Introduction

The question of why people move, or more specifically why those of working age move, has largely been considered in terms of financial and economic incentives. Theories of the location and relocation of firms are similarly dominated by potential profit in response to a trade-off between costs of production and market access. Migrating workers were seen to respond to job opportunities and higher wages, and were, therefore, dependent on the location of expanding industries. In the 1950s and 1960s migration between and within the countries of Europe conformed to this expectation as large numbers of unemployed and low-income workers moved to the cities of N.W. Europe in response to growing industrial needs. During the 1970s the economic structure of Europe changed and with it the location of activity and the labour needs of expanding service sectors. Environmental factors came to be of increasing importance in the location decisions of both workers and entrepreneurs. Industry suburbanised and relocated away from the largest cities to medium sized cities with less congestion and lower land costs. The 1980s saw yet more changes as the competition for highly-educated and highly skilled new service workers intensified, and the need for vast numbers of unskilled workers disappeared due to changes in technology and economic recession. The high-skill elite cared about their physical environment in terms not just of pollution and congestion but of cultural amenity, scenic attraction, climate, and the opportunity to spend their high incomes on suitable recreational and leisure pursuits. Where the work was located was as important as how much it was paid, if not more so. Effectively these groups are choosing the location of new economic activity in response to non-financial incentives. All of these different migrations have had an impact on city governments' attitudes and policies towards physical renewal and regeneration and the form of that renewal. In the 1950s and 1960s renewal was largely in the form of improved mass housing, schools and city shopping centres to cope with rapidly growing urban populations. In the next decade or so large cities were trying to recoup the losses caused by relocation of industry by improving transportation, easing planning restrictions and providing cheap workspace to lure firms back into city locations. Large city governments in Europe are now vying for the favours of the highly skilled by providing the sort of central city environment and facilities that they would find attractive in terms of high-income housing, cultural facilities, exclusive shopping areas and recreational and sporting activities. The cities hope that by attracting these groups economic growth will be stimulated and local tax revenues will increase. Even if there is no 'trickle-down' effect to provide jobs for the low-skilled at least the increased tax revenue will allow for amelioration of the growing social problems linked to the physical decay caused by growing social inequality in the 1980s. If cities do not have existing environmental incentives to offer they can build them or at the very least try to counter existing disincentives. The marketing of large cities as environmentally suitable places for the managerial and sub-professional classes to live has become an increasingly important priority in economic strategies for growth.
alongside, or even more important than traditional economic incentives to businesses. Renewal as a means of attraction for potential residents, rather than renewal for the majority of existing residents is often seen as the primary way of both averting urban decline and of maintaining growth.

At its simplest level under a neo-classical economic model migration of workers takes place from low wage to high wage areas and from areas of labour surplus to areas of labour shortage. Further sophistications that may be taken into account by the migrant are search costs, movement costs, differences in living costs ie real wage differentials, and expected future income. Employers will offer the wage necessary to induce a sufficient flow of migrants to meet the demand for labour. Migration will cease as labour demand and supply are equated and real wage differentials between areas will reduce or disappear.

Migration in Europe in the 1950s and until the late 1960s occurred in response to the labour shortages of the industrialised cities of northern and western Europe. In the period 1950 to 1975 urban areas grew throughout Europe with cities in north and west Europe absorbing 54 million more inhabitants. Fourteen million were migrants from rural areas within the same country, but most intra European migrants came from poorer areas of southern Europe, particularly Italy and Spain and later Turkey. By 1964 there were 2.3 million Italian workers in the rest of Europe, and nearly 1 million Spanish workers. (Bouscaren 1969). High unemployment and low wages at home acted as push factors and high wages and job vacancies acted as pull factors in France, West Germany, Belgium, the U.K. and Switzerland. The U.K., France and the Netherlands also filled their labour shortages with migrants from colonies, ex-colonies and dependent territories. In 1966 5.7% of the total population in West Germany were foreign workers, and in France 6% of the population was born outside France. Most of these new residents lived in large industrial cities 'doing the jobs French did not want to do'. (Bohnung 1972). In the Community of six in 1975 there was still a shortage of 1.75 million workers and rising wage levels mainly within northern industrial cities. Economically the cities of northern and western Europe were thriving but migrants belonged to the low-income sectors and social problems arose particularly in the form of severe housing stress. There was severe overcrowding and decay of existing housing stock. The response of urban governments was to renew existing central areas of the city by building vast cheap social housing complexes and large mass shopping areas. Both of these responses to urban growth were to prove negative factors in the image of these cities at a later date.

The 1970s brought two economic changes of significance to cities. In larger cities suburbanisation and exurbanisation had occurred on a large scale as the affluent and more highly skilled workers moved considerable distances from their workplace in the Central Business Districts. (Hall and Hay 1980, Cheshire and Hay 1989). There was a high income-elasticity of demand for housing space in the trade-off between space costs and travel cost. As a result higher income residents in outer areas of the city became increasingly separated from lower income residents left within the city. Following the population flows, firms, that were already pressed for space in central areas and with high access costs started to suburbanise their activity. It was an added bonus that high-skilled workers, always in short supply, were already located there. The process of suburbanisation and exurbanisation resulted in the rich and the poor living in separate administrative areas. Cheshire and Hay (1989) concluded from their extensive study of European cities that the European urban system was as a whole steadily passing through a process of decentralisation during decline initially seen in the U.K. and Germany but also apparent in Italy by the early 1980s.
A further economic problem for large cities was that firms, especially those in the growing service and high-tech industries were moving to smaller cities. The proportion of the urban population living in cities over 100 thousand declined. According to a UN report (1979) this suggested that large cities were increasingly viewed as less attractive places in which to live. The attractiveness of the location of the workplace to high-skill sectors of the population was clearly already an important force in decisions of firms where to locate, although cost factors were probably more important in this period.

The loss of higher-income residents and the loss of economic activity meant a shrinkage of tax base and tax revenue for larger cities. Suburban and exurban dwellers used the cities' services - leisure, cultural activities, transportation, streets, lighting etc. - but did not pay for them. The loss in economic activity through relocation entailed increases in unemployment among the less skilled and a fall in residents' incomes. Municipalities responded to the need of their own citizens and chose to make up these income losses by trying to attract industry back into the declining industrial cities. Urban regeneration in the late 1970s took various forms of incentives to industry. Low-cost purpose-built premises were built on recently released public land. Planning restriction were eased to allow for different land usage. Science parks were built to increase the availability of technology transfer and expertise. In Britain central and local government put together packages to revitalise cities on the success model of public/private cooperation, as seen in the United States in Pittsburgh and Baltimore with London Docklands and other Enterprise Zone schemes. All of these measures of physical renewal and development were primarily aimed at rational 'economic' decision-making.

Europe has changed dramatically in economic structure in the last twenty years. In 1971 no workers were employed in primary and secondary activities, predominantly in manufacturing industry with 44% of all employees. By 1989 only 33% were in secondary activities with 60% of all European workers engaged in the service sector. (Eurostat Labour Force Survey 1989). The increased social and economic polarisation within cities can in part be attributed to divergence in well-being between those who have benefited from economic structural change in the last twenty years and those who have not. (Frost and Shepherd 1991). It is also suggested in the Cecchini report (1988) that the Single European Market and future monetary integration in the EC will intensify the process of structural change leading to an increasingly widening gap between the rich and the poor in cities. The poor, who were once the migrant workers in manufacturing and low skill areas had brought prosperity to cities in northern an western Europe in the past. The economy of cities has now changed so that it is the migrant with high skill levels and high educational levels who are generating growth in urban economies.

Technical progress is knowledge intensive and modern service sector companies are footloose. Sales prospects in these industries are largely dependent on the place in which the company settled (Klaasen 1987), and the presence of proper human resources is critical for the location of new service activities and the development of existing activities (Illeris 1989). High-skill workers make high demands on the residential climate and have decided preferences. Both high-tech manufacturing and new service sectors are growing in the Alpine-Mediterranean areas of S. Bavaria, S. Baden-Württemberg, Savoy, Rhône-Alpes and Northern Italy, where scenery and climate allows for summer and winter recreation, where unemployment is low, pollution low, and there is little crime. Most migration of low-skill workers has dried up in the 1980s with recession and the falling needs of a technology-intensive manufacturing sector. In France for the period 1975-82 40% of internal migrants were from managerial and high-skill intermediate professions. This labour led migration was to the Rhône-Alpes and Provence-
Alpes/Côte d'Azur regions and to the Paris region from Paris. The source areas were Normandy, Nord Pas-de-Calais, Lorraine and Picardy, the northern industrial areas. (White 1990). Whether migrants are more interested in climate and scenery or whether large cities offering a wide range of retailing, cultural and leisure provision with good access to international transport and good educational and research facilities will prove the greater attraction is difficult to assess. Frost and Shepherd believe that the latter features will prove the more powerful attraction (1991). There is evidence that the 'world cities' of Paris, London and Amsterdam in Europe still act as powerful magnets. Cities such as Lyons, Frankfurt and Rome have the attractions of a pleasant environment linked with cultural and historical features and are growing rapidly with large numbers of high-skill migrants. In a wider European context this could also benefit Prague and Budapest.

Cities in Europe that do not have the benefits of scenic and climatic advantage or of high cultural status will be at a disadvantage. No longer can cities rely on financial incentives to attract economic growth and prosperity, they will also need to generate a cultural and built environment that will attract and retain high-skill/high income groups. Formerly prosperous industrial centres and once thriving port cities of Europe have some of the highest degrees of social problems with high unemployment, higher than average crime rates and a physical landscape that includes both industrial dereliction and large areas of poorly maintained mass social housing. While their need for economic growth is apparent the problem of how to achieve regeneration is daunting.

The response in the declining cities of Europe and in smaller cities wishing for expansion has been similar. The city is marketed through a process of re-presentation and repackaging of its 'image'. In the fierce competition for new investment within a context of economic recession 'image' has become a key factor in changes made to the physical environment of cities (Robins and Wilkinson 1990). Emphasis in redevelopment has been on leisure, the arts and the quality of life - the quality of life that is for higher-income groups whom the city wishes to attract.

The neutralising of unfavourable images and the creation of new images has been taken over by experts in product advertising. Newcastle, a northern industrial city in the U.K., has engaged the advertising agency J Walter Thompson at a cost of nearly £1 million to sell the city. SWOT analysis, used in marketing consumer products, has been used in the economic strategy plan for Manchester where the stated priority is to 'improve the image of the city'. (Manchester City Council 1992). The marketing of images to appeal to the wealthy incomer can also be seen in other countries in Europe. In the publicity material of Barcelona Industrial Estate Consortium most of the information is concerned with more traditional economic inducements to economic developments, but five double pages on 'living' show images of new Cartier and Armani shops, new restaurants, a yachting marina, ski resorts and beaches. Montpellier aiming for ever more rapid growth shows videos at the airport and railway station of sunlit middle-income housing developments, the renewal of old city streets with expensive shopping facilities, the new Opera house and Bofill's high-income city-centre apartments. The main planned development in this city is for an artificial yachting marina, Port Marianne, within the city area but 10 kilometres from the sea.

The new urban imagery promotes a prosperous lifestyle often in very unprosperous surroundings. Inner city areas are turned into urban villages. High cultural activities such as concert halls and opera houses are to the fore, together with costly leisure pursuits. This form of urban renewal stems not from the needs of existing residents but from the perceived needs of as yet non-residents. While development in the earlier periods post 1955 was concerned
with the social need of housing and educating the new population, and the 1970s with ensuring employment for citizens, both of which were reflecting the wishes of the majority of city dwellers, a change has now taken place. Advertising has taken over from democratic representation and public planners in deciding what is best in terms of new built form for the city, and is dictating a large part of the agenda. Private developers are also choosing and funding what goes where, albeit with heavy subsidies from public funds.

The economic rationale on which this form of development is based is questionable. New and growing economic activities do need very specialised labour and this is in fairly short supply. Whether this type of worker will migrate, or stay, in the case of home grown workers, in response to the sort of environmental inducements on offer is debatable. The built image of a rather newly-built image may appear superficial in comparison to the real advantages perceived by migrants to cities that already have the required cachet. The very sameness of the developments created - leisure shopping, marinas, middle-class housing and at a grander scale concert halls - may be turning these areas into a built Macdonalds for the rich with little differentiation. Have advertisers and developers got the right images to attract their customers? If not it will be a costly exercise to keep revamping it. If the new migrants are attracted will this provide benefits for the existing population? The trickle-down effects from longer-standing projects such as London Docklands in terms of increasing jobs and incomes for those around are very small. Middle income suburbanites coming to the central city to spend on the new facilities will add to the income of that area but have only small effects on income growth in the wider area. Existing residents are already paying in taxation via subsidies for these developments which they can directly benefit from only marginally. If no longer-term economic benefit emerges urban renewal development for the better-off funded those less fortunate has little hope of long-term political viability.

References

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