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Urban Restructuring and the Crisis: A Symposium with Neil Brenner, John Friedmann, Margit Mayer, Allen J. Scott, and Edward W. Soja

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The recent “crisis” has not only triggered economic, social, and political turbulence in everyday life, policy, and practice, but it has also sparked a questioning of the theoretical frameworks used to conceptualize the transformation of city-regions around the world. Furthermore, while certain analyses and speculation on the economic causes and ramifications of the crisis abound in public discourse, so far, little has been said about the relationship between the crisis and major changes of city-regions.

We contend that an inquiry into urban restructuring and the recent crisis brings invaluable insights into the long-range and multifaceted processes shaping city-regions, as well as into the concrete actions and struggles influencing these processes today. In particular, revisiting theories of urban restructuring can lead to a deeper, more comprehensive understanding of the contemporary urban condition vis-à-vis the world’s predominant political orders and economic regimes, giving us a window onto their interrelations with everyday urban life. Additionally, viewing the 2008 crisis in broader terms—socio-spatial, political, ideological, and theoretical—enables more substantive interpretations of its causes and effects, and can reveal alternative pathways of urban change. For while the future trajectories of urbanization remain uncertain, we believe that these trajectories are not pre-given and must be openly and critically debated, questioned, and reconsidered. The crisis presents an unprecedented opportunity for reconceptualizing and redirecting these trajectories in ways that are democratic, equitable, just, and sustainable for people and city-regions around the world.

Thus, this spring, *Critical Planning* invited five prominent urban scholars representing an extensive and diverse body of critical research on city-regions to join us for a symposium via e-mail correspondence: Neil Brenner, John Friedmann, Margit Mayer, Allen J. Scott, and Edward W. Soja. We asked three questions: (1) How has urban restructuring changed city-regions in different parts of the world over the past three decades? (2) Does the 2008 crisis indicate that we are entering a new era of urban restructuring? (3) What are the implications of recent urban change and the 2008 crisis for planning, policy, and action today?

We encouraged our contributors to offer their own definitions and interpretations of urban restructuring, the crisis, and the relationships between the two. However from the outset, the symposium was informed by a broad understanding of *urban restructuring* as: the multifaceted processes driving the major transformations of city-regions (with particular emphasis on the past thirty years); constantly at work, with highly variable dynamics, affecting spaces unevenly and people unequally; with varying but quite open possibilities for changing its predominant directions; and conditioned upon struggles everyday around the world. We took what is conventionally meant by the recent *crisis* in academia, politics, and the mainstream media as a starting point for this discussion on the past, present, and future of cities. We also understand that the conditions and imaginations of “crisis” may extend well beyond select loci, social groups, sectors, or realms of inquiry. For example, is “the crisis” a foreclosure crisis, financial crisis, economic crisis, crisis of capitalism, crisis of neoliberalism, urban crisis, political crisis, environmental crisis, cultural hegemony crisis, and/or ideological crisis? Is it a manifestation of multiple or accumulating crises? And so on.

We developed this symposium as a collaborative, dialogical project in two phases: first, we discussed the questions with our contributors, asked them to send short written responses to questions one and two, and circulated their responses to the group; then, we proceeded to question three. Throughout the symposium, we encouraged our contributors to comment on each other’s responses, discuss further questions by e-mail, and update their responses as they saw fit, while adhering to *Critical Planning*’s word limits for final texts. We suggested minimal edits for clarity,

but made no attempt to minimize the discontinuities that demarcate parts of the texts, or create a linear order. Thus in what follows, we present the five contributors’ responses for each of the three questions alphabetically. Our belief is that the convergences and divergences that appear in the responses reveal important points of departure for further inquiry by enriching contentious and long-standing debates in urban and regional studies with fresh perspectives.

We wish to thank our five contributors for their extraordinary commitment and captivating discussion throughout the symposium. Special thanks are due to John Friedmann, Allen Scott, and Edward Soja for their advice and support. We are also indebted to the *Critical Planning* editorial board for their continuous encouragement. We welcome further comments and contributions from our readers. Our hope is that a critical discussion of these urgent questions continues to unfold in urban studies and planning, deepening our knowledge of city-regions and illuminating alternative directions for urban change for years to come.

Critical Planning: *Looking back, how has urban restructuring changed city-regions around the world in the past three decades? What are some of the key ways in which this restructuring has been conceptualized and analyzed?*

Neil Brenner: Like the other participants in this dialogue, I would agree that a qualitative reconstitution of forms of capitalist urbanization did indeed occur during the course of the 1970s, and that this transformation has had massive implications for city-regions across the world economy. Whereas the tendency towards *restructuring* can be understood as

a generalized feature of all capitalist space-economies, I would argue for a much more historically specific understanding of the *urban* dimensions of such restructuring processes. The urban is not a fixed arena or generic site in which restructuring processes occur; it is, rather, itself continuously reconstituted in and through such processes. To speak of *urban* restructuring, therefore, is to reference a process in which the very nature of cities—as sites of production, consumption, settlement, regulation and contestation—is reorganized and transformed: the “city-ness” of those spatial units we have come to label “cities” is thus never pre-given, but is continually remade through the process of restructuring. There is, accordingly, no pervasive, encompassing restructuring process that has unfolded “within” cities. Rather, the very nature of these units—their character or “unit-ness” *as* cities, and their relationship to other, equally dynamic spatial units (for instance, regions, national economies, supranational economic blocs, and the world economy)—has been qualitatively reorganized in conjunction with post-1970s forms of global capitalist restructuring. I am suggesting, in short, that the *explanandum* in the phrase “urban restructuring” lies above all in the term urban; the notion of restructuring, in this context, is primarily a descriptive one.

In what, then, did post-1970s processes of urban restructuring consist? In the terms proposed here, urban restructuring entails a reconstitution of the *city-ness of cities*—the production of new spatial units, necessarily layered and relayed upon inherited sociospatial landscapes, through ongoing processes of industrial and political-economic restructuring. In my previous work, I have found it useful, building on the work of Henri Lefebvre,

to emphasize the central role of state strategies in animating and mediating this process, and building on the work of Neil Smith and Erik Swyngedouw, to conceive this process in reflexively scalar terms.

First, state institutions at various spatial scales have actively facilitated the transformation of urban spaces, and in so doing, they have themselves been qualitatively remade into very different types of institutions and spatial formations than those that obtained under Fordist-Keynesian capitalism. Rather than promoting “balanced” or “equalized” urban development and infrastructural investment across their territories, national states in Europe, North America and East Asia are, in contextually specific ways, now mobilizing various types of locational policy that expose their major economic spaces much more directly to competitive pressures and global investments. Concomitantly, national states are now much more actively promoting intra-national sociospatial inequality as the appropriate basis for national industrial development. This rescaling and reorientation of state strategies has figured centrally, I would argue, in the reconstitution of urban spaces during the last three decades. It is thus appropriate, in David Harvey’s terms, to speak of a “post-Keynesian” formation of urbanization. *Hyperpolarized urbanization* might be an even more appropriate label.

Second, in contrast to the tendential nationalization of urban and regional spaces during postwar capitalism, there is now a relativization of scales in which diverse actors, organizations, and institutions are strategizing to (re)assert control over the trajectory of spatial development at once at local, regional, national, continental, and ultimately global scales. Rather than being embedded within, and relatively

subservient to, national political-economic systems, cities and city-regions have been increasingly resituated within a highly volatile, and constitutively multiscalar geoeconomic and geopolitical context. Of course, this is not to suggest that a worldwide urban system did not obtain prior to the 1970s—cities and city-regions have long been interconnected globally, and not only under modern capitalism. The point, rather, is that the geoinstitutional contexts of urban development have been qualitatively rescaled since the 1970s: nationalized political-economic spaces no longer offer a coherent, tendentially stabilized organizational framework for the processes of accumulation, urbanization, or regulation.

John Friedmann: As a concept in political economy, urban restructuring came into common currency sometime during the 1980s, and Ed Soja, I believe, was one of the first, if not the first, to describe the set of changes that were already beginning to be visible by the mid '70s, and which eventually came to be subsumed under umbrella-terms such as globalization and neoliberalism. Central to this was the process of de-industrialization in the heartlands of the industrial economies of the United States, the UK, Germany, and other countries in what is sometimes referred to as the West. The inverted mirror image of de-industrialization was the accelerated industrialization of some parts of Asia, and elsewhere whose labor costs were only a small fraction of what they were in the heavily unionized West: initially the so-called little dragons of South Korea, Taiwan, Singapore, and Malaysia, but not long after also the seaboard cities of China. With their *maquiladora* economy, the northern border cities of Mexico were also part of this process.

In discussing globalization and neoliberalism, it's

important to separate their ideological use from what was actually occurring on the ground. So for instance, the free-market philosophy of Milton Friedman was officially championed by the US, but practice often departed from doctrine. A small example are the continuing legal battles initiated by regional interests in the United States to limit lumber imports from Canada despite NAFTA and other agreements. As for the so-called NICs (newly industrializing countries), most of them had the very visible hand of government in establishing Special Export Zones and supporting infrastructure investments that made possible the accelerated industrialization of their economies. Whether we talk of South Korea, Singapore, or the People's Republic, it would be hard to argue that their states were being "hollowed out" even as their export economies flourished under World Trade Organization and similar agreements. In the end, national interests have tended to prevail over official obeisance to neoliberal slogans.

I have said little so far about urban restructuring. Associating the notions of urban and restructuring immediately suggests that we are adopting a spatial perspective. This becomes even more evident when we think of urban regions. From an economic point of view, urban regions have become central to understanding the locational geography of urban growth and decline. Allen Scott's book on the subject has helped to cement this concept into current thinking. But as a footnote to this fine edited collection, I should like to mention that the concept of a city-region as a locational matrix goes as far back as my Ph.D. dissertation on the *Spatial Structure of Economic Development* in the Tennessee Valley (1955). So the idea of city-regions is not new but a story that has been revived in the current climate of

globalization. The reason why it hasn't been made more of, even today, is that a decision framework for regional planning is lacking in the US. But this is not necessarily the case elsewhere, for example in Canada's British Columbia, where Metro-Vancouver is a long-standing policy- and decision-making body in what is termed here the Lower Mainland. And across the Pacific, China has recently adopted a rural/urban framework for municipal planning, where large central cities were charged with planning for surrounding peri-urban and rural county areas. This is a dimension, however, that has not yet been researched in any depth, at least by American scholars.

So I would say that at least for the United States, but also perhaps for parts of the EU, a key question thrown up by urban restructuring under globalization is that of effective regional governance. Positive examples in the West are few, perhaps as much for the reason that all participating organizations are busily competing against each other in their (to me misguided) efforts at attracting footloose capital. But the challenge continues even as cities are struggling to cope with growing unemployment, housing foreclosures, and all the rest that characterize the present economic, financial, and fiscal crisis, which like the Great Depression of the 1930s is of worldwide reach.

Margit Mayer: City-regions around the world have transformed in the past three decades as a result of a global reconfiguration of accumulation structures, in which global corporate capital— seeking to overcome various barriers to its expansion—has outsourced and off-shored different parts of the production and marketing processes, exploiting geographical, cultural, and political differences around the world, as well as the emerging labor markets of the former

Eastern Bloc and global South. This worldwide, but differentiated accumulation process and the concomitant accelerated industrialization have impacted city-regions in a variety of ways, leading to massive urban growth and huge inflows of migrants. As a result, some city-regions in the advanced capitalist world have turned into strategic nodes for various control and management functions, while others have become global production platforms, thus creating newly differentiated urbanization patterns: strong concentration processes in previously densely populated regions; urban sprawl and the emergence of edge cities; revitalized and increasingly CBD-oriented inner cities; the urbanization of formerly peripheral regions (while cities of the Fordist heartland deindustrialized); and the emergence of informal urbanism such as slums and shantytowns. Overall, unevenness in accelerated urbanization processes has intensified.

The so-called Los Angeles School, along with global city theories, were among the first to conceptualize these urban changes, as they emerged out of the 1968-1981 crisis of the Fordist-Keynesian mode of accumulation. During the incipient stages of the post-Fordist regime, these theories already pointed to the simultaneous trends of de-, re-, and neo-industrialization, and showed how these forms of industrial restructuring led to new dynamics of uneven spatial development. Both the LA School and the global cities literature stressed the consequences of the internationalization of each phase of the circuit of capital (production, exchange, consumption) for newly hierarchized urbanization processes. Command and control functions and financial management concentrated in global cities, where not only banking, real estate, and other corporate

sectors grew increasingly internationalized, but the labor forces as well. While the LA School drew our attention especially to the de- and reconstruction of spatial configurations (particularly the growing relevance of metro-wide and regional scales for economic and social developments, transcending and transforming pre-existing political boundaries), the subsequent re-scaling debates emphasized the changing institutional-territorial (supra-national as well as regional and local) modes of governance and their active roles in enforcing new locational policies.

As territorial competition intensified at all spatial scales (while governance models became increasingly entrepreneurial), urban class structures within the global North also began to transform, reflecting the fact that labor market expansion occurred mainly in the upper segments (executive, professional, managerial) and in the lower echelons, feeding the numbers of working poor and urban underclass. This vertical and sectoral polarization of the labor market soon became manifest in new socio-spatial patterns of polarization and hyper-segregation, where gated communities, immigrant enclaves, declining, and increasingly “dangerous” neighborhoods created new boundaries within city-regions. The associated rising levels of social and economic inequality are thus not merely an unfortunate “fly in the ointment” (Allen J. Scott) of the growing city-regions that constitute the growth engines of the global economy, but precisely a structural component of the contemporary “hyperpolarized urbanization,” as Neil Brenner labels it.

In other words, the trends identified by urban theorists since the 1980s played out and intensified during the following decades, creating: uneven patterns of sprawling metropolitanization across the globe; even

more deindustrialization and the new phenomenon of shrinking cities; and knowledge- and culture-based reindustrialization in the “advanced” capitalist countries, where formerly secure, middle classes are eroding and downgraded, surplus workforces are experiencing impoverishment to an unprecedented degree. In the meantime, mega-cities in the global South are thriving (though in many places, informal settlements and slums are expanding). New cities in Asia are booming as urban wages—especially in China—have risen rapidly in the last decade, while remaining far below the stagnant US wages. These shifts have challenged the dominance of existing theoretical and political models. At the same time, popular contestations of neoliberal urbanism seem to be more pronounced outside of cities in the global North. Think of the anti-privatization struggles as well as land and resources reclamation movements in countries all over the global South, such as factory occupations in Argentina, or experiments with progressive local governments across Latin America. Such struggles may entail stronger social change potential than the fragmented, defensive, or culturalized movements against intensifying commodification and neoliberalization of urban life in the global North. This raises the question of whether “first world” metropolises are still the primary place where capitalism’s contradictions are coming to a head; where politically mobilized working classes can find supportive allies; and where the struggle for the right to the city is best to be fought, as much of the urban theory literature from the Paris Commune until at least May ’68 has implied.

Allen J. Scott: The term “restructuring” emerged in the discipline of geography in the 1970s, and generally refers to major shifts—driven by fundamental change

in overarching social and economic conditions—in the structural arrangements of the economic landscape. Over time, the term has come to be used with increasing looseness so that nowadays it is often applied to situations that involve something much less than these sorts of basic structural readjustments. I prefer to hew to the more restrictive usage. In my sense, then, there was indeed a great restructuring in North America and Western Europe over the 1970s when a deeply-rooted re-organization of the capitalist economic order occurred. This involved a primary shift from a dominantly Fordist pattern of production and social existence to something that has variously been described in terms of post-Fordism, flexible specialization, the knowledge economy, and so on. The same shift brought in its train far-reaching repercussions on the character of urban and regional systems, and helped to engender a proliferation of new industrial spaces around the world. The period since the early 1980s has not so much been marked by further rounds of restructuring (in my sense) than it has by continued intensification of the trends that were set on foot in the classical restructuring of the 1970s.

I would argue that what has typically been referred to in the literature as post-Fordism, etc. can actually be more clearly conceptualized in terms of an emergent *cognitive-cultural economy*—that is, a system of productive activity and associated labor markets founded in the increased mobilization of workers' aptitudes for independent thinking and decision-making and the radical deepening of opportunities for the deployment of specialized knowledge, empathy, imagination, and cultural sensitivity in the workplace. Nowhere is the cognitive-cultural economy more evident than in the great metropolitan areas of the modern world with their

proliferating clusters of employment in technology-intensive production, business and financial services, personal services, and a wide diversity of cultural industries including media and fashion. In contrast with earlier versions of capitalist urbanization, these metropolitan areas are often characterized by a new kind of balance between their internal spaces of work, domestic life, and leisure, and by the reconstruction of large swaths of inner-city space by large-scale gentrification in all its different guises.

These developments have occurred in the context of an ever widening pattern of globalization, and, more specifically, by a situation in which different places around the world are increasingly caught up with one another in relations of competition and cooperation. In this process, a *worldwide mosaic of city-regions* constituting the basic engines of the global economy is making its definite historical and geographic appearance. These city-regions are by no means confined to the world's richest countries, but are nowadays increasingly and even predominantly to be found in former peripheries of the global system. At the same time, many of the more ambitious of these city-regions are currently engaged in strenuous efforts to brand themselves as world cultural capitals, global cities of the arts, meccas of creativity, and so on.

Alas, the fly in the ointment of this happy picture is the rising levels of social and economic inequality in major cities the world over as migrants from low-wage countries are drawn in increasing numbers into their orbit. While these migrants continue to form an important element of the manufacturing labor force, they now function to an ever insistent degree as essential cogs in the day-to-day machinery of large cities by performing physically demanding (but more

or less deroutinized) jobs involving the movement of people and materials, catering to the domestic and leisure needs of the urban elite, and ensuring the overall workability of the built environment.

Edward W. Soja: Urban restructuring must first be seen as crisis-generated. It did not just happen. It is also important not to see urban restructuring as a singular or linear process, somehow moving along some immutable path. To some degree, cities are always changing, always facing problems of some sort. The concept of restructuring, however, suggests both an acceleration of change and a significant redirection, short of total transformation but much deeper than piecemeal reform. As it has come to be used in the literature over the past thirty-five years, urban restructuring refers to the many different ways the modern metropolis and urban life have been deeply reconfigured since the early 1970s.

In *Postmetropolis* (2000), I summarized the literature on urban restructuring around a series of discourses, each emphasizing different ways of interpreting the many-sided metamorphosis of the modern metropolis. For example, the discourse on urban industrialism, represented in Allen Scott's innovative work, interprets urban restructuring primarily through the changing relations between urbanization and industrialization. For Saskia Sassen and many others, globalization provides the major interpretive lens. The rise of security-obsessed urbanism defines Mike Davis's approach, while others emphasize the polarizing effects of changing urban form and increasing social fragmentation.

Behind all these changes are three interrelated causal forces: the formation of a new post-Fordist,

flexible economy; the accelerated globalization of capital, labor, and culture; and the revolution in information and communications technology. I think most scholars today would agree that these have been the most powerful forces behind urban restructuring everywhere in the world. While it is possible to generalize about urban restructuring processes, however, there are also many variations on these general trends, as every modern metropolis adapts to change in different ways. The key point is that the restructuring processes are complex and multi-sided, and cannot be reduced to one-dimensional interpretations, whether neoliberal, postmodern, global, post-Fordist, or postindustrial.

Without having a better term and wanting to recognize that the changes were still ongoing, I used the term "postmetropolitan transition" to define what has been happening over the past forty years. Recently, I have begun to interpret urban restructuring trends in a different and more specific way, seeing in them a major change in the mode of urbanization from the distinctive "metropolitan urbanization" that has been dominant over the past century to a new mode of urban development that I call "regional urbanization." Briefly described, regional urbanization is characterized by a densification if not urbanization of traditional suburbia and usually a flattening out of the density gradient from the peak level in the central city. In many large metropolitan areas, the outflow of domestic populations from the urban core has been matched by the influx of even larger numbers of transnational migrants. As a result, the once recognizable boundaries between urban and suburban ways of life are blurred in a new and more heterogeneous mixture of race, class, and culture; and the formerly monocentric metropolitan area is increasingly

urbanized into polycentric and networked city regions or regional cities, some, like greater Shanghai or southern Honshu, growing to enormous size.

However it may be interpreted, one key finding in the urban restructuring literature needs to be emphasized, especially for readers of *Critical Planning*. In almost every case, urban restructuring has been associated with an intensification of economic inequalities and worsening social and political polarization, often associated with the increasing impact of neoliberal ideologies and state policies. These polarizing effects have been greatest in city-regions receiving the largest number of transnational immigrants, a few of which are now the most culturally and economically heterogeneous “cities” the world has ever seen. All this has created increasingly volatile urban environments, provoking the idea that the era of crisis-generated restructuring is moving into a period of restructuring-generated crises; that is, new kinds of social unrest and rebellion based not simply on older divisions of class, race, and gender but on the new forms and patterns that have developed over the past thirty years.

Critical Planning: *How does the 2008 crisis affect these trajectories of urban restructuring? Does this crisis derive specifically from restructuring? Does it necessitate a reinterpretation of the conceptual frameworks of restructuring? Does it indicate that city-regions and the world are entering a new era of restructuring?*

Neil Brenner: As David Harvey has recently emphasized, there is a bizarre amnesia within public discourse when it comes to recalling periods of volatility and crisis that occurred during previous decades or phases of capitalism. Yet, since the breakdown of North Atlantic Fordism in the early

1970s, there have been recurrent regional collapses and global disruptions across the world economy—from the debt crises of the 1980s in Latin America and sub-Saharan Africa, to the financial crises of the late 1990s beginning in East and Southeast Asia and spreading to Russia and Eastern Europe. Clearly, the crisis of 2008–2009 has its own distinctive causes, dynamics, and geographies: it is rooted in the speculative bubble of financialization that has been recklessly expanding since the 1980s; it appears to have originated in some of the core zones of the world economy (above all, in the USA) rather than elsewhere; and, due to the role of the subprime mortgage collapse in triggering its initial expressions, it appears to be tightly articulated to urban land and property markets, particularly in the global North. If anything, awareness of the present “global” crisis appears to be heightened among Northern academics because we are experiencing its effects on everyday life much more directly than, for instance, those of the debt crisis in the 1980s or the Asian financial crisis of the 1990s.

Does this latest round of crisis represent a rupture in the dynamics of capitalist urbanization, perhaps akin to that following the Great Depression of the 1930s, or to that following the collapse of Fordist-Keynesian capitalism in the 1970s? From my point of view, it would be premature to speculate on this question: we have yet to see what types of structural consequences may unfold, what types of political strategies may be launched, what types of alternatives may be articulated and what forms of resistance may be mobilized. I agree with the suggestion made by others in this dialogue that this latest crisis may facilitate a more interventionist role for state institutions, particularly in the regulation of sociospatial inequality. It remains to be seen, however, whether such trends will represent

a qualitative transformation in the neoliberalized policy orientations that have been entrenched within state institutions during the last few decades, or whether they will entail a mere “tinkering” with the latter to promote economic “adjustment,” and to address some of the more disruptive forms of political discontent and social unrest.

In the spheres of urban development and urban governance, I am inclined to emphasize continuity rather than rupture—assuming that, by continuity, we mean a perpetuation of the forms of restructuring that have been unfolding since the crisis of North Atlantic Fordism. Specifically, I do not see the present geoeconomic crisis as interrupting any of the following basic trends within post-1970s hyperpolarized urbanization:

- Supranational and national state institutions continue to expose cities and city-regions to global economic forces and competitive market pressures;
- Heightened fiscal austerity is imposed upon regional and local governmental institutions, further undermining their redistributive capacities, and further entrenching market-oriented, developmentalist policy orientations;
- There is a continued, widespread naturalization of profit-based forms of economic development as an unquestioned priority within urban governance;
- At all spatial scales, control over local economic development is further delinked from relays of democratic accountability;
- The discourse of worldwide interurban competition is further perpetuated in policy circles at various spatial scales; and there is a corresponding emphasis on the need for institutions and

policies to promote “locational competitiveness;”

- There is a continued financialization of key aspects of urban life—for instance, infrastructure, housing, household savings (but these may now be subjected to more extensive forms of state oversight to prevent speculative “excesses” and inappropriate “risks”);
- There is a tendential intensification of sociospatial polarization among and within cities, both within and among the major zones of the global economy.

This is not, however, to suggest, that nothing of significance has changed since the crises of 2008–2009. Like Ed Soja, I believe that the nature of urbanization under contemporary capitalism is indeed being fundamentally transformed, not least in its sociospatial configuration. My point here, though, is that I do not, for the moment, believe these transformations can be traced specifically to the “crisis” of 2008–2009; rather, they involve much longer term trends and dynamics.

John Friedmann: Let’s be clear about one thing: capitalism can flourish under many different institutional arrangements; it is wedded neither to 19th-century Manchester liberalism nor to 20th-century neoliberal doctrine. The latter was successfully invoked to accomplish what some have called the re-capitalization of capital. I believe that the evidence supports the position that the measures being adopted by the Obama administration, just as was the New Deal of Franklin Delano Roosevelt, is not to create a new corporatist order but to restore the Federal Government as a major player to save capitalism from itself while protecting a sovereign national interest. Global capitalism is now firmly in place and will continue to do what it is good at, which is to engage in entrepreneurial behavior. But during the coming years,

the free-booting behavior of the last thirty years will be hemmed in by greater government involvement.

At some time during the present century we will have to re-think how we want to organize our individual and collective lives as we come up to certain limits of resource use that will undoubtedly stare us in the face. Global climate change and water scarcities are only two of these limits that will engender serious conflicts. A world of nine billion people living at an American standard of living forty years from now is difficult to imagine. But how to set achievable limits? Difficult as it is, it is our task as planners to think the unthinkable, as Joshua Cooper Ramo has recently encouraged all of us to do.

Whether through “creative destruction” or through resource wars and mass migrations, urban restructuring will continue, and as they have always been, the working poor will be at odds with the minority who govern us. Is fighting the Taliban a class war, a resource war, or a war to preserve the American system? Whatever you call it, it is the sort of war that we are likely to be fighting on a continuing basis against all sorts of adversaries in the future whose ideas for the good life differ from those of mainstream Americans. The American Way of Life is the way of consumption. Collectively, we don’t have anything better to offer than economic growth. Nor are we alone in this. The Chinese government is facing the same dilemma, to grow the economy or lose legitimacy. Ditto for India. So whatever the cost, they will both grow under a veneer of sustainability. And so will we.

P.S. An afterthought as of May 25: I think that the questions we were asked were posed as though the period of urban restructuring since the 1970s was

a unique, one-off event. To the extent that this is how “restructuring” is interpreted, I would have to disagree. I believe that urban restructuring is not an “event” at all but an ongoing process of change that reflects the fluctuating currents of political economy as they sweep across the world in the era of globalization.

The re-capitalization of capital is an intensification of processes that are (1) endemic to global capitalism and (2) made urban restructuring more visible and dramatic over the past three decades. The 2008–2010 crisis will result in a major new role for the federal government in the United States, ostensibly to prevent such crises from recurring. But the taming of capitalism through federal regulations is not geared to deal with the larger long-term issue, which is that aggregate consumption including the build-up of national armories to shore up America’s hegemony in global affairs not only fails to increase the general happiness of the people but overshoots the world’s capacity for sustaining long-term economic growth. I see this as the real, possibly terminal crisis of capitalism as we know it.

The problems of the present are a cyclical phenomenon, while the underlying crisis we are facing will still be there once we have overcome the short-term problems of 10% unemployment, de-industrialization, fiscal insolvency, and so forth. My answer to question 3 is therefore geared to my perception of what I believe will be the more serious crisis of global dimensions that is currently hidden by more immediate policy concerns.

Margit Mayer: The current crisis is comparable both to the Great Depression—which signaled the end of “unregulated” capitalism and was resolved by the emergence of what we have come to call the Fordist accumulation regime, with its nation-

based Keynesian welfare-warfare state—and to the crisis of Fordism (1968–1981)—which signaled the end of the “virtuous cycle” of that “golden era,” and was temporarily resolved by the onset of neoliberal globalization. Like these previous crises, the current one will require a fundamental societal-structural change to overcome the present barriers to accumulation. Now that capital is extensively operating on a global scale and has tried to avoid the constraints of labor and the environment by going into financialization, the conditions for rekindling accumulation at “acceptable” growth rates are far from clear. Ecological and resource constraints on this planet appear more serious than ever, urbanization patterns have created deep social and spatial cleavages, and the political elite of most countries and supranational institutions warn of forthcoming civil disturbances, political upheaval, food riots, public health panics, and other threats to security.

The very way in which the previous growth model’s crisis was resolved in fact laid the seeds of this recession. The Fordist model provided a temporarily stable and prosperous compromise between labor and capital based on mass production, mass consumption, as well as nationally organized welfare state measures and regional development programs. However, by the late 1960s, the rigidities of its production structure and rising (labor) costs, the destructive side effects of mass production and mass consumption, and the growing politicization of those costs through social movements, slowed growth rates and triggered social conflicts. With growth declining and loyalties dwindling, the technical and social limits of this model became apparent, and Fordist modes of regulation grew dysfunctional. Roll-back neoliberalism, new

technological developments, the flexibilization of the production process, accelerated immigration, off-shoring, the supersession of the Keynesian welfare national state by “Schumpeterian workfare regimes,” and the redesigning of urban space (see response to question 1, above) all worked to address the limits of Fordism. But repressed wages and labor’s ensuing disempowerment implied that consumer markets became limited, leading to the explosion of debt-financing, which laid the basis for the current crisis. As it became more profitable to invest in stocks and property, and since the 1990s, in new asset forms such as derivatives and interest rate swaps, more and more people invested in these markets, pushing prices higher, leading to even more people investing. David Harvey emphasizes that a big part of the capital surplus going into this bubble formation has been absorbed in urbanization, urban restructuring, and urban expansion. Municipal governments in efforts to position their cities favorably amidst intensifying intra-urban competition have welcomed investors and developers pushing (mega-)gentrification, waterfront development, as well as sports, entertainment, cultural, or other spectacular urban development projects.

This differential development has reconfigured urban landscapes, rearranged residential patterns, and impacted urban lifestyles in different, yet comparable ways across globalizing city-regions. For example, particular “creative” industries, along with “creative classes,” are attracted to new, knowledge-based districts—a process in which alternative, local (often previously subversive) cultures and networks are incorporated and harnessed for a new valorization and upgrading of city space. Thus, in some ways, the cultural rebellion against the Fordist model and

lifestyle has become integrated into the knowledge- and innovation-based reindustrialization of many metropolitan regions—and instrumentalized to make the urban environment attractive to global real estate investors. Urban policies also seek to attract upwardly mobile residents with “wild urbanism” marketing strategies that emphasize urban adventure, but also cleanliness and a positive community identity. For example, efforts to build “authentic urban landscapes” may entail the presentation of homelessness as an unavoidable part of an exciting urban landscape. These efforts are, of course, accompanied by “safe city” programs, which control “possibly dangerous populations” by arresting their members for so-called “quality of life” offenses. This combination of penalizing certain types of poverty with place-making strategies for those with purchasing power has become a hallmark of public-private, downtown revitalization strategies from Los Angeles to Berlin. These strategies are fraught with contradictions and tensions, and will come apart as municipal budgets are slashed amidst the recession.

So, indeed, the world and city-regions are entering a new era of restructuring. The collapse of credit for the working classes spells the end of financialization as a solution, hence unemployment will continue to grow and many industries are threatened unless effective public action prevents that. So far however, state responses barely point in a Keynesian direction, but center mostly on incurring massive public debt and future financial liabilities by shoveling vast public wealth into rescuing the banking system, without using this public funding as a way to exert public control. These responses, which seek to consolidate financial power and a new state-finance

nexus to resolve the problem for the capitalist class, further dispossess the other classes. Whether and how a newly stabilized round of accumulation can get rekindled under such conditions, whether and how the underlying social, spatial, and governance structures will be transformed, depends—as with the systemic societal transformations that underpinned the outcomes of earlier crises—on the social and power struggles of the coming years. Seeds and visions of more sustainable and more just cities, projects of social economies and direct-democratic communities, will figure importantly in these struggles. But their scale and place is as yet unclear.

Allen J. Scott: As the current economic crisis deepened over the summer and autumn of 2008, I fully expected that a corresponding urban and regional restructuring, equal in intensity to the restructuring of the 1970s, would ensue. That earlier restructuring involved a very definite transformation in what some theorists would call the “regime of capitalist accumulation.” As the current crisis abates, however, it looks more and more to me like an episode internal to the continuing emergence of the cognitive-cultural economy rather than a basic phase shift of regime. To be sure, the crisis has had, and will continue to have important repercussions on cities and regions across the world, though the outlines of these still-materializing developments remain rather blurred. Let me offer three main observations in this regard.

First, given that the crisis originated in massive irrationalities within the global financial and banking system, we can expect to see moves at both the national and international levels to re-regulate the system in the interests of dampening speculative

excess. Depending on the capacity of policymakers to formulate and implement muscular regulations, the ultimate outcome may well entail definite curbs on the further expansion of major financial centers like London or New York. Should this occur, a number of second tier centers like Seoul, Shanghai, and Dubai may well benefit as a result. I am not betting strongly on this eventuality, but it remains a plausible prospect.

Second, the long-run secular decline of manufacturing in the United States has greatly sharpened over the period of the crisis. The loss of manufacturing jobs will almost certainly continue over the near future as bankruptcies multiply and as more and more productive capacity shifts to off-shore locations. These trends will be especially marked in big industrial centers, notably in the US Manufacturing Belt, with Detroit once again bearing the main brunt of the crisis. Numerous smaller centers that benefited at an earlier stage from the decentralization of branch plants from major industrial cities will also be affected, and are already facing widespread job loss and unemployment. In response to this situation, local economic development officials in many different places are pursuing—not always wisely—what they take to be strategies that will bring forth “creative cities” on the ruins of the old urban economy.

Third, and perhaps most importantly, the crisis has revealed in a striking manner a fundamental weakness in the mode of social regulation characteristic of American neoliberalism. This weakness concerns not just the inadequacies of financial regulation but also the chronic and now greatly exacerbated fiscal crisis of the state in which demands for ever-lower levels of taxation by the wealthy persistently undermine

governmental capacities for supplying vital public goods. These demands, of course, met with a warm reception in successive Republican administrations at both the federal and state levels over the last couple of decades. The recent financial crisis has suddenly magnified the visibility of the negative fall-out from years of consequent neglect (in infrastructure, education, medical care, welfare, and all the rest). The rising awareness of this neglect among the citizenry at-large has in part wrought a political sea change that seems to be opening up real possibilities for modestly progressive reform in the future. If these possibilities materialize, we can expect at least some improvement in the public squalor that runs rampant through American cities today, and even, perhaps, some tangible improvement in the incomes and life-chances of ordinary citizens. President Obama’s Stimulus Bill signed on February 18th, 2009, with its promised \$1.5 billion for infrastructure investments and its additional provisions for job creation, starts the ball rolling in this direction.

Edward W. Soja: The world changed radically in 2008. While there is some confidence that we have achieved a basic understanding of the urban restructuring processes over the past thirty years, the new urban forms and functions that have taken shape, what I have described under the rubric of regional urbanization, are now entering a new period of accelerated change and potential redirection. In this, the crisis of 2008 can be seen, at least in part, as a restructuring-generated crisis. Given the unknowability of what will happen next, it is not yet possible to say whether the conceptual frameworks that have emerged in studying urban restructuring need to be changed or what changes need to be

made. It is also not possible to say that we have entered a new era of restructuring. What we can say, I think, is that our understanding of the more than three decades of urban restructuring will prove to be useful in interpreting what might happen next.

Stated differently, the economic meltdown of 2008 is not just another in a long line of capitalist crises, nor should it be seen as marking the end of neoliberalism. To some extent, it is both...and much more. If it can indeed be seen as a restructuring-generated crisis, then we need to consider what is happening today as reflecting what is new and different about the contemporary era, how the world and its cities have changed over the past three decades. In some ways then, what we know about urban restructuring is of crucial importance to understanding the crises emerging today everywhere in the world. They are crises of the New Economy and its leading sectors of high technology production, FIRE, and the cultural or creative industries that have pushed planners into entrepreneurial city-marketing and other diversions away from addressing fundamental problems of poverty and inequality. They are crises of globalization and its geographically uneven development. They are crises of the network society and its digital divides.

David Harvey has recently stated that what happened in 2008 was an urbanization crisis, growing out of speculative investments relating to the built environment and to the massive redistribution of real income that is embedded in the normal operations of the industrial capitalist city. He points to the subprime mortgage debacle as part of one of the greatest shifts of assets from the poor to the super-rich. I agree that we need to understand the

crash of 2008 as rooted in the urbanization process and related to the extraordinary redistribution of wealth that has occurred over the past thirty years. But I do not think that this urbanization crisis is just the latest of many and that we should approach it as simply more of the same. The current urbanization crisis significantly differs from those in the past. It needs to be understood as a crisis of regional urbanization and all that is associated with it.

The search for restoring economic growth and greater social control that was triggered by the urban and other crises of the 1960s and early 1970s drew largely on urban-generated wealth, but did so through the new technologies and the creation of what some call a "bubble economy," a huge pool of virtual capital that grew to more than ten times the size of the gross national product of the world. It expanded by sucking into it family savings, retirement plans, credit card debt, and government expenditures for welfare (at least for the poor), all wrapped in hedge funds, credit default swaps, private equity funds, derivatives, and other electronically recycled forms of money and credit that were often little more than variations on a Ponzi scheme. Neoliberalism was the ideological underpinning for this expansion and its ideology was reinforced by the appearance of enormous profits for those participating. This unprecedented bubble economy and the restructured geographies associated with it were the primary source of crisis-relieving superprofits, part of capitalism's attempt at a spatial fix. It was this that exploded in 2008.

In short, what I am saying is that our accumulated knowledge of the crisis-generated urban restructuring processes that have been transforming the modern

metropolis over the past thirty years is more vital than ever in understanding what is happening today. The critical spatial perspective that has shaped this accumulated knowledge will continue to be key to making theoretical and practical sense of the economic meltdown and its aftermath. Many of the general trends that have been identified are likely to continue, although some might shift direction and there will undoubtedly be some new and unexpected twists and turns. However, it will take many years before we can be confident that we know what these new trends mean or how to answer the question of whether the “city-regions and the world are entering a new era of restructuring.”

Critical Planning: *What are the implications of recent urban change and the 2008 crisis for planning, policy, and action today?*

Neil Brenner: My approach to this question is based on work I have been doing recently with Jamie Peck and Nik Theodore. We conceptualize neoliberalization not as an all-encompassing global structure, but as a prevalent *pattern* of restructuring under post-1970s capitalism: it involves the prioritization of market-disciplinary solutions to regulatory problems; the intensification of commodification; and the mobilization of speculative financial instruments to open up new realms for capitalist profit-making. Neoliberalization assumes a distinctive geographical form, which we label “variegation:” through its path-dependent collision with diverse regulatory landscapes (inherited, for instance, from Fordist-Keynesian, national-developmental and state socialist forms of capitalism), it intensifies geoinstitutional differentiation. Rather than expecting

some “pure” form of neoliberalization to obtain across contexts, we view variegation as an essential, enduring feature of this pattern of regulatory restructuring.

We distinguish three different layers of neoliberalization processes since their appearance on the landscape of world capitalism in the 1970s. First, since the 1970s, there have been various neoliberalizing *regulatory experiments*—contextually specific efforts to impose market-disciplinary forms of regulation. Second, above all since the late 1980s, neoliberalization has been further entrenched through *networks of interjurisdictional policy transfer* through which certain basic policy prototypes (for instance, privatization, liberalization, fiscal austerity, urban locational policies) have been transferred across contexts. Third, above all since the consolidation of the so-called Wall Street-IMF-Treasury complex and neoliberalized formations of the European Union, the IMF, the World Bank, and the WTO during the course of the 1990s, neoliberalization has been imposed through the construction of *global rule-regimes* that constrain other institutions (including national states) and actors to adopt market-disciplinary parameters for their operations. At the risk of oversimplification, we might thus speak of a tendential shift, during the last three decades, from disarticulated neoliberalizations (1970s to early 1980s) to orchestrated neoliberalizations (mid 1980s to early 1990s) to deepening neoliberalizations (mid 1990s to mid 2000s).

This schematic conceptualization and periodization obviously requires further elaboration. For present purposes, I use it simply as a springboard for posing some basic questions about the geoeconomic crisis of 2008-2009:

1. Has the crisis opened up spaces for any *disarticulated* counter-neoliberalizations—that is, for alternative, counter-neoliberal forms of local, regional, or even national regulatory experimentation?
2. Has the crisis facilitated the development of any *orchestrated* counter-neoliberalizations—that is, attempts to puncture neoliberalized systems of neoliberalized policy transfer, and/or to construct new relays for disseminating more progressive, socially just policies across regulatory contexts?
3. Does the current crisis entail a crisis of the neoliberalized global rule-regime, and perhaps, the development of *deepening* forms of counter-neoliberalization based on alternative, more progressive and socially just visions of global geoeconomic and geopolitical order?

Much work remains to be done to pursue answers to these questions; there is currently plenty of contradictory evidence to suggest a variety of possible interpretations. For instance, it is worth exploring whether the contemporary Right to the City movement in the USA represents a cluster of relatively isolated regulatory experiments or whether it might entail incipient efforts to coordinate nationwide and even transnational forms of counter-neoliberal resistance through the consolidation of broader networks of progressive or radical policy transfer across localities, regions and national states. Clearly, context-bound counter-neoliberalizing regulatory experiments are crucial, but in the absence of orchestrated, transnational networks of counter-neoliberalizing policy transfer, such experiments will remain confined to particular places and territories. The World Social Fora, of course, represent a

particularly prominent example of a well-coordinated attempt to orchestrate transnational knowledge transfer among progressives. Undoubtedly, the construction of counter-neoliberalizing systems of transnational policy transfer represents a major step forward for progressive activists and policy makers. But, in the absence of a powerful, influential vision for an alternative global rule-regime, such networks may remain interstitial, mere irritants to the machinery of neoliberalization, rather than genuine threats to its destructively hegemonic influence.

To my mind, therefore, the all-important contemporary political question concerns the future of the neoliberalized global rule-regime that has prevailed over much of the last decade. Does the current global financial crisis seriously threaten it? While some factions of the global political-economic elite have voiced calls for a “new financial architecture,” to date there are signs that the neoliberalized global rule-regime is actually being further consolidated rather than rolled back or dismantled. Some forms of financial speculation may be reigned in, but the basic project of unleashing the rule of markets on a world scale through free trade, accelerated foreign direct investment, extended commodification and hyperfinancialization still seems to be considered the most (or only) appropriate model of global development. The current crisis may indeed offer strategic opportunities to those who wish to pursue a more progressive, socially just vision—revealing a crack in the edifice, as it were. But, as South African radical scholar Patrick Bond has recently argued, in the absence of sustained pressure from below and from powerful national states themselves, it may be simply an occasion for

the global ruling classes to impose even more austere forms of restructuring and more violent forms of accumulation by dispossession. Thus, in my view, the prospects for a deepening counter-neoliberalization remain relatively underdeveloped at the present time.

My point here is not to prioritize any among these three levels of political engagement—all are strategically essential. In the absence of viable, context-specific regulatory experiments, our imagination for what a viable global alternative to neoliberalization might look like will be seriously constrained. But just as importantly, if we focus entirely on locally and regionally specific “alternative economies,” and consequently bracket the broader systems of policy transfer and the geoinstitutional frameworks that impose the “rules of the game” upon such contexts, we will also be limiting our ability to imagine—and to realize—a world in which processes of capital accumulation do not determine the basic conditions of human existence.

John Friedmann: The first two questions were analytical, and by and large, it seems we are all agreed on the basics. Here we are asked to switch to a more normative mode, to the eternal question of all revolutionaries: “what is to be done?”

Question 3 leaves out the “where” of policy, action, etc., but I want to focus on the United States because as Americans, we can make a difference here; we have no leverage in India, for example. My perspective will be long-term, say to mid century, because that’s what it will take to turn this ocean liner of a country around. I will be succinct, and the actions outlined below are addressed to progressive minorities within

civil society that are ready to commit themselves to the following ten points. They are formulated here as principles to guide the actions of mobilized social movements—please note the plural—that will carry forward the project for a New American Society.

- Resist the steady drift to a *warfare/security state*, which is the path on which we are currently embarked.
- Work towards the end of American global hegemony and for a *multi-polar world*. (It is a messianic fantasy to believe we can reshape the world according to an idealized image of ourselves).
- Learn to accept the reality of a finite material world, a *world of limits*. (To ignore the limits to capital accumulation is to court disaster).
- Work towards an *ecologically sustainable city*, which, among other things, implies a shift from primarily individual to a greater emphasis on collective consumption.
- Resist the relentless, insidious *commodification* of daily life where everything is for sale but we know the value of nothing.
- Work towards an economy that is oriented, as a matter of priority, to the *satisfaction of basic human needs* in food security, housing, good health, and an education that prepares even the lowliest amongst us for an active and productive life.
- Work towards a more *convivial city* in which distinctive places are created by people who care for their neighbors and for the quality of neighborhood life.
- Work towards a city that *nourishes the spirit*, a city of diversity and difference, of harmony and beauty, a city where life can truly flourish.
- Restore a sense of *civic obligation* as a mark of

local citizenship, a commitment to and pride in creating convivial, livable, urban places.

- Devise a system of economic accounting in which the production of *use values (that is, of non-remunerated work) and market-valued exchange* come to be equally recognized and acknowledged. In the longer term, the amount of time we devote to use value production should be significantly greater in the aggregate than the time spent on production for the market.

These principles of a progressive politics are interrelated and reinforce each other, but the first two principles are essential if we want to realize the rest.

Postscript: I wrote the above before reading the other contributions to this interview/symposium. So I think it is necessary for me to append a few additional thoughts.

Ed Soja usefully describes two types of urban restructuring—ongoing and cyclical. As I read our several answers to question 3, the current moment is of the second type, what Soja calls “a cluster of major crises affecting the entire world economy” that will lead to a rupture with the neoliberal accumulation regime and to a new kind of spatial order. Capitalism will undoubtedly survive this crisis as it has done before. But the spatial consequences of this new accumulation phase will be different from the one we have been experiencing since the mid ’70s.

Over the last forty years, we have been witness to a *centrifugal* process of urban-based industrialization that involved the dispersion of global capital into newly industrializing urban regions, many of them in Asia. One of the important stimuli enabling

this spatial process was a sharply declining cost of transportation/transaction costs that allowed Asia and particularly coastal China to become the new supplier of industrial commodities for the rest of the world, especially North America and western Europe. Some readers may remember the “world car” touted by Ford in the late 20th century which was assembled in Detroit from parts procured globally. Low-cost labor and a disciplined work force were other important considerations for this centrifugal procurement policy, but the technologies that dramatically lowered transportation/transaction costs were certainly enabling.

If we now project this cost curve half a century into the future, I believe we will see a steady *increase* in these costs which, as a result, will lead to a *centripetal* process of capitalization in major city regions in the western world and to more endogenous forms of industrialization.¹ I therefore posit a U-curve for transportation/transaction costs, whose nadir has been reached in the current period and whose rise from here on out, a result of steadily rising production costs in Asia, rising oil prices, high-sea piracy and other security issues affecting insurance policies for trans-continental shipments, increased subsidies for domestic production, and various protective fiscal policies will lead to a *reversal* of current globalization patterns. The so-called borderless economy, which some neoliberal enthusiasts dream of, will see new barriers arising as national borders will once again be used to define an economic space to be protected from global competition. This process will be reinforced as China is making the development of its potentially enormous national market a prime object of state policy. (India never fully embraced the window of export

orientation which neoliberal pundits had advocated as the rational course of action for all countries).

Or at least this is one plausible scenario. I'm sure there are others, not all necessarily benign given the unpredictability of world events. We do have to remember, however, that all socio-economic and political processes have limits, and that trend reversals are part of the *longue durée*. Add to this schematic social resistance and other politically oriented practices, and we get a picture that is somewhat hopeful for a more just, human-scaled world order, as I think we all are.

Margit Mayer: Regulation theory suggests combining the “periodic” with the “continuous crisis” perspective (in the words of Ed Soja) by distinguishing between the frequent crises occurring within a particular regime of accumulation and those that mark the exhaustion of such a regime. The transformation of this particular regime of accumulation has in the past always involved fundamental socio-economic reordering mediated through open-ended conflicts, before new modes of regulation and urbanization were found that would allow a new growth regime to emerge (as with the shifts from: robber-baron capitalism to large-scale business enterprise from 1905 to 1920; “unregulated” capitalism to the welfare-warfare state from 1928 to 1948; and the Keynesian era to neoliberal globalization from 1968 to 1981). Given that the current crisis appears to be a crisis *of* the latest form of capitalism (the financialized neoliberal regime of accumulation) rather than merely one *within* it, the legitimacy of capitalism can be contested again, and non- or post-capitalist economic and societal orders are back on the agenda—as are of course a variety of reformist neoliberal models. Given,

secondly, the enormous role which urbanization has played in the globalization of neoliberal capitalism as well as in the genesis of its crisis, urban planners, policymakers, and activists can be expected to play crucial roles in the battles over alternatives.

At a moment where capitalism is in a legitimation crisis and where anger about the class grab of the financial bailouts is virulent, the demand for the right to the city can find more fertile ground not just among progressive activists, but also urban planners and local policymakers. It is a good moment to imagine and begin to move towards “cities for people, not for profit” (cf. *CITY* vol. 13, nos. 2–3, June–September 2009). Planning schools should teach not just the narrow tools of the trade, but also how to think about forms of urban design, city life, and urbanization that use the surplus in a completely different way, towards social and environmental justice, the elimination of poverty and homelessness, and support for social movements that fight against dispossession and for just cities—locally as well as globally.

Given the new spatial division of labor, where growing segments of industrial production have moved to the global South, while the “old” cities of advanced capitalism have off-shored and deindustrialized, the huge new urban economies in Asia, Latin America, and parts of Africa have become the platforms of global production and leading incubators in the global economy—with labor costs at a fraction of those in the North. In today’s global production chains, this is where the mass of value creation and appropriation takes place. On the other hand, urban economies of the global North are increasingly shaped by central business districts with their advanced

services, real estate development, and a panoply of knowledge-based “creative” industries, as well as development around new technologies. These entail a multitude of interesting and exciting uses for gentrified middle classes, residential and tourist destinations, and creative milieus around media, culture, education, and research and development.

Of course there has been and continues to be resistance against the transformation of cities into such gentrified creative districts for top-end users. There are struggles against displacement, privatization, and the increasing securitization of public space; against the erosion of municipal services and infrastructures, and the intensifying segregation which marginalizes, hides, and disenfranchises large parts of the downgraded (and increasingly migrant) urban workforce. Aside from migrants’ struggles to enhance their rights to inclusion, much of the contestation in city-regions in the global North is limited merely to defensive struggles—to saving alternative biotopes—and much of the critique of alternative movements has been co-opted as (sub) cultural capital contributing to the innovative valorization of urban cultures and networks. As long as these struggles remain disconnected from the struggles of the migrant workforces, don’t manage to create links with the “global proletariat” in the rapidly expanding city-regions of Asia, Latin America, and Africa, and do not challenge the structures of global inequality, Northern cities will hardly play a radical vanguard role in challenging neoliberal urbanism.

At a moment where even the *Financial Times* expresses hope that a new kind of controlled globalization would help the world’s vast majority of the poor, and that the

huge difference between those who live like princes (mostly in the global North) and the greater part of the world who live like paupers, will be diminished, we—planners, policy-makers, activists—have not just an opportunity but an obligation to seek to understand and influence the development of our world and our cities. While the process of capitalist development will seek to find “a new spatial fix of greater scale and scope” (Arrighi 2009, 93) to overcome the current constraints to its expansion, possibly jumping to a container with higher population densities than that of the last period of accumulation,² we need not only to challenge the unjust geographies this jump might entail, but also to question the continuation of this growth rate because its environmental and social costs are simply unacceptable.

Allen J. Scott: It seems that the points of agreement far outweigh by the points of disagreement in this discussion.

I take it that the disagreements revolve principally around the proper meaning of the term “restructuring,” and the extent to which the great financial crisis of 2007–2009 can be said to be generating a corresponding urban crisis. There is little leeway for addressing these disagreements adequately in this brief summary statement.

The agreements, I believe, can be encapsulated in four main propositions:

- A distinctive rupture appears to have occurred in patterns of capitalist urbanization sometime over the 1970s.
- Concomitantly, and with intensifying globalization, a pervasive process of hy-

perurbanization has been set in motion.

- The city-regions that make their historical and geographical appearance as this process runs its course are marked by deep social cleavages, exacerbated by in-migration from poorer parts of the world.
- The neoliberalism that succeeded the Keynesian welfare-statist policy arrangements of the postwar decades is now in practice exhausted as a mode of socio-economic regulation at all spatial levels.

These lines of agreement strike me as having three major implications for future developments regarding urban planning, policy, and practice.

First, as individual city-regions grow outward they encounter an increasingly irrational pattern of fragmented municipal authority inherited from earlier rounds of urban development. This inherited pattern impedes effective region-wide governance, service provision, and the supply of public goods. We can thus expect to see greatly stepped up initiatives in individual city-regions to construct coherent and viable forms of regional management. That said, many, if not most, of these initiatives will in all probability be sharply contested by existing vested interests.

Second, the competitive advantages of city-regions are in significant ways rooted in a series of collective outcomes generally describable in terms of external economies of scale and scope together with other spillover effects. Thus, and in part as a corollary of the first point, it seems safe to predict that institution-building (involving both governmental and non-governmental agencies), in the interests of preserving and promoting region-based

competitive advantages, will continue to intensify. Appropriate forms of institutional coordination focused on local economic development are all the more crucial as city-regions become caught up in globalized structures of competition and cooperation.

Third, the intense social inequalities, injustices, and conflicts that characterize large cities today put serious shackles on the quality of urban life and on possibilities for a fuller flowering of a more congenial and creative urban milieu. The practical and ethical urgency for remedial action in regard to these problems suggests to me that various efforts will be forthcoming to reshape local civil society and to devise more inclusive forms of citizenship in global city-regions. The likelihood of action along these lines is heightened in view of the somewhat less regressive political environment that is even now starting to emerge as extreme forms of neoliberal ideology and practice begin to fade away.

Of course, these three remarks are not meant to exhaust the total field of future possibilities in regard to urban outcomes, but only to express some likely prospects as currently observable economic, social, and political trends are played out. Moreover, there are many different ways in which these trends are susceptible to expression on the ground. On the one side, they might be expressed in nothing much more than marginal reforms. On the other side, they could conceivably be assimilated into a wider push toward social democracy at large. Any intermediate outcome is also a possibility. I would hazard the judgment that any really far-reaching program of reform in the United States is going to call for a very much more heightened and disciplined mobilization of the Left than seems currently to be on the cards.

Edward W. Soja: Two broad approaches to urban restructuring have been raised in our group discussion. For the most part, we adopt an approach that emphasizes the periodicity of crisis. Urban restructuring is seen as moving through a series of historical phases in which long periods of relative stability (never without crisis) are followed by equally lengthy times of accelerated reconfiguration of significant intensity that new and different forms of urbanization and capitalist development take shape. Separating these phases are clusters of major crises affecting the entire world economy. Not everyone would extend these phases of intense restructuring back very far, but nearly all of us I think would agree that something significant happened in the late 1920s as well as the early 1970s, making the years that followed a time of unusually rapid change (but certainly not radical transformation).

Also mentioned is what can be called a Continuous Crisis perspective. From this viewpoint, restructuring is always happening because the contradictions and crises of capitalism never disappear. Restructuring rarely generates anything significantly new and different, for historical continuities prevail, making the restructuring process little more than a matter of patchwork reform rather than deep structural change. The meltdown of 2008, in this view, is only a slightly more serious version of the same old crisis formation that has been going on for the past two hundred years. Its implications for action lead us back to well established if slightly revised notions of radical or progressive political practice, policies, and planning.

These two approaches are not incompatible, although emphasizing one or the other leads to different

interpretations and conclusions, especially about what is to be done in relation to the 2008 crash/crisis. While not denying the continuity of crisis formation, I see 2008 as a turning point year, much like 1973 and 1929. We all agree it is much too early to predict what will happen in the near future and it is certainly not the time to celebrate the end of neoliberalism or capitalism itself. But where we may differ is in the degree to which what we have learned about the urban restructuring processes of the past forty years challenges our conventional wisdom and makes us think differently about planning, policy, and political action.

I appreciate John Friedmann's reminding us of the normative principles of progressive politics, but the more challenging question for me is how what has happened over the past forty years leads us to *think differently* about progressive activism, its objectives, and its strategies. I could speak about how the rapid development of China, for example, makes us see new possibilities in creatively combining capitalism and socialism, but perhaps not surprisingly my main point has to do with the increasingly central importance of a critical spatial perspective and the need to revise our political strategies to make them more explicitly spatial.

More so than in the past, a critical spatial perspective has been at the core of our understanding of the post-1970s period of urban and regional restructuring and needs to be foregrounded in how we decide "what is to be done" now and in the future. Everything happens in space, so simply acknowledging a spatial dimension to what we say is not enough. Our strategies and tactics need to be more explicitly spatialized and consciously focused on what Edward Said once described as "struggles over geography,"

collective efforts to change the unjust geographies we live in at multiple scales, from the local to the global.

We may not know what will happen next in response to the crash of 2008. But I am confident that whatever we do to change the world for the better will be infused with theoretically-informed spatial practices, with social and political activism that is more aware than ever before of just how and why space matters. I try to explain all this in my forthcoming book, *Seeking Spatial Justice*. I base my arguments on two premises: first, that whatever your interests may be, they can be significantly advanced by adopting a critical spatial perspective; and second, that spatial thinking in this sense can not only enrich our understanding of almost any subject, it has the added potential to extend our practical knowledge into more effective and innovative action.

This means that we need to build on new ideas such as community-based regionalism and multiscalar coalition building as well as take more explicitly spatial approaches to older ideas such as territorial democracy, environmental justice, urban social movements, and struggles over citizenship and the “right to the city,” making them more pertinent to a world of globalized city-regions. Vital in all this and especially in helping to mobilize new kinds of pluralistic coalitions is a new spatial consciousness, an awareness of our shared experience of being negatively affected by the unjust geographies that have been produced to contain and constrain us by capitalism, racism, patriarchy, and other forms of discrimination. Any attempt to explore the implications of 2008 must not ignore this critical spatial dimension.

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Lead Photograph

“Capitalism Isn’t Working: Another World Is Possible” banner at the G-20 summit protests, London, April 2009. Source: © London Permaculture, <http://www.flickr.com/photos/naturewise/3406400655/>.

Notes

¹ **John Friedmann (response to question 3):** Centrifugal and centripetal processes of industrialization refer to locational forces that may alternate historically, depending on causalities too complex to be discussed here. I would argue that the de-industrialization of the United States in the decades following 1970 was a centrifugal process that led to the industrialization of China’s seaboard. The saving of the American car industry by the Obama administration is a movement in the other direction; it is a centripetal move to save an industry that’s “too important for national security to fail.”

² **Margit Mayer (response to question 3):** Giovanni Arrighi, “The winding paths of capital,” interview by David Harvey, *New Left Review* 56, March/April 2009, 61-94.