Report from Belgrade Waterfront

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Four activist scholars report on the multi-billion euro Belgrade Waterfront development in Serbia. As the government's deficit reaches an all-time high and radical cuts in public financing are being forced through, this is a project, they write, that looks like economic suicide.

Investor urbanism in Belgrade is taking place both on a small and a large scale, and in the past 15 years we have witnessed the announcement of several flagship projects. The iconic architecture and "urban renewals" were presented for very attractive locations in the city, promising a big slice of the Bilbao effect. The latest incarnation of this practice is the Belgrade Waterfront Project, more grandiose than any of its predecessors in terms of numbers and scale, whether with regard to the cost for taxpayers, potential risks, the number of violated regulations and laws or the frightening social consensuses that prevail. For the first time, Serbian Government becomes, not only an enabler of the project, but also its instigator.

It can be said that Belgrade always had an uneasy relationship with urban planning. A mixture of strict, rigid attitudes among planners when making the plans and a relaxed attitude towards their implementation is still one of the main characteristics of urban planning in Belgrade. The novelty is that these processes are no longer part of a systematic and comprehensive way of thinking about cities. The idea that general urban planning lost its role and an omnipresent servility in the profession to (political) power heralded a new era of megalomaniac visions of the new investor’s city. Thus the city ceased to be a space that seeks to establish, at least nominally, equality among its inhabitants and becomes rather a place of increasing inequality and social and economic tensions.

These processes finally brought about the broad exclusion of the public from decision-making, leaving the public interest unprotected, on the margins of the new (absent) society. As those with the official mandate to protect the public interest abandon it to serve the interest of capital, the protection of the public interest becomes the focal point in the organization of independent initiatives concerning the spatial transformation and production of cities known as Don't drown Belgrade. [1]
Historical context of the project

The Belgrade basin of the Sava River is an attractive location for which various technobureaucratic elites have shown a strong interest, this being a reflection of the political, economic and cultural climate in Yugoslavia and the newly formed states after Yugoslavia’s collapse. When looking at a map of Belgrade, it becomes hard to understand how this area could stay dormant for so long in the first place. The Sava Amphitheatre looks like the natural centre of the city, but it was not always like that. Its position became central with the development of New Belgrade across the Sava River after World War II. The Amphitheatre’s future was for decades tied to the untangling of the largest infrastructural Gordian knot in Belgrade, consisting of the main train station, with both international and regional passenger and freight routes, highway, international, local and regional bus terminals, and dense webs of public transportation. The solution to relocate it came with the General Plan of 1972. Decades later, the new station, whose construction started in the 1980s, is still not completed. Thus the Sava Amphitheatre got stuck in limbo making it a perfect canvas for the projection of grand projects whose only purpose was to gain easy political points.

The 1972 Plan was the last to be guided by the idea that space is not a commodity, but a resource that needs to be planned and utilized rationally, for the benefit of the whole community. Already in the 1980s, Yugoslavia, burdened by the Structural Adjustment Program implemented by the IMF, swapped self-managed socialism for a free market economy and, ultimately, for capitalism. Officials and urban planners started looking at the space owned by the city not as a resource and a control mechanism to sustain equality through future development, but as a source of fast profit. It can be said that from 1985, when the planning laws were changed, allowing the city to draw up regulatory plans only for locations for where investment already existed, the role of urban planners was reduced to the facilitators of investors’ wishes. However, it was only after 2000 that the full impact of privatization and the transformation of the political system became visible in the city. Since in the 1990s, when the period with which we are primarily concerned here began, people living there were too preoccupied with waging war to focus on these relatively subtle changes in city politics. It was during the 1990s, however, when the potential of the Sava Amphitheatre as the site of grand political projects came to prominence, the boldest one being called Europolis.

Official urban planning in Belgrade and Yugoslavia after World War II was based on the Athens Charter principles of modernist planning. While the distinctly Yugoslav interpretation of socialism and self-management asked for a lot of intense participation on the part of citizens in shaping and governing all elements of society, it created a framework which could have yielded innovative ways of including citizens in the urban planning process. Unfortunately, this never happened. Planners played the technocratic expert card well, so they could maintain their scientific autonomy and always be out of sync with the real needs of society. The so-called democratic turn of 2000 and the establishment of new institutions did not bring the expected prosperity and order to urban development in Belgrade and Serbia. Instead, the criminalized state administration and the tight connections of political ruling elites to the new entrepreneurial class enabled the city to fall prey to those in power, who simply ignored the will of the common good.
“Celebrating Belgrade” and its side effects

The main goal of a large number of privatization processes occurring in the last two decades was to grab property and city land. In the process of privatization, most industrial production was wiped out, and the only thing left was real-estate speculation. In the name of prosperity and city renewal, the urban legislators were being subordinated to “those who want to build”, blending out the fact that they were enclosing societal property for personal gain, which was destructive for the community. The term investor urbanism describes these practices, where the interests of the investor become the main criteria in defining urban growth policies, disregarding any consequences this may have for quality of life and the public interest.

There were many attempts on the part of City governments, together with various developers, to push urban renewal through different mega projects combining shiny pictures, big names, high promises of overall general benefit, striking media attention, change of legislation regulating urban planning and construction, with each new project being more ambitious than the last. But none came to fruition. The latest manifestation of this formula is the Belgrade Waterfront project. While other projects by private investors, although actively supported by the city government, sustained at least the illusion of following the rules of the market, this is not the case with Belgrade Waterfront. The Serbian Government appears to be the project’s main instigator. It has lured potential investors with the promise of compensating them for any losses, if the performance of the project on the market fails. The project hit the fast lane with the appearance of investors such as the Eagle Hills Company, Abu Dhabi, which is financing the master plan and the complete Waterfront renewal. The legitimacy of this company was never questioned, even though leaders of the company are known to have been involved in projects that have led to state debt (Abuja, Nigeria), constant postponement of construction (Erbil Downtown, Kurdistan), realizing only a small part of what was originally intended (Crescent Bay, Karachi, Pakistan), and the sale of land (where local government is aware of the sale) that the company does not own (Mohali, India).

It is important to mention that in the last couple of years, from 2011 onward, the Sava riverbank known as Savamala became a true testing ground for a series of experimental revival, urban regeneration and cultural transformation projects. Local authorities and various stakeholders have recognized this area as a new opportunity to partake in the process of urban regeneration. The process started by taking over, reusing and repurposing, often in dubious privatizations, devastated buildings and spaces, in order to create a new cultural and touristic district in Belgrade. The most noticeable change is the high concentration of bars and clubs which found a refuge in Savamala, an area scarcely used for housing, as the implementation of legislation on noise levels and working hours became stricter in other parts of the city.

The idea was to develop Savamala as the Creative City. While there was some independent criticism coming from groups of local cultural actors, the principles of the Creative City were embraced both by the City and the establishment. Although most experiments with creative cities in the last 20 years prove otherwise, both independent and official actors driving the transformation of Savamala shared the naive belief that this strategy has the potential to build a prosperous city. Despite a myriad of examples where creative-industry-driven urban regeneration has close links to the gentrification of
the sites involved, the main line of argumentation for the acculturalization of Savamala were the many benefits for the community already living there.

The first public presentation of the Belgrade Waterfront project came with the campaign for the municipal elections in Belgrade in 2012. The project reappeared during the 2014 parliamentary election campaign as the trump card of the current prime minister and ruling party, both promoting a “better future”. Images were there to convince the electorate that a three-billion-euro investment (which in time grew to five billion) was already in the bag.

Planning a better future through the construction of luxurious flats when hundreds of thousands of people are without a permanent housing solution; the construction of the largest shopping mall in the Balkans when each day the amount of people living below the poverty line increases; the construction of new retail and office spaces while “for rent” signs have continued to fade for years on the buildings of the same kind; all of this seems, at the very least, questionable. Add luxurious hotels that would transform Belgrade overnight into the tourist destination of the Dubai type, the relocation of the main train and bus stations away from the city centre, and the creation of a marina for private yachts, and the plan starts to resemble a bad joke. At the same time, the project was presented as the solution to unemployment and a jump start for the economy, offering precarious temporary jobs in construction and low paid jobs in the service sector. Since the project was given the status of “national priority and importance”, the state is investing large amounts of public money while regulations are being changed to speed up the project’s early stages. The project was hailed as a “salvation”, while all the important information was kept in the dark. It is still not clear if the Gulf money is investment or credit; what the legal relationship is between Eagle Hills and the Government of Serbia; which studies and documents are the basis for the model (master plan); who are the authors; why there was neither competition nor tender; what role is played by the municipality; the list goes on.

In order to create the conditions for the realization of the megalomaniac project at short notice, planning documents are being deregulated at breakneck speed and gargantuan costs are being added to the public budget, while being passed against the law following the undemocratic procedure that simulates citizens’ participation. The processes surrounding the Belgrade Waterfront are non-transparent; designated roles and potential risks for the public actors involved are unclear; legislative mechanisms are bent and bypassed, determining the (skewed) direction of future planning and development of the city.

The project envisages the construction of 6,178 housing units of an average size of 135 square meters. Anticipated revenue from the sale of these apartments is approximately 2.5 billion euros, making the price of an apartment just over 400,000 euros. In the country where the real average monthly wage is around 300 euros, analysis shows that it would take little more than 84 average annual salaries to pay for an apartment.

Meanwhile in situ, the optimistic vision of the promised better future started materializing in the promotional campaign and the preparatory works of the removal of unwanted buildings and people from the site. Branding started in March 2014, with the reconstruction of the dilapidated former Geological Institute building, which became the
Belgrade Waterfront promotional hub. This housed the permanent exhibition of the model of the project, a typical apartment and an elite restaurant on display. The choice of building was not a random one, since the heritage building, constructed in 1907 as the seat of the Belgrade Cooperative, with the intention of becoming the first stock exchange, represents a symbolic continuity with the pre-socialist development of Serbia and the prosperity of the neighbourhood, while the socialist period is seen as a period of decline. Investment in the building’s reconstruction provided the investor with 6000 square meters of commercial space rent-free for the next three years.

The next step was the unveiling of the huge promotional billboard adorned with the same 3D rendering of the project and the “Celebrate Belgrade” caption on the façade of the main train station to symbolically mark the relocation of the train station as the largest infrastructural operation of the project. The billboard is under constant police protection. On the promotional centre’s opening evening, along Karadordeva Street and the Sava River promenade, a few hundred masts with flags of Eagle Hills and the Belgrade Waterfront were placed mostly on bicycle lanes and parking places. For most of the interventions listed above, the permissions and paperwork were done a posteriori, showing how the priorities of officials gels with investors’ wishes but not the city’s wellbeing. The peak of the promotional campaign is the construction of the first (temporary) object officially registered as the promotional stand, [2], which in reality is a private restaurant built on the green area of the Sava River quay, in the no-construction zone.

Additional public funds from the city’s already tight budget are being wasted on the production of a promotional show that airs on the city-owned television broadcaster, in which the monumentality and extraordinary importance of the project are stressed. Still, all the effort to focus the show on the optimistic promotion of the project cannot hide the ruins produced by two decades of transition, form toxic deindustrialization through privatization to poverty. The mayor of Belgrade, with forced concern, tries to conceal the precarity of the housing situation of inhabitants of this neighbourhood. They are fast becoming the first victims of this project as the first phase of social cleansing is taking place to prepare this part of the city for its new construction.

Based on the inherited inequality that stretches back over decades, inhabitants of the area, and above all railway workers living in workers’ barracks and houses, they are divided into “legal” – whose permanent relocation to apartments on the city’s periphery will be paid for by the city, and “illegal” - who will only get temporary help. In the cleansing process, the pitch of the football club Zeleznicar [“The railway worker”] was demolished without prior notice, leaving a 90-year-old club that gathers large number of children to play football, without a field to play on. Even property owners in Savamala are not protected from the intimidation of the city government, which often comes without any prior warning. A crew just shows up on the doorstep to measure and inventory their apartments. The arrogance of the city bureaucracy provoked an organized reaction of inhabitants and property owners who released a public statement asking for non-transparent actions and speculations surrounding the Belgrade Waterfront to stop. A questionable role is played by so-called “creatives” from Savamala, who are representatives of numerous restaurants, bars and clubs, as well of the cultural industries. They used the public debate on the topic to push their own profit-driven interests and to stress the role they played in the gentrification of this neighbourhood.
during the last few years. This, they think, qualifies them for a share of the budget devoted to culture (one per cent of the entire budget) within the framework of the Belgrade Waterfront project.

**Operation Lifebelt**

As a reaction to these processes, the initiative Don’t drown Belgrade was formed with the goal of stopping further degradation and plunder in Belgrade, something that up until now has been accomplished as a matter of course in the name of colossal urban and architectural projects. The first public actions that the group organized were based on an attempt to use existing democratic participatory tools, which proved to be only a simulation without any real effect.

Changes to the General Plan brought about a new legal framework enabling the occupation and privatization of public spaces owned by the city. They also erased the obligatory architectural competition that allows for the involvement of both experts and the public, thus leading to the fragmentary planning of the city, as well as the possibility to ignore social aspects of life in the city. Around 100 citizens, activists and experts wrote complaints, and over 2,000 filed them in a collective action. During a public review, the Planning Commission rejected most of these complaints, accepting just a few symbolic ones, in a vain attempt to keep up the appearance of a democratic procedure.

The next step in the creation of the new legal framework, the Spatial Plan for the economically “most valuable” part of Belgrade, transferred the investor’s model onto the planning documentation – in a manner contrary to the regulations of the Republic of Serbia. The initiative again worked through collective complaints, but this time with only one goal in mind – the complete rejection of the dubious Plan and the creation of a new one. Complaints focused on the expected outcomes of this kind of plan, which would affect the whole city, such as spatial and social segregation, traffic gridlocked within this mega-development and the disappearance of small businesses in the area. During the public session, the initiative organized Operation Lifebelt (Operacija slauf), passing out beach toys such as beach balls and swim rings, and singing songs celebrating Belgrade while trying to produce as much noise as possible. Commission members’ behavior proved once more that public sessions of this kind are just a simulation of citizen participation and that such a process serves only to give the false illusion that the city commissioners actually care about what the general public thinks.

The initiative continued to strongly oppose the project in public by making public and pointing to irregularities in the execution of the project, utilizing as much as possible such tools as the Law on Freedom of Information of Public Importance in order to gain access and gather documentation. Unintentionally, the activities of the initiative disclosed the subservience to the government and the urban planning profession, resulting in a collective resignation of the board of the Society of Urbanists under the pressure of the initiative, making public such activities which can only be seen as capitulation by the profession. Thus it managed to shift the public discourse on the project from laudatory to critical.

In a year when the government deficit is reaching an all-time high and radical cuts in
public financing are being pushed through, the state takes on a dramatic amount of debt in order to fulfil its obligations to the project. This is pure economic suicide.

The Belgrade Waterfront continues to smoothly sail along despite being in conflict with the law and public interest. The flood is to follow. We have to prepare for it.

Postscript

After dérive editorial deadline had passed, there was a surge of events related to the Belgrade Waterfront Project. On 6 March, the Parliament of Serbia received from the Government the “Bill on Determination of the Public Interest and special procedures for expropriation and construction permits for the realization of the Belgrade Waterfront project”, popularly named Lex Specialis. The purpose of the Bill is to enable faster expropriation of privately owned land and apartments, overriding all existing procedures in the jurisdiction, giving full control of the whole development to the investor, who may use the land without paying any fees to city or state. On 13 March, reporting on the successful presentation of the project at the Cannes Real Estate Fair, Belgrade Mayor Sinisa Mali announced that the first apartments in the luxury residential towers designed by SOM were to go on sale on 16 March, although no official contract between the government and Eagle Hills as the investor was signed. With spring approaching, it becomes obvious that the ensuing period will bring an acceleration of the struggle.

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Footnotes

1. The name is an untranslatable play on certain Serbian words. The brackets suggest two sentences, one meaning "We're not giving Belgrade away" and the other "Do not sink
2. The first new object built within the project "Belgrade Waterfront" was a restaurant on the public greenery part of the promenade next to the Sava River, officially filed in the legal permits as a temporary promotional stand. When asked why the construction of a promotional stand is necessary where already there is a whole building dedicated to the promotion of the project Sinisa Mali, the Belgrade mayor replied that one promotional space is not enough for such a grand project. Activists raised the banner "Ne da(vi)mo Beograd" (the slogan, which is also the name of the initiative is a word game with two possible meanings Do not drown/We do not give/Belgrade) next to the restaurant.

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