An Anglo-German Foundation Report

**Shrinking to Grow?**
The Urban Regeneration Challenge in Leipzig and Manchester

*Alan Mace, Nick Gallent, Peter Hall, Lucas Porsch, Reiner Braun, Ulrich Pfeiffer*

## Introduction

Both Leipzig and Manchester have experienced a severe loss of population: Manchester over a long period since the middle of the twentieth century; Leipzig sharply, after reunification. While both cities have greatly improved their city centres and can claim many regeneration successes, both have, at best, stemmed their population losses.

Linked to this demographic shrinkage has been the presence of a large stock of low-demand housing. Given this, and the potential for future population loss – especially in Leipzig, with falling birth rates nationally – in this study we asked whether these two cities could plan for an economically sound contraction in their populations. We set out scenarios for future household numbers in both cities and consider the implications of a future loss of households.

However, it was soon evident that neither city could countenance such an approach; in fact, both were actively planning for household growth. Given this approach we then considered how these two cities could best meet their aims.

Both cities have a large number of young people, not least because of their universities. This is an asset in an ageing Europe, but only if these young cohorts can be retained: the range of job opportunities that the cities can offer is therefore crucial. Still, this is not enough.

We demonstrate that stemming massive population losses – though partially successful at present – may prove a fragile solution, not least because nearby suburban areas are often able to offer housing choices and levels of liveability that are not necessarily available within the city boundaries. In many instances it is possible that even where the cities offer exciting career opportunities, they may not benefit from an increase in residents. The key here is the retention of households as they establish families. Therefore, we suggest two
goals for the future:

1. Become magnets for the young;
2. Keep the family builders.

The second, we believe, will be harder to achieve than the first. It will mean multiple action in a number of fields: planning and urban regeneration, education, social policy and transport policy.

We also suggest key policy levers that will have to be addressed, especially greater discretionary spending powers to meet local needs, which should be implemented locally. Both cities have demonstrated an ability to act proactively. This poses a key final question: can their national and regional governments now give them the necessary freedom, allowing them to take risks to develop such an entrepreneurial approach?

For more information please contact:
Annette Birkholz  
Anglo-German Foundation/Deutsch-Britische Stiftung  
34 Belgrave Square, London SW1X 8DZ  
Tel +44 (0)20 7823 1123, Fax +44 (0)20 7823 2324  
E-mail ab@agf.org.uk, Website www.agf.org.uk

Professor Sir Peter Hall  
Institute of Community Studies  
18 Victoria Park Square, London E2 9PF  
Tel +44 (0)20 8709 9263, Fax +44 (0)20 8980 6719, E-mail phall@icstudies.ac.uk

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The authors of the report are: Alan Mace, Nick Gallent, Peter Hall, Lucas Porsch, Reiner Braun and Ulrich Pfeiffer of the Institute of Community Studies