Race and The Neoliberal City

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* This work is a very rough draft. The usual disclaimers apply.
Over the past several years we’ve seen a significant increase in literature that seeks to unpack the concept of "neoliberalism". Long a catchphrase used to describe the seeming return to a free market after decades of Keynesian economics, scholars and activists both have realized that such an intellectual and political approach does not truly begin to capture the degree to which neoliberalism represents not to much a return to a previous anti-state status quo, not so much a "new liberalism", but rather a radical state remaking project that re-mobilizes state building capacity as it remakes the desires and behaviors of institutions and individuals alike. Critical geographers tracked the spatial and temporal differences between "actually existing neoliberalisms". The neoliberal turn did not occur solely through dissolving the welfare state. Rather the welfare state was dissolved more thoroughly in some arenas rather than others, and then was replaced by a variety of different forms depending on the geographic context. There are important differences between the way it takes hold in some places vs the way it takes hold in others and also scalar differences in international, national, subnational, and local neoliberalisation.

The growing literature on neoliberalism is refreshing because it brings contemporary inequality, its causes, and its consequences, back into the forefront.

However with exceptions (Wacquant 2009; Soss et al. 2011) this body of work largely ignores the role of race. In this paper I use Jason Hackworth's *The Neoliberal City* to show the particular problems this poses for understanding neoliberalization in general and urban neoliberalization in particular.

**Neoliberalism**
The earliest usage of the term "neoliberalism" appears in the latter years of the 19th century where it is used as a perjorative to describe an Italian economist who desired to return to the liberal principles of Adam Smith and his adherents (Thorsen and Lie 2006). But most situate the beginnings of neoliberalism in the intellectual work of the German ordoliberals and the Chicago School economists. Both sets of scholars were trying to figure out how to respond to rise of Naziism, Fascism, and Communism in Europe, to the Great Depression in the United States, and to accepted solutions to them (the creation of various types of welfare states). For both sets of intellectuals Keynesian state intervention actually caused totalitarianism rather than solved it. At the time most thought their ideas radical. However with the onset of the economic crises of the seventies their ideas came to the fore. By the late seventies and early eighties politicians in the United States (Ronald Reagan), Great Britain (Margaret Thatcher), and elsewhere urged significant reductions in social services, calling for aggressive tax cuts in order to spur innovation. For them government was not the solution, it was the problem. Thirty to forty years later a variety of ideas associated with neoliberalism have now become common sense.

One way to think of neoliberalism is as a state re-making project designed to reconfigure states away from Keynesian economics through a process of creative destruction and reconstruction (Blyth 2002; Hay 2001; Arnold and Pickles 2011). Focusing on neoliberalism as primarily an institutional transformation, some focus on the role of ideas and crisis, some focus instead on the role of political bargaining (Knight 2001), and some focus on the political framework that grants room to some ideas and institutional possibilities over others (Prasad 2006). Another way to think of it is as a
hegemonic ideology designed to radically redistribute wealth upwards (Hall 1978; Harvey 2005). This body of work details the stark increase in inequality accompanied by neoliberalisation and the evisceration of the Keynesian welfare state. A third way to think of it is as a set of policies designed to privatize publicly held resources and to deregulate formerly regulated services (Gordon 2001; Peck and Tickell 2002; Klees 2008; Hackworth and Akers 2009). Peck and Tickell's (2002) work is particularly important here because the presumption, even in the institutionalist literature, examines neoliberalisation as a process involving one stage rather than two. The market required for the neoliberal state to work is a fragile entity requires consistent state intervention. As such Peck and Tickell realized that the neoliberalisation process occurred in at least a two-stage process, a process by which early Keynesian elements were removed or "rolled back", followed by a process by which neoliberal elements could be instantiated or "rolled out". And a final way to think of it is as a unique governmentality that uses the market as the standard with which to incentivize the conduct of individuals, populations, and institutions (Foucault et al. 1991; Gordon 1991; Rose and Miller 1992; Dean 1995; Barry et al. 1996; Dean 1999). These approaches differ on a number of elements but what they agree on is that neoliberalism or the process of neoliberalisation represents an attempt to replace the Keynesian welfare state with a state that works to create even as it is governed by market standards.

They also agree on the fact that the process of neoliberalisation has both global and intensely local components. Neither Ronald Reagan nor Margaret Thatcher were able to embed neoliberal policies into government solely by removing aspects of the prior Keynesian regime. In Reagan's case for example he did not singlehandedly
neoliberalize the relationship between the 50 states and the federal government by reducing block grant money and making states compete over the resultantly limited funds (Conlan 1998). It arguably took Bill Clinton's Reinventing Government initiative to do that ("The Renaissance in Government" 1992; Kearney and Scavo 2001; Krebs and Pelissero 2006; Osborne and Gaebler 1992; Thompson and Riccucci 1998). Further while the institutionalists recognized that neoliberalism however it was conceptualized did not take over the world imagination in one fell swoop but rather appeared in some places rather than others and appeared in different ways when it did appear, the critical geographers were the ones who did the hard work in thinking through what actually existing neoliberalism looked like. The geographers bring a keen sense of the role space and time (as well as scale) play in neoliberalisation. While some believe neoliberalism is a global vulgate it is in fact not everywhere at the same time.

Third they agree that the consequences of neoliberalisation are increased levels of inequality, with resources consistently allocated to people, populations, and institutions able to consistently behave according to neoliberal dictates and withheld from people, populations, and institutions unable to do so. While political scientists focused largely on national and international institutional transformations (Blyth, Knight, Hay), geographers focused especially on the role of space. The city figures prominently in their analysis for a few different reasons. First, while they understood neoliberalism as a set of ideas applied globally they also believed it to be intensely local and highly subject to local political, economic, and cultural forces. The city and the metropolitan region it is contained in is the most important local hub of political and economic regulation. It (and again, its metropolitan region) contains more citizens, more denizens
(here I refer to documented and undocumented laborers), and more institutions than other local units. It is also the most important entrepreneurial hub, usually being the primary economic engine of the state. Finally, to the extent neoliberalisation represents an attempt to recast the relationship between the state and working class/poor denizens, the city and the region often contains more of this population than any other local unit.

One criticism of neoliberalism is that it is contradictory--it promotes policies that seemingly decrease rather than increase liberty and freedom, and it calls for the reduction of the state while simultaneously expanding state activity. Both of these critiques should be put to rest. There are significant problems with neoliberalism, but contradiction is not one of them. As it is based on an anti-naturalist conception of the market, it requires state intervention to create the conditions for market based behavior. Similarly the criticism that neoliberalism does not promote liberty or freedom would seem to be born out by the present reality in which literally millions of men and women are either out of work, out of a home, or both. However neoliberals would argue that the problem is not neoliberalism but rather the fact that individuals have not been disciplined properly. In promoting policies like the privatization of social security, neoliberals are seeking to discipline individuals to take control over their own reality, by forcing them (through the state) to control their investment decisions. In promoting a Medicare prescription drug plan that forced individuals to make choices between literally dozens of prescription drug discount cards, neoliberals created a market where none existed before, giving individuals the power to "choose" the plan that worked best for them, increasing their human capital in so doing.
While there are works that clearly trace the adverse impact neoliberalisation has on racial minorities (Bonds 2009; Borg et al. 2007; Darling-Hammond 2007; Davis 2007; Fisher 2006; Goldberg 2008; Herbert and Brown 2006; Johnson 2011; Laurie and Bonnett 2002; Manalansan 2005; Mink 1998; Soss et al. 2008, 2011; Wacquant 2009) as well as works that examine the intersection of racial and/or black politics and neoliberalism (Cohen 2010; Dawson 2011; Gilroy 2013; Iton 2000, 2008; Rose 1994; Spence 2011, 2012), attempts to theoretically examine the relationship between race and neoliberalism are rare whether we examine the literature on neoliberal governmentality, the literature on neoliberal ideology, or the geography literature.

This makes little sense given that in both the United States and in Great Britain evidence exists that suggests racial attitudes played a significant role in public support for the neoliberal turn. Writing about the neoliberal turn in order to interrogate the relationship between ideas, institutions, and interests, Mark Blyth (2002) argues that the 1978 passage of Proposition 13 helped generate a national tax revolt that served to significantly challenge the existing Keynesian regime the neoliberal turn sought to overthrow. However he argues that Prop 13 largely passed because homeowners were upset about their tax burden. While it likely is the case that California homeowners were upset about increases in the property tax, an attitudinal assessment of California voters found that racial attitudes were the most significant predictor of support for Prop 13 (Sears and Citrin 1985). While not conducting as sophisticated analysis in Great Britain, Stuart Hall's (1978) analysis of Thatcherism suggests that race played a role in driving support for neoliberal policies there as well. In both instances white citizens used race to make clear distinctions between which populations were worthy of (their) government
resources and which were not. This also makes little sense given the dual role race played in the development of governmentality as a concept and here I not only refer to Michele Foucault’s discussion of race and racism in biopolitics in *Society Must Be Defended* (Foucault et al. 2003) but also to the role some suggest anti-prison work Foucault conducted with black American activists played in Foucault’s intellectual development (Heiner 2007).

Finally this makes little sense given the work race does in marking not only populations but in marking spaces. In arguing that the classic social contract is actually undergirded by a unique racial contract, Charles Mills makes the following claim:

> The norming of space is partially done in terms of the *racing* of space, the depiction of space as dominated by individuals (whether persons or subpersons) of a certain race. At the same time, the norming of the individual is partially achieved by *spacing* it, that is, representing it as imprinted with the characteristics of a certain kind of space. So this is a mutually supporting characterization that, for sub persons, becomes a circular indictment: ‘You are what you are in part because you originate from a certain kind of space, and that space has these properties in part because it is inhabited by creatures like yourself.’ (Mills 1997, p. 42)

The "domination" of a given space by persons (or subpersons) of a different race renders that space a "racial" space. And racial spaces, like racial populations, are hierarchical--per the racial contract, non-white spaces are viewed as sub-spaces, similar to the way in which non-white persons/populations are deemed to be sub-persons/populations. Although this idea has been taken up in one way or another by geographers (Donaldson 1969; Pred 1997; Mitchell 2010), it has largely been ignored by those interested in neoliberalism and neoliberalisation.

**The Neoliberal City**
In *The Neoliberal City* Jason Hackworth has arguably gone the farthest in examining the way neoliberalisation occurs in local space. His work neatly details both the rolling back process—the process by which progressive forms of Keynesian intervention are repealed in and throughout American cities—and the rolling out process, the process by which neoliberal reforms are embedded in local government. Below I use his work as a case study of sorts as to the way race and racism are ignored leaving us unable to fully understand the process by which Keynesian programs are repealed and then replaced by neoliberal ones.

Jason Hackworth begins the work with an account of the roll-back and roll-out process designed to dissolve Keynesian policies in urban areas and to replace them with neoliberal ones. But he notes the process is far more uneven and incomplete than even geographers allow for.

The rollback/destuction of Keynesian interventions and the roll-out/creation of more proactively neoliberal policies are...highly contingent, incremental, uneven, and largely incomplete. The resultant policy landscape is highly segmented—geographically and socially—and almost randomly strewn with concentrations of Keynesian artifacts (such as public housing) alongside roll-out neoliberal policies (such as workfare) in different places and in different stages of creation or destruction. thus, while it is useful to suggest that policy ideas in North America and Europe are increasingly dominated by a unified, relatively simple set of ideas (neoliberalism), it is just as clear that the institutional manifestation (mainly through policy) of these ideas is highly uneven across and within countries.

Given all of this geographical specificity, it is reasonable to ask why the inner city—particularly the American inner city—is a useful space though which to evaluate the process of neoliberalism. After all, much of the literature on neoliberalism is neither particularly urban nor particularly American-orientened in nature...

This books makes the position that precisely because the United States is a thoroughly liberalized environment, the identification of changes within this
context could very likely be harbingers of changes globally....the inner city--seen widely as a vestige of the Keynesian national welfare state (Jessop 2002)--is an area of extreme transition. It has served as the focus of high-profile real estate investment, neoliberal policy experiments, and governance changes; Marcuse and van Kempen (2000) have deemed the inner city a "soft spot" for the implementation of neoliberal ideals. The intent of this book is to use the physical, political, and discursive space of the American inner city as a vehicle for understanding the nature of neoliberalism as it actually exists. (Hackworth, p. 13)

Given this unevenness Hackworth argues that the American inner-city represents the neoliberal "soft spot" and as such should come under particular scrutiny. And place it under scrutiny he does, examining the differential role of bond rating agents (focusing on New York City, Philadelphia, and Detroit), the different ways public housing is restructured within cities (focusing on Seattle, New York City, and Chicago), the various public-private partnerships that develop in American cities (focusing on New Brunswick, New Jersey), differential forms of real estate valuation that occur in metropolitan areas (Dallas, Detroit, Houston, Philadelphia, Chicago, Los Angeles, New York City, Boston, San Francisco-Oakland, Washington DC-Baltimore) gentrification (in three Brooklyn neighborhoods), and mega-project development (in Phoenix and Scottsdale).

Faced with significant political constraints that prevent them from either raising taxes on residents and businesses or going to either federal or state governments for resources, cities now routinely float bonds as a way to pay for infrastructure, downtown development, and other costs.¹ New York City, Philadelphia, and Detroit are illustrative

¹. As part of Lyndon Johnson's Great Society suite of programs cities received direct funding from the federal government for a wide variety of programs designed to deal with social problems concentrated in cities. However these programs dissolved over time, with Nixon using social science expertise to consolidate them, and with Reagan using political muscle and ideology to dissolve them (Conlan 1998). Furthermore as the number of institutional investors increased both nationally and internationally the number of rules designed to protect investors increased, limiting the degree to which institutional investors could put their money into risky investments.
of the disciplinary function bond rating agents play, with New York City, of the three consistently being in the position to receive rewards from the bond rating agencies for their entrepreneurial overhaul.\textsuperscript{2} Seattle, New York City, and Chicago have three very different histories, and as a partial result have three different public housing trajectories--with Seattle successfully using the neoliberalized Hope VI program\textsuperscript{3} to create

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\item New York City in many ways represented the early test case of their effects with the 70s era near-bankruptcy creating the closest thing to austerity policies on a local scale ever promoted. In exchange for restructuring the city's debt full economic control of the city finances was given to two entities the Municipal Assistance Corporation and the Emergency Financial Control Board. Through these institutions the New Deal policies that had been in place for decades was dissolved with significantly less resources being spent on unions, on the poor, and on the working class. The structures put in place disciplined New York City's economic finances, and in the process increased inequality. Deindustrialization significantly increased unemployment and poverty levels but the city no longer had the internal resources to provide services to their poorest residents. Philadelphia was much the same story as New York City. Faced with deindustrialization political officials unsuccessfully sought counter-cyclical economic investment, leaving the city with a tremendous amount of debt. As a result the city ended up significantly cutting city services and the size city government in general. Furthermore many of the remaining services were privatized. As a result the bond rating agents rewarded the city with a higher rating. Detroit was in many ways the opposite of Philadelphia and New York City. While it too struggled with deindustrialization, unlike Philadelphia and New York City it both did not have the capacity to even attempt to spend large amounts of the city's budget on redistributing costs, and did not have the political will to do so. Coleman Young consistently sought to work with private investors in order to solve the city's pressing economic burdens. Bond rating agents rewarded the city's work. However, and this is part of a larger point, the reward the city was given didn't last long. In 1992 Detroit's bond ratings were reduced, not because of anything Coleman Young did. When asked whether they planned to take a stand against the bond rating agents, Detroit political officials said no, believing it to be sheer folly.
\item Public housing represents a significant though relatively small component of the Keynesian regime the neoliberal turn overthrew. A part of the New Deal agenda brought forth by Roosevelt in the thirties, it was likely the most contentious component of Roosevelt's agenda--one of the reasons public housing legislation didn't pass in Congress until the late thirties, in contradistinction to policies like Social Security and Aid to Dependent Children, is because Roosevelt thought that it was the closest thing to socialism of the suite of programs proposed and was reluctant to do it. As early as the mid-sixties legislators created a program called Section 23 which allowed PHA authorities to engage in contracts with private landlords, who then had the ability to engage in contracts with individual tenants. By the seventies we see the creation of Section 8, a public housing voucher program. And by the mid-90s we see the introduction of Hope VI, promoted as a program designed to replace existing public housing stock but in reality
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significant space for integrated public housing developments, New York City deciding not to apply for Hope VI funds at all because of a long history of public housing activism, and Chicago deciding to use Hope VI to significantly reduce housing available for its poor (this, even though Chicago has the second largest public housing authority in the nation).

"Public-private partnerships" are nothing new. Particularly given the role economic development has always played in shaping American cities, public institutions and for profit-private institutions have attempted to work together in various ways. But in the wake of the neoliberal turn when cities are forced to rely more and more on private capital for public development, these partnerships take on a new form. New Brunswick was hit hard by deindustrialization and in the absence of federal resources had to figure out a way to remain solvent, deciding to create a coalition of political and economic elites for the purpose of navigating the complex political landscape required to make the central business district profitable. The coalition proceeded in three stages, with the end result being central business consolidation and expansion.4

barely replacing half of the units destroyed, with half of the replacements being unaffordable. During this period we also see the introduction of riders attached that police tenant behavior--tenants are not allowed to let convicted felons stay in the units for example.

4 In the first stage the coalition developed and was able to convince Johnson and Johnson to not only stay but to develop a new corporate headquarters in the District. This move brought in other investors and gave the coalition the confidence it needed to proceed apace. During the second stage economic development proceeded through removing barriers to growth. The primary barrier in this stage was a public housing unit constructed to house a significant proportion of New Brunswick's poorer (and blacker) residents. Because of structural hurdles that had not yet been rolled back--at that moment any housing they tore down would have to be replaced on a one to one basis--the regime had to take another approach. They created another institution--a special improvement district--for the purpose of generating interest in and investment for the Central Business District to the exclusion of other areas of the city. During the third stage, we not only see the Central Business District consolidate, we see it grow, encompassing part New Brunswick's riverfront.
For Hackworth the "spatial fix\(^5\) shapes urban and suburban development trajectories. Just like the GI Bill era fix created conditions of crisis\(^6\) the neoliberal spatial fix also created conditions of crisis that generate three phenomenon. The first is inner city gentrification--increasing land values in the city center by simultaneously attracting middle and high income residents and ejecting lower and no-income ones. The second is inner suburban devaluation--generating fiscal crises suburbs created in the forties, fifties, and sixties, as their land is devalued. The third is sprawl, as the metropolitan area grows by leaps and bounds. For Hackworth there is an overall national order to gentrification, devaluation, and sprawl that belies the argument that these phenomenon are primarily the result of local forces.

He reveals this order by examining the rise and fall of housing valuations in the metropolitan areas by examining changes at the census tract level. Over the course of his cases he found significant evidence of the phenomenon of inner-city property increases, as all but three cities (Philadelphia, Los Angeles, and Detroit) he examined saw their inner-city core rise significantly price wise. Similarly while he did not find evidence of inner suburb devaluation he did find that the rise of prices in these areas did not keep up with the rising prices in other areas, suggesting at the very least a decrease in demand for these properties. Along the same lines he found evidence that the newer

\(^5\) This term refers to the way that both historic and contemporary forces continually modify land in order to meet the needs of capital with this move playing a particularly important role when capital comes under crisis. During the New Deal this took the form of policies that ended up creating the suburbs and everything that comes with it, moves that ended up supporting the creation of the modern housing construction industry, the modern consumer good industry, and the modernization of the industrial sector. During the seventies, the neoliberal turn, this took the form of forcing cities to be more entrepreneurial in the face of capital and labor flight, a move that ended up benefitting real estate and finance capital.

\(^6\) Giving veterans the ability to buy cheap new housing provided the housing was suburban rather than urban ended up significantly harming the ability of cities to grow and thrive.
suburbs, the ones often furthest away from the inner-city core, saw their prices increase significantly. Plotting these changes out on a map provides the strongest geographic evidence he has of neoliberalism's differential effects. In cities like Boston he shows how suburbs closest to the urban core decreased significantly in value compared to the urban core itself.

Next Hackworth tackles gentrification:

...gentrification is part of a broader restructuring of space. Moreover, it is not only connected to the broader process of neoliberal urbanism but can be seen as its knife-edge. Gentrification is much more than the physical renovation of residential and commercial spaces. It marks the replacement of the publicly regulated Keynesian inner city--replete with physical and institutional remnants of a system designed to ameliorate the inequality of capitalism--with privately regulated neoliberalized spaces of exclusion. (Hackworth, p. 121). Gentrification enables a city to increase its land estate values and attractiveness by bringing in wealthier and more desirable populations to increase the value (through redeveloping real estate through buying homes, fixing them, and either living in them or selling them at higher prices to desirable populations, as well as through developing businesses and other institutions these populations desire in these areas) of formerly devalued areas. Hackworth argued that while gentrification is not necessarily a new process, the way it occurs has shifted after the neoliberal turn in a few different ways. First corporate actors are now more likely to initiate the process than before. Second state institutions at the federal, state, and sometimes local level, will likely step in to aid the process rather than either combatting it or simply not taking a stand. Third the nature of resistance if it occurs changes as it is much much weaker now than in previous moments. Finally gentrification is occurring in different spaces, with diffusion into more remote neighborhoods, with this process generating more of a pressure on
core ungentrified neighborhoods to gentrify themselves (Hackworth, p. 126). Hackworth picks three neighborhoods in New York City to reveal the different aspects of this process, Clinton, Long Island City, and DUMBO (Down Under the Manhattan Bridge Overpass). All three neighborhoods gentrified in the latter decade of the 21st century but how they got there differed significantly.

Clinton was the closest of the three neighborhoods to ones that had already gentrified but staved it off through local and state government until the eighties and nineties. However as the city itself increasingly became entrepreneurial local government response to gentrification changed significantly, with even local activist resistance dropping precipitously. Corporate actors in Long Island City were largely responsible for the push to gentrify, but local and federal government aided their efforts. DUMBO is a bit different from both cases in that it was neither the result of a catalyst driven set of corporate actors (Long Island) nor as a result of diminishing institutional resistance to the possibility of gentrification (Clinton). Rather, it was the result of a single corporate actor who bought and refurbished existing industrial warehouses into lofts and then again into high class art galleries, restaurants, and stores. Whereas City Hall once prevented real estate investors from developing land without having the capital, hence forcing them to adopt most if not all of the risk of the investment, by the mid-nineties they stopped. The end result in all three cases was a significant increase in land values, a significant decrease in building arrears, and a significant increase in the median income of DUMBO’s populations.

The last major case he examines is the case of Phoenix in order to examine the new role mega-projects play in transforming cities. In order to fix cities for capital in the
latter years of the 20th and the early years of the 21st Century, private and public actors increasingly cooperated to create mega-projects in the urban core. Rather than try to go against the tide of industrial de-investment by retrofitting or updating the industrial infrastructure of cities in the rustbelt, or to take the rustbelt model (sans unions and other Keynesian holdovers) and porting it out west, actors sought to create new mega-projects that transformed downtowns into hubs favorable to capital and to desirable populations (tourists). We do see this dynamic first in rustbelt cities as places like Baltimore’s Inner Harbor, Boston’s Faneuil Hall, and later Cleveland’s Flats develop, but increasingly we see this exported south, west and into the city as opposed to the suburb. These mega-projects usually consist of a few different components. The first is significant corporate developer involvement. The second, along these lines, is public cooperation at the federal level and at the local level at the very least, and potentially at the state level as well. Finally as these projects do come with significant public investment of one sort or another that do at the very least require some sort of commitment to the public good--particularly as the larger the scale of the project the

7. One way to think about mega-project development is to think of it as a scalar step up from gentrification. Whereby gentrification refers to the process by which real estate value is enhanced by some combination of new tenants and new businesses while leaving the land relatively intact, mega-project development refers to the process by which urban real estate is significantly altered by literally transforming the land itself. The types of resources involved to make this possible by nature require corporate involvement rather than the involvement of one or two particularly entrepreneurial developers.

8. The types of land transformation that occurs as a result of mega-projects simply cannot be done without significant changes in zoning, without significant public studies that attempt to examine the end result of the mega-projects (as far as jobs, as far as taxes, as far as sustainability), without significant contracts that shape what the relationship will be between the new entity and the public. It also cannot occur without the larger legal regime that enables it to occur--and here I’m referring to the various laws that reduce the potential risk to the investor, as well as the general framework that reduces the "red tape” and "bureaucracy” that may keep large scale projects from being conducted.
more it reduces available public land and public space—the third element is the suite of public commitments the developer makes to the city. These commitments usually include a commitment that the project will be a net benefit to the city economically, and here the standard way this is defined is jobs and tourist dollars, and that the developers will actually stay in the city as long term partners. And sometimes depending on how close the city is to other comparable cities there is at the very least rhetoric designed to speak to public desires about placing the city at the top of some other subset of similar cities.

To a certain extent we see all three processes at work in the Phoenix/Scottsdale cases. The most important takeaway of this section is that these mega-projects very rarely work as advertised. The cities themselves did not see the public benefits that the developers predicted would come as a result of the investment. But furthermore, even with the significant assistance of city government the results were not roundly positive for the developers themselves.

Hackworth effectively uses a multi-method approach to show definitively that the roll-back/roll-out process is contingent upon a variety of factors. Further more rather than being the hostage to economics, politics both constrained and created the

9. In order to increase the likelihood of favorable large-scale development occurring political officials in Phoenix created an alternative developmental path for large-scale as opposed to smaller developers—for small non-downtown projects developers have to go through a standard 11 step process, while for larger developers this process is significantly different (Hackworth, p. 156). For larger projects designed to be located within the downtown area, an advisory team is created that can help the developer create a plan good enough to present in front of the planning commission who will then take it to the City Council. Note that there are costs involved at this stage, but this stage is designed to reduce those costs. Scottsdale is a bit different from Phoenix in that small-developers and large-developers alike have relatively straightforward processes designed to smooth out interactions with the city, but the primary purpose of the process put in place to deal with large-scale developers is to reduce potential friction with public officials making the final decision.
opportunity for the roll-back and the roll-out. Again, the neoliberal turn does not cause a "return" to the free market. Rather it represents a turn towards an "entrepreneurialized" and "enterprised" institutional order. This order is almost by definition a political order. He also persuasively reveals the role real estate and finance capital plays in the turn.

But note that race and racism are almost absent from his analysis. If we take into account the work race performs in norming individuals and spaces we can better explain most of the processes Hackworth examines. In particular we can better understand the where, the when, and the why of neoliberalisation.

**The Role of Race**

I begin with his analysis of public housing. It is difficult to write about welfare, whether we are considering the "welfare state" as most people think of it--that is to say, the New Deal and Great Society suite of programs (Unemployment Insurance, Social Security, TANF, Public Housing, Medicare, Medicaid)--or even the "hidden" or "submerged" welfare state without somehow dealing with US racial politics (Fisher 2006; Abramovitz 2006; Ward 2005; Katznelson 2005; Williams 2004; Hancock 2004; Fellowes and Rowe 2004; Schram et al. 2003; Howard 1997). In this case, attempting to do so makes it particularly difficult for Hackworth to explain why Seattle was able to not only transition to the Hope VI program but was able to provide a relatively similar quality of service to public housing residents, while Chicago's Hope VI program eviscerated public housing.

Seattle, the city with the least contentious HOPE VI politics, has a black population of only 8%. New York City, the city with the most committed public housing activists and the greatest public commitment to public housing, has a black population
percentage of 26%. On the other hand Chicago, the city with the highest disregard for public housing, the most isolated public housing residents, and the most isolated public housing also has the highest black population percentage, standing at 32%.

Furthermore, Chicago is one of the five cities in the country with the worst measures of hypersegregation, having very high levels of segregation defined in a number of different ways (Wilkes and Iceland 2004). In writing about Chicago, Hackworth notes:

Though it is the second-largest housing authority in the United States, overseeing 34,669 physical units and 33,852 Section 8 vouchers, the Chicago Housing Authority (CHA) does not have the wider political support enjoyed in New York or Seattle. Chicago's history as a cauldron for land use disputes associated with the siting of public housing is an important reason for this. Public housing has been and continues to be a deeply divisive issue in Chicago...(Hackworth, p. 58

As a result of the Great Migration, arguably the largest internal migration in human history, millions of black men and women moved from the Deep South to simultaneously escape Jim Crow terrorism (the push factor) and to find employment in the thousands of jobs that'd opened up in the north and west (the pull factor). Chicago was a particularly important destination. Between 1940 and 1960 the black population grew from 278,000 to 813,000 almost a 275% increase. Chicago's black population grew around the same time public housing legislation was passed and officials began to use it to deal with increased urban population density and growing black populations. By the 1940s there'd already been a history of racial tension in the city. And this shaped how officials decided where to build public housing. Robert Taylor (black chairman of the Chicago Housing Authority) wanted to locate public housing in white neighborhoods with unused land so as to integrate Chicago. White political officials who had to depend on white votes had different interests. White residents consistently mobilized against the
threat of (limited) public housing integration using a combination of electoral politics (voting), and protest politics (riots, threats of riots). In fact, as Preston H. Smith II (2012) notes black middle-class citizens and organizations that sought to represent them also had a problem with black public housing as well. As a result of these politics officials decided to locate public housing in black neighborhoods that were already poor. This combined with legislation that placed severe limits on income integration within the public housing units ended up playing a key role in hyper-segregating Chicago.

Further, the desire for all-white communities shaped housing prices and shaped various state and local regulatory regimes—licensed real estate agents in Chicago and in other places were prevented by law from "block busting" or disrupting the racial demographics of a given neighborhood (Sugrue 1996; Cohen 2003). And through redlining practices that deemed predominantly black neighborhoods as unsuitable for economic development whites severely constrained the ability of blacks to make money through real estate, and significantly constrained what white desire there was, for purchasing homes in black neighborhoods.

When Hackworth then examines Chicago, finding little to no support for public housing activism, and little support for the idea of public housing, he is in effect finding evidence for the persistence of racial politics.

Hackworth's chapter on real estate evaluation has similar challenges. While he does not present any demographic information about the census tracts he analyses, knowledge of the racial geography of Philadelphia, Detroit, (two of the three outliers), as well as Chicago, reveals that the areas that have the largest black population
percentages are also the areas that either experienced the least property value growth, or the highest level of devaluation.

The central core of the Detroit metropolitan area is the city itself, which is over 85% black. The few census tracts that appear to have any positive growth at all real estate wise are those tracts with racially integrated neighborhoods, areas like Rosedale Park, Sherwood Forest, and Indian Village. Similarly a glance at Chicago evinces a trend in which Chicago's South Side as well as Chicago's inner-suburbs to the west have either had their values absolutely or relatively decrease...and both of these areas are heavily African American. Philadelphia's south side is mostly black and it too sees its property values drop precipitously.

When writing about the rise of neoliberal public-private partnerships we see Hackworth deal with racial politics explicitly.

Hackworth:

The emphasis on protecting CBD real estate investment at the expense of nearby residents generated a more public (and racialized) form of social conflict in the city. One local activist angrily summarized the tension that was developing between city residents and regime participants; while castigating Mayor John Lynch at a meeting during the 1980s, activist David Harris stated, 'There is substantial minority presence downtown. After each of your projects there is none at all. That disturbs me'...Exclusion as a means of expansion was plainly unacceptable to nearby residents, but because their electoral power was being progressively eroded by the material power of real estate capital in the regime, New Brunswick residents became even more marginal in city politics than they had been at the beginning of the decade. (Hackworth, pp. 72, 73)

The tactics New Brunswick elites used to enhance the Central Business District were tied explicitly to racial politics. But Hackworth does not go quite far enough--it is clear that when he writes about exclusion being unacceptable to "nearby residents" he's really referring to it being unacceptable to poor working class black residents. And while
these residents were marginal--black residents comprise a small percentage of New Brunswick's population--their race likely rendered them even more marginal than their numbers suggest. However his understanding of the way racial politics works is limited to the pushback political officials received from black public housing supporters concerned about the changing racial demographics of the neighborhood. This concern is an important one, however this is not the only terrain. I'd argue that the fact that the public housing residents were black and poor constrained their ability to organize, and helped to generate support for the proposal to move them out.

Finally we have gentrification. Although the phenomenon of gentrification is by definition "classed" there is also a significant racial dynamic particularly in racially diverse settings like New York City. But because Hackworth is primarily interested in the class dynamics involved in gentrifying he ignores the racial demographics of the shift totally. Perhaps the closest he comes is in noting that one of the minor hurdles Two Trees had to wrestle with in DUMBO was the presence of a public housing project. But he never addresses how this hurdle was handled. In showing how the different areas fared, Hackworth compared them to New York City on the one hand and to Brooklyn on the other. When he wrote the book, portions of Brooklyn were in the early stages of development--DUMBO is a Brooklyn neighborhood. But now significant swaths of Brooklyn have been gentrified with other areas on the way.

It's worth requoting Hackworth on gentrification:

...gentrification is part of a broader restructuring of space. Moreover, it is not only connected to the broader process of neoliberal urbanism but can be seen as its knife-edge. Gentrification is much more than the physical renovation of residential and commercial spaces. It marks the replacement of the publicly regulated Keynesian inner city--replete with physical and institutional remnants of
a system designed to ameliorate the inequality of capitalism—with privately regulated neoliberalized spaces of exclusion. (Hackworth, p. 121).

Who is being excluded? Recently Spike Lee gave a lecture in Brooklyn for black history month. During the question and answer period a member of the audience asked Lee’s opinion of Brooklyn’s gentrification. Lee’s response was lengthy and intense:

Then comes the motherfuckin’ Christopher Columbus Syndrome. You can’t discover this! We been here. You just can’t come and bogart. There were brothers playing motherfuckin’ African drums in Mount Morris Park for 40 years and now they can’t do it anymore because the new inhabitants said the drums are loud. My father’s a great jazz musician. He bought a house in nineteen-motherfuckin’-sixty-eight, and the motherfuckin’ people moved in last year and called the cops on my father. He’s not -- he doesn’t even play electric bass! It’s acoustic! We bought the motherfuckin’ house in nineteen-sixty-motherfuckin’-eight and now you call the cops? In 2013? Get the fuck outta here!
Nah. You can’t do that. You can’t just come in the neighborhood and start bogarting and say, like you’re motherfuckin’ Columbus and kill off the Native Americans. Or what they do in Brazil, what they did to the indigenous people. You have to come with respect. There’s a code. There’s people.

You can’t just -- here’s another thing: When Michael Jackson died they wanted to have a party for him in motherfuckin’ Fort Greene Park and all of a sudden the white people in Fort Greene said, "Wait a minute! We can’t have black people having a party for Michael Jackson to celebrate his life. Who’s coming to the neighborhood? They’re gonna leave lots of garbage." Garbage? Have you seen Fort Greene Park in the morning? It’s like the motherfuckin’ Westminster Dog Show. There’s 20,000 dogs running around. Whoa. So we had to move it to Prospect Park!

There are two dynamics that make his critique a bit problematic. The first is that while Lee’s father lived in Brooklyn for over 45 years, Lee himself was part of one of the first wave of black gentrifiers. Indeed Lee himself was the first one to sell his home for seven figures. In combining race and class, assuming that all black Brooklynites are poor he is able to more or less ignore the fact that he himself and the class of black artists he represents (which include but are not limited to Wesley Snipes, Branford
Marsalis, Rosie Perez, Chris Rock, and Nelson George among others) are themselves implicated.

But arguably the gentrification process in many cities is a process not only of class replacement, but is also a process of racial replacement.

In the case then of public housing, understanding racial politics helps us explain why the fight for public housing was a losing battle in Chicago while taking a very different shape in Seattle. Understanding racial politics helps us explain why certain real estate is consistently undervalued while certain real estate consistently increases in value. Understanding racial politics helps us understand why gentrification often takes the specific shape it does. "Racing" communities, neighborhoods, and populations render them problem spaces that require repopulation and restructuring.

Furthermore though understanding racial politics not only helps us understand how communities, neighborhoods, and populations are treated through neoliberalisation, they also help us understand how entire cities are treated as well. In the first chapter Hackworth examines the disciplinary role of bond rating agencies on city budgets, presenting three different cities--New York, Philadelphia, and Detroit. Although in each case the bond rating agencies caused cities to drastically cut back social services, in one case the cuts were not enough to consistently generate high bond ratings.

Detroit.

Now I noted at the outset that what the various approaches to neoliberalism share conceptually is an understanding that people, populations, and institutions consistently able to effectively govern themselves according to neoliberal dictates will
be rewarded or positively incentivized to continue to do so. People, populations, and institutions that on the other hand are consistently unable to effectively govern themselves according to neoliberal dictates will have resources consistently withheld from them. Furthermore, they will be subject to punitive treatment.

Detroit works as a two-pronged metonym.

On the one hand when used by Obama in the phrase "we won't let Detroit go bankrupt" Detroit serves as a metonym for the automotive industry. And we know Obama did not in fact let the auto industry go bankrupt. He nationalized GM and Chrysler (Ford refused the offer) in exchange for certain structural changes, and then denationalized them when GM and Chrysler could generate a profit on their own. But on the other hand, when used by people as a kind of threat "we don't want Baltimore to become another Detroit" it serves as a metonym for a black city unable and perhaps unwilling to properly govern itself or be properly be governed, falling into disrepute and disrepair as a result.

In March 2011 the State of Michigan enacted Public Act 4, which gave the state the ability to place financially troubled municipalities, townships, and school districts, under receivership, or "emergency financial management". The effect of emergency financial management on democracy was stark. Elected officials would have little to no authority to pass or sign legislation, they would have little to no authority over the budget. Voters would have little to no authority over the emergency financial manager. And the emergency financial manager would have almost complete authority over the budget (including retirement pensions) and all municipal contracts—including union contracts. The effect of the legislation was immediate and dire—almost half of the state's
black residents found placed under the "leadership" of an emergency financial manager. Although Michigan voters later repealed Public Act 4 by referendum, a judge found that the act PA 4 replaced (PA 72) was still viable. In March 2013 under PA 72 the City of Detroit was placed under Emergency Financial Management and under emergency financial management has filed for bankruptcy, the largest such filing of its kind.

Hackworth argues that race is "extra-economic". I'd argue instead these and other instances reveal that race is constitutive. And that it behooves those of us interested in the neoliberal turn to take racial politics as a fundamental rather than extraneous part of neoliberalisation.
Bibliography


