

## **Creative Commercial City Centres**

### **1 - Introduction**

Most European towns face the desertification of their city centres from prime commercial functions that slowly are being taken by big shopping centres in the periphery.

Nevertheless, some historical city centres have been able to survive the competition and in some cases even beat it, such as Braga in Portugal or Genoa in Italy.

Other towns such as Nice in France and Porto in Portugal have not succeeded in re-launching prime commercial activities in the city centre. This, despite both towns' importance in the national economies and their important built heritage, classified as World Heritage area in the case of Porto. Nevertheless, Nice has succeeded in associating its historical area with tourist shopping and in identifying an interesting commercial circuit in the modern centre. Porto, on the other side, still seems to have a longer way to go as it really needs a serious intervention.

There are other towns, such as Vila Real in Portugal where competition between city centre and peripheral large shopping malls has just started. Can previous mistakes from the past be overcome in the next round of cities to suffer this competition?

This paper aims at putting forward some ideas on the creativity of successful city centres and thus to contribute to the enhancement of their survival.

The methodological approach is based on arguments on creativity, innovation by Hall and twenty-first century development by Mitchell. A cross-comparative analysis on commercial city centres will start from the Portuguese towns and compare them with an Italian and a French case studies. The main focus for the analysis will be the public policies and investments in the last twenty years, since mid eighties.

Concluding remarks point out to a successful correlation between creativity and innovation in local policies and the survival of commercial city centres. Moreover, the public discussion of policies and investments enhances local action and attracts external investments.

### **2 – Conceptual approach**

The next section introduces the theoretical hangers upon which this research is based. After some discussion on creativity, innovation and development in urban centres, mostly based on Hall and Mitchell, there follows the introduction of commercial functions on the debate. This function has been pushed away from recent research and debate as if centuries of being the prime urban function had not existed. In fact, cities were by definition major areas for trade and exchange. Constantly, in urban planning history, the social areas have been highlighted in detriment of economic functions. Take the Agora creation in the Greek cities and all the ateliers and shops that went nearby it. The last are not particularly studied or even largely mentioned. It is a rather common fact that, nowadays in many cities, life is there at the specific shopping malls while the city centre dies. This is not only a conservative trend in North American towns but has also become an European urban development trend.

In the meantime, the planning of big peripheral shopping areas has absorbed main urban concepts, such as accessibility, mobility, connectivity and cohesion with surrounding areas, inside allocation of space for free exhibits, sofas for free rest, small equipments such as children care centres or even chapels for prayers!

And where are the urban planners?

This paper attempts to find where they stand behind local policies and small actions in a few European towns. The Portuguese towns were chosen as examples of different types of policies, all located in the Northern Region. There is the case of Braga as a successful example, the case of Porto as a problematic town and the case of Vila Real in transition period, still impossible to classify. Two case studies from France and Italy are introduced allowing some external comparison on Nice and Genoa.

### 3 – Creativity in urban centres

Cities, at least in the developed world, are no longer locations for mass-production manufacturing: they are places for high-technology R&D and prototype production, for creative and cultural industries of all kinds, from theatres and museums to publishing and broadcasting, for tourism, for command and control functions in government and transnational corporations, and for specialized finance and business services (Hall, 1998).

In the last two decades, several European cities have attempted to fix cultural industries acknowledging that they may provide the basis for economic regeneration. The idea that cultural industries will fill the gap left by all the lost factories and warehouses, and will create a new urban image that would make cities more attractive to mobile capital and mobile professional workers is deeply embedded nowadays.

In this context, there remains to be known how creativity will display in this century. Will it follow the third type of urban innovation, a relatively new phenomenon in history, the marriage of the cultural and the technological as Hall hints?

Halls asks if there will be another Schumpeterian burst of innovation, which may be beginning right now, and giving rise to a new long wave of economic growth based on new industries (see Figure 1).

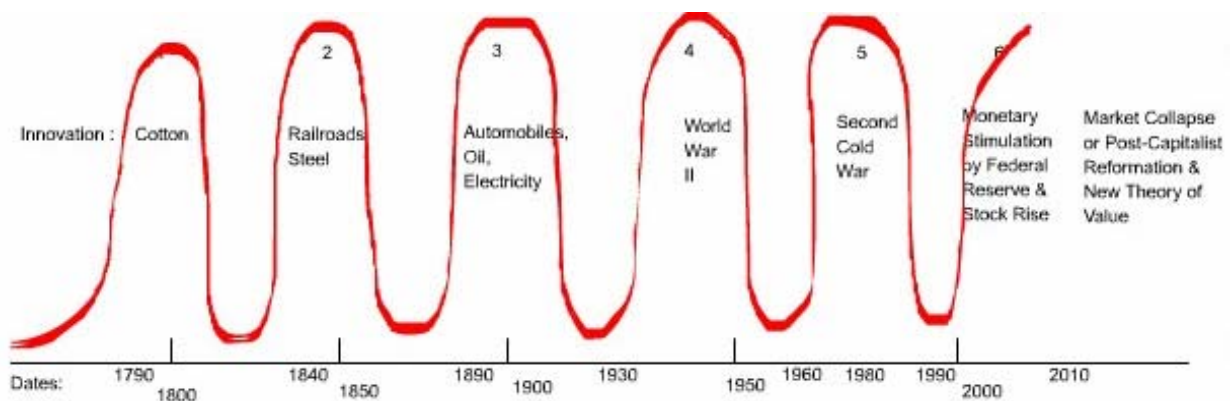


Figure 1 – Innovation periods based on Schumpeter's Curves

There are two clues according to Hall. One is the huge expansion of the creative and cultural industries which have become mass-consumption industries.

The city undergoing urban renaissance after a recent past of traditional manufacturing or harbour functions decline fills in this category. Manchester, Glasgow, Bilbao and Baltimore are prime examples.

All have regenerated themselves through intelligent investment in new cultural artefacts which in turn have helped generate urban tourism: museums, art galleries, concert halls, conference

centres. Moreover, since they are also strong university cities, they attract young people, some of whom remain after completing their education because they have put down roots and find the city an attractive place in which to live (Hall, 2004).

Often, they invested considerable amounts in improving the physical environment, especially in and around the city centres and in neighbouring waterfront areas, so that they can start competing in life quality and lifestyle with larger longer-established cultural cities. In particular, by the right kinds of policies they can achieve several objectives simultaneously: they can clear the ruins of the lost industrial economy, and create a high-quality urban ambience for visitors and residents (Hall, 2004). Barcelona, Bilbao and Glasgow in Europe, San Diego and Seattle and Toronto in North America, are classic examples.

But have they been so successful in rapidly shedding their 19th-century industrial image and replacing it with a 21st-century façade cultural image? Who will visit Glasgow or Manchester upon copies of Bilbao's Guggenheim? What was once innovative as a symbol of urban renaissance, can be regarded in the global scale, after cloning in other towns, as a type of "déjà vue" flagship building. Is it possible to separate the real and the vision city marketed in the media?

This means a city can open a new art gallery, museum or concert hall and if well marketed, achieve instant fame as an attractive tourist centre, sometimes just with a famous architectural work. But to Hall this exemplifies a city of cultural consumption, which is not the same thing as building a truly creative city, a city of cultural production (Pratt, 1997).

Most possibly, not every city reach this stage: to achieve the change, according to Hall, a city must have certain necessary prerequisites – a certain size and scale, a previous history of cultural achievement, a strong university infrastructure.

An appropriate strategy is to build a deeper physical infrastructure in the form of educational and training facilities at the same time as the centres for consumption, side by side (Törnqvist, 1983). But creative cities show weaknesses that circumvent their success: there is normally a deep social class division between very rich and very poor people, thus incrementing social exclusion; direct personal and social interactions may get flimsier, due to use of technological and external connections, thus this city of bits has no place and everywhere can be the place, challenging the concept of public space; business cycles are less predictable because they carry within their intrinsic novel nature more uncertainty; they can be unstable places.

This last typology has direct implications with urban quality of life because creative cities, as Hall recognizes, can be cities in some kind of basic collective self-examination where people feel uncomfortable. But it is certainly this triangle of feelings such as instability/ discomfort/ tension that triggers change and stimulates creativity.

Again, according to Hall (2004) creativity is no longer an incidental miracle that happens occasionally in exceptionally-favoured cities, but it is now a central part of the business of being a successful city. And this is a principle that no city can ignore as successful cities throughout history led policies large by the standards of their day, and that made them magnets for the immigration of talent, as well as generators of the wealth that could help employ that talent (Hall, 2004).

Coming back to the the commercial areas which are the main focus of this paper: can these peripheral commercial areas be the edge, the emerging cities where innovation occurs?

Or can innovation and creativity still withhold in city centres?

The next section will attempt to answer these questions.

#### **4 – Case Studies Analysis**

The cross-comparative analysis on commercial city centres starts from a selection of Portuguese city centres and have them compared with an Italian and a French city centre case study.

The main focus for the analysis is the public active policies and investments in the last twenty years, since mid eighties. But there is also a search for local networks that can supply specialized skilled labour and services. And lastly but not least, an attempt to understand if there exists a certain atmosphere of self-reliance and self-achievement, creating a climate of innovation among small firms, even individuals. In sum, trying to understand if creativity is in the air.

Listing of local development policies, namely urban accessibility, mobility, re-development projects, promotion and marketing of the city centre, local problems will enable the comparison of dynamic factors, thus allowing some conclusions in the cross-comparative approach.

The undertaken analysis shows the unexpected creativity and dynamic behaviour of the two towns Braga and Genoa, in comparison with socio-economic problems faced by the two towns of Porto and Nice. Vila Real is a case study for further policies evaluation.

The selection of these five towns derives from a typology of commercial city centres considering other characteristics as similar population sizes or central/peripheral locations.

All of them with the exception of Vila Real located in a region of agricultural economic base and Nice with a strong services base, have had strong ties with industrial development. Braga is the last of these towns facing an actual closing down of several textile industries in the neighbouring areas. This is happening in the beginning of twenty first century after European Union (E.U.) has lifted the barriers to textile imports from outside E.U., namely from China.

Genoa, the first harbour in Italy, has also suffered much from Asian competition at an earlier period, in the seventies and eighties. But after 1992 with investments on « Colombiadi », Genoa has been able to promote the value of the city centre and the old harbour area « Porto Antico ».

This was fostered by events such as the celebration of Christopher Columbus, in 1992 and G8 preparations in 2001. The old harbour area has been developed since then a main tourist attraction with a City for Children such as La Vilette, an Aquarium, hotel and commercial areas together with a leisure harbour. It is a real attempt of Genoa to keep the arriving cruise tourists on the town. Independent commercial shops have been much protected, therefore due to a poor peripheral commercial area, the city centre performs very well.

Although there is still a very strong employment rate (25% of the total) in industry, the town is evolving more and more towards tourism development and cultural activities.

But its peripheral location, between the sea and the mountains and the lack of strong accessibility undermines a faster development, although at the same time it also protects Genoa as its strong commercial trade allows it to be independent from Bologna. This applies also to Braga and its independence from Porto.

In all these towns, private overpasses public transportation which leads to traffic congestion and pollution. In all three of them, parking places are well supplied in the city centre, being Braga in the beginning of the nineties one of the first European towns to have its underground city centre area fully mastered with tunnels and car parks. It allowed then a strong pedestrian city centre that combined with small shops with strong local connections to the surrounding area textile industries and a ban on peripheral shopping malls, makes it one of the strongest commercial city centres in Portuguese towns. In late nineties, shopping malls were already implanted but according to press reports and marketing analysis, Braga is one of the cheapest towns in Portugal and it has succeed in lowering large shopping mall prices in the surrounding area.

This situation is not at all the same for Porto city centre, located 40 Km southwest of Braga. Here, the city centre has been facing fierce competition from very large shopping malls and the situation was so critical that in 2001 when Porto was declared European City of Culture together with Rotterdam, urban actions in the city centre were targeted as a priority. Nevertheless, the House for Music by Rem Koolhaas was located in the second CBD of Porto, not in the city centre. A much controversial decision, most discussed but without apparent success, as no easily available locations could be found in the short time.

Some steps are being taken, nowadays by a joint local-national government effort together with private capital, namely a Society "Porto Vivo" (Porto Alive) has been created and has already started to make proposals for the city centre trying to attract private investment.

Nice, the French capital city of Côte d'Azur also presents evident fragilities even if located in a de luxe tourist region. Investment rates are lower than the national average, enterprises are rather small and there are just a few industrial firms. In fact, in late nineties several industrial activities have left Nice such as elevators, mechanic and steel construction. Tertiary employment dominates with 80% of the total but the city centre is facing a powerful commercial development in the periphery, getting poorer and poorer.

The tourism winds blow in the city centre but this high standing activity is not enough to sustain the commercial activities in the city centre. The harbour in Nice is the first in terms of cruise traffic but it still needs more tourism aimed development together with the traditional activities being carried out at present, namely goods transportation. In sum, the conflicting activities of industrial and tourism development make land scarce and land costs are high, bearing in itself a potential for imbalances and social exclusion.

Vila Real is a major capital in the Northern interior area of Portugal and one of the few who has survived population decline. In fact, population is increasing although the axis VRL (Vila Real/Régua/Lamego) made of three towns not yet totally connected by motorway is still in its infancy as a major development axis. The decision to upgrade the Higher Studies Institute to a University level in the late seventies has had a major impact on the town development.

This town with a small village atmosphere and a wide alley as social and commercial centre, such as in Lamego, has now evolved into a town with a big shopping mall in its periphery opened in the end of 2004 together with other nearby specific commercial surfaces.

Can the small city centre of Vila Real compete with these new areas? Apparently it is still doing so and commercial activity highly anchored in traditional coffee shops and small gardens rest areas stills drives the older or the more conservative inhabitants.

But when the motorway between the three towns will be finished linking the extremities in twenty minutes and attracting large shopping malls seduced at a market of 100.000 inhabitants, will the small city centres of Vila Real and Lamego survive this new competition?

Although they have already had some funding to upgrade the traditional shops and also there has been city investment to cater for infrastructures, equipments and public spaces renewal, especially in the medieval areas of Lamego, all this effort may not be enough to sustain traditional commercial activities in the small city centres. There remains a lot to be done to cater for the inhabitants and the tourists interests. For example, one of the few surviving art-deco coffee shops in Porto is in the Internet, allowing specific demands to be place all over the world such as the fiancée who orders violin playing at a specific day and time. In Vila Real and Lamego, the special pastry shops are not yet immediately visible to the tourist, contrarily to the ones in Porto where there is already a coffee shop revival in the city centre and specific renewed shops for selling traditional pastry. In Vila Real, where competition from waterfront areas is and will be inexistent, special care should be taken not to allow the death of these traditional social interaction arenas. Apparently, strong land-use policies not allowing the reversion of use as well as architectural design guidelines can do a lot for sustaining the take over of these spaces.

Further evidence shows that these restrictive physical policies are sufficient to protect for a while but are not capable of leveraging the potential dynamics of the city centre. Other public investment policies are needed to discriminate positively the city centres. Genoa and Braga local policies excluding shopping malls at an earlier stage show how later on, the more robust traditional commercial activities can also impose rules and dominate the trade for specific products in regional areas.

Marketing labels and publicity spots in the media can also be very important for city centres. There is not much numerical evidence of amounts spent by local authorities but it is a fact that

more and more private firms are using urban spots easily identified by the population at large to market a certain product. It is past the time where New York initiated these trends, in the seventies, with the sentence I love N.Y. and several urban artefacts images portrayed in the media.

## **5 – Concluding remarks**

Conclusions point out to a successful correlation between creativity and innovation in local policies and the survival of commercial city centres. Moreover, the public discussion of policies and investments enhances local action and attracts external investments.

All reports on the death of the city centres have been much exaggerated as time and chance happen to cities too. And rise and death is a cyclical process that most town areas are engaged in. And if framed within adequate public policies, city centres will reborn again with full potential. This notion is important to keep for the future, as cities in a transition state such as Vila Real, should enforce policies to protect the city centre so that it does not decline at full speed. Once reaching the bottom of urban decay, it takes a longer time and demands much political and technical commitment to solve the problem. The case of Porto shows this evidence by large while Genoa provides a successful case on a similar constraint situation, namely peripheral location. Nice, with a central location and as a relevant tourist destination, did not apparently suffer so much in urban decay but investment decrease is fully pictured in recent trends. Likewise, a transition situation although at a superior level than the one faced by Vila Real can be envisaged if strong and already planned policies are not implemented.

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