ECONOMIC ISSUES

• TOURISM, PLACE-MAKING AND URBAN TRANSFORMATIONS IN BARCELONA AND BEIRUT
  
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1. Introduction

The activity of visitors and tourists is vital to the economic systems of most large urban areas. As cities face global competition for visitors they become more interested in refashioning their built environment and marketing their image to encourage and sustain these flows. At the same time, tourism-oriented urban transformations help integrate cities into the global market economy of tourist, capital and image flows. In the process, the interests, agency and built spaces of urban communities risk being marginalised in the face of the demands of global markets. At the extreme, as we have seen in Barcelona, Venice and other popular and “successful” tourist cities, local communities mobilise to limit these tourist flows, challenge the tourism-oriented development model, and seek to reclaim their “right to the city.” Sustainable urban development therefore requires strategies to promote tourism development while managing it through inclusive, democratic, community-involved processes. This chapter explores these dynamics through a study of the contrasting experiences of tourism development in the Mediterranean cities of Barcelona and Beirut.

Since the mid-20th century, Mediterranean states have viewed tourism as a means to promote economic development. It has only been in the past two decades that attention has shifted from coastal “sun, sand and sea” tourism to the promotion of urban tourism. In the 1990s Barcelona was able to use its experience as host of the 1992 Summer Olympics to enhance its infrastructure, global profile and urban spaces to emerge as a leading global tourist destination and seeming “model” for urban tourism development across the Mediterranean. The Barcelona experience is noteworthy in how local community participation helped shape the transformation process and produced urban experiences shared by residents and visitors rather than an isolated tourist bubble. More recently, however, the excessive growth of tourism in Barcelona has led to urban transformations such as gentrification and a housing crisis that threaten the interests and vitality of local communities. Social movements in the city have mobilised to challenge patterns of tourism expansion and reclaim the historical
popular right to the city. Using the Barcelona experience as a template this chapter then considers the experience of urban tourism development in Beirut to highlight how tourism development there has often been limited to enclaves where economic growth is driven more by real estate markets, speculative capital flows and large business interests than by place-making by and for tourism. The chapter concludes by suggesting that planners need to encourage and empower community-oriented place-making in order to promote more sustainable, equitable, and creative modes of urban tourism development.

2. Cities, place-making and urban tourism

In the 1980s tourism development emerged as an urban growth strategy in many North American and northern European cities. In particular, transformations caused by deindustrialisation and economic decline in the 1970s resulted in the erosion of the economic base and physical infrastructure of urban areas while the shifting geography of economic activities led to declines in population in some areas and rises in others. In both hard-hit areas as well as more established tourist cities (such as European capitals) tourism development – following a neoliberal economic logic – offered a tool for urban revitalisation and economic development. In the process, many residential neighbourhoods of the urban poor located near former manufacturing locations were razed as historic and heritage sites were preserved and remodelled. Along these lines, cities were “remade” to attract international visitors as well as day-trippers from the suburbs and provinces. Most critically, this remodelling orchestrated by new public-private partnerships sought to rebrand the image of the city to attract investment in real estate and service sectors. As part of this process, new urban cultural institutions as well as commercial shopping spaces helped cities forge new identities.

The process of reshaping urban spaces to attract tourist investment and consumption is sometimes referred to as “place-making.” It can be either be driven top-down by political and economic elites or bottom-up by communities and visitors (see Lew, 2017). Place-making as a process includes physical changes (such as razing old buildings and creating comfortable, appealing sidewalks) and commercial developments (such as shops, restaurants and entertainment facilities). It also includes developing tourist attractions such as heritage sites and monuments as well as marketing and “place-branding.” Urbanist Dennis Judd (1999) argues that in many cities in North America and parts of Europe that promoted revitalisation through tourism development the resulting transformation led to the formation of “tourist bubbles”. These are spaces organised for tourist consumption partitioned off from their surroundings, which might include poorly serviced urban neighbourhoods with abandoned lots and derelict buildings. The spatial logic of the tourist bubble delimits the space to be reconfigured for the tourist gaze and commodification by planners and private investors. This technique allows a wider range of urban areas to craft discrete urban tourist zones but at the same time the strategy of partitioning heightens the differences and tensions between the local and tourist economies.
3. Urban heritage and tourism in the Mediterranean

During the rapid expansion of the international tourism economy in the 1950s and 1960s, to the degree that national governments of Mediterranean states viewed tourism as a means to promote economic development, they focused their efforts on developing their “sun, sand and sea” tourism sectors in line with the operations of large European tour operators. Through the 1970s as well, urban and heritage tourism tended to attract a limited market or was offered as an add-on excursion. Urban areas otherwise served as gateways between the international transportation infrastructure and coastal leisure areas.

In the late 1970s and early 1980s, Mediterranean tourism sectors sought to diversify their product to respond to the saturation of the beach tourism market and the rise of interest in cultural, heritage and nature tourism. Mediterranean cities, with a few exceptions, did not have same sort of urban industrial areas that provided platforms for urban revitalisation in North America and northern Europe. Instead, a major vehicle for the expansion of the urban heritage market was the 1972 UNESCO Convention Concerning the Protection of the World Cultural and Natural Heritage. Beginning with locations in Cairo, Tunis and Jerusalem, by the late 1980s major locations across the Mediterranean, including the Parthenon in Athens and historic areas of Istanbul, had been declared World Heritage Sites. UNESCO, together with national governments and international aid agencies, sought to promote both heritage preservation as well as tourism development. At the same time, following economic recessions, debt crises and the implementation of structural adjustment policies, many Mediterranean states sought to promote neoliberal economic policies in order to increase hard currency export earnings and generate employment. These efforts gave a higher profile to urban heritage-based tourism, up to that point dominated by the historical capitals of northern Europe. They also emphasised tourism as a mechanism for cultural exchange. Few Mediterranean cities, however, had developed tourism infrastructures, including hotels and museums, for urban visitors that would allow them to compete with northern European destinations.

4. The Barcelona experience: Beyond the tourist bubble

In the 1990s, Barcelona emerged to represent a new “model” for urban tourism in the Mediterranean and beyond. Like the earlier experiences of tourism-centred urban revitalisation in northern Europe and North America, the Catalan city had a historic industrial urban core that had suffered economic decline. With the dominance of sun and sea tourism along the Spanish coast, Barcelona had yet to develop its own tourist image when in 1992 it hosted the Summer Olympics. The city used this moment of global attention to reconstruct its urban spaces while projecting a dynamic, progressive global image based on its urban design and quickly established itself as a leading Mediterranean, and more broadly European, tourist destination.

Rather than representing a new model, the development of tourism in Barcelona is best viewed as a dynamic process (Degen, 2004: 132). At the core of its “success” is how the socialist-dominated municipal gov-
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Government promoted a series of interventions in the urban landscape, such as new parks, public spaces and infrastructure that reconfigured both spaces and flows. A new waterfront opened the city to the sea while new public spaces and physical upgrades opened up Barcelona's historic city centre, serving both local neighbourhoods and international tourists. While hosting the Olympic Games expanded visitor flows and helped remake the city's image, participatory political processes were critical to enabling and defining these dynamics.

Neighbourhood associations played a central role in shaping the urban transformation process, maintaining both a stake in the consequences and a sense of ownership. As a result, commercial developments like bars and restaurants did not only cater to tourists and produce areas of “staged authenticity” in tourist bubbles; rather, the revitalisation of street life served residents on a daily basis while offering a vibrant cultural experience for visitors. Within this urban ecology, cultural institutions, convention centres and business facilities, as well as educational institutions, could be developed to expand the diversity of visitor flows attracted by the vibrant image of the city.

The blurring of the boundaries between the local and the tourist economies allows for the increased circulation of people and economic activity, but it also makes the city vulnerable to the consequences of emerging as a leading “global” city. As the city rose in global profile, its economy became more globally integrated, increasing the power of political and business elites (in Barcelona and beyond) to direct urban transformations to serve their own interests. By the late 1990s, as Barcelona emerged as a major hub for European business and culture, the path of its urban transformations became less directed by neighbourhood associations and more often responsive to the needs and demands of global markets and capital (Degen, 2004). Low cost flights, cruise ships, immigration and European integration facilitated the flows of tourists, sport fans, migrants and business people eventually making Barcelona the third most visited city in Europe. Between 1990 and 2013 the numbers of annual tourist visitors increased fourfold from 1.7 million to 7.5 million, amounting to four times the city's resident population. The tourist sector now amounts to about 15% of the urban economy (Burgen, 2015).

As the urban economy grew, Barcelona attracted more creative design-oriented businesses, fashionable boutiques and high-income residents. Rents rose and shops and housing in the urban neighbourhoods catered more to high-income residents and visitors. In the process, local communities were displaced by upscale bars, designer shops and more expensive housing. Meanwhile, much of the employment generated by the expansion of tourism has been limited to low-wage service jobs often taken by immigrants (Puig Raposo, 2015: 58). This gentrification process marginalised the local – especially working class – communities, and altered the character of these spaces (Garcia-Ramon and Albet, 2000; Russo and Scarnato, 2017).

5. Counter-movements in a tourist city: Mobility and the right to the city

The case of Barcelona as a tourist city is important not only for its experience of successful urban transformation, but also as a leading front in
what might be viewed as the anti-tourism counter-movement. Drawing from work by Karl Polanyi (2001[1944]), I view this counter-movement as not only a reaction to the excesses of tourist behaviour but more broadly a reaction to how the growth of the tourism economy escaped regulation by local communities and increasingly came to be shaped by global markets and capitalist interests. The counter-movement seeks not only to limit tourist flows but, more critically, to re-establish local communal agency in the process of tourism development while reclaiming public spaces in the city for community residents.

By the 2000s, communal support and involvement in the process of tourism-driven urban transformation in Barcelona began to decline as visitor numbers continued to increase. In the wake of the 2007 economic crisis, the gap between the wealthy global elites who visited and worked in the city and the lower-class residents, whose welfare and work conditions suffered, only increased. New technologies and business practices, such as the expansion of Airbnb, allowed for the increased commodification and financialisation of urban housing, leading to a rapid increase in the share of urban accommodation devoted to visitors. While the early phases of urban transformation in the 1990s were governed by the municipality with the involvement of local neighbourhoods, the transformation of the accommodation sector was driven through market mechanisms that escaped the existing regulation of hotel construction and the tourist use of urban housing (Russo and Scarnato, 2017: 9).

Many of the urban spaces that had been remodelled and opened to tourists (such as Las Ramblas and La Barceloneta neighbourhood) progressively became dominated by mass tourist activity displacing their function within everyday Barcelona society (Russo and Scarnato, 2017). The noise, traffic, pollution and uncivil behaviour that tourist flows brought helped lead to drastic declines in residents’ support for the tourism sector as a source of economic benefit and increased concern about tourism as a major urban problem.

One of the emblematic cases of tourism-driven transformation that provoked a collective communal response is that of Park Güell, designed by Catalan architect Antoni Gaudí. As a major tourist attraction in the city, with the increases in tourist flows to the city, the public park faced unmanageable crowds. The municipal government was forced to take action to preserve the park and the visitor experience. As a solution, in 2013 the municipal government implemented an access plan that required tourist visitors to queue in line and purchase a ticket for entry. The park went from being a public, open space free to visitors and residents to an enclosed space like an “open-air museum with restricted access” (Arias-sans and Russo, 2016). Some local residents and activists, however, refused to accept this neoliberal solution. They formed a platform “Let’s defend Park Güell” and argued that rather than enclosing and commodifying the space it should remain an open, common space and that the community should be involved in efforts to develop a solution. As Arias-sans and Russo (2016) argue, what is at stake is not simply the cost of access to the park, but the notion that public spaces made open for tourism should not become “tourist space” governed by the tourism economy. Rather, they suggest, it is imperative to fight for the “commoning of the tourist city.”
The impact of tourism on the city was so great that the anti-tourism counter-movement would rise to become a powerful political force in Barcelona. Housing activist Ada Colau played a major role in developing this movement, highlighting the negative impact of the existing level of tourist flows to the city. In 2015, Colau led a left-wing coalition that came to dominate the city government and promotes policies that sought to regulate hotel construction, limit the use of Airbnb, extract taxes from the sector to pay for public works and housing, and more broadly ensure that resident needs are incorporated into strategic tourism planning.

6. Neoliberalism, real estate and the making of urban tourism spaces: The case of Beirut

Since the 1990s, Mediterranean cities have sought to promote urban tourism development. These efforts, however, have become dominated by neoliberal logics as they promote urban restructuring and real estate speculation. As noted above, in the 1980s UNESCO encouraged a major movement towards heritage preservation and conservation. While this strategy was embraced by national governments that sought to develop historic locations and heritage sites as part of national identity construction, these efforts were costly, usually requiring multimillion-dollar external loans. They tended to be framed in terms of their revenue generation potential and assessed on a cost-benefit basis. As a result, not only were urban transformations increasingly dominated by an economic logic shaped by existing power structures, but local developments were highly vulnerable to global tourist markets and financial patterns rather than local community concerns. Without local regulations, community participation, or a vision for the city, the function of tourism in the urban economy became limited to its commercial functions: visitors were valued only to the degree they represented spending on high-end retail products and services. Beirut made an effort like Barcelona to promote tourism-oriented urban transformation, but within the context of elite, exclusionary political and economic structures that marginalised local communities from the beginning of the process.

In many ways, the process of urban transformation in Beirut parallels Barcelona’s. In the 1990s Lebanon was recovering from 15 years of civil war following the end of the Cold War and at a time of hope for regional Arab-Israeli peace. Lebanon’s political and economic elites sought to rebuild and redefine Beirut’s image and regional position. The new Lebanese government was led by Saudi-Lebanese businessman Rafiq Hariri, who worked to reestablish the city as a regional, if not global, hub by converting the downtown area, turned to rubble during the war, into a modern-looking central business district to serve as the heart of its new real estate, finance and tourism-oriented urban economy and as a symbol of post-war Lebanon.

The task of designing and reconstructing the planned “central business district” was given to a new public-private partnership, Solidere (Société Libanaise de Développement et Réconstruction), run by Hariri’s business associates. In contrast to Barcelona’s efforts to work with local neighbourhood associations in an attempt to develop a series of localised interventions to open up public spaces, Solidere’s strategy sought
to marginalise local agency from the process of technocratic top-down masterplanning aimed at connecting the city centre to regional and global circuits of capital. Solidere expropriated the property of thousands of diverse pre-war owners, tenants and lease-holders in the downtown area in exchange for shares in the joint-stock company. Solidere and its backers argued that without such an approach the fragmentation of ownership rights would have created legal and political obstacles inhibiting the reconstruction effort.

After an initial high modernist design by a consulting firm commissioned by Hariri that planned to divide the urban core into single-function zones was challenged by Lebanese architects and planners, Solidere set out to develop a modified plan with a closer relationship to the pre-war city (Hourani, 2012). Most of the street grid and street names were preserved, while heritage gardens for unearthed archaeological ruins were incorporated into the plans, which developed mixed-use zones. Solidere also conserved and restored many buildings and maintained many of the newly developed structures within a uniform architectural look defined by early 20th century styles. The planners highlighted the value of Beirut’s culture and heritage to the new Beirut’s global image while Solidere distributed funds to various confessional communities to restore and preserve the monuments and places of worship of Lebanon’s diverse range of religious communities. Within the initial design for the rebuild of the “Souks” commercial area, some planners even proposed a “progressive rental policy” that would facilitate the return of diverse small, middle-class merchants that represented the multi-sectarian cosmopolitan character of the pre-war city core (Hourani, 2012).

While Barcelona’s initial success (following the “Olympic effect”) led to the increased influence of global market forces in shaping its patterns of urban restructuring, in contrast, Beirut failed to quickly attract the private investment and business headquarters relocations that would have been needed to realise the planners’ vision for a regional commercial and financial hub. In the meanwhile, commercial developments around Beirut sprung up in areas some distance from downtown. Solidere then shifted to a debt-driven model that promoted a different path: tourism development. As Najib Hourani (2012: 153) observes, “restoration of the onetime urban heart of the nation was eclipsed by a drive to produce an urban enclave for international business travellers and the wealthy of the Arab world”.

The urban space of downtown Beirut was transformed into a space that retained little connection to even the nostalgic memories of its pre-war urbany. Instead, its urban form was shaped by the opulent, exclusionary aesthetic of commercial developments, gated housing complexes and shopping malls of the oil-rich Gulf states. Rather than serve as the heart of the city, the new downtown functions as an isolated enclave for the economic and political elite. Commercial developments focused on very high-end foreign-brand retailers, restaurants, and entertainment complexes catering to the spending patterns and tastes of high-income Lebanese and visitors from the Gulf. The planned small retail lots in the new Souks structure were replaced by larger lots accommodating luxury retailers (Hourani, 2012). With rents so high, only a limited set of exclusive outlets could afford the location. A few elite business groups soon came to dominate the urban commercial landscape.

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The commercial zone of the Souks complex opened in 2009 and in the years since its economic fortunes have been subject to waves of political calm and eras of local and regional conflicts. At times, especially in the summer months, the downtown has witnessed waves of patrons — wealthy Lebanese and visitors from the Gulf — crowding cafes in the evening, and more selectively patronising the high-end shops. Studies of Lebanon’s travel and tourism sector show that tourist spending is mostly dedicated to fashion, clothing and jewellery, while visitors from Saudi Arabia, the UAE and Kuwait represent the largest shares of spending (Bank Med, 2017). In times of political unrest or regional conflict, these flows are disrupted and subject to political disputes.

Meanwhile, the vibrant community of young Lebanese professionals and diverse expats, joined seasonally by the Lebanese diaspora, sustains demand for social urban life ranging from exhibits by artist cooperatives to a nightlife of patronising bars, restaurants and clubs. Unlike Barcelona, however, there are few municipal-led programmes that foster these activities within public institutions and spaces. The lack of a public transportation infrastructure and the many barriers to urban mobility reinforce a pattern of fragmentation. Most developments are sponsored by small independent non-profits, sometimes with assistance from externally funded programmes or local business interests. As a result the cultural landscape remains highly fragmented into overlapping private networks dominated by the wealthy and educated elite. With limited opportunities for creative cultural and commercial activities within the high-rent downtown, in the past two decades most of the developments have taken place in a shifting set of trending neighbourhoods, including Gemmayzeh, Hamra, Mar Mikhael and Badaro. At different times these areas have undergone phases of rapid commercial development with the opening of bars, restaurants, cafes, designer boutiques and art galleries. Some of these gentrified spaces might mimic the texture of areas of Barcelona or Berlin, but they evolve without government planning or local community consultation. As such, gentrification takes place without regulation or incentives to value the preservation of the urban heritage or integrate into the existing social and cultural environment. Rather than become stakeholders in these developments, local residents are often disconnected from and hostile to the rise of “nightlife tourism” in their neighbourhoods (El Maalouf, Ghadban and Shames, 2015). Moreover, in each location the development of urban cultural spaces is often followed by investment from well-financed real estate developers with little concern for local communities. The developers are able to transform these spaces for their own commercial purposes, disrupting local creative developments and displacing populations (Krijnen and De Beukelaer, 2015).

The dominant trend of gentrification across the rest of Beirut has not been the rise of a “creative class” but the widespread transformation of urban space by razing old buildings, displacing their former residents and building high-rise luxury apartments. This process is driven by the continual inflow of capital from Gulf residents and the Lebanese diaspora combined with debt-financed local real estate investments. The resulting skyrocketing real estate prices often crowd out creative entrepreneurs as well as displace local residents (Krijnen, 2013). In both the downtown area and other parts of the city, high-rise real estate development has come to dominate the transformation of urban space.
in Beirut. For decades, block-by-block, Beirut has been transformed by well-connected developers. Their building projects serve as financial investments or means to store value rather than provide accommodation. Moreover, amidst a housing crisis many high-rises remain empty and thus they fail to establish the urban density needed to promote the street-life essential to sustaining mixed-use areas.

7. Reclaiming the city?

The transformation of urban space initiated by Solidere and driven by the city’s commercial and financial elites has been met with some resistance and efforts to build alternatives. The political divisions and social fragmentation of Beiruti society, however, limits the mobilisation of a counter-movement such as we have seen in Barcelona.

One notable response, or at least alternative, to Solidere can be found within the Shia community in the southern “suburb” (or Dahiya) of Beirut. These generally poorer areas of the city, which nevertheless include middle-class communities, represent a world apart from downtown Beirut. These areas are dominated by the political movements Hezbollah and Amal, which are the political rivals to the Future movement founded by Rafiq Hariri and led by his son Saad since his assassination in 2005. As documented by Harb and Deeb (2013) in the years following the Israeli evacuation of southern Lebanon in 2000, there was an increased effort to develop leisure spaces for the Shia community in Beirut. These spaces include cafes, family entertainment complexes and even “themed” restaurants such as Al-Saha Traditional Village. Developed within the norms of Islamic piety and modesty (for example, they do not sell alcohol), these commercial spaces, while open to all, have been primarily developed as means to open up social spaces for the local Shia community. Many of the venues are not public spaces per se, but within the Shia community operate as spaces for gathering and community and in a way, represent for some an effort to claim their own right to the city.

The transformation of the Dahiya has had a limited impact on the rest of the still fragmented city. In recent years, however, a new political movement has been organised to challenge patterns of urban development in Beirut. Promoting new patterns of tourism is not on their agenda, but these local activists have often mobilised to counter efforts by politically connected developers to privatise public spaces such as beaches and coastal access areas. In recent years, diverse activists have been brought together to challenge the corruption and failure of Beirut municipality and the national Lebanese government to provide basic public services. The most inspiring development was the formation of the Beirut Madinati (Beirut is My City) coalition of activists and planners that contested the municipal elections in 2016. Their platform calls for, among other things, developing urban public transportation systems, building public housing, community access to public spaces such as the Beirut waterfront, creating green spaces, fostering conditions for the development of local small producers and businesses. Despite running an impressive campaign that gained much support, the nature of the Lebanese electoral system prevented them from gaining any seats in the municipal council, although many members continue to seek change through other means.
8. Empowering community-oriented place-making

This chapter has argued that the Barcelona experience of tourism development is noteworthy in how local community participation helped shape the transformation process and produced urban experiences shared by residents and visitors rather than an isolated tourist bubble. The rapid growth of tourism, however, led to urban transformations such as gentrification and housing crises that threatened the interests and vitality of local communities and mobilised social movements that challenge patterns of tourism expansion and seek to reclaim the historical popular right to the city. Using the Barcelona experience as a template, this chapter has considered the experience of urban tourism development in the case of Beirut to highlight how tourism development there has often been limited to enclave spaces where economic growth is driven more by real estate markets, speculative capital flows and large business interests than by place-making by and for tourism. One lesson from this comparison is that tourism planners need to encourage and empower community-oriented place-making if they wish to promote more sustainable, equitable and creative modes of urban tourism development.

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