hanna (1999, p 197) described Belfast as "basically a creation of nineteenth century industrialisation".

Fig. 4: Population Development, Belfast (1700-1941)



Sources: NISRA online, 2006; Boal and Royle, 2006; time-axis not calibrated.

Fig. 5: Belfast City Hall



Source: all photos by J. Plöger unless stated otherwise.

Yet, while Belfast was booming economically, political tensions in Ireland were increasing. With the growth of nationalism in 19th century Europe, nationalist groups demanding political autonomy also emerged in Ireland. Opposing paramilitary groups were formed: The Ulster Volunteer Force (UVF), formed in 1912, representing Loyalist or Unionist (and mostly Protestant) interests, supporting integration within the United Kingdom; and the Irish Republican Army (IRA), formed in 1914, representing Irish Republican (and mostly Catholic) interests. The disputes over the issue of Irish 'Home Rule' eventually led to civil war. The hostilities were ended in 1921 and resulted in the partition of Ireland into the independent Republic of Ireland and the province of Northern Ireland remaining with the United Kingdom. As a devolved province, Northern Ireland had its own elected legislative at the impressive Stormont parliament buildings, which came to symbolise the special union between the province and Britain.

The underlying tensions among the population however were only temporarily calmed. Graham and Nash (2006, p 254) argue that "the establishment of Northern Ireland in 1921 resulted from an attempt to guarantee an electoral majority for those who wished to remain in the United Kingdom but created a (large) minority for whom the existence of Northern Ireland violated the 'natural' unity of the 'Irish Nation'."

2. CRISIS

Belfast's fortunes already started to turn as early as the 1930s. The worldwide economic recession of that period badly affected Belfast's export-dependent economy. In addition, its importance as a centre for shipbuilding and engineering industries made the city a major target for German air attacks during World War II. This early decline came sooner than in most Western European industrial cities and also among the cities we study. However, the decline was slow at first and interrupted by brief boom phases, for example in the post-war period. The most dramatic phase of decline started in the 1960s and affected all three of the most important manufacturing sectors; linen production; shipbuilding; and engineering. This was worsened by the escalation of the violent civil conflict. The consequent urban crisis left Belfast deeply scarred. A government report stated that Belfast was facing "economic, social, commercial and physical development problems unparalleled in any major city in Europe" (quoted in Hanna, 1999, p 198).

2.1 Deindustrialisation

Manufacturing employment in Belfast grew until the early post-war period. While the main decline began in the 1970s, the key industrial sectors were hit by crisis earlier. At the beginning of the 1950s, linen and shipbuilding contributed one third of all manufacturing employment between them (Hart, 2006, p 87). The linen industry declined rapidly in the post-war period because of a fall in demand and the rise in competition from other cheaper products. This resulted in a reduction of the workforce in this industry from about 45,000 in 1927 to 30,000 in 1952 (*ibid*). Shipbuilding went into decline in the 1960s. By 2001, Harland & Wolff employed only 1,500 workers, down from more than 20,000 in the 1950s (Fig. 6). During the 1960s 26% of all manufacturing jobs were lost (*ibid*, p 89). Still, the loss of jobs in this sector was countered by an overall increase in employment, due to the expansion of service sector jobs. Additionally, the continuing disappearance of industrial employment in Belfast did not yet represent a general process of deindustrialisation for Northern Ireland, but rather 'industrial suburbanisation'. Most of the newer industries were located outside the city boundaries in industrial estates developed since the 1950s (*ibid*, p 88).

From the 1970s, Belfast experienced overall employment losses. Like elsewhere, this decline was linked to dramatic global economic restructuring underway since the early 1970s. The ongoing decline of manufacturing could no longer be offset by the growth of the service sector, particularly in the public sector. Deindustrialisation was aggravated by the dominance of older, less competitive industries (Borooah, 1998, p 269). Further negative factors were the detrimental impact of the violent conflict in Northern Ireland on inward investment and the peripheral location of Belfast in an increasingly integrated European market. As can be observed from Figure 7, the proportion of the workforce employed in manufacturing declined by roughly ten percent in each decade between 1950 and 1990. This was matched by a sharp decline in manufacturing jobs as illustrated by Figure 8. Between 1973 and 1991, the number of jobs in this sector declined from 67,000 to 18,000. The bulk of job losses in this period were caused by the crisis of large industrial companies like Harland & Wolff (shipbuilding),

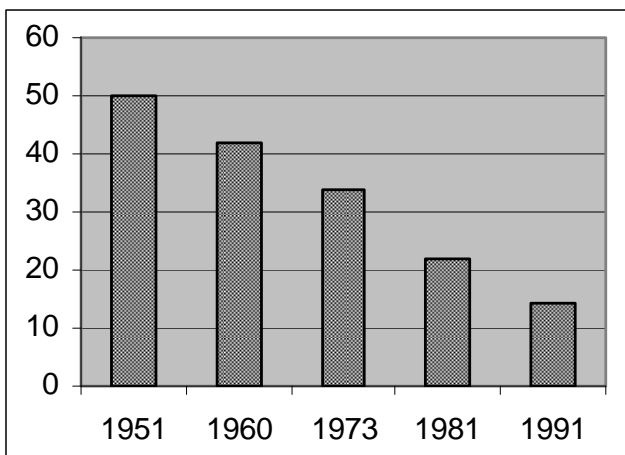
Mackie's (engineering) and Shorts Brothers (aircraft manufacturing) (*ibid*, p 90). This decline occurred despite Northern Ireland's industrial sector receiving far higher subsidies from the British government than any other region (OECD, 2000, p 23).

Fig. 6: Harland & Wolff shipyard cranes: reminders of a once important industry



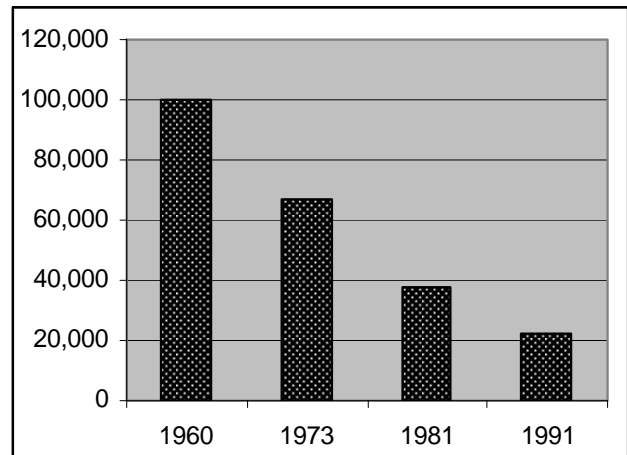
Source: wikipedia

Fig. 7: Percentage of workforce in manufacturing employment, Belfast (1951-1991), in %



Sources: Hart, 2006; Gaffikin and Morrissey, 1999.

Fig. 8: Employment in manufacturing, Belfast (1960-1991)



Sources: Hart, 2006; Gaffikin and Morrissey, 1999.

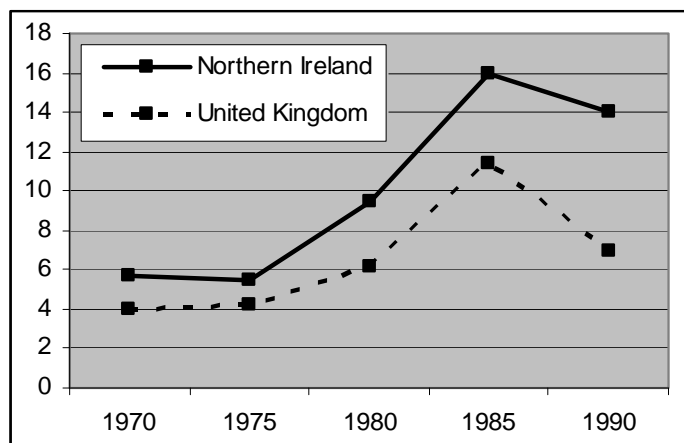
Note: value for 1960 based on estimates

2.2 Labour Market Problems

The job losses were reflected in a growing unemployment rate. The scale of the crisis is demonstrated by the fact that Northern Ireland had the highest unemployment rate of all UK regions throughout the 1970s and 1980s.² Figure 9 shows the development of unemployment for both the UK and Northern Ireland over these two decades. Both increased until the mid-1980s, then started to decline, but the unemployment rate was far higher in Northern Ireland. In Belfast it peaked at 17% in 1987 (Borooah, 1998, p 273).

In Belfast, unemployment showed high levels of spatial variation. This indicates extreme levels of socio-economic polarisation across the city. While unemployment in West Belfast with its patchwork of segregated, working-class areas reached 40%, middle-class areas to the South remained less affected by the crisis (Hart, 2006; OECD, 2000, p 20; Leonard, 1998). For a significant proportion of the population exclusion from the new labour market and a deep-rooted 'dependency culture' became a reality (Gaffikin and Morrissey, 1999). This is reflected in the high proportion of households dependent on benefits and the rates for economic inactivity and long-term unemployment, which were considerably higher than the UK average. The rate of long-term unemployed among those without work reached 50% during the 1980s; almost double the UK average (Gaffikin and Morrissey, 1998). Until the early 1990s, Northern Ireland ranked among the 25% poorest regions in the EU (OECD, 2000).

Fig. 9: Unemployment rate, Northern Ireland and United Kingdom (1970-1990), in %



Source: NISRA online, 2006; Department for the Environment for Northern Ireland.

Another particular characteristic of the Northern Irish labour market, and a sign of its lack of sustainability, was the much higher than average proportion of employment in the public sector. The public sector was boosted during the 'Troubles' in the 1970s and functioned as sort of a 'safety net' in a very problematic economic situation. As the regional capital, almost three quarters of the public sector jobs in Northern Ireland were located in the greater Belfast area.

² The data for Belfast was incomplete and inconsistent. Therefore data for Northern Ireland was used instead.

With the implementation of strict non-discriminatory employment practices, Catholics in particular were able to benefit from new jobs in the public administration, while Protestants often found employment in the security forces (Murtagh and Keaveney, 2006, p 190; N. Jarman, interview). The Catholic population had experienced long-term disadvantages in job allocation. Large industrial employers had recruited their workforce mainly from the Protestant population. As these industrial jobs disappeared, this disproportionately affected the Protestant community, while Catholics managed to access jobs they were formerly excluded from, mainly in public services. These tendencies also contributed to the rising tensions between the two communities.

The labour market also suffered from the outflow of more highly skilled workers, who were driven out by the impact of the 'Troubles' on the quality of life and shortage of well-paid jobs in Northern Ireland.

2.3 The Violent Conflict

Until the late 1960s the religious tensions in Northern Ireland were expressed through violent outbursts only sporadically. The so-called 'Troubles' – to which the Irish Nationalists even referred to as a 'Civil War' – broke out in the late 1960s and only ended with the peace process in the 1990s. The IRA started a more substantial campaign against what was perceived as the British occupation of Northern Ireland in 1969. The status of Northern Ireland had never been accepted by the IRA but the 'Troubles' broke out over civil rights and republican ideals in the late 1960s. The British government responded to the outbreak of the conflict by increasing its military presence. The 'Bloody Sunday' massacre in Londonderry in 1972 stands out as one particularly violent incident. In an apparent attempt to re-establish order in the province and to create a less discriminatory public sector administration, the UK government abolished Northern Ireland's parliament at Stormont in 1972 and imposed 'Direct Rule' (Knox and Carmichael, 2006, p 945).

Fig. 10: Riot police during the 'Troubles'



Source: www.flashpoints.info/CB-Northern%20Ireland.htm

The conflict left terrible scars on Northern Ireland's population and many people were traumatised (Fig. 10). During the course of the conflict 3,600 people were killed, another 40,000 injured. Much of the violence took place in Belfast, where bombs became a part of life. Between 1969 and 1999 there were 1,527 deaths in the city directly resulting from the violent conflict (Murray, 2006, p 225). Two thirds of the victims were civilians. Many areas became insecure and some were effectively 'no-go zones'. The city centre was regarded by the IRA as a legitimate economic target of their bombing campaign in the 1970s and 1980s (OECD, 2000). The consequence was the construction of a "ring of steel" with protective barriers and its virtual closure after 6pm.

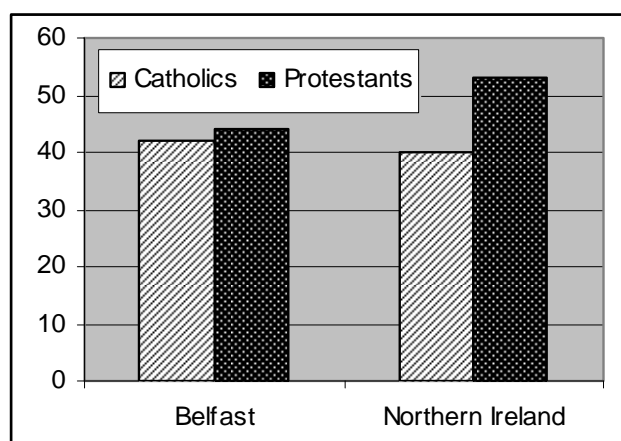
2.4 Community Conflict and Segregation

"The conflict in Northern Ireland remains inherently territorial and the 'ground' a key political resource." (Graham and Nash, 2006, p 262)

Belfast is a highly divided city. Many neighbourhoods have an almost homogeneous religious structure. As Figure 11 shows, the population of Belfast divides almost equally into Catholics and Protestants. Segregation of the two communities intensified during the 1970s and 1980s due to the impact of violence (Shirlow and Murtagh, 2006, p 22). According to reports, 80% of the population lived in 'segregated streets' of either Protestants or Catholics by the 1980s (Boal, 2006). Council housing has become almost entirely segregated as well (Shirlow and Murtagh, 2006, p 272).

"Land use planning has been an arduous task in Northern Ireland over the past decades. Not only has the legitimacy of any state intervention been questioned by a large proportion of the Nationalist community, but the 'Troubles' have created a society polarised along sectarian lines that has resulted in specific planning related issues of social and economic deprivation, distorted land markets, blighted space and the duplication of many urban services." (Boal, 1999)

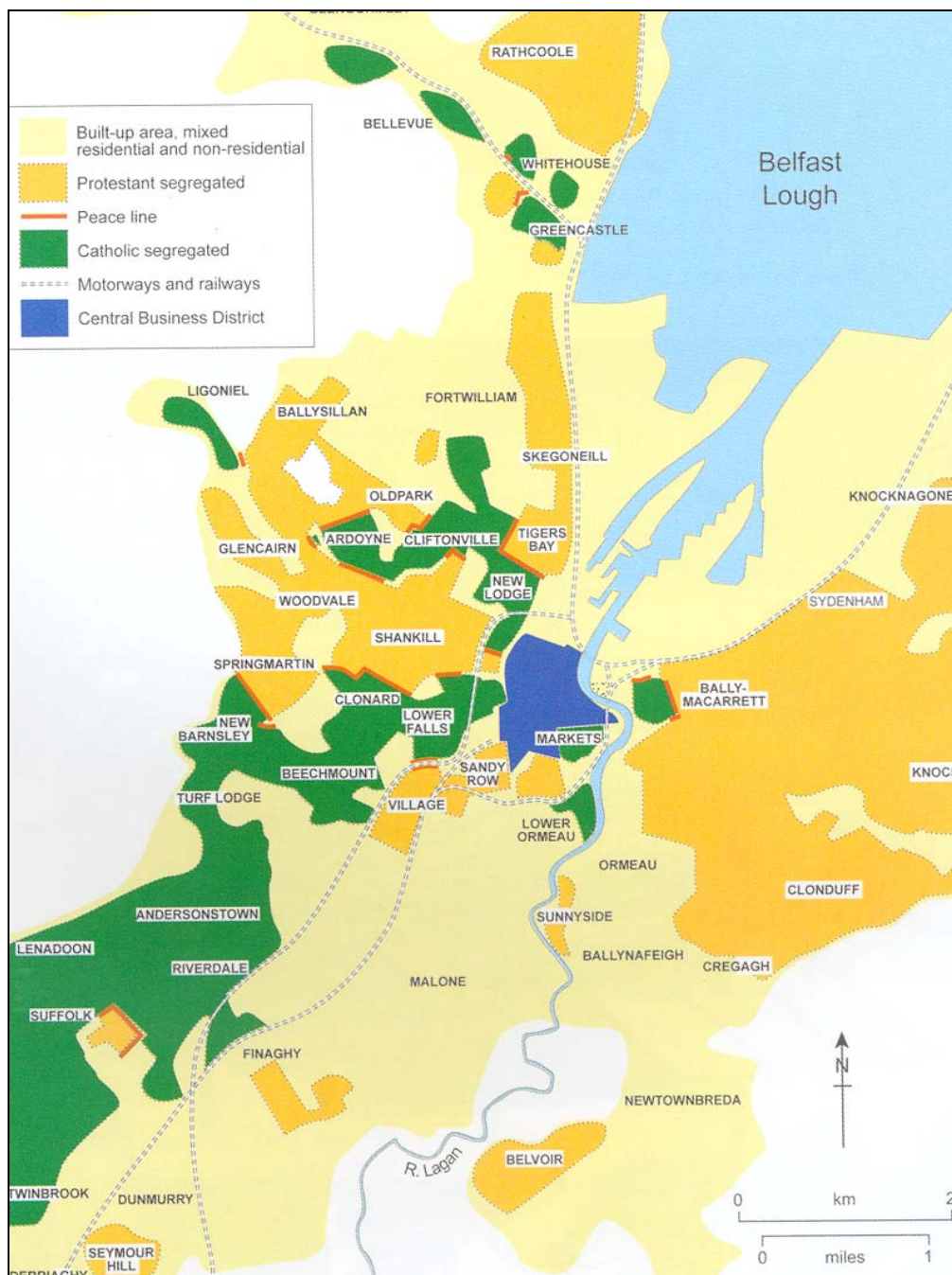
Fig. 11: Religious affiliation, Northern Ireland (2001)



Source: Equality Commission (online)

Deprivation in Northern Ireland is concentrated in Belfast. Nine out of the ten most deprived wards in the province are located in the city (NISRA, online). Figure 12 shows the most segregated areas in West and North Belfast (Graham and Nash, 2006, p 267). Here, so-called 'Peace Lines' form a physical divide between Protestant and Catholic neighbourhoods (Fig. 13). Since the outbreak of the violence, 17 miles of 'Peace Lines' have been erected (Murtagh, 2002, p 46). These security divides are usually closed during the night and on weekends to provide protection to communities from possible hostilities.

Fig. 12: Community segregation, Belfast (2000)



Source: Boal, 2006, p 75

Fig. 13: 'Peace Line', North Belfast



Fig. 14: Blighted interface area, North Belfast



The areas where the two communities share common boundaries are called 'interface areas'. In 2005, there were 25 physical 'interfaces' (Shirlow and Murtagh, 2006, p 61). These areas are particularly affected by urban blight, especially in Unionist communities which have experienced steeper population decline (Fig. 14). In the most contested and segregated areas, paramilitary groups often play a significant role. The visible display of their presence through murals is a well-known image of Belfast's urban landscape (see Figs. 15 and 16).

Fig. 15: Loyalist paramilitary mural, West Belfast



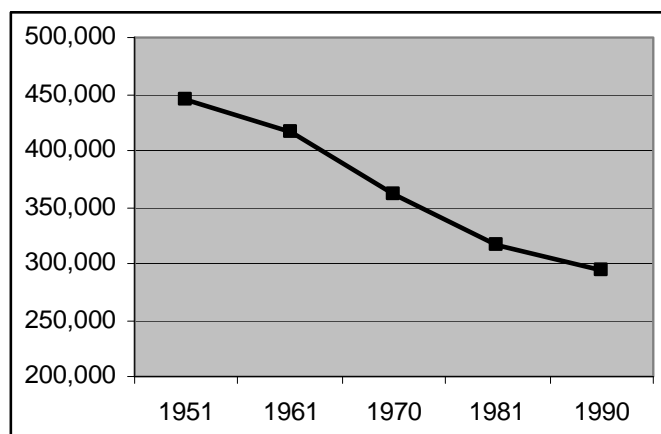
Fig. 16: Loyalist paramilitary mural, North Belfast



2.5 Population Decline

The loss of employment and increasing problems associated with living in a divided city, were mirrored by a sharp decline in Belfast's population. The population reached its peak with 444,000 inhabitants in the late 1940s and has declined continually since. Figure 17 shows the population decline between 1951 and 1990, when the city lost a third of its inhabitants.

Fig. 17: Population decline, Belfast (1951-1990)



Sources: NISRA, online; Boal and Royle, 2006

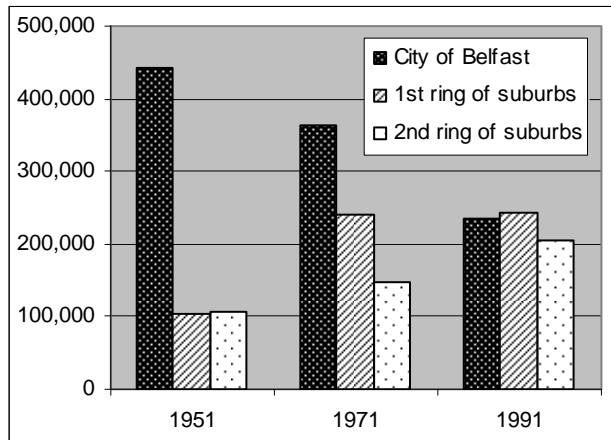
The most dramatic decline occurred throughout the 1970s and 1980s matching the decline of manufacturing employment and rising unemployment described above. Although other UK cities such as Liverpool and Glasgow also experienced sharp population decline over this period, Belfast certainly ranks among the most dramatic losers, in comparison with our other European case study cities.

2.6 Suburbanisation and Sprawl

A large part of the population decline in the city can be attributed to suburbanisation. The extent of suburbanisation is exceptional, even among our research cities which shared this problem. Many households relocated to the suburbs to escape the divisions, insecurity and decline of the city. Between 1951 and 1991 the City of Belfast lost about 205,000 inhabitants, while the adjacent suburban counties grew by about 237,000. The proportion of the city population in relation to the suburban population in the metropolitan area decreased from the two thirds to not over one third. Suburbanisation in Belfast was mainly driven by the Protestant middle-class moving out. The process is shown in Figure 18.

Planning policy has reinforced suburbanisation. The 1964 Regional Plan for Northern Ireland for instance provided for the development of peripheral growth poles and new towns around several existing towns (e.g. Ballymena, Antrim, Carrickfergus, Newtownards, and Bangor) (Morrison, 2006). The 1960s also saw the improvement of large transport infrastructures such as the construction of new motorways (Smyth, 2006).

Fig. 18: Population development in city and suburbs, Belfast Metropolitan Area (1951-1991)



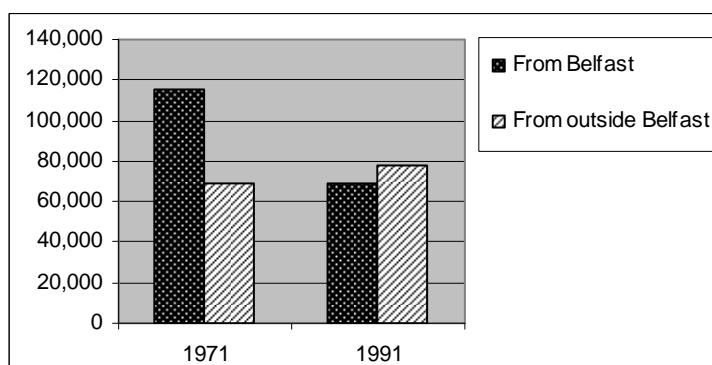
Source: Boal, 2006, pp 58, 82

Note: The Belfast Metropolitan Area consists of the City of Belfast plus the first and second suburban rings. The first suburban ring (or outer suburbs) includes Lisburn, Castlereagh, Newtownabbey and North Down; the second suburban ring (or outer metropolitan area) includes Carrickfergus, Antrim, Comber, Newtownards and Bangor.

Commercial development followed residential suburbanisation to cash in on the purchasing power of the middle-classes and to offer safe shopping spaces. During the 1970s, Belfast showed the highest rates of retail decentralisation in the UK (www.geographyinaction.co.uk). This trend continued in the 1990s when three large suburban shopping malls were built in suburban counties.

Due to this massive suburbanisation, the Belfast metropolitan area is now one of the most sprawling in the UK. Public transport connections are scarce, poorly organised and needing modernisation. According to one study, Belfast is the most car-dependent metropolitan area in the UK and has more roads per capita than any other city (McEldowney *et al*, 2003). Belfast is even held to be the most car-dependent medium-sized city in Western Europe (Smyth, 2006, p 100). The fact that 44% of Belfast households do not even own a car, underlines the social inequalities that this transport pattern creates between relatively well-off middle-class suburbanites and impoverished working-class dwellers of inner-city neighbourhoods (*ibid*). Figure 19 shows how the share of commuters to jobs in Belfast has shifted towards the suburbs.

Fig. 19: Origin of commuters to jobs in Belfast (1971-1991)



Source: Smyth (2006:110); amended.

3. RECOVERY: ACTION TAKEN

3.1 Early Reinvestment (since 1980s)

The peace process was a key catalyst for change in Belfast, activating a whole range of recovery projects and initiatives. It is therefore tempting to underestimate earlier efforts undertaken in the 1980s and early 1990s. Hanna (1999, p 199) has highlighted that important progress was already being made in the midst of the violent conflict:

- the widely acknowledged improvements to the quality of (public) housing, carried out by the Northern Ireland Housing Executive;
- major infrastructure improvements in roads, railways, energy supplies and telecommunications;
- major regeneration of the Port of Belfast by the Belfast Harbour Commissioners;
- large-scale regeneration of the Lagan riverside; and
- the ongoing regeneration of the city centre.

Under the Thatcher government, private-public partnerships such as Urban Development Corporations (UDC) and area-targeted approaches based on physical renewal with an urban focus became a priority. This regeneration phase was based upon physical intervention in strategic central areas.

The first strategic efforts towards the regeneration of Belfast were made at the height of the 'Troubles' and urban decline, with the 'Making Belfast Work' programme in 1988 and the Belfast Urban Area Plan in 1990. The Belfast Urban Area Plan, developed by the Department of the Environment – the central government department which is also responsible for planning in Northern Ireland – was formally adopted in 1990 (OECD, 2000, p 28). This strategic development document was important because it laid out the major future lines of intervention for policy-makers. It identified three major tasks for recovery actions in Belfast:

- strengthen the city's role as a regional centre for Northern Ireland;
- create a physical environment and framework for social and economic activity which will enhance the quality of urban living; and
- facilitate an efficient, economic and orderly pattern of development.

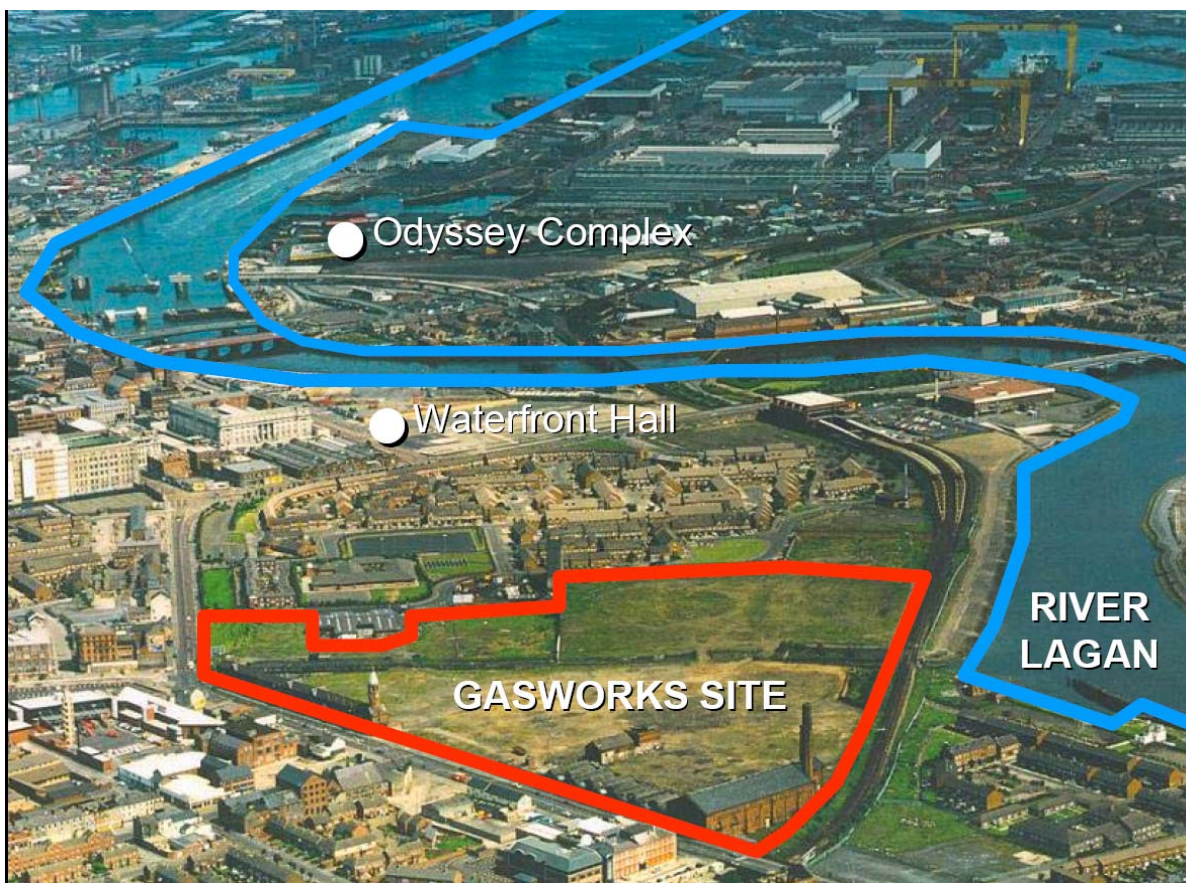
Two of the main regeneration projects during this initial phase of urban regeneration were the Laganside redevelopment and the revitalisation of the city centre, described in the following sections. These developments greatly facilitated the peace process by introducing new forms of partnership and breaking down barriers through the creation of 'neutral' zones in the centre of the city.

Laganside

In the late 1980s a decision was taken to redevelop a large area of 300 acres alongside the river Lagan. The land was mostly derelict and contaminated by previous industrial activities. It was badly connected to the rest of the city and had become a symbol of urban decline. The adjacent neighbourhoods displayed high levels of social deprivation with unemployment rates of 30% or more (OECD, 2000). Nevertheless, the project was an attempt to exploit the “potential of the property market to recover the city from economic decline and political turmoil” (Sterrett *et al*, 2005, p 380) and “to create a new economic space in the city” (OECD, 2000, p 11). Figure 20 shows the plan for the new use of land alongside the river Lagan in the mid-1990s.

The Laganside Corporation, an Urban Development Corporation (UDC), was set up as a public-private partnership with major British government funding in 1989 to manage and implement the redevelopment of the derelict area and renamed it Laganside. There was agreement on the establishment of this body as a partnership between government departments, statutory agencies such as the Northern Ireland Housing Executive (NIHE), the Belfast Harbour Commissioners and Belfast City Council. The UDC model was based on previous experiences from the regeneration of waterfront areas in Baltimore (USA) and the London Docklands. Yet, in contrast to other UDCs, Laganside was not given additional powers over planning, public housing or building control, all of which remained under the control of central government.

Fig. 20: Laganside area before redevelopment



Source: Belfast City Council (online)

The objective of Lagganside was to bring social, physical and economic regeneration to the land on both sides of the river, most of which was under public ownership, although the Lagganside Corporation itself did not usually become the landowner. The corporation had two main tasks: to tackle the environmental problems of the river and used sites and to create residential, civic and commercial properties along the riverbank.

Government and EU money was used, as a catalyst to attract private-sector investment. Up to 1998, the Lagganside Corporation received £55 million from central government, £29 million from the European Regional Development Fund (Objective 1) and an additional £40 million for a Millennium Project.

Fig. 21: Lanyon Place with Waterfront Hall



Fig. 22: Gasworks site with Radisson Hotel



The following are the main projects developed in the Lagganside area (see also Fig. 23):

- A key project – already developed in the early 1990s – was the relocation of the **Lagan Weir** further downriver to protect land adjacent to the city centre from the impact of tides. The aim was to increase the value of the adjacent land by eliminating the mud flats caused by the tides and to open the river for leisure activities and to market the riverside land for property development. The project also included river dredging and aeration to improve water quality.
- The flagship site development from the mid-1990s was **Lanyon Place** on the riverfront area closest to the city centre (Fig. 21). The key project was Waterfront Hall, which serves as a centre for conferences and cultural events. Private investment on this site also includes the Hilton Hotel and the regional headquarters of BT.
- Another major part of the Lagganside redevelopment is the **Gasworks** complex, begun in the mid-1990s. This site was occupied by the former city gasworks, which had closed down in 1987. The previous use of the land for gas production and storage had heavily contaminated the site. Land decontamination was a major task and its success was recognised with a prize in 1998. The development strategy was agreed to by the Gasworks Trust, which was composed of Belfast City Council and the Lagganside Corporation and included local community groups (e.g. South Belfast Partnership). Most of the site was developed as an office park (e.g. Halifax, Abbey National and Prudential call centres and government offices) and for commercial use (e.g. Radisson Hotel) (Fig. 22).

- The **Odyssey** complex – opened in 2000 - was built as a Millennium project on derelict land across the river. It is an entertainment complex with cinemas and an arena for sports and concerts as well as a shopping centre.

Fig. 23: Laganaside – a selection of major projects

Project	Description / Uses	Development period	Funding (in million £)
Lagan Weir	Control impact of tides along river Lagan	1991-1994	14
Cross-harbour road and rail bridges	Transport infrastructure	Early 1990s	DRD
Lanyon Place	The flagship site; e.g. Waterfront Hall (congress centre); private companies: Hilton Hotel; BT	Redeveloped since 1990; Waterfront Hall opened 1997	Waterfront Hall (35): - BCC (21) - LC (10) - EU (4)
Gasworks complex	Business park: incl. large call centres; hotel; government departments	Since mid-1990s	115
Odyssey complex	Entertainment (cinemas) and arena (sports, concerts); shopping centre	Opened: 2000	Total: 92 - MC (45) - Sheridan Group (cinemas) (17) - DENI (17) - LC (9) - Sports Council NI (3)
Cathedral Quarter	Revitalisation of the inner-city with a focus on culture	1997 onwards	

Sources: OECD, 2000; Bairner, 2006

Notes: Abbreviations: Belfast City Council (BCC), Department for Regional Development (DRD), Laganaside Corporation (LC), Department of Education for Northern Ireland (DENI), Millennium Commission (MC), European Union (EU)

Fig. 24: Fish with tiles depicting parts of Belfast's history, Laganaside



City Centre Revitalisation

During the mid-1980s, at the height of the 'Troubles', the city centre was stripped of much of its role within Belfast and the wider metropolitan area. Due to the insecurity caused by frequent bombings, it literally became a high-security zone during the day and a 'no-go-zone' at night. This resulted in the relocation of many shops and businesses to safer locations. The city centre became increasingly characterised by urban blight, derelict buildings and vacant sites. One of the objectives of urban regeneration was to reinstate the city centre as a central focus for commercial activities and jobs as well as creating attractive spaces and residential uses. When the security situation improved towards the end of the 1980s, this opened up the opportunity for Belfast to recover its former significance.

The aim was to bring an urban quality of life and activities to the central area. In 1986, Belfast City Council inaugurated the refurbished Smithfield Market on the edge of the city centre in its original Victorian building. The private sector constructed the first city centre shopping mall, Castle Court Centre, in the late 1980s. Several central areas were pedestrianised. Since then, further private sector investment has gone into retail, bars, restaurants and cultural developments, demonstrating the confidence of investors. Possibly the biggest achievement was to turn the city centre into a 'neutral space', stripped of any ethno-religious meaning and labelled as neutral for all the inhabitants of the city.

New Housing Body

Alongside access to jobs, access to public housing was a highly contentious topic plagued with widespread discrimination, gerrymandering, and politically vested interests based on entrenched views. After the implementation of 'Direct Rule' – the Northern Ireland Housing Executive (NIHE), a unique body in the UK, was set up in 1974 to remove all council housing and related powers from local authorities and place them under a province-wide independent body. The NIHE is a quango which reports directly to the Northern Ireland Minister for Social Development and is thus not accountable to locally elected politicians (Murtagh, 2002).

NIHE has delivered the largest publicly funded house building programme in the UK and received substantial central government funding in a time when other local authorities were mostly denied this. Throughout the 1980s social housing was the single most important public spending priority in Northern Ireland (Murtagh, 2002). Housing-led regeneration in Belfast in the 1980s focussed almost entirely on two-storey terraced housing (Morrison, 2006, p 151).

3.2 The Peace Process – a Catalyst for Change

In Belfast, initial regeneration efforts were begun in the 1970s and expanded in the 1980s. Regeneration was however being delivered in a region that did not enjoy 'normal' conditions. Community clashes and paramilitary violence, sectarian divisions, the military presence, and intermittent bombings, were a clear barrier to any long-term, coordinated recovery strategy. A substantial commitment to peace was required.

Complicated negotiations between the key actors, many of them directly engaged in the conflict, took place from the 1980s onwards. In 1985, through the Anglo-Irish Agreement signed by the British and Irish governments, it was agreed that the Republic of Ireland should play an advisory role in the governance of Northern Ireland and that the province would only change its status if there was clear support from a majority of the population (Graham and Nash, 2006, p 254). However, this accord did not result in an end to sectarian conflict in the North.

The peace process finally gained some momentum in the early 1990s when the paramilitary ceasefires began in earnest. The official end of the 'Troubles' was marked by the signing of the Good Friday or Belfast Agreement in April 1998. This agreement was personally negotiated by the British Prime Minister Tony Blair, the Irish president Bertie Ahern, and the main party leaders of Northern Ireland. It established the basis for a new power-sharing administration for Northern Ireland. During the Clinton administration the US government also played an important role and the peace talks were chaired by Senator Mitchell.

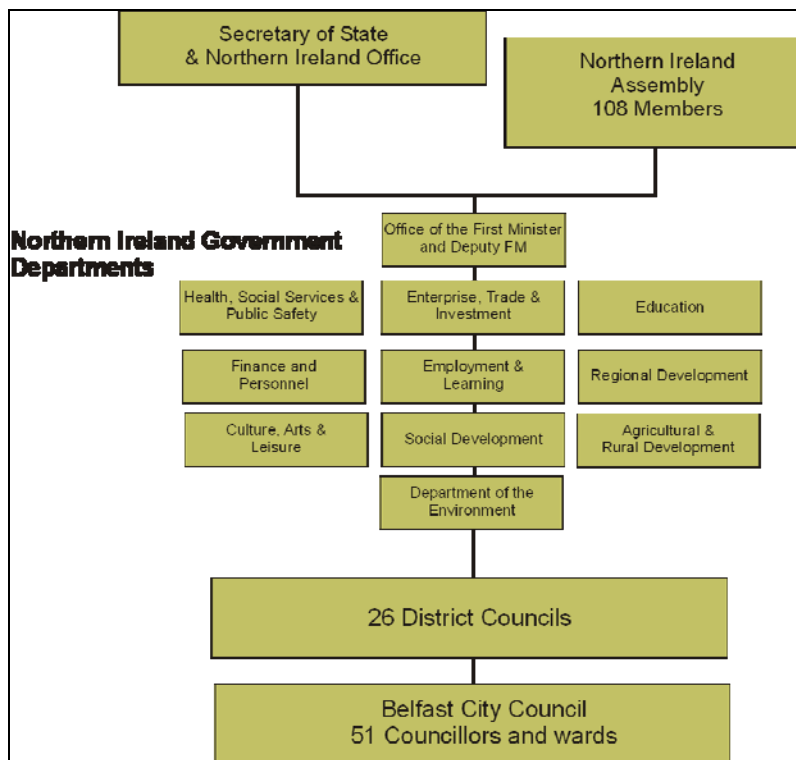
For Belfast, this breakthrough offered a historic chance to become a 'normal' city. Hope and expectations ran high as the possibility of rebuilding the fortunes of this once wealthy city gained ground. The chance to create an environment of positive change and to overcome deep social divisions was greeted with relief by Northern Ireland's leaders and communities, even though many practical hurdles remained. The peace process acted as a catalyst for substantial support, investment and the development of many innovative approaches to city rebuilding.

3.3 Levels of Government

Regional and Local Powers

Northern Ireland was stripped of a directly elected regional government during the period of 'Direct Rule' which was imposed in 1974 and which finally ended in 1998. Only when the peace process was established and the security situation improved, did Westminster start ceding powers to regional and municipal authorities in Northern Ireland in a step by step process of devolution. One part of the Belfast Peace Agreement was the setting up of the Northern Ireland Executive with accompanying devolved regional powers in 1999. Due to political divisions, it was suspended between 2002 and 2007. During direct rule, Northern Ireland was governed by the Secretary of the State and his ministers through the Northern Ireland Office (Fig. 25).

Fig. 25: Northern Ireland Government Departments (in 2006)



Source: Belfast City Council

Belfast City Council

The long-term uncertainties over Northern Ireland's status and governance have meant that local authorities including Belfast City Council enjoyed few powers after 'Direct Rule' was imposed in 1972. Box 2 sets out the political composition of the city council.

Box 2: Local government structure in Belfast

Belfast City Council is the elected body responsible for the city with 51 elected councillors representing nine electoral areas across the city:

- The councillors elect a Lord Mayor and Deputy Lord Mayor who hold the ceremonial office for one year.
- The role of the councillors is to represent their constituencies but they should also represent the interests of the whole city.
- The Council is governed through a committee system. Political representation on each committee is based on the number of seats each party holds on the council. There are currently six committees: strategic policy and resources; parks and leisure; development; health and environmental services; licensing; town planning. The Council delivers some key services.
- Representation of political parties, number of councillors (2006):
Democratic Unionist Party (15)
Sinn Féin (14)
Social Democratic and Labour Party (8)
Ulster Unionist Party (7)
Alliance Party (4)
Progressive Unionist Party (2)
Independent (1)

Source: Belfast City Council, 2007

Belfast City Council has only recently gained wider local control over service provision (Fig. 26) (S. McCay, interview). The impetus for change came from the Peace Agreement and early on local economic development became a responsibility of Belfast City Council. Local government is gradually obtaining more autonomy but local political tensions have slowed the process and the changes do not yet amount to the equivalent levels of devolution in other European and British cities.

Fig. 26: Evolution of Belfast City Council's responsibilities (selection)

Statutory remit after implementation of 'Direct Rule' in 1973	Expanded remit since 1992	Proposed new remit according to Review of Public Administration
<ul style="list-style-type: none"> • Refuse collection • Public register • Leisure and recreation facilities • Building control • Cemeteries • Tourist amenities • Environmental health 	<ul style="list-style-type: none"> • Local economic development • Lead role in establishing local partnerships • Community development • Local Agenda 21 • Community safety 	<ul style="list-style-type: none"> • Planning • Urban regeneration and community development • Local roads • Local tourism • Housing (some)

Source: Belfast City Council, 2006; Knox and Carmichael, 2006

Due to sustained complaints about discriminatory practices, planning and regeneration powers were taken away from local authorities and allocated in new Northern Ireland departments under stronger control from Westminster (Branson, 2007). Urban regeneration still remains a responsibility of the Department for Social Development. Local government was thus not in a position to have a major influence on urban regeneration, although Belfast City Council did develop some of its own sites in the Lagan side context. Most large-scale public sector investment decisions were made by central government (OECD, 2000) and the main spending programmes, such as education, health, social services, and housing were also outside its remit. However, Belfast City Council is 'testing the waters' in areas where it will eventually assume responsibility such as over urban renewal. One example is the small 'Renewing the Routes' project started in 2000, which aims to physically regenerate areas along major roads into the city.

In the late 1990s, Belfast City Council adopted a strategic long-term approach to developing the city's ability to adapt to change and overcome the crisis. At the forefront of the process was the Development department, created in 1999. Its objective was to consolidate the position of Belfast City Council as the civic democratic body leading the city's recovery.

Although Belfast City Council has played a relatively small part in running the city's major public services, it has played an important role in the development of the city's future. With no elected government at Stormont, the city council chamber became the major democratic debating forum and a focal point for disputes and discussions (Hanna, 1999, p 198). The council's role has often been that of facilitator of the dialogue Northern Ireland needed, in order to progress beyond the narrow debates of the past.

From the late 1990s, the city council took the initiative in planning a new future for the city, working on a more coherent and strategic approach. Since then, a number of plans and strategy statements have been produced.

Box 3: Documents related to 'State of the City' conference

- **Belfast Metropolitan Plan:** This strategic development plan for the metropolitan area was presented by Belfast City Council in 2001 and serves as a general guideline for development until 2015.
- **'State of the City' event:** As in other cities in our study, e.g. Leipzig, Bilbao, Torino, the city council organised an international conference in 2004, bringing together renowned urban experts to present the results of research relevant to the urban future of Belfast. Their input was channelled into several key documents which strengthened the focus on city competitiveness and the city-region concept.
- **'Belfast: Capital City, 2003-2006':** This was a strategic guideline document about what the city wanted to achieve in the future. It stated five major objectives: leadership; integration (physical and social); bringing back residents to central areas; environmental sustainability; and large-scale regeneration projects (e.g. events, Titanic Quarter, Cathedral Quarter). The updated version of the strategy for 2006-2010 mentions three main areas: strategic leadership; creating wealth; and quality of life.
- **'Belfast: A Competitive City':** Summarises an analysis of Belfast's competitiveness in a new global urban framework; identifies problems and recommends building regeneration initiatives around a strengthened city centre.
- **'Belfast: A Masterplan 2004-2020':** Private consultants commissioned by the council presented a plan to "stimulate intelligent debate on the many issues that face Belfast"; key actions: stronger partnership working and a clear vision for the future.
- **'Belfast: City-Region':** Research commissioned from *Regional Forecasts* to investigate the city-region relationship and to consider the implications for regional policy and the future strategic direction for Belfast.
- **'Belfast: Moving the City Forward':** Analysis of urban regeneration in Belfast and elsewhere; includes some general recommendations for regeneration.
- **'The Belfast To Do List':** a manifesto for change; signed by almost 40 organisations, including among others; local and central government agencies; quangos; local partnerships; regeneration companies; economic development agencies; and universities.

Central Government in Westminster

The Westminster government allocated considerable extra resources to Northern Ireland while funding a large and complex public sector, with government departments, quangos and local councils. Local government was split between 26 elected district councils. Each performed various local functions, while major public services such as health, social security and education were administered by statutory boards, controlled by central government (Hanna, 1999, p 196). According to some commentators the "complex mosaic of government departments, agencies, local authorities, non-departmental public bodies, boards and trusts prompted the criticism that Northern Ireland was 'over-governed' and 'over-administered'" (Knox and Carmichael, 2006, p 942).

To ensure that public services remained outside the political and sectarian religious sphere, many key responsibilities were vested in non-departmental public bodies (*quangos*), resulting in a patchwork of non-elected organisations carrying responsibility for a large share of the public budget (*ibid*, p 946). The Northern Ireland Housing Executive, which took over responsibility for the province's council housing at the onset of the 'Troubles' is maybe the best example of this.

Box 4: Two important efforts by central government in urban regeneration

- **'Making Belfast Work'**: This initiative was launched in 1988 by the Department for Social Development (DSD). It addressed the problems within low income neighbourhoods, targeting the most disadvantaged areas, through the establishment of a number of area-based partnerships across the city. By 2006, £275 million had been spent on over 350 projects which included the Gasworks Employment Matching Service (GEMS) which will be discussed below.
- **Belfast Regeneration Office (BRO)**: This agency was created inside DSD. Most of its funding comes from a central government fund for Northern Ireland (equivalent to ODPM's Neighbourhood Renewal Fund). According to officials at the DSD, it was the BRO which started the regeneration process in the city. Its main objective was to tackle spatial disadvantages, concentrating on the 10% most deprived areas of Northern Ireland. A total of 36 areas were identified, 15 of which are in Belfast. A major political problem with the selection process was that the most disadvantaged areas were predominantly Catholic, whilst the next 10% most deprived neighbourhoods were mostly Protestant and did not receive assistance. Initially the emphasis was on physical regeneration, but later public safety became another major objective. The BRO also manages some EU funding (PEACE II, URBAN II) and smaller local government programmes such as the 'Urban Development Grants', which support the private sector to invest in struggling areas.
- **'People and Place'**: The current Northern Ireland strategy for neighbourhood renewal by DSD. This is the main regeneration plan for urban disadvantaged areas.

European Community (Union)

As the UK's poorest and most peripheral region, Northern Ireland received substantial aid from the European Community. Within the province, the EU was often regarded as an unbiased broker, while the national governments of Ireland, the UK and also the USA (which became heavily involved during and after the Peace Process) were at various times viewed as biased and driven by their own particular interests (F. McCandless, interview). In Belfast, three main EU funding streams became important:

- **ERDF regional funding**: As one of the worst performing and most peripheral regions of the EU Northern Ireland received regional funding from the 1980s. It held Objective 1 status between 1994 and 2006. During the first period (1994-1999) the funding totalled £1.3 billion (OECD, 2000). For the recent funding period (2007-2013) its status was changed to Objective 2, which targets regions suffering from economic restructuring and industrial decline.
- **PEACE**: This programme for Peace and Reconciliation is an EU programme specifically designed for Northern Ireland to support the peace process in the region. The objective was to overcome the community divisions and enhance post-conflict social cohesion in the region. One of the aims was to fund projects that would bring different interests and actors together. The main thematic focus was on social inclusion. During the second period between 2000 and 2004, €600 million were made available. The main focus was now on economic development. Area renewal and improving community relations were regarded as two closely related processes. The urban regeneration component of the programme was focussed on 12 interface communities. Funding was secured for a third period from 2007 to 2013. Much of the PEACE money was allocated through a partnership body that acted as an intermediary. There was criticism that, especially during the first period, the funds were not always used well due to a lack of professional management (J. Dennison, interview). Another interviewee mentioned that it was possibly too much money on too short-term a basis (N. Jarman, interview).
- **Belfast Local Strategy Partnership (BLSP)**: The BLSP has acted as a trustee for the PEACE funding. About 250 projects were supported with an average funding of £100,000. The two major themes

are the support of social enterprise and civil society, while peace building remains the core objective. Another aim is to create 'shared places' to create contact and communication and eventually desegregate the urban landscape, increase security and reduce community tensions. On the physical side, projects include play spaces, local parks, gardens, halls, streets. The work of this organisation is overseen by a partnership board of representatives from local government as well as the other statutory, community, voluntary, business and trade union sectors (E. Jackson interview).

- **URBAN:** This EU initiative is targeting urban areas with a concentration of problems. During the second funding period funding was allocated in six deprived wards of North Belfast. It was implemented by the North Belfast Partnership. The areas are characterised by high levels of social deprivation, urban decline and segregation. One focus is the regeneration of decayed areas along the 'peace lines', and therefore similar to the areas focused on by the PEACE programme. The focus is on community building and the social economy. The investment of €10.6 million has attracted €6.5 million of further investment mostly from the public sector. The programme has been managed by DSD.

3.4 More Recent Regeneration Projects (since 1990s)

In spite of the fact that important projects were well established before the Peace Agreement, the underlying fear of sectarian violence was still a barrier to a full commitment to and belief in the recovery of the city. Additionally, the hoped for trickledown effects of those earlier investments were long coming and far removed from the social reality of many Belfast residents. However, in the mid-1990s, the gradual emergence of the peace process brought much more confidence to Belfast. A number of important projects were then developed in the post-conflict period and new projects are being added to the ongoing process of city centre revitalisation and the upgrading of the public realm. A selection is presented below.

Cathedral Quarter

In 1997 the Laganside Corporation took on the regeneration of a marginal area east of the city centre. The area is being regenerated with a focus on culture and the attraction of a creative class and has been renamed Cathedral Quarter after St Anne's Cathedral located in the area (S. McCay, interview) (Fig. 27). New housing developments and the refurbishment of existing housing and old industrial and commercial buildings have led to the area attracting new higher income residents. This is partly driven by the development of a new cultural complex and new investment in the campus of Ulster University located in the area. The Merchant hotel, one of the top hotels of its kind in Europe, was opened in 2006 re-using an old bank with all its luxurious features retained and converted attractively (Fig. 28).

Fig. 27: 'Cultural incubator' Black Box



Fig. 28: Merchant's Hotel, Cathedral Quarter



Titanic Quarter

One of the most ambitious regeneration projects currently underway is the redevelopment of a 75 ha area on Queen's island, a peninsula just outside of the city centre. This is Northern Ireland's largest brownfield site and was previously mostly occupied by shipyards, namely Harland & Wolff where the Titanic was built in 1912. The company still operates on a smaller piece of land with a fraction of the original workforce. Due to this heritage the area is now marketed as Titanic Quarter (www.titanicquarter.com). Not surprisingly, some controversy has arisen around the choice of name for this project. Bairner (2006, p 160) comments that "there may be something perverse about a city which seeks to brand itself through its association with disaster". The development plan foresees a range of mixed commercial, research and residential uses (Figs. 29 and 30). The site is owned by the Belfast Harbour Commission, which has leased it to two specially created public-private companies. It aims at creating 20,000 new jobs and attracting £1 billion of inward investment over the next 15 to 20 years (Branson, 2007). It is also hoped that some of the nearby working-class neighbourhoods in East Belfast that were most affected by the closure of the shipyard will eventually benefit from the redevelopment.

Fig. 29: Advertisement for Titanic Quarter



Fig. 30: Science Park, Titanic Quarter



North Foreshore

Another major site for future redevelopment is the North Foreshore. Since the 1970s and up to 2007, the 330 acre site was used as the city's garbage dump. The plan is to develop the area with a country park, some new housing and a business park specialising in eco-industrial and environmental companies as well as new city waste management facilities (S. McCay, interview; Belfast City Council, online).

The Maze

The Maze project involves the proposed regeneration of the former high-security prison, where many prisoners from both sides of the conflict were held. The Maze came to symbolise the 'Troubles' because of the hunger strikes by prisoners and the violent disturbances. The Maze is outside of the city boundaries near the city of Lisburn within the metropolitan area. The £120 million investment proposal on the 145 ha includes a 42,000-seat sport stadium, an international centre for conflict transformation, an equestrian centre, showground and an exhibition centre. Officials in Belfast strongly oppose the proposed plans for a multi-purpose project including a major new sports stadium beyond the city boundaries. The City Council proposes to build a 25,000-seat stadium in the city instead (Branson, 2007). Neither plan has yet been agreed.

3.5 Neighbourhood Renewal and Community Cohesion

Social cohesion and community integration

More than anywhere else in the UK, neighbourhood renewal in Belfast has to work from the starting point of a strong sectarian divide. Programmes to advance neighbourhood renewal have been emerging with support from different sources, firstly the UK government, secondly the EU and, more recently, Belfast City Council itself.

Public spaces were often contested because of community conflict. In the early years of the peace process, attempts were made to strip the city centre of its divided meanings for the different communities. Its revitalisation was based on the notion of creating a 'neutral space'. The success of this strategy was then taken further with the idea of 'shared spaces' (P. Elliott, interview). The term 'shared spaces' reflects real progress on the ground.

Many community initiatives and NGOs are actively engaged in this field, e.g. Community Relations Council (CRC), Mediation Northern Ireland, and the Interface project, many of which have received funding through the PEACE programme. The high degree of segregation in many inner city areas and the importance of territory as a defining element of both communities mean that creating social cohesion through spatial integration and more mixed neighbourhoods will most probably be a very long-term process (B. Murtagh, interview). Territory is a political entity in Belfast with each community electing neighbourhood-based, geographically rooted representatives to local and central government. Neighbourhoods are therefore loaded with political and socio-economic meaning. Public spaces are over-layered with the interests of the two dominant communities, often reluctant to

accept territorial changes to the status quo. In North Belfast for example, where many Protestant households have moved out to the suburbs, the transfer of homes to the growing Catholic population remains very problematic (Figs. 31 and 32).

Fig. 31: New housing development in Catholic neighbourhood, North Belfast



Fig. 32: Abandoned, blighted housing in Protestant neighbourhood, North Belfast



Parallel to the Good Friday Peace Agreement, an Equality Commission for Northern Ireland was set up with the task of monitoring equality between the communities and detecting discriminatory practices. The complex issue of community cohesion in Northern Ireland was then addressed by the Community Relations Unit of the Office of First Minister and Deputy First Minister (OFMDFM) of Northern Ireland in 2002 in a document called 'Shared Future', which was based on a careful consultation process. It represents a response to the statutory requirements spelt out in the Belfast Agreement and the Northern Ireland Act (Graham and Nash, 2006). It offers general guidelines for fostering better community relations in Northern Ireland since:

"The division that perpetuates itself in Northern Ireland is costly both socially and economically. Adapting public policy in Northern Ireland simply to cope with community division holds out no prospect of stability and sustainability in the long run." (OFMDFMNI, 2002)

In some cases, in order to access funding, a community organisation is required as local partner. Many NGOs and community organisation are providing a wide range of services targeting some critical social problems in the most deprived areas. This includes the upgrading of 'interface' areas as well as support for the long-term unemployed. The high level of community organisation poses advantages and disadvantages at the same time.³

³ Because of their previous exclusion from a range of jobs and services, Catholic communities usually have a higher level of organisation, a factor that enabled them to better protect themselves against socio-economic problems related to the urban crisis.

Housing

An evaluation of the activities of the Northern Ireland Housing Executive (NIHE) is complicated. On the one hand the NIHE has set widely recognised high standards in re-building working class areas (OECD, 2000, p 26). On the other, their policy to avoid violent clashes and improve security has reinforced the high levels of segregation between the two communities. The NIHE owns approximately 15% of the housing stock in Northern Ireland and 19% in Belfast (J. Frey, interview). It has significantly reduced its stock through the sale of homes under 'right to buy'. Housing policy has now shifted development responsibilities to housing associations away from directly public bodies like councils or the NIHE. The NIHE is also involved in the implementation of neighbourhood and urban renewal schemes. Its policy is based on a 'shared future' vision now promoted for Northern Ireland. This includes building, albeit on a limited scale, some integrated housing projects.

As a quango operating at arms length from central government, NIHE officials saw their relationship with Belfast City Council as unproblematic, unlike the central government Department for Social Development, which is responsible for regeneration (P. McIntyre, interview). However, they are critical of the approach of Belfast City Council to maintain a 50/50 political-community balance in Belfast, especially since there is such strong housing pressure from the growing Catholic community and there is a serious need to allow an outflow of population into declining Protestant areas (Figs. 31 and 32). The NIHE also finances neighbourhood regeneration schemes like in the Greater Village area (Box 5).

Box 5: Greater Village regeneration

The Greater Village area is located in South West Belfast. Most of the 5,700 inhabitants, many of whom are elderly, are from a working-class Protestant background. The area has experienced considerable population losses. With more than 30% of the housing in the area assessed as sub-standard, the government was obliged to step in. The regeneration scheme is implemented by the Greater Village Regeneration Trust, a local NGO. The NIHE is financing the £180 million programme, the largest in Northern Ireland. According to the redevelopment plan, 65% of the 1,300 homes will be demolished and 35% renovated (Fig. 33). After a difficult process of community consultation between 2000 and 2003, the project was approved by the housing executive and is expected to start in 2008 (P. Bradshaw, interview).

Fig. 33: Greater Village, a predominantly Protestant area in S Belfast, under regeneration



Fig. 34: Former courthouse on Crumlin Road, an interface area in W Belfast awaiting regeneration



3.6 Economic Development

Economic development in Belfast and Northern Ireland was driven by a number of factors:

- **Assistance to inward investment:** e.g. through Invest Northern Ireland; identification of 'key business sectors' (or clusters): financial services; business services; ICT; Telecoms/Electronics; software; manufacturing and life sciences (Invest Northern Ireland, online).
- **Linking urban regeneration with economic development:** In a very general way the major urban re-development schemes can be linked with economic sectors that are typically identified as the economic solution pathway of the future. Several companies on the completed Laganside scheme provide financial services. An Innovation Centre for Northern Ireland is located in the Titanic Quarter currently under development. The North Foreshore site is aiming to attract environmental companies.
- **US investment:** Major investment was attracted with the help of the US government. Under the Clinton administration several investment conferences were organised to attract investors. During the 'Troubles', the US contributed the largest private-sector foreign investment. In Belfast some 40 US-owned companies provide about 9,000 jobs, or 9% of the manufacturing workforce (Wilson, 2003).
- **Corporate taxes (and subsidies):** Subsidies have been used to attract economic activities to Northern Ireland in order to compete with the lower corporate taxes in the Republic of Ireland.
- **Economic boom in Republic of Ireland:** Due to the economic growth over the last decade and a half, the Republic of Ireland has been labelled the 'Celtic Tiger', linking it with the rapid growth of some South-East Asian countries. The peace process made Northern Ireland an attractive, underexploited and often less expensive alternative for investors than the Republic.

Labour market integration

Although the Laganside regeneration in general, and the Gasworks area in particular did attract several new companies, the neighbourhoods of South and East Belfast in the immediate vicinity did not seem to benefit from the job creation. Social problems such as long-term unemployment persisted. This situation, highlighted by the Noble Index of Deprivation (see NISRA), is mentioned by Hemphill *et al* (2006): "When investigated at ward level, there continue to be pockets of deprivation in Belfast which have become more polarised and immune to the associated benefits of inward investment and indigenous business growth". The Gasworks Employment Matching Scheme (GEMS) was one local attempt to link the local population with the labour market.

Box 6: Gasworks Employment Matching Scheme (GEMS) – local employment initiative

An initiative led by Belfast City Council resulted in the creation of GEMS, which started operating in 2002. GEMS was not designed to duplicate existing public services but to compliment and add value to government interventions such as New Deal and Pathways to Work. The main target group has been the long-term unemployed. GEMS offers a number of direct support services:

- provision of advice and support in career planning;
- assistance with job applications (e.g. interview preparation, job search);
- linking candidates with appropriate training, education and employment opportunities;
- developing linkages between employers, local communities and support agencies;
- enhancing the capacity of the local communities to participate fully in the economy and local development and to counter social exclusion; and
- promotion of corporate social responsibility among companies.

The partners forming GEMS are from local and central government, the private sector, as well as existing related partnerships (Hemphill *et al*, 2006). The South Belfast Partnership Board took on a leading role in the GEMS project and effectively became the governing body responsible to the funders. Progress is monitored by an advisory group. The funding for its activities is provided from a variety of sources, especially central government, the EU, Belfast City Council and the Laganside Corporation.

With GEMS a unique organisation was founded with the objective of creating links to local communities and improving their access to the labour market. Due to its profound knowledge of the local communities, GEMS was able to reach inhabitants of deprived areas in South and East Belfast. The in-depth knowledge of their clientele enabled them to design specific programmes directly tailored to the needs of local communities (e.g. with a more recent focus on minority ethnic unemployed people). So far, the following has been achieved:

- assistance provided for more than 2,000 unemployed;
- more than 1,000 of those were channelled into employment;
- over 800 unemployed have completed training courses designed to enhance their employability;
- assistance of over 200 people from a migrant background through the 'Language for Work' programme; and
- maintenance of working relationships with over 400 employers.

Sources: S. Russam (interview); brochures and reports published by GEMS; Hemphill *et al*, 2006

4. WHAT HAS CHANGED: SIGNS OF RECOVERY?

It is hard to measure Belfast's recovery process very precisely. On the one hand, there is no doubt that "Belfast, having made significant efforts to overcome severe social, economic and environmental handicaps, is at a historic turning point" (OECD, 2000). In a profile of the city in 2007, Belfast City Council went even further and describes the city as "building a solid reputation as a transformed city. It has emerged after a decade of sustained investment and growth to present itself as a competitive location for doing business with the world and, increasingly, as a great place to live and visit."

The single most important factor for regeneration and a clear historic turning point is the peace process in the mid-1990s with its two main cornerstones, the paramilitary ceasefires (1994) and the 'Good Friday' peace agreement (1998). This opened up the space for ambitious actions and created a magnet for substantial resources from different sources to rebuild a city marked by a troubled history. There was growing confidence in the city's ability to re-emerge as a post-conflict, post-industrial city.

Progress in the city has vastly exceeded expectations in many respects, for example in regenerating central areas and reconciling long-term community divisions. In the late 1990s, Northern Ireland showed encouraging signs of recovery. The region had both the highest increase in GDP and the highest employment growth in the UK (OECD, 2000, p 18). Yet, Belfast is recovering from a very low point of departure, even compared with other cities in the UK that have suffered from industrial decline.

The question is whether this is anywhere near the 'success' of other old-industrial cities. A recent study comparing the 60 largest cities of the UK, and using 2006 data, still ranks Belfast lowest on several key indicators such as population change, employment rate and weekly earnings (Centre for Cities, 2007).

4.1 Economic Restructuring

The economic restructuring and employment trends in Belfast are revealing. Taking the period from 1995 until 2005, we can show:

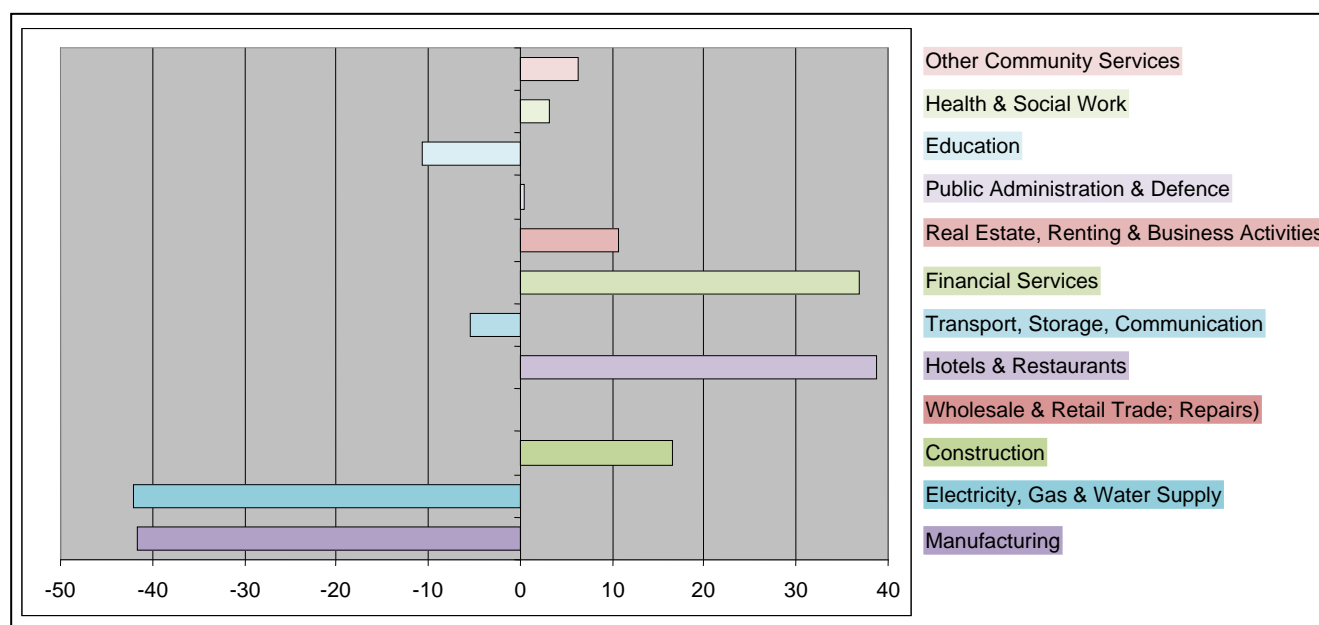
- overall employment growth after two decades of job losses;
- ongoing decline in manufacturing;
- expansion in parts of the service-sector; and
- continued significance of public-sector employment.

Manufacturing

Despite the overall growth of employment, manufacturing has continued to decline. One third, or more than 6,000, of the manufacturing jobs were lost over the period from 1995 until 2005. Only 6% of the entire workforce is now employed in manufacturing. This is tiny considering its original importance and even compared

with the other cities in our study and justifies characterising Belfast as a 'post-industrial city' (Hart, 2006). The sector remains vulnerable due to the fact that most of the larger companies are either foreign-owned or have been sold on by international companies in the past. This in turn threatens related business services dependent on the industrial sector. More than one third of all remaining manufacturing jobs are now concentrated in one company, Bombardier Aerospace, formerly Shorts Brothers. The aeroplane manufacturer is the biggest industrial employer in the whole of Ireland and employs 5,000.

Fig. 35: Change in employment, Belfast (1995-2005), in %



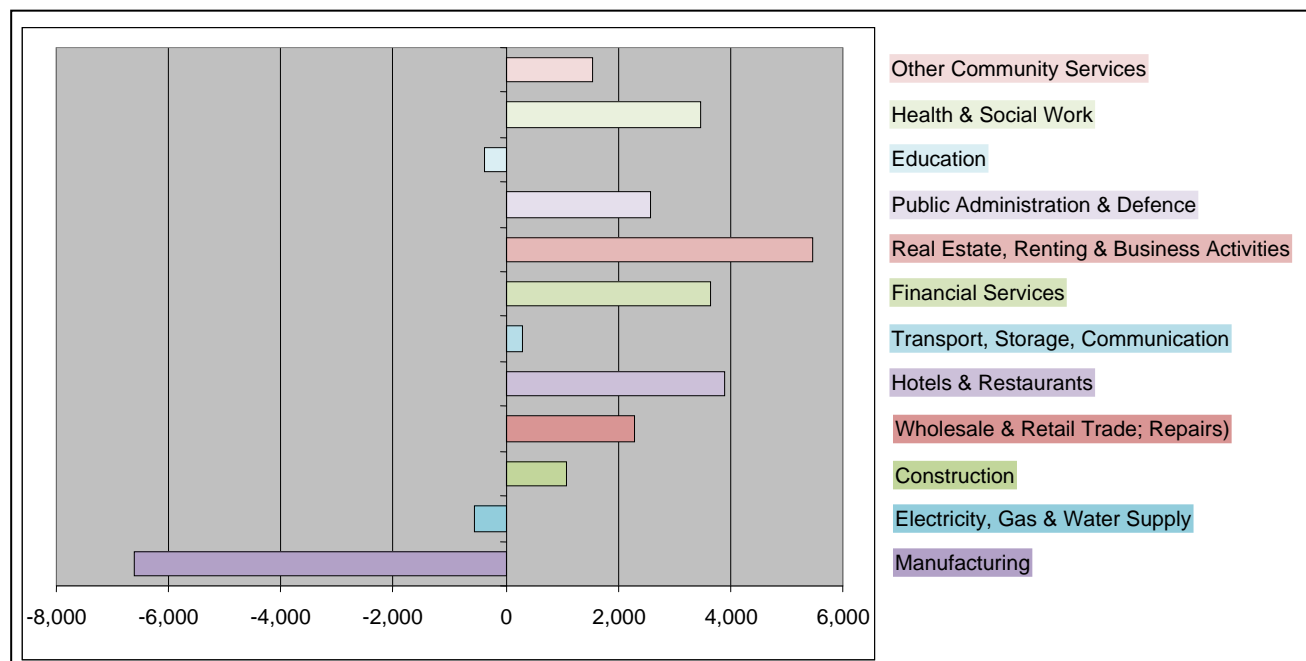
Sources: OECD, 2000; BCC, 2007; based on data/censuses from NISRA and DETI

Service sector

Despite the continuing loss of manufacturing jobs, Belfast experienced a 4% growth of total jobs between 1995 and 2005. This can be attributed to the strong growth of some parts of the service sector. Overall employment in the service sector increased by 23,000 (Figs. 35 and 36). Most sections of the sector gained employment, even the already large public-sector.

For the private sector, Belfast offers an attractive investment opportunity due to low land prices and office rents as well as the availability of land, a relatively skilled, though inexpensive, workforce, and tax incentives. Average wages in Northern Ireland were one third below the UK average (OECD, 2000). Two sectors in particular experienced strong growth, financial services (+37%) and hotels and restaurants (+39%). These trends can be explained by recent developments in the international economy, in Ireland, and within the province.

Fig. 36: Total change in employment, Belfast (1995-2005), in '000s



Sources: OECD, 2000, BCC, 2007; based on data/censuses from NISRA and DETI

Much of the actual growth in financial services is due to Belfast becoming an important location for 'back-office' functions. Call centres are the most prominent example. It is estimated that the 26 call centres in Belfast employ a workforce of 6,300 (Invest Northern Ireland, www.investni.com) (Fig. 37). The largest call centre is operated by the bank Halifax and located on the Gasworks site.

Fig. 37: Major call centres in Belfast:

Company	Sector	Employees
Halifax	financial services	1,500
NTL	telecommunications	900
HCL	software services	820
Abbey	financial services	600
TeleTech	ICT	550
Royal Bank of Scotland (Ulster)	financial services	350

Source: Invest Northern Ireland (online)

Unlike the rest of the UK, where the average percentage of public sector jobs is around 30%, the public-sector is still employing over 50% of the entire workforce in Northern Ireland (ONS, 2006). The sector has slightly increased since the 1990s. There are proposals to reorganise public administration in a more stream-lined and rationalised way. It is therefore likely that employment in this sector will decline in the future.

Tourism

The most dynamic of all sectors in terms of job creation has been hotels and restaurants. Almost 4,000 jobs have been created in this sector, an increase of 39%. The strong growth is; first a catch-up with 'normal' trends after a long period of under-investment due to the 'Troubles'; and secondly a reflection of the unexpected emergence of Belfast as a destination for visitors and international tourism since the late 1990s (see Box 7 and Fig. 37). Some factors which have enabled this development were the opening of several flight connections by low-budget airlines and a more varied hotel infrastructure. According to estimates by Belfast City Council (2007), 16,000 full-time jobs are supported by tourism. The city's convention bureau is currently developing a new brand for further place marketing.

Fig. 37: The oft-bombed *Europa* hotel and *Crown Bar*



Box 7: A surprising success: Tourism in Belfast and Northern Ireland

- Since the ending of the 'Troubles', there has been a four-fold increase in visitors to Belfast. In the period between 2002 and 2005 alone, the number of visitors increased from 3.6 to 6.4 million (Belfast City Council, 2007).
- Tourism contributed an estimated £285 million to the local economy (ibid).
- Most of the visitors are from the British Isles and Ireland; significant numbers also from North America.
- Interestingly, many tour operators have benefited from 'conflict tourism'. The 'mainstream' city tour by bus includes several areas commonly associated with violence in the past. More in-depth 'conflict tours' are led by former paramilitary from both sides, taking visitors to sites symbolising the 'Troubles' within their communities. The City Council has sponsored some of the training of former prisoners as tour guides as a way of generating work and income.

Worrying performance

With businesses increasingly operating on a global level, company headquarters tend to concentrate in the international control centres of the world economy such as London. In most cities in the Weak Market Cities programme, companies have been sold to larger international companies thereby removing headquarters' functions from industrial cities. The cities then become more vulnerable to remote corporate decision-making, and lose the potential for businesses offering services to local companies. Belfast has no significant headquarters. Notwithstanding its strong employment growth, the city is not considered a prime location for businesses as a recent study of the competitiveness of the 15 largest UK cities reveals (Cushman and Wakefield, 2007). Figure 38 shows that Belfast is ranked higher only as a location for new back office functions and call centres.

Fig. 38: Ranking of Belfast as business location by managers, 2007

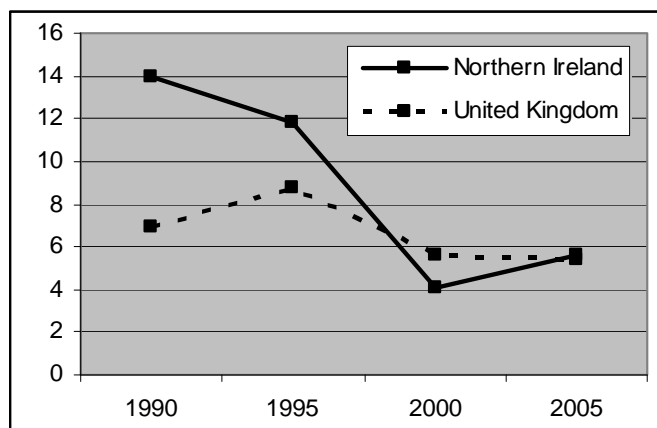
Indicator: Best city...	Rank among 15 largest UK cities
to locate a business today	15
for a new headquarter	15
for a new back office function	9
in terms of hotel accommodation	9
for a new call centre	4

Source: Cushman and Wakefield, 2007

4.2 Social Exclusion and Labour Market

The unemployment rate for Northern Ireland has clearly fallen since its peak in the late 1980s. Between 1990 and 2000 it dropped from 14 to 4%, which was even below the relatively low UK average (Fig. 39). Major studies confirm this trend for Belfast, identifying a significant drop of the number of claimants of unemployment benefit from 9 to 4% between 1997 and 2005 (Parkinson, 2007).⁴

Fig. 39: Unemployment rate, Northern Ireland and United Kingdom (1990-2005), in %



Source: NISRA online, 2006; Department for the Environment for Northern Ireland

This however hides the long-term deprivation and disadvantages of many households:

- The relatively low unemployment rate is contradicted by the high rate of economic inactivity and the lowest rate of employment within the UK. The employment rate of 59% (Belfast City Council, 2007) is far below the UK average of 74% (Cushman and Wakefield, 2007).
- More than 40% of the unemployed are long-term unemployed. This is the highest proportion in the UK.
- Belfast's population is more dependent on welfare than comparator cities in the UK. It has the highest levels of income support claimants ('Jobseekers Allowance') (15%) and persons with limiting long-term illnesses (24%) among the working age population (Parkinson, 2007). With a higher rate of welfare recipients, Northern Ireland suffers more from welfare cuts by central government (B. Murtagh, interview).
- The majority of the newly created jobs fall into the low-wage-low-skills category and are not permanent and secure in the longer-term. The increases in employment can be largely accounted for by a rise in part-time jobs for females in the service sector (OECD, 2000, p 21). It was also mentioned by several experts that the problem is the lack of adequate jobs for the local population rather than the general lack of jobs (S. Russam, interview).
- Compounding this problem, there is a significant skills mismatch. Studies usually show a good performance at GCSE level, though a relatively high proportion (24%) of the working age population holds no qualification at all (Parkinson, 2007).

⁴ According to another source the unemployment rate has only dropped from 11.0% in 1991 to 7.5% in 2006 (Belfast City Council, 2007).

While the high rate of segregation stabilised over the 1990s (B. Murtagh, interview), the population has benefited unequally from the new economic conditions. Polarisation has become a major concern:

“The 1980s and 1990s saw the emergence of a twin-speed economy and a dual society that could be increasingly spatially recognised. In Belfast, rising Gross Domestic Product, falling unemployment and a rapid growth in employment occurred at the same time as rising welfare dependency, declining incomes for the working poor and dwindling public services.” (Shirlow and Murtagh, 2006)

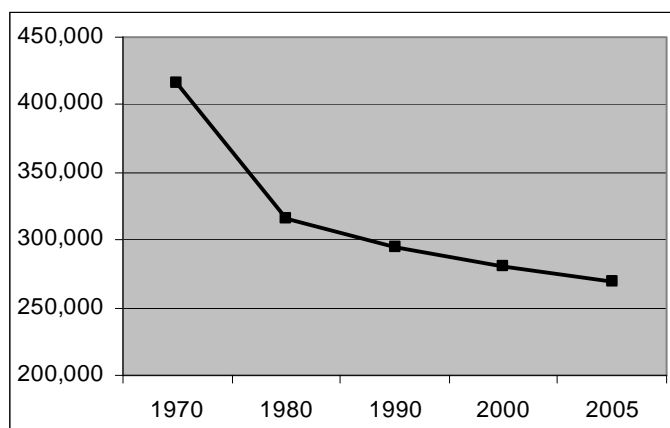
Social exclusion is a long-term disadvantage that is unevenly distributed in space. In Belfast, as we argue, a relatively high proportion of the population experiences severe levels of social exclusion. In those areas of Belfast which suffer from multiple deprivations, this was manifested in ‘learnt hopelessness’ and ‘generations of failure’ (S. Russam, interview). Some innovative, albeit small-scale approaches such as the Gasworks Employment Matching Scheme (GEMS) have however helped to reduce some of the long-term disadvantages and limitations on the access to the labour market in some deprived areas (see Box 6).

Belfast has a relatively small but growing population from an ethnic-minority or migration background. Non-whites still make up only 1.4% of the population (NISRA, online). The arrival of more migrants over the last decade poses a more recent challenge to the urban society and there have been open hostilities towards migrants.

4.3 Population Change

The other cities in the Weak Market Cities programme all showed either slight population growth or at least stagnation. Belfast is the only city that has continued to lose population between 1970 and 2005 (Fig. 40). The population declined by almost 150,000 over this period. While the most dramatic decline occurred in the 1970s, the losses were less pronounced in more recent decades.

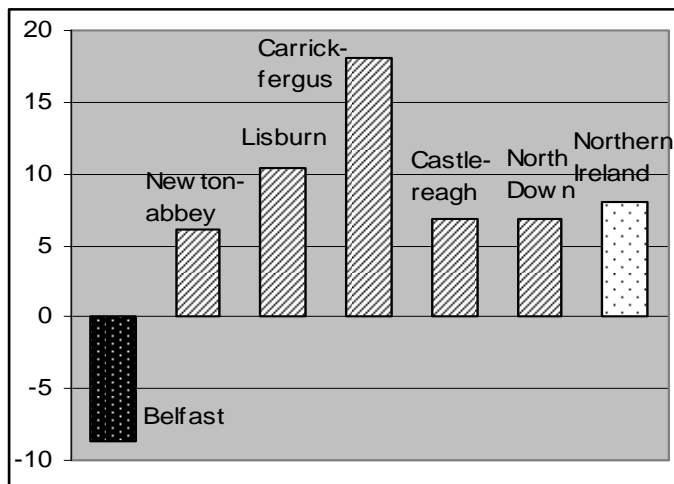
Fig. 40: Population decline, Belfast (1970-2005)



Source: NISRA (online)

The population decline is now however concentrated within the City of Belfast, while the surrounding suburban counties have all gained population between 1990 and 2005 (Fig. 41). Their growth of 35,000 offset Belfast's loss and resulted in a slight population increase for the whole metropolitan area. Another characteristic of Northern Ireland's demography is that it has the youngest population of the UK with 22% under the age of 16. The main reason for this is higher than average birth rates.

Fig. 41: Population change in Belfast metropolitan area (1990-2005), in %



Source: NISRA (online)

4.4 Physical Regeneration and Urban Recovery

Government officials and other local decision-makers have made considerable efforts to change Belfast's image from a grim, de-industrialised, socially divided and even dangerous city into a modern, post-industrial, culturally vibrant and socially cohesive city. The important physical regeneration projects, developed to make Belfast an attractive location for investment, businesses and visitors alike, have transformed the city centre and riverfront into magnets for re-growth. The reclaimed sites along the riverfront and the Lagan River itself had catalysed £900million of private and public sector investment up to 2005 (Laganside Corporation, online). According to Sterrett *et al* (2005, p 42), 11,240 jobs were already generated on the site by 2005 (Sterrett, 2006).

The revitalisation of the city centre and its transformation into a 'shared space' without cultural or religious connotations has been remarkably popular and widely supported. Unexpectedly, Belfast has emerged as a destination for both 'shopping tourists' and 'city-break' visitors. The Victoria Square shopping mall, opened in 2008, symbolises the emergence of Belfast as a major retail centre for Ireland and beyond, competing with out-of-town developments. The Cathedral Quarter has attracted investment into converting a formerly decayed central area into a 'Bohemian Quarter' by focussing on culture and entertainment. Another tourist attraction is the Belfast Wheel – locally dubbed 'Belfast Aye' associating it with the London Eye. The £4 million project was opened in 2007 and realised through a public-private partnership.

Other large-scale regeneration schemes are now either underway, such as the Titanic Quarter, or at the planning stage, such as the North Foreshore. Investors from the Republic of Ireland are involved in the Titanic Quarter showing a new confidence in Belfast as a location for this ambitious scheme. There is some spill over investment from the dynamic economy of the 'Celtic Tiger' of the Republic of Ireland. One blow to the city's ambitions was the failure of its application to become European Capital of Culture in 2008, which Liverpool is now hosting. However, Belfast is active in many European networks and now hosts big events regularly.

4.5 Transport

As mentioned earlier, Belfast is a very car-dependent city. Massive suburbanisation since the 1970s has come with the construction of new road infrastructures. Public transport in Belfast deteriorated significantly during the 'Troubles' (Smyth, 2006). Major thoroughfares cut the city centre off from the inner-city neighbourhoods. Some efforts have been made, though. The bus service has been improved and some suburban areas are linked to the city by commuter railway lines. The Belfast Metropolitan Area Plan which is currently in the consultation process suggests that 70% of new housing development should be located on brownfield sites (www.planningni.gov.uk). This would cause a much needed slow down of suburbanisation (B. Murtagh, interview).

Due to its peripheral location at the Western edge of the European Union and its location on an island, Belfast is far away from the more dynamic regions of Britain and Europe. Long-distance connections are mainly based on air transport. The city is served by two airports, the Belfast International Airport in the metropolitan area and the George Best City Airport, which was modernised in 2001. The number of passengers travelling via both airports has almost doubled from 3.7 to 7.1 million per annum between 1996 and 2005 (DRD, 2006). Several cheap airlines have added Belfast to their network over the last few years. With the rise of cheap flight connections the number of ferry passengers between Belfast and British ports has declined from 2.1 to 1.8 million between 2000 and 2004. The only significant long-distance train connection is the link to Dublin, which can now be reached in 2½ hours.

4.6 Interrupted Devolution

The Northern Ireland Assembly resumed responsibilities again in May 2007 after five years of suspension due to a new political impasse in 2002 (Fig. 42). This was achieved after a compromise was agreed to between the two main political parties, DUP and Sinn Féin. After elections were held, their leaders Ian Paisley (First Minister) and Martin McGuinness (Deputy First Minister) became joint heads of the new devolved government and resumed political responsibilities based on a power sharing agreement (Branson, 2007).⁵ The political extremes are united through a mainstream compromise that has been criticised, but is also acknowledged as the only viable solution (e.g. P. O'Neill, interview).

⁵ Ian Paisley has resigned and is expected to step down from his charge in 2008.

Government in Northern Ireland still remains complex, fragmented and often inefficient (J. Dennison, interview; Parkinson, 2007). With eleven regional government departments, 26 local authorities and 150 agencies and quangos, all to govern a population of only 1.7 million, Northern Ireland is over-governed (S. McCay, interview). According to estimates, between £150 million and £235 million of public money could be saved through the rationalisation of government (Knox and Carmichael, 2006, p 961). The Review of Public Administration (RPA) is a major attempt by the government to reform the public sector in Northern Ireland and create more efficient and accountable structures (www.rpani.gov.uk). It is also acknowledged that to overcome the legacy of 'Direct Rule' the devolution of power is indispensable. Among those services earmarked for devolution are several which are related to the task of urban regeneration such as planning, urban regeneration, some economic development, and some housing (Fig. 26).

Fig. 42: Parliament buildings, home of the Northern Ireland Assembly



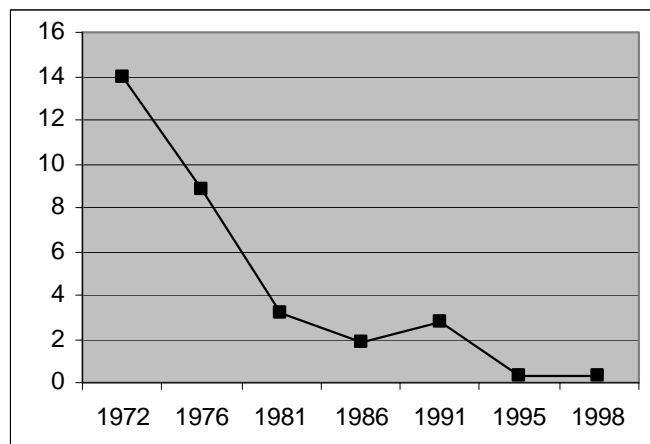
Source: <http://www.answers.com/topic/parliament-buildings-northern-ireland>

One of the main issues was finding a political compromise for the redesign of the local government districts. In March 2008 it was announced that the number will be reduced from 26 to 11. The new boundaries are however politically motivated and will largely reflect the geographic distribution of Protestants and Catholics in Northern Ireland. Although initially planned for an earlier date, the actual implementation of this restructuring is not likely to occur before 2011. The reform implies that several government departments and quangos for Northern Ireland would be downsized or integrated into Belfast City Council as part of the local administration. During the interviews, considerable scepticism was expressed by both sides about the deliverability of this restructuring. Some critics have argued that instead of 26 local councils with 'no' functions, the outcome will be 11 with 'only limited' functions (B. Murtagh, interview). For Belfast City Council, the suspension of the Assembly and the subsequent delay of the reform of the government structures (RPA) and devolution meant losing time during the difficult challenge to recover from urban crisis.

4.7 Security Situation

The security situation has significantly improved since the formal end of the 'Troubles'. Although violence still breaks out sporadically and tensions prevail between the two main communities, attacks on the civilian population have decreased significantly and there has been no sign of a return to the earlier levels of violence (Fig. 43).

Fig. 43: Percentage of total deaths attributable to political violence, Northern Ireland (1972-1998)



Sources: NISRA, Northern Ireland Police; quoted from Shirlow and Murtagh, 2006

The reduced tensions have been attributed to the less open expression of prejudices and a better management of conflict (N. Jarman, interview). Much of the conflict is now reduced to incidents of anti-social behaviour during the 'Marching Season' in summer. Many organisations and programmes have played a part in improving the security situation and cautiously reconciling the communities:

- the Community Relations Council assists in several projects for community reconciliation;
- Mediation Northern Ireland uses its expertise in conflict mediation; to train security forces, police and public officials, as well as community organisations;
- grassroots community activists are now involved in the process, even the paramilitary groups; and
- the interface projects attempt to stop the blight of these areas and reduce so-called chill-factors such as provocative graffiti or physical barriers such as the 'peace walls'.

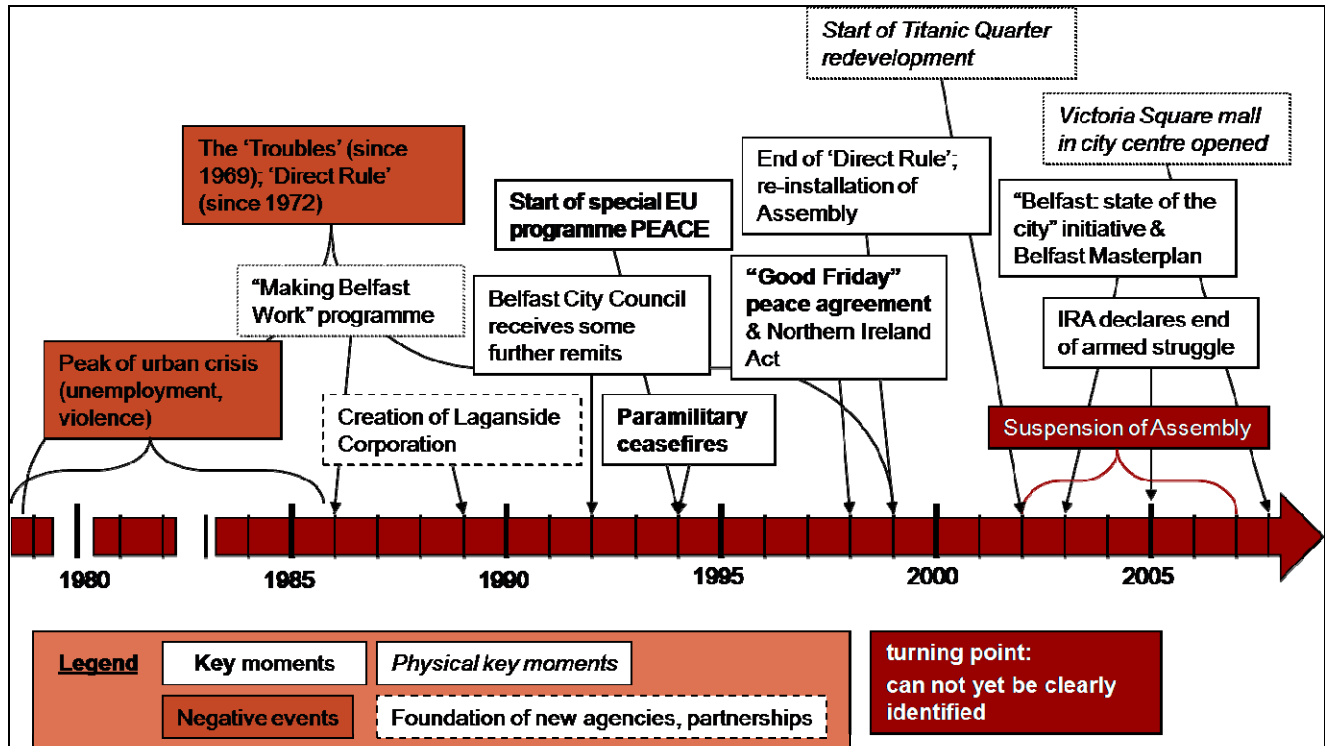
An important step was also the restructuring of the police. The former Royal Ulster Constabulary, which was criticised for being biased towards the Loyalist side, was replaced by the new Police Service of Northern Ireland, which has a 50/50 recruitment policy and participates in local partnerships

Nevertheless, the problem of violence has carried over in new forms. Protestant paramilitary groups still have about 5,000 members and a strong presence in some areas of Belfast (N. Jarman, interview). Some of them appear to have become organised crime groups that engage in drug and arms trafficking.

4.8 Timeline

The following timeline (Fig. 44) offers an overview of the main moments related to the process of urban recovery since the late 1970s. It shows the juxtaposition of important political, social, economic and physical changes.

Fig. 44: Timeline of important events in Belfast since the late 1970s



Concept and design: J. Plöger

5. CONCLUDING THOUGHTS

The peace process brought a degree of stability to Northern Ireland that enabled a more long-term vision for the future of the region. For the city of Belfast this meant the consolidation of regeneration activities already begun during the 'Troubles' as well as the possibility of initiating a further round of more ambitious and confident activities. Here we outline some of the unresolved issues, challenges and opportunities for Belfast.

Although the regional economy has been growing strongly, Northern Ireland remains poor in comparison with the rest of the UK and Western Europe. At this point it is unclear if the economies of Belfast and the region are already sufficiently robust to meet the challenges of a rapidly changing economic environment. The economic base was hit hard by economic restructuring, recession and the disinvestment that resulted from the 'Troubles'. Northern Ireland with its weak private sector needs to develop a more self-sustaining economic base. Competitive advantages such as lower wages, a relatively skilled workforce and the availability of space are offset by a number of other factors. Several interviewees mentioned that the lack of economic diversification and underdeveloped knowledge-based activities as barriers to wider spin-off effects. Most of the recent employment growth was generated by low-skill and low-wage service sector jobs. On the other hand, there is certainly potential for a closer relationship with the prosperous Republic of Ireland to the south, which would contribute to the emergence of a Dublin-Belfast metropolitan corridor (Yarwood, 2006).

Much has been said about the over-sized public sector in Northern Ireland on which the region still heavily depends, an 'inheritance' of the 'Troubles', and of the historic links with Westminster. Yet the funding from central government and the EU will eventually be reduced. With further devolution of power, all levels of government will be forced to commit to making the public sector more efficient and accountable. The inbuilt power sharing of the Northern Ireland Assembly, which reflects the imperative of political stability following the Peace Agreement, requires constant compromises between political extremes. More radical solutions to Northern Ireland's economic, social, and political problems are thus unlikely.

The legacy of 'Direct Rule' has left local authorities with weak local government structures. Belfast City Council is prepared and eager to deliver a wider range of services as their ambitious development of strategic guidelines demonstrates. Nevertheless it also needs to confront internally its approach to service delivery involving the costly duplication of services to the divided communities and to find a viable alternative. Closer cooperation with local community organisations might suggest alternative approaches.

Considerable progress has been made in terms of physical regeneration. Many small- and large-scale projects have been developed and more are planned for the future. One of the biggest achievements was to change the city's negative image and to reinvent Belfast as a 'post-industrial, post-conflict' city. With 'normality' returning, the city now finds itself among numerous other cities competing fiercely for inward investment and a desirable mix of skills, incomes and activities.

The most difficult and critical task is to bring social integration and cohesion to a divided city. The divisions are still 'written' into the territorial layout of the city. High levels of segregation persist along religious and - increasingly - socio-economic lines. Although gradual progress is being made in reconciling the two main communities, much more needs to be done. This will require an extraordinary commitment by those involved. Many of the vested interests such as political representation, security, jobs, education and housing have a spatial component, and local territories are often defended against outside interests. Schools have been a particularly contentious issue. Although some initiatives have been made to integrate the education system, schools generally remain divided between religious schools for Catholics and officially non-denominational schools for Protestants. A younger generation is now growing up without the experience of the worst phases of the conflict. Yet, it may take generations to change the cultural and religious attitudes of a society which has literally incorporated a historic conflict.

There are indicators however that the religious and political divisions will gradually be transformed into a pattern based on socio-economic distinction (A. Campbell, interviews). Social exclusion is a major problem in Belfast, with high levels of social polarisation and a widespread 'welfare culture'. While educational achievements are among the highest in the UK, one fifth of the population and one third of the unemployed have no formal qualification (OECD, 2000). Parts of the population were unable to benefit from job growth since the 1990s, particularly those living in deprived, low-income areas, which have suffered most from the violent conflict (B. Murtagh, interview).

Belfast's future depends on how decision-makers and the wider urban society deal with engrained patterns of division to build a shared future. Regeneration and reconciliation are 'twin processes'. Actors at all levels of government seem committed to building on this historic opportunity. Yet, it remains an open question how much change a society can absorb without damaging the fragile processes already underway. The peace process definitely created significant momentum, but political uncertainties and interruptions may have sapped some of the initial energy.

The future of Northern Ireland is unclear and will evolve in ways that have not yet become obvious, given the wider turbulence in the global economic climate affecting the whole of Europe.

Considering the depth of the crisis, Belfast has come a long way even though much more needs to be done to overcome deep, long running structural problems. Belfast is facing bigger challenges than any of our seven case study cities. In order to advance on what has been achieved so far, continuing political stability, security, and economic progress will be prerequisites.

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Interviewees

Belfast City Council

McGivern, Marie-Therese	Development Department	Head of department
McCay, Shirley	Development Department	Head of economic initiatives
Elliott, Patricia	Development Department	Policy and research manager
Campbell, Anne-Marie	Development Department	Information officer
McCann, Mark	Development Department	Information officer
Martin, Lisa	Development Department	Urban regeneration officer
Hanna, Brian		Former Chief Executive

Central government agencies

Huff, Frank	Department for Social Development (DSD)	Neighbourhood renewal programme
Mac Hugh, Linda	Department for Social Development (DSD)	Director, Urban Regeneration Strategy Directorate
McIntyre, Paddy	Northern Ireland Housing Executive (NIHE)	Chief executive
Frey, Joe	Northern Ireland Housing Executive (NIHE)	Research manager
McKeown, Clare	Office First Minister and Deputy First Minister Northern Ireland (OFMDFMNI)	

Partnerships

Jackson, Eddie	Belfast Local Strategy Partnership (BLSP)	Director
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Community/NGO sector

Russam, Susan	Gasworks Employment Matching Service (GEMS)	Director
Dennison, Jim	Community Relations Council (CRC)	Director of European Programmes
O'Neill, Patricia	Community Relations Council (CRC)	Information manager
O'Reilly, Peter	Mediation Northern Ireland	Assistant Director (Services)
McCandless, Frances	Northern Ireland Council for Voluntary Action (NICVA)	Director of policy
McAleavey, Seamus	Northern Ireland Council for Voluntary Action (NICVA)	Chief executive
Paula Bradshaw	Greater Village Regeneration Trust (GVRT)	Neighbourhood manager

Redevelopment Projects

Alexander, Kyle	Laganside Corporation	Chief executive
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Researchers/Academics

Murtagh, Brendan	Queen's University	Planner
Jarman, Neil	Institute for Conflict Research (ICR)	Expert on conflict research and reconciliation
Kerr, Michael	London School of Economics (LSE)	Expert on conflict research

Individuals

Hall, Michael	Community activist
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Belfast City Council	http://www.belfastcity.gov.uk/
Belfast Interface Project	http://www.belfastinterfaceproject.org/
Belfast Local Strategy Partnership	http://www.blsp.org/
Community Relations Council	http://www.community-relations.org.uk/
Conflict Archive on the Internet	http://cain.ulst.ac.uk/
Department for Regional Development in Northern Ireland	http://www.drdni.gov.uk/
Department for Social Development in Northern Ireland	http://www.dsdni.gov.uk/
Equality Commission for Northern Ireland	http://www.equalityni.org
Gasworks Employment Matching Service	http://www.belfastgems.org/
Greater Village Regeneration Trust	http://www.gvrt.org/

Groundwork Northern Ireland	http://www.groundworkni.org.uk/
Invest Northern Ireland	http://www.investni.com/index.htm
Laganside Corporation	http://www.laganside.com/
North Belfast Partnership	http://www.nthbp.org/
Northern Ireland Assembly	http://www.niassembly.gov.uk/
Northern Ireland Council for Voluntary Action	http://www.nicva.org/
Northern Ireland Housing Executive	http://www.nihe.gov.uk/home.asp
Northern Ireland Statistics & Research Agency	http://www.nisra.gov.uk/
Planning Service	www.planningni.gov.uk
Review of Public Administration Northern Ireland	http://www.rpani.gov.uk/
South Belfast Partnership	http://www.southbelfast.org/
Special EU programmes body	http://www.seupb.eu
Titanic Quarter	http://www.titanicquarter.com/

Abbreviations

BIP	Belfast Interface Project
BLSP	Belfast Local Strategy Partnership
BRO	Belfast Regeneration Office
CAIN	Conflict Archive on the Internet
CRC	Community Relations Council
DETINI	Department of Enterprise, Trade and Investment
DRD	Department for Regional Development
DSD	Department for Social Development
GEMS	Gasworks Employment Matching Service
NICVA	Northern Ireland Council for Voluntary Action
NIHE	Northern Ireland Housing Executive
NISRA	Northern Ireland Statistics & Research Agency
RPA	Review of Public Administration Northern Ireland
OFMDFMNI	Office of the First Minister and Deputy First Minister