



Lesson 1 reading – How did Manchester become an ‘entrepreneurial city’? A short history of urban change in Manchester

Manchester is renowned as ‘the birthplace of the industrial revolution’ (Rose, 2024, p. 6). In the 19th century, its mills and factories transformed global **capitalism** (Dickens, 2002), and new rail connections with Liverpool from 1830 onwards enabled industrial Manchester to benefit from **imperialism**. Cotton grown by enslaved people could be imported from the Americas and Manchester’s manufactured goods could be traded around the British Empire.

Industrialisation brought **demographic** growth, with the population of Manchester growing from 22,500 in 1773 to 344,684 in 1861 and 730,000 by 1921. The region soon became ‘the most densely populated place in the world’ (Rose, 2024, p. 29). The built environment was also transformed. Piccadilly Mill, completed in 1789, was Manchester’s first steam-powered cotton mill, and by 1802 the city had 111 factories (Rose, 2024). ‘Cottonopolis’ was born, and those working in the factories needed housing. Back-to-back terraced houses, lacking sanitation, soon became the archetypal ‘slum’ neighbourhoods (de Noronha and Silver, 2024).

By the mid-19th century, mill owners and affluent professionals increasingly opted to move away from the densely populated and highly polluted inner-city areas. New suburban semi-detached homes were built on the outskirts of the city, where the air was cleaner and the new railways enabled commuting to the centre. Manchester’s suburbs became ‘the space of the middle class’ (Rose, 2024, p. 37).

In 1894, the first **social housing** was built at Victoria Square in the Ancoats area of Manchester. During the early 20th century, the national government was also trying to improve housing. Housing Acts in 1919 and 1924 increased state investment and restricted rent levels, and the Housing Act of 1930 funded ‘slum clearances’. New suburban ‘garden villages’ provided council housing, such as the largest council estate in Europe in the Wythenshawe area of Manchester from 1931, and low-income inner city residents were encouraged to move out to enjoy open spaces and clean air (de Noronha and Silver, 2024).

From the 1950s, Manchester’s economy entered a downturn. In 1959, over 50% of Greater Manchester’s workforce were employed in manufacturing. By 2000, it was below 20% (Peck and Ward, 2002, p. 1). In 1961, 167,000 people were employed in Manchester’s urban core, but this fell to 98,000 by 1977 (Mellor, 2002). Deindustrialisation had arrived, and ‘Manchester’s days as an industrial powerhouse were numbered’ (Rose, 2024, p. 94).

During the 1970s and 1980s, Manchester was led by a left-wing Labour council developing ‘municipal socialism’, but national politics moved to the right with the election of (Conservative) Margaret Thatcher as Prime Minister in 1979. The 1980 Housing Act introduced a ‘Right to Buy’ policy so council house tenants could buy their homes, reducing the overall stock of council housing.

By the time Thatcher was re-elected in 1987, Manchester’s Labour leadership increasingly looked to work with the national government. This led to the ‘Manchester Model’ of urban regeneration, an approach that involved an **‘entrepreneurial turn’**. City leaders such as Richard Leese, Leader of the Council 1996–2021, and Howard Bernstein, Chief Executive of the Council 1998–2017, encouraged the council to work more closely with business leaders and the private sector. Decision-making on urban change increasingly took place in new property-centred partnerships (Peck and Ward, 2002). This ‘Manchester Model’ has rapidly restructured inner-city Manchester.

Projects and policies that have contributed to regenerating Manchester have included:

- Central Manchester Development Corporation (CMDC): Established in 1988 as an urban development corporation to regenerate Manchester city centre, CMDC supported the construction of new offices and built 2,500 dwellings in an area that had only 250 residents when it began. City-centre living became key to Manchester’s regeneration.

- **Hulme City Challenge:** A partnership between the council, local businesses and community groups. It won national government funding from City Challenge regeneration grants in 1992, which was used to demolish the Hulme Crescents housing estate in order to build a mostly low-rise development and encourage expansion by Manchester's universities into the area.

- **Manchester City Centre Task Force (MCCTF):** In June 1996, the explosion of bomb placed by the Irish Republican Army (IRA) damaged 1,200 buildings in central Manchester. The MCCTF was set up within two weeks, and by July this body formed Manchester Millenium Limited, a public-private partnership to organise the rebuilding. With limited government funding, the project refashioned the retail offer in central Manchester and encouraged further investment and redevelopment, including the decision to clear small traders from the Corn Exchange and to redevelop it to attract large retailers such as Harvey Nichols (Holden, 2002).

- **Olympic bids:** Throughout the 1990s Manchester made a number of bids to host the Olympic Games. While unsuccessful, these nevertheless provided an opportunity to cement the public-private partnerships that had been developed and to provide justification for regular meetings between council leaders and the private sector. This resulted in a successful bid to host the 2002 Commonwealth Games, and the subsequent sports-led regeneration of part of east Manchester.

- **New East Manchester Urban Regeneration Company:** This partnership vehicle was set up under the Blair-led Labour Government's 'New Deal for Communities' policy and was intended as an area-based initiative to regenerate east Manchester. New East Manchester partnered with the development firm Urban Splash to demolish the Cardroom Estate, a council estate close to the city centre that had been built only 30 years before. This area was rebranded as New Islington, and includes a marina surrounded by private-sector homes.

The decline of manufacturing, followed by the rise of city centre residential and office buildings, have been crucial parts of Manchester's shift to the making of a post-industrial city.

References and further reading

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