

**The State as a strategic landowner.
Military properties and urban planning
in French and Italian cities**

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Abstract

This paper deals with the issue of the politics of land by focusing on a specific kind of landowner: the State. It argues that national policies for the reduction of national deficits are transforming the State as an urban landowner, since central governments administrations (here, the military) are now following cost-cutting and rent-seeking strategies in the management of their urban assets. This evolution of central administration's strategies transforms the structural context for urban planning policies. Land is transformed when financial and political resources held by local governments allow them engaging consensual political negotiations with the armed forces; these negotiations are established in French cities, but not in the Italian ones.

Keywords: land, real estate, military, austerity, Italy, France

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Introduction

This paper deals with the issue of the politics of land, by focusing on a specific kind of landowner, the State. It analyses the case of military properties in French and Italian cities. History shows that huge public investment has been dedicated to the development of public infrastructures in cities (Hohenberg & Lees, 1995), and this has made national governments important landowners. Management of public properties was usually under the responsibility of several administrations, and each of them managed real estate accordingly to the needs and the scope of the organization. To simplify, Armed Forces used military barracks and offices, or Ministries of Justice a vast array of courts and offices. Public real estate functioned for administrative needs. Public ownership has also had long-term effects on city development. Indeed, large shares of public assets have become a defining feature of European cities (compared to the U.S.) (Haussermann & Haila, 2004). This is also true for military real buildings and

lands. They have constrained urban development by imposing military priorities. Because of the stability of their uses, they have also been outside real estate markets, therefore slowing down changes in the urban space. Today, they still represent the greatest part of public assets held by central government administrations. In cities, these assets are located either in city centres, either in neighbourhoods close to city centres where military sites were developed after WW2, as result of these long term processes of accumulation.

Three major processes seem to transform these historically established functions of public real estate in cities as much as the role of the State as a landowner (in the present study, the military administration). First, many policy sectors are submitted to geographical and functional restructuring pressures, which have relevant effects for their real estate needs. Considering the military, defence expenditures have shrunk in most of European countries since the end of the Cold War. Interventions outside national territories have become the main task for military organisations, which has been professionalized between the 1990s and the 2000s. The geography of defence policies has changed, with the restructuring and/or the closedown of several military sites. As a result, the military administration has witnessed a quick decrease of its needs, and spaces under military control have often ended up empties or under-exploited. These forms of spatial reorganization and/or shrinkage are not unique to the defence sector, and can be found in justice, hospitals, education, railways, etc.

Secondly, public real estate has come to be considered for itself (independently from the administrative uses) as a component of public wealth whose management contribute to the reduction of State deficits. Through this process, it has become the target of policies aimed at reducing State ownership (and the costs related to ownership maintenance), raising financial resources through real estate sales (which would contribute to the reduction of national debts), and making the management of remaining resources more efficient. Standards of economic efficiency and effective organizational management have started to be applied, and new market-oriented visions about how public real estate should be acquired, managed and disposed have come up. Because of their amount and location, military lands and buildings have been targeted by these policies.

However, and this is the third point, the production and transformation of built environment are also at the heart of urban policies. For city governments, defining land rules provides a leverage which allows influencing which activities- both in terms of production and consumption- are located in the city. By then, it is an instrument helping to regulate the urban rent and the benefits that different groups can take from a specific pattern of activities (Harvey, 1985). In this context, the availability of public real estate has opened the opportunity for new policies and investments, but has also generated new conflicts and social demands (Gaeta & Savoldi, 2013; Gastaldi & Baiocco, 2011; Ponzini, 2008; Ponzini & Vani, 2012). Furthermore, in the current situation of increased mobility of capital and increased competition between cities, large redevelopment projects have become a key urban policy (Fainstein, 2008; Swyngedouw, Moulaert, & Rodriguez, 2002). In many cases, existing urban brownfields are seen as the basis for these redevelopments.

Through the study of military assets in French and Italian cities, this paper sheds light on how current processes of State restructuring transform the State as a landowner in cities and their implications for planning policies. The paper unfolds changing goals and instruments of central governments administrations who are dealing with their lands and buildings in cities. It focuses on state and city governments' relations on this issue. It seeks to explain if and how this public real estate is transformed. The paper adopts an urban political economy perspective, as it allows underlining structural constrains, uneven resources and power relations between different actors involved in the transformation of the city (Logan & Molotch, 1987; and its European adaptation and critiques Harding, 1997; Stoker & Mossberger, 1994; Le Galès, 1998).

Despite the relevance of public properties in European cities, the issues of the effects of State reforms on the built environment and of the State as a landowner have been overlooked by recent urban political economy. A first strand of research, interested in the production of the built environment in relation with the transformation of capitalism, has paid limited attention to the transformation of State. Some of these researchers have analysed private actors and private capital. When focusing on actors involved in urban transformations, they have showed increasing participation and power by private actors in the production of the built environment and the marginalization of planning authorities (Anselmi, 2015; Swyngedouw et al., 2002). They have also

underlined how the increased intertwining between the financial and the real estate sectors have increased the mobility and the concentration of capital at a global level and empowered financial investors logics in urban projects (Aalbers, 2009; Savini & Aalbers, 2015). Other scholars, more concerned with the shape of the built environment, have argued that socio-economic restructuring linked to globalization is producing a new spatial order of cities (Marcuse & Van Kempen, 2000). Here, specific places (waterfronts, brownfields, former industrial districts...) are being transformed across the globe following similar spatial patterns. Others authors have focused on very large development projects, the urban mega-projects, as a defining feature of current urbanity. This is linked to the need for urban elites to boost the global image of the city in a context of increased inter-locality competition. Indeed, elites have responded to the pressures of the global economy by using very big, mixed-use developments as attractors of multinational business and sites for new housing (Fainstein, 2008, p. 768). These authors have showed similarities both in the physical results and in the governance model of these projects (involvement of private actors, suspending ordinary planning procedures) (Fainstein, 2008; Swyngedouw et al., 2002).

As suggested above, the issue of the transformation of the State and its relation with the built environment is not directly addressed by this strand of researches. Yet, the State is not absent from the reflections, but it is put on the background as contributing to the explanation of a changed structural context. A second strand of research has directly addressed the issue of State restructuring. Here, authors have focused on the State as a regulator and on State spatial policies, but still payed limited empirical attention to the issue of land ownership. As they build on assessments on the transformation of capitalism, neo-Marxist authors look at the State as it provide the juridical and political infrastructure for capitalistic accumulation. They have showed how State policies have strongly contributed to the dismantling of the Fordist mode of regulation and to the consolidation of neoliberalism in its various forms (Brenner & Theodore, 2002; Jessop, 1993). Others have focused on the transformation of state spatial strategies accordingly with the transformation of capitalism. Here, new forms of urban governance have been explained through this evolving geography of State spatial regulation (Brenner, 2004).

This paper contributes to these two strands of literature concerned by the evolving relationship between the political and economic structural contexts, on the one

hand, and the urban space, on the other hand, by focusing on the effects of State reforms on the built environment. Thanks to its focus on public land ownership, it unfolds how policies reforming the public sector and for the reduction of state deficits transform governmental bodies' strategies in cities. It therefore sheds light on how the State is changing as an urban actor that participates to both the regulation and the transformation of the built environment in capitalist societies. Indeed, as research on land as argued (Haila, 1988a, 1988b, 2008), the study of land ownership, land regimes and planning offer a relevant perspective for grasping the evolution of power relations between social, political and economic forces.

The paper shows that new policies for public real estate transform the way central governments administrations conceive, manage, plan and sell their buildings and lands. Public lands and buildings are now conceived as tradable assets. As a consequence, State strategies in cities become increasingly variable, and they depend on local real estate markets. When the local markets are considered as stagnant, armed forces strategy mainly consists in rationalizing and abandoning the land. On the contrary, when real estate prices are high (Rome, Paris), armed forces adopt rent-seeking strategies. This evolution of central administration's strategies transforms the structural context for local governments' planning policies. Land is transformed when financial and political resources held by local governments allow them engaging consensual political negotiations with the armed forces; these are established in French cities, but not in the Italian ones.

The article is based upon a comparative research conducted in French and Italian cities. It combines international and subnational comparison, by studying two couples of cities in the two countries, and which have had similar developments (most-similar cases): two border cities that have experienced a significant reduction in the military presence and have stagnant demography and real estate markets (Udine and Metz); the capital cities of Paris and Rome, characterized by tight real estate markets (Tab. 1). Data for this study were collected from about 25-30 semi-structured interviews per city. We met elected officials and civil servants (in the departments for planning, economic development and general affairs) and acting and retired military commanders in charge of defence infrastructure. In Rome and Paris, we also interviewed top civil servants in the ministries of Defence and in the Treasury (*France Domaine* and *Agenzia del*

Demanio). We also relied on written sources, including: the press review of the main local newspaper, municipal council debates, policy reports and administrative acts about both Defense infrastructure policy and local planning policies.

Table 1 The four cases

| Cas | Udine | Rome | Metz | Paris |
|--|----------------------------|-----------|----------|---------------|
| Région | Frioul-Vénétie Julienne | Latium | Lorraine | Ile-de-France |
| Département / Province | Udine | Rome | Moselle | Paris |
| Population Ville 1968 (Fr) / 1971 (It) | 100 794 | 2 739 952 | 107 537 | 2 590 771 |
| Population Ville 2011 | 98 287 | 2 617 175 | 119 962 | 2 249 975 |
| Population Aire urbaine 1968* | 516 910 | 3 490 377 | 325 266 | 8 576 196 |
| Population Aire Urbaine 2011* | 537 796 | 4 327 642 | 389 529 | 10 516 110 |
| Superficie Ville (Km2) | 57 | 1 287 | 42 | 105 |
| Prix moyen m ² bâti (ville) | 2 000 | 5 100 | 1 800 | 8 120 |
| Revenu net déclaré moyen (ville) | 24 184 | 26 215 | 22 697 | 40 752 |
| Sources France : Insee, Chambre des Notaires / Sources Italie : Istat, MEF | | | | |
| * Italie : données pour la province | | | | |

1. How public actors became landowners behaving strategically on real estate markets

This first section argues that new national policies aimed at reducing public deficits have transformed the military administration as an urban landowner. Military lands and buildings, which were managed as a resource for defence policy, have come to be conceived as assets tradable on urban real estate markets.

1.1. The state as a regulator: the changing nature of public real estate

New policies for public real estate have transformed the way central governments administrations conceive, manage, plan and sell their buildings and lands. These policies recall broad *new public management* doctrines, mostly in their critique of public administration as a bad landowner and manager, their emphasis on private sector principles for managerial practices (Hood, 1991), and on the need to sell out “exceeding” state properties.

Sales of military real estate started in France at the beginning of the 1990s, as a consequence of a first restructuring of the territorial organization of the Ministry of

defence and reduction of armed forces members (at that time still composed both by professionals and draftees). In Italy, the idea of selling real estate did not stem from defence restructuring as in the French case, but from the crisis of public finances of the 1990s, and the need to elaborate policies for the reduction of Italian public debt. During the 1990 and the 2000, policies for public real estate management and disposal grew in relevance in both countries. Public (and military) real estate has become a policy problem *per se*, independently from its uses by the administration. This also changes the “nature” of public lands and buildings, which are increasingly conceived as assets tradable on real estate markets.

Policy goals are the improvement of real estate management toward standards of economic efficiency and effective organizational management, and the reduction of state deficits. In its simplest form, this implies considering that real estate is not “free” for public administrations (for instance maintenance costs are huge, and keeping vacant lots is a “financial loss”), on the one side, and to recognize the wealth “tied up” in public real estate, on the other side. This wealth could be extracted through effective management, including leasing or sales. Financial returns and/or cost reductions are expected. As far as military real estate is concerned, the consistency of empty or semi-empty assets makes selling or long-term leasing the preferred lines of action. In addition to effective management principle, the reduction of national debts is one of the expected results of this new policy, mainly to be obtained through the reduction of State ownership.

Furthermore, these policies go along with the creation of dedicated administrative bodies in charge of the management of real estate, and linked to Ministries in charge of Budget and/or Economy. In Italy, this is consisted in a process of structural disaggregation: the *Agenzia del Demanio* was created in 1999 through the splitting up part of the Ministry of Economy and Finance into four new more specialized bodies, and in the context of a broader reform of Italian administration (Barbieri, Fedele, Galli, & Ongaro, 2009; Capano, 2003; Fedele, Galli, & Ongaro, 2007; Toth, 2007). In France, the emergence of a task-specialized structure in charge of real estate (France Domaine) is more recent in time. *France Domaine*, created in 2006, is a department of the Public Accounting General Directorate (*Direction G n rales des Finances Publiques*), in the Treasury.

Finally, new policies for real estate management are conceived as applying to all governmental bodies, independently from the goals of each of them, through the imposition of new rules, instruments, and functioning standards. They therefore put new pressures on the ministries of Defence and reduce military autonomy in the management of lands and buildings. In both countries, these policies have imposed to ministries of Defence the new market-oriented framework for the management of military infrastructures. Facing cuts in their budgets, ministries of Defence have been responsive to this framework, and consider that land sales should generate resources for the ministry itself. In France, the ministry of Defence has been charged with selling the assets (under the supervision of the Treasury), and the revenues raised from sales are reallocated to the ministerial budget. In the Italian case, there have been conflicts between the Treasury and the Defence about which administration should be in charge of implementing sales and about how the revenues should be shared by the two: as a consequence of these struggles, the responsibility for selling military assets has changed three times - from the military administration (1996-1999) to the *Agenzia del Demanio* (2001-2008), then back to the military one. This has produced a flood of complex, and sometimes conflicting, norms.

1.2. The state as an urban actor: cost-minimizing and rent-seeking strategies

Changes in national policies produce either rent-seeking strategies, either cost-cutting strategies aimed at discarding the burden of surplus estate. The choice of one or the other strategy is explained by how armed forces consider local real estate markets and the potential revenues they could raise from assets sales.

Managing the surplus in middle-sized cities: rationalizing and transferring real estate costs

When military real estate becomes available in stagnant markets, the dominant strategy by the armed forces consists in rationalizing assets' use, reducing costs and trying to transfer the real estate burden on the local governments. This is the case in

Udine and Metz.

During the last three decades, in both Udine and Metz, military assets have been emptied up because of reforms in defence policies. The end of the cold has modified the military function that was previously assigned to these border cities. Similarly, the suspension of conscription and the reduction of military format have had strong effects, by reducing the number of soldiers. In the Metz region (Lorraine), the military presence has decreased from about 28,700 soldiers in 1995 to 20,200 in 2001. The metropolitan area of Metz has been also the most deeply affected by the military reforms of 2008, with a reduction of approximately 5,000 jobs. Over time, these reorganizations have left a huge number of small and medium empty sites in the city and, in the urban area, the 2008 reform has left 400 hectares of unused air base 128 and two large military areas on the road that leads to the airbase.

Considering Udine, the city kept on being a garrison town until the mid-1990, but then the professionalization has strongly reduced the military presence. Today, military personnel is 2,000 professionals (4,700 in the province), against 16,000 in the 1970s. As in Metz, big barracks surrounding the city have gradually emptied. The withdrawal of the army has left 30 hectares of abandoned buildings in the city. Considering the metropolitan area, about 40% of the military infrastructure has lost its use.

Interviewed military officials describe the military infrastructure in these cities as a container which is now too big for a content which is becoming smaller and smaller. There is a mismatch between available lands and organizational needs that produces a surplus of assets. This is considered as an uncomfortable surplus, since it has little value in the local real estate markets. In both Udine and Metz, armed forces main strategy consists in seeking costs cuts. On the one hand, they aim at reducing maintenance costs, by concentrating all military activities in those sites which are the better equipped, allow for grouping different activities and are in better conditions. This priority is made even stronger by the fact that several military facilities have maintenance insufficiencies, offer uncomfortable working conditions and unfitted for a professional army. These sites are left empty, waiting for new uses. On the other hand, they seek to transfer to local governmental bodies the burden of real estate surplus.

Even vacant buildings generate costs for the military administrations, since they require minimum maintenance and surveillance and because the military administration is still responsible, in juridical terms, for any accident that occurs in these places.

Because of national policies for public real estate disposal discussed above, the most suitable scenario for the armed forces would be one of selling these assets at the highest prices. However, military priority in these cities is rather to get rid of these assets, since the military administration evaluates that the extraction of significant revenues from sales is highly unlikely and that the maintenance is too expensive.

Rent seeking strategies in national capitals

On the contrary, in those cities where the real estate market is tight, armed forces behave as rent-seeking actors. This is the case in Paris and Rome, where defence reforms have also entailed a new availability of military land. In both cities, military settlements are scattered in the urban area, as a result of long-term accumulation of defence estates. In Rome, most of them have emptied up as a consequence of the shrinkage of armed forces and of military commands. This has been an incremental process, made of several adjustments, and without a comprehensive plan for the spatial reorganization of the military headquarters in the city. Parisian dynamics are similar until the mid-2000s, when the former President Nicolas Sarkozy decided for the construction of the “French Pentagon”, intended as a unique new building hosting the minister of defence, the military commanders and all the central defence services. This decision of grouping several defence activities in a new building, called “*Balard*” because of its location, has accelerated the emptying up of scattered military facility.

Despite these differences, armed forces pursue similar rent-seeking strategies in Paris and Rome. These are explained by the need of raising revenues for the military and for the reduction of the public sector deficit. Here, military assets are conceived by the military administration as a potential source of significant revenues that have to be extracted by putting them on the market. These expectations are backed by the representation of capital cities real estate markets as tight ones, in which landowners can easily extract the urban rent. This assumption is even stronger if considering that the most prominent initiatives for selling military real estate have started at the end of the

2000s, in times of crisis and when real estate was stagnant in several European cities.

The most relevant initiatives for selling military assets have emerged in both Paris and Rome as a response to two moments of urgent needs of liquidity. In Paris, the sale of these assets has been seen as the solution to the problem of an imbalance in the military budget for 2009-2014. During this military programming period, 3.7 billion euros are missing for financing planned programmes. Thus, for the years 2009 to 2011, 734 million euros are expected from the sale of 8 Parisian assets that are made available by the project of the new Pentagon.

In Rome, sale of military assets came on national government agenda also as a solution to a budgetary problem: the debt of the city of Rome. Among several measures undertaken to manage the liquidity crisis of the late 2000s, the State transferred temporarily to the city 500 million euros. The city was expected to return the sum to State budget before the end of the year, so as not to increase the public debt. It was expected that these 500 million euros would have been generated thanks to a big redevelopment project of 15 military assets. Owned by the ministry of Defence, these assets were to be sold after that the municipal government has transformed the planning rules applying to them and therefore increased their values. Revenues from the sales would be divided between the ministry of Defence, the Treasury and the municipality. As in Paris, expectations are high, since the whole operation was supposed to generate 2,400 million euros (Comune di Roma - Roma Capitale, 2010).

How armed forces manage their assets has also been transformed by rent-seeking strategies. Indeed, these processes are characterized by the development of instruments aimed both at managing the temporalities of sales in accordance with budgetary needs and at maximizing the revenues that can be produced through market sales. In Paris, the aim of managing the temporality of sales was particularly visible. Indeed, at the end of the 2000s, the military administration needed liquidity in the short run, while the sites to be sold were still occupied by the army since the new French Pentagon is still under construction. In order to get immediate revenues while postponing effective reorganization, the established procedure was to sell the assets acquired to a public company that would have resold them on the market at the highest prices once the new building achieved. In the case of Rome, the aim of maximizing the revenues raised by the sales was the prominent one. Here, sales were required to

generate sufficient revenues to serve several actors: the municipality, the ministry of Defence, the Treasury. The selection of military buildings for sale responded to this goal of maximizing revenues. Indeed, they were selected on the bases of their potential property gains instead of, for instance, their uses for the defence needs.

This section has showed how the State (here, the military administration) as an urban landowner is changing under the effect of policies aimed at reducing public sector deficits. For a military organization, these considerations based upon the real estate market are rather new. They differ from classical forms of public real estate management, in which buildings and lands were first and foremost a basic resource for the implementation of defence policies. Yet, new targets by ministries of Defense also create a new interdependence between the latter and urban governments. Indeed, for military assets to become available for redevelopment, their zoning in city plans has to be changed. Armed forces have thus to negotiate with urban governments that are planning authorities.

2. The politics of public land reconversion: building consensus in constraining contexts

This evolution of central administration's strategies transforms the structural context for local governments' initiatives over public lands. Indeed, while military retrenchment opens new possibilities for the transformation of urban spaces, cost-cutting and rent-maximizing strategies pursued by the armed forces do not provide either incentive either resource for local governments' policies and, on the contrary, they reduce their room of manoeuvre. The land is transformed when financial and political resources held by local governments allow them engaging consensual political negotiations with the armed forces; these relations are established in French cities, but not in the Italian ones.

2.1. City policies and the problem of controlling military land redevelopment

The transformation of policies by the military administration transforms the structural context for local governments' initiatives over public lands: city governments seek to control the transformation of the urban space, but they face either surplus military vacant lands either rent-seeking strategies that contrast with alternative political initiatives.

There is no need of land, but this should be managed: Metz and Udine

In Udine and Metz, military lands have become available in a context of a large supply and low demand of vacant lands. Military sites are not the only brownfields that the restructuring of the economy or of policy sectors have made available for reconversion. In both cities, several other brownfields have emerged since the 1980s. These are the fact of the closing down of metallurgical industries in Udine, and of railway and hospital reorganizations in Metz. In addition, during those same decades, major redevelopment projects have created spaces for retail, business, housing and academia. Prominent examples are, in the city of Metz, the creation of the technology park, of the university campus outside the city center, of the Centre Pompidou Metz (a museum of modern art) and of business area close to the railway station. In Udine, many development projects have been the fact of reconstruction policies that followed the 1976 earthquake. More recently, the development of the University has entailed the building of a large campus outside the city center and, in the 2000s, the re-use of large areas of the city center.

In these contexts of easy availability of land, intense redevelopments and slow population growth, military lands are also conceived by municipal governments as a surplus. First, there is an issue of controlling the urban space and avoiding the proliferation of waste lands. Secondly, there is an issue of managing the entrance of surplus land in the market, because this could destabilize private and public investments in existing redevelopment projects. Public officials affirm:

“We should be really careful with all this land [...]. We are not witnessing a period of great urban expansion. On the contrary, companies and investors tend rather to break down in current times”. (Department of planning, City of Metz)

“The proportion between military and civilian structures is so huge, that if we wanted to refill all the barracks we would double the number of inhabitants of this city. But this is really unlikely; there should be really an unexpected event for having all these new inhabitants”. (Deputy Mayor, City of Udine)

Hence, the major issue for urban governments is to manage military land offer.

Raising revenues or realizing public services: contrasting demands in Rome and Paris

In Rome and Paris, military assets are seen as a resource for the implementation of housing and urban services. In Paris, the municipality elected in the 2000s targeted military assets both in the new city plan and in the policy for social housing construction. As a result, the biggest military assets were zoned as future sites for social housing programs. In addition, the site in the *Balard* neighborhood (which in 2008 will be destined to be the future Ministry of Defense) was zoned as the future location for a garage for public buses. In other terms, the ministry of Defense was targeted by urban housing and planning policy as a “key landowner” whose property assets are relevant and should to be redeveloped for other public uses.

Expectations about the reuse of military assets are even bigger in the case of the city of Rome. After the election of a center-left wing coalition in 1993, the planning policy embodies a reformist project for the city, based upon the “correction” of structural deficiencies in public services and public transportation inherited from the past. As part of the process of elaboration of the new city plan, an office is created in the municipal government (called “Service for university and military assets”) with the task of identifying, listing and assessing the potential for reuse of all military areas in the city. Indeed, because of public land ownership and of the location of some of these assets in poorly equipped neighborhoods, military lands were seen as suitable assets for

reconversion.

Furthermore, at the end of the 2000s, several associations that were engaged on reuse of public assets at neighborhood level converged in a network at the city level (called "*Committee for the public use of military barracks*"). Rather than emphasizing the market values of these assets, they carried an alternative vision built upon the use value of the sites and the fact they are public goods. The network had relational resources and expertise, and a significant mobilization capacity. Hence, at this time, the tension between rent extraction and public reuse was made stronger by the emergence of grassroots mobilizations opposed to assets sales.

Therefore, in a context of national policies aimed at extracting revenues through the urban rent leverage, the major issue for city governments in both Paris and Rome was to keep the control of the extent to which these assets were transformed through market processes. Indeed, in Paris as in Rome, what is at stake is the balance between rent-seeking policies aimed at extracting capital gains and planning policy aimed at realizing public facilities.

Table 2 Results: State strategies in cities and reconversion of military real estate

| City | The strategies of the State as an urban actor | Implementation of military real estate reconversion |
|--------------|--|--|
| Udine | Transferring real estate costs | Punctuated <i>when costs are low and sustainable for the municipal government</i> |
| Metz | Transferring real estate costs | Systematic |
| Paris | Extracting | Frequent |
| Rome | Extracting | Punctuated <i>when State's goal are amended</i> |

2.2. Central and local political bargaining

Are military assets transformed? How? This section shows that, despite goals defined at the national level, military assets are not transformed through pure market

relations: neither new uses neither sale prices are set by supply and demand. On the contrary, if and how assets are redeveloped is explained by political bargaining between central and city governments and by uneven power relations in these negotiations. In this politics of public land reconversion, French and Italian city governments differ in their resources, and this affects planning policy outcomes (Tab. 2).

The limited effects of local planning policies in Italian cities

Uneven resources Italian city governments have in the negotiation with the central State affect the possibilities for local planning policies to govern the transformation of the city. City governments of Udine and Rome do not have either the financial resources either the political resources needed for reconversion and for the affirmation of local policy priority.

In Udine, the municipality does not have the investment capacity for transforming the huge military barracks. These resources are neither provided by the central government. As a result, the city government has progressively renounced to elaborate and implement any local planning policy on these areas, and there are fewer relations with the armed forces on this issue. Indeed, at the beginning of the 2000s, planning documents still claimed the need of controlling assets. At the end of the decade, this issue has been marginalized: the city plan approved in 2010 keeps military assets outside the reflections and the initiatives led by the city government. These shares of urban space are not governed by the local government.

In Rome, this lack of resources by the municipality functions in a slightly different manner. Here, as in Paris, central and city government's negotiations about the transformation of military goods are structured by opposing goals of realizing public services or extracting revenues for state deficits. Hence, they revolve around the issue of governing the urban rent, either toward redistribution either toward the maximization of the rent leverage. Two rounds of negotiations fail because of this opposition. The first one, in 2001, is the result of the work undertaken by the city government for identifying and governing military assets in the city; the second one is the result of the initiative by the national government aimed at extracting hundreds millions euros for facing budget shortages. In both cases, negotiations fails because of disagreements on the exact content of the redevelopment plan in terms of zoning and, more precisely, on shares

designed to be public services and those designed to be private housing, which is the most rentable land transformation in Rome. In this bargaining system, the city of Rome does not have the financial resources that could enable the acquisition of military assets at prices sought by the armed forces. The city does not have either the political resources which are necessary to oblige the armed forces to reach a consensual agreement about redevelopment projects that balance the two different priorities. A deputy mayor summarizes city position in the negotiations:

“The problem is that right now there is no local public hand that is strong enough to say to armed forces “now, you leave”. There is need for an authority that would be capable of imposing to them, but armed forces they really don’t care about the mayor” (Deputy Mayor, city of Rome).

As a consequence of poor financial and political resources, planning policies have a limited role in the transformation of military sites in Italian cities. City governments are both forced to start negotiations on military sites in order to keep control of their future uses and incapable of conducting the political work of aggregation of contrasting interests which would be necessary for reconversion. There is not a systematic pattern of policies and politics through which public military lands are reconverted. Outcomes in terms of military assets redevelopment are poor. Few projects are implemented, and they are the results of episodic agreements: these punctuated results are possible when the State changes its policy priorities or when the investment needed for redevelopment is sufficiently small to allow city governments engaging it. In Udine, the main accomplished project is a military barrack whose shape and status required for limited investment for reconversion. In this case, the city government was able to engage in redevelopment. In Rome, agreed projects for military sites do not come from the negotiations discussed above, but from national initiatives that finance a particular project while putting aside, temporarily, rent-seeking strategies.

Local resources and public land redevelopment in French cities

Compared with Italian municipalities, the French ones are much more involved in the government of the redevelopment of military assets. The financial and political resources they dispose allow them establishing negotiations with armed forces and

implement more systematic reconversion policies.

In Metz, lands are transformed thanks to a well-established system of relationship between the armed forces and the municipality that is stable, historicized and non-conflictual. It takes its origins from the national policy created in support of industrial reconversions of the Metz region during the 1980s. This has then been applied to military reconversions starting from the 1990s. On the one hand, this policy clearly identifies the actors involved and their responsibilities toward the successful achievement of reconversion. On the other hand, it provides financial resources for industrial and military assets redevelopment. Viewed from the perspective of the urban government, this implies that resources for projects and investments are available in a stable manner and that the city government can rely on them when needed. When a new military asset appears, this existence of financial resources and defined responsibilities facilitates collective action.

In the city of Paris, political resources allow for negotiating the future uses of these assets. In Paris, the future of military lands is defined thanks to a system of relationship between the armed forces and the municipality whose primary feature is the power recognized to the city of Paris by the central government administration. Both in the ministry of Defense and in the Treasury, this urban government is seen as an exception, being the one whose political resources are unmatched by any other local government in the country. Central state administrations recognize the city of Paris a relevant capability of intervention over decisions taken by the central state. In this system, each actor can protect its objectives and achieve partial results while no one can impose its preferences over other actors. As an example, the city of Paris revised its priority for the bus garage on the future site of the French pentagon in exchange for the recognition of its goal of realizing social housing on another former military barrack.

In both cases, greater financial and political resources held by city governments allow establishing more stable, adaptable and less uncertain negotiations. Therefore, although in two slightly different configurations, urban planning policies in Metz and Paris produce results for the reconversion of military assets that are much more systematic than in the Italian case. Large shares of military assets are redeveloped. In Paris, the municipal government has succeeded in imposing its priorities in some cases, while has renounced in other ones. In Metz, the city government has been

systematically involved in the transformation of military barracks since the 1990s. This stability and its successful outputs strengthen city governments in their ability to redevelop previously military spaces and therefore govern the transformations of the urban space.

Conclusion

This paper has tackled the issue of the transformation of the urban space, by studying the state as a landowner. More precisely, it has focused on the politics of redevelopment of military assets in French and Italian cities in the current context of changing national priorities. The paper has taken as its main perspective the analysis of the evolution of national policies and of power relations between the central and the city governments. Its results raise some points that can be relevant for future urban research interested in unfolding the relations between, on the one hand, structural changes in capitalism and the State and, on the other hand, the urban built environment.

First, the paper analyses armed forces priorities in different contexts and shows that, sometimes, they behave as strategic actors on local real estate markets, treat their buildings as tradeable assets, and seek to maximise their revenues instead of following other kinds of general and collective interest. Thus, the paper has focused on central administration agency in cities. This has meant a shift of the analytical lens, in comparison with authors explaining urban change by focusing on capitalist forces and leaving the State on the background. This study of State reforms is crucial for the understanding of urban change, since austerity measures are the current mainstream in European countries, and they are having heavy effects on public sector activities and cities that have to be fully understood.

Secondly, the paper shows that state strategies vary between urban settings and accordingly with strategic calculations based upon local real estate markets. Public actors' behaviour cannot be determined in advance on the basis of an assumption about public actors' preferences in urban policies. In Rome and Paris, for instance, armed forces goals are quite similar to those that could be imagined for a rent-seeking private landowner. This reveals blurred boundaries between the public and the private sector, not only in the classical sense of increased implication of the private sector in the

definition and implementation of urban projects, but also in the sense of a more problematic understanding of public and private actors' goals.

Thirdly, the comparison has shown that the emergence, in both France and Italy, of national policies for rationalizing and selling public real estate has entailed new forms of international convergence. Because they build strategies upon calculations about real estate markets, central governments administrations have similar goals in Rome and in Paris, which are different from those in Udine and Metz. In other terms, austerity policies function as a mechanism of international convergence for cities, while they also entail differentiation within the national borders. However, the paper also shows that existing national politics interplay with international trends and produce different policy outputs.

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