

Structure and Agency in Land and Property Development Processes: Some Ideas for Research

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Summary. This paper reviews existing approaches to, and research on, land and property development processes. It is argued that while these approaches—institutional analysis, neo-classical location theory and land economics, and Marxist economics—provide useful directions for understanding the development process, they lack the capability to address a fundamental dimension of our understanding of development processes. This is the relation between the way actors behave in deploying resources to realise specific investments, with which much of the real estate literature is concerned, and the broader processes which drive the strategies and interests of the various actors involved. The paper proposes an approach which combines an understanding of *structure* and *agency*, focusing on the resources, rules and ideology which actors acknowledge, as a way forward to a richer understanding of land and property development processes. The paper concludes with some key research questions which follow from this perspective.

Introduction

All cities require the production of space in the form of both buildings and sites for various activities. Yet the processes through which this production has been accomplished have been given little attention in the social scientific literature on urbanisation and urban development. The role of landownership, the organisation of the construction industry, the nature of the finance invested in urban development and the significance of intermediaries, from developers to property consultants, lie hidden or are given little more than a passing reference in many historical accounts of urban development, with notable exceptions in the urban history research

generated by Dyos's pioneering studies of Victorian cities (Dyos, 1961).

Until the mid-1970s, the only significant contributions to the field in Britain were a very few widely read case studies, notably Marriott (1969) and Ambrose and Colenutt (1973). This situation has been remedied more recently by work in the fields of Marxist economics,¹ public policy implementation,² urban geography,³ and planning and estate management,⁴ while there has been a considerable body of relevant research in the USA and Australia.⁵ These empirical and theoretical contributions emphasise that land and property are not merely surfaces and spaces upon and

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within which the processes of production and consumption are played out. The way in which land and property are themselves 'produced' and consumed enters into the processes of economic production and consumption. Knowledge of the processes through which the built environment is produced and used, and in particular the processes of *land and property development*, is thus critical to our understanding of urban development and our attempts at managing urban development processes.

Understanding these processes is thus a necessary task, both to assist in the practical activities of urban management and property development and economic development, and to develop a critical capacity to evaluate such practices. A key issue in this task is the relationship between the strategies, interests and actions of the various agents involved in the development process—landowners, investors, developers, consultants, public agency planning officers, politicians and community groups—and the organisation both of economic and political activity and of values about land, property, buildings and environments which frames or *structures* their decision-making. Any analysis of development processes thus requires the development of an explicit approach to the relation between *structure*, in terms of what drives the development process and produces distinctive patterns in particular periods, and *agency*, in terms of the way individual agents develop and pursue their strategies. The approach adopted in this paper draws in particular on the work of Anthony Giddens, who argues for a relational approach between structure and agency in which 'structure' is established by the way agents operate: deploying, acknowledging, challenging and potentially transforming resources, rules and ideas as they frame and pursue their own strategies.⁶ Structure, in terms of the framework within which individual agents make their choices, may be seen to inhere in the various *resources* to which agents may have access, the *rules* which they

consider govern their behaviour, and the *ideas* which they draw upon in developing their strategies.

This kind of approach has been implicit in some of the more recent work arising from the study of the *implementation* of public policy initiatives in the land development field (see Barrett and Whitting, 1981, 1983). Allied to theory concerning the dynamics of economic and political organization, such an approach promotes an understanding of the 'development industry' as *actively involved* in its own reconstitution, while at the same time being driven to restructure by external pressures. Thus, the critical task for the analyst seeking to understand the processes of production of the built environment is an examination of how such *external pressures are reflected in and affected by the way individual agents determine their strategies and conduct their relationships as they deal with specific projects and issues, and as they consider their future stream of activities.*

It is proposed that, theoretically, and in terms of research strategies, a way to address this task is combine the insights derived from the traditions of institutional analysis, and in particular the studies of implementation processes within the field of policy analysis, with the neo-classical analyses of the operation of urban land markets and Marxist approaches to the way capital flows through the built environment. The present authors, in conjunction with Christine Lambert and Paul McNamara, have been working for some time on an outline of such a framework. This paper is both a record of this review process and a background for research now under way. It starts with a review of current research on the processes of the production of the built environment. The objective is to draw out the theories being used and the way in which the relations between structure and agency are established. The second section reviews contemporary tendencies in the processes discussed, as a basis upon which to identify

some important research questions in the final section.

Existing Research

A major reason for the neglect of the study of land and property development processes by researchers in the UK until recently was that the subject was peripheral to the interests of the established academic disciplines (Healey and Barrett, 1985). The last decade has seen a significant change in this situation. In the UK, there has been a growing amount of work which focuses on the interaction between development interests and state agencies (Barrett *et al.*, 1978b; Barrett and Whitting, 1981, 1983; Boddy, 1982; Elson, 1982; Healey *et al.*, 1982; Barrett and Healey, 1985; McNamara, 1985; Rydin, 1986; Short *et al.*, 1986a, b). Many of these studies are richly grounded empirically, but have focused largely on institutional forms of explanation. Several have been undertaken by policy analysts concerned with policy implementation, notably those by Barrett, Elson and Healey. The interests and strategies of actors and the nature of the relationships between them are identified, but the link to what generates these interests and strategies is often weakly developed, though usually noted. This opens such work to charges of empiricism and of a drift to pluralism in interpretation.

These studies have been complemented by research on particular sectors of development activity, notably Ball (1983), Dickens *et al.* (1985) and Smyth (1985) on the housebuilding industry; Barras (1984, 1985, 1987) on office development; Fothergill *et al.* (1987) and Adams (1986b, 1987) on industrial development; and Dawson (1983) and Davies (1984) on the retail development field. Ball's work in particular integrates the construction dimension with the property development aspects of the industry. In addition, there have been studies of specific agents, such as Goodchild and Munton's (1985) review of the role of landowners and McNamara's

work on local estate agents (McNamara, 1984a) and surveyors (McNamara and Turner, 1987). Adams *et al.* (1985) have given particular emphasis to valuation practices in their analyses of inner city property markets, while there has been a stream of comment on inner city land values,⁷ and a major empirical study by Bruton, Gore and Nicholson of public sector vacant land holding (Bruton and Gore, 1980; Gore and Nicholson, 1985). Another line of research is directed at evaluating particular instruments of intervention and, among other things, their impact on development processes, and is represented notably by Elson (1986) on green belts, Healey *et al.* (1985) on development plans, Lambert and Underwood (1984) on local plans, and a rich array of case studies and consultants' reports evaluating some of the recent initiatives in UK land policy.

This growing body of work on the sectors of development and the relations between development processes and the state gives an idea of the complexity of the processes of built environment production. They involve the construction industry, the building materials industries, the financial sector, and the whole spectrum of social and economic activity in relation to demands and needs for land, buildings and location. To mediate the relationships between these, an array of development intermediaries has emerged in most developed countries. The state enters into these processes in diverse ways, through sectoral policies, as a development intermediary itself, and in order to safeguard particular interests and values. These studies also provide a range of hypotheses as to the relation between the interplay of agents in the negotiation of development projects and the wider economic context, and what the social, economic and environmental consequences of the activities analysed may be. Implicitly or explicitly, the studies referred to use some form of actor-based or institutional frame of analysis. But neither the individual studies nor the frameworks for analy-

sis theorise the relations between individual actors and behaviours and the wider context in such a way that the dynamics of the relation between context and process, structure and agency, can be analysed.

Another line of inquiry, which has motivated some of the work summarised above, has started from a theoretical direction. Neo-classical economics, regional science and land economics have investigated the processes of spatial differentiation and the consequences of public goods provision, and have provided methods for evaluating public policy initiatives.⁸ In the USA and Canada, there has been some attempt to move from micro-economic modelling to institutional analyses of land and property development processes using neo-classical concepts.⁹ A particular interest has been the attempt to assess the economic consequences of land market regulation in terms of land and property prices (e.g. Dowall, 1984). In the UK, there has been an ambitious attempt to assess the economic costs of the British planning system (Cheshire *et al.*, 1985).

This last study illustrates the inherent difficulties of adopting an idealised neo-classical model of market processes into which particular empirical measures are fed and modelled outcomes then compared either with each other, as in the Cheshire study, or with reality. Such models *presume* negotiation among agents as necessary but unproblematic in the processes of exchange, and assume certain structuring parameters, such as private property and a particular form of agent rationality. Thus, they do not explore negotiative processes empirically. They also tend to focus on selected distortions to ideal supply–demand relationships (such as the distortions of state intervention), rather than seeking to identify the range and relative significance of different distortions. The institutional research discussed above would suggest that forms of landownership, the organisation of agents and intermediaries, and the flows and forms of finance, were also significant distortions.

The neo-classical approach has thus so far failed to address structure, agency and their relations directly, these being absorbed as assumptions into the theoretical parameters of the approach. Recent work by Evans (1988), however, has begun to explore some of the implications of incorporating institutional supply-side factors into a neo-classical model of the formation of land and property prices.

Marxist economics, by contrast, is explicitly concerned with the structural dynamics of the mode of production. However, there has been only limited interest in, and considerable controversy over, how land and property should be treated. Until recently, the focus of attention has been the problem of land rent, which has significance theoretically as an extraction by landowners of the surplus value generated by both capital and labour, an expression of the struggle between a ‘pre-capitalist’ landowning class and capitalist classes.¹⁰ As such, it is both a drag on capitalist accumulation and a further drain on the ability of workers to enjoy the fruits of their labour. A number of interesting accounts exist of the way landowner power has conflicted with the demands of burgeoning urbanisation generated by economic development in one form or another, although it is clear in many of these studies that other factors are also at work.¹¹

However, as Massey and Catalano (1978) have shown theoretically, and Goodchild and Munton (1985), empirically, landowners are by no means a homogeneous category, their interests and strategies being developed in response to a variety of orientations. The problem of identifying groups and interests in relation to land is a recurrent problem in much of the empirical work noted above (McNamara, 1988). Massey and Catalano (1978) identify three forms of landownership: former landed property, industrial landownership and financial landownership. Only landowners with a landed property interest can be seen as being in *opposition* to or parasitical upon capitalist accumulation.

The others are integrated within the logic of the accumulation process. This point has been reinforced by the work of Ball (1983) and Ball *et al.* (1985), which shows clearly the way land and property are incorporated into the processes of production of goods, and the circulation of finance. The research pulled together under the aegis of the Bartlett Summer Schools on *The Production of the Built Environment*¹² has focused in particular on the construction industry and the complex interrelations of labour processes and land rent.

Harvey (1982, 1985a) provides a theoretical interpretation of the processes involved, through his framework of the circuits of capital and the role of the production of the built environment within them. His approach in effect provides a way of identifying how the dynamics of the mode of production *drive* the processes through which the built environment is produced, while at the same time recognising the spatial and temporal specificities of these processes. Harvey argues that the primary factor through which agents are bound into structural relations is through paths of capital flow, through *resources*.

However, the relation between this general conception of the structuring dynamics of development processes and the specific interests and strategies of individual agents remains tenuously established. Yet it is at the level of these interests and strategies that development processes are practically constituted, while it is through the way interventions 'bite' on these decisions and strategies that public policy is achieved or not. This suggests that much more attention needs to be given to the way individual firms and agents interrelate in the negotiation of particular development projects and how, through these transactions, land and property 'markets' are constituted and built environment investment decisions made. The 'institutional' research reviewed above also draws attention to the way politico-judicial *rules*, and *ideas* and *ideology*, convey struc-

tural limitations and possibilities into the strategies and relationships of agents. Anecdotal evidence of contemporary examples suggests some complex interconnections here: for example, the House Builders' Federation's attempt during the 1980s to 'break' increasingly tough policies of environmental restraint (Rydin, 1986); the struggle over, and the consequences of, the significant changes to the Use Classes Order; and the way certain 'new' developers have been able to exploit the new rules and resources of the 'grant economy' to promote new kinds of development project. The analytical task is to link the institutional analysis of the development process with the dynamics of the economy as reflected in resource flows, and with political organisation and cultural values as reflected in rules and ideas.

This definition of the research task derives from a development of Giddens's approach to the relation of structure and agency. Giddens (1984) approaches 'structure' as

the structuring properties [which allow] the 'binding' of time-space in social systems, the properties which make it possible for discernibly similar social practices to exist across varying spans of time and space, and which lend them 'systemic' form. (p. 17)

He further argues that systems (structures) are reproduced through the *rules* and *resources* which individuals draw upon in the production and reproduction of social life. Rules and resources, he proposes, are inherently interrelated, and rules may be conceptually distinguished into those concerned with the constitution of *meaning* and those concerned with the *sanctioning* of modes of social conduct.

This approach provides little more than a way of focusing our ideas and empirical research onto the way in which 'structure' both affects and is changed by the way individuals act within the development process. It needs to be complemented with a development of the ideas within neo-

classical and Marxist economics and within institutional analyses of policy processes. Such an enterprise will inevitably open up a series of further conceptual and methodological problems.¹³ Nevertheless, Giddens's conceptualisation suggests it would be fruitful to research the way in which individual agents, as they operate in the development process, draw upon *resources*, *sanctioning rules* and *rules of meaning* to determine what they do. Within the context of development processes and the 'social systems' of which such processes are a part, this leads to a research emphasis on:

- (a) the *resources* for development, as channeled via the financial system and the interrelation of supply and demand;
- (b) the politico-juridical *rules* which limit the construction of development opportunities; and
- (c) the *ideas and values* people hold about what they should build, what they would like to occupy and what kind of environment they seek.

To summarise, one result of the lack of academic attention to the processes of the production of the built environment has been that many analysts of spatial change have treated the conversion of economic and social processes into land use change and built form as essentially unproblematic. Demand, it was assumed, would be translated into supply, with the various agencies involved in development working collectively to provide development at "the right time in the right place at the right price" (Lichfield and Darin-Drabkin, 1980). Implicitly, this formulation draws on the simple neo-classical model of the market. Such a treatment of urban development processes is also implicit in more recent work on contemporary economic restructuring (Massey, 1984; Cooke, 1986). Yet empirical research shows clearly that the relationship between demand and supply in the various processes which constitute the production of the built environment is problematic in many ways. Mean-

while, empirical reality is revealing these problems with stark clarity as urban areas face the complexities of recession and industrial restructuring, the internationalisation of finance, and the "globalization of real estate".

Contemporary Dilemmas

In the context of the discussion of structure and agency in the development process, it is particularly necessary to understand the characteristics of particular periods and the 'objective' possibilities of consumer demand for and investment returns from land and property development in particular circumstances, given the role of ideas, of 'talking up', or 'hype', in directing and realising the strategies of many of the agents involved. In this framework, the present period could be characterised as one dominated by:

- (1) international finance, with the barriers to financial mobility increasingly reduced as a result of information technology, allowing rapid transnational capital movements and the conversion of property into securities which can be traded in the international capital market;
- (2) major economic restructuring, with its significant spatial consequences, redistributing land and property values in complex ways;
- (3) a climate of articulate opinion strongly preoccupied with both economic regeneration and the quality of the environment;
- (4) a UK government caught in a paradoxical situation, pushing more of the effort for land and property development onto the private sector through strategies of deregulation and privatisation, while at the same time providing the support needed to 'lever' the private sector into areas adversely affected by economic change.

Evidence of these forces at work is widespread in the anecdotal evidence pro-

vided in the property press. In response to new forms and flows of finance, new government policies, and the impact of economic restructuring on land and property markets, new actors have entered the field. Existing ones have changed their organisation, their strategies and their interests in land and property. In the UK, the financial institutions substantially increased their property holdings until the early 1980s. Since then, they have adopted more cautious strategies (Nabarro, 1990). Meanwhile, the 1973–74 slump and the bankruptcy of several development companies fostered larger, more diversified companies. At the same time, some larger conglomerates sought to diversify into property development, particularly housing, in the search for a balance of activities which would safeguard general levels of accumulation. Similar tendencies have occurred in other parts of the world, producing new international actors in the construction and development field.¹⁴

Overseas capital and development intermediaries have entered the UK market, partly as a result of problems at home (e.g. for Japanese investment) and partly responding to UK government policy which has fostered an open, deregulated financial market. In addition to foreign financial institutions, there is some evidence of American and Japanese property companies operating in the UK on an increasing scale at the present time, exploiting financial advantages (low interest rates in the USA and high rates of return relative to local ones in Japan). Some USA companies enter the UK market accustomed to a higher risk orientation than British firms adopt, challenging local assessments of property markets and local traditions of negotiation. Such firms may find it more effective to work in partnership with local firms to maximise their 'entry' possibilities into local economies and local politics, but such an infusion of new ideas could well change many traditions of British land and property development practice. A few parts of the country are affected by very

specific international connections, such as the investment of Hong Kong capital in Manchester. There are also signs that new property developers are emerging locally, generated in part by the government's urban development initiatives: for example, John Hall at Gateshead, the Richardson brothers in Dudley, Paul Sykes in Sheffield and Eddie Healey in Rotherham. Competition for customers among the banks also encouraged support for property companies in the mid-1980s (Nabarro, 1990).

Meanwhile, as noted earlier, the established property consultancies are under pressure from financial investment managers and accountants who treat property as if it were like any other investment possibility (McNamara, 1990). This had led to some reorganisation.¹⁵ There has also been a proliferation of new consultancies in the planning, design and development field. There are various reasons for this, but one of them is certainly the need for more research into market conditions, planning opportunities and how to negotiate constraints than has been the case among many development firms in the past.

These trends, widely recognised in the property field in the UK, suggest that the constitution of the 'development industry', in terms of the mix of firms involved in development and the objectives which direct their strategies at any place and time, is being significantly changed. The result is a reorientation of interests, strategies, working methods and relationships. On the one hand, these trends challenge established relationships through which the production of the built environment has been negotiated, which, both nationally and locally, have tended to display an oligopolistic form.¹⁶ On the other, they introduce new perceptions of limitations and opportunities which can in turn change the parameters of land and property markets. Thus, John Hall in Gateshead is not only a new entrant to property development (a mining surveyor turned property developer), but he has also intro-

duced a new product, the regional megastore, onto the market.

In terms of the structure–agency relation, the above example illustrates the way inventive agency responses to changing conditions ‘kick back’ to alter those conditions. What we so far know little about, however, is how extensive these ‘kickback’ effects are. New actors, interests, strategies and relationships exploit new niches created by uneven development, the opportunities generated by the particular direction of capital flow or the ‘grant economy’. Others seek to escape the consequences of economic decline in those areas adversely affected by uneven development. Do the changing composition and relationships of those involved in development produce different outcomes in terms of economic, social and environmental outputs and effects? Much current government policy towards urban regeneration is founded on the wealth-generating power of property investment—economic regeneration through property development. But whether and how this equation works remains to be adequately investigated.

One argument which could be used to support a positive connection between property development and economic growth can be derived from Harvey’s discussion of the periodic need to transform the built environment (Harvey, 1985a). The spatial configurations suitable for capital in one period may act as an impediment, a drag, on capital’s objectives in another, because of the need to reorganise space *in situ*, to develop formally ‘greenfield’ areas, or to extract capital investment from areas where values are falling. But to make a contribution to this effort of spatial reorganisation, the ‘development industry’ demands and probably requires government intervention. Thus, corporatist conceptions of partnerships between government and industry coexist, if uneasily, with ideological discourses of deregulation and letting the private sector ‘take over’ government functions. Harvey has argued that such spatial transforma-

tions are endemic in the way the built environment is produced in capitalist economies. In effect, new demands for space are being created in part through the reorganisation of the activities which create the demand for space, and in part through the entry of new forms of capital and new firms seeking to *construct* demand in different ways. This game is increasingly played out in the international sphere of product development, marketing and financial flows. Meanwhile, those whose economic and social horizons are rooted in localities, in particular cities, are ever more subject to the ebb and flow of the international game.¹⁷ Following this economic line of argument, governments may be forced to intervene in a ‘partnership’ mode, whatever their ideological predispositions. This point is strongly confirmed by the experience of urban regeneration in the USA, where effective public–private partnerships are considered the key to success. But what are the terms of these partnerships and what are the measures of their success?¹⁸

The state is thus unavoidably a critical actor in the development process. This is so through the need not only to support the development process, but also to moderate its adverse externalities, safeguard social needs and conserve resources and environmental heritage. The way this state role is developed has a major *structuring* effect on the constitution of the development ‘industry’ in any country or region. In Britain, there has been a long tradition of urban and rural ‘estate management’, through which particular landscapes, buildings and urban designs have been maintained over time. Through the planning system, and supported by a powerful set of values about what the environment should be like, land and property development has been firmly regulated. By limiting the possibilities for speculation, and concentrating development opportunities, the state has in effect fostered the centralised and oligopolistic form which has characterised the ‘development industry’ in Brit-

ain. It has helped to sustain land value growth and to produce less risky and more protected markets than, for example, in the USA. The impact of policies of deregulation and privatization in this situation has a major destabilizing potential for the development industry in the UK.

At the same time, however, politicians are attracted to property development as a visible way of revitalising local economies. The phrase “cranes on the skyline”, used by politicians in recession-hit Australia to symbolise a political commitment to job-creating growth, is now deployed by John Hall to symbolise urban regeneration in the North East.¹⁹ In effect, the state, locally and nationally, is caught within complex dilemmas in its relations within the processes of the production of the built environment. It is under pressure to deliver environmental quality, social facilities and economic opportunity, to reduce pollution and to safeguard built and natural environment. At the same time, in response to the “fiscal crisis of the state” (O’Connor, 1973), the costs of collective urban management are kept down to satisfy vociferous ratepayers. In this context, partnership with the private sector in various ways is an attractive option for governments forced into or committed to turning to the market for resources and development initiative. Many private firms welcome such arrangements as they search for investment outlets or fear devalorisation of their property assets. Government involvement thus offers a way of securing risk and supporting land and property markets. In doing so, it creates new forms of dependency in the development industry.

The 1980s have seen a stream of initiatives in Britain aimed at urban regeneration, or facilitating private sector property development. The list—Enterprise Zones, Urban Development Corporations, Urban Development Grants, Simplified Planning Zones, Public Land Registers, Urban Regeneration Grants, Inner City Task Forces, Garden Festivals, Housing Action Teams, City Grant—not only seems to be added to

each year, but is complemented by a whole variety of changes to existing programmes and practices at both central and local level. So far, evaluation research has largely focused upon the impact of these innovations with respect to measures such as job generation, leverage ratios and property value effects.²⁰ Much less consideration has been given to the effects of these initiatives on the constitution of the development industry, the organisation of the development process, the economic, social and environmental effects of the development process itself, and the product of development in terms of cultural and environmental outcomes as well as economic ones. In particular, there has been little attention to the wider context of the changing characteristics of those involved in the development process, and the factors which are driving these changes. As a result, we are neither learning much about the replicability of such initiatives, nor about their consequences—for local economies, for the quality of the environment or for the way in which property development processes in the UK relate to the “global processes of real estate investment”.

Research Questions

This paper has argued that the relation between context and specific events may fruitfully be approached by building on existing research work informed by an agency or institutional frame of reference, and linking this to conceptions of economic and political structure via Giddens’s approach to the relation between structure and agency. This emphasises the interrelation between the two, rather than a deterministic relation between context and agency. It is suggested that, in research terms, the interrelation may be observed through the way in which agencies, individuals and organisations define and implement their strategies in relation to the *rules* they acknowledge, the *resources* they draw

upon and seek to accumulate, and the *ideas* and *ideology* they assert in determining and justifying their strategies.

Given the current state of our knowledge in the field, four intersecting themes may be proposed, around which research is needed: the first would address the relation between the financial system as a whole and investment in land and development processes; the second would explore the way the *resources* (as above) and the *rules* of economic organisation constitute the types and strategies of firms involved in land and property development processes; the third would assess the way the state *structures* land and property development processes through its contribution to the constitution of *rules* and *resources*; and the fourth would evaluate the outcomes of these processes. The priority in policy terms is to examine outcomes in terms of local economic development, but it is important to explore other dimensions, in terms of the social and environmental consequences of the particular forms which development processes may take, and to conduct evaluation in such a way that the distributive dimensions of outcomes are revealed.

The first, the review of the changing forms of capital flow into and out of the built environment, requires an understanding of the diverse sources of capital, from the profits of transnational companies to personal savings; the different ways capital can be invested in property; and the place of property in the investment strategies of different kinds of firm. It should focus on the interrelationships between types of capital, types of firm and types of investment strategy, and on the implications for the way in which different firms come to value types of land, property and location. Existing work which provides a useful foundation for such a review includes Plender (1982), Daly (1984), Oakshott (1985), Scott (1986) and Shutt (1980).

The second focuses on the changing composition and strategies of the firms

involved in the development and redevelopment of the built environment. This would have to include the building and building materials industries; the changing composition of the various firms involved in the different sectors of property development (commercial, industrial and residential) and in financial investment in property, and the property consultancies; the evolving strategies of different types of firm, and their consequences; the relations between firms and the extent of formation of local market management oligopolies; and the appearance of new firms and the nature of the opportunities they exploit. The emphasis here would be on the way changing strategies reconstitute the interests firms have in land, property and property redevelopment (see McNamara, 1988, on interests), and the way these interests find reflection in the negotiative practices through which action is undertaken. The objective would be to provide a basis for analysing the impact of such changes on the form of, and terms of access to, the built environment thus produced, and the consequences for local economies. Many of the research works cited in this paper, as well as the recent studies of economic restructuring and local economies, provide a valuable foundation for such a study (see especially Hausner, 1986, 1987; Boddy *et al.*, 1986).

The third would examine the various ways in which the state impinges on these changing practices, in relation to the tools of intervention employed (forms of financial subsidy and taxation, forms of land dealing), the way in which these affect the demand for space, the rules within which individual firms develop their strategies, and the forms of development processes. Again, much of the research cited in this paper provides a valuable empirical foundation for such an analysis.

The final theme would involve an assessment of the implications of the above processes for local economies in terms of capital flows, labour market demand and supply, building materials and land, the

impact on land and property values, and the implications of changes for these; the resultant social, economic and environmental externality costs and benefits within local economies and the distribution of these. It is this theme which presents the most challenges, both conceptually and empirically, yet it is clearly the most significant in assessing the contribution of property development to economic and social change.

Empirical research based on such an agenda raises challenging problems of research method and data sources. It involves arenas where many powerful actors operate, where secretive strategies are part of the battle for competitive success, where data is scarce and produced in ways which are often difficult to penetrate, and where publicly available documentation and public talk is often deliberately distorted for the purposes of competitive advantage. Nevertheless, there is a range of source materials which can be used.²¹ The sensitised investigative researcher can penetrate development processes with considerable success (e.g. McNamara, 1985; Kent, 1986; Rydin, 1986). However, because of these difficulties, a methodological awareness of the problems involved is a prerequisite for an effective research contribution in this field.

Clearly, no one piece of research could address this substantial agenda. What is important, however, is the perspective from which any specific piece of research is undertaken. A particular perspective has been proposed in this paper which should not only increase our understanding of contemporary processes of the production and transformation of the built environment in the UK. It should also improve our awareness and theorisation of the way the practices through which development projects are negotiated are linked, via the interests and strategies of agents and the rules and resources upon which they draw, to the dynamics of the wider structure of economic and political organisation which these practices both constitute and reflect.

In relation to policy, such an emphasis should help assess the nature of the contemporary 'period' and its broad consequences for the production of the built environment, as well as providing a basis for evaluating the possibilities for and consequences of specific interventions in development processes. More generally, such research should add to our understanding of the role of the processes of production of the built environment in local economic development, and of the role of the state in the development process.

Notes

1. See Ball (1983) and the volumes of the Bartlett International Summer School 1-8, published by the Bartlett School, University College London; also Smyth (1985).
2. See Healey *et al.* (1982, 1985); Rydin (1986); Short *et al.* (1986a, b); Witt (1987); Massey and Catalano (1978); Barrett *et al.* (1978a, b); Barrett and Whitting (1983); Adams (1985); Montgomery (1985); and Boddy (1982).
3. See Drewett (1973); Craven (1975); Goddard (1975); Daniels (1985); Dawson (1983); Davies (1984); Whitehand (1984); and Whitehand and Whitehand (1984).
4. See the new journal *Land Development Studies* for a range of material.
5. See Leitner (forthcoming), Leitner and Sheppard (forthcoming) and Feagin (1983) in the USA; Daly (1982, 1984), Sandercock (1976), Berry and Huxley (1985) and McLoughlin and Huxley (1985) in Australia; see also Boyle (1985) and Boyle and Rich (1984) for comparisons between USA and UK approaches to urban regeneration through property development.
6. See Giddens (1984).
7. There is no comprehensive bibliography of this material, but a useful review which focuses on the development aspects of recent initiatives can be found in Cameron *et al.* (1987).
8. An extensive literature can be found in the journals *Land Economics* and *Urban Studies*; see also Harrison (1977), Evans (1985) and Hallett (1979).
9. See Brown *et al.* (1981), Dowall (1984) and Lin Leung (1987).
10. See Breughal (1975), Ball (1983), Massey

- and Catalano (1978) and Harvey (1982, 1985a).
11. For studies of land owner power and economic development, see Fine (1985), Sutcliffe (1981) and Gilbert and Healey (1985).
 12. See Note 1; see also Hooper (1985).
 13. Sayer (1984), for example, takes a different approach to the relations of structure and agency, while Hajer (1989) finds it necessary to evolve Giddens's framework into a more dynamic form.
 14. Interesting examples here are the Japanese construction firm, Kumagai Gumi, and the Italian property firm, Bellasconi.
 15. The reconstitution is evident in the expansion of research teams. There have also been some mergers; for example, the absorption of several regional property consultancies into the international company, Chestertons.
 16. Circumstantial evidence of these oligopolistic relationships is considerable; see McNamara (1984b), Wood (1982) and Nabarro (1989).
 17. See Thrift (1987) on finance capital and localities.
 18. See Boyle (1985), Boyle and Rich (1984) and also Moore and Pierre (1988).
 19. See *The Newcastle Initiative*, a promotion document produced by the Newcastle Confederation of British Industry Action Team in June 1988, where the phrase "cranes on the skyline" appears to symbolise economic development.
 20. There have been several evaluation studies of government initiatives in the 1980s, but these mainly use variants of cost benefit analysis, or accounting audit techniques, and are dominated by economic criteria. See Roger Tym and Partners on *Enterprise Zones* in the early 1980s. Ecotec on *Urban Development Grant* (Pearce, 1988) and urban regeneration cases in 1988, and Roger Tym and Partners on *Derelict Land Grant* in 1987.
 21. Housing and construction statistics, National House Building Council data, development control records, commercial and industrial floorspace statistics, land registers, Investment Property Data Bank, reviews by the major property firms of local and national property markets, the property press, company reports.
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