Claiming a place in the global city: urban regeneration and Latin American spaces in London

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URBAN REGENERATION AND LATIN AMERICAN SPACES
IN LONDON

REINVIDICANDO UM LUGAR NA CIDADE GLOBAL:
REVITALIZAÇÃO URBANA E ESPACOS LATINO-AMERICANOS
EM LONDRES

RECLAMANDO UN LUGAR EN LA CIUDAD GLOBAL:
REVITALIZACIÓN URBANA Y ESPACIOS LATINOAMERICANOS
EN LONDRES

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ABSTRACT

This article focuses on the presence of Latin American businesses in Elephant & Castle (E&C), a deprived area in the centre of London that is undergoing an ambitious program of urban redevelopment that will see the area developed into the new ‘thriving quarter of Central London’. The purpose of this article is to uncover the circumstances under which Latin American retailers re-negotiate their place in E&C and to document and understand their involvement and engagement with the local government. The meaning of places, scales of locality and local identity are central to the argument that Elephant and Castle’s location is an asset to the vision of London as a global city with desirable city dwelling near global financial and commercial districts. The article interrogates attempts to raise Elephant and Castle’s position within the urban hierarchy of London and considers the impact of these changes for Latin American retailers.

Keywords

RESUMO

Este artigo apresenta os resultados de um estudo sobre os negócios dos pequenos empresários e comerciantes latino-americanos na área de Elephant & Castle (E&C), um bairro de Londres com alto índice de pobreza no qual o governo implementou um ambicioso programa de revitalização urbana. Seu propósito é entender as aspirações dos negociantes, documentar e entender o nível de participação no processo de consulta popular dentro do contexto de revitalização urbana em Londres. O significado dos lugares, as escalas e identidade locais de Elephant & Castle são centrais para o argumento dos investidores sobre a importância de distritos comerciais e financeiros nas cidades globais, como Londres. Ao interrogarmos este discurso, pretendemos enfatizar as relações de poder contidas nas tentativas de elevação do prestígio deste bairro dentro da hierarquia urbana de Londres e seu impacto para os pequenos empresários latino-americanos ali localizados.

Palavras-chaves

RESUMEN

El artículo presenta los resultados de un estudio sobre los negocios Latino Americanos en el área de Elephant & Castle (E&C), un barrio de Londres con un índice de pobreza alto en el que el gobierno ha invertido en un programa ambicioso de revitalización urbana. Discutiremos las circunstancias por las cuales los pequeños empresarios latinoamericanos negocian su espacio en la ciudad. El propósito es entender las aspiraciones de los negociantes y documentar y entender el nivel de participación en procesos de consulta dentro del contexto de revitalización urbana en Londres. El significado de los lugares, escalas de localidad e identidad local son centrales para el argumento de los desarrolladores sobre la posición geográfica de E&C en Londres, ciudad global, y por ende a pasos de distritos comerciales y financieros. Interrogaremos este discurso para enfatizar las relaciones de poder entrelazadas en la jerarquía urbana de Londres y el impacto que puedan tener para el futuro de los comerciantes latinoamericanos en el área.

Palabras Claves:
INTRODUCTION

A Latin American presence in London is visible in the borough of Southwark – particularly in the Elephant and Castle (E&C) shopping centre and surrounding areas (Elephant Road, Newington Butts, Eagle Yard Arches, Old Kent Road). Such is the visibility that the local borough has referred to it as a “vibrant Latin quarter”; this presence however, is now under threat. The E&C was identified as an opportunity area in the London Plan² (2002) and a regeneration program undertaken by Southwark Council and private developer Lend Lease estimated at a cost of £1.5billion is underway. The plans for the redevelopment of E&C raise a number of questions about the position and influence of Latin American retailers within the new development plans. It is the purpose of this essay to uncover the circumstances under which Latin American retailers re-negotiate their space and place in E&C. My aim is to understand the aspirations of Latin American business owners in the area and, to document and understand their involvement and engagement with the local government, particularly given the urban regeneration scheme planned for the next 15 years.

The article focuses on the experiences of Latin American local retailers in the E&C before and during the consultation process for the redevelopment of the area. The research is interdisciplinary and as such it aims to contribute to debates on urban renewal in at least three ways. First, it focuses on the process of urban regeneration as it is happening by emphasizing the process of consultation with local businesses that cater to the specific communities. It captures the position and process of transformation amongst Latin American shops, and their involvement in the consultation process for the E&C. As Lees, Slater and Wyly (2010) have argued most gentrification research has ignored the process as it takes place, the material circumstances and what it means for long standing residents. This leads to my second point: most gentrification and urban regeneration research has focused on residents and housing. Thus, a focus on Latin American businesses provides a novel way of looking at transformations in retail space and offers of the high street and shopping facilities of a particular area – not after gentrification has taken place, but as it is happening. The timing of the research is such that it captures a moment of transition and raises questions about the sustainability and future of small local shops in the E&C. At a personal level, this is important because my first research with Latin Americans in London (at the beginning of 1990s) took me to the E&C when Latin American businesses were starting to settle in the area (the first shop opened in 1992). So revisiting the area under the current context of regeneration allows me to capture a significant moment for Latin American shops, one that will define whether these will survive or not in the E&C. Finally, the research also engages with questions about the role of local governments in aiding processes of gentrification (LEES, 2003).

The research for this article consisted of in-depth interviews with retailers during the summer of 2010, participant ethnographic research in the E&C shopping center and adjacent retail streets where most of the Latin American shops are located (April – July 2010 / September 2011 – July 2012), participation in a diversity of meetings during the consultation process (September 2011 – February 2012),³ and continued direct involvement with retailers in the consultation process that included submitting a response to the borough’s draft planning document (finally adopted in March 2012).
The article sets the background for urban renewal in London and the policy context under which E&C’s regeneration strategy takes place. This will be achieved by analyzing key documents setting Southwark Council’s vision for E&C (and how its partner developer, Lend Lease, proposes to fulfill this vision), paying particular attention to retail space and business continuity. The main part of the article will focus on the experiences of Latin American retailers in E&C and their concerns about the current regeneration strategy. I argue that even though the council recognizes the presence of Latin American business in the area and the need to make sure that this is not lost as a result of the regeneration of the E&C, Latin American retailers have not been fully consulted and have not received enough commitment and support from the council that will guarantee their future presence in E&C.

THE CONTEXT FOR URBAN REGENERATION

The neglect of many urban centers and the redevelopment strategies of the 1980s resulted in the growth of cities as sites of consumption and leisure (ZUKIN, 1998). The role of local government also changed, shifting from the management of social welfare to a new form of entrepreneurialism that promotes urban regeneration in partnership with private capital (HARVEY, 1989). One consequence is that the city appears as an object of consumption and as a place in which to experience a particular lifestyle:

Gentrification, cultural innovation, and physical up-grading of the urban environment […] consumer attractions […] and entertainment […] have all become much more prominent facets of strategies of urban regeneration. Above all, the city has to appear as an innovative, exciting, creative, and safe place to live or visit, to play and consume in. (HARVEY, 1989, p. 9).

Many cities are thus marketed and sold as a particular type of consumer product just as place marketing has begun to play a crucial role in the way in which a city promotes itself in terms of its competitive advantage. In this context the city is redefined as a place that is, “packaged and sold as a commodity. Its multiple social and cultural meanings are selectively appropriated and repackaged to create a more attractive place image in which any problems are played down” (WARD, 1998, p. 1).

The redevelopment of E&C is consistent with what Harvey (1989, p. 8) called a “new urban entrepreneurialism” that relies “on a public-private partnership focusing on investment and economic development with the speculative construction of place rather than amelioration of conditions within a particular territory as its immediate (though by no means exclusive) political and economic goal.” In this sense, Harvey (1989, 2000) argues that finance and urban entrepreneurialism cannot be separated. This explanation resonates with Neil Smith’s (1979, 1996) “rent gap” theory in gentrification studies. In simple terms this refers to the economic gap between property value and the potential land value. Long periods of disinvestment in inner city areas and the subsequent devaluation of property leads to further reinvestment based on speculative land value rather than the current value...
of the property (SMITH, 1979, 1996). However, it will be limiting to explain processes of urban redevelopment leading to gentrification solely in economic terms, and thus on the production side perspective that for long dominated gentrification studies (LEES; SLATER; WYLY, 2010). The reinvention and aspiration of E&C as the “new thriving quarter of central London” also lends itself to consumer led explanations of gentrification whereby location and lifestyle takes priority. The developments taking place in E&C are sold and packaged to a new resident / consumer in mind: one that can afford the commercial value of flats in the new residential high rise blocks or building complex and to which a particular urban lifestyle in the newly developed inner city appeals to.

As I will discuss, the E&C is not being packaged for tourism, commerce, finance or entertainment; instead it is sold and packaged in terms of its potential land value, given its good transport links and its proximity to centers of tourism, finance, commerce and entertainment. Location is the key aspect to encourage investment in E&C. This leads me to another point regarding E&C’s position within London’s other urban centers and its capacity to draw investment and residents and re-built its economic and social reputation (the area has for long suffered high levels of deprivation and crime rates).

E&C is simultaneously placed amongst global and local discourses and as such it raises questions about the meaning and scales of locality and local identity. E&C is a deprived inner city area within Southwark, a racially diverse borough of London, a world class city. I argue that the concept of intra-urban competition can be used to understand E&C’s redevelopment strategy. I use intra-urban in two ways – first, to think of E&C in relation to other areas of inner London. Hierarchies based on historical traits, economic stability and social reputation of an area are significant for understanding urban development in a city like London. E&C is competing for its place amongst other London Boroughs, whilst simultaneously embracing global city discourses. The geographical significance of E&C in Southwark’s position within London – a global city – is the main the selling point for investment in the area. London’s other urban centers include location within their competitive mark but they thrive on other assets beyond land: financial, tourist, entertainment or commercial advantage. Second, intra-urban is used here to think about how E&C is made to fit into wider urban discourses of London as a world city. E&C’s location is an asset to the vision of London as a world city with desirable city dwelling near global financial centers and commercial districts. Cities as places are not static and as I will discuss later processes of urbanization and thus transformation are not new to E&C. But the question here is will location be enough to raise E&C’s position within the urban hierarchy of London?

A similar critique to inter-urban competitiveness and the global city theory (HARVEY, 1989; ROBINSON, 2004) can be applied here. David Harvey (1989, p.11) argued that inter-urban competitiveness based on large scale projects with the aim of transforming cities and making these more competitive with cities elsewhere has led to the “serial reproduction of science parks, gentrification, world trading centers, cultural and entertainment centers, large scale interior shopping malls […] and the like.” Global or world city approaches (SAS-SEN, 2001) have been critiqued for establishing hierarchies of cities and for legitimizing a particular type of development for cities elsewhere and, as such, limiting the possibilities
for imagining urban futures (MASSEY, 2000; ROBINSON, 2006). Thus, globalization “de-
nies any relative autonomy for urban development, undermines the capacity within indivi-
dual cities to define new possibilities of urban living, and makes it impossible to envision
the modification, transgression or disruption of the trajectory of capitalist globalization /
urbanization in general” (HARVEY, 2000, p. 43).

I argue that in the same way that the global city and inter-urban competiveness have cre-
ated a hierarchy of cities and a particular way of development for cities elsewhere, intra-
urban competitiveness in London can hinder alternative futures and ways of imagining
inner city living that cater to ordinary citizens.

The following sections will set the context for regeneration at E&C and the position of
Latin American retailers in the area.

REGENERATION AT ELEPHANT & CASTLE

Southwark Council is undertaking a long term program of urban renewal comprising of
11 areas, with signs of gentrification evident in Bermondsey (KEDDIE, 2009). Southwark
is still in the top 25th most deprived areas in England according to the Indices of Depriva-
tion (Department for Communities and Local Government, 2010) but over the last decade
it has gone from being ranked in the 14th place in 2000 to 25th in 2010. This is not the
first time that E&C has undergone investment and regeneration. The current regeneration
projects undertaken at E&C are yet another attempt to boost the area’s reputation and
potential. As the leader of Southwark Council said, “Southwark is a borough of immense
diversity and untapped potential. Helping to unlock this potential is what Southwark’s
regeneration projects, some of the largest and most ambitious in Europe, are all about”
(JOHN, 2011, p. 7).

E&C was badly affected during the II World War, with buildings fully destroyed, and ne-
glected and abandoned Georgian terraces left behind by previous occupiers. Shortage of
housing after the war and a general policy of clearing London of slums paved the way for
government investment in public housing for the poor (HANLEY, 2007; POWER, 1993).
The E&C underwent the full extent of the 1960s urban experimentation of monolithic
public housing estates and changes in traffic infrastructure that left the area with a he-
avily transited network of roundabouts and streets and a complicated link of pedestrian
subways.

The new form of urbanism that guided E&C’s development in the 1960s was pioneered by
post-war planning for London, whereby the car became central to city planning.

In London, Abercrombie’s County of London Plan of 1943 gave birth to a set
of principles, which were to colour the development of the post-war years. Arterial and radial motorways were proposed along with reconfigured traffic interchanges that would free the car from the restraints of the traditional city. The Elephant and Castle is one of a limited number of spaces in the city that owes its present form to such visionary efforts. (ALTHORPE, 2008).
The scale of post-war development in housing and road planning in E&C was such that it is often given as an example of bad planning, and it is often cited for its negative qualities: “Marooned by hurtling traffic on a life-threatening system of roundabouts in Southwark, south London, […]” (HALL, 1992, p. 18); and,

The much maligned, “forgotten side of the river”, was once portrayed as, “an accidental and despised cobweb between the horns of the banana of North London”. The confusion of vehicles and bleak spaces illustrates a sharp contrast to the type of city found on the north side of the river. It is a somewhat daunting introduction to a London without tourists, without formal spaces or the recognisable landscape of postcard imagery. Its present form, the product of comprehensive development by the London County Council, was once optimistically heralded as a “Gateway” to the city and as “the Piccadilly Circus of the South.” It was later described as “a major and uncomfortable visible blunder,” “disastrous,” and an example of how not to plan (ALTHORPE, 2008, italics added).

In the current regeneration plans most of these developments are earmarked for demolition. Signs of transformation are evident in the southern roundabout with the closure of its subways and a new lay out and pedestrian crossing in its place. Also, the Council’s agreement with Lend Lease will see the complete demolition of the Heygate Estate by 2015 (to date mostly vacated and boarded up) to give way to a total of 2,500 new homes (mostly private) and approximately 14,000 square meters of retail space in the current site (www.elephantandcastle.org.uk), of which there is no indication of how much of this retail space will be allocated as affordable for existing small local retailers.

Once more, buildings are being destroyed to pave way for new developments. But instead of being led by a vision social progress managed by the State, it is real estate speculation and private ownership in the search for global competitiveness what leads this phase of urban regeneration in E&C - similar to what Ute Lehrer and Jennefer Laidley (2008) found with mega projects in Toronto’s waterfront development. The role of the state in encouraging private developers is also evident here (LEES, 2003); Southwark Council is setting the grounds for urban renewal through its legislation and partnerships with private developers, and thus creating the conditions for gentrification to occur in the area. This is evident in the Supplementary Planning Document (SPD) adopted by Southwark Council on 20 March 2012.

This process of urban regeneration is likely to have an impact on the social make up of the E&C.

The bulk of private accommodation is likely to be beyond the reach of local people. Figures from the Mayoral office, puts affordable housing at a minimum of 50%. This means a new demographic will enter the area with more young residents “grabbing a bigger slice of the billions generated down the road in the city”. […] The introduction of new types of housing and a service industry has led policies of regeneration elsewhere, most notably Docklands. It seems very likely the future Elephant, like Canary Wharf, will not focus, “too exclusively to the aspirations of the existing population.”, but rather on an incoming group of mobilised pro-
fessionals. This is an economically proven success method seen across London. However, such methods risk facing local resentment and may encourage social division. In short, the Elephant may cease to be a local space for South London and become a globalised space in the centre of the city. The scale and ambition of the new developments to be built are more akin to what one would find north of the river: the expectations of a World City on the make. (ALTHORPE, 2008, italics added).

It is also evident from this quote that this time E&C is to compete for a space in the global arena – to emulate the success stories of other London Boroughs. The processes of urban regeneration and intra-urban competition across London Boroughs for a place in the making of the world city obliterate the aspirations of long standing residents and local businesses. It is within this context that the Latin American presence in E&C is at risk.

**LATIN AMERICAN PRESENCE IN E&C – 20 YEARS IN THE MAKING**

With land value in zone one increasing and given its proximity to central London and its strategic location for commerce and businesses the plans for the redevelopment of E&C raise a number of questions about the position and influence of Latin American retailers in the area. The E&C has been at the center of urban renewal plans that will see the area developed into what has been described as the new “thriving quarter of Central London”.

The Latin American presence in E&C core area comprises of four clearly identified zones: E&C shopping centre, the Arches in Elephant Road, the Arches in Eagle Yard and Tiendas del Sur in Newington Butts. These shops are not just retailers of Latin American products; they are also part of an entire social network and support system for many Latin Americans living in London (COCK, 2011; ROMÁN-VELÁZQUEZ, 1999). Economically these shops are important because they provide employment and income for many families in London and contribute to the variety of offers in the area. Latin Americans have not only participated in the economy of the area, but over a period of time have transformed it and in the process created a Latin place in London. This presence is important because it contributes to London’s cultural diversity – precisely what makes London a multi-cultural world class city.

At the beginning of the 1990s when Latin Americans started investing in the shopping centre there was no guarantee of economic success. Low rent allowed Latin Americans to invest in what was a deprived inner-city shopping centre that had been aesthetically neglected and which had been vacated at the end of the 1980s economic boom. The economic decline provided Latin American entrepreneurs - who would otherwise not have had sufficient economic capital - the possibilities for investment in the E&C shopping centre and surrounding areas. During the 1990s and up to 2012 Latin American businesses flourished and established a clearly identifiable and highly visible Latin American business presence. This investment however is now under threat – E&C is now considered a signifi-
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Patria Velázquez

cant location for investment due to its central location and transportation networks. Thus, Latin American businesses – once located in an economically marginal position within the city - are now at the centre of a regeneration scheme that will see the area incorporated to central London.

The plans for the regeneration of E&C are not new and the length of the process has had an impact on the level of involvement of community members and businesses in the area. The protracted development of the regeneration strategy and complexity of the process has led to a certain apathy amongst members of the Latin American business community in the area.

SOUTHWARK COUNCIL’S VISION FOR ELEPHANT & CASTLE

The current regeneration strategy could be traced back to 1999 with Southwark Council’s call to developers for proposals to regenerate the area. This led to the establishment of Southwark Land Regeneration Partnership (SLR) which was led by the private sector but in partnership with the council. Even though this initiative collapsed in 2002 it contributed to the council’s vision for the area and the development of a core strategic vision that underpins the current development plans. The year 2002 marked the beginnings of a new context for urban development in London, with the publication of the London Plan.

Southwark Council’s regeneration strategy would fit into a wider vision for London, and this is significant given the geographical proximity of the area to the financial, tourist and commercial districts of south central London. This is how Southwark Council described the Borough: “Southwark has changed significantly over the last decade. As part of central London, it has been able to harness the dramatic growth of the London economy in order to regenerate areas of the borough, and generate significant improvements for local communities and businesses” (LBS, 2010, p. 4). Their vision for E&C is to create “[…] a brand new town centre and thriving urban quarter in the heart of central London over the next fifteen years” (SOUTHWARK COUNCIL, 2010). E&C is geographically located within central London, but these statements confirm the general perception of E&C as a marginal location, not geographically but symbolically. This is consistent with Suzanne Hall’s (2011) study of retailers in Walworth Road (in E&C) in which she distinguished

[…] between an urban location that is marginal – either on the edge of the city, or lacking in some way and therefore regarded as minor – from one located in the urban margins of the city, in a space that may be physically near to the centre but perceptually distant from it. (HALL, 2011, p. 2572).

Thus, the vision and discourse for the regeneration would place E&C not just in the heart of Southwark but within central London.

Guidance (February 2004), Supplementary Planning Document (November 2011) – but as mentioned earlier this vision started with Southwark council in 1999. From these documents I will highlight two issues that are relevant for Latin American businesses: The designation of E&C as an “opportunity area” and the envisaged demolition of the shopping centre. The first could have considerable impact upon the future of Latin American businesses and the second generated a lot of confusion and anxiety amongst retailers in the shopping centre.

The E&C was identified as an “Opportunity Area” within the London Plan and it has been listed as a preferred location for commercial growth in Southwark’s core economic strategy:

The Elephant and Castle Opportunity area – forms part of the CAZ [central activities zone] and the area has potential for redevelopment into an attractive central London destination. The vision for the area includes stimulating 440,000sqm of new development with up to 45,000sqm of new shopping and leisure floor space and 25,000 to 30,000sqm of business floor space with the creation of 5,000 new jobs. Public transport will become more accessible through a programme of planned improvements in conjunction with Transport for London and Network Rail. Moreover, London South Bank University and London University of the Arts will develop further as important centres of learning and innovation (LBS, 2010, p. 19).

This means investment, which is crucial to the area, but also a coordinated strategy that will see various government departments (transport, planning, business, etc) working in partnerships to achieve the vision for E&C. The vision for E&C was first drafted in the Supplementary Planning Guidance (SPG) adopted by the Council in 2004 and the publication of the Development Framework for E&C (SOUTHWARK COUNCIL, 2004); culminating in the Supplementary Planning Document (SPD) published in November 2011, currently open for consultation before it is submitted for approval in the spring 2012. This document sets the guidelines for developers intending to invest and construct in the area, and it is the clearest indication of how the government sets the agenda for developers. It is also indicative of the relationship between local government and private investors.

The plan for the demolition of the shopping centre was officially published in the Development Framework for the E&C in 2004 – (supported in the Supplementary Planning Guidance adopted by Southwark Council in its Executive meeting on 19 February 2004) and this was a significant announcement and an issue of concern for Latin American businesses who saw their future in the area at risk. The demolition of the shopping centre was due in 2010, with shops leaving the centre (either voluntarily, by not renewing the lease or by compulsory purchase order) between June 2008 and December 2009. The demolition of the shopping centre in early 2010 would have given way to more green spaces and a new open market as well as a new retail space. There have been various forecasts for the demolition of the shopping centre – first for 2010 (it is still there), then 2014 - and in 2011 (BBC NEWS LONDON, 2011) the announcement of its re-development (it will be rebuilt rather than demolished) was finally announced by Southwark Council as
part of the agreement with St. Modwen (the owners of the shopping centre). The latest development in the E&C shopping centre has been its sale to developers Delancey & APG on 29 November 2013.13

Business continuity has been a concern from the start of the regeneration process. This has been evident in the number of times in which this has been discussed in council meetings and in an independent study conducted by Business Extra in 2005.14 The study identified four main concerns amongst traders in the E&C shopping centre: the sustainability of businesses until the demolition of the centre, the position if they decide to exit early, whether they will be entitled to any compensation and their ability to return to the centre after the redevelopment. What remains uncertain is whether the Latin American retailers will have a place or can afford to pay the rent value in the newly developed retail space.

SOUTHWARK’S PARTNERS IN THE REGENERATION OF E&C: THE DEVELOPERS

The stakeholders in the current regeneration plans for E&C are Southwark council (planning department), Major of London’s Office (London Development Agency), Oakmayne Property15 (private residential developers), Lend Lease (mixed use private developer), St. Modwen1 (owners of the shopping centre), residents, businesses, community organisations.

The process of urban regeneration for E&C has been going on since 1999, with various stagnant phases throughout but the publication in 2004 of a framework for the development of E&C marked the beginnings of what will be the regeneration of the area.16 It was not until 2007 that Southwark Council signed an agreement with Lend Lease the private developer in charge of the regeneration plans for the Heygate Estate and other key locations around the E&C shopping centre.17 Lend Lease’s18 bid was formed of a consortium with Oakmayne19 and First Base.20 Signs of transformation are evident nearer to the shopping centre (e.g. Strata Tower; Primeworks, Amelia Street; South Central; O-Central, Crampton Street).21

The situation with the shopping centre has been more uncertain because St Modwen and Salhia KPI3 (owners between 2002 and November 2013) were in dispute with Southwark Council over the plans for the centre. However, with the recent sale to Delancey plans for the consultation and regeneration of the E&C shopping centre are set to take place in early January 2014. The lack of progress in negotiations between St Modwen and Southwark council seem to be more political. In the final stages of selecting a partner for the development of E&C the Council received two bids one from Key Property Investments (KPI) Limited (a joint venture between St Modwen and Salhia) and Lend Lease (in collaboration with Oakmayne and First Base).22 St Modwen was one of the bidders that participated in the final stages of selecting a partner for the development of E&C and lost to Lend Lease. Both companies competed for the bid to become a partner in the redevelopment of E&C. Competing demands in urban regeneration programs are at play here, but one in which
the cooperation of St Modwen is seen as crucial to the image and vision of the area. There is a vested interest by the Council and Lend Lease – the general perception is that economic success of the vision and regeneration of the E&C will depend on bringing St Modwen into the negotiating table.

IDENTITY OF E&C: INSIDE OUT VIEWS (THE MAKING OF E&C AS A DESTINATION)

The shopping centre is considered the gateway to the area. Amongst developers and the council the general perception of E&C shopping centre is one of a “no-place” a “go-through” area, not a destination. Below are some of the descriptions provided by the developers:

- **First Base**: “the E&C will again become a prestigious and attractive destination in central London”.
- **Oakmayne & Southwark Council**: “We want to return the heart to E&C – to create a place where people travel to, not through”
- **Lend lease** – Has also described the area as a “go through” area - a ‘no place’ (notes from ELG meeting 2, 15 September 2011).

Robert Deck (2011, p. 48), Lend Lease Project Director for E&C, explained that they are trying to create a “welcoming and inviting place, where people want to spend time and not just a place they hurry through to be somewhere else. That has been one of the main challenges of the E&C as a place, it has been a transport interchange; it’s not really a place that people want to spend time”. This is partly due to the fact that E&C is a transport hub (the shopping centre is a station to one of Britain’s train operators (First Capital Connect), bus routes that link south and north London operate from the main roundabouts, and it has an underground station with two lines (Bakerloo and Northern Line). For developers E&C is not a destination but a go through area. For many Latin Americans the E&C is the place where they have invested economically and emotionally. There is a sense of attachment, a sense of ownership in the transformation of E&C into a “thriving Latin Quarter”. Take for example the intervention of Carlos Burgos of the Latin American UK Forum and Pedro Achata Trust (an organization promoting sustainable businesses) who represented Latin American Businesses in one of the consultation meetings:

> In reply to the question **Is E&C a place?** For a diversity of communities and for the Latin Americans in particular the E&C is a place. For Latin Americans it is a destination, not a passing through route. (BURGOS, notes from ELG meeting 15 September 2011).

Some local residents agreed that the E&C shopping centre is not the heart or soul to the area, and that the general perception is that of a “white elephant”. Some residents feel that for long E&C has been associated with violence and crime and that this image hindered development and investment in the area. Even though they acknowledged that the dominant image of E&C is one of high levels of crime and violence predominantly
associated with the Heygate Estate, they also highlighted the assets, diversity and sense of community that exist. Some residents also believed that there is a persistent “talking down of the area” and “sense of under appreciation” of the diversity of groups that have made of E&C their living quarter and that such diversity should be taken as an appeal not a deterrent to investment in the area. Residents also believe in supporting the diversity of ethnic businesses that cater to the local population (notes from ELG 2, 15 September 2011).

The idea of place as a destination keeps cropping up amongst developers and place making initiatives, whereby the image of the place under consideration is represented as a point in route to somewhere else, a passing through site where people don’t want to remain or spend time in, and more so as a “no place”. The continued demand from developers and government officials alike to re-invent a place as a destination ignores the fact that for many of its ordinary citizens this very same place is already a destination, a place where people not only spend time in, but on which their livelihoods unravel; a place where the significance of roots and routes is very much alive. This is consonant to Zukin’s (2009, p. 218) observation that “the continued urge to build a ‘destination culture’ destroys city dwellers” ability to put down roots – and fails to restore the city’s soul”. Thus, Latin Americans’ claims over the right to set roots in place are as important as the very routes that made possible their move to London and the possibilities of a continued redefinition of their roots.

WHAT THE FUTURE HOLDS: UNCERTAINTY OVER THE PROCESS

In addressing the level of involvement of Latin Americans in the urban regeneration plans for E&C I took as my starting point the government’s initiative on urban regeneration and how to improve local communities by including ethnic minority groups in the transformation of places. What became evident throughout the research process was that the role of the State oscillates between private capital and residents in as much as it depends on investors to fulfil part of the functions that it can no longer afford and on the votes of its residents to maintain political power (ZUKIN, 2009). Thus, the participation of Latin American retailers in the regeneration process and the relative gains or losses throughout this process relies precisely on the oscillating role of the state in regeneration initiatives.

The consultation process led by Soundings (for Lend Lease) did not include the shopping centre, as it was owned by St. Modwen. There are various phases of the development to be undertaken by Lend Lease, but one of the areas for development the Heygate Estate borders Elephant Road where many Latin American Businesses are located - in the arches of the railway line that stretches across London.

In the consultation process Latin American businesses in the area have been represented in the meetings by Latin American Forum UK and Pedro Achata Trust – however, what became evident form my attendance to the consultation meetings, visits and talks with retailers during this time (September 2011 to Feb 2012 - ongoing) was that there was little
knowledge of this consultation process and that both organizations had not consulted the businesses prior to the meeting. The information received by retailers has been fragmented and not necessarily from official sources, to the point that it is dismissed as mere rumors. The lack of follow up about the process was also mentioned as a shortcoming of the process. Retailers commented that on various occasions they have been asked to complete questionnaires, but the process seems to end there. Filling in questionnaires does not amount to participating in the consultation process; it is yet another accountability exercise by the institutions involved.

This is consonant to what one local organization declared:

> Despite claims that the Elephant and Castle development has been accompanied by continuous consultation, communication and engagement, over and above the requirements of the statutory planning process, the local community continues to feel excluded from the process. What is needed is a coherent set of principles for collaborative planning at the Elephant and Castle, so that local residents can work closely with Council and developer on the master-plan and the SPD. We look to the Scrutiny sub-committee to assist in moving this forward and in so doing put down a marker for neighborhood planning in Southwark. (ELEPHANT AMENITY NETWORK, 2011).

The credibility of the information received by retailers has been put into doubt and involvement in the consultation process queried, so there is a need for a constant link between retailers, the council and developers. This will be crucial to guarantee business involvement in the delivery and phasing of the development for the area.

Shop owners are confused about what is happening to the shopping centre and anxious about their future. The process has taken too long – the initial stages were marked by involvement and active participation of the retailers but as time went on “nothing seemed to happen” and apathy and lack of engagement took over. This is something that the current developers are aware of. For example, a representative of Lend Lease commented that the problem with businesses in the area was that talks about regeneration have taken too long with very little results.25

This is also evident in the responses received from retailers when asked about their involvement in the process. Lucy Villamizar, from Lucy’s Hairdressing who has been nearly 20 years at the E&C shopping centre commented:

> We had meetings, but I don’t go to these anymore, there were horrible rows, horrible, people were fighting because they wanted to relocate. […] I recall this was about five years ago, we used to go every month or every two months to these meetings with the Council – that the Council said this, that the Council did not want this. In the end the Council got tired of us and disappeared. They argued too much and the Council was not giving us what we wanted […] (personal interview, 9 June 2010)
Claudia Renault of Nicole’s Fashion, another retailer at the E&C shopping centre commented:

A few years ago, about three years ago, we used to receive a lot of phone calls, […] but not anymore. Everyone knows that E&C is going to be demolished and the people know that they have to leave because the lease of all businesses here have ended and now they give us contracts with so many clauses indicating that when the shopping centre is demolished, everything goes, that is very clear (personal interview, 14 July 2010).

At the beginning of the process retailers participated and engaged in discussions with the council not just about their future, but about receiving support from the council – either through compensation or relocation. But this has given way to feelings of resignation about the process, that there is little they could do to change anything. The owners of the shopping centre have imposed stricter conditions and reduced the term of the lease for retailers.26 (This was also present in the report prepared by Business Extra). On this issue Claudia of Nicole Fashion commented:

Initially I had a five year lease and I am not even sure for how long it has been renewed, what I know is that there is no problem if I want to go before it ends, I can just hand-in the lease and go. But no, there is no compensation; they are not offering anything, absolutely nothing. The doors of the shopping centre are open for when you want to go, you can leave. We are small businesses and there is absolutely nothing we can do. This was bought by a private multinational, they want to put big national shops. They said to us, we have never said that you can’t stay here, if you want you can stay, but who is going to stay here once they renovate the E&C, the retail units are going to be too expensive. We will need to find another place that we could afford (personal interview, 14 July 2010).

The situation is such that leases are restricted to three years and those new businesses see it as a short term investment opportunity, whilst those that have been in the shopping centre since the beginning of the 1990s prefer to remain in case they can claim compensation for relocation. Lucy of Lucy’s Hairdressers, one of the oldest retailers, has decided to remain until the end in case there is some compensation, though she is uncertain of whether this would be the case and expects this to be minimal. When her 15 year lease finished in 2007 she signed a five year lease that is due to end in 2012.27 She commented,

[…] but what happens is that here are some who, like me, are protected by the lease […] but others are completely unprotected by a lease or even by the prospect of receiving a compensation. […] They had a small lease and these are not renewable, my original contract had a clause that after 15 years it could be renewed. Their lease is not renewable, so once their already short lease finishes they tend to have a roll on contract or another one or two year lease (personal interview, 9 June 2010).
She suggested that this was a strategy from St Modwen to avoid paying any compensation, and this was confirmed by a representative of St Modwen in a consultation meeting with stakeholders in the E&C.\textsuperscript{28} Basically, once the lease expires most businesses have been granted short term lease or rolling contracts, but the contracts have been changed so that St. Modwen is under no obligation to renew the lease.

The situation in the shopping centre is more uncertain than what is underway in the surrounding area. This is so because there are different owners with different aspirations. For example, those businesses in the railway arches are certain that the arches will not go – because it is part of a railway system that is unlikely to disappear. This however, is not so clear from the draft Master Plan prepared by Lend Lease, where some of the arches will be opened up to encourage flow and movement across the front and back of the shopping center. However, it is here where most changes have taken place, and to which I now turn.

\section*{THE MAKINGS OF A LATIN QUARTER: A BUSINESS COMMUNITY IN TRANSITION}

The changes taking place in the Latin shops located below the railway arches (Eagle Yard) next to the Strata Tower\textsuperscript{29} might reveal some of the negotiation process that took place and that it is taking place in the area. It also highlights how retailers are taking advantage of the oscillating role of the state in the regeneration process. When the construction of Strata was underway access to the Arkos was either limited or blocked altogether. Latin businesses were in economic decline and lack of access to the shops contributed to the perception of a sordid and dangerous area. Lina Maria Usma, the Latin American community link officer at Community Action Southwark (CAS), commented:

Well, with the Arches, […] when they decided to build the Strata Tower, they started to complain about the Arches. It was rather ugly and unpleasant, and they blamed Latin Americans for that. Fortunately, the day that I was touring the area [with representatives from the council and developers] Latin business owners were in a meeting – they were worried about the construction and the deterioration of the area and the fact that they were losing clients. […] We could prove that the community wanted to improve the area, but they did not know how to do it. From that moment onwards we consolidated a group of business owners, three representatives from the developers and two from the council. They all realized that it was in their interest to improve the area. So the retailers said we do not want to leave the area because we have been here a long time and our families depend upon our businesses; the council said we don’t we are not interested in you leaving, all we want is that you help us improve the area; and Strata said if I am building here I need the area in a good state (personal interview, 14 July 2010).

As a result of this encounter and further meetings the council compromised with creating a cleaner and safer neighborhood by planting trees, placing and collecting trade bins and
improving street lighting; whilst Strata promised to pave the area once the construction finished – which has been done. Luis Naranjo, of Corporación Naranjo, commented:

I recall, few years ago most of these businesses were about to disappear, we did not have any budget and the streets were in a very bad state, there was no lighting, and gangs started congregating around here. This was in conflict to what our neighbors wanted, so they started complaining about us, but […] we had to defend ourselves […] and we realized that we were in a position to have a dialogue, and to comply with their requirements. So our unity as businesses helped us move forward. They have asked us to improve our offices; they have asked us to change a few things: that we install security cameras, fire alarms, security alarms; there are certain requirements that all businesses in the UK have to fulfill. And as you can see on the outside too, the street is better organized, we have better lighting, parking, we have a designated space where we can put our rubbish bins, we are trying to help with recycling; and yes, we are doing things that will guarantee our sustainability as businesses here (personal interview, 17 May 2010).

The transformations of shops in the railway arches in Eagle Yard and in Elephant Road – are not only physical – this is also about a business community in transition: from informal to more formal ways of conducting everyday businesses and a more legal and formalized approach to setting up businesses. What we can see here is the transition from informal to formal transnational economic networks: From a close business community in a deprived inner city area to a vibrant Latin Quarter in Central London – a world class city. Also evident here is a transition in self definition - from mono-Latin identity to a “British-Latino” identity - that locates itself amongst the multiple layers that make up London – but one that it is still very much embedded in power structures that will demand constant re-negotiation.

CONCLUSION

Latin Americans have contributed to the diversity of the E&C by developing a distinctive Latin Quarter, and their aspirations are to continue improving the quality of businesses and for this they are aware that they need to raise their profile and level of participation in the regeneration process. They also have aspirations for E&C – aspirations for a better place, but one that they can afford and a place where they can remain – not pushed out; a place where the individuality and local identity of the area is not compromised.

Investment in the area is welcomed by all, but the aspirations for the E&C are rooted in different agendas. For Lend Lease it as an economic development in partnership with the council and despite their stated commitment to community engagement this is a business venture and one that requires a return on investment. For Latin American entrepreneurs who have successfully created a business niche in E&C their aspirations are also about economic success, but less visible is the emotional investment undertaken by Latin Americans in the transformation of the E&C when there was little hope of becoming an “opportunity area” in London. Aspirations for a better place are high on everyone’s agenda, but these
are tempered by anxieties about whether Latin Americans will be able to afford a place in the newly redeveloped Elephant.

What happens in E&C is consonant to what Zukin (2009, p. 165) found in the Red Hook area of Brooklyn, NY where two forms of global commerce compete for their place in the city. These two forms of global commerce are different in terms of scales and power: “on one side, a small number of immigrants who are likely to be targeted, arrested, and deported by national security agencies and harassed by local cops; on the other, a transnational chain that is courted by local officials and developers and treated with respect by national states.”

The adaptations and changes of the Latin American shops in the E&C and their claim to set roots in the city need to be understood in relation to the demands, negotiations and power structures that will shape their future in the area. But as Zukin (2009) rightly points out, whether these two forms of global commerce could coexist remains to be seen. The future of Latin American shops in the E&C is uncertain. “Now … Here” tomorrow … Where?

REFERENCES


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