

# Changing Urban Housing Markets in Advanced Economies

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# 1. Introduction

suburbanization: spending power left the city

USA: doughnut city

Garreau (1991): edge city

## 2. Urbanization, suburbanization, de-urbanization

Since 1850: urbanization

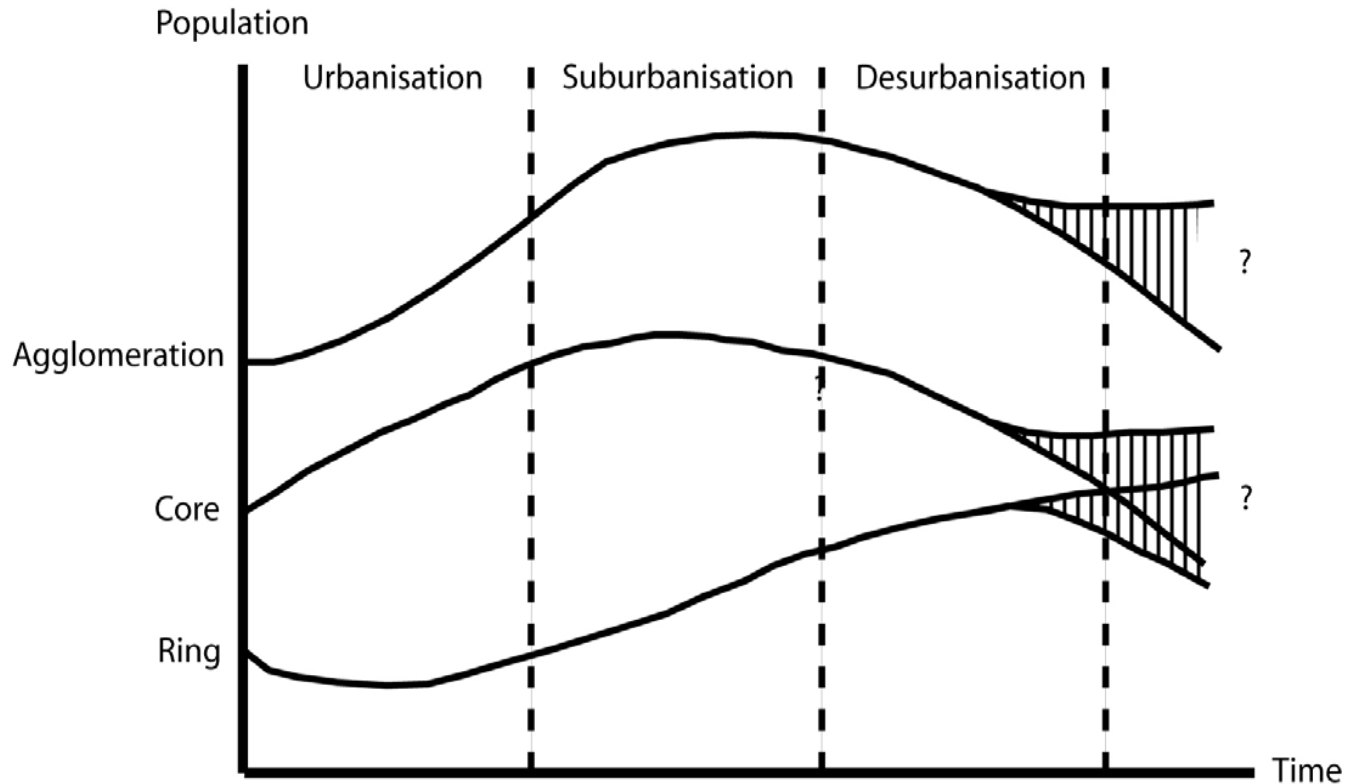
From multi-functionality into mono-functionality.

Spatial separation of functions

Chartes d'Athènes

Commuting

# Figure 1. Phases of urban development



**Urbanization:** population growth of the core is greater than that of the ring.  
Population of the agglomeration grows.

**Suburbanization:** population growth of the ring is greater than that of the core. Population of the agglomeration continues to grow.

**De-urbanization:** decline of the population of the core leads to a decline in the population of the agglomeration.

**Re-urbanization:** declining population in the agglomeration; share of the core population in the total population of the agglomeration again increases.

1950-1974: suburbanization

Pull: Rising prosperity,  
cheap transport costs,  
housing opportunities.

Push: Deterioration in the quality of urban  
housing;  
crime;  
environmental awareness.

**Table 1. Strategic indicators of change, UK, 1991-2000**

	% change Population 1991-2000	% change Employees Index 1991-2000	% point change Unemployment Index 1991-2000	% change GDP per capita 1991-2000
Inner London	9.39	26.2	-6.28	4
Outer London	5.59	20.9	-3.95	2
Principal cities	-0.48	8.4	-6.50	-4
Other 'metropolitan' Authorities*	-0.19	12.0	-4.87	-2
Large cities	0.78	8.9	-6.38	-2
Small cities	5.15	10.4	-5.08	-3
Industrial areas	1.47	12.8	-3.95	-2
New towns	3.49	22.3	-4.34	-1
Resorts	5.24	14.8	-4.16	-2
<b>England</b>	<b>3.71</b>	<b>17.6</b>	<b>-4.33</b>	<b>0</b>

\* Local authorities in 'metropolitan areas', i.e. conurbations.

Source: G.B.O.D.P.M., 2002

## Table 2. Census 2001: English Cities 1991-2001

City	1991	2001	Change 000s	Change %
London	6,889.9	7,172.0	282	4.1
Newcastle	278.2	259.6	-19	-6.7
Manchester	438.5	392.8	-46	-10.4
Liverpool	480.7	439.5	-41	-8.6
Leeds	717.4	715.4	-2	-0.3
Sheffield	529.3	513.2	-16	-3.0
Birmingham	1,006.5	977.1	-29	-2.9
6 Metro Cities	3,450.6	3,297.3	-153.3	-4.4
Bristol	397.0	380.6	-16	-4.1

Source: G.B.O.D.P.M., 2003.

New urban configuration: mega-city=  
networked urban configuration of 40-50 cities  
(20-30 million people).

Pearl River Delta, Yangtze Delta Region,  
Central Area NW Europe (Randstad + Rhine  
Ruhr Area).

Scott: Global City Region

Hall: Global Mega-City Region.

### 3. ICT: implication for homes

- Cairncross (1997): death of distance
- ICT stimulates business services and reinvigorates the urban economy
- ICT: combination of geographical concentration and deconcentration

Industrialization: temporal and geographical division between home and work.

Vance (1966): pre-industrial integration of home and work (farms, workplaces, shops).

Post-industrial area will reintegrate the temporal and geographical aspects of home and work.

Toffler (1980): ...'we are about to revolutionize our homes'.

Second wave (industrialization) moved millions of jobs from the home to the factory.

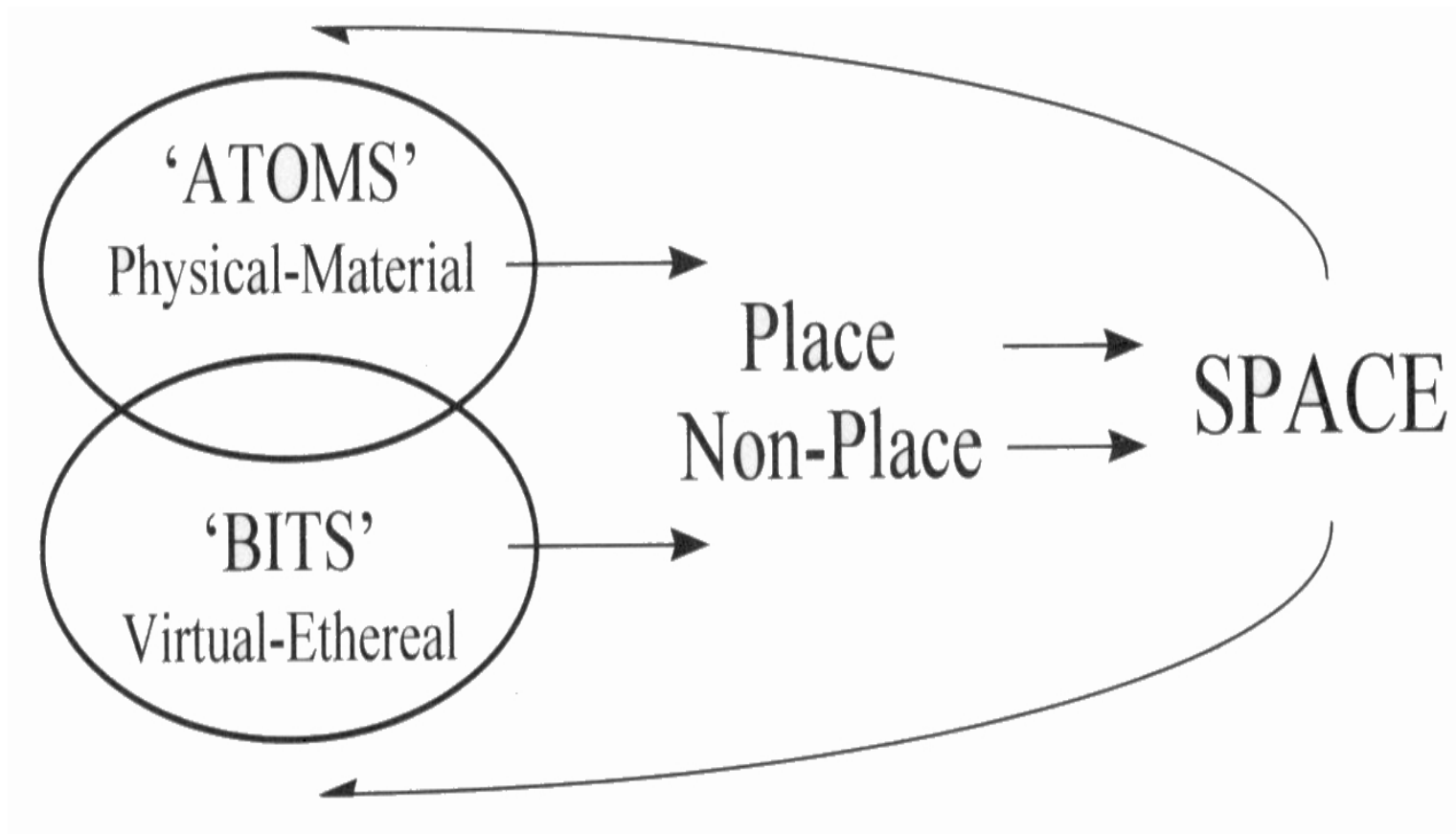
Third wave (information revolution) will bring these jobs back to the home.

Toffler: ... 'a return to cottage industry on a new, higher, electronic basis, and with it a new emphasis on the home as the centre of society.'

The electronic society is leading to a 'home-centred society'.

Over-representation in Internet-users of high-income groups, males, young people, high qualified people, employed people, white people.  
Bolt & Crawford, 2000: World White Web.  
Digital divide?

Figure 5. Geographical abstraction of physical, virtual and hybrid worlds



Homes and offices: nodes that bind the virtual and the real worlds. Fragmentation in the behaviour of people in time and space.

Zap culture.

Home: e-working, e-banking, e-learning, e-shopping, e-conferencing.

Home: centre of consumption and production.  
Fragmentation of time, fragmentation of space.  
People live and work in homes, second homes,  
hotels, conference centres, lounges.

**Table 3. Location of Internet access in Canada, September 1998**

<b>Location</b>	<b>Percent using Internet</b>
Home	26
Work	14
School	6
Other	7

Source: Harvey & Macnab, in: Janelle & Hodge, 2000.

Implications for the home: space for one or more computers with Internet connection, one or more TV's, fax, phones.

Extra room for work. Children's room: suitable for self-study and computer use.

80% of self-employed people in NL start up their business in their own home.

Demands on space, energy, sound insulation, lay-out, parking space.

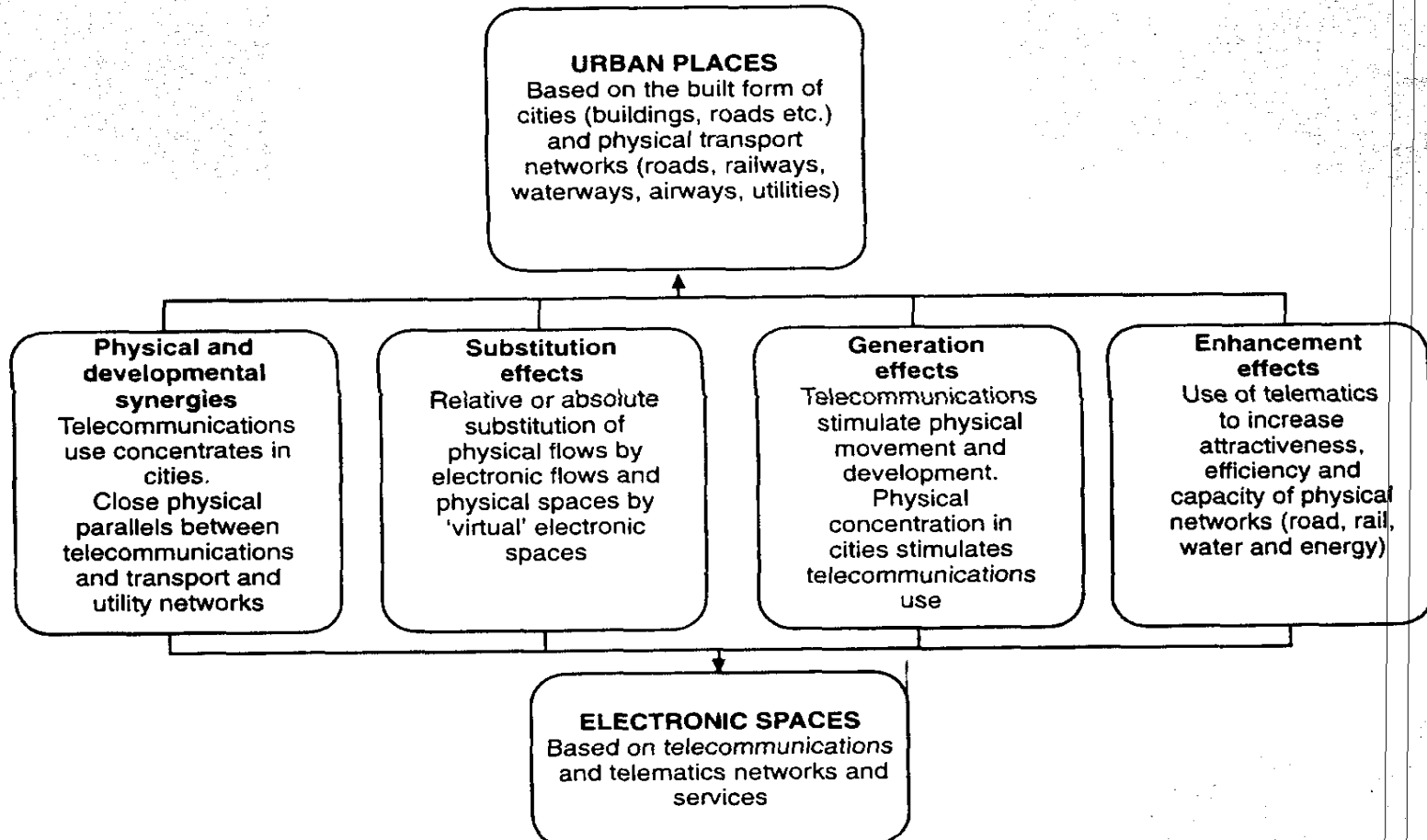
## 4. The impact of ICT on urban form

Three theories:

1. ICT makes business footloos
2. ICT stimulates spatial concentration of economic centres in a number of selected cities.
3. ICT stimulates urban networks or network cities.

Economic restructuring: growing disparity in incomes: 'disappearing middle' in urban labor markets.

Figure 7. Typology of relationships between 'urban places' and 'electronic spaces'



**Table 4. America's most wired-up cities. Top US cities ranked according to the percentage of population online (1977)**

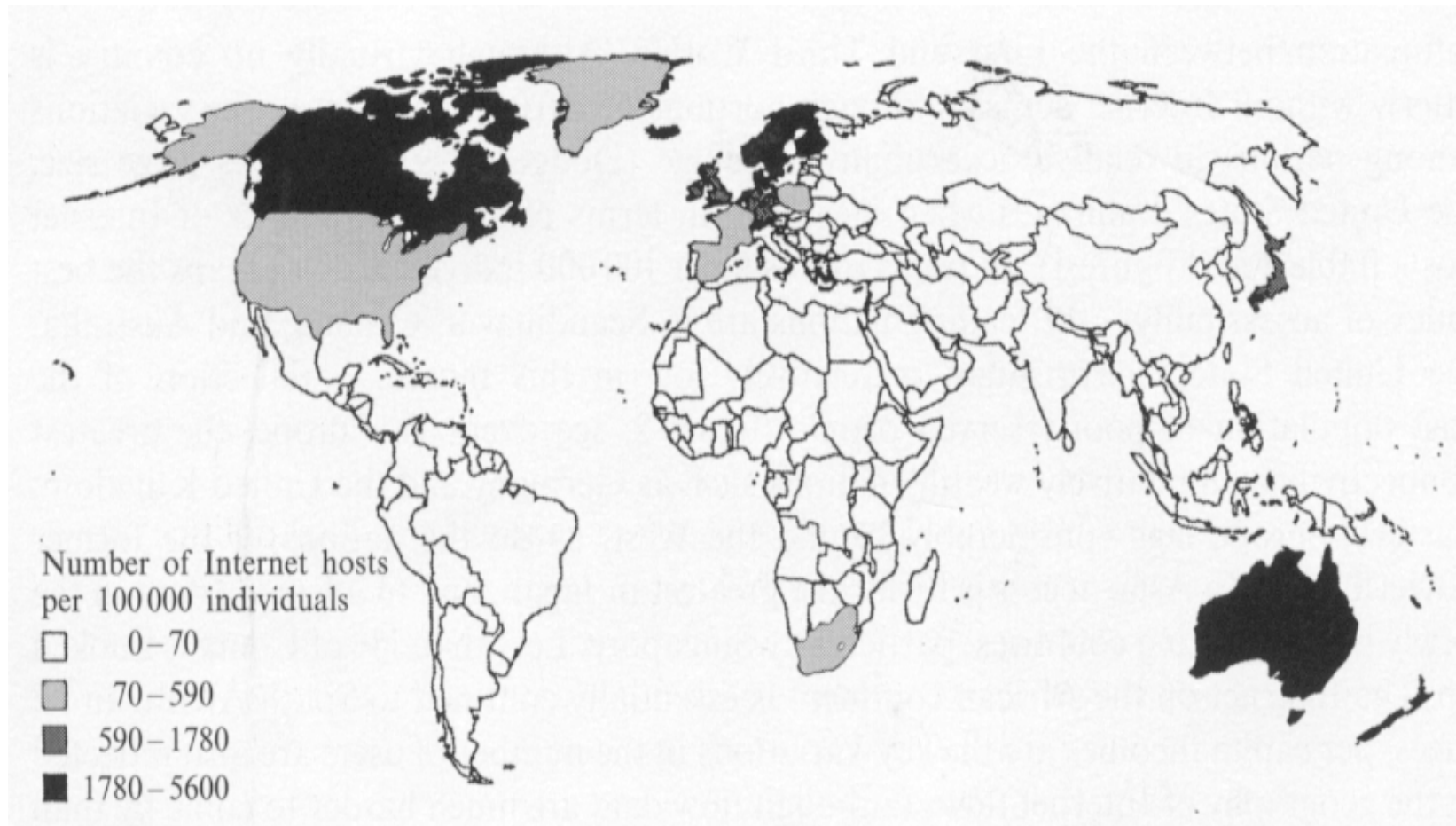
<b>Metropolitan Statistical Area</b>	<b>Percentage Online</b>
San Francisco Bay Area CA	72
Miami FL	67
Houston TX	65
Seattle/Tacoma WA	65
Washington DC	64
San Diego CA	64
Cleveland/Akron OH	62
Atlanta GA	61
Dallas TX	60
Philadelphia PA	60

<b>Metropolitan Statistical Area</b>	<b>Percentage Online</b>
Sacramento CA	59
Los Angeles CA	59
Chicago IL	58
New York NY	58
Phoenix AZ	57
Boston MA	57
Denver CO	55
U.S. as a nation	55
Detroit MI	52
Minneapolis/St. Paul MN	52
Pittsburgh PA	49

Source: CyberAtlas, Inc.

Moss & Townsend (2000): "Just as the Interstate Highway System transformed urban development in 20<sup>th</sup>-century America, the Internet will help shape urban activity patterns in the 21st century."  
Warf (2001): "Internet creates and reflects a distinct spatial structure interlaced with, and often reinforcing existing relations of wealth and power".

Figure 8. The number of Internet hosts per 100,000 persons, January 1999





Warf (2001): 'Low-income rural regions have replaced low-income inner cities as the least-connected places within the United States'.  
ICT stimulates the urban economy.

Urban planners must strengthen the idea of the network city and the urban network at regional level by:

- increasing the scope of urban planning beyond the city perimeters;
- integrating urban and regional planning;
- dealing with planning issues first and foremost at urban regional level, because of the increasing scale of housing markets, labour markets, and mobility;

- encouraging awareness of the pattern and logic of the green networks, water networks, traffic networks, and ICT networks that determine the optimal locations for new housing sites and business parks;
- strengthening the accessibility of urban centres and sub-centres;
- promoting the interoperability and interconnectivity of networks for both personal mobility and freight transport.

Changing relationship between city and countryside.

New geography.

Social change leads to spatial shifts. Huge consequences for government policy.

## 5. Implications for urban planning

Economic and urban transition has implications for the urban planner:

- the need to link different levels of scale: from local to global;
- the awareness of network relations, sometimes bridging long distances;
- the need to link different policy sectors in a multi-functional area development;
- the need to link public and private initiatives;
- the need to stimulate citizen participation and to leave space for consumer sovereignty.

Cities: more multi-nodal, at the crossroads of transport infrastructures and ICT-networks.

Urban planning in the future will proceed from the combination of projects in the development of urban and regional areas: multi-actor approach and multifunctional urban planning.

Spatial planning: promoting citizen participation  
consumer sovereignty

Generating alternative plans. Mobilizing long-term stakeholders to express their preferences and to make choices.

Major challenge for urban planners of Mega-City Regions.