

New Developments in Urban Governance: Rethinking Collaboration in the Age of Austerity

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Introduction

The 2008-2009 Global Economic Crisis (GEC) created an opportunity, eagerly seized by many national governments and international organisations, to impose a prolonged, and widespread period of austerity. Austerity is widely recognised to have done enormous damage to social, cultural, political and economic infrastructures in cities and larger urban areas across much of the globe (Davies, 2021). As the GEC was also the first such crisis in what is widely considered “the urban age” (Brenner and Schmid, 2015), (COVID-19 merely the latest and worst), austerity measures were chiefly administered through municipal and regional mechanisms. A great deal has been written since the crisis, about the way austerity was experienced, governed, resisted and urbanised. This volume considers these issues anew, by reflecting on the multi-faceted and shape-shifting concept of “collaboration”. It draws from research funded by the UK Economic and Social Research Council titled *Collaborative Governance Under Austerity: An Eight Case Comparative Study*, led by the Centre for Urban Research on Austerity at De Montfort University in the UK City of Leicester.¹ Research was conducted over three years (2015-18) in the European cities of Athens, Barcelona, Dublin, Leicester and Nantes, North American cities of Baltimore and Montréal, and the Australian City of Greater Dandenong, part of the greater Melbourne metropolis.

Our objective in this volume is to reflect on the theme of collaborative governance, considering this from the perspective of resisting austerity, or otherwise finding ways to circumvent or move beyond it. As a research team, we have a range of economic and political views, but all share egalitarian sympathies articulated in the following chapters. None of us are convinced of conservative, neoliberal or neoclassical economic justifications for austerity, and we deplore the assault on public goods and social solidarities that have occurred because of them. Many sources attest to the way austerity intensifies a spectrum of inequalities (Hastings et al, 2017). Nor are we convinced of the economic dividends meant to flow from austerity. These either did not materialise at all after the GEC, led to renewed and unsustainable speculative bubbles, and/or further amplified disparities. With respect to our views on austerity, we are also guided by the perspectives of respondents in the eight cities, as well as the recent discursive turn away from austerity on the global stage, accelerated by

the imperatives of COVID-19 (e.g. United Nations, 2020). Accordingly, the insights we draw about collaboration throughout the volume are directed towards locating agency found or created in urban arenas, for resisting or transcending austerity.

Why is it useful to explore austerity through the lens of collaborative governance? The study was initially motivated by the question of how robust established forms of state-led participatory governance created in previous decades would prove to be, when exposed to austerity. Read from the standpoint of the “global north”, recent history falls into roughly four periods (although these categories are too neat to be applied without geographical nuance). In schematic terms, the Fordist or Keynesian Welfare National States of the post-war period (Jessop, 1999) were followed by the rise of the new right, represented by figures like Pinochet, Reagan and Thatcher and dominated by “rollback” neoliberalism; the creation of markets by withdrawing state support from “uncompetitive” parts of the economy, alongside internationalisation of production, increasing unemployment, lowering labour costs and confronting adversaries with force. This phase was marked by widespread conflict, the destruction of old industries and institutional settlements, and often defeat for organised worker struggles. After the tumult of the new right, the third period was marked by reduced turbulence, and became associated with the term “rollout” and “roll with it” neoliberalism, or the “third way” (Keil, 2009). With centre-left national governments taking the reins in Germany, the US and UK and similar policy regimes rolled out across by the EU, UN and OECD, resources were invested in constructing institutions of a different character than in the Fordist-Keynesian period, more closely aligned with cultivating an ethos of personal responsibility and competitive individualism. It is here that our interest in collaboration begins, with the significance it acquired for governmental and non-governmental actors during what might be termed the neoliberal boom years preceding the GEC. As Davies (2021: 4) put it,

International organisations and governments sought to construct state-market-civil society partnerships, focusing particularly on the mobilisation of business and civil society actors. They privileged collaboration variously as a necessity in dealing with “wicked problems”, as a rapidly proliferating phenomenon, and as enacting a new and

virtuous form of sociability in de-traditionalising, post-scarcity and knowledge-rich societies.

Then came the GEC, and the dark clouds of austerity. We were motivated, in part, to consider what happened to this collaborative mood or ethos in the aftermath of the crisis and as austerity was introduced, or further intensified in the fourth period. Davies (2021) suggests that harsher cases of austerity led to a dramatic rollback in the participatory institutions that had been constructed in the 1990s and 2000s, with accompanying tendencies towards centralisation, authoritarianism and democratic disempowerment. These tendencies were noted particularly in Athens, Baltimore, Barcelona, Dublin, Leicester and Montréal. However, the research disclosed a multitude of other ways to think about collaboration, not only as a means of governing and delivering austerity, but also as a way of mitigating and resisting it, while advancing other agendas. The chapters in this book explore collaboration from this perspective, asking “who does politics with whom”, to what ends and how effectively?ⁱⁱ

The book is based on research in the eight cities between 2015 and 2018. In each, inquiry was led by a local investigator with support from research assistants, with more than 20 people involved in collecting and analysing data across the project as a whole.ⁱⁱⁱ We explored how cities navigated the “age of austerity”, looking at how it was governed, deflected, resisted and showed glimpses of alternative ways of living and governing. Over the timeframe of the study, some 320 interviews were undertaken across the eight cities together with observations, focus groups and stakeholder workshops. The research was initially written up in a series of 26 unpublished project working papers. These papers, referenced in the bibliography and cited in the text, form the basis for our published work. Issue 42(1) of the *Journal of Urban Affairs* (2020) was one major output from the project, with essays on each of the eight cities, and a thematic overview by Nik Theodore (2020).^{iv} These papers are also cited and referenced in the bibliography. *Between Realism and Revolt: Governing Cities in the Crisis of Neoliberal Globalism* (Davies, 2021) is a companion volume recording the Principal Investigator’s thoughts on the project, while a stakeholder-facing report published in 2017 can be downloaded from the Centre for Urban Research on

Austerity.^v The chapters in this volume articulate our collective perspective on collaboration, in the context of strikingly diverse and uneven austerity challenges.

What is “Austerity”?

Austerity is a simple idea, here referring to the purposeful withdrawal, curtailment and reorganisation of public goods by ‘the state’, by which we mean a multi-scalar set of institutions that spans the local/municipal to the regional, national and beyond. States are different in centralized and federal systems and complicated by historical specificities and path dependencies (such as Catalunya or Québec) (see Chapter 4 for more detail). Proponents of austerity believe it is necessary to correct the perceived economic malady of state over-spending, and as a virtue if frugality is associated with the good life or fiscal and moral rectitude. As we explain later, the idea of austerity can serve many different political ends. However, after the GEC, it became indelibly associated with a raft of measures to change the relationship between state, market and civil society by exposing states and citizens to and re-educating them (more-or-less successfully) for, the rigours of competition and self-reliance. Core austerity justifications were that government should spend less on public goods and redistribution (“free stuff” in the vernacular of conservatives) and more on supporting and extending the market economy, with the effect of redistributing wealth upwards. The mission of government in this worldview is not merely to cut the cash and wean people from public services, but also to refit its institutions and train its citizens for life competing in a society where market relations extend into previously sheltered areas (Theodore, 2020).

This kind of austerity is commonly branded, usually by critics, as “austerity urbanism”, “austere neoliberalism” or “neoliberal austerity” (Peck, 2012). In part, this is because it captures and radicalises the spirit of the often-violent revival in free market capitalism after the development of modern welfare states began to falter in the 1970s, in parallel with the end of the post-war Keynesian boom. But the “neo” in neoliberalism also highlights the central and active role of states in fitting themselves, citizens and civil society organisations for competitiveness and self-reliance. The reality of neoliberalism is that it contrasts sharply with the classical liberal idea that the state should confine itself to strict limits and respect

the private domain. For all that free marketeers want a smaller state, their predicament is that they need governmental mechanisms: to drive through reforms, roll out seemingly endless surveillance and direct repression when necessary, regulate market exchange, cultivate ideas and instincts capable of holding society together under market rule and facilitate extraction and upward redistribution to elites. Some critics have gone further, arguing that austere neoliberalism isn't really about the market at all, and certainly not for those who benefit economically from it. Market rhetoric rather conceals a deeply authoritarian concern with instilling household discipline and control, maintaining systemic inequalities and facilitating the upward transfer of wealth (Bruff and Starnes, 2019). Therefore, on the pro-austerity right, free market rhetoric is often accompanied by apparently contradictory – but in fact indispensable - conservative commitments to “family, faith and flag” and an ever-growing edifice of rules and regulations. Anyone working in a public body (or British university) will be wearily familiar with this ever-extending “utopia of rules” (Graeber, 2015). As the political scientist Andrew Gamble observed (1994), despite liberal protestations to the contrary, the “free economy” simply cannot thrive without a “strong state”. In fact, it is often argued that the state at various scales has been a central agent of globalization and neoliberalisation (Rosenberg, 2000). In contrast with the public welfare goods associated with strong Keynesian or social democratic states, the particular strength of the neoliberal state is its moralising, marketizing and disciplinary capacities. As we suggest in several chapters, inter-dependence between markets, marketizing states and civil societies has been very prominent throughout the age of austerity.

Yet, important as the politics of austere neoliberalism have been, this is not the only story of the post-GEC period. Much of the scholarship about neoliberalism, particularly in cities, accentuates difference, complexity and hybridity to search out grounds for hope that another world, or at least a different politics, might be possible. The urbanist's fascination with cities arises from their centrality in human development over thousands of years (Childe, 1950), but also their dynamism in generating, shaping and sometimes repelling forces operating at larger scales and, in the modern era, imposed by higher tiers of government. Big ideas like austere neoliberalism are usually driven by national and supra-national elites and institutions, but urbanists draw attention to the many ways in which they

accentuate, warp, diminish and transform as they encounter cities, sometimes from the bottom-up. Each city has its own economic configurations, political cultures, traditions, institutions, geographies and struggles. This means that while there are many commonalities in the 'planetary' urban experience (Brenner and Schmid, 2015), there are also important differences and counter-currents, which we attempt to capture.

Austerity itself is also replete with commonalities and differences. There are very few, if any political traditions that do not have some place for economising, thrift and sacrifice. When soon-to-be British PM David Cameron announced what turned out to be a prolonged and internationally widespread "age of austerity" in 2009, he was borrowing the idea from post-war Britain where severe privation preceded the boom-years of the 1950s and 60s. But, in this "age of austerity", welfare states were being constructed, exemplified by the 1945-51 UK Labour government's commitment to equalisation through collective consumption goods, including the national health service, public housing and universal education, higher taxes on income and wealth, and the creation of workplace bargaining mechanisms involving state, employers and unions. The work of Esping Andersen (1990) charts the development of different welfare state models in post-war capitalism.

The most recent age of austerity reversed much of what was started in the last. The motivation in the post-war period was not marketisation and individualisation, but rather the collective endeavour and sacrifice to re-build nations and construct institutions to give a voice to worker representatives and allocate public goods. This understanding was articulated by one of our interviewees in Ireland (Gaynor, 2016):

As I understand it the word austerity would go back to the period around the Second World War and austerity under the British wartime government and subsequently because of rationing etc went on way into the 1950s. And that meant equal rationing for everybody. And that meant tax at 19 and 6 in the pound. That meant an attempt to share the burden of war time and post-war time fairly equally. What has happened since then, certainly in Ireland, and I suspect in other countries, is not that.

Keynesian economics were popularised during the post-war period throughout much of the North Atlantic region and parts of the southern hemisphere, including Australia and New Zealand. The Keynesian approach to austerity differs considerably from austere

neoliberalism. Neoliberal economists argue for austerity in response to recessions, to cut business costs and stimulate investment. Keynesians think restraint should be employed when the economy is booming. Governments save during boom times for recessionary periods, when savings can be deployed to stimulate growth (Konzelmann, 2014). Other philosophies espouse moral and political imperatives to frugality and periods of self-imposed deprivation linked, for example, to religious traditions of fasting and self-sacrifice. Even some variants of communism share an ethos of austerity, linked to revolutionary asceticism. Austerity philosophies, rooted respectively in notions of economic necessity and moral virtue, are by no means mutually exclusive and often reinforce one another.

The geographer Jamie Peck (2012) popularised the term “austerity urbanism”, as a way of thinking about the diverse urban political economies that emerge from the encounter between cities, austerity and its counter-currents. Chapter 1 begins by looking at one aspect of this encounter, exploring what the term “austerity” evokes for our eight cities, and how it influenced approaches to governing in the post-2008 period. This exercise is instructive, because it draws attention to what muddies or subverts austerity in its conventional neoliberal guise, as well as the experiences of cities exposed to the full force of “austerity urbanism”.

Austerity in the City

Although city leaders can certainly be enthusiasts for austerity, it is more commonly driven by international, national or regional actors. It is by no means a uniquely urban problem, and rural or peripheral urbanising areas lacking services and infrastructure are particularly vulnerable. So, why focus on the urban experience? In this volume, we are concerned with the politics of austerity governance, rather than with its immediate economic and human impacts, which demand as much attention to non-urban as to urban areas. The primary rationale, explained earlier, is that cities have been dynamos of human development for thousands of years, driving forward both economic and cultural development through antiquity, renaissance and modern times, and political development as new ideas incubate, movements arise, and great national and international transitions are inaugurated. Moreover, while the digital age may have shifted the dynamics, cities are still “zones of intensity” where interactive or collaborative politics proliferate. They are laboratories for top-

down and bottom-up experimentation around governing mechanisms, and – unlike rurality or the scale of the nation state - are places where state, market and civil society actors come into close and routine proximity, whether as allies, instrumental partners, or adversaries (John, 2009). Moreover, at a very practical level, austerity creates major stresses and strains for political actors in the urban arena. Cucca and Ranci explained in relation to European local government (2017: 267) that “the capacity of urban governments to carry out effective policy has been substantially reduced by a three-fold dynamic: state delegation of responsibility for local economic development as well as social integration, strong cuts in central funding and tighter constraints on local budgets”. An irony, then, is that the great planetary wave of urbanisation in recent decades occurred in parallel with the widespread weakening of local state and place-based institutions. Thus, municipalities feel compelled to collaborate with other state and non-state actors, whether this is to mobilise policy and resource coalitions, for example at city-regional scales and beyond, or find ways of resisting and working around this relentless dynamic.

Governance, Collaboration and Resistance

How, then, do we frame the nebulous question of collaboration addressed through the remainder of the volume? In recent political science and public policy, the term has been associated with the way states attempt to form alliances and coalitions with other states and non-state actors, often operating across scales. It is conventionally framed via the question of how social forces located respectively in the profit economy, civil society and the state pull together around common, or at least overlapping agendas and activities, to deliver goods valued by the contributing parties. Collaboration in this sense can be traced back at least as far as the formal or *de jure* detachment, from the state, of economic and public spheres that occurred with the rise of capitalist modernity. The volume looks at state-corporate-civil society collaboration as it reinforces (or undermines) alignment between different social spheres, but also in the wider sense of what political forces collaborate, and how, to resist austerity and transform cities.

As explained earlier, collaboration as an idea or norm became especially popular in the reconstructive period associated with the terms “rollout”, “roll with it” and “social neoliberalism”, particularly at the local and urban scales. For this reason, collaboration in

governing cities became prevalent in discourse and practice and prominent in academic literatures from the 1990s, particularly but not only in Western settings. The concept is fluid in origin and use, reflecting both aspects of neoliberal thinking (Davies, 2011) and mounting demands for transparent and participatory forms of policy and decision-making (Davidoff, 1965). In its most ambitious expressions, collaborative governance is understood as the “formal, consensus-oriented, and deliberative” processes created to enhance relations within the triad of state-market-civil society forces (Ansell and Gash, 2007: 544). In the thinking of Sørensen and Torfing (2018), governance in this sense is now a fully mature paradigm, capable of both analysing social complexity and improving economies and societies.

The substantial attention given to collaborative governance in both academic and governmental spheres of public administration and public management highlights many nuances in understandings of the concept. For example, it reveals the ubiquity of closely related concepts such as joined-up or network governance and variations in theorisation, including the differing role that state actors can play (Korfmacher et al, 2010), the extent to which citizens are involved and the possibility of collaboration being initiated and led by actors outside the state (Agranoff and McGuire, 2003). There are many different focus points of collaborative institutions, for example on specific issues like environmental management or disease control, and collaboration can occur at different stages of policy or project development. Others have brought attention to different qualities of collaboration, such as the dynamics of inclusion (for example, Ansell, Doberstein, Henderson, Siddiki, and ‘t Hart, 2020). It is sufficient here to point out that the purported shift from “government to governance” (Rhodes, 1997) has been largely construed as a positive development in the political mainstream, though it is far from a fixed idea or precise practical method.

While collaboration is often treated as a desirable approach to solving urban problems through “consensus-building” or for delivering services in cities, attention has also been drawn to weaknesses and counter-intuitively coercive applications, for example through “dark” networks, elite or clientelistic networks and network closure (Davies, 2011). Some of the problematic aspects of collaboration include the lack of recognition given to the value of conflict, arguably just as important to creative processes as deliberation (Dickinson and Sullivan, 2014). The potential for state-led collaboration in “invited spaces” to suppress dissident voices and selectively co-opt interests in pursuit of pre-established policy goals can

also be overlooked. Critics suggest that collaboration attracts participation by citizens and community organisations to channel efforts into pre-established priorities, to depoliticize (Gough, 2002) or corral alternative perspectives into forums and processes managed by the state. Collaboration is therefore a construct common in policy and scholarly usage, but one that is multiply defined and contested in much the same way as austerity. The following chapters engage these debates and go beyond them in employing the term “collaboration” creatively and openly to explore alliances in and against austerity urbanism.

Eight Cities as Case Studies

Though we expected experiences to be diverse in the eight cities, they turned out to be far more so than initially anticipated, partly on account of changes occurring between submission of our grant application to the ESRC in late 2013, and the commencement of research two years later. Each city tells a distinctive story, though there are also many commonalities. Written in light of the COVID-19 pandemic, the Afterwords, at the end of the book reflect briefly on what transpired since the study concluded.

Athens

Athens is the capital of Greece and the epicentre of European austerity. The city grew in an unregulated fashion, via self-built constructions on the urban fringe, while informal social support networks and irregular employment opportunities in small businesses shaped the backbone of its socio-economic traits. Informality, in fact, is one of the city’s known and fairly appealing qualities, noted primarily in respect of the vibrancy of its social fabric. But informality also suggests that the city lives relatively on the edge, lacking structured welfare support responses and adequate social safety nets. More so, since local authorities were, up until recently, absent from social welfare duties, operating in a strongly centralized administrative system with limited competences and meagre funds (Hlepas, 2020). In such a context, the economic downturn brought about by the 2008 global economic crisis, and the seven year long recession that followed the implementation of austerity policies (2010), was bound to have severe socio-economic consequences.

As elsewhere, the impact of austerity was predominantly noted in urban areas. In Athens, deteriorating socio-economic indicators outdid the national averages, calling for

urgent intervention measures. In parallel, an austerity-driven local authority reform (2010), transferred fiscal, developmental and social welfare duties to cities, amidst budget paring, impelling municipalities to address local challenges in collaboration with civil society. The neoliberal 'rescaling' goal, promoting local policy spaces that fend increasingly for themselves, was put forcefully into practice via austerity (Chorianopoulos and Tselepi, 2019). In an attempt to secure funding and respond to acute social need, the city of Athens endorsed the governance shift, opening up its policy-making structures to the influence of corporate and third sector organizations. Austerity was not contested by the local state, as stringent fiscal administration became an explicit partnership prerequisite. The city's collaborative quest also stretched to the informal associational realm, but was not taken up by the grassroots. The numerous informal solidarity networks that sprung up in Athenian neighborhoods after 2008, echo the the city's past. Unlike the post-war era, however, current informal collaborative vehicles are overtly contentious, defined in respect of their firm avoidance of austerity-related agents, policies, and institutions (Chorianopoulos and Tselepi, 2020).

Baltimore

Baltimore sits at the southern end of the mega-region stretching several hundred miles from Boston to Washington DC in the USA. In the realm of urban policy, Baltimore is known for its Inner Harbor redevelopment of the late 1970s, which became a blueprint for waterfront regeneration around the world (from Sydney's Darling Harbour to Cardiff Bay). But the Baltimore as immortalised in the HBO series 'The Wire' is better known for its concentrated poverty and racial injustice, which focus attention on the stark power imbalances of state-society relationships and their spatial manifestations. Indeed, Baltimore is a textbook example of a deindustrialised city, which was an early adopter of what David Harvey (1989) termed strategies of the entrepreneurial city, or the pursuit of wealth creation rather than equality. Baltimore therefore punches above its weight as an example of the changes wrought under neoliberal urbanism, with defacto federal withdrawal in the US from the 1970s onwards presaging state restructuring and changed priorities elsewhere. The divided city of Baltimore is extreme by the standards of our other cities. It can be perceived

as a salutary warning of the extremes of austerity and its related coercive and carceral tools, which were prevalent in the city long before the global economic crisis of 2008.

But Baltimore is a rich research arena for other reasons. The city gained worldwide attention in 2015 when there was an uprising following the death of a young black man, Freddie Gray, due to injuries sustained in police custody. The research we document here was phased over the following two years, drawing specific attention to what has changed, and what hasn't, as a result of what became known, in capitals, as "The Uprising" (Pill, 2020). Studying Baltimore affirms the salience of the city as a political realm, given the importance of everyday struggles about public services, especially policing, housing, and education together with conflicts about urban renewal and redevelopment, such as the distribution of tax subsidies, which reassert the dominance of the waterfront and of major non-state actors in the city (such as its powerful 'ed and med' institutions). These struggles focus attention on the governance of the city, and on the scope for more equitable alternatives which can disrupt the normative power of neoliberal ideologies and redress the iniquitous divisions with which Baltimore is synonymous.

Barcelona

Barcelona is the capital of Catalunya and, in terms of size and stature, Spain's second city. Like the rest of Spain, the city was hit hard by the effects of the economic and social crisis that began in 2008. The growth of unemployment and economic and residential precariousness among large segments of the population led to a period of profound political and social changes in the city. After three decades of electoral hegemony by the Socialist Party of Catalunya (PSC), the 2011 elections gave victory for the first time to the conservative nationalists of *Convergència i Unió* (CiU). The imposition of harsh austerity measures on local governments thus coincided with the formation of a conservative minority government that accelerated the privatisation of public services, strengthened collaboration with large economic agents, and reduced the political influence of the institutional mechanisms of citizen participation. Interestingly, however, CiU attempts to undermine the city's elaborate participatory mechanisms in the city came to nothing.

Meanwhile, urban social movements gained momentum as a result of the confluence of different social struggles culminating in the emergence of the national 15M movement in

2011. During this period, there was an explosion of cooperative social initiatives aimed at exploring and promoting new ways of living in common (Walliser, 2013). The new political formation, Podemos, aimed at articulating and representing the spirit of the new social mobilizations in the institutional sphere at the national level. At the same time, local political actors began to forge new coalitions between left political organizations - including Podemos – and urban social movements. The resulting political platforms achieved historic electoral results in the 2015 municipal elections, enabling them to govern in five of the six largest cities in the country, including Barcelona. The electoral victory of the political platform Barcelona en Comú, led by social activist Ada Colau, became the icon of a new municipalist political movement that claimed the municipal arena as a space for building progressive alternatives to neoliberal austerity. The case of Barcelona therefore exemplifies the intensification of the tensions and contradictions between alternative urban political projects during the years of the GEC. On the one hand, it provided an excuse for the acceleration of public sector cuts, the privatisation of services and the strengthening of urban technocracy against the collaborative traditions of the city. On the other hand, the same economic and social context stimulated the construction of radical alternatives and opened a window of opportunity for the electoral 'assault' on the institutions, making cities a critical arena for the development of progressive alternatives to neo-liberal austerity and novel forms of collaboration.

Greater Dandenong

Greater Dandenong is a relatively small city within the South Eastern area of the Melbourne metropolis, with a large minority ethnic majority population. Melbourne itself is the major city-region in the Australian State of Victoria, comprising over 75% of the State's population. The context informing this study was very different from that of counterparts in the northern hemisphere. Though this is an area subject to economic restructuring and de-industrialisation, Dandenong provided a much more positive context for revitalisation. As Henderson, Sullivan and Gleeson (2020: 129) put it, "Australian cities have not experienced the material crises visited upon other cities in recent decades, with urban rioting, extreme social dislocation, deprivation, or fiscal default". Consequently, although we thought that austerity was looming, on account of the soon-to-be replaced government of Tony Abbott, our research in fact records the collaborative politics of market-led revitalisation in a

deprived, multi-cultural city centre and showcases significant differences between austere and non-austere forms of urban governance.

Dublin

Dublin is Ireland's capital and, like Athens, dominates the political economy of its host country, accounting for forty-seven per cent of its GDP. Between the 1990s and the beginning of the GEC, it was a major driver of Ireland's so-called "Celtic Tiger" economy, attracting high levels of global capital investment, notably from US multinationals, with much of this investment concentrated in and around the city. A wide range of international corporations including Amazon, Facebook, eBay, Google, LinkedIn, Microsoft, PayPal, and Twitter have their European headquarters in Dublin's hi-tech "Silicon Docks", where they enjoy a series of generous tax breaks including one of the lowest rates of corporation tax in the European Union.

Like Baltimore, this strategy of urban entrepreneurialism resulted in growing inequality and social tensions as its inevitable segregating effects led to rapid escalations in land and property prices and widespread displacement of local use values (social housing, community facilities, small businesses etc.). The associated banking crisis and property market collapse in the GEC left the city with a major housing crisis. Meanwhile, the extensive period of austerity, which governmental elites attempted to represent as payback, not for corporate or speculative excess, but for the excessive spending of citizens, has severely depleted social services. Dublin attests to the contradictory impacts of austerity and its implications for both collaborative governance and urban resistance.

Leicester

Leicester is a medium-sized city in the UK context (some 342,000 people), located in the East Midlands region of England. On some measures, it is the poorest in the UK. Like Greater Dandenong, it has a very ethnically diverse population, and is known as "Britain's multicultural city". The Labour Party dominates city politics, with the city Mayor, the overwhelming majority of city councillors and three members of the UK Parliament. Historically, Leicester is considered to have been a prosperous city, but with industrial decline in the 1970s and 80s it entered a labour market crisis from which it has never fully recovered. Poverty and deprivation in the city were intensive and extensive even before the GEC, and

Leicester's predicament only deteriorated as austerity was implemented, first by a Conservative-Liberal coalition and latterly by the Conservatives governing alone from 2015. As of 2020, the municipal budget had declined by 39%, leading the City Council to slash 63% from its discretionary spending in order to concentrate investment in threadbare statutory social services (Davies et al, 2020).

In a country where collaboration developed significant normative appeal for governments in the 1990s and 2000s, Leicester shows the impact of austerity on urban governance and the spaces and potentialities for state-civil society partnerships. In the New Labour years between 1997 and 2010, and often at the behest of national government, local collaborative institutions proliferated at city and neighbourhood levels. These mechanisms were often held in poor regard by local politicians, community activists and researchers alike as "talking shops" (Davies and Thompson, 2016). Others, however, regretted their disappearance in the Conservative age of austerity, particularly at the neighbourhood scale. Inadequate as they were, these mechanisms were seen as having provided a space of interaction and communication between community facing public officials and citizens.

Montréal

Montréal is a large metropolitan area in the predominantly French-speaking nation of Québec, currently a Province of Canada. The 2008 economic crisis did not hit Montréal directly but had a secondary economic impact due to a drop in international tourism and a decline of foreign investments. However, although the impact of the 2008 financial crunch was rather muted, Montréal has undergone a series of consecutive and on-going crises since the crises of "Fordism" in the 1970s. In Montréal, austerity is not understood as a necessary policy in an exceptional time, as it is in Europe, other parts of North America, and in regions and cities across the rest of Canada. It is rather understood as an ideological choice, a conservative approach to state restructuring in the context of a historic and enduring crisis of the Welfare State. This style of politics was pursued at the federal level by the Conservative Harper government until the election of the Liberal Justin Trudeau in November 2015. Local government in Canada, however, is subject to regulation by the regions. It enjoys very limited autonomy and municipal power is weak. For that reason, it is necessary to understand urban issues and urban governance from the standpoint of the local state in its more expansive

sense, which always involves more than just local or municipal actors (Magnusson 2015). In other words, it is a combination of interventions from three different tiers of the state – federal, provincial and municipal – that have to be taken into account for understanding past and future orientations of urban development and collaborative governance. The programme of cuts and restructuring pursued by the Québec government led by Philippe Couillard (2014-18), perceived by many as centralising and authoritarian, led to a significant reduction in support for the community sector. At the same time, Montréal has a vibrant civil society, capable of initiating collaboration with the state and other civil society actors, resulting in significant – if fragmented – expressions of resistance.

Nantes

Nantes is situated near the eastern coast of France and the Loire Valley, and is of similar size to Leicester. The city represents a paradigm case of decentralised collaborative governance - the so-called “Nantes Model” – which is explicitly understood by its proponents and practitioners as a form of pragmatic-collaborative governance (Griggs, Howarth and Feandeiro, 2020). The rhetoric of pragmatic-collaborative governance, which brings together commitments to citizen dialogue, neighbourhood renewal, sustainability and attractiveness has continued to frame the politics and policies of Nantes municipality, and the metropolitan combined authority, Nantes Métropole. In other words, community collaboration remains the foundation of the city’s internal and external branding. Indeed, following on from its Green Capital 2013 award, Nantes was named in 2019 the European Capital of Innovation, with the jury declaring that Nantes demonstrated how “a city can harness democratic participation to tackle challenges like energy, ageing, the digital transition and social inclusion”.^{vi} At the same time, the research charts tensions and potential contradictions in the Nantes Model, also explored in the following chapters.

Book Structure

The diversity of the eight cities discussed throughout the remainder of the book was approached from the very beginning as a valuable challenge, capable of shedding new light on the themes explored. A snapshot of the diversity is provided in Table 1.1, which captures data about population, economic performance and political control. Table 1.2 provides proxy

figures for four economic outcomes of crisis, recession and austerity in the eight cities: national GDP trends, metropolitan GDP trends, real-terms municipal budget growth and metropolitan GDP growth relative to the pre-GEC peak. Given the multiplicity of variables unaccounted for in these data, they should be treated as a very rough indication of austerity.

	City Population (2019)	Metropolitan Population (2020) ^{vii}	Metropolitan Per Capita GDP (2015) \$ ^{viii}	National Per Capita GDP (2015) \$ ^{ix}	Political Leadership (2015-18)
Athens	664,000	3.153m	32,167	22,615	Centre-left platform. Mayor Georgios Kaminis. Lost to Conservatives in 2019.
Baltimore	619,500	2.325m	69,590	52,099	Democrat. Mayors: Stephanie Rawlings Blake (to 2016) Catherine Pugh (2016-).
Barcelona	1.61 million	5.586m	45,752	30,595	Barcelona en Comú. Mayor Ada Colau.
Greater Dandenong	169,000 ^x	4.968m ^{xi}	41,062	55,183	Labor (Victorian Government). Non-executive Mayor elected annually.
Dublin	554,000	1.228m	55,909 (2011)	50,304 (2011)	Centre-left coalition. Non-executive Lord Mayor.
Leicester	348,000	0.552m	33,355	41,756	Labour. Mayor Sir Peter Soulsby.
Montréal	1.78 million	4.221m	35,498	50,255	Centre-left platform. Équipe Denis Coderre pour Montréal. Projet Montréal (2017-). Mayor Valérie Plante.
Nantes	306,000	0.678m	38,736	41,765	Socialist Party. Mayor Johanna Rolland

Table 1.1: Urban Populations, Economies and Municipalities^{xii}

	% National peak-to-trough GDP in/after GEC ^{xiii}	% Metro Peak-to-trough GDP in/after GEC ^{xiv xv}	% Municipal Budget real terms growth/fall 2008-18 ^{xvi}	% Metro GDP Growth relative to pre-GEC peak ^{xvii}
Australia/Melbourne	+4.2 (2008-9)	-0.96 (2007-8)	+15.4	+24.2
Canada/Montréal	-4.6 (2008-9)	-1.23 (2007-8)	+20.5 (2019)	+15.6
France/Nantes	-4.0 (2008-9)	-2.4 (2008-10)	-7.5	+13.0 (2015)
Greece/Athens	-29.5 (2008-13)	-26.3 (2008-15) ^{xviii}	-28.4	-26.3 (2015)
Ireland/Dublin	-13.6 (2008-13)	-7.2 (2007-9)	-20-25 (no data)	+24.1 (2014)
Spain/Barcelona	-10.3 (2008-13)	-9.0 (2008-13)	+0.25	-3.4 (2015)
UK/Leicester	-6.4 (2008-9)	-5.3 (2007-9)	-39.9 (2020)	+16.4
USA/Baltimore	-5.1 (2008-9)	+7.3 (2007-10)	-2.2	+12.24

Table 1.2: Growth and Recession in and after the Global Financial Crisis^{xix}

Written as a collective endeavour, the volume presents a series of reflections on the theme of collaboration and its intersections with austerity. The first chapter sets the scene, exploring the histories, diverse experiences and understandings of austerity in the eight cities. Chapter 2 expands on the central theme of the volume, exploring how collaboration is conceptualised and practiced in the eight cities. Chapter 3 further considers the politics of collaboration, in particular the means by which it forecloses and opens up spaces for urban

actions and strategies beyond austerity. Chapter 4 explores a pivotal theme in global austerity governance, the question of re-scaling. In many ways, this chapter highlights the limits of collaboration most of all, as the discipline and control regimes of austerity drive retrenchment and restructuring from the top-down. Chapter 5 examines the composition and politics of the local state and its traditions in greater depth, while chapter 6 considers what local state, local policy and civil society activism contribute to racial diversity, equality and justice in a dangerous conjuncture. The concluding chapter draws salient lessons and insights together, focusing on the kind of practices that might plausibly result in more authentically equitable and inclusive governance. The Afterwords following the concluding chapter reflect on changes in the cities since the research concluded in 2018, including early implications of the COVID-19 pandemic. A key message from these Afterwords, and from emerging research, is that the pandemic was much worsened by legacies of austerity, particularly as a disease of urban peripheries and deprived neighbourhoods. Even if, for the time being, austerity has fallen into disrepute as a governing ideology, amid calls for new social contracts, and to “build back better”, its pandemic legacies have been dire (Biglieri, De Vidovich and Keil, 2020).

Chapter 1: Crisis and Austerity in eight cities: an overview

Chapter 1 focuses on how the eight cities encountered, worked with and against austerity in the period after the GEC. It begins by providing a flavour of the histories and traditions which contribute to explaining how austerity was experienced and mediated. It then turns to a discussion of Athens, Baltimore, Dublin, Leicester and Montréal, where more-or-less harsh forms of forms of austerity were implemented in the decade after GEC. It then looks at the three cities which, in different ways, provide a contrast with the story of austerity. These are Barcelona, Melbourne and Nantes. It is from these cities, primarily, that positive lessons emerge for charting governing directions beyond austerity. Chapters 2 and 3 build further on these reflections.

Urban Histories and Traditions

The eight cities are rooted in very different political systems and traditions. For example, the military coup in Greece (1967-74) and the Francoist dictatorship in Spain (1939-1975) created highly centralised administrations characterised by repression and the suppression of civil society, which nevertheless survived underground and played crucial roles in the democratic transitions of the 1970s. In contrast, the modern Welfare State emerged in other contexts much earlier, for example in Australia or in the United Kingdom after the second world war, to prevent any recurrence of the Great Depression and in response to political demands raised by the working class. While we do not analyse governance trends through the twentieth century, these examples capture something of how the scope for democratic practices, like participation, varied in the aftermath of the war.

By the late 1970s and early 1980s the cases had converged to some extent, fitting the model of contemporary capitalist welfare states in different ways (for example Fordist, neo-Fordist or peripheral Fordist). At different points in the 1980s and 1990s, they all experienced periods of retrenchment and restructuring, pursuing marketisation agendas that clashed with previous welfare policies and institutional settlements. Some pursued structural adjustments to financial and governance systems in concert with multilateral organisations like the

European Union and others were influenced by the close ties between ex-President Reagan (USA) and former Prime Minister Thatcher (UK), who enforced (and encouraged abroad) policies of industrial retrenchment, weakened the powers of unions, restructured state apparatuses at all scales (see chapter 4) and squeezed municipal resources. The growing emphasis on collaboration after the Reagan-Thatcher shock politics can be understood as part of ongoing global trends in Western models of governance, predominantly the consolidation of market-based approaches, increasing demands for citizen participation and the partial dismantling and reconstitution of welfare states in favour of outsourcing, privatisation and partnership delivery models.

Notwithstanding some shared conditions and storylines associated with the crises of welfarism and neoliberalisation, national and local conditions powerfully shape governance practices and purposes, everything for instance from macro-economic circumstances to the personal qualities of local leaders, like the inspirational Mayor of Barcelona, Ada Colau. As Brenner and Theodore captured in coining the term “actually existing neoliberalism” (2002: 349), top-down pressures to marketise cities are “defined by the legacies of inherited institutional frameworks, policy regimes, regulatory practices, and political struggles”.

Athens and Barcelona have taken very different paths since emerging from dictatorship in the 1970s, exemplifying the potential for local conditions and traditions to shape the meaning and content of governance and collaboration (a theme developed further in chapter 5). Both cities were sites of major anti-austerity struggles after the GEC and subjected to disempowerment by centralising forces at national and European scales. The City of Athens ultimately eschewed collaboration with anti-austerity activists (and was in turn eschewed by them), instead soliciting alliances with transnational civil society actors, like Bloomberg and Rockefeller, to cultivate cultures associated with good neoliberal governance: retrenchment, competitiveness, resilience and entrepreneurship (Chorianopoulos and Tselepi, 2020). The city of Barcelona, on the other hand, under the leadership of anti-austerity activist Colau, sought alliances with grassroots activists. Many activists, in turn, maintained a critical and sceptical distance, and saw their own movements and actions as the source of more radical policies and initiatives taken up by the City (Blanco et al, 2020). Moreover, the extent to which welfare policies and institutions have been dismantled or

sustained since this time varies greatly across the cases, which in turn set different stages for perceiving and responding to the GEC.

We now explore the localised interpretations and mediations of austerity, what these reveal about the politics and governance of each city, and the potential for differentiation in urban responses. We first discuss five cities in which variants of austerity were present, but in interestingly different ways. We then look at three distinctive cities, Dandenong (Melbourne), Nantes and Barcelona, which position themselves as outside, against or subverting austerity.

Between Idealism and Realism: Varieties of Austere Neoliberalism

We coined the term “austerity realism” in the study of Leicester, but it resonates widely as a political rationality capturing the way governance actors, some of whom oppose austerity on principle, feel dutybound to cooperate or implement it as efficiently as they can, given the perceived lack of alternatives (Davies and Thompson, 2016). Austerity realism is a governing characteristic we associate primarily, but not exclusively, with left-of-centre cities. It contrasts with “austerity idealism”, where downsizing the local state, balancing budgets and eliminating borrowing is deemed good economic policy by local leaders, regardless of pressure from upper tiers. Austerity realism, discussed here and in chapter 3, is important both in muting anti-austerity politics and as a vehicle for shaping the forward trajectory of cities in the post-GEC period.

We first discuss Leicester, the city from which the term “austerity realism” was initially derived. Leicester City Council (LCC) is overwhelmingly comprised of Labour Party councillors, and has a Labour supporting City Mayor of considerable renown. As indicated in Table 1.1 earlier, it was subjected to a major squeeze in government funding, amounting to a reduction of 39% overall and 63% of its discretionary spend between 2010 and 2020. Nearly all respondents, across all groups, opposed austerity – not only cuts to local government, but also the draconian squeeze on public welfare entitlements. This was administered directly by a central government department with local offices, but completely beyond the control of the municipality.

Yet, Leicester City Council saw no choice but to deliver austerity. Its variant of austerity realism was concerned with avoiding conflict with government, ensuring that

spending reductions were delivered optimally and employing resources to mitigate the impact on those rendered most vulnerable, particularly by welfare cuts. Austerity realism conjures memories of militant municipalities defeated by Margaret Thatcher's government in the 1980s and the folly of embarking on such a venture again. As one respondent put it, "when diehards tried in the past, it hasn't succeeded really. It's ended up losing what power it had, so that's like picking a fight with no chance of winning it (Davies et al, 2020: 68). This ethos was very influential: not only within the City Council, but also the voluntary and community sectors and among anti-austerity activists.

Among Leicester's political leadership, the financial squeeze and restructuring, mediated by austerity realism, created a very clear growth imperative. The City Mayor commented at a Council meeting that while his administration continued to invest in public services,

I make no apologies for investing ... in what is almost literally our shop window which is our city centre. Investment in the city centre is something that has been a major magnet attracting private sector investment into the city centre, a major factor in ensuring that our retailing in the city centre continues to prosper when many other city centres are dying as a result of changing shopping patterns and shopping online and so on. Ours does not face that bleak future.^{xx}

Sir Peter Soulsby was re-elected for a third term in 2019, with the Labour Party taking 53 out of 54 council seats. Those seeking to oppose austerity, or advance alternative strategies, operated at the political margins with occasional successes in preventing or deflecting specific cuts. As a discourse and practice, then, austerity realism had a significant influence on the prevalent tone and style of governing in and beyond the state itself. It was effective in mobilising at least tacit consent among key business and civil society actors, and in keeping alternative worldviews at bay. For example, councillors resigning from Labour because of austerity, and sitting as independents, did not hold their seats at subsequent elections.

Athens has, for more than a decade, been exposed to the combined shockwaves of recession and austerity. Amidst the immense social crisis in the city after the GEC, grants to

the municipality from government were cut by more than 60%. Municipal staffing fell by nearly 50% from its peak, and the municipal budget was reduced in absolute terms by some 21%, unadjusted for inflation (Chorianopoulos and Tselepi, 2020). The Greek party-political left was deeply implicated in austerity, and as in France and Spain, support for the traditional party, PASOK, plummeted after the crisis. In Athens, however, the PASOK worldview survived the demise of the party itself. Former PASOK supporter, Georgios Kaminis (2010-2019), ran successfully for the city mayoralty as an “independent”, drawing support from his former party and other forces on the “pragmatic” centre-left. Unlike the Mayor of Leicester, and despite hailing from the centre-left, Kaminis’s discourse had distinctly ideological overtones. He claimed proudly in 2012 that his administration had eradicated borrowing in its first year and reduced municipal debt. Kaminis supported “Nai” (Yes) in the July 2015 national referendum on whether to accept a third austerity memorandum with the Troika (European Commission, European Central Bank and International Monetary Fund). He viewed austerity through the lens of his attempt to promote the city on the international stage, envisioning a self-sustaining city-region with administrative and fiscal independence, within the European Union. The imagined remedy was not conflict, sovereignty or “Grexit” but a strong, integrated, fiscally prudent and thereby competitive city-region.

While Kaminis embraced austerity in almost visionary terms, officials closer to the ground had a more pragmatic outlook, resonating with the idea of austerity realism. For example, developing public-private-civil society partnerships was perceived as the only viable way forward. Said one local politician, “it’s not the memorandum or austerity: it’s necessity that drives us ... we made a choice” (Chorianopoulos and Tselepi, 2019: 89). This pragmatic outlook led the City of Athens to enter a range of partnerships with transnational organisations, like Bloomberg Philanthropies and the Rockefeller Foundation. They were embedded within the local governmental machinery, which emphasises the benefits of prudential financial management as a vehicle for building “trust” and attracting investors. Collaboration around austerity governance in Athens was therefore two-tone: an instrumental response to the pressures of austerity, but also strategic coalition building with international elites to change the direction of the city. However, as we explain in chapter 3, austerity realism had minimal traction as a governing ethos in oppositional strands of

Athenian civil society, even as they themselves embraced pragmatism in the battle to help Athenians survive the crisis.

It was impossible to obtain quality data on financial trends at the city level in Dublin. This was partly because austerity itself eroded the capacity to collect it and partly because funding mechanisms were complex and difficult even for local politicians and officials to unpick. We believe anecdotally that there were nationally mandated spending cuts of 20% between 2008 and 2015, partly on account of the bailout agreement with the Troika. Interviewees estimated that the City's budget had been cut by 20-25%. Municipal staffing was cut from 6,800 in 2010 to 5,000 at the most recent count (Gaynor, 2020). In Ireland, the politics of austerity were entwined with the influence of conservative traditions rooted in Catholicism. In transferring responsibility for the crisis from financial institutions and speculators to citizens, as mandated by the bailout agreement, the government sought to instil a politics of collective guilt and shared responsibility. According to the late former PM Brian Lenihan, speaking in 2010: "Our problems are not just banking problems, we developed a serious problem as a state. We began to spend far more on ourselves than we could afford ... Let's be clear about this, I accept that there were failures in the political system ... but let's be fair about it, we all partied".^{xxi}

This trope, together with its realist correlate "we are where we are" (Gaynor, 2020: 79) permeated state and media. With the EU heralding Ireland as a role-model, austerity was effectively de-politicized within the state apparatus, and for a time in much of civil society. In the years following the crisis and bailout agreement, austerity governance appeared to have been effective, not so much in mobilising the public behind an austere vision for the future, but in maintaining the compliance of a feeble, fatigued municipal bureaucracy and an array of exhausted civil society organisations struggling to cope with rising social need, falling grant-income and an increasingly coercive approach to managing the grants system. One respondent commented on the political impotence of local councillors: many "will tell you that you might as well be sitting at home as voting against the City Manager because he gets his way every time. So,...they've been in the business of frustrating the popular will for a very, very long time..." (Gaynor, 2016).

Ireland was seen as having had an extremely passive and compliant obedient civil society – a powerful cultural stereotype (Hearne, Boyle and Kobayashi, 2020). As one respondent commented, “the cloak of austerity, as we described, is absolutely tearing our communities asunder. Right? For people, the sense of apathy now is incredible” (Gaynor, 2016). Elements of Dublin’s civil society conformed with this worldview, and austerity certainly contributed to it, in debilitating the third sector. Both the trade unions, and professionalised civil society organisations were preoccupied with defensive strategies for survival and sought to sustain social partnership working. To this extent, pragmatism at the grass-roots combined with the austerity idealism of the Irish government and the relative political impotence of the City Council to create an enabling environment for austerity. However, the wave of anti-austerity mobilisations over water-charging transformed the politics of Dublin, with a more quarrelsome strand of civil society making its voice heard and shattering the stereotype of passivity (chapter 3). The politics of collaboration around austerity were therefore, once again, multi-tonal. The Irish government attempted to conjure the vision of collective guilt to unify the nation, while it then embarked on a series of measures that shattered institutional platforms for collaboration, built up over preceding decades. The rollback of the collaborative institutions, including urban partnerships for social inclusion, signified the return to a more centralised and authoritarian mode of national and local politics.

In many ways Baltimore is an exemplary austerity city, with a more-or-less permanent squeeze on municipal finances over decades, aggravated by debt-servicing obligations. Yet in spite of or perhaps because of the longstanding and normalised politics of austerity, the vocabulary scarcely featured in the city’s governance. Despite the severity of the GEC in the United States, respondents in Baltimore did not see it as a decisive moment. One reason, as a respondent put it, was that “Baltimore is used to austerity and functions like that all the time” (Pill, 2020: 146). They talked about a long-standing “culture of scarcity” dating back to “Reagonomics” in the 1980s. The most severe reductions to the budget since the millennium occurred under Mayor Martin O’Malley in the early 2000s. When we talk about the “age of austerity” in a European context, it denotes a specific, clearly delineated period after the GEC. In Baltimore, the years before 2008 were more significant in terms of fiscal

retrenchment, and the experience of “austerity” is now so familiar as to be unspoken and for this reason largely absent from public discourse, despite healthy economic growth in the city throughout the GEC period (Table 1.2).

The “naturalisation” of austerity in Baltimore derives in part from a durable, informal governing system, which gives ideological priority to balancing budgets and enticing business investment into the city centre and its waterfront, while dismissing investment potential in the city’s poor, predominantly black neighbourhoods. Priorities for the city are set by an alliance of municipal leaders and local non-profits, notably philanthropies and “ed and med” institutions – the latter sometimes called “anchor institutions”, a term with more positive connotations in UK community wealth building discourses (Guinan and O’Neill, 2020). Unlike the TNOs gaining influence in the politics of Athens, Baltimore’s were more locally-based. Baltimore’s “ed and med” network is seen very much as a driver of the city’s iniquitous development policies. Following the 2015 Uprising in response to the death of Freddie Gray in police custody, it has done more to develop local hiring and procurement policies in support of dispossessed neighbourhoods, but these are not coupled with community ownership and control of the kind envisaged in research on radical municipalism and community wealth building (Russell, 2019; Thompson, 2020).

The dynamics of collaboration in the city therefore produced what Chorianopoulos and Tselepi (2020) called an “elite pluralist” formation, based around the City Council, the State of Maryland, and prominent policy-setting non-profits driving forward a developmental agenda. Though not generally construed as “austerity”, this coalition delivered and sought to normalise a politics of retrenchment, while diverting enormous resources into downtown development, and marginalising the vast majority of the population, both economically and politically. Austerity was the default sensibility, what the philosopher Foucault would call its “governmentality”: an unspoken, unquestionable ethos of governing.

Although Montréal was not subjected to stark forms of austerity found in cities like Athens, Dublin or Leicester, a wave of what could be called austerity measures was driven by the Liberal government of Québec under the leadership of Phillipe Couillard (2014-18). However, Couillard’s preferred term was not *austérité*, but *rigueur*, which translates into English as *rigour*, but also connotes terms like “truth”, “reality” or “stringency”. Couillard cut

taxes and funding to health, education, welfare programmes and government salaries and ran a surplus budget. But again, his administration preferred the euphemism of a common “effort” (the same in English and French), rather than the politicized language of cuts.

This exercise in wordcraft sought to de-politicise, and make common-sense an otherwise controversial and provocative approach. Indeed, it proved highly controversial in Québec. Respondents in our study thought that the policy was borne of idealism rather than necessity, a mission to down-size and transform the state. In this instance, discourses that we might associate with “austerity realism” were employed in pursuit of an agenda more closely linked to “austerity idealism”. Couillard himself made this very clear in insisting that the balanced budget, the cornerstone of austere neoliberalism, was “an absolutely fundamental principle” (MacPherson, 2014). Indeed, we note that balancing recurrent spending is a fundamental principle of international municipal finance – the so-called “golden rule” (Davies, 2021: 73).

As in Australia, discussed later, and the USA, Canadian local government is characterised as the “creature” of its provincial government. This means that the regional, provincial or state tier plays a very powerful role in the governance of cities and creates major challenges for those wanting to pursue a different agenda. The position of the City Council in Montréal was somewhat ambiguous. Throughout most of our study, it was governed by a centrist coalition led by Mayor Denis Coderre. On one hand, city government ran a significant budget surplus, suggesting adherence to conservative spending principles. But on the other, like Leicester, it sought to manage and mitigate the effects of cuts imposed from the state level. According to one official, the task was to “manage those changes that happened, and then try to bypass them because they have their own social consciousness” (Hamel and Keil, 2018). Municipal officials sometimes tried to deflect, impede or cushion the impact and sometimes re-interpreted it as prudence, or efficiency.

At the same time, there was little in the way of a direct challenge to the dominant ethos within the municipal tier. As one respondent said of rigueur, “if it means a good public budgets management, I'm in. If it means cutting public action as a pretext so that the State has less of a role in society and that it serves an ideology, then I have more problems”. At the city level, then, the governing ethos was closer to “austerity realism” than “austerity idealism”. Widespread acceptance of the idea that public spending should be managed

rigorously and prudently, even among those opposing austere measures from the State government, meant that to an extent social actors had lost the perspective of a potential outside to neoliberalism, a viable alternative worth struggling for. At the same time, the proximity of municipal officials with activists, voluntary and community sectors led them to make efforts to mitigate, and even subvert top-down imperatives. And, as subsequent chapters show, these practices were supported by an ethos of collaboration linked to the traditions of the Québec Model, a collaborative approach to governing around a widely shared egalitarian and solidaristic ethos that emerged in the 1960s.

Cities Beyond Austere Neoliberalism

When we first selected the City of Greater Dandenong (Melbourne) as a promising location for our study, it was considering the commitment by then PM, Tony Abbott to deliver austerity. However, for a variety of reasons, this did not happen, and Abbott was removed from office. Greater Dandenong was not a city in the grip of austerity. On the contrary, municipal budgets increased, as did municipal staffing between 2008 and 2014. According to one respondent,

Austerity is a term that is talked about by people in Europe, we think about it more as a heavily constrained fiscal outlook where there is largely a flat line or negative growth in discretionary spending because revenue isn't growing. This combines with increasing service delivery pressures [for example with aging population] to create the constrained fiscal environment (Henderson, Sullivan and Gleeson, 2020: 128).

Though with different emphases, particularly on the role of the state, governments of both colours in Australia (Labor and Liberal-National) pursued a policy of “fiscal conservatism”. This is not austerity in the sense of an ideologically driven programme, or “austerity realism” understood as pragmatic adaptation to austerity imposed from above. It reflects a widespread concern with efficiency and prudence in the context of flat-lining revenues. Fiscal conservatism is rooted in a neoliberal economic ethos, advocating a range of familiar reforms to the public sector, retreat from comprehensive approaches to urban planning, and a privileged role for the private sector in driving growth (see chapter 2).

Nevertheless, Dandenong showed that concerns dominating the governance of European and US cities do not always reflect the experience in other parts of the world. The very existence of a major government-led revitalization programme (Revitalize Central Dandenong, from 2006) attested to a distinct urban political economy compared with, say, Britain, where 40 years of area-targeted regeneration initiatives came to an end with the “age of austerity”. The sense of a major socio-economic crisis linked to the concept of austerity in the “North” was absent in Dandenong. Crisis-talk existed, but was future-oriented, referencing potential threats associated with “debt crisis” or “budget crisis” – a tone that reinforces the sense of a city situated in a different political time, where a growth-oriented social investment dynamic prevailed. As Sullivan, Henderson and Gleeson (2019: 10) summarised, “What is abundantly clear is that Central Dandenong has maintained or improved a range of economic and social outcomes, which stands in stark contrast to many international cases of crises and decline associated with the GFC and, in many cases, austerity policies” (Global Financial Crisis). As subsequent chapters show, this climate fostered a more constructive environment for collaboration than in some of our other cities and sought in turn to leverage the idea of a plural, inclusive, multi-cultural city.

Nantes was a different kind of outlier to the austerity norm and also, perhaps, something of an outlier in the French context. For many years it was led by Mayor Jean-Marc Ayrault, who built a powerful governing coalition around the objectives of public participation, sustainable development and enhancing the city’s attractiveness to investors – the so-called “system Ayrault” (Griggs, Howarth and Feandeiro, 2020: 97). It was affected by centrally mandated cuts and tax reforms, as shown in Table 1.2 earlier, but the political tone was strikingly different. Respondents were not comfortable with the language of austerity, but rather articulated a sustainable growth agenda, reinforced by the award of European Green Capital in 2013 (followed by European Capital of Innovation in 2019). They emphasised the city’s capacity to employ counter-cyclical financing to mitigate the impact of national government cuts, following Keynesian principles.

Local officials were determined to differentiate Nantes from its French context, not only in terms of the ability to navigate austerity, but also in the sense of crisis engulfing the country; rather presenting it as an island of strength and cohesion in a turbulent ocean. They

pointed to various maladies afflicting the nation, including crises of its political system, of public services and of social exclusion, building perhaps towards a crisis of the French Republic. This sense was somewhat validated after our study concluded, by the rise of the Gilets Jaunes. Nevertheless, local officials also recognized that in Nantes itself, the worst effects of crisis and stagnation had fallen on black and minority ethnic neighbourhoods such as in Bellvue (Griggs and Howarth, 2015).

Nantes was the only city in our sample where leaders exuded such confidence in the inclusionary potential of urban development, in the face of mounting internal and external stresses. At the same time, there were signs that the power of System Ayrault was beginning to wane. Subsequent chapters explain how the major, ultimately successful, struggle against a new airport at nearby Notre Dame des Landes (NDDL) became a vehicle for challenging both the “Nantes Model”, and the developmental goals of the French state. Perhaps the most significant lesson from our study of Nantes, however, was that with a modest degree of fiscal autonomy, a city can differentiate or even contrast itself politically with the national situation. Distancing itself from the language of austerity was a strategically meaningful manoeuvre.

The City of Barcelona, finally, takes austerity into more overtly politicised territory. As we commenced this study, Barcelona was locked into a three-tier system with pro-austerity or austerity compliant leaders: Xavier Trias, Mayor of Barcelona (2011-2015), Artur Mas President of Catalunya (2010-2016), and Mariano Rajoy the Spanish PM (2010-2018). Trias and Mas were members of the liberal nationalist *Convergència i Unió* (CiU), whilst Rajoy led the national Spanish conservative party, the *Partido Popular*. During this period, the city pursued a vigorous austerity and surplus budgeting agenda, in which our respondents echoed several themes in both the austerity idealist and austerity realist vocabularies. At the same time, the Trias administration pursued an aggressive city branding policy, building on the 1992 Olympics and the renewal of the port-area, attracting an international yachting class of multi-millionaires and billionaires.

Central to the story of austerity governance in Barcelona was the collapse of the *Partit dels Socialistes de Catalunya* (PSC) which dominated the city for more than thirty years after the end of the Franco regime, and the recomposition of the Spanish left into anti-austerity movements and eventually radical electoral platforms (Blanco et al, 2020).

Barcelona, and other parts of Spain, witnessed mass mobilisations against neoliberalism and austerity in the years before and after the GEC.

After the seminal anti-austerity mobilisations of 15-M (15th May 2011) the city was one of several where street movements became part of radical left platforms to contest municipal elections, bringing together elements of the traditional left with new anti-austerity forces. Many of the diverse citizen movements involved in 15M and minor left wing political parties, together with some cultural institutions and academics, formed Barcelona en Comú in 2014 with the explicit objective of working together to run for municipal elections in 2015, in pursuit of a “democratic rebellion” and the “reappropriation” of public institutions. In May 2015, the Barcelona en Comú coalition won the municipal election, forming a minority administration with the PSC and handing Ada Colau the Mayoralty. Under the banner of the *New Municipalism* (Russell, 2019; Blanco, Salazar and Bianchi, 2020; Blanco and Gomà, 2020; Thompson, 2020), Barcelona City Council developed many initiatives in support of economic justice, participatory democracy, womens’ liberation and the feminisation of politics, anti-racism and radicalised, empowered co-production.

However, Barcelona City Council continued to operate under severe financial and legal constraints. It did not attempt to confront them directly or suggest that it had brought austerity to an end. However, it did emphasise the levers of power and influence at its disposal, and particularly the capacity to alter the terms of debate. One of the strategies it employed was to turn the politics of austerity against the right. It did this by highlighting its own integrity and governing competence, in contrast with the corruption of the right and wealthy governing classes. This turned out to be a common theme in the 2015-19 “new municipalist” cities, emphasising their competence in reducing debts, as well as rolling out progressive economic development, social and environmental policies and defending refugees from the far right (Russell, 2019). The exemplary case of Barcelona is discussed further in chapter 3.

Conclusion

In Athens, Baltimore, Dublin, Leicester and Montréal variants on the neoliberal theme of “austerity realism” were embedded in urban governance, alongside more aggressive forms of “austerity idealism”, and with strikingly different fiscal impacts. Neoliberal austerity

assumed a variety of situationally contingent guises, and sometimes met stiff resistance, together with other forms of mitigation. The degree to which Dandenong, Nantes and Barcelona escape the austerity predicament should not be exaggerated, but the three do showcase a diversity of approaches in more-or-less trying circumstances and they reinforce the message that austerity can be challenged and circumvented at the municipal scale and through judicious state-civil society coalitions.

Greater Dandenong had constitutionally weak local government, but given relative financial stability over the past decade, and sound leadership and administrative capability, was able to pursue a positive and collaborative revitalisation agenda in the city centre, related but not exclusively aligned with neoliberal development. Nantes was by no means exempt from austerity, or from the neoliberal growth agenda. Yet, through a combination of relative economic resilience, brand-confidence and the application of modestly counter-cyclical fiscal measures, it insulated itself to some extent from national trends, and downplayed the local significance of crises that respondents attributed to the national malaise. Under Barcelona en Comú, Barcelona was enormously inspirational on the international stage, in trying to move away from neoliberal austerity towards a different mode of municipal politics rooted in democracy, equality and solidarity.

The lesson we draw from all the case studies is that austerity was a political choice made by national and sometimes local elites, deriving from the ideological fetish for balanced budgets in neoliberal doctrine. This conclusion is retrospectively validated and contrasted by the ostensible turn against austerity among international actors and national governments in the aftermath of COVID-19, discussed in the concluding chapter and Afterwords. It remains to be seen how Spanish “new municipalism” will evolve after disappointing results in the 2019 local government elections – some successes were achieved for similar platforms in the French municipal elections of 2020. Yet, Barcelona remains a source of inspiration for the municipalist left everywhere, and it is clear that where resistance is strong it can be translated into alternative governing agendas in which “austerity” can be confronted, subverted or turned to different ends.

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- ⁱ See <http://cura.our.dmu.ac.uk>.
- ⁱⁱ Professor Roger Keil framed our research question in these terms at a meeting.
- ⁱⁱⁱ See the introductory chapter in Davies (2021) for a more detailed discussion of methodology.
- ^{iv} Available from <https://www.tandfonline.com/toc/ujua20/42/1>.
- ^v <https://cura.our.dmu.ac.uk/wp-content/uploads/sites/3/2017/08/Governing-in-and-Against-Austerity-Published-Report-Web.pdf>.
- ^{vi} European Commission, European Capital of Innovation (iCapital) 2019, at https://ec.europa.eu/info/research-and-innovation/funding/funding-opportunities/prizes/icapital/icapital-2019_en accessed 07 January 2021.
- ^{vii} Data from Macrotrends at <http://www.macrotrends.net>. All metropolitan areas, bar Athens (99.3%) saw significant population increases between 2008 and 2020.
- ^{viii} Data drawn from the Regions and Cities section of OECD.Stat <https://stats.oecd.org>.
- ^{ix} Data drawn from Trading Economics website at <https://tradingeconomics.com>.
- ^x The figure for Greater Dandenong is downloaded from https://www.planning.vic.gov.au/_data/assets/pdf_file/0009/11106/Greater_Dandenong_VIF_2016_One_Page_Profile_Output.pdf.
- ^{xi} This figure is for the urban area of metropolitan Melbourne.
- ^{xii} Adapted from Davies (2021: 48-9).
- ^{xiii} Data from Trading Economics – <http://www.tradingeconomics.com>.
- ^{xiv} Data drawn from the Regions and Cities section of OECD.Stat <https://stats.oecd.org>.
- ^{xv} Data for Baltimore from US Bureau of Economic Analysis (BEA). <https://www.bea.gov/data/gdp/gdp-metropolitan-area>.
- ^{xvi} Author’s calculation taking account of compound inflation rates. The raw figure should be treated with considerable caution, as it takes no account of changes in tax base or levels of demand that might arise from population change, or administrative restructuring and downloading.
- ^{xvii} 2016 data from OECD.Stat <https://stats.oecd.org>, at 2010 prices. Data for Baltimore from US Bureau of Economic Analysis (BEA). <https://www.bea.gov/data/gdp/gdp-metropolitan-area> - 2009 prices, 2017 figures.
- ^{xviii} 2015 was the most recent data for Metropolitan Athens, where GDP decline had yet to reach its trough.
- ^{xix} Adapted from Davies (2021: 48-9).
- ^{xx} Record of Council Meeting held on 30th November 2017. Here, the City Mayor responds to a question from Councillor Porter. <http://www.cabinet.leicester.gov.uk/%28S%28t1fziw45wvh0zr45gujmstei%29%29/mgAi.aspx?ID=73560>.
- ^{xxi} PM Lenihan interviewed on Prime Time, 24.11.2010. <https://www.youtube.com/watch?v=YK7w6fXoYxo>.