

# Urban Physical And Social Preservation The Case Of Bologna, Italy

Nico Calavita

Until recently, the evolution of the American city was accepted as being that of continuous deterioration due to "white flight" from the city to the suburbs, and the subsequent occupation of their housing by the poor and recent urban migrants (Smith, 1971).

The underlying assumption of such a view was that suburban living is generally perceived to be more desirable than city living and that people, when able to choose, will move to the suburbs. Recently, however, it has become apparent that, although the city-to-suburbs movement continues, a counter "back-to-the-city" movement has started. The search is not for new housing in the city, but for older homes in need of renovation — preferably the attractive structures which once housed the upper class (National Urban Coalition, 1978).

Several factors have triggered the renovation boom: increases in energy costs favor close-in living and public transportation, and the continuous cost increases of new housing units make renovation more convenient; also, as the cities

*Nico Calavita is assistant professor in the graduate program of city planning at San Diego State University, San Diego, California.*

continue to lose manufacturing jobs in favor of jobs in services, a "cosmopolitan" lifestyle suited to young, mostly single, upwardly mobile professionals is becoming more accepted — a lifestyle which finds city life more "congruent" with its values (Michelson, 1970).

In addition to these factors, new developments indicate that city living and re-use of old structures will become increasingly attractive. For example, recent governmental activities, such as the newly-adopted Federal Urban Policy and the increasing popularity of tax limitation schemes at the local level will make problematic the funding of infrastructures necessary for new growth in the urban fringe. Conversely, central cities and older communities already possessing unused or underutilized infrastructures which, with some rehabilitation, can serve substantial development, will increase their attractiveness for growth (Jensen, 1978).

But "gentrification" — a term used by the British to denote the return of the "gentry" to the city — poses a serious threat to existing working class and ethnic neighborhoods. As the middle class find reinvestment in urban neighborhoods more attractive, land values and rents increase,

driving out present inhabitants to other less desirable city neighborhoods or to inner suburbs (Allman, 1978).

It should be remembered that displacement of inner city residents is not a new phenomenon. The expansion of the central business district, urban renewal, and the interstate highway system have contributed to the destruction of many areas in the inner city. The new threat is not wholesale destruction, but displacement of the original lower class tenants and owners by the upper and middle classes through economic, social and psychological aspects of displacement which are similar to those evidenced by Gans and others as a result of urban renewal (Gans, 1965; Fried, 1963).

Although the "back-to-the-city" movement has received much journalistic attention, there have been only few serious studies made of this phenomenon (Lipton, 1977; National Urban Coalition, 1978; H.U.D., 1979), and it is perhaps too early to judge if this movement is the beginning of a massive shift of affluent residents from the suburbs to the inner cities. In the long run, however, it is safe to assume that recent changes in the economy, energy availability and costs, government priorities and spending capabilities, will increase the competition for convenient, attractive neighborhoods, close to work and cultural and entertainment activities (Besser, 1978). The *Christian Science Monitor* in a recent editorial called "the displacement of the poor in inner cities as a result of the 'back-to-the-city' migration of middle income whites . . . what may well be the biggest urban issue of the 1980's."<sup>1</sup>

Recently, the press has also become interested in the problems of displacement in European countries.<sup>2</sup> In Europe, with a much longer tradition of appreciation for city life, low-income groups have been driven off the city center to the outskirts at different times, since the second half of the 19th century.<sup>3</sup> In the past few years, many European countries have experienced an intensification of the displacement of working-class people from the old centers, and many cities are "struggling unsuccessfully to devise a housing

program that will keep them from being displaced by the middle-class" (Kandell, 1978).

Although the State has attempted in some cases to mitigate the effects of laissez-faire in the housing market, both in the U. S. A. and in Europe, it has failed in its intervention to stop the displacement process, with one exception.

This paper is an analysis of that exception: the housing renovation program of Bologna, Italy, where working class neighborhoods located in the historic center (centro storico) — that part of the city built before the industrial revolution — are being renovated without the displacement of their population.

### Features of the Preservation Program of Bologna

Bologna has comprehensively approached its problems of the urban decay in some sections, of the displacement of the lower classes from the historic center, of the provision of housing at affordable costs, and of direct citizen involvement. Its philosophy, which has permitted a wholistic approach to these problems, is that the city is a public good, and not the arena for speculation and the enrichment of the few at the expense of the many. Thus, the city is returned to the people who live in it, organized in neighborhoods with real political power. The basis of the program is that "there is no conservation without social conservation" and that the speculative mechanisms which are now forcing those who live in the central city to move to the periphery should be stopped by a process of "social acquisition" of the city on the part of the populace (Comune di Bologna, 1969, 1972; Cervellati and Scannavini, 1973, 1977).

The first official plan for the historic center of Bologna was approved by the local Communist Administration in 1969. Previous master plans for Bologna, instead of protecting the historic center, had sanctioned the clearing of housing for widening and building roads and for the construction of office buildings, luxury housing, and expanding

the university campus (Cervellati and Scannavini, 1977).

The fundamental objective of the 1969 plan was protection of the historic center, not only in its outward forms, but also in its functional and social aspects. This was to be accomplished by locating those activities found incompatible with its social and physical fabric outside the historic center. If modern activities, especially of a "directional" nature, such as major banks or offices, were permitted to locate in the historic center, major pressures would be created to adapt the physical fabric to the new functions — by restructuring interiors of buildings while maintaining their facades intact, or by widening some streets to accommodate increased traffic. But even without physical alterations, the social, cultural, and economic aspects of the historic center would be lost by the addition of incompatible uses.

To help determine the uses compatible with the historic center, an architectural inventory and historical analysis was conducted by the city's planners. Four typological categories were established and compatible functions and activities were determined.<sup>4</sup> The typologies, established by considering the scale, function and physical structure of each building, included: (1) large buildings such as convents, churches and "palazzi" of the aristocracy; (2) minor buildings with courtyards, mostly the "palazzi" of the middle class; (3) small residential units which do not present common characteristics; and (4) rowhouses on narrow lots, repeated in series in particular neighborhoods that have housed artisans and workers since the sixteenth and seventeenth centuries.

The 1969 plan identified thirteen neighborhoods — mostly of the rowhouse type — characterized by substandard housing, lack of services and public facilities, a low-income, and declining population. Although demand for middle-class housing in Bologna has been very high in the past 20 years, displacement seldomly occurred in these neighborhoods. Rental units represented 80 percent of the housing

stock in 1968 (as compared to 69 percent for the entire city), and renters, primarily long-time residents, paid rents fixed at post-war levels and they were, at the same time, protected from eviction.<sup>5</sup> Buildings in these neighborhoods were to be restored and utilized to house the existing population, composed of elderly singles or couples, students, young couples, and working-class families (Cervellati and Scannavini, 1973, 1977; Comune di Bologna, 1969).

To insure a coordinated and functionally integrated restoration process, the 1969 plan mandated that intervention be carried out by block or combination of blocks. However, it never addressed specifically how this could be carried out nor the respective role to be played by the public and private sectors. The availability of incentives and grants, for use in restoring units by landlords who agreed not to raise the rents of existing low-income residents, was mentioned. Nevertheless, money for such a program was not available from the national or regional governments. Most importantly, by proposing to use incentives on one hand and restoration standards on the other, the city had to rely on the private sector's willingness to participate in the program. Clearly, the city lacked the authority — and the funds — to take a leading role in the preservation process. This opportunity occurred as a result of the Italian Housing Reform Act of 1971.

The act was passed after several years of confrontation between the government, labor unions, and other "progressive" groups which demanded that land speculation and its influence on urban development be eliminated, and that more and better housing be provided for the working class (Angotti, 1977). The Housing Reform Act permitted public expropriation of land at below-market rates, not only for the provision of new public and cooperative housing on the urban fringe, but also for the renovation of buildings in areas of historic value for *public use*. By arguing that public housing was indeed a public use (Predieri, 1973), the planners of Bologna utilized the new law to attain the power they needed to develop an

active role in the preservation of the historic center and its population.

### **The Housing Plan For The Historic Center**

A plan for the provision of low and moderate income housing in the historic center, called PEEP (Piano di Edilizia Economica e Popolare/Centro Storico), was presented to City Council in 1972. It proposed the public acquisition — on the basis of the 1971 Housing Law — of five of the thirteen neighborhoods first identified in the 1969 plan. The population of these neighborhoods was 5,500 which, according to the proposed plan, would be increased to 6,600. This increase was to be facilitated by restoring abandoned, structurally unsound units and by building — on areas destroyed during the war — 250 units to be utilized as “parking” housing, i.e. housing to which people could be moved while their units were being restored. The new housing, although built with modern technology and materials, was to follow strictly the typology of the existing rowhouses on narrow building lots. This included apartments of various sizes on the second, third and fourth floors. On the first floor, next to the entrance, a room or series of rooms was to continue to function as a workplace of artisans, artists, and shopkeepers. The purpose of the plan was social conservation, meaning not only the conservation of the existing population, but also of its economic activities and way of life. In addition, public facilities — especially parks and open spaces sorely missing in these neighborhoods, were to be provided. Linked to the elimination of private housing — seen as an obstacle to coordinated renovation, social conservation, and the elimination of speculation — was the concept of management on the part of the renters of the renovated housing organized in cooperatives.

This last proposal was in line with a longstanding tradition of citizen participation and involvement in the affairs of the city of Bologna. This tradition can be traced back to the middle of the nineteenth century, when fourteen mutual aid

societies with over 4,000 members existed in Bologna. It has continued to evolve through the years with the formation of cooperatives and workers’ organizations. Bologna was, in fact, the first city in Italy to decentralize its decision-making and administrative apparatus. In 1964, fourteen neighborhood councils, named by city council, were established in numbers proportionate to the strengths of the different political parties in each neighborhood. As we shall see below, these neighborhood organizations provided the arena for the change of those aspects of the housing plan related to the principle of collective ownership and management of housing.

After the renovation plan was publicized, property owners, large and small, reacted strongly against it. The local press launched a campaign to discredit the plan’s “revolutionary” aspects, which were seen as a threat to the concept of private property and, indirectly, to the entire Italian socio-economic system. General neighborhood assemblies were called, and renters and owners — in most cases both members of the Communist Party — clashed:

It could be said that one could witness, in the course of the assemblies, as the result of a town-planning scheme, a true ‘class struggle’ between renters and landlords (Urbanistica Informazioni, 1972, p. 7).

The Communist administration could have passed the proposed plan in its original form, but it chose to substitute the expropriation clause with the mechanism of the “convention” (convenzione), a contract between the city and property owners regulating the rents of existing and future tenants of the five neighborhoods in exchange for low interest loans and grants. The use of the convention is generally achieving the goals of the plan, but city control of the social destination of renovated housing will be lost when the conventions expire unless new measures are passed in the future. The convention was seen by the city only

as a mechanism permitting "within the present political-social reality a faster start of the entire operation," while the utilization of eminent domain and cooperative management was considered "in the long term . . . as the only way to renovate the historical center and give it back to its inhabitants" (Comune di Bologna, 1973:17).

The choice of the administration for a more moderate approach to the implementation of the housing plan can be understood within the framework of the Italian Communist Party policy at that time, i.e. promoting an alliance at the national level — the Historic Compromise — with the conservative, powerful Christian Democratic Party (Marcelloni, 1974). In fact, the modified housing plan was approved by mid-1973 with the abstention of the Christian Democrats, and a special commission, with representatives of all political parties, was formed to develop a convention model. While this was being done, the city had begun construction of new housing units and renovation of units it owned in the San Leonardo neighborhood. Funds for this first phase, approximately six million dollars, were secured from Gestione Case Lavoratori, a housing agency of the national government, the region, and UNESCO.

The convention model was finally approved in 1975. Rents were to be comparable to those of public housing, and depend on the duration of the convention (from 15 to 25 years), the income of the tenant, and the amount and type of financing obtained. If the apartment became free, the owner must rent to families that would qualify for public housing. Grants are awarded to owners of a single apartment lacking the financial means to participate in the renovation. When grants are awarded, owners have the right to live in the renovated apartments for the duration of their lives. The legal heirs have the opportunity to become owners if they reimburse the city for the cost of renovation in addition to inflationary increases. Another important aspect of the convention is the right of first refusal on the part of the city at a cost corresponding to the assessed value, usually slightly lower than the market value.

Many property owners have been reluctant to utilize the convention mechanism and to take advantage of the loans and grants program. Some of them — perhaps uninterested in owning rental units without the possibility of making large profits, and fearful of the possibility that at some time in the future the program might be changed to include expropriations at below market value — have sold to the city. More recently, however, some property owners have stipulated agreements with the city, and by the end of 1978 almost 40% of the buildings in the five neighborhoods included in the housing plan were involved in some stage of the renovation process.

The Bologna Preservation Plan has acquired new importance in light of the 1978 Fair Rent Law which was passed by Parliament in an attempt to equalize rents which varied according to the number of years that a tenant had lived in his/her dwelling. This new law is planned to take effect in stages to soften its impact on those families that have been paying rents fixed at post-war levels. After 1983, however, all rents will have been raised to levels established by the law (close to market levels). Further, evictions will be possible under certain conditions.<sup>7</sup> Rental levels are established only for housing, while other uses are exempt from control, making it more profitable to change residential areas to other uses such as office and commercial. Both side effects of the Fair Rent Law will contribute to the removal of the existing population from historical centers while benefitting real estate interests (De Lucia, 1977). On the other hand, as mentioned above, the preservation plan for Bologna establishes and controls functions and activities compatible with various building typologies within the historical center, and rent levels and tenancy within the 13 neighborhoods selected for restoration.

The preservation plan for Bologna has attracted considerable attention in Italy and the rest of Europe. The latest book by Cervellati and Scannavini (1977), planners in charge of the program, has been published in France where the problem of displacement, especially in Paris, is painfully acute. Several Italian cities — Ferrara, Brescia,

Como, Modena among them — have initiated preservation programs based on the Bologna experience.

#### **Significance Of The Bologna Preservation Program**

The residential displacement of low-rent working-class housing in inner cities is being intensified in both Europe and the United States as a result of recent changes in the production and consumption processes of capitalist countries. Displacement is only one aspect of spatial inequality which results from differences in resources among classes and among different areas, from the neighborhood to the international level. National governments have attempted to ameliorate and rationalize the problems of dislocation and high concentration of poverty in particular areas through various planning measures. Some countries have “managed to avert the most excruciating symptoms of malaise within their cities through the operation of the planning and welfare state” (Fainstein and Fainstein, 1978).

Although differences exist among Western countries in their efforts to absorb the social costs created by the necessity for capital accumulation on the part of the private sector, it would appear that they all share the same constraints: the state must perform its function of political integration without interfering in the accumulation process of the private sector (O'Connor, 1973). The state has also been excluded from profitable activity, and it has engaged in productive activity only in those areas where the private market cannot produce at a profit, as in the case of providing homes affordable to the lower classes. The provision of public housing is a good example of a governmental activity which promotes political integration — or legitimation, as Habermas (1975) has called it — without interfering in the accumulation process of the private sector.

Low and moderate income housing in Italy has traditionally been built beyond the periphery of major cities. Public housing programs have thus reinforced the tendency of the housing market to segregate lower economic groups, as they are

forced to move from southern Italy and other underdeveloped areas and inner city neighborhoods to the confines of the cities, areas often lacking the most basic facilities and infrastructures. The Bologna Preservation Program stands out as one of those rare government programs which has consciously interfered and posed limitations on the operations of the private sector in the urban land and housing markets.

The destruction of historic centers through the expansion of higher-level economic activities, the construction of high-rent housing, and the displacement of long-term residents to the periphery, was seen by the planners of Bologna as both cause and effect of the chaotic expansion of Italian cities, dictated by the forces of speculation and the logic of capital accumulation. Bologna's Program has been successful in altering that pattern of development “ . . . which considers man as the object of economic profit and not as subject of the development process” (Cervellati, 1970:18). It must be stressed that this requires both the political will and strength to challenge powerful and entrenched interests and their ideology in favor of the disadvantaged, i.e., in favor of the larger population. Albeit limited by the larger social, economic, and political context in which any local government finds itself, Bologna has demonstrated that the public sector can take an active role in the urban development process, and that physical preservation can be accomplished without the displacement of the existing population.

#### **Notes**

1. August 28, 1978.
2. For example: “Amsterdam Halts Decay in Center But Prices Workers Out of Area,” *New York Times*, June 11, 1978, by Jonathan (Kandell, 1978).
3. Several critics consider the modernization of Paris in the second half of the 19th century, wanted by Napoleon III and carried out by Baron Haussman, as the beginning of the trend toward the segregation of the lower classes to

the periphery of the city (Engles 1873, Benevolo 1967, Godard 1973).

4. Compatible activities include the University — which should be encouraged to expand in various sectors of the city instead of continuing to be concentrated in only one area — and other cultural activities, such as museums, libraries and art studios; handicrafts, personal services, small and specialized commercial activities; facilities for tourism, and administrative and bureaucratic functions.
5. Eight rent freezes have been passed by the national government since World War II creating a system with gross inequities among tenants (Angotti, 1977).
6. These neighborhoods are much larger than the thirteen neighborhoods identified for future rehabilitation in the 1969 plan. The historical center contains four neighborhood councils. Population in 1978 was 71,800 in the historic center and 407,000 in the remainder of the city, for a total population of 478,800.
7. As a result of the Fair Rent Law it was calculated that 200,000 Italian families would be evicted as early as April, 1979 (Corriere della Sera, January 14, 1979). As is often the case in Italy, Parliament has reacted to this social and political problem by postponing the eviction dates.

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