

LOCAL RESPONSES TO MARKET-DRIVEN URBAN DEVELOPMENT IN GLOBAL CITIES**

Abstract. *Urban development has become an important instrument of neoliberal urban policy by which cities are trying to respond to global pressures and opportunities. Barcelona and Seoul are taken as case studies with different historical, cultural and institutional background, yet similar when it comes to how neoliberal urban policy and market-driven urban development are embedded into particular localities. The paper compares transformation of Poblenou in Barcelona and Wangsimni in Seoul in terms of planning approach, consequences on the everyday life in locality and local responses to market-driven urban development. Although its outcomes in Poblenou and Wangsimni were rather similar, the local responses were quite different. While the residents in Poblenou saw transformation of the neighbourhood as a threat to their collective identity, the residents in Wangsimni initially perceived it as an opportunity to improve their economic situation. The paper argues that local responses to market-driven urban development in this way reveal what Mlinar calls the mutual interdependence between individuation and globalisation. Although similar structural processes transform localities around the world, the latter remain an important source of social and urban change in global cities.*

Keywords: *Barcelona, globalisation, grassroots mobilisation, localities, neoliberal urban policy, Seoul*

Globalisation, individuation and localities

Global cities are places, where globalisation perhaps takes its most dynamic and contradictory forms. Their diverse and bustling social, economic, cultural and political life is believed to directly benefit from

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globalisation. There is little evidence, however, that the globalisation of cities is equally beneficial for everyone. Quite on contrary, a growing body of evidence suggests that the actual benefits of globalisation are locally distributed in a noticeably uneven way (Sassen, 2001; Brenner, Marcuse and Mayer, 2012). Harvey (1989) has recognised that these structural inequalities lead to instrumentalisation of urban development and give rise to what he calls *neoliberal urban entrepreneurialism*, while the *mechanisms of intra-urban competition* have become the driving force behind the unrestricted economic growth and speculative urban development. Growing social polarisation, economic inequalities, and denied political rights, are largely an outcome of competition between global cities, which prioritise profits, efficiency, market-driven urban development, welfare cuts and individual responsibility over balanced and sustainable urban development, even distribution of resources, and collaboration between local actors with an aim to attract new investments, corporations, events and tourists (Short, 2004; Taylor, 2004; Mayer, 2007).

Many cities, where neoliberal urban policy has prevailed, are faced with difficulties in maintaining their social and territorial cohesion, which have become increasingly fragmented. Evictions of residents, gentrification or decline of local culture are all outcomes of neoliberal urban policy, which tries to instrumentalise urban development in order to mobilise 'urban real-estate markets as vehicles of capital accumulation' (Smith, 2002: 446). Although improving decaying urban areas has been widely recognised as a way to maintain social and territorial cohesion in cities, market-driven urban development considers localities merely as economic assets which can be stripped off their historic and symbolic meanings and turned into easily marketed and consumable commodities (Swyngedouw, Moulaert and Rodriguez, 2002). Globalisation in this way directly affects localities.¹ Improving the quality of everyday life in localities has come second to new investment opportunities for the mobile global capital which undermines the very legitimacy of urban policy and local government in global cities (Brenner, Marcuse and Mayer, 2012; Harvey, 2012).

While globalisation on one hand challenges legitimacy of global cities as shared political projects, it increases their economic and political autonomy in relation to the national state on the other. Cities autonomously respond to the global pressures and opportunities, resulting from structural inequalities. It is also different local actors in cities and not only remote global forces

¹ *Locality is a distinct form of social, economic and territorial organisation. City can be seen as a locality in relation to metropolitan region or national state. This paper, however, focuses on neighbourhood as a locality in relation to the city. In this sense locality is also an important ontological and symbolic structure, where everyday life is reproduced and individual or collective identities created and maintained.*

that affect urban development and the everyday life in localities. Although globalisation leads to commodification of localities, it may also empower them, if different local actors contest globalisation by reflexively taking part in it rather than isolating themselves against the global influences (Lash and Urry, 1994). Mlinar (2012: 9) recognises these struggles as a conflict between top-down and bottom-up globalisation, where the former is a result of 'economic and political power, and the latter emerges from emancipatory practices when individuals and (sub)groups are struggling for democratisation and social justice.' Swyngedouw, Moulaert and Rodriguez (2002: 547) argue that grassroots mobilisations in this way 'occasionally manage to turn the course of events in favour of local participation and of modest social returns for deprived social groups.' By claiming their *right to the city* anti-globalisation groups, equal opportunity and civic rights movements, life-style communities or local neighbours associations not only challenge neoliberal urban policy, but also reinvent localities against the backdrop of globalisation (Mayer, 2007; Harvey, 2012).

Local responses to the pressures and opportunities, resulting from structural inequalities, seem to be an outcome of what Mlinar (1994: 30) calls *mutual interdependence between individuation and globalisation*, which 'gradually converges and at the same time passes from exclusion towards mutuality.' In order to understand how individuation and globalisation in global cities converge and mutually reshape localities one has to 'to track a given system or dynamic and its distinct incarnations in different cultural and institutional contexts' (Sassen, 2001: 348). In this paper Barcelona and Seoul are taken as global cities with different historical, cultural and institutional background which seem to share similarities when it comes to how globalisation and individuation affect localities. Market-driven urban development in Barcelona and Seoul has become a way to strengthen the economic competitiveness and global appeal of the city rather than to improve the quality of everyday life in localities. The local government, nonetheless, legitimise this urban development as an inevitable improvement, which is beneficial for everyone (Seoul Metropolitan Government, 2006; 2008; Ajuntament de Barcelona, 2012a).² This paper aims to understand how market-driven urban development, as an instrument of neoliberal urban policy, is embedded into a particular locality and how local actors perceive and respond to such transformation of locality. Poblenou in Barcelona and Wangsimni in Seoul are taken as case studies of localities, where large market-driven urban development takes place. They are compared in terms of planning approach, consequences of on the everyday life and local

² Local government refers to the Barcelona City Council or Seoul Metropolitan Government unless otherwise noticed.

responses. The comparison starts with analysis of historic and institutional background of Barcelona and Seoul as global cities.³

Barcelona and Seoul as global cities

Barcelona and Seoul are the capitals of Catalonia and South Korea. At first sight they have little in common considering their rather different history, social and economic organisation, urban development and institutional contexts. Yet a decade ago both cities used to occupy a comparatively peripheral structural position alongside dominant cities in the global urban system, while at the same time maintaining a dominant role in the national urban system. While New York, London, or Tokyo were widely recognised as the leading global cities, Barcelona and Seoul were what Taylor (2004) calls *wannabe global cities* which refers to their aspiration to overcome the limitations resulting from their structural position on the global market. In contrast to the dominant cities, which Sassen (2001: 3) describes as the 'command points in the organization of the world economy', the importance of Barcelona and Seoul stems from their role of connecting the Catalan and South Korean economy to the global. Globalisation strengthened the traditional role of both cities as the national economic, social, cultural and political centres. Barcelona and Seoul, namely, hold a dominant position in the Catalan and Korean urban system since their establishment on, which resulted in a vast concentration of population, economic, financial and political power in each of them.⁴ Although the importance of the metropolitan region has grown at the expense of each city over the last decade, Barcelona or Seoul continue to dominate in high-tech and cultural industries, tourism, advanced producer services, and research and education in Catalonia and South Korea (Choe, 2005; OECD, 2005; 2009; Rowe, 2006).

The structural position of a city in the global and national urban system has direct implications on strategic goals and urban development. Taylor (2004: 160) makes a distinction in this sense between outer and inner wannabes. The *outer wannabes* are important cities in newly developed

³ *The field research in Barcelona and Seoul includes analysis of documents, governmental and NGO reports, and academic research papers addressing urban policy and urban development. Local responses in Poblenou and Wangsimni were studied by research with participation and survey. Interviews with different stakeholders, involved with the 22@ Activity District and Wangsimni New Town, were also conducted from 2005 to 2013.*

⁴ *In 2011 63% of the Catalan population lived in the Barcelona Metropolitan Region, while 49% of South Koreans lived in the Seoul National Capital Region (Ajuntament de Barcelona, 2012b; Seoul Metropolitan Government, 2012). At the same time Barcelona is not only the Catalan capital, but also the second most important Spanish city, and its rivalry with Madrid was always important for her urban development. The Catalan historical, institutional and political context, however, seems to have influenced recent urban development in Barcelona more directly than her position in Spain (Monclús, 2003).*

countries, while the *inner wannabes* are less important North American and Western European cities. Accordingly the strategic goals of outer wannabes are focused on attracting foreign direct investments in order to boost the economic growth and urban development with an aim to improve their structural position. Inner wannabes, on the contrary, try to challenge the established hierarchy in the national urban system, which they expect will increase their role in the global urban system. Yet because of the aspirations to improve the structural position outer and inner wannabes are believed to face stronger pressures in terms of market-driven urban development at the local level than the dominant global centres (Short, 2004).

Barcelona is a case of inner wannabe. One of the main strategic goals of the regional and local government is to challenge the dominant position of Madrid by developing innovation, knowledge and creative industries and advanced communication, logistic and transportation infrastructure. In this way Barcelona wants to attract new investments and jobs and improve her structural position not only in relation to Madrid, but also towards other West European and Mediterranean cities (Barceló and Oliva, 2002; Monclús, 2003; Rowe, 2006; Križnik, 2009b). Contrary to Barcelona, Seoul is an example of outer wannabe, which competes with Tokyo, Hong Kong and Beijing with an aim to become the leading business centre and hub in Northeast Asia. The national and local government are trying, similarly to Barcelona, to attract new investments by boosting advanced producer services, promoting knowledge and creative industries and tourism. Over the past decades both cities were successful in transforming themselves from national capitals into important global cities. Seoul, in particular, is rapidly improving global 'command-and-control function', while Barcelona maintains her established position despite declining importance of European cities in global urban system (Csomós and Derudder, 2013: 346). While Seoul already has a top communication and transportation infrastructure, improving the quality of everyday life is an important strategic goal which the city aspires to achieve. Barcelona on the other hand has a high quality of everyday life, but lacks important investments in infrastructure (OECD, 2005; 2009; Seoul Metropolitan Government, 2006; Ajuntament de Barcelona, 2012a).

Comparatively high quality of everyday life in Barcelona is also a result of a long tradition of comprehensive urban planning, which dates back to the mid-19th century. The well-known *Plan Cerdá*, which at that time dealt with the extension of the city, has paid a lot of attention to the quality of everyday life in localities. During the eighties the local government implemented an ambitious improvement of decaying historic city centre. This approach has later also included peripheral urban areas and has in many cases encouraged active civic participation in planning process. Transformation of Port Vell, El Raval and the Olympic Village in Poblenou are

recognised as successful examples of the so-called *Barcelona model* which refers large-scale transformation of former industrial land into mixed-use and compact urban areas, continuous public investments into social amenities and transport infrastructure, provision of high quality public space, and institutionalised cooperation between the public, private and civic stakeholders (Marshall, 2000; Balibrea, 2001; Monclús, 2003; Esteban, 2004; Degen and García, 2012). In contrast to Barcelona, urban development in Seoul used to be characterised by full-scale demolition of decaying urban areas rather than their improvement. Since the early seventies 'the wholesale clearance led by private investment was the distinct feature of Seoul's urban redevelopment policies' and was commonly followed by forceful evictions of residents in order to make way for new construction (Kim and Yoon, 2003: 587). Virtually the entire downtown Seoul was developed in this way. Comprehensive transformation of decaying urban areas became part of urban policy very recently and was initially focused on environmental restoration of green areas, such as the Namsan, Nanjido and Seonyudo or Cheonggye Stream, rather than improvement of residential or industrial areas (Križnik, 2011). Participatory projects have been introduced in Seoul only very recently (Seoul Metropolitan Government, 2013).

Important difference related to the institutional context of urban development in Barcelona and Seoul comes from a different role that the dominant stakeholders have in decision-making. Local democracy in Barcelona has developed in parallel to the democratisation of Catalan society during the late seventies, while in South Korea the democratisation preceded the development of local democracy. In consequence the decision-making in Barcelona used to be open and allowed private and civic stakeholders to equally take part in the planning process along with the local government (Marshall, 2000; Degen and García, 2012). In Seoul the local government replaced the national as the dominant stakeholder in the mid nineties. Local government continued a tight control over the decision-making and effectively excluded a large part of civic stakeholders from the planning process. Citizens thus had little opportunities to formally affect urban development in Seoul until recently (Park, 2006; Kim, 2010). Although historic and institutional differences between both cities remain, there are also similarities in terms of market-driven urban development, which seem to be largely a consequence of neoliberal urban policy, which prevailed in Barcelona and Seoul over the last decade.

Urban development in Poblenou and Wangsimni

22@ Activity District and *Wangsimni New Town* are projects, which aim to transform what the local government in Barcelona and Seoul see as decaying mixed-use industrial and residential urban areas in Poblenou and

Wangsimni. Although there are differences between them in terms of planning approach, institutional context and main stakeholders, both projects show the instrumental role which urban development in Barcelona and Seoul has in increasing the economic competitiveness and global appeal of the city on one hand, and for improving the quality of everyday life in localities on the other. The 22@ Activity District addresses comprehensive long-term transformation of about two million square meter of former industrial land. Poblenou used to be the industrial centre of Barcelona and Catalonia, but faced a social and economic decline over the past few decades due to intensive deindustrialisation. Urban development in Poblenou aims to integrate new with the existing urban area (Ajuntament de Barcelona, 2000; 2012). Wangsimni New Town addresses the transformation of a relatively small low-income industrial and residential urban area near the downtown Seoul in order to make a way for entirely new commercial and residential complex. Contrary to 22@ Activity District it does not preserve existing urban area (Seoul Metropolitan Government, 2005; 2008).

22@ Activity District

The 22@ Activity District is one of the largest and most comprehensive on-going urban development projects, managed by the local government in Barcelona. By promoting a knowledge-based industry and advanced producer services it aims to increase economic competitiveness of the city, while improving the quality of everyday life in locality (Table 1). The former head of the municipal urban planning department explained such twofold aim of the 22@ Activity District for the city. 'The new services amalgamation must return to the city, to the new knowledge-based city. Urban development regulations must allow this recovery of industry and economic promotion policies must foster it. Why? In order to maintain our position among leading European cities, with new employees in new offices, with good communications [...] and, in short, to improve citizens' quality of life' (García-Bragado Acín, 2001: 42). In the late nineties the local government decided to provide more space for knowledge and creative industries and advanced producer services in order to foster economic growth and sustain the ambitious transformation of Barcelona into a global city. At that time the city was turning into a rapidly growing tourist destination, which has raised concerns that Barcelona could become overly dependent on tourism. The growing commercialisation of urban space, caused by the expanding tourism, could hinder other industrial and service sectors in the city. The local government also decided to strengthen the so-called strategic sectors, which included ICT, medical technology, biotechnology, energy management, and media production and design (Ajuntament de Barcelona, 2012a).

In 2000 the local government proposed a long-term urban development of Poblenou in order to provide space for the growth of Barcelona's strategic sectors. The main reasons for selecting Poblenou were its proximity to the city centre, relatively low building density, availability of unused or underused industrial land, good accessibility, apparently decaying economic and social situation in the area, and a long history of industrial development (Ajuntament de Barcelona, 2000). The strategic aim of 22@ Activity District was to transform the former industrial centre of Catalonia into a compact and mixed-use district, where the traditional industry was to be replaced by the new knowledge-based industry and services (Oliva, 2003). The local government considered successful transformation of Poblenou to be of a strategic importance for the future of the city. 'If Barcelona doesn't create a service pole in Poblenou, it would have to do so somewhere else. Otherwise it will continue to lose users' (Ajuntament de Barcelona, 2000: 77). In terms of improving the quality of everyday life the project aimed to transform industrial areas into new productive and residential spaces, provide new open space, public amenities and infrastructure, and to legalise existing housing in Poblenou. Particular effort was also made to restore industrial heritage and integrate it with the new development.

The project was focused on urban development of what the local government called 'six strategic areas,' which were expected to act as 'motors of transformation of the area, [...] grant coherence,' and allow mixed-use 'with sufficient continuity to residential fabric' in Poblenou (Ajuntament de Barcelona, 2000: 18). The strategic areas were to be developed as public projects or as public-private partnerships with the local government as the main stakeholder. Other smaller projects included in the 22@ Activity District were either public or larger private investments. Urban development in Poblenou was also expected to affect the transformation of nearby areas, such as Diagonal Mar, Front Marítim and Lluç Taulat, La Mina and La Catalana, or the restoration of the Besòs River estuary with Forum 2004, which shows the strategic importance of the 22@ Activity District for the future of Poblenou and Barcelona (Rowe, 2006; Križnik, 2009b).

A decade after the project has been initiated many of its anticipated goals are achieved and 22@ Activity District has gained international attention as apparently successful planning approach. Poblenou is gradually changing from a former industrial area into a modern compact and mixed-use neighbourhood, where traditional and new residential areas are well integrated with the productive and open space. New knowledge-based industry, services, R&D centres, public institutions and educational facilities, which settled in Poblenou, provide new employment opportunities and the residents can enjoy new public parks and use improved communication and transportation infrastructure. Contrary to the initial expectations, however, the

provision of public amenities does not follow the rapid pace of commercial development nor does the protection of industrial heritage against its commercialisation work as it was planned. Considering the decline in traditional industrial sectors, growing living costs or exclusion of the residents from an overly bureaucratised decision-making, it is not surprising that the 22@ Activity District also caused negative consequences for the everyday life in Poblenou, leading in this way to continuous grassroots mobilisation against the intended transformation of locality (Table 1) (Križnik, 2009b; Marrero Guillamón, 2010).

Wangsimni New Town

At the first sight Wangsimni New Town seems to be of much lesser importance for Seoul than the 22@ Activity District has for Barcelona. Urban development of a relatively small area into a new commercial and residential complex is just one among similar projects, which are rapidly constructed all over the city. Wangsimni New Town is, nonetheless, a pilot case of *New Town Development*, a strategic approach, which the local government introduced in 2002 with the intention to promote balanced urban development, create new investment opportunities, and improve the economic competitiveness of Seoul. In order to achieve its aims New Town Development was to resolve regional disparities, problems of rampant urban sprawl and lacking infrastructure, housing problems, and unequal provision of social services and employment (Table 1) (Seoul Metropolitan Government, 2005; 2008). New Town Development was initially focused on what the local government considered as underdeveloped areas in the northern part of Seoul in order to balance its economic growth and urban development with the affluent southern part of the city. Three pilot projects, including Wangsimni, were proposed to showcase the benefits of new comprehensive planning approach, where social, economic and environmental problems would be addressed in an integral way (Križnik, 2009a). Successful implementation of the pilot projects was expected to 'change the 'face' of Seoul' abroad and was for this reason of strategic importance for the city (Seoul Metropolitan Government, 2005: 6).

The selection of Wangsimni as the pilot case of New Town Development, however, was less a result of the needs of residents as it served the economic and political interests of the local government, which hoped that the successful implementation of Wangsimni New Town would legitimise the nearby *Cheonggyecheon Restoration*, one of the key strategic projects in Seoul over the last decade (Križnik, 2011). Although the two plans were formally not related, the Cheonggyecheon Restoration seems to have had a direct influence on the decision of local government to select Wangsimni as

one of the pilot projects. Two strategic aims of Cheonggyecheon Restoration were to improve the global appeal of Seoul and provide new investment opportunities in the north part of the city. In this sense the decision to select Wangsimni as the pilot project was expected to show apparently positive impact of the Cheonggyecheon Restoration on the economic growth and urban development of the city (Križnik, 2009a; Kim, 2010). Another reason for urban development in Wangsimni was its good accessibility and proximity to the downtown Seoul. Wangsimni New Town was planned as a mixed-use commercial and residential area with extensive green space which was to create an 'environmentally friendly urban centre community in harmony with Cheonggye Stream' and a green 'rural area in the heart of the metropolis, [...] a new community where residents of different generations and social groups could coexist' (Seoul Metropolitan Government, 2005: 22).

Table 1: URBAN DEVELOPMENT IN POBLENOU AND WANGSIMNI

	22@ Activity District	Wangsimni New Town
Planning approach	Comprehensive long-term urban development of traditional mixed-use industrial and residential area	Short-term urban development of traditional mixed-use industrial and residential area
Strategic goals	Transformation of Barcelona's industrial and service sector, new investment opportunities, global appeal of the city	Balanced social, economic and urban development of Seoul, new investment opportunities, environmental improvement, global appeal of the city
Positive consequences on everyday life	Provision of new housing, open spaces, public amenities, transportation and infrastructure, new jobs, legalisation of existing housing	Provision of new housing, open spaces and public amenities, environmental improvement
Negative consequences on everyday life	Demolition of industrial heritage, decline of traditional jobs, rising living costs, gentrification	Demolition of housing, decline of traditional jobs and local culture, rising living costs, gentrification
Civic participation in decision-making	Public stakeholders dominate planning and decision-making, civic participation denied in the planning stage, limited during the implementation stage	Private stakeholders take over public-private partnership, civic participation limited in the planning stage, denied in the implementation stage

Although the project aimed to improve the quality of everyday life in Wangsimni and address problems raised by the residents, it finally resulted in demolition of the entire neighbourhood and construction of high-rise residential and office complex, which has little to do either with proclaimed goals of New Town Development nor with the needs of residents. Such

shift in planning approach, which initially called for a densification and improvement of existing urban areas, was largely a result of local responses to Wangsimni New Town. The local government tried to listen to different stakeholders at the beginning, but eventually focused on a small group of property owners and their interests in order to proceed with the implementation of the project as fast as possible. In this way the urban development not only significantly changed the existing living environment but also radically altered social and economic relations in locality (Kim, 2010). By now the entire Wangsimni is demolished and residents are all gone. Clearance of the area also negatively affected the local economy and many traditional jobs were lost. At the same time the on-going construction of Wangsimni New Town will eventually provide new residential and commercial space, public amenities and improve the environment for the residents, who will move to the new complex (Table 1) (Križnik, 2009b). Contrary to Poblenou, where a continuous grassroots mobilisation took place, responses to urban development in Wangsimni were rather limited.

Local responses to market-driven urban development

22@ Activity District and Wangsimni New Town differ in terms of planning approach, institutional context and dominant stakeholders. Yet both projects were instrumentalised to increase economic competitiveness and global appeal in Barcelona and Seoul rather than addressing the needs of residents in Poblenou and Wangsimni. Globalisation has in this way directly affected transformation of Poblenou and Wangsimni, which resulted in demolition of existing industrial and residential areas, decline of jobs in traditional industrial and service sectors, rising living costs and on-going gentrification (Križnik, 2009b; Kim, 2010; Marrero Guillamón, 2010). This instrumentalisation of urban development has become one of the reasons for exclusion of the residents from decision-making although the local government in Barcelona and Seoul tried to involve them to some extent in the planning or implementation stage. In this way the residents in Poblenou and Wangsimni had to deal with similar consequences of market-driven urban development in their everyday life, yet the local responses in both localities were nevertheless quite different in terms of their sources and consequences (Table 2).

Cultural emancipation in Poblenou

Transformation of Poblenou had various positive consequences on the everyday life in locality, yet the project has also caused conflicts between the residents and local government from the very beginning on. The local

responses to 22@ Activity District were a result of what many residents perceived as unjust social and economic costs of urban development, demolition and privatisation of industrial heritage, changing identity of the neighbourhood, lacking civic participation in the planning and decision-making, and rejection of what was seen as corrupt practices of the local government and corporations in Poblenou (Table 2) (Križnik, 2009b). After the transformation has begun new residents and companies moved to the neighbourhood. At the same time the old residents faced expropriations, evictions, decline of jobs in traditional industrial and service sectors, and rising living costs, so many among them left Poblenou. Newly constructed housing was expensive, while the social housing not easily accessible and the residents have started to perceive the on-going gentrification as a purposeful attempt of the local government to change the existing social structure and identity of Poblenou. The new residents and companies seemed to have been the beneficiaries of urban development, whereas the old residents were to pay its social and economic costs (Associació de Veïns i Veïnes del Poblenou, 2003). Such perception was further intensified by rapid commercial development and slow improvement of public amenities, which was seen as another evidence that 22@ Activity District was about particular economic and political interests of the local government and corporations rather than the needs of the residents.⁵ Demolition and privatisation of industrial heritage also contributed to the conflict. The residents namely considered old factories as an important part of their collective identity and everyday life in Poblenou. Moreover, the 22@ Activity District was planned without civic participation and the local government initially did little to involve the residents in the decision-making. Although they were aware of the social and economic conditions in Poblenou, and tried to integrate new development with existing neighbourhood, the local government failed to gain broader public support for a vast transformation of the area. Instead, the local government presented the project as a seemingly unavoidable transformation and improvement of apparently decaying urban area (Ajuntament de Barcelona, 2012a).

In contrast to Wangsimni, Poblenou used to have a long tradition of grassroots mobilisation which dates back to the late nineteenth-century anarchism and labour unionism and continued with pro-democracy and independence movements. Active neighbours associations were also an important part of this tradition. It is hence not surprising that the *Poblenou Neighbours Association* became among the first to oppose the 22@ Activity District in its initial form. Unlike other civic groups the Poblenou

⁵ In the 2007 survey 53% of respondents in Poblenou answered that the 22@ Activity District plan was about the interests of local government and major corporations, while only 6% answered the plan was about the interests of residents. In Wangsimni 51% of respondents disagreed in 2006 that New Town Development was in the interest of the residents (Križnik, 2009b).

Neighbours Association was not opposing to the entire project, but pragmatically rejected the parts, which were against the interests of the residents, asserting that the 'the neighbourhood's enemy is not 22@ but speculation' (Oliva, 2003: 55). Other civic groups, such as the *Association of Affected Residents* or *Commission Against 22@*, were in contrast to neighbours associations established as a response to the transformation of Poblenou. Due to its far-reaching and negative consequences on the everyday life these civic groups radically rejected the entire project, which they saw as 'an expression of structural logic of the actual economic system' and voiced a loud criticism towards corrupt practices of the local government and corporations in Poblenou (Križnik, 2009b: 195). Although their position was rather ideological, the role of the Commission Against 22@ was important in shifting public awareness away from particular problems towards structural contradictions behind the urban development in Poblenou. *Historic Archive of Poblenou* or *Forum Ribera del Besòs* were on contrary focusing on particular issues of industrial heritage and identity in Poblenou, which were under threat due to the demolition of old factories and buildings caused by the transformation of the area.

Civic groups in Poblenou sometimes had conflicting interests, so it was not always easy to find a common ground when responding to the consequences of urban development. The plan for transformation of Eix Llacuna, one of the six strategic areas in the 22@ Activity District, provoked fierce opposition among the residents, which forced the local government to eventually involve them in decision-making. While Poblenou Neighbours Association has finally agreed on the modified proposal of the local government, the Association of Affected Residents and Commission Against 22@ have opposed it. On contrary, the announced demolition of Can Ricart factory led to a unanimous opposition by numerous civic groups from Poblenou and Barcelona, which successfully contested the local government's plan. Because their success showed that the civic groups could affect decision-making and transformation of Poblenou, both cases were important turning points in the conflict between the residents and local government. It has also become clear that for many the main problem was not so much the 22@ Activity District project but the lacking participation in planning and decision-making (Oliva, 2003; Marrero Guillamón, 2010). During their struggle the residents forced the local government to provide social housing, accessible for the residents of Poblenou, which was expected to prevent further gentrification, and also to considerably expand the scope of protected industrial heritage (Ajuntament de Barcelona, 2012a).

Although the local responses affected the on-going transformation of Poblenou, the residents could not substantially change the 22@ Activity District project. Land speculation, which the residents perceived as one of the

main problems of market-driven urban development, continues to affect everyday life in the neighbourhood and the local government is doing little to address the issue. The local government has in this way lost an important part of its legitimacy among the residents and was finally forced to open the overly bureaucratised planning process and allow for a more active civic participation of the residents in decision-making. On the other hand it seems that the residents have become more aware not only of the economic meaning of old factories but also of their symbolic meaning for the everyday life in Poblenuou, once their collective identity has come under threat. Such cultural emancipation, stemming from a growing awareness of the residents about the local history and culture, seems to be among the most important results of the local responses to market-driven urban development in Poblenuou (Table 2) (Križnik, 2009b).

Material interests in Wangsimni

Contrary to Poblenuou the residents in Wangsimni supported urban development, when the Wangsimni New Town was first announced. Kim (2010) suggests that the initial support was a result of the fact that the local government managed the planning process. Many residents hence believed that due to local government's involvement Wangsimni New Town was presumably about public interests in contrast to the private-led urban development of the past. The second reason, why the residents supported urban development, was related to the growing land prices, which resulted from the land speculations after Wangsimni was selected as pilot project. The property owners in Wangsimni believed that Wangsimni New Town could bring them significant financial gains. Kim (2010: 159) quotes the residents saying, 'to sell properties at good prices and then leave the neighbourhood is the way to go.' Tenants on the other hand were not against urban development either. Because they had no rights to be involved in decision-making they cared little about urban development and were willing to leave Wangsimni, as long as they would receive proper resettlement compensations. At that point virtually no one opposed the Wangsimni New Town. Although the local government initiated urban development in Wangsimni, it was, however, the property owners who were formally managing the process. They were organised in the *Wangsimni Redevelopment Preparation Committee*, which was changed into *Residents Association for Redevelopment* once the project was approved by the local government. The local responses to Wangsimni New Town among the property owners were hence focused on securing financial profits, with little consideration about the consequences of urban development on everyday life in locality. *Association of Wangsimni Workshops and Merchants* was on the other hand

better aware of negative consequences of urban development on their business, yet they did not oppose it because they expected that the local government will help traditional industry and services and eventually change the project (Križnik, 2009a).

Yet the local government did everything to continue with Wangsimni New Town and was actively supporting the redevelopment associations, which had informal ties not only with public officials but also with construction companies, involved in the urban development. Lee (2006: 58) reports how 'in the time of public hearings associations have only been interested in money. At the same time, their representatives claimed to represent interests of all residents, while they have actually only been interested in their own business.' The redevelopment associations finally managed to change the plan and increase construction density and height, which they expected would bring them higher financial gains. What the local government initially planned as a public-private partnership eventually became a private urban development, where a small group of property owners has imposed their particular material interests over interests of other stakeholders. The local government effectively excluded the rest of residents from taking part in decision-making, which was 'significantly unfair for property owners who are against the project or for renters' (Kim, 2010: 154). Lee (2006), nevertheless, points out that the participation of the residents in public hearings was also below expectations. Some of them simply had no time, while the others might have realised that they had no actual voice in a process dominated by redevelopment associations.

In consequence, it was not before 2007 when the remaining residents became aware not only about the relationship between the redevelopment associations, construction companies and local government, but also about the negative consequences that the urban development will have on the everyday life in Wangsimni. Many residents at that point started to actively oppose the Wangsimni New Town. Tenants were concerned about resettlement compensations and rental housing, which they were entitled to receive from the redevelopment associations. Because their jobs were located in or around Wangsimni some also wanted to stay in the area during the construction period. With the help of NGOs the *Wangsimni Tenants Association* eventually forced the local government and construction companies to provide a small number of temporary housing in Wangsimni. The property owners, who were not in favour of urban development, also faced difficulties, caused by financial damages and violations of their rights by the redevelopment associations. Local government, for instance, largely ignored demands of the *Committee for Community Development*, which opposed Wangsimni New Town due to the expected loss of rents for property owners. Some of them took legal action against the local government

and redevelopment associations and the court partly blocked the implementation of Wangsimni New Town until the dispute was resolved.

Local responses to the urban redevelopment in Wangsimni were initially focused on financial gains of a small group of property owners, while later these responses became more diverse in terms of sources and also in terms of consequences on everyday life. In contrast to Poblenou the material interests of the residents were the main source for local responses to market-driven urban development, while social or cultural concerns never had much relevance for the residents. Most of them did not oppose the demolition of neighbourhood which was eventually demolished by 2012 and all residents had to resettle. Due to the high costs of newly constructed housing only about ten to twenty percent of the residents are estimated to return to Wangsimni once the urban development is finished (Križnik, 2009a). Kim (2010), nevertheless, points out another important outcome of the grassroots mobilisation in Wangsimni. Although the struggle against the redevelopment associations and local government did not stop or change the Wangsimni New Town it has attracted public attention in relation to the negative consequences of New Town Development and has affected public discourses and the future urban policy in Seoul (Table 2).

Table 2: LOCAL RESPONSES IN POBLENOU AND WANGSIMNI

	Poblenou	Wangsimni
Main goal	Protection of collective identity	Protection of material interests
Major actors	Poblenou Neighbours Association, Commission of Affected Residents, Commission Against 22@, Historic Archive of Poblenou, Forum Ribera del Besòs, Barcelona Federation of Neighbours Associations, artists and workers' groups etc.	Wangsimni Redevelopment Preparation Committee, Residents Association for Redevelopment, Association of Wangsimni Workshops and Merchants, Committee for Community Development, Wangsimni Tenants Association, National Federation against House Demolition etc.
Sources	Unjust social and economic costs of urban development, destruction of industrial heritage, no civic participation in decision-making, rejection of corporative practices of local government and corporations	Land and resettlement compensations, income loss of small property owners and businesses, no economic measures of local government, provision of temporary housing, illegal practices of redevelopment associations
Consequences	Preservation of industrial heritage, provision of social housing, higher awareness of local history and culture, revision of some urban development projects, changes in urban policy	Higher profits for property owners, denser construction, destruction of neighbourhood, public-private partnership changed into private, provision of temporary housing, changes in urban policy

Conclusion: localities and urban change

It is difficult to understand urban development in global cities without acknowledging the relationship between structural inequalities and neoliberal urban policy. In Barcelona and Seoul urban development is an important instrument of neoliberal urban policy by which the local government is trying to respond to global pressures and opportunities and increase economic competitiveness and global appeal of the city rather than to improve the quality of everyday life in localities. In this way market-driven urban development results in negative consequences for localities, such as demolition of existing residential and industrial areas, evictions of residents, declining employment in traditional industrial and service sectors, commodification of local culture or rising living costs and gentrification. Although these outcomes are similar in both localities, the local responses to the market-driven urban development in Poblenou and Wangsimni were rather different. In Poblenou the local actors contested what they perceived as unjust social and economic costs of urban development, demolition of industrial heritage, lacking civic participation in decision-making, and corporative practices of local government and corporations. While economic and political interests have also affected the conflict between the residents and local government, the most important reason for the grassroots mobilisation was to protect collective identity and everyday life in Poblenou. The residents in Wangsimni were mostly focused on their material interests, such as financial compensations, expected income loss or provision of temporary housing, which were partly also related to the everyday life in locality. Yet, the neighbourhood was rarely seen to have any symbolic meaning for the residents and their collective identity. Different local responses in Poblenou and Wangsimni can be attributed to historic, cultural and institutional differences between Barcelona and Seoul. It seems, however, that differences in home ownership structure, past experiences of grassroots mobilisation, existing opportunity structures as well as particular local culture have played the major role in shaping distinct local responses in Poblenou and Wangsimni.

While the residents in Poblenou saw the 22@ Activity District as a threat to their collective identity, the residents in Wangsimni initially perceived Wangsimni New Town as an opportunity to address their economic situation. As a result of grassroots mobilisation a large part of industrial heritage in Poblenou was saved against the demolition and many residents have rediscovered the local culture. Locality was reinvented against the backdrop of globalisation. Quite on contrary, the entire neighbourhood was demolished and the local culture in Wangsimni was lost, although the residents initially perceived globalisation as a way to improve the quality of everyday

life. Local responses to market-driven urban development in Barcelona and Seoul in this way reveal what Mlinar calls the mutual interdependence between individuation and globalisation. The relationship between them seems to have taken a similar contradictory form in both cities in spite of their different historical, cultural and institutional background. Yet, although similar structural processes transform localities around the world, the case of Barcelona and Seoul show us how localities remain an important and distinct source of social and urban change in global cities.

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