

THE URBAN PLANNING IN A NEOLIBERAL POINT OF VIEW: LESSONS FROM PORTUGAL

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Abstract

The State contraction is a process that was felt in the 90s of the last century through the modalities of concession and public-private partnerships in response to the deep financial constraints of public institutions either for investments either for the maintenance and operation of their services and equipment. However, the context of serious financial crisis we are experiencing since 2008, particularly in southern European countries, allowed to accelerate the reduction of the State's role without resistance than in previous years had yet been offered.

At the local level, this narrative has more precise and deeper aspects, and even areas considered untouchable as urban planning, because it considered that the conditioning of rights and the imposition of responsibilities on owners could only arrive from an entity with democratic legitimacy to eliminate or, at least, make arbitrary decisions an exception, maintaining all the time the public interest over private interest.

This communication aims to illustrate, in Portugal, the extent, forms and consequences of outsourcing multifaceted process of urban planning, which now escapes from the democratic legitimacy, which before was considered essential, making it more difficult to discern the separation between private interest and the public interest.

The Communication also contributes to the discussion of this process effects on the reduction of costs and public employment, the civic participation, the decision's legitimacy in urban management and the term effects of this change in the future of the territories.

Keywords: Neoliberalism, urban planning, legitimacy, urban management, Portugal

1. Introduction: “Neoliberalisms”

The finding that justifies this communication is that much has been changing in spatial planning policies but the economic, social and political consequences have not, in our view, sufficiently debated. The aim of this paper is, thus, contributing to feed this debate beyond to make a ranking of modalities in Portugal have been taken to dismantle the architecture of adopted planning system until a few years ago.

However, before changes in urban planning occurred other changes had already existed questioning the welfare state and the keynesianist state, removing them gradually from the economy and invading areas traditionally not "commodified". That instrument for the new capitalist relation in society is called “neoliberalism”. Harvey (2005) said that “neoliberalism is the intensification of the influence and dominance of capital; it is the elevation of capitalism, as a mode of production, into an ethic, a set of political imperatives, and a cultural logic. It is also a project: a project to strengthen, restore, or, in some cases, constitute anew the power of economic elites” .

It was between 1978 and 1980 which triggered the change with the convergence of events that took epicenter in different parts of the world:

- In 1978, China began its singular path of liberalization of the economy within a totalitarian regime, bringing the country a few decades after the impressive growth rates;
- In 1979, the US began a battle against inflation, regardless of the social costs that this would entail;
- In the same year was elected Prime Minister of UK Margaret Thatcher, with one of its principals objectives curb trade union power (especially miners);
- The following year it was the turn of Ronald Reagan was elected US president, and, with the president of the Federal Reserve, begin an intense process of reducing labor's power, deregulation of economic activity and increase the financial power.

This is why "Neoliberalism is, in the first instance, a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade. The role of the state is to create and preserve an institutional framework appropriate to such practices" (Harvey, 2005, pp. 2).

Deregulation, privatization, and withdrawal of the state from many areas of social provision have been all too common.

And it was in this way that neoliberalism came to the territorial planning.

2. The local government as laboratory

The logic of "Less State, Best state" relations between the sphere of public and private are central to the strategy followed in public administration in general and the municipal urban management in particular. The range of possibilities of these relationships is, however, tapered by convergence, both in form and content, the organization of the economic system and the need to compete in a global capitalist market (Jessop, 1997).

Therefore, and starting from this convergence, there is a double link:

- Among the validity of neoliberalism and the consequent need to implement a local administration "minimal", managing more than provisoro;
- Among private management as a solution to the problems of municipal urban management and the abdication of the "dictatorship" of public administration.

Neoliberalism thus appears as a viable, seductive and widely accepted solution to the "failure" of the welfare state and the contract of modernist city.

Against this background, and looking recognize the passivity and the slowness of the public administration, this seems bent on copying based business management models now in the 2008 "crisis" hangover are systematically undermined by the economic operators themselves. Some of the recent corporate failures and procedural - detected and disclosed - warn of the risks associated with breakneck attempt firms - such as municipalities - in being globally competitive.

Incidentally, one of the processes by which the Central State is planning to migrate to the minimal state is through the transfer of competencies to the local level. It is not, until now, to have a real business outsourcing is actually a change that could end up there. The program "Aproximar" (Approximate, in english), recently approved, plans to achieve this goal by promoting the extension of decentralization of powers of the Central Government to Local Government.

Local authorities are widely covered in the Portuguese Constitution. Therefore, there is the difficulty in analyzing through a quantitative perspective the effect of minimal state at the local level because the changes that are taking place, and will predictably occur, do not allow serious temporal comparisons when generate-systematic changes in skills that authorities have to meet. The evolution of functions (powers and tasks) based on successive powers of delimitation laws have been made mainly through transfers to the state-owned enterprises; transfers to the private sector (out of the public sphere); and transfers from central to local level.

Figure 1 only want to portray the alternatives that have been studied and tested, at least since the end of nationalization.

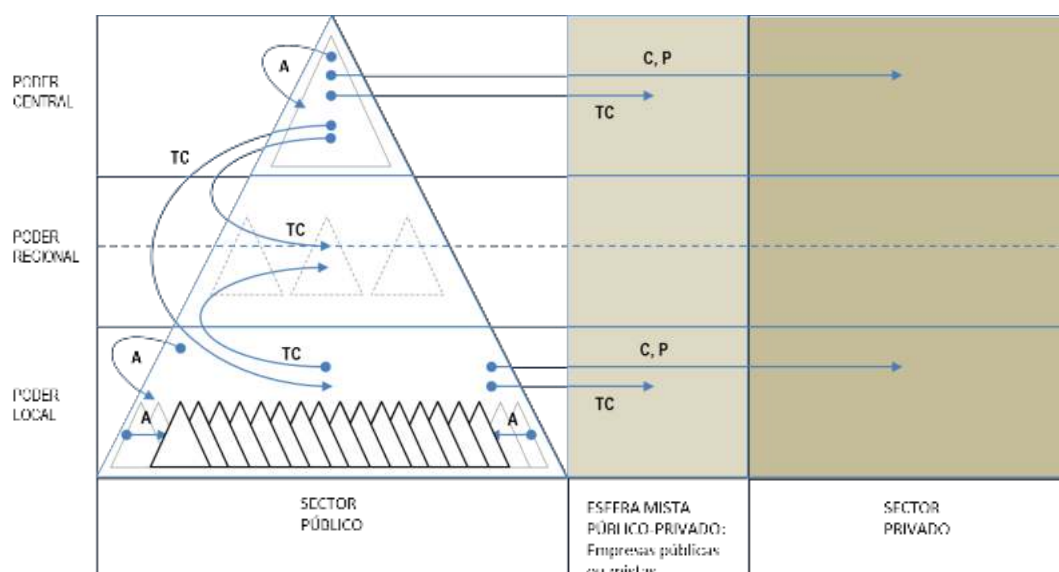


Figure 1. Types of Reconfiguration of the Public Administration

Legend: TC- Transfer of Competences; P- Privatisation; C- concession to private sector; A- Joining services and / or local authorities or, in the complementary sense, creating new and subdividing.

The rescaling, ie, the adjustment of the state machine with their real capacity, this process can happen both at the administrative level, the applied levels of local government, as the sectoral spreading to more and more areas of activity once secured exclusively the public sector. The basic principle is, maintaining the statutory task, finding less expensive ways to provide the same social responses.

Ferrão et al. (2014) referring most matured process, as with the Big Society in UK, confirm that exists, in the short term, public expenditure decreases when transferring state level services to the private sphere but in the medium term "the transfer of responsibilities to local authorities, communities and individuals, who in most cases lack the financial and human resources and faced with a framework of strong reduction of public support, puts them the burden of having to look for new sources of financing "(p. 175).

Another indelible mark of neoliberalism is trying to make this invisible administrative process for participation and discussion where the deconcentration and decentralization are imposed and justified by the imperative of fiscal restraint: "Started a new municipal cycle, the government should not let isolated reform of parishes, and should open a dialogue with the National Association of Municipalities, aiming at: the institution, preferably with as

much as possible cross-party consensus, a process of reform of open and continuous municipalities, which facilitates and promotes its aggregation; prepare new Central Administration skills transfer process for municipalities and intermunicipal entities: "(...) The program "Approximate", in progress, will help consolidate this ambitious decentralization process. Without prejudice to other areas to be identified by that program should be able to be considered transfers in areas such as education, still under central responsibility, local health services, development contracts and social inclusion, culture, participation in public service network services the State, transport and traffic policing (...)" (Governo de Portugal, 2013).

Incidentally, this imposition occurs not only between different levels of government and between horizontal levels between the various ministries, as can be seen in the ongoing process of rationalization of the supply of equipment, where everyone acted so completely oblivious to what others were cuts also do. It is the effectiveness and economic efficiency to command the transformation of the territory, which can not be denied their relevance would have to be combined first with the various players and later in their relationship with "justice, cohesion and social and territorial development" (Ferrão, 2013, pp. 185).

Analyzing the different laws that defined the reconfiguration skills of Local Government, we can see there has been a cycle of about 15 years on relocation and refinement assignments over time to lower levels of the hierarchy of power going against the satisfaction of the subsidiarity principle. However, the transition of responsibilities to the municipalities no match in funds raises the aggravation of the problem of local finances and correlative strategies to address it.

In the Portuguese case, for now, are 29 municipalities that have a debt higher to three times the average of the current net revenue in the last three years and, therefore, are forced to use the Municipal Support Fund approved in 2014. For the 23 municipalities whose debt is between 225% and 300% the feature is optional required getting the same to adopt a financial recovery plan. It is understood, so the temptation to look at the municipal level to outsource services traditionally offered by the public sector but with the risk that, over time, to check the worsening financial situation because they were not evaluated all the consequences of those decisions. It is, moreover, why Peck (2004) states "the financial crisis of 2008 and the wave of municipal insolvencies que have occurred in its wake have thrust a new generation of 'model cities' into the spotlight" (p. 36). Emerged already emblematic cases of cities where there is an almost complete privatization of municipal services.

3. Spatial planning in a dangerous times

Spatial and land use planning are the answer to "the problem of coordination or integration of the spatial dimension of sectoral policies through a territorially-based strategy" (Cullingworth and Nadin, 2006:91). But spatial planning is also the result of the application to the territory of a wide-ranging set of values of a specific society in a specific moment in time, as many authors have shown, both from a positive perspective (Alexander et al., 2012; Friedmann, 2011; Davidoff, 1965; Harper and Stein, 2006) and from a more critical viewpoint (Fainstein 2010; Yiftachel 1998).

In this historical and social trajectory between the definition of rules and the perception of the difficulties involved, awareness of the need for change does not emerge during the tendentially conservative planning process (Alexander et al., 2012; Santos, 1998; Moroni, 2010), but in the moment in which the inefficiencies, perversities and inadequacies generated by the process become intolerable (McClymont 2011). Spatial planning thus reveals itself as the imposition of a socio-spatial order that is continually challenged by the tensions it creates for the various stakeholders involved.

But these questions on the principles and processes of spatial planning have not emerged out of the blue. The world has been marked, albeit unequally, in recent decades by the passage from a regulated economic and financial system to a different form that is highly flexible and in which the states' power of control over financial processes is greatly reduced. These financial processes in turn take on the role of influencers of policies (and politics), society and the economy (Harvey 2000, 2010; Jessop 2008; McCarthy and Prudham 2004).

This generalized change has manifested itself in various areas and spatial planning has not been an exception. The linear and pre-determined future proposed by the rationalist paradigm has lost credibility and, with it, the spatial planning that was associated with it, understood as a process that was continuous (development, execution and assessment) and cyclical (restarting at the end of the period of validity or due to structural changes in the objectives or the context) (Pereira, 2009).

The shift away from a Keynesian social model to a Neoliberal model that has been abundantly characterized elsewhere (Harvey, 2013; Waley, 2013; Kamel, 2012; Albrechts, 1992) is reflected, in spatial planning terms, in the changes in terms of the content, methodology and objectives of planning instruments (Sager, 2011; Prato, 2007).

Thus, it is common to find references to the current weaknesses of the public regulated spatial planning system and the emergence of trends that seek to reformulate it. Lovering (2010) very clearly stresses that the “‘Neoliberal turn’ was reflected in, and in turn encouraged by, the reinvention of planning as a service to special interests, especially property owners and boosterist politicians. Discursively, this led to a new orthodoxy focused on the vacuous (but politically useful) concept of ‘competitiveness’” (Lovering, 2010:1).

There would thus seem to be no doubts that land use management that once derived from rationalist, technocratic and regulatory planning (McLoughlin, 1969; Faludi, 1973) is today subject to enormous pressure as a result of the diminished role of the State in relation to the power of employment and competitiveness that is only guaranteed, in the Neoliberal view of things, by the market and the private sector (Pereira, 2009).

This increased competitiveness is essentially achieved by bypassing the traditional planning processes, which are considered too rigid and formal, in order to achieve better capital turnover rates (Peck, Theodore, and Brenner 2010). There thus begin to merge more clearly the principles of change, first and foremost the idea that planning should be a circular (continuous), participative (open) and prospective process (the future as uncertainty and construction) (Fernandez-Guell, 2006).

In the following the three principal sets of strategies that have been developed to achieve this are identified:

- i. due to limited resources, there is an openness on the part of the public system to the possibility of developing some planning instruments with the active participation of the stakeholders, both in terms of financing the processes and conducting them (Moroni, 2010; Waley, 2013; Lovering, 2010), whilst requiring compliance with all the legally imposed rules and, in particular, the monitoring, appraisal and approval by the relevant public authorities;
- ii. the development of instruments for spatial and sectorial planning that are not regulated by any legal framework. They are therefore not subject to any rules other than those defined by the developers and partners. Given these characteristics, it has become common to refer to this trend as alternative planning (Ferrão 2011; Gonçalves 2010). Indeed, the restrictions applied by the classic spatial planning process, which is very much marked by the capacity for leadership and realization

by the public sector, has rendered it necessary to come up with alternatives expeditely and, at the same time, to bring to this new context the stakeholders that can conduct it and, more importantly, implement it. Strategic plans are perhaps the instrument that best illustrate this form of “tailor-made” planning by the partners involved in their development, but several others can also be identified (De la Espriella, 2007; Todes, 2012). In this process usually exists, beyond stakeholder’s involvement, an intense citizen participation to inform, validate and legitimize the Plan. Throughout its implementation by stakeholders the community should be informed of the degree of implementation of the Plan and there are regular public sessions for Strategic Plan monitoring and evaluation.

- iii. the increased incorporation of the strategic component in spatial planning carried out by public authorities, which now also has increased legitimacy by means of a process of consultation and participation of the agents of change in diverse areas of local life (Albrechts, 1992, 2006, 2012). This is a hybrid spatial planning model in which the general principles of the development of strategic spatial planning instruments (particularly with regards to their methodology for defining targets and the discussion and perfecting of them together with the local private, associative and public stakeholders) are retained. Citizen participation in spatial plans is usually confined to special moments (before the beginning and end of the plan) although there are cases where municipalities lead the discussion of the strategy to the inhabitants. It announces the transition from a hard planning process (one that is very regulated and centralized) to a soft planning process (i.e. consensus-based and agilized).

We must call attention to that between ii. and iii. there are very important differences that can never be undone. Firstly, because the strategic plans are indicative only, depending on its implementation mainly on the willingness of its promoters. In the case of spatial planning their rules have to be strictly respected because it is binding. Secondly, strategic planning can only be achieved over a wide time scale (15, 20 or more years) through a good and sectorial integration (social, environmental, territorial and economic) supported by local and sometimes regional and national stakeholders. In spatial planning we can not see this dynamic because it is traditionally a more passive process. Finally, a very important difference relates to the obligation to draw up the special plan unlike the strategic plan that is optional. Therefore, in the absence of a strategic plan to support the spatial plan is very important to strengthen this strategy.

The tensions that generate change, the principles that characterise that change and the forms it takes seem to configure the emergence, in Healey’s (1997) view, of a systemic institutional design for collaborative planning where it is possible to integrate the role of the stakeholders (soft dimension) into the already existing formal planning system (hard dimension).

For this reason it is likewise necessary to take into consideration the practice and legitimacy of governance, which is understood as a set of mechanisms and relationships between public and private entities and associations capable of generating and managing policies and actions for the territorial context (Asher, 1995). It is evident that the openness of the public bodies and the level of development and commitment of civil society will have an effect as to the difficulty or ease of applying this more cooperative system.

With the affirmation of neoliberalism being reflected in the growing commercialisation of all aspects of daily life (Luxton & Braedley, 2010), a trends that goes hand in hand with a corresponding reduction of the State’s role and its influence and decision-making role, matters related to the involvement of citizens in the decision-making process have also undergone change.

However, problems began to merge in organising the pillars of participatory democracy, given that civil society had become apathetic over the lengthy period in which the role of the State was dominant. When participatory democracy finally developed, it ended up not generating the desired effects (Swyngedouw, 2010 and Swyngedouw, 2011). In the case of the collaborative planning paradigm the literature has highlighted how Neoliberalism has made use of this situation to “maintain existing power relations, protect market-centric state agenda, annul possibilities of counter-hegemonic developments and therefore consolidate the current post-political condition of neoliberal governance” (Roy, 2015:59).

A weakened and pliable State and easily manipulable public participation, even if the latter maintains the outward appearance of a credible instrument, are the perfect context for guaranteeing maintenance and even strengthening the hegemonic power held by Neoliberal entities, both public and private (Swyngedouw, 2009).

Things such as public-private partnerships, urban governance and involvement of residents have come to dominate spatial planning processes, becoming a way of agilising the realisation of investment and spatial transformation plans, leading to the emergence of the romantic idea of a side-by-side approach instead of bottom-up processes (the interest-free and collaborative convergence of all stakeholders). This has enabled large-scale urban projects to effectively circumvent the formal planning system frequently and escape the tight control over spatial planning and the public and political scrutiny that the planning process would require (Swyngedouw et al. 2002). The problem has been that the methodology applied for the involvement of the public has steered towards assuming deliberative capacity. Cases of participatory budgets would seem to indicate a move in this direction (Fung, 2006).

This situation demonstrates that collaborative planning and its new rules, by partly replacing representative powers derived from the electoral process, only appears to empower people to make decision on their everyday spaces. In reality, however, it has proven to “not only [be] incapable of resisting neoliberal hegemony, but can potentially help reinforce it” (Roy, 2015:60).

These trends have been accompanied by other trends taking us in the same direction. The growing importance of informal planning (Gonçalves, 2003; Ferrão, 2011), which includes, by way of example, strategic plans for cities and municipalities, is explained by an also growing difficulty on the part of spatial planning to respond to the galloping demands of investors seeking to accelerate their capital turnover, which so frequently gets stuck in the red tape and constraints of the formal process.

This is a time of the assertion of financial might and the weakening of public powers. This is a time of a shift from a Keynesian economic model to a Neoliberal model (Kamel, 2012; Albrechts, 1992, Harvey, 2013; Waley, 2013), with the corresponding impacts on the contents, methods and objectives of planning (Sager, 2011; Prato, 2007).

This development manifests the current deficiencies of the planning system and the emergence of forces aimed at reformulating it. Lovering argues that Neoliberalism has brought about a reinvention of planning in the service of special interests – in particular those of investors and politicians. The focus has more or less always been on the private sector, but the new Neoliberal wave has also affected the public sector, which is reflected in the multiplication of municipal companies and other corporate forms to carry out, with supposedly greater efficiency, what was once public or state responsibilities, the main consequence of which has been the loss of public control of spatial transformation.

In the public discourse, this reinvention has led to the emergence of a new orthodoxy focused on the politically useful concept of “competitiveness” (Lovering, 2010).

There would seem to be no doubt that traditional rationalistic, technocratic and regulatory land use management (McLoughlin, 1969; Faludi, 1973) is today subject to a great amount of pressure as a result of the diminution of the role of the State vis-à-vis the power of job creation and competitiveness, which can only be guaranteed, according to the Neoliberal point of view, by the market and the private sector (Pereira, 2009).

This competitiveness requirement is met by circumventing the traditional planning processes, which are deemed too rigid and formal (Peck et al., 2010). The signs of change then emerge more clearly in the form of the idea that planning should be continuous, participatory and prospective (Fernandez-Guell, 2006).

We are thus heading towards a post-political or post-democratic scenario, where collective interests can be better protected through new forms of urban governance (Mouffe, 2005). For this reason one can easily argue that whilst “debate and disagreement is possible within these post-political/post-democratic governance arrangements, they operate (without questioning) within the given hegemonic socio-political and economic context” (Roy, 2015:61).

This consensus around the much celebrated economic growth, supported by a growing number of local governments oriented towards entrepreneurship, job creation and competitiveness, has led to this paradigm of post-political urban citizens being able to establish itself without much resistance (MacLeod, 2011).

4. Urban planning at a local scale

4.1. General framework

Both in Portugal and in the European Union the local expenditure weight in relation to total public expenditure keeps on average virtually unchanged in the last five / six years being the difference between the weight of this expenditure in Portugal (around 15 %) and the EU (around 24%) also keeps unchanged since 2007. This measure, not telling us anything about the transformation process at local stresses, however, the degree of departure from the Portuguese reality in the face of European and, in particular, the difficulty of national authorities cope with assignments that do not walk away from that exist in Europe but with far fewer resources.

One way we tried to organize the municipal action was by externalization via local business sector. After a huge boom in structures of this nature, the weight of services and/or given competencies to municipal services and/or municipal/intermunicipal services companies has decreased very significantly in the last five years.

In late 2014, the number of these entities will be substantially 30% lower than in 2009 (less 100 entities). The most significant reduction there is in local companies of which were dissolved in 2013 and in dissolution process 67 entities. The lack of profitability of these entities and the proliferation of cases where not treated more than financial engineering processes to subtract the control of municipal assemblies surveillance of some investments and expenditures led to the bankruptcy of this idea.

In fact, the difficulty of adjustment is evident in Figure 2 where the sharp fall in employment in the central public sector has not matched pattern identical on site sector where the decrease is very slight or when we focus on the amounts (Table 1). The multiplication of municipal companies and other bodies not served to shrink, in fact, local governments being many of these workers on mobility schemes.

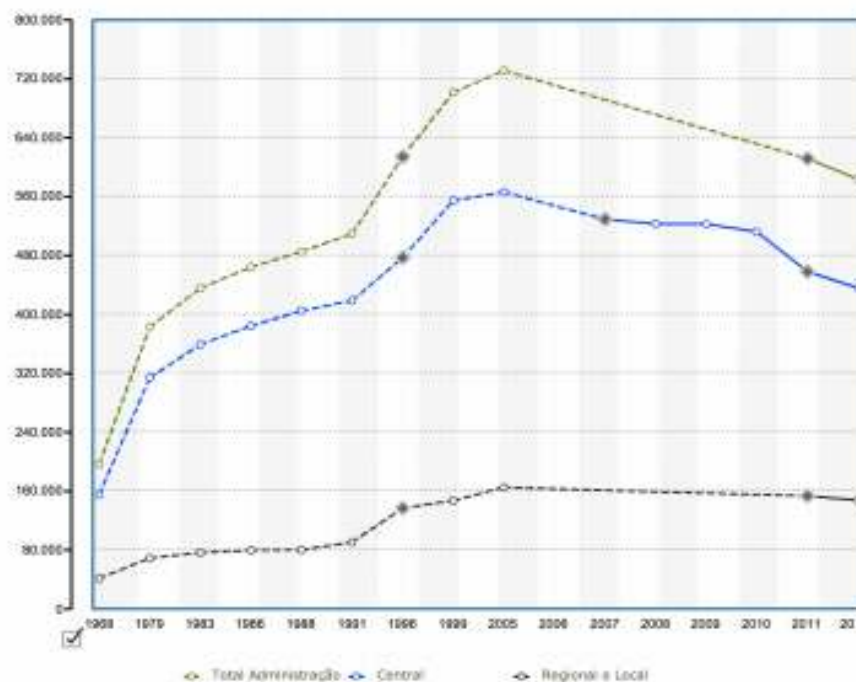


Figure 2. Evolution of public employment in central, regional and local government
Source: Pordata (2013)

Table 1. Current and capital expenditures in the central administration

	Despesas correntes					Despesas de capital			
	Total	das quais				Total	das quais		
		Despesas com pessoal	Aquisição de bens e serviços	Juros e outros encargos	Transferências para freguesias		Aquisição de bens de capital	Transferências de capital para freguesias	Outras
Portugal									
2000	2 794 480	1 394 397	1 288 112	59 767	64 270	2 477 043	2 153 380	136 763	182 286
2005	4 056 378	1 955 825	1 384 294	102 815	115 828	2 749 145	2 301 256	182 277	246 492
2006	4 223 433	2 029 672	1 421 601	129 395	103 432	2 385 211	1 993 444	118 955	236 308
2007	4 595 746	2 075 006	1 626 900	182 481	116 268	2 393 495	1 990 876	124 315	256 170
2008	4 932 136	2 154 478	1 782 719	224 735	127 292	2 558 468	2 089 509	147 316	277 857
2009	5 260 870	2 397 839	1 859 620	189 195	135 397	2 598 602	2 065 336	182 872	250 408
2010	5 037 017	2 451 019	1 731 123	104 681	132 176	2 227 304	1 782 319	129 674	247 425
2011	5 032 643	2 365 017	1 789 426	141 517	135 274	2 042 387	1 670 162	115 234	219 944

Source: INE, 2013

The fact is that the delay in implementing the reduction in public employment has not made impossible the contraction in spending (by imposing new limits on municipal debt and a reduction of the wage bill) and the increase in revenues from new taxes, new values to existing rates and even the very slight decrease in revenue from existing taxes and that accrue to the local authorities. It is noteworthy that since 2008 (the year associated with the beginning of the "crisis"), and despite a marked decrease in urban dynamics (urbanization processes, licensing of buildings and real estate transactions) taxes derived from real estate (property taxes (IMI) and Council Tax Transactions (IMT)) hardly decreased. The justification for this apparent contradiction lies largely in the recent review process of these taxes has meant a gradual increase in their nominal value.

This indicates the distance between two processes in the Portuguese Municipalities: the reconfiguration of the skills intended to be accelerated and the reconfiguration of the funding

system that remains unchanged since it is evident, even in a deep period of low activity related the universe of "construction", which own revenues continue to strongly result from this universe. This growth in expenditure on goods and services in the municipalities in financial contraction period can prove lack of resources and internal expertise to perform some of the tasks. Clearly the universe well beyond the urban field but this will also be one of the net contributors.

4.2. Outsourcing in territorial Planning: Causes and modalities

If so far only sought to establish a global framework for transformation of the state to the local level, is justified at this point a similar breath of reflection for urban planning. And in fact, dismantling the structure of the municipal urban and regional planning has undergone a remarkable set of loose but usually convergent strategies in its effects:

Human resources structure. The structure of municipal human resources and especially their poor qualification in the field of urban planning does not allow them to start properly carrying out studies and territorial plans and even assess and monitor their performance. Even in the case of larger municipalities is often this be done by outsourcing this kind of specialized work;

Outsourcing services. It occurs for the reasons stated above and for other reasons specific times. This hiring plans and projects to outside entities is a practice that does not expand the staff but implies gains and losses: can be achieved effectiveness in achieving and external incorporation of knowledge but at the same time does not contribute to the development internal skills and not allow a sufficient degree of monitoring of the work of external teams;

Development of instruments and studies by stakeholders. The law allows individuals, interested in urban development in a given area (or even in urban regeneration processes), producing, in compliance with the current regulations and under monitoring by the competent authorities, the IGT and necessary studies. This question incorporates large areas still poorly defined because the respect for the rules does not mean immediate respect for the collective interest and the monitoring of consistency is very dependent on the available resources;

Preparation of informal planning studies. The preparation of studies and tools that do not directly affect the materials of urban management but have on it a significant effect determines the creation of an informal system of planning and management. And these effects are mainly one-way, ie, urban planning is only designed to conform with the strategic, economic and political guidelines, stripping it of the role it once had in municipal management. These non-formal documents for its specificity, importance to the sound advice of private investment and to ensure compliance with planning tools (often supporting applications to obtain EU funds) are often acquired externally to ensure more experienced teams and better results. May have the consequence of not internalize an important competence with direct influence on the efficient execution of plans especially when it is intended to guide private action;

Urban Management Companies. These municipal enterprises were created locally to accelerate the model of economic growth and social development, considering that when undertaken directly by the local administration did not provide the best answer to the needs of urban management (urban cleaning service, public green spaces maintenance, etc.). A major problem is their type of management that has so far generated, in general, huge financial problems even using the human and material resources of the municipality.

Primeira falência de uma empresa municipal abre porta a novos casos

LÍGIA SIMÕES E PAULA CRAVINA DE SOUSA
13 Mar 2015

Tribunal de Amarante decretou a primeira falência de uma empresa municipal. A Câmara de Paços de Ferreira, que detinha a PFR a 100%, não vai assumir a dívida.



Está em curso o primeiro processo de insolvência de uma empresa municipal, abrindo um precedente no que toca à

Figure 3. Recent news (March 13, 2015) about the bankruptcy of an urban management company Paços de Ferreira

Society of Urban rehabilitation Companies (SRU).

When a company of the local business sector has as exclusive purpose the urban rehabilitation operations management adopts this designation. The DL 104/2004 of 7 May and the Law 32/2012, of August 14 makes it clear transfers of municipal competencies for a business entity of the local sector of the urban licensing processes in areas subject to urban renewal and even enforcement of the obligation to rehabilitate and enforcement works, among others.

The transfer of powers of this type and in this way could then move on to a different scale city which can not in itself negative. The role of SRU turns out to still exceed the legal texts to take, as stated Silva (2007), that "urban renewal is an urban policy that seeks the rehabilitation of the existing city, developing multiple intervention strategies, which give rise to a set coherent actions and programmatically, aimed at maximizing the socio-economic, environmental and functional values of certain urban areas, in order to raise the quality of life of local residents, improving the physical conditions of their building stock, habitability levels and endowment in community facilities, infrastructure, facilities and public spaces. "For this works by using Base studies that are not foreseen in the legal framework and eventually justify the delimitation of areas of priority intervention, the methodology and the means to be called for that purpose.

They are therefore both diagnostic instruments and norms. The depth of this diagnosis ends up legitimizing "intervention strategies that can encompass several aspects from the definition of housing types to develop, to identify potential partners, through the definition of target markets and the level of infrastructure needs. These studies base takes different forms and is sometimes the responsibility of the SRU's own, sometimes from outside entities hired for this purpose "(Floret, 2009).

Remind also that these entities can hire the procurement of goods and services will therefore be to admit that the licensing process can be awarded to private entities.

Intermunicipal communities (CIM).

The article 81 of Law No. 75/2013 of 12 September establishes the tasks of the Intermunicipal Communities. Its objectives also make clear its relevance in these matters addressed here: "The intermunicipal communities are for the pursuit of the following public purposes:

- a) Promoting the planning and management of economic development strategy, social and environmental dimensions of territory covered
- b) Articulation of municipal investment intermunicipal interest;
- c) Participation in the management of support for regional development programs, particularly in the context of the NSRF;
- d) Planning of actions of public authorities, in supra-municipal character"

Almost all assignments have a direct or indirect involvement in territorial matter and urban as it is for the intermunicipal communities ensure coordination of actions between municipalities and government departments in the following areas:

- a) public supply networks, sanitation facilities basic treatment of waste waters and municipal waste;
- b) Network health equipment;
- c) Network educational and vocational training;
- d) land use, conservation of nature and natural resources;
- e) Security and civil protection;
- f) Mobility and transport;
- g) equipment procurement networks;
- h) promotion of economic, social and cultural;
- i) Network of cultural facilities, sports and leisure.

POLIS Societies

The Polis Programme - Programme of Urban Rehabilitation and Environmental Improvement of Cities - was created by the Ministry of Environment and Spatial Planning in 2001. Its main objective is to improve the quality of life in cities, by performing a set of urban redevelopment and environmental enhancement operations, developed based on partnerships between local authorities and central government.

The idea was fundamentally expedite rehabilitation interventions and rehabilitation of public spaces in various aspects including the riverfront, which typically involve different types of actors, negotiation, different degrees of commitment and fundamentally urban redevelopment projects.

It is recognized the diversity and persistence of the program (taking up various legal settings) watch out immediately in the design of purpose: "The Polis Program aims requalify Portuguese cities ... on partnerships between city councils and the state. Not intended to be an instrument to solve all environmental and urban problems, Polis has been designed to have a demonstration effect of what you need to change and simultaneously provide a local and regional development engine, consolidating and strengthening the National Urban System".

Assuming the goodness of the Programme purpose is nonetheless symptomatic that they are framed in a specific way and confined to specific territorial areas and not common denominator to all the urban territory. Moreover, the fact has become necessary to achieve these purposes, the application of a set of exceptional regimes thus making it clear that there, at that time, two urban management schemes, "the Polis territories" and "others."

These "territories Polis" were constituted a set of enforcement tools based mainly on two vectors: the public-public partnerships and the empowerment of territorial planning and urban management of these "territories" from the rest municipality:

Urban Intervention Instrument - it was decided that the urban redevelopment would be preceded by a Strategic Plan, and made through Urbanization Plans, or Detailed Plans.

Business Instruments - generally were created entities with legal, constituted with the majority interest of the State and the participation of local authorities involved.

filing Instruments with the municipalities - essential in order to substantiate the relationship between local authorities and central government MAOT.

structure and management tools - creating a dynamic structure and monitoring of the Polis Program, known as Office Coordinator of the Polis Programme and working in parallel to the internal services of municipalities.

legal instruments - were created a set of documents necessary for the smooth implementation of the program and thus created an exceptional regime.

Potential projects of National Interest (PIN).

As the Polis program, also called PIN initiative on (national interest projects) laid the design and implementation in structuring a regime that has a direct impact both on territorial planning and urban management at the local level.

the PIN of the case is a special case where the Central Administration avoca to you, (instead of Local Government) the power to assess and authorize a certain private initiative investment, for obvious national interest, which runs out to the materialization investment. Although outsourcing to private projects of interest to which it is also recognized an alleged national interest has limited duration territorial consequences at the local level can have on very long-lasting rule;

Given this analysis and survey it is legitimate to consider that we can find three types of outsourcing situations of central government services (Figure 3):

i. Timely Outsourcing services

The production / delivery of the good or service is outsourced planning for the private sector or other levels of administration for a short period or too short by contracting it can, however, be renewed; PIN is a special case where the Central Administration avoca to you, (instead of Local Government) the power to assess and authorize a certain private initiative investment, for obvious national interest, which runs out to the materialization investment. Although outsourcing to private projects of interest to which it is also recognized an alleged national interest has limited duration territorial consequences at the local level can have on very long-lasting rule;

ii. outsourcing extended

Outsourcing skills for mixed entities, whose justification is based on the complexity of the project and the need for agility. It can be prolonged, depending on the nature of the projects in question, but it is not permanent (POLIS, SRU);

iii. permanent outsourcing

It is an externalization of responsibilities to public bodies, municipal or possibly supra-local for the purpose of more operational management (in the case of Municipal Services) or articulation of actions and investment, lasting which is expected very prolonged or even permanent (CIM) and is equivalent in practice to an effective transfer of skills.

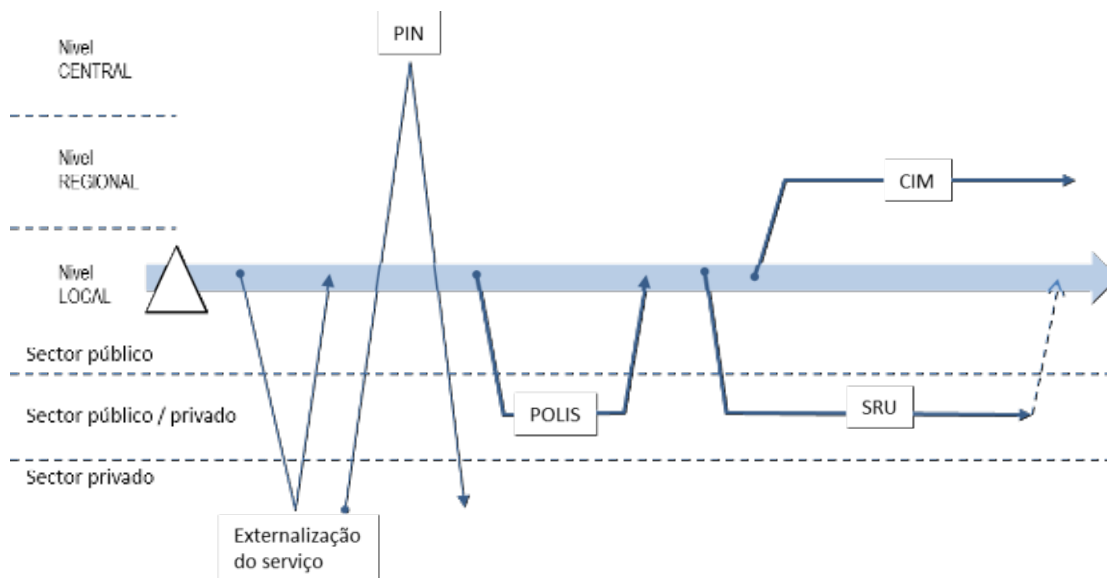


Figure 3. Outsourcing arrangements and respective territorial levels

5. Conclusions

Outsourcing is here seen as the key brand of neoliberalism presence in territorial planning. Its justification under the general principle that almost everything can be commodified and thus commodified. Not only expand the economic opportunities for domains before sealed as promotes another fundamental principle that is the diminuição the power of intervenção public administration, reducing her skills and resources.

This exit, slow but progressive, raises other questions and in particular on: the quality of territorial management; the fulfillment of the objective of reducing the state machine; the regulatory role of the state; the renewed role of public involvement.

We could not, of course, discuss all these materials, or for those who were selecionadas the intensity was similar but this is a work in progress for what we believe to have given very assertive and important steps for the future.

Thus it was confirmed from the Portuguese experience, the existence of a wide range of modalities followed by central and local government to subtract urban planning to bureaucratic control but legitimized techniques and machines to traditional policies. The justifications can spend or lack of agility (which can carry risks of private investment losses) or the limited financial and technical resources (which justifies the adoption of private solutions or at least external).

All these transformations have come up with a repeated political and economic argument but it's been hard to counter and that is the lack of an alternative to the imperative of economic rationality and freedom of markets. This lack of alternatives continues to sow the neoliberal practices in land management has nevertheless effects far more funds coming to question the democratic system itself. If this is based on the idea that there are alternatives that ultimately are not credible or are even absent then the sistema can collapse. So the idea is gaining breath the city post-política or post-democratic, that is, the city one way: the neoliberalism.

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