The “temporal limbo” of neoliberal ruins: a contribution from the Portuguese case

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Objectives

1. To discuss the **emergence of neoliberal ruins** as a particular type of modern ruins and as a new form of urban ruination within the **context of the Global Financial Crisis (GCF)**.

2. To give an empirical contribution to the discussion with the Portuguese case - **survey and characterization of unfinished estates in the Metropolitan Area of Lisbon**.
Neoliberal ruins

A segment of what has been called “modern ruins” that has emerged in the wake of the GFC (2008) and subsequent burst of the property bubble.

Materialized by means of unfinished estates (ghost estates) that can be either:

- Half-built non-concluded buildings;

- Suspended investments for urban and greenfield developments.

Rob Kitchin & Challaghan (Ireland)
Gisli Palsson (Iceland)
Julia Schulz-Dornburg (Spain)
Neoliberal ruins as premature ruins

PREMATURE ABANDONMENT

Neoliberal ruins become a ruin even before coming into being.

In neoliberal ruins, abandonment and dereliction arrive ahead of time in the form of aborted artefacts. Obsolescence has no place to befall.

Neoliberal ruins are left in a “state of suspension”, “bereft of a future” (Kitchin, 2014).

“Ruins of an abandoned future rather than a forgotten past” (Martin, 2014).
Neoliberal ruins as “territorial liabilities”

URBAN FINANCIALIZATION
In neoliberal ruins ruination is a direct consequence of urban financialization.

GFC has had an exacerbated urban dimension:

• **Real estate** - one of the largest asset categories of national economies and a major customer of the financial system

• **Over-accumulation** - by minimizing state’s regulation and fostering private investment in a free market arena.

Unfinished estates as territorial liabilities – dereliction has both a financial and territorial dimension:

• **Financial assets** in which capital has vanished before value been extracted

• **Potential territorial assets** that due to the financial crash are more likely to introduce environmental damage and disruption into the landscape.
The “temporal limbo” of neoliberal ruins

“The ‘new ruins’ of the last crisis occupy an ambiguous position, neither dead nor alive, but existing in a sort of temporal limbo”

Rob Kitchin, 2014
The Portuguese context in regard with the property bubble

Did Portugal go through a property bubble?

1. **Mitigated bubble** – Portuguese bubble feel short Spain and Ireland bubbles:
   - Initial resilience of the Portuguese banks
   - Previous adjustments and slowdown in the Portuguese real estate market

2. **Impacts of property bubble** in Portugal’s economy and indebtedness level cannot be neglected:
   - Portugal went from a scenario of housing shortage (1990s) to a housing surplus (2011 – 750.000 vacant dwellings)
   - Increase of up to 2000% in mortgage loans (1990s-2008) while in 2008 68% of private debt was in mortgage credits - (easy access to credit; low interest rates; fiscal benefits)
Unfinished estates: a landscape of crisis
Unfinished estates: Metropolitan Area of Lisbon

Unfinished real estates (2016)
- Infra-structured estates without buildings
- Infra-structured estates partially built up (<30%)
Unfinished estates: categorization at different levels

1. STATUS / DEGREE OF (IN)COMPLETION
   - Estates with infra-structures but no construction
   - Estates with infra-structures and partially built-up (<30%)

2. DIMENSION / LOCATION
   - Major estates for urban expansion
   - Little estates for urban “filling up”

3. LAND USE
   - Residential
   - Mixed-uses
   - Logistics
   - Touristic/Residential

4. PROCEDURAL NATURE
   - Public operation
   - Private operation
Unfinished estates: Metropolitan Area of Lisbon

PINHAL NOVO Ghost estate with no construction
Unfinished estates: Metropolitan Area of Lisbon

PINHAL NOVO Ghost estate with no construction
Unfinished estates: Metropolitan Area of Lisbon

PALMELA  Little estates partially built-up
Unfinished estates: Metropolitan Area of Lisbon

PALMELA  Little estates partially built-up
Unfinished estates: Metropolitan Area of Lisbon

CARNAXIDE  Big ghost estates for urban expansion
Unfinished estates: Metropolitan Area of Lisbon

CARNAXIDE Big ghost estates for urban expansion
Unfinished estates: Metropolitan Area of Lisbon

OEIRAS/PORTO SALVO Mixed-use ghost estates
Unfinished estates: Metropolitan Area of Lisbon

OEIRAS/PORTO SALVO Mixed-use ghost estates
Unfinished estates: Metropolitan Area of Lisbon

BELAS Unfinished tourism-residential estate
Unfinished estates: Metropolitan Area of Lisbon

BELAS Unfinished tourism-residential estate
What opportunities for unfinished estates?

What conditions and alternative solutions for a transitional rescue and provisional appropriation of unfinished estates, while market and economic circumstances demand for a standby?