

Title: The Fiscal Regulation of Urban Space.

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Abstract for International Network for Urban Research and Action (INURA) 2008

Athens, October 03-06 / Anavissos, October 07-10

Motivations and scope of research

The fiscal structures and mechanisms through which local governments finance their public expenditures, are reported to be increasingly dependent on different forms and practices of socio-spatial and economic manipulation of urban space which aim to alter the local tax-base in favour of an increase in local fiscal revenues. Yet these same “manipulations” (large scale urban regeneration programme, flagship developments but also small and distributed plan-led developments) can leave a city and its government worse off both in terms of actual revenues raised, benefits and costs of these developments for the public actor (especially when short term results are matched against long term ones) but also in terms of urban quality and social equity for its users.

At the same time, a number of local fiscal reforms are being proposed and implemented in a climate of uncertainty as to the sort of urban transformations that they will lead to.

My research, of which this paper is a first formulation, aims to investigate fiscal policies and fiscal systems as an increasingly (both in practice and in political discourses) important force of transformation and regulation of urban space and urban developments. Fiscal policies, therefore, are not only seen in light of their capacity to capture the resources that allow local governments to pursue their public policies and local welfare objectives, but also as a mechanism or a tool to regulate urban space and direct urban development.

Concerns for research and practice

The gaps in our understanding of the multiple dimensions and channels through which local fiscal systems impact on urban space and development, raises concern as to our capacity to understand and therefore anticipate the urban outcomes of fiscal reforms and of fiscal devolution and federalism in particular. It is worth reminding that the scientific literature, especially in the UK, has adopted many of the theories and paradigms developed for the US context, such as fiscal mobility, fiscal competition and fiscal stress, whose relevance for the European context needs to be assessed.

Another issue which can affect both research and action is the extent to which European cities and their governments are converging towards a common approach with regards to their fiscal arrangements or else, in the face of both EU policies and globalisation, they are maintaining their national identities and the outcomes that this has on cities both as tax-base and as instruments of welfare redistribution.

Objectives of the presentation

The presentation will be aimed at proposing ideas for the design of an analytical framework capable of capturing the complexity of local governments' fiscal structures and their influence on urban space and development and of capturing especially those elements of the relation which can be more useful for action and practice. A preliminary assessment of the dimensions of local fiscal structures (degree of overall autonomy, type of autonomy, type of tax, tax incidence) will be proposed alongside dimensions of urban space upon which local fiscal arrangements could impact: the quality, quantity, affordability and accessibility of public services and public urban infrastructures; patterns of land-use (mixed or single use) and amount of land consumption; spatial distribution versus concentration of income groups.

The following preliminary questions on the relations between fiscal structures and urban space will also be subject to discussion:

- Do differences in local fiscal structures account for the differences in urban developments outcomes in terms of patterns of land consumption, mix of uses and of income groups versus mono-functionality and ghettoisation, the provision of public services, urban infrastructures and assets?
- Are fiscal devolution and fiscal autonomy key determinants of the differences in urban development?
- Of what type is the relation between local fiscal structures (policies) and planning?