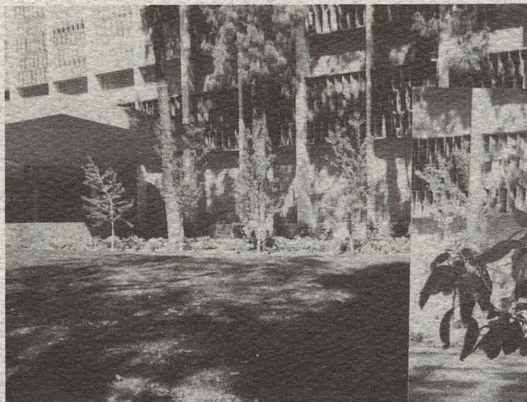


CRITICAL PLANNING



Julie Roque (1957-1996)
If you come to a fork in the road, take it.
(Yogi Berra)

Journal of UCLA Department of Urban Planning
Volume 4 **Spring 1997**

C R I T I C A L P L A N N I N G

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Financial Support:

Graduate Student Association of UCLA
Friends of Critical Planning
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Special Thanks To:

Marsha Brown, Eric Chang, Mike Cohn,
Kayne Doumani, Sue Ingham, Paul
Ong, Joseph Plummer.

Critical Planning is published annually
by the Students of the Department of Ur-
ban Planning, School of Public Policy and
Social Research, University of California,
Los Angeles.

Printer:

Marina Graphic Center, Marina del Rey

Subscription Rates:

Student \$3/yr.; UCLA Alumni \$5/yr.;
Individual \$10/yr.; Institutions \$25/yr.;
Friends of Critical Planning \$25/yr.

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Critical Planning is available on the World
Wide Web at <http://www.sppsr.ucla.edu>.

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This issue is dedicated to:

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1957-1996

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and all her students

a note from the EDITORS

When *Critical Planning* was founded four years ago by five students in the Department of Urban Planning, we knew that while our future was uncertain our mission was very clear: to provide a forum for students in urban planning and other aligned fields to present their research. It is incredibly encouraging to map the progress of this publication during its first few years. The journal has matured considerably since its inception. We no longer have a staff of only five members. Instead, over fifteen students contributed to the development of this year's issue. Equally as inspiring, however, is the continued originality and quality of the submissions. In naming the journal *Critical Planning*, the original intention was to publish works in a variety of formats -- policy critiques, fiction and poetry, theoretical investigations -- that shared the common purpose of thinking and rethinking the purpose and meaning of urban planning.

In the tradition of our original mission, the articles in this year's issue of *Critical Planning* share the similar theme of questioning the ways in which urban planning is conceptualized and practiced. Some articles challenge traditional views of the relationship between urban planning and the state. Whether they describe the political implications of economic restructuring in Los Angeles or Chile, they are all concerned with democratic and redistributive justice. Conrad assess the state of campaigns for living wages as an economic development strategy. Rosenfeld and Marré present the effects of neoliberal economic restructuring and privatization on the Chilean economy.

Two other articles consider the ways in which planning is theorized and practiced, and they urge the reader to consider what is often left out of traditional planning discourse. Freeman

explores alternatives for addressing racism in housing policy. Like Freeman, Deka is also concerned about the social impacts of different planning policies, and the context for his investigation is mass transit subsidization.

Three contributions provide us with a model for rethinking planning pedagogy and theory. Smith brings our attention to the use of race as a political construct in our society and its implications for the planning profession. Caputo-Pearl proposes a new model of progressive planning grounded in a grassroots democratic epistemological framework. Looking at gender experiences in the built environment, Fung suggests two approaches to deconstructing the dominant patriarchal and capitalist structure.

Three short stories explore women's role in planning, both explicitly and implicitly. Villacorta, Shimshon-Santo and Castro share memories of their experiences in the built environment and/or participation in the planning process. A further unifying theme is that these articles take place in Mexico or Latin America. What makes these articles so unique is that they marry fiction and reality. And finally, Polston and Sonksen share their poetic views of Los Angeles' everyday life.

As we end our tenure as editors of *Critical Planning*, we look forward to seeing a new generation of urban planning students take over the leadership. We know that we will look forward to continuing to watch the journal mature and develop. We wish our successors all the best. Our experience with the journal was extremely rewarding, and we know that the next generation will have an equally positive experience.

Mirle Rabinowitz Bussell & Liette Gilbert, Editors
June 1997

LIVING WAGE CAMPAIGNS AS AN ECONOMIC DEVELOPMENT STRATEGY: FROM SHORT-TERM GAIN TO LONG-TERM SUSTAINABILITY

S u s a n P. C o n r a d

Campaigns for living wages do not readily conform to currently accepted notions of economic development. Indeed, if economic development is, as suggested by the American Economic Development Council (AEDC), "the process of creating wealth through the mobilization of human, financial, capital, physical and natural resources to generate marketable goods and services" (Bingham and Mier 1993: vii), it is not clear how such campaigns could fit this definition. While many practitioners currently debating the functions of economic development accept the AEDC's characterization, others, however, suggest that key goals of economic development should be expanded to include a concern with a more equitable distribution of wealth and

power, and broader citizen participation in development strategies.

A considerable amount of resources earmarked for economic development by states and localities is currently devoted to attracting industries, encouraging small business development, or providing increased training and education opportunities for workers. However, an alternative strategy emerging at the local level provides a different focus for these development efforts, by addressing the triple goals of wealth creation, equitable distribution of resources, and increased citizen participation. This emerging strategy, which aims to increase the minimum wage of certain groups of low wage workers, has been underrepresented in

economic development literature and merits the serious consideration of practitioners in the field. In the past several years, this strategy has taken the form of grassroots campaigns which assert that local governments have a responsibility to ensure that contracting private companies provide a "living wage" for their workers.¹

Taken as a group, these efforts can be viewed as one response to the consequences of economic restructuring processes that have been shaping US cities since the late 1960s. That is, these campaigns are one collective answer to: 1) the local manifestations of national trends, including the gradual yet devastating decline of key industrial sectors (resulting in significant losses of well paid manufacturing jobs); 2) strategies on the part of local governments and key industries (like real estate, for example) to externalize the effects of an economic recession by eliminating jobs in favor of contracting with other service providers; and 3) the expansion of low wage service jobs created by publicly subsidized redevelopment projects. Politically, these living wage campaigns are also partly a response to Congress' continuing reluctance to raise minimum wages to keep pace with inflation, and to the limited nature of minimum wage increases implemented by the Clinton Administration.²

This paper reflects on the experience of living wage campaigns thus far, discussing their viability as strategies for economic de-

velopment and suggesting some prerequisites for their effectiveness. The paper is not meant to be a comprehensive study of these campaigns, but a preliminary assessment which could help guide further action. This paper suggests that living wage campaigns have the potential to take two different courses: they can be legalistic measures around a short-term goal that may have limited scope and effectiveness in the long run, or they can be tools for broader efforts which build worker and community power and promote structural economic change. While organizers of living wage campaigns are clearly knowledgeable about day-to-day tactical struggles, they often have few opportunities to reflect on long-term strategic questions which can have a significant impact on the shape of the campaign. Students of economic development, however, are in the privileged and unique position to reflect on these larger issues and to develop an independent and critical perspective.

Introduction

On April 1, 1997, the Los Angeles City Council voted 11 to 1 to override Mayor Richard Riordan's veto of an ordinance establishing a package of living wages and benefits for the employees of city contractors and companies receiving city subsidies. The ordinance required these companies to pay workers \$7.25 per hour with benefits, and \$8.50 per hour without them, representing a

substantial improvement for workers in these firms. This victory for low wage workers was the culmination of a year of public debate, and a far longer and more comprehensive process of coalition building among labor, community, and religious activists in the area. Indeed, this particular campaign is just one of a number of recent efforts to implement such requirements which have met with differing measures of success. As of January 1997, the Worker Options Resource Center (WORC) in Washington, DC had identified eleven similar measures around the country which had already been approved or enacted since 1990 and which had been applied to the state, county or city level. As of the winter of 1997, at least twenty other additional measures were either in the planning or proposal stages. The eleven measures already approved by local governments differ in their scope. For instance, one is a pilot program in the state of Maryland that was announced in the summer of 1996. It was established to study the economic effects of providing living wages for workers in a state-owned facility.³

Of the remaining approved measures, seven require companies contracting with city governments to implement certain wage provisions (and benefits in some cases), and two measures require companies receiving public subsidies to implement similar provisions. The Los Angeles, St. Paul and Min-

neapolis measures are the only successful pieces of legislation to date which establish wage and benefit requirements for both city contractors and companies receiving public subsidies.

Taken as a group, living wage campaigns have consistently been premised on three arguments with respect to government's role in economic development policy. The first argument is that by contracting with or providing financial assistance to firms that pay low wages, local governments subsidize employers and lose money in the long run since they must provide these same low wage workers with food stamps, emergency medical care, or other benefits. A policy which encourages low wages also results in a reduced tax base from which to draw funds for needed services.⁴ A second argument used by these campaigns is that companies receiving subsidies from a local government, or contracting with that government to provide services,⁵ have a responsibility to city residents in return, and that this responsibility can be legislated by the state with sufficient power from the grassroots. This argument directly challenges the assumption that global economic competition results in an inevitable "race to the bottom" in which it is impossible for localities to establish any checks on corporate power and mobility. Third, organizers of these campaigns directly challenge the

notion that existing economic development policies which support capital investment are inherently beneficial to low income communities and low wage workers. Organizers argue that these same policies in fact end up burdening low-income citizens, through a reduced tax base and an anti-union bias. This argument explicitly challenges the notion that job growth in and of itself is a satisfactory and unproblematic goal of economic development policy.⁶ Living wage campaigns have revealed that many city and state governments are currently encouraging the development of jobs (through providing subsidies or offering contracts) at wages which cannot support families, which in turn increases the level of dependence on AFDC and other government services and does not allow workers to buy the consumer goods they help produce. For example, several studies used by the Los Angeles Living Wage Coalition identified specific communities where low wage workers live, and they suggested that increasing the standard of living for these workers is an effective strategy for revitalizing these neighborhoods (SEIU 1995; UCLA 1992). These arguments challenge an approach to economic development which privileges the role of the corporate investor, and places the emphasis on the "risk" of the investor as if workers were only "disposable participants" (Beauregard 1993: 270).

Most of these living wage campaigns have emerged out of the struggles of organizations experienced in progressive political action: those active in labor movements, working with low-income community communities, or involved in economic conversion projects. Many of these groups define their long-term goals as "economic sustainability" or a reordering of economic and social priorities. In 1995, for example, the organization Sustainable America proposed an alternative vision to what it called the "low wage, high-waste" path of economic restructuring. This proposal acknowledged a lack of communication and coordination among thousands of alternative economic development projects nationwide, which Sustainable America described as generally resource-poor, lacking technical experience, and tending to focus on a single issue while neglecting most other concerns. Considered as a whole, organizers for Sustainable America judged these efforts as being largely ineffective against local, state and national economic development policies which systematically exclude workers and affected residents from participation.

Sustainable America proposed the outline of a vision for what it termed a "high-wage, low-waste" alternative to current economic development practices. The elements of this alternative strategy included: 1) focusing efforts on business

"retention and renewal" instead of business attraction; 2) linking all government subsidies to specific wage and benefit provisions; allowing and encouraging public participation in defining market goals; and 3) challenging the supposed "jobs versus environment" dichotomy to acknowledge that job preservation and environmental protection can and should be complementary (Padin 1995).

The first part of this paper attempts to assess the extent to which living wage campaigns can and do work to achieve longer term goals like those outlined by Sustainable America. The second part of the paper suggests ways in which future campaigns for living wages can benefit from these critiques.

Economic Development by Way of Living Wages *Challenging the Assumptions*

Living wage campaigns are clearly labor-oriented in their focus. In their aim to improve wages and living conditions for specific groups of workers, they directly challenge economic development strategies which privilege those with significant access to capital, namely business owners and investors. By engaging members of the public in organizing efforts around ballot initiatives or legislative measures, campaign organizers also emphasize the inherently

political nature of the economic development process. By forcing debates about the nature and course of development into the public arena, and by critiquing the process by which subsidy policies are planned and implemented, these campaigns challenge the notion of economic development as an objective problem solving technique best left to technical "experts."

Part of this strategy has included incorporating workers' personal testimony about their experiences on the job and the impact of low wages on their lives into public debates about development policy. The Los Angeles Living Wage Coalition, for example, was successful in saturating the local media and City Council hearings with stories from workers employed by firms contracting with or receiving subsidies from the city, relating how current minimum wages and a lack of employment benefits affect the welfare of their families. In order to head off the opposition's suggestion of instituting voluntary wage and benefit goals, workers also testified about past failures of their employers to adhere to voluntary requirements (Janis-Aparicio 1996). In other states, the strategy of including workers as integral participants in economic development strategies has been even more pronounced. In New York City, for example, organizers for ACORN (Association of Community Organizations for Reform Now)

attempted to involve community members in researching companies targeted for involvement in the organization's hiring halls.⁸

By integrating the life experiences of workers into their efforts, living wage campaign organizers challenge the assumption that workers themselves cannot be a legitimate source of knowledge about economic activity, an assumption implicit in the logic of policy initiatives and dominant discourse on development issues (Beauregard 1993). The range of options for involvement of workers in these campaigns has not yet been fully explored. To date, only a handful of campaigns have consistently engaged workers directly in research or campaign strategy.

Just as important, living wage campaign organizers offer a fresh perspective on cost efficiency as it applies to the functions of business. This perspective takes issue with the notion that a "good business climate" is a low wage, low benefit one, and instead takes a long-term view of the costs associated with low wages. With regard to the impact on the private sector, many living wage campaigns use similar arguments, stating that there is little evidence of the following: 1) that job growth will suffer as a result of higher wages; in some situations higher wages have actually caused an increase in jobs; 2) that demand for products and services are likely to increase as a result of higher wages; and 3) that an increase in

wages results in less employee turnover (and lower training costs for businesses as a result), and in increased worker productivity.

Have Living Wage Campaigns Been Successful?

The ability of living wage campaigns to counter their opposition and redirect discussion about the nature and goals of economic development has met with mixed success. Their levels of short-term success have been dependent upon the political climate in which the campaigns operate, the organizers' strategy plans, and their choice of tactics. The contrasting experiences of organizers in Baltimore and St. Paul highlight the lessons learned from these early efforts and provide a framework for approaching future campaigns.

In July 1995, the Baltimore City Council passed an ordinance requiring workers hired through contracts with the city to be paid a minimum of \$6.10 per hour. The ordinance was a result of a grassroots campaign led by BUILD (Baltimoreans United in Leadership Development), the local chapter of the Industrial Areas Foundation (IAF), and AFSCME (American Federation of State, County and Municipal Employees). Larry Fondation, a key organizer of the Baltimore campaign who now organizes with the IAF in Los Angeles, attributes the success of the campaign to several main factors. The first was that campaign leaders married two

strong grassroots membership organizations. On one side, BUILD has a mostly working class and middle class African-American constituency and identifies church congregations as its main base of support; on the other, AFSCME is one of the largest unions in the country (Fondation 1996). Another key factor in Baltimore's success was BUILD's ability to exert enough political power to gain Mayor Kurt Schmoke's support for the measure. Before Schmoke's election in the late 1980s, BUILD had outlined its own political agenda and had collected 75,000 signatures (out of 225,000 registered voters in the city) in support of this platform. Schmoke was essentially elected on the agenda that BUILD had prepared. Despite this, the Mayor initially balked at supporting the living wage ordinance when BUILD members suggested it in the fall of 1993. However, BUILD and AFSCME were able to get the backing of City Council chair Mary Pat Clarke, who then pressured Schmoke into supporting the living wage requirements (Fondation 1996). But the most important factor in the Baltimore coalition's success was the time-consuming work of building the coalition piece by piece, and involving those affected by the measure from the very beginning of the process. In 1992, BUILD organizers and leaders spent six months talking with workers in low-wage service jobs and as a result of this process identified three major concerns: these jobs

were highly subsidized; they were often created as a result of privatization efforts, which allowed outside contractors to pay workers lower wages in order to make lower bids; and they were often temporary. Based on this hands-on research, BUILD launched a "Social Compact Campaign" in the spring of 1993, which coincided with the City of Baltimore's \$165 million bond drive for renovations of its downtown convention center. According to Balla:

For the first nine months of the campaign, BUILD leaders met with public officials at the state and city level to make three principles of the compact clear: that more full-time, year-round jobs be created with benefits and a living wage; that advancement possibilities be made available, especially for African-Americans, to reach management level positions; and that funds be made available for training opportunities (Balla 1995: 25).

BUILD organizers and members also met with officials at the Building Owners and Managers Association (BOMA), the Baltimore Arena, the Baltimore Convention Center, owners and operators of temporary employment agencies, and leaders of the Hotel Motel Association. As part of their efforts, BUILD targeted new construction projects in the Inner Harbor which had re-

ceived government financing but created low wage jobs, by organizing a "subsidy tour" of these employers. The purpose of these tours was to involve BUILD members and organizers in gathering information about the race and the wages of workers in the subsidized area and to picket employers who refused to release the information (Balla 1995).

In the fall of 1993, AFSCME and BUILD joined forces to create the Solidarity Sponsoring Committee (SSC), an organization composed of workers affected by the proposed ordinance. This new organization acted as a workers' association, though not an actual trade union, and had the function of joining low wage workers with members of black communities who saw it in their interest to support the living wage campaign. AFSCME agreed to fund the Solidarity Sponsoring Committee, and BUILD provided the organizing staff (Fondation 1996).

A press conference organized in November 1993 by AFSCME, BUILD and the SSC drew 2,000 people and was attended by the Mayor and City Council president. At the meeting, city officials stated that they were not willing to place wage and benefit requirements on companies receiving public subsidies. However, as a result of the press conference, the Mayor did agree to establish wage requirements for firms contracting with the city. Schmoke created a task force to study the cost and impact of this

requirement, and he asked BUILD members, labor representatives and City Hall administrators to oversee the development of this study (Balla 1995).

The history of the St. Paul living wage campaign provides a significant contrast. In the summer of 1995 a coalition led by conservative Democratic Mayor Norm Coleman was able to defeat efforts by the New Party and ACORN to pass living wage requirements for companies receiving city subsidies. Although these organizations gathered enough signatures to place the measure on the ballot, Coleman was able to gain enough support from business, labor and even grassroots community interests to defeat the bill. Supporters of the campaign identify several reasons for the initial success of the opposition in St. Paul. One was the issue of timing: organizers' enthusiasm about the initiative had the effect of pushing the measure too quickly, before sufficient groundwork had been completed. Meetings with unions and community groups that would have been crucial to the success of the campaign did not occur. This led to a ballot initiative which was eight paragraphs long (too long, some suggested, for most voters to read and comprehend), and which included provisions that powerful unions did not support. The local AFSCME chapter was strongly opposed to a provision in the initiative which established that St. Paul residents should have priority for jobs created by government

subsidies. The union in fact ultimately opposed the entire measure based on this provision. Mayor Coleman was also able to exploit his connection to the building trade unions, which took issue with another provision in the bill requiring affected companies to give priority to workers in ACORN's hiring halls. The building trade unions perceived these hiring halls as competing with their own, and they persuaded the Labor Council to retreat from its support of the initiative.⁹ Because campaign organizers were not able to build a sufficient base of support, the Mayor was very effective in persuading community members and workers to oppose the measure. The Mayor and the Chamber of Commerce sent out a mailing to every house in the city, urging voters to "Stop the Job Killer Initiative," warning that the measure would "discourage businesses from expanding, locating and staying in St. Paul." The mailing claimed that city policy already required firms receiving subsidies to create jobs, and that "if they fail to live up to this commitment, they are in default and must pay the money back" (Coleman and St. Paul Chamber of Commerce 1995). A report in a local newspaper revealed, however, that a recent City Council audit determined that the city in fact "has no idea how many jobs have been created or saved by its aid to business: Three-quarters of the recipients had not filed the required job impact statements and in any case the clerk in charge of processing

has long been laid off" (Perry 1995: 4).

Since the failure of the ballot initiative in the summer of 1995, St. Paul and Minneapolis City Councils introduced and passed living wage requirements in these cities. These requirements, however, eliminated some of the wider reaching aims of the original legislation, such as the provisions requiring the two cities to accord preference in assistance to businesses engaged in enumerated responsible labor relations, and barring the cities from contracting out existing public sector work unless contractors paid a living wage (WORC 1997).

In both the Baltimore and St. Paul campaigns, success or failure hinged directly on organizers' ability to create a strong and lasting mobilizing base. Countering the opposition in such efforts was in part a matter of developing and refining arguments which could effectively challenge prevalent notions of a good business climate, but also a matter of building this effective base of support which could place significant pressure on the local government. In Baltimore, the campaign's strong base of support helped BUILD and AFSCME persuade the Mayor to view the ordinance as being in his own interest. Schmoke gained politically from the support of African American voters, and he was forced to acknowledge that the city would ultimately benefit because higher wages meant a decrease in workers' dependence on public assistance and services. Organizers

of the Baltimore campaign were thus able to exert enough pressure even with a narrowly focused coalition, because they had sufficient grassroots support (Fondation 1996).

Some Criteria for Short-Term Success

Based on the experience of several key living wage campaigns, I have identified several criteria which can be used to determine the success of a legislative fight for a living wage ordinance.

1. *Identifying a clearly defined problem.* Successful living wage coalitions have explicitly identified the problem that they propose to fix. First, they have argued that poverty is primarily a result of low incomes. Organizers in Los Angeles emphasized, for instance, that in the midst of what was hailed as an economic boom for the city in 1990, 19 percent of full-time, full-year workers in the city made under \$15,000 annually. Second, campaigns have emphasized that companies receiving subsidies from most local governments do not have to meet specific criteria before receiving this money, and they are draining funds that could be otherwise used for much needed city services and infrastructure. For instance, a survey conducted by California Network for a New Economy (CNNE) in 1995 revealed that out of 40 city, county and state economic development programs affecting Los Angeles, only three are listed as having job creation or wage level requirements (CNNE 1995).

2. *Developing clearly stated goals.* On a broad scale, the goals of these campaigns are a more equitable distribution of wealth, job security and a social wage for workers in the local (primarily service) urban economy. As mentioned earlier, another stated goal is often to challenge the assumptions underlying the bidding wars between states for jobs and dollars, which have reduced local governments' abilities to provide services.

3. *Challenging the assumptions business interests have used to frame the debate.* In San Jose and Minneapolis, campaign organizers attributed some of their success to framing the living wage issue as one of sound business policy, and they appropriated some of the arguments of fiscal conservatives to frame the debate. In San Jose, where the South Bay AFL-CIO Labor Council persuaded the county Board of Supervisors to tie wage and benefit requirements to government subsidies, organizers were confronted with corporate arguments that wage and benefit increases should be voluntary, and not mandated as the Council proposed. The Labor Council's response to these arguments was to suggest that the county was making an investment in firms receiving subsidies. Those who supported efficiency in government, living wage organizers claimed, would be inconsistent in opposing requirements for the disbursement of government funds. If a legitimate business

would not operate on the basis of non-binding agreements, why should the city government (Rogers 1996)?

In Los Angeles, organizers were at least partially able to reframe the terms of debate. In a video produced for the Living Wage Coalition, City Councilor Jackie Goldberg argued: "We do need a friendly business climate in LA. But what is a friendly business climate? Does paying the CEOs 25 times more than the workers make sense, when the CEOs don't even live in LA or pay taxes in LA, but the workers do? We have a responsibility to the working people who live and pay taxes here in LA" (Goldberg cited in Khalil 1997: 10).

4. *Realistically assessing the potential for winning a ballot-based campaign.* The Los Angeles campaign, like the one in Baltimore, chose to pursue a legislative as opposed to a ballot-based approach, since organizers judged that a ballot initiative would be easily defeated in Los Angeles given the strength of business interests. Indeed, the living wage measures that have passed into law so far have all been won through the legislative process. A key benefit of this process is that it allows for changes and compromise, while a ballot initiative is unchangeable. Each method has its own implications for organizing strategy. In Baltimore, for example, living wage campaign organizers decided not to accept a

provision in the City Council's measure which would automatically index wage levels each year. The purpose of this tactic was to leave an opening for future organizing opportunities around wage increases. On the other hand, other organizers have noted that adopting a ballot initiative strategy may have a unique potential for grassroots organizing through the process of collecting signatures. Additionally, some have suggested that a ballot initiative has the effect of attracting infrequent voters to an election, which Democratic candidates could perceive to be in their interest, and which could help gain their support.¹⁰

5. *Allowing exemptions for small business, depending on the context.* The Los Angeles measure applied to a limited number of concessionaires and service contractors (contracts of \$25,000 or more) and a limited number of companies receiving local government subsidies (\$100,000 or more). This had the effect of targeting larger low wage employers, and eliciting support or neutrality from smaller businesses in the city. However, campaigns in other cities have varied in their responses to small business. In San Jose, small businesses were specifically included in wage and benefit requirements. Organizers there recognized that small firms also often create low wage jobs, and they wanted to make sure they were included in the regulations. Small

businesses in San Jose were also more willing to go along with the measure because of their particular situation. Since most of the affected companies were startup high-technology firms for whom speed of production was more important than cost, they agreed to the wage and benefit demands on the condition that their process for acquiring land and environmental permits would be shortened. In St. Paul, however, where a ballot initiative failed, there was no exemption for small businesses, and the omission allowed the opposition to organize effectively around this issue. The lack of an exemption was ultimately one of the factors leading to the failure of the initiative (Rogers 1996; Bradley 1996).

6. *Balancing traditional, or strong progressive, labor interests with community-based leadership.* The support of major trade unions for living wage campaigns has been an obvious prerequisite for these campaigns' legislative success. In Baltimore, the involvement of AFSCME was crucial to the campaign's success, and AFSCME's opposition to the living wage measure in St. Paul had an equally strong negative effect on the measure proposed there. In Los Angeles, SEIU and HERE emerged as the two unions with the greatest amount of political clout and will have to push the measure through the Council. However, unions by themselves could not have achieved these gains. BUILD's church-based

constituency was clearly vital to the success of the Baltimore campaign, and activist clergy involved in the Los Angeles campaign were similarly instrumental in transforming the issue into one of moral responsibility.

7. *Building on a favorable political climate.* For living wage organizers in Los Angeles, the issue of political climate was closely tied to their decision to make the campaign a legislative, instead of a ballot initiative, effort. The coalition, led by the Tourism Industry Development Council (TIDC)¹¹ launched the campaign publicly only after organizers were assured of sufficient support to pass the measure in the Council, and after Councilor Jackie Goldberg had clearly committed to making the passage of the measure a legislative priority. Further, organizers cultivated City Council hearings as sites of public debate, making persuasive worker testimony central to the fight. Church-based civil rights activists made personal visits to the mayor to demonstrate that he has a personal obligation to the city's workers. This context helped to frame support of the measure as an issue of basic human dignity.

From Living Wage Campaigns to Long-Term Strategies for Economic Development

The gains made by the Living Wage Coalition in Los Angeles are clearly impressive. While the number of workers immediately affected by the new ordinance

is relatively small (approximately 5,000), coalition organizers' interest in continuing research and organizing on public subsidy accountability issues suggests that the scope of the coalition's work will continue to expand. More specifically, the TIDC intends to embark on a two year long project to compile information about local government expenditures on economic development, and to build a set of criteria that could govern such expenditures (Janis-Aparicio 1997). The experience of this campaign demonstrates that unlike ballot initiatives designed to increase the minimum wage for all workers at the local level,¹² living wage measures have a unique potential to be the starting point of debate about the role of the public sector in the local economy. However, a few key questions remain: 1) how can other living wage organizers act effectively in the short-term sense of winning legislation, while making their actions consistent with longer term goals and strategy?; 2) what has been the precedent for this emphasis on structural change?; 3) what is practical and achievable from an organizing perspective?; and 4) how can the living wage coalition in Los Angeles build still further on its successes while incorporating these concerns?

1. Living wage campaigns can develop creative ways to educate workers affected by the proposed regulations, and involve them directly in planning the direction of the

campaign. For instance, in their effort to get the Santa Clara County Board of Supervisors to implement living wage requirements, South Bay Labor Council staff members participated in a task force that drafted a new policy for county subsidies to business. Although this task force was composed of representatives from business and labor, the Supervisors did not allow the direct participation of individual workers or community members. The Labor Council's response to this restriction was to organize large community meetings and letter writing campaigns to pressure the Santa Clara County Board of Supervisors on the policy. Part of the strategy was to bring each proposal discussed at the small task force meetings to the large neighborhood meetings, where they would be distributed and discussed. Community members would then propose changes, and the Labor Council would bring these suggestions back to the table. Organizers considered this a key method of involving and educating affected people without proposing a ballot initiative, which might have had less chance of success (Rogers 1996).

Campaign organizers in San Jose also recognized the importance of developing new leadership around these issues. Campaign arguments and strategy were worked out in a large group, which included representatives from sympathetic business interests and more traditionally conservative la-

bor interests, as well as politically progressive groups. The large group process meant that different interest groups needed to become accustomed to working together. According to the Labor Council's Director Amy Dean, those involved in the process learned how to "turn business leaders' own arguments against themselves," resulting in a more sophisticated and effective analysis (Dean cited in Conrad 1996: 3).

By the time the living wage campaign got off the ground, the South Bay Labor Council had already been able to build a base of grassroots support for the living wage campaign through conducting regular trainings on the theme of popular economics. As part of the campaign, the Labor Council joined with other organizations working on economic conversion issues to form Working Partnerships USA. The purpose of forming this new group was to create, in the words of Labor Council Director Amy Dean, "an organization that represents the voices and interests of average folks, taxpayers and working people in the debate over economic development" (Dean cited in Conrad 1996: 3). As part of the campaign, Working Partnerships held a series of community meetings which addressed the local government's role in economic development. This work ultimately paid off when about 200 community members attended the meeting of the Board of Supervisors, and the initiative was approved unanimously (Rogers 1996).

As noted earlier, the successful living wage campaign in Baltimore also directly involved community members and affected workers in determining the direction of the campaign. The Baltimore effort was in fact unique in its inclusion of BUILD members in long-term research on the effects of privatization and subsidization of low wage jobs. Organizers also conducted an extensive education campaign around the issue of living wages by identifying and targeting the areas where they could reach the greatest number of potential supporters (leafletting at bus stops and fast food restaurants) and by means of grassroots networking efforts like house meetings and phone banks. The campaign's success was largely dependent upon BUILD's ability to mobilize a large constituency, and to make the living wage campaign a priority for its organization.

2. *Some campaigns have set a precedent for connecting narrow wage and benefit gains with broader concerns about the direction of future economic development.* In Santa Clara County, since the success of the living wage initiative, the stated role of Working Partnerships has been to keep members of the coalition together, developing popular education models for defining the goals of economic development and identifying mechanisms to achieve these goals. The Labor Council realizes that the coalition represents diverse interests, and suggests that while a progressive majority

is crucial, the aim of Working Partnerships is not to reach consensus on the issue of what should constitute economic development. Rather, the goal is to get the various groups involved to be able to articulate and acknowledge their respective interests. Labor Council organizers are also continuing to push the issue of corporate accountability by targeting the City of San Jose for wage and benefit requirements for subsidies and contracts. Organizers have identified the issue of local control over land use as another concern which can be easily related to the overall goal of corporate accountability (Rogers 1996).

Another organization which makes these connections is Minnesota Alliance for Progressive Action, a coalition of unions and community groups which won "clawback" provisions in the summer of 1995.¹³ These provisions stated that if businesses receiving financial assistance from the state or local governments did not meet specific wage and benefit goals within two years, these businesses would be required to pay back the assistance. MAPA's strategy has been to keep its coalition broad by not proposing specific alternative ways of spending the funds currently given to corporations. However, organizers have identified a range of other corporate accountability issues which a living wage coalition could support, including campaign finance reform, environmental justice issues, and health

care. In the summer of 1995, MAPA also began working with city residents to create a development plan for a vacant industrial property in Minneapolis. In this process, MAPA organizers encouraged concerned residents to challenge the traditional economic development approach of business attraction, and to develop a strategy for the site based on their shared needs (MAPA 1995).

Recommendations For Future Living Wage Campaigns

Based on the strategies discussed above, there are some clearly defined ways in which future living wage campaigns can build toward the goal of long-term structural change. Some recommendations for achieving this kind of change include the following:

1. *Involving affected workers and members from community groups directly in researching the nature of corporate subsidies.* The experience of the Los Angeles Living Wage Coalition suggests that achieving this goal is largely dependent on whether participating trade unions and other organizations have sufficient strength and resources to develop worker education campaigns that can move beyond mobilization for support of the living wage initiative itself. But the organizing model of BUILD in Baltimore suggests that events like "subsidy tours" are a visible and effective

way of building pressure for corporate accountability, and simultaneously building leadership at the grassroots. In these tours, members of community organizations gather firsthand information about working conditions, wage levels, and workforce diversity by making group visits to employers who have received local public funds. This information then becomes incorporated into the larger coalition's strategy.

2. *Building other measures for popular education into the campaign.* Each living wage coalition will have to determine how it can best implement popular education models, given its limited resources. But building worker ownership of the campaign is a prerequisite for its long-term success, and it is necessary to ensure that once requirements are mandated that they are actually enforced. For instance, although the Los Angeles ordinance requires that affected companies submit monthly reports to the City Clerk to show compliance, participating unions and TIDC noted during the campaign that ultimately the workers themselves will need to be responsible for enforcing the provisions. If workers are not empowered to do this, the ordinance is likely to have very limited success.

3. *Considering the impact of the ordinance on manufacturing sectors as well as on service industries.* Seven of the ten measures enacted across the country since March 1997 have been limited to companies

contracting with a city, state or county. Therefore, these seven measures, unlike the legislation in St. Paul, Minneapolis and Los Angeles, do not impact employers in manufacturing industries which currently benefit from public subsidies. The manufacturing sector should not be *a priori* excluded from future living wage legislation, based on the assumption that all companies in this sector are footloose and will relocate in direct response to rising labor costs. Instead, a realistic assessment of the affected manufacturing sectors and the extent to which they are embedded in the region should be completed to guide the scope of the legislation.

4. *Considering the integration of environmental concerns into the campaign's goals.* Obviously it is not possible or desirable to integrate every issue of concern into a local living wage effort, but these campaigns have a unique potential to act as catalysts in integrating issues of economic and environmental sustainability. Some labor and environmental activists have proposed that "all manufacturing projects receiving state financial assistance and which require an Environmental Impact Statement (EIS) shall have included in that EIS an assessment of the sustainability of the project's proposed technology" (Lewis 1996: interview). The aim of integrating this language into a living wage ordinance would be to demonstrate that jobs in industries

which are not environmentally sustainable are not able to sustain jobs in the long run. Organizers' ability to incorporate these environmental concerns into the goals of the campaign may depend on the extent to which organizers focus on manufacturing jobs, although the environmental impacts of local service industries also deserve further examination.

If this integration of environmental and technological impact is not an immediate goal for a particular coalition, that coalition should explicitly work toward developing it as a long-term goal. In the same way that living wage campaigns in Los Angeles and elsewhere have been successful in challenging assumptions underlying arguments about business climate, these coalitions could now aim to challenge the supposed jobs versus environment dichotomy which is prevalent in discourse about economic development.

5. *Working with grassroots organizations and their members to develop coherent visions of sustainable economic development.* This goal is a long-term one, but one that should be pursued if the efforts of the coalition are going to have an impact beyond this particular fight. Campaign organizers can take direction from the experiences of other fights for a living wage, and create permanent structures which provide ongoing opportunities to develop educational models around economic

development issues, education which moves beyond the sole aim of mobilizing people for certain tactics. To be successful, these structures need to incorporate direct participation of those affected, and not only staff members of politically progressive organizations. These structures also need to be defined broadly enough to incorporate a diverse array of constituencies. Without a permanent organization whose role is to facilitate the development of a coherent alternative economic development strategy (like Working Partnerships in San Jose or MAPA in Minnesota), we risk losing the important gains living wage campaigns have made.

Conclusion

Living wage campaigns' emphasis on the need for reciprocity between employers on one hand and workers and local communities on the other, challenges the prevalent relationships between these groups in which individuals without access to investment capital have little power in decision-making. Further, living wage campaigns explicitly challenge dominant conceptions of economic efficiency by publicizing the social and economic costs of low wages that city governments and citizens will have to bear, if not employers themselves. Living wage campaigns are thereby capable of changing the course of debate about the nature and goals of economic development.

They have the opportunity to redefine development as not merely "growth" (increases in tax revenues or overall employment), but as a city or region's collective economic well-being. Further, these campaigns have the opportunity to demonstrate that this collective well-being depends, in fact, on increased accountability of private capital to workers and local communities, and on a high level of worker participation in determining the course of economic development.

To achieve their potential, however, living wage campaigns must build the capacity for popular education and action on economic issues beyond the immediate concerns needed to win short-term legislative fights. These campaigns must also be able to connect the issue of wage and benefit gains with broader concerns like workplace democracy, civil rights, and participatory land use planning, expanding the definition of corporate accountability and the conception of what constitutes economic development.

The ability of living wage coalitions to move beyond legislative gains toward a long-term vision of economic development depends on their willingness to take up a central challenge: proposing a collective voice in defining the goals of market exchange, and asserting greater social control over economic activity. For this reason, the extent to which future campaigns can meet the goals discussed here merits the serious attention of development practitio-

ners concerned not merely with economic growth, as traditionally defined, but with a more equitable distribution of wealth and power.

Endnotes

¹A living wage is commonly defined in these campaigns as the hourly wage required to keep a family of four above the federal poverty level.

²Between 1974 and 1996, minimum wages had decreased in real terms by 23 percent. Even the new \$5.15 hourly federal minimum wage requirement (to be implemented September 1, 1997) falls short of compensating for the gap in wages experienced as a result of inflation (See Uchitelle 1996).

³This refers to the World Trade Center in Maryland (See WORC 1997).

⁴These campaigns make use of studies which document how the demand for AFDC benefits increases as wages and job availability decline. For example, see Southern California Inter-University Consortium on Homelessness and Poverty (1995).

⁵These contracting relationships typically involve service workers who are hired not directly by the government but by a private agency. The agency then agrees to provide these services (like security, food preparation, janitorial or clerical work, for instance) to the city, county or state for a specified period of time.

⁶Beauregard refers to this assumption as one of the "constitutive rules of economic development as practiced by local and state

governments and non-profit development corporations" (1993: 267)).

⁷For a discussion of the tension between various models of development practice, see Mier and Bingham (1993).

⁸Statement by Steve Kest of ACORN, from Conrad (1996: 5).

⁹Statement by Steve Kest of ACORN, from Conrad (1996: 5).

¹⁰Statement by Steve Kest of ACORN, from Conrad (1996: 5).

¹¹The Tourism Industry Development Council is an advocacy organization which was established in 1993 to develop alternatives to existing tourism policy in Los Angeles and to "support a more equitable distribution of the industry's benefits" (UCLA 1992). TIDC has a close relationship with HERE, the union representing hotel and restaurant employees in the city.

¹²WORC noted six such efforts (which aim to increase the wages of all workers in a given area) introduced at the statewide level, and four at the citywide level, in 1996 fall or winter elections.

¹³MAPA was formed in 1988 as a coalition of labor and community organizations, based on work related to civil rights and the conversion of military-based economic production to civilian-based production.

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INSIDE THE MIRACLE: PRIVATIZATIONS, *GRUPOS* AND THE NEW CONCENTRATION OF WEALTH IN CHILE

Stephanie Rosenfeld and
Juan Luis Marré

We must take care of the rich.
(General Augusto Pinochet)

Chile's "jaguar" economy may be less like the wild cat and more like the British variety -- a symbol of luxury yet unreliability. Neoliberal restructuring of the Chilean economy has brought spectacular economic growth and an equally spectacular increase in poverty and concentration of wealth in the hands of a few large conglomerates and international investors.

The transition to democracy in 1990 brought a consolidation of, rather than a challenge to, the free market model. Under the banner of "Growth with Equity," the *Concertación*, Chile's center-left governing

coalition, has reduced import tariffs, privatized many remaining state-owned enterprises, and aggressively pursued bilateral and multilateral free trade agreements, including entrance into APEC, MERCOSUR and NAFTA.

In economic policy, the *Concertación*, led by the Christian Democrats in the political center, with the center-left Party for Democracy and the Socialist Party, has a broader view of the role of the state in society, and it has paid significantly more attention to poverty and social policy than the dictatorship. At the same time, the *Concertación* has embraced the free market, export-oriented economic model implemented during the dictatorship.

The transnationalization of the Chilean economy has also intensified since 1990. A combination of the following factors have translated into increased confidence by foreign investors: 1) the *Concertación's* commitment to free trade; 2) the political stability since the transition; and 3) the *Concertación's* policy of not challenging the privatizations of state enterprises that took place during the dictatorship, no matter how shady. International investment in Chile skyrocketed from US \$1.5 billion in 1990 to US \$2.8 billion in 1993 and US \$4.3 billion in 1995. Chilean investment abroad also shot up, financed by Chile's private pension fund system and "yankee bonds" -- corporate bonds sold on Wall Street.

The statistics on the so-called Chilean miracle are well-known. Growth has boomed at an average annual rate greater than 7 percent since 1985 -- by far the highest in Latin America. Single digit inflation, moderate unemployment officially in the 5 to 6 percent range, and a vibrant export sector make Chile's macroeconomic performance the envy of every finance minister in Latin America.

The Chilean economy works, but it does not work for everyone. This article looks inside the miracle by focusing on the following: 1) showing how the free market model implemented during the dictatorship has led to an increase in poverty and inequality;

2) describing the political economic agenda behind neoliberal economic restructuring; 3) exploring the role of privatization in the restructuring project, detailing the ongoing process of privatization and reprivatization of state-owned enterprises to a small number of Chilean *grupos* (conglomerates) and their multinational partners; 4) presenting a case study of pension fund privatization, and its role in fueling Chile's economic recovery and resurrecting the bankrupt *grupos*; 5) dissecting the *Grupo Angelini*, a premier example of the new conglomerates which, with multinational partners, dominate the booming natural resource export and services sectors; and 6) concluding with a report on the state of the debate and prospects for change.

The Concentration of Wealth and Income

If a free market model were to eliminate poverty anywhere, it should have happened in Chile. Instead, 10 percent more of the population lives in poverty today than before the neoliberal experiment began. By 1970, Chile was well-known for its public health and education systems. Furthermore, it had a substantial professional middle class and organized poor and working classes, and it also had a significant comparative advantage in natural resources. But free market reforms were used to radically concentrate wealth and power in the hands of a few, de-

stroy labor's bargaining power by undermining its base in traditional industry and the state, and strip away existing social guarantees.

Neoliberal restructuring over the past 20 years has drastically reduced the state's role in the economy, transferring the national wealth and power to a small number of Chilean *grupos* and their multinational partners. As shown in Figure 1, these conglomerates are huge: the top 6 *grupos* own more than 20 percent of Chile's capital stock (Perez and Aburto 1996: 18). From 1990-1995, the total assets of the top 6 *grupos* grew from an equivalent of 54.2 percent of GNP to 55.8 percent.

The Grupos	1990	1995
1. LUKSIC	16.0	17.9
2. ANGELINI	10.4	12.5
3. ENERSIS	10.8	8.7
4. MATTE	6.6	6.7
5. CAP	5.8	4.3
6. SAID	4.6	5.5
TOTAL	54.2	55.8

Figure 1: Top Economic Groups in Chile, 1990-1995, Total Assets as a Percent of Gross National Product.

Source: Based on data from Superintendencia de Valores y Seguros, Banco Central de Chile, in Perez and Aburto 1996.

This redistribution of national resources to a few *grupos* means that despite Chile's prolonged economic boom, many more Chileans live in poverty today than in 1970 (see Figure 2, next page), and the World Bank now places Chile among the 10 countries with the worst income distribution in the world. In 1994, 28.4 percent of Chileans lived in poverty compared to 17 percent in 1970 (Marcel and Solimano 1995).

There was a brief improvement in the distribution of income after the transition to democracy in 1990, and this was largely due to the combined effects of a tax increase and an increase in the minimum wage. But, according to the most recent statistics available, the income gap between rich and poor has again begun to widen. In 1992, the income of the richest tenth of the population was 36 times greater than that of the poorest tenth. In 1994, the ratio was 40 to 1. The poorest tenth captured 1.9 percent of the income pie in 1992, falling to 1.7 percent in 1994, or about US \$35 per month. Average per capita income was about US \$300 per month, but 70 percent earned less than the average.

Poverty in Chile used to be synonymous with rural landlessness or urban joblessness. Today, the masses of Chile's poor are no longer marginal to the national economy, but low paid, temporary workers in the formal sector. Chile's traditional industries (textile, garment, shoes, etc.) collapsed under import

	Alessandri Gov't. 1959-64	Frei Gov't. 1964-70	Allende Gov't. 1971-73	Pinochet Regime 1973-90	Aylwin Gov't. 1990-93
Bottom 40%	10.7	10.3	10.6	9.1	10.1
Middle 40%	32.0	31.1	34.0	28.9	28.4
Top 20%	57.9	58.6	55.4	62.0	61.5

Figure 2: *Income Distribution in Chile from Alessandri to Aylwin*

Source: Survey of Household Incomes, Department of Economics, University of Chile. Reproduced from Table 5-1 in Marcel and Solimano 1995.

pressure when, as discussed in the next section, the Chicago Boys opened the economy in the mid-1970's. As a result of this, many industrial workers lost their good union jobs and went to work in the lower paid and unstable service and natural resource processing jobs in fish, forest and fruit export sectors. Low wages mean that even a job in the formal sector is no guarantee of escape from poverty. Average real wages did not recover their 1970 level until 1992 (Fazio 1996: 66). The percent of national income attributed to wages has declined, from 42.7 percent in 1970 to 33.9 percent in 1993 (Banco Central, 1996).

Overall, the *Concertación's* "Growth with Equity" program has delivered more of the former than the latter. Significantly, government social policy and economic growth have pushed 1.3 million Chileans, about 10 percent of the population, above the poverty line since 1990. But when viewed in the context

of the dramatic increase in poverty since 1970, these figures undoubtedly include, in part, the lifting of the impoverished middle class back above the poverty line. The free market model has hollowed out Chile's middle class. Historically, Chile's middle class grew along with the expansion of the state. When state and state enterprise employment was drastically reduced during the dictatorship, and wages for teachers and other remaining state sector workers declined, Chile's traditional middle class became impoverished and insecure. At the same time, a new upper middle class of professionals emerged in connection with the boom in finance and services.

The Chicago Boys and the Political Economy of Neoliberal Economic Restructuring

While free market oriented stabilization and structural adjustment policies were implemented throughout Latin America un-

der the tutelage of the World Bank and the International Monetary Fund in the wake of the 1982 debt crisis, Chile implemented free market reforms in the mid-1970s as part of the dictatorship's plans to completely rework Chile's political and economic system. The ongoing processes that reproduce inequality in Chile are largely the result of the neo-liberal revolution in economic policy implemented during the Pinochet dictatorship by the Chicago Boys, a group of Chilean economists influenced by the University of Chicago professors Milton Friedman, Frederich von Hayek and Arnold Harberger (now Professor of Economics at UCLA). In the 1950s, a group of Chilean businessmen who were critical of the growing role of the state in the economy and fearful of the growing popularity of reformist and revolutionary ideas began looking for policy alternatives, and they found them at the University of Chicago.

The University of Chicago developed a special relationship with the Catholic University in Chile. A systematic approach to ideological transfer was developed, supported by the Rockefeller and Ford Foundations and the US Information Agency (Valdés 1995). University of Chicago professors taught at the Catholic University in Chile, and Chilean economics students were given scholarships to study economics at the University of Chicago, where some of them developed an intense sense of mission, arrogance, and belief that

for every problem there is a free market-based solution.

Many of the Chicago-trained Chileans, such as Rolf Luders, Alvaro Bardón and Sergio de Castro, returned to the Catholic University to become economics professors, shaping a new generation of economists in the Chicago model. Sympathetic Chilean businessmen collaborated with the Chicago Boys in the design of a free market economic program for Chile. After the September 1973 military coup, the Chicago Boys convinced the military junta to adopt their economic program, and they moved en masse from the Catholic University into General Pinochet's cabinet.

The Chicago Boys believed that the threat of socialism in Chile was linked to political and economic institutions dating back to the 1920 and 1930s, placing the blame on the 1925 Constitution, the political party system and state-centered import substitution industrialization policies. They believed that only a radical opening of the economy to international competition and a reduction of the role of the state and politics in society would free the economy and liberate Chile from the threat of Marxism. By 1965, the Chicago Boys controlled the Catholic University's School of Economics. By 1975, the Chicago Boys convinced General Pinochet of their beliefs, thereby displacing the nationalist sector of the right which sought a res-

urrection of traditional agriculture and industry. Sergio de Castro became Minister of the Economy in April 1975 and the neoliberal (counter) revolution in Chile began.

Privatizations and More Privatizations

The Chicago Boys' plan sacrificed traditional industry and agriculture to foreign competition with the promise of a new, internationally competitive natural resource export and service based economy. A combination of the reduction of the role and size of both the state and traditional industry along with the rise of non-union, temporary and seasonal work in the service and export processing sectors, further undermined the political-economic base of labor and the left. This resulted in placing economic decisions, such as where and how much to invest and who should benefit, squarely into the hands of the private sector.

The state had begun to play an increasingly important and strategic role in the Chilean economy in the 1930s (Saez 1993). Several factors contributed to Chile's economic isolation: the collapse of Chile's nitrate-based export economy due to the invention of synthetic fertilizer during World War I, the Great Depression, and World War II. In 1939, during the Popular Front presidency of Pedro Aguirre Cerda, CORFO (Corporación de Fomento de la Producción, Production Pro-

motion Corporation) was founded to develop state-owned enterprises in strategic areas of the economy such as railroads, electricity, forest products and sugar refining.

During the presidency of Christian Democrat Eduardo Frei Montalva (1964-70), the state "Chileanized" a substantial part of many major industries then considered strategic, such as petroleum, forest products, and most importantly copper, via the purchase of shares in existing companies. During the Popular Unity government of Salvador Allende, Chile embarked on the "Chilean Way to Socialism." Strategic sectors of the economy, including the copper mines and the banks, were nationalized. Agrarian reform begun under Frei was continued under Allende. The capitalists boycotted the Popular Unity; many factories and farms that were abandoned or sabotaged by their owners were intervened (taken over) by the State or taken over by workers and peasants, though they never formally became state property.

On September 11, 1973, the Chilean Way policy ended in dictatorship. From 1973 to 1975, farms and factories that had been intervened were returned to their previous owners. But it was not until the ascendance of the Chicago Boys and the implementation of the neoliberal model that privatizations became a key tool in the reorganization of the economy (See Figure 3). Ironically, the

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- 1939** **Popular Front: President Pedro Aguirre Cerda, Radical Party**
Policies: CORFO founded to develop "strategic" state-owned industries: electricity, railroads, sugar refining, forest products, etc.
- 1964-70** **President Eduardo Frei Montalva, Christian Democrat**
Policies: Partial nationalization of "strategic" private industries: copper, energy, forest products, etc.; agrarian reform
- 1970-73** **Popular Unity: President Salvador Allende, Socialist Party**
Policies: Nationalization of strategic sectors such as banks, copper; agrarian reform; state "intervention" of industries unsupportive of the Popular Unity government; worker takeovers of factories and farms
- Sept 11, 1973-75** **General Augusto Pinochet**
Policies: Return to previous owners of farms and factories occupied by workers or intervened by the state during the Popular Unity government, but never formally transferred to the state
- 1974-81**
Policies: Privatization to the *grupos* of the strategic banks and factories nationalized by the Popular Unity government
- 1980-**
Policies: Municipalization and privatization of state social policy: health, education, social security
- 1982-83**
Policies: Financial Crisis: Banks and companies privatized from 1974-81 go bankrupt and revert to the state
- 1984-86**
Policies: Reprivatization of bankrupt banks and companies to the *grupos*
- 1985- present**
Policies: Privatization to the *grupos* of major enterprises developed by CORFO and historically considered strategic, such as energy and telecommunications
- 1990- present** **Concertación Governments: President Patricio Aylwin (1990-1993), Christian Democrat; President Eduardo Frei Ruiz-Tagle (1993-2000), Christian Democrat**
Policies: Case-by-case privatization of historic CORFO enterprises: energy, ports, telecommunications, water treatment; new infrastructure development via public-private partnerships; new wholly state and state-private joint ventures in copper
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Figure 3: Major Periods of State Enterprise Formation and Privatization, 1939-2000.

Source: Adapted from Saez 1993.

concentration of industrial and agricultural properties in the hands of the state under Allende meant that after the coup, General Pinochet and the Chicago Boys had almost the entire economy at their disposal. In 1975 the Chicago Boys began their experiment, unilaterally opening the Chilean economy to international competition. The economy collapsed, traditional industry fell into ruin under the pressure of international competition, and GNP dropped 14 percent. The agrarian reform begun in the 1960s and the capitalist boycott of Allende which resulted in the state's intervention in industry eroded the economic base of Chile's traditional elites. The opening up of the economy to international competition by the Chicago Boys during the dictatorship dealt another substantial blow.

The Chicago Boys used the economic crisis of 1975 as an opportunity to restructure the economy to their liking. From 1975-81, the strategic banks and industries that were nationalized under Allende were privatized to a small number of conglomerates, or *grupos*, owned and run by the Chicago Boys and their supporters in the business community. The new *grupos* became the new driving force in the Chilean economy. These *grupos* combined banks, financial and other services companies and natural resource export industries like fruit, forests and fish into huge conglomerates. *Grupo Cruzat-Larraín* emerged to dominate the Chilean

economy as the largest beneficiary of the privatizations.

Chile's traditional economic *grupos* were family affairs, based in large land holdings, commerce, and traditional industries such as clothing and shoes. Many of the new *grupos* emerged in the late 1960s out of the relationships among the Chicago Boys and the big businessmen who had backed them since the 1950s. Unlike their debt-shy predecessors, many of the new *grupos* started with few assets, relying on easy petrodollar loans and the privatization of the banks for capital. While the traditional *grupos* sought majority ownership, the new *grupos* built their empires through leveraging small but controlling shares of interrelated companies. The heavily indebted *grupos* made speculative real estate and other investments. Incestuous and highly unregulated relationships between the *grupos* and their own banks left the Chilean economy extremely vulnerable.

In the late 1970s and early 1980s, the Chicago Boys were flying high. The economy zipped along, a miracle was declared, and the dictatorship began to implement its ambitious project to permanently remake Chilean politics, economics and culture. This policy, referred to as the so-called Seven Modernizations, included a new constitution, the regionalization and decentralization of the state, the privatization of state-owned industry and services, a new system of labor

law, and the municipalization and privatization of state-run health, education and social security systems.

But when Mexico declared an international debt service moratorium and the international bankers stopped providing new money to roll over bad loans, Chile's speculative bubble burst. The economy collapsed, and GDP again plummeted 14 percent. The *grupos* fell apart. Bankrupt companies defaulted to their banks, which defaulted to the Central Bank, and the Chilean State once again became the owner of most of the Chilean economy.

Like the economic collapse of 1974 and 1975, the depression of 1982 and 1983 provided the Chicago Boys with another opportunity to restructure the economy. Through the reprivatization, the *grupos* were put back together, and the national wealth was again concentrated in a few private hands. Chile's newly privatized pension fund system helped provide the *grupos* with the resources they needed to pay for reprivatization.

In 1985, a new stage of privatization began -- this time the historic state enterprises, including the electricity and telecommunications companies, were put on the block. International capital got the upper hand using debt-for-equity swaps to pick up dominant positions in profitable state enterprises. Foreign investors, including many US banks and mutual funds, such as Citicorp, Morgan Guarantee Trust Co. of New York, the Bank

of New York, Bankers Trust, the Emerging Markets Chile Fund, the Chile Fund, and the Spanish bank Santander, were all major players.

The new private pension fund savings and international capital allowed the dictatorship to shore up its economic and political projects against pressure from traditional agriculture and industry, which wanted to break with neoliberal policies, and the opposition movements, which demanded a return to democracy and also would have broken away from free market policies at that time (Rozas and Marín 1989).

Administradoras de Fondos de Pensiones (AFP): Social Insecurity

The privatization of Chile's pension fund system has put the forced savings of Chile's workers under the control of US-based insurance companies and the Chilean *grupos*, which used the funds to rebuild their bankrupt empires in the wake of the 1982 debt crisis. These forced savings are a key factor behind Chile's remarkably high national savings rate of 30 percent of GDP, investment which fuels Chile's economic boom -- and which has also given a few pension fund administration companies significant control over the Chilean economy.

At the time of Chile's pension fund privatization, Chile had an intergenerational transfer system in which the contributions of current workers paid for current retirees.

It was a complicated system with 35 separate funds, or *cajas*, and 150 different plans according to job category and employer. Doctors, teachers, state workers, municipal employees, railroad workers, etc. each had their own *cajas*, most of which were overseen by the state and run by tripartite boards with representatives of workers, employers and the presidency. Pensions varied dramatically according to each group's political weight.

Under the new private system, run by pension fund administration companies, or AFPs, pensions are determined by how much each individual worker saves plus interest earned. The state pays a recognition bond to everyone who switches from the state to the AFP system, representing their years of pension contributions to the state, plus 4 percent interest. Affiliates must automatically deposit 10 percent of their wages in the pension fund administration company of their choice. An additional charge averaging 3 percent is levied to cover life and disability insurance, as well as the administrative costs and earnings of the AFP.

The AFP system will provide pensions for a smaller percentage of the population than the old state-run system. Job instability and poverty wages make it impossible for many workers to save for a pension: 39 percent of the workforce does not make monthly pension payments -- 55 percent among the lowest income quintile (CASEN 1992). The

only recourse for those who do not accumulate 20 years of savings in an AFP is the minimal state subsidy for the indigent elderly -- \$51 per month in 1997.

Breaking up the old *cajas*, which had evolved hand-in-hand with labor unions and professional associations, the AFP system undermined the existing class-based organizations and identities, except in the case of the armed forces and police, whose *cajas* were never privatized. The average monthly pension for armed forces and police retirees is higher than the averages in the rest of the state-run and AFP systems. The average monthly pensions for retirees (retirement, early retirement, and disability) in the state system are US \$204.63 per month, compared to US \$269.14 for the AFPs, and US \$608.27 for the police.

When the AFP system began, the old *cajas*, except the armed forces and the police, were consolidated under the administration of the state-run Instituto de Normalización Previsional (INP), and the old system was closed to new entrants. All new entrants to the workforce must affiliate with an AFP -- assuming they have a work contract and that their employer actually passes their deductions on to the AFP. Those who entered the workforce before privatization were given the choice of staying in the state-run fund or switching to an AFP. At the time of the big switch, workers were bombarded with major publicity cam-

paigns as AFPs fought for market share by promising higher pensions and encouraging workers to switch brands. Twenty-five percent of affiliates change AFPs each year, despite the fact that, thus far, the AFPs have quite similar rates of return.

The marketing, sales, and administrative costs associated with brand switching, as well as the AFP's hefty profit margins, make the AFP system far more expensive to run than the state-run system. The AFP system, taken as a whole, has so far earned high returns, averaging 12.3 percent annually since 1981. Negative 2.5 percent returns in 1995, due largely to a drop in the price of energy sector stocks -- raised concern about the risks inherent in the new system. But the rate of return on individual accounts is far lower than the overall AFP rate. Marketing, sales, administration and profits eat up 16.7 percent of affiliates contributions, compared to less than 5 percent under the old, state-run system. Even proponents of the AFP system expect the long term average rate of return to settle at approximately 6 percent. The rush of pension fund money into the stock market has driven up stock prices, further driving up the AFP's annual returns. It is unclear what will happen when the AFPs start selling off large amounts of stock to pay for pensions in decades to come (Tagle 1996: 6-7).

In contrast, the state pension system, with its US \$4.1 billion annual budget, is ex-

pected to run huge annual deficits for the next 40 years. This is because the state got stuck with all existing pensions, in addition to the pensions of the workers who stayed in the state system, the public assistance pensions for the needy, and the state guaranteed minimum pension for those who fail to accumulate enough money in their AFP plan upon retirement.

The AFP system has all the new, young contributors, and has so far accumulated few pensioners. As shown in Figure 4, INP currently has only 258,899 workers paying in, and 1,206,809 old age, disability and survivor pensioners, while the AFPs have 5,571,482 affiliates (3,121,139 making monthly payments) and only 238,448 pensioners (INP Sección Estadísticas 1997).

After only one year in operation, the AFPs went bankrupt along with the *grupos* and fell into state custody during the 1982-1983 financial crisis. Subsequently, the social security system was reprivatized and Citicorp and Aetna gained control of much of the pension fund system. As shown in Figure 5, a few Chilean *grupos*, such as Abumohor-Saieh, Luksic, Matte and Angelini, also got an important share (Marcel and Arenas 1991: 31).

At first, the AFPs mostly bought government debt, including the recognition bonds. After the 1982 debt crisis, workers forced AFP savings provided the capital which the bankrupt conglomerates used to rebuild their

	<u>Workers Paying In</u>	<u>Pensioners</u>
AFP ^a -- Private	5,571,482 (3,121,139 contribute monthly)	238,448
INP ^b -- State-run	258,899	1,206,809
CAPREDENA ^c -- State-run system for police	80,000	79,000

Figure 4: State Pension System and AFP Affiliation, 1996

Source: ^aSuperintendencia de las AFPs, March 1997; ^bInstituto de Normalización Previsional, March 1997; ^cCaja Previsional de la Defensa Nacional, March 1997.

<u>AFP</u>	<u>Controlled By^a</u>	<u>Market Share^b</u>
PROVIDA	Grupo Abumohor-Saieh	31.3
HABITAT	Citicorp; Banco Central Hispanoamericano; Grupo Luksic	19.6
STA. MARIA	Aetna	18.0
SUMMA	Grupo Angelini Grupo Matte	6.0
UNION	American International Group	5.9
CUPRUM	Grupo Penta	4.5
PLANVITAL	Grupo Errázuriz	4.3
PROTECCION	Grupo Sigdo Koppers	3.7
BANSANDER	Santander	1.5
MAGISTER	Gremios del Magisterio Bancario y del Cobre	1.1
APORTA	Trabajadores del Banco del Estado	0.3

Figure 5: Control of AFPs.

Source: ^aCentro Estudios Nacionales de Desarrollo Alternativo, 1996; ^bBased on 1995 data from the Superintendencia de AFP, Perez and Aburto 1996.

empires, buying up shares in the 1984-85 reprivatization of the economy. Starting in 1985, the AFPs began buying shares in the major state enterprises that were being privatized, especially in energy, telecommunications and other highly profitable sectors.

By 1994, AFP investments made up 70 percent of institutional investment in the Chilean stock market, pumping in \$2 billion a year in new funds (National Trade Information Service 1995: 47). AFP investments must meet the state's criteria for diversification and risk, although the regulations are being loosened as the AFPs accumulate increasing sums. To deal with this huge amount of money, a new capital markets law was approved by Congress, loosening the regulations on investments by AFPs, insurance companies, and banks. AFPs were allowed to invest 37 percent of their assets in the stock market, up from 30 percent, the limit on investment abroad was raised from 6 percent to 9 percent, and AFPs were allowed to invest in non-Chilean stocks, rather than just bonds, in 30 countries (National Trade Data Bank Market Reports 1995). These changes allowed the Chilean *grupos* to put together larger investments in Peru, Argentina, Colombia and elsewhere, at times taking advantage of privatization processes in those countries as well. By 1996, the forced savings of Chile's workers managed by the AFPs totaled US \$30 billion, a sum equal to half the size of Chile's GDP.

The mastermind behind the privatization of Chile's state-run pension fund system was José Piñera, Pinochet's Minister of Labor and Social Security from 1978 to 1980. Since departing the Pinochet cabinet, Piñera has become a consultant on pension fund reform to governments throughout Latin America. The Chilean model of pension fund privatization has been copied in varying degrees by Argentina, Peru, Colombia, Bolivia and Mexico. El Salvador and Brazil, as well as some European and Asian countries are considering following suit.

Piñera is also co-chairman of the neoconservative Washington DC-based Cato Institute's Project on Social Security Privatization in the US. The US's official Social Security Advisory Council has proposed personal savings accounts as a basis for social security reform. According to Carolyn L. Weaver of the American Enterprise Institute, and a member of the Social Security Advisory Council, the transition costs of switching to a personal savings account system will require a 1.52 percent payroll tax increase, increased federal borrowing, and a scaling back of social security benefits for current and future retirees (Weaver 1997). Big Wall Street firms, which want to plug Social Security contributions into the stock market and reap huge commissions, are the main backers of this model of reform.

El Grupo Angelini

Anacleto Angelini is the richest man in Chile, and he controls Chile's second largest *grupo*, the *Grupo Angelini*. The *Grupo Angelini* is typical of the conglomerates that now dominate the Chilean economy: it groups together natural resource, finance and other services companies, as well as a pension fund administration company, many of which were privatized by the state during the dictatorship, and it is associated with major multinationals, who picked up cheap investments through debt-for-equity swaps. The Angelini empire accounts for 5 percent of Chile's exports.

Angelini emigrated to Chile from Italy after World War II and amassed a medium-size fortune in the fisheries, forestry and construction industries. His empire expanded rapidly after the 1973 military coup, benefiting from Pinochet's privatization fever. Angelini's personal fortune totals some US \$2.3 billion, much of which he acquired as a result of his takeover of the Chilean Petroleum Company (Compañía de Petroleos de Chile, COPEC) in 1986 (Ortiz 1997: 10).

COPEC was founded in 1934 as a petroleum distribution company, and it quickly expanded to encompass a variety of energy production and distribution companies. Because of its strategic importance to the Chilean economy, COPEC was intervened by Salvador Allende's Popular Unity government (Contreras 1989: 136-147).

During the dictatorship, COPEC was privatized to the *Grupo Cruzat-Larraín*, then the largest conglomerate in Chile, and the main beneficiary of the first round of privatization during the dictatorship. With the further privatization of major state-run industries, COPEC in turn acquired a diverse collection of finance, forestry, fisheries, commerce and mining companies.

In the 1982 debt crisis, Cruzat-Larraín went belly-up. COPEC and many other companies financed or owned by Cruzat-Larraín and the Banco de Santiago (of which COPEC owned 50 percent) were taken over by the state. The Pinochet dictatorship became the not-so-proud owner of the largest private enterprise in Chile.

In 1986 Anacleto Angelini acquired COPEC at bargain basement prices in the dictatorship's second round of privatization. The Angelini Group then canceled part of COPEC's foreign debt through a US \$241.9 million debt-equity swap, in which the New Zealand forest products giant, Carter Holt Harvey (CHH), got a 30 percent share of the company. At the time, Chilean economist Alvaro García (Minister of Finance under Aylwin) denounced the irregularities surrounding Angelini's takeover of COPEC. Angelini bought his share of COPEC at half price, four days before the public auction to reprivatize the shares of COPEC. According to Máximo Pacheco, CHH's vice president in Chile and a Christian Democratic Party op-

erative, CHH's initial debt swap investment is now worth US \$2 billion (Ortiz 1997: 10).

Angelini's empire now stretches from fishing companies in the North, including the nation's largest, Pesquera Iquique Guanaye S.A., to the largest forest products company in the South, Celulosa Arauco y Constitución. His holdings include numerous investment companies, Chile's number one insurance company, Cruz del Sur, business services companies, and the nation's fourth largest pension fund administration company, AFP Summa S.A. In the energy sector, Angelini controls Cocar, the coal mining company which sells coal to Chilgener, the second largest electric company in Chile, in which Angelini is a major shareholder. He also owns hydroelectric plants, as well as petroleum and natural gas production and distribution companies, a range of agriculture, livestock and real estate interests, a chain of home appliance stores, and a tourism company.

In the forestry industry, Angelini controls forest plantation management companies, logging companies, saw mills, pulp plants, and even the ports from which the forest products are exported. The centerpiece of Angelini and CHH's forestry operations is the giant Celulosa Arauco y Constitución S.A. Celulosa Arauco was founded by CORFO in 1968 as a joint venture with Parsons and Whittmore and Celulosa Constitución was created by CORFO in 1970 with Creusot-Loire

and a church related development foundation. During the Popular Unity government, both companies were brought into the state sector because of their strategic importance to the Chilean economy. Both were privatized in 1979 to COPEC.

For the last four years, Angelini and CHH have been in a protracted legal dispute, each hoping to oust the other. Angelini claims that CHH has engaged in disloyal practices since it was acquired by the US based International Paper, COPEC's principal global competitor in the forest products business. International Paper, in turn, rejected the original deal between CHH and Angelini, which gave Angelini total control over the joint venture until 2007 (Fromin 1997: 54).

Conclusion: The State of the Debate

Chile's incomparable macroeconomy has produced an "if it ain't broke, don't fix it" complacency among most of Chile's political leaders. The *Concertación* has pursued limited redistributive reforms, including successfully negotiating a progressive tax hike soon after the transition to democracy. But the *Concertación* rejects reforms that would make the labor market less flexible, and the overall thrust of the *Concertación's* program is to promote economic growth and wait for trickle-down.

With such a recipe, it is unclear where the *Concertación's* proposed Growth with

Equity is supposed to come from. As one Socialist Party economist recently stated, "The intellectual who proposes redistributive policies is treated as if he were antiquated, obsessed, proposing policies that failed in the past. The idea now is we have to privatize everything, we have to stimulate private enterprise, and hopefully we will all be entrepreneurs!" (anonymous 1997). Neoliberal ideology has become so pervasive, even among part of the left, that reforms to the free market model are automatically rejected as populist and inflationary.

Many other factors also operate to stifle debate. The institutions of protected democracy put in place by the dictatorship, including the 1980 Constitution, have created a political stalemate. The right has the power to veto any legislation because of the Pinochet-era designated senators, who represent institutions (like the military) instead of electoral districts, tipping the balance of congressional power in favor of the right in the Senate, despite the *Concertación's* ample majorities at the ballot box.¹ The priority placed on stability after the trauma of the dictatorship, as well as a reserve of fear and perhaps self-blame among some leaders of the left, are also factors. The international financial community's support for free trade and the seeming lack of alternative models contribute to the current climate of consensus.

General Pinochet's upcoming retirement as Commander in Chief of the Army,

and the possibility of future constitutional reform could lubricate Chile's political system. Conflict within the *Concertación* in 1993 at the start of the Frei administration, expressed as a debate between prioritizing the political agenda (the Socialist's demand for constitutional reform) or the social-economic agenda (President Frei's emphasis on economic growth and modernization of the state) may resurface in the year 2000, around the likely presidential candidacy of Ricardo Lagos.

Lagos, the center-left's challenger to the Christian Democrats for the leadership of the *Concertación* and the country, represents a free market economic agenda, but would probably push for greater political and redistributive reforms and take a harder line toward the military than the Christian Democrats. In the meantime, workers in the State sector will continue to strike for better wages, and those without the capacity to strike will wait for something to trickle down as they struggle to develop new strategies to regain lost rights.

Endnotes

¹The designated senators include:

- a) Ex-presidents who served six or more years in office become senators-for-life. Under this provision, General Pinochet could become senator-for-life when he steps down from his current position of Commander in chief of the Army. Patricio Aylwin, who was elected to only

- a) a four year "transition"-term as president in 1990 is excluded;
- b) two ex-judges of the Supreme Court, designated by the Supreme Court;
- c) one ex-Controller, designated by the Supreme Court;
- d) four ex-Commanders in Chief of the Armed Forces and Carabineros, designated by the National Security Council. (The National Security Council is made up of the President; the President of the Senate; the Controller General of the Republic; the President of the Supreme Court; the Commanders in Chief of the Army, Armada and the Air Force; and the Director General of Carabineros;
- e) one ex-rector of a university, designated by the President;
- f) and one ex-cabinet minister designated by the President.

In summary, the Supreme Court designates three senators, the National Security Council designates four, and the President of the Republic designates two. Presently, those designated senators chosen by the presidency were chosen by the outgoing "president" General Pinochet.

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IS PRO-INTEGRATIVE HOUSING POLICY JUSTIFIED?

Lance Freeman

Recent discussions on race in American society have centered on affirmative action, particularly policies concerning education, employment, or politics. In these arenas, affirmative action has come to symbolize policies that transcend the outlawing of discrimination to affirmatively enhance the opportunities of African Americans and other minority groups. Affirmative action is typically justified either as a remedy for past and continuing discrimination in education and employment, or because it increases diversity in the workplace and higher education.

Even though African Americans have experienced significant discrimination and segregation in housing, housing is one remaining area where affirmative action receives far less support than in education or

employment. Evidence compiled by social scientists indicates that nearly three decades after the passage of the 1968 Fair Housing Act, which forbade discrimination in the marketing, sale, and rental of housing, many African Americans still live in highly segregated communities (Farley and Frey 1994) and are likely to experience discrimination almost 50 percent of the time when seeking housing (Turner et al. 1991). Furthermore, they are significantly more segregated than either Asians or Latinos (Farley and Frey 1993).¹

Given the enduring legacy of housing segregation and discrimination, it is not surprising that some scholars, housing activists, and policymakers have called for the active promotion of housing integration. Such policies would go beyond simply outlawing and

punishing those practicing housing discrimination and would promote more pro-active policies such as marketing single race neighborhoods to members of the opposite race, promoting efforts to maintain neighborhood quality after integration initially occurs, curbing marketing tactics that promote panic selling and consequently rapid racial turnover in white neighborhoods, and offering subsidies to those willing to move into neighborhoods where their race is underrepresented. In this way, pro-integrative housing policies that actively promote integration are akin to those affirmative action policies in employment, education, or politics that go beyond simply outlawing discrimination.

This paper assesses the justifications for adopting policies that go beyond combating illegal housing discrimination by affirmatively promoting housing integration. It contains an examination of whether or not criteria used to justify affirmative action in employment and education are appropriate for justifying pro-integrative policies in housing. The paper also addresses the efficacy of focusing on pro-integrative housing policy as a means of achieving racial equality.

Justifying Pro-integrative Housing Policies

Kahlenberg (1996) provides a useful taxonomy for arguments used to justify affirmative action policies. He cites the following reasons advocated for affirmative action policies:

1) as a remedial measure to counter the effects of past and current discrimination; 2) as a tool to promote equal opportunity; 3) as a tool to promote diversity in settings where minorities are underrepresented; and 4) as a method for promoting racial harmony. These justifications can be applied to pro-integrative housing policy as well. As a remedial measure, it would be necessary to show that the effects of past or present housing discrimination are still being felt. As a method of promoting equal opportunity, it would be necessary to illustrate that African Americans are somehow denied equal opportunity by living in segregated neighborhoods. In order to advocate pro-integrative housing policies as a method to increase residential diversity, it would be necessary to show that society would reap some positive benefits from integrated neighborhoods. Finally, as a method for increasing racial harmony, it would be necessary to illustrate that racial tolerance is increased under integrated housing.

To meet the first justification for affirmative action -- as a remedial effort to address the lingering effects of past discrimination -- it is necessary to provide a brief history of the intense housing discrimination faced by African Americans as they moved from the rural south to urban centers throughout the country. While small numbers of African Americans lived most cities prior to the Great Migration which lasted from 1916 to approximately 1965 (Allen and Farley 1987). there were small numbers of

African Americans in most cities. Historians have found that the few African Americans who did live in the cities prior to the migration did not live in highly segregated communities. Because of their relatively low incomes, they tended to be concentrated in poorer neighborhoods, but they usually were not the majority in these neighborhoods. Additionally, there were not any large scale ghettos such as those that exist today (Drake and Clayton 1993; Lane 1985; Trotter 1985; Connolly 1977; Kusmer 1976; Katzman 1973; Osofsky 1968; Spear 1967).

The rapid influx of large numbers of African Americans into the cities in the beginning of this century created an environment whereby African Americans directly competed with whites for housing and jobs. As their population increased, African Americans were no longer scattered in a few neighborhoods about the city, and whites were at risk for finding themselves part of only a slight majority or even a minority in some neighborhoods. This was viewed by most whites as an intolerable situation. Hence, efforts were made to insure the strict residential segregation of the races (Massey and Denton 1993).

A variety of tactics were employed to keep neighborhoods racially separate. Violence was a frequent tool in the years immediately following World War I, and integration minded African Americans often saw their homes bombed or burned to the ground.

Some cities, particularly in the South, attempted to legislate residential segregation just as they had legislated other forms of segregation. In 1910, Baltimore became the first city to implement a racially exclusive zoning ordinance establishing "white" areas, with other cities including Greenville, North Carolina, and Winston Salem following suit in 1913. Legally sanctioned residential segregation of this type was struck down by the US Supreme Court in the *Buchanan v. Warley* (245 US 60 1917) decision. Subsequently, the restrictive covenant became a popular tactic used to keep African Americans out of certain neighborhoods. Restrictive covenants forbade parties to the covenant from selling or renting their property to African Americans and, to a lesser extent, other minorities. The use of restricted covenants was upheld by the Supreme Court in 1926 (*Corrigan v. Buckley* 271 US 323), and was not ruled illegal until 1948 when the Supreme Court reversed its earlier ruling in the *Shelley v. Kraemer* (334 US 1) decision (Farley and Frey 1994).

In addition to restrictive covenants, other discriminatory tactics were also employed. For example, as real estate agents became aware of the aversion their clients had toward living with African Americans, racial steering became a frequent practice. Racial steering is a process whereby African Americans are shown homes in African American areas and whites are shown homes

in white areas. Additionally, in many instances property owners simply refused to rent or sell their homes to African Americans.

While the discriminatory acts of private citizens and members of the real estate industry helped create highly segregated communities, public policy also played a major role. Government policymakers not only turned a blind eye to many discriminatory acts, but they also undertook many efforts that actually served to abet residential segregation.

The large scale federal intervention in the housing market that began in the 1930s signaled the beginning of federal policies that served to restrict housing opportunity for African Americans. The Home Owners Loan Corporation (HOLC) was started in 1933 and granted low interest loans to former homeowners who had defaulted or were in danger of defaulting on their loans. The HOLC is notable for institutionalizing the practice of "redlining" -- a process whereby low income, and virtually all African American neighborhoods, were outlined in red on a map and deemed ineligible for loans. The bulk of HOLC loans went to neighborhoods that were "new and homogenous" and inhabited by "American business and professional men" (Massey and Denton 1993: 49-50). In other words, the HOLC only made loans in white neighborhoods. Later federal programs, notably the Federal Housing Ad-

ministration and the Veterans Administration, followed the lead set by the HOLC, loaning only in white neighborhoods. Not only did the FHA redline, but they actually recommended the use of racially restrictive covenants to "maintain neighborhood stability" (Massey and Denton 1993: 49-50). The institutionalization of redlining practices by the federal government filtered out to the lenders in the private sector who relied on criteria developed by the HOLC when deciding where to give loans. In addition to discriminating by geography, banks were also more prone to practicing a blanket form of discrimination against African Americans, regardless of where they lived (Massey and Denton 1993).

The lending practices of financial institutions made it difficult for African Americans to obtain the mortgages necessary to move into many white neighborhoods. A lack of credit also meant that financing for home improvements and building maintenance was scarce. Deprived of sufficient capital, many African American communities deteriorated into slums. This served as a further impetus for white flight from neighborhoods into which African Americans were moving. Many white residents anticipated a decline in neighborhood quality after the entry of African Americans, a prophecy that was likely to come true given the disinvestment by financial institutions.

The federal government's development of public housing in the 1930s also served to foster segregated living patterns. Public housing admission policies required that residents of public housing developments be of the same race. Furthermore, siting criteria required the developments to be located in neighborhoods where the racial composition of the surrounding neighborhoods would not be altered. This meant that developments targeted for African Americans were built and located in African American neighborhoods and developments targeted for whites were built and located in white neighborhoods (Hirsch 1983; Myerson and Banfield 1955).

Thus, the highly segregated communities of today are largely a result of earlier forces that acted to confine African Americans to the ghetto. The two primary forces were white racism and public policies. White racism fostered a strong antipathy to living with African Americans, and it also led to white flight from neighborhoods that experienced African American entry. Additionally, certain public policies were in place that served to intensify and abet segregation. The result of this confluence of forces was the creation of ghettos in nearly every American city with a sizable African American population. Many of these ghettos still exist to this day.

By 1940, most of urban America was highly segregated. Levels of segregation re-

mained virtually uniformly high, and in many cases, they increased during the years between 1940 and 1970 (Sorensen et al. 1975). It was only during the 1970s that small declines in segregation were evidenced, a pattern that continued into the 1980s. While these declines provide some cause for optimism, declines in segregation, for the most part, have been limited to cities with relatively small African American populations (Massey and Gross 1991; Farley and Frey 1994). Between the period of 1980 and 1990, the 30 metropolitan areas with the largest African American populations had an average decline in segregation (as measured by the dissimilarity index) of only 3 percent (Massey and Denton 1993).

The historical evidence makes it clear that severe discrimination was a major contributor to the creation of today's ghettos. However, attitudes have since changed as most whites today are unwilling to profess to having openly racist attitudes (Schuman et al. 1985). Survey evidence suggests that most whites would not mind having a few African American neighbors (Farley et al. 1994). With blatant discriminatory practices now illegal, housing discrimination has probably declined significantly. Certainly the decline in discrimination should lead to a more integrated society. However, if individuals decide to segregate themselves, what role remains for public policy to play? In order to answer these questions, it is neces-

sary to understand the dynamics of racial turnover that has occurred in many neighborhoods.

While whites attempted to restrict African Americans' access to certain neighborhoods through the tactics described above, an even stronger force than white racism acted to inevitably bring African Americans into many neighborhoods -- the profit motive. Because African Americans had far fewer housing options than whites, landlords and property sellers could charge African Americans more for the same housing than they could charge whites. While there were enormous social pressures on landlords to maintain the color line, the temptation to increase profits often caused many of them to sell or rent to African Americans anyway. Indeed, many white realtors practiced what was known as "blockbusting" -- the process of buying a house in a white neighborhood in order to sell it to an African American. The realtors would then pressure other whites in the neighborhood to sell their homes before property values declined following the impending influx of African Americans, and then the agents would proceed to sell these homes at higher prices to African Americans (Clayton and Drake 1993).

Rapid racial turnover also occurred often in neighborhoods that attempted to promote integration. Given that most neighborhoods acted to restrict African American entry, leaving African Americans with few

housing options, any community that appeared to be willing to integrate would cause housing demand by African Americans to be funneled to that neighborhood. Since white demand for housing was not simultaneously funneled to this neighborhood, a disproportionate share of the in-movers would be African American, and the neighborhood would eventually become entirely African American. Abetting the turnover process was the fact that after a neighborhood had a sizable African American presence, virtually no whites would move in and many would actually flee, thereby quickening the pace at which the neighborhood went from all white to all African American.

But while prior and present discrimination surely created the ghettos of today, shouldn't the strict enforcement of housing discrimination laws be adequate to reduce segregation substantially? This, in fact, is unlikely. Past discriminatory practices not only created today's massive ghettos, but they also helped shape the present preferences that whites have for predominantly white neighborhoods and that African Americans have for neighborhoods where they are at least a substantial presence.

Undoubtedly, some whites harbor a distaste for living among African Americans. Research evidence, however, suggests that many whites do not so much harbor ill feelings toward living around African Americans as much as they fear the deterioration

of neighborhoods that has been associated with racial turnover (Farley et al. 1994). For many of the reasons discussed above, the economist George Galster (1992) argues that the historical legacy of intense housing discrimination and segregation causes whites to associate the change of the racial composition of a neighborhood from white to African American with disinvestment by financial institutions, disinvestment by the public sector, an increase in the placement of assisted housing, and other conditions that lead to the deterioration of a neighborhood. The demographic forces associated with the Great Migration also meant that any neighborhood that allowed African American entry would probably attract a disproportionate share of African American in-movers because African Americans were excluded from other neighborhoods and the African American population was steadily increasing in most cities for the first three-fourths of this century.

Against this backdrop, many whites see any significant entry of African Americans into their neighborhood as leading to an inevitable change in the neighborhood's racial composition, the deterioration of the neighborhood, and consequently a decline in the value of their homes. Given that housing is the single largest asset for most Americans, it is not surprising that many whites would view African American entry into their neighborhoods with trepidation. The Detroit

Area Study, which is an annual survey administered by the University of Michigan in the Detroit metropolitan area, provides evidence to support this notion. When asked for specific reasons for not wanting to live among African Americans, survey respondents frequently reported that they feared their property values would decline (Farley et al. 1994). This is not a wholly unrealistic expectation given the history of racial change and subsequent neighborhood deterioration in urban America. This data suggests that white preferences for racially homogenous neighborhoods are due in part to the effects of discriminatory housing practices on changes in the racial composition of a neighborhood. Hence, past discriminatory housing practices are not only implicated in the creation of segregated communities of today, but in the aversion many whites have for integrated neighborhoods.

Because of the preferences of most whites for relatively homogenous neighborhoods, the creation of stable, racially integrated neighborhoods are unlikely even if anti-discrimination laws are strictly enforced. For in most neighborhoods, if the number of African Americans reaches significant proportions, white flight away from that neighborhood is likely to occur (Duncan and Duncan 1957; Taeuber and Taeuber 1965; Schelling 1972; Aldrich 1975; Galster 1990). Given that most African Americans prefer neighborhoods where they are at least a substantial

minority (Farley et al. 1994), the incongruence between African American preferences and white preferences for the racial composition of neighborhoods leads to neighborhoods that are almost all white, or that have a significant presence of African Americans but are on the way to becoming all African American as more whites leave than move in (Schelling 1971). If the goal is a more integrated society, simply removing discriminatory barriers is unlikely to be very effective. For if African Americans are not kept out of white neighborhoods through discriminatory practices, white flight is likely to provide the same results anyway.

The historical facts show why a pro-active effort that goes beyond simply enforcing anti-discrimination laws is necessary to redress the enduring legacy of housing discrimination and segregation. As George Galster succinctly puts it "The momentum of discriminatory history cannot be stopped merely by ceasing to discriminate" (1992: 279). Thus, the first justification for pro-integrative efforts to reduce segregation, as a remedy for the continuing impact of past wrongs, is clearly met. Based on the review above, pro-integrative policies are justified to redress the effects of past and present discrimination -- effects that influence the dynamics of neighborhood change to this day. Yet this does not necessarily mean that integration should be pursued. If most whites

and African Americans happen to live in separate neighborhoods, so what? What is the impact of persistently high levels of segregation?

These questions bring us to the second justification for pro-integrative policies -- the provision of equal opportunity for African Americans. A significant body of evidence compiled by social scientists suggests that residential segregation has a deleterious impact on African American well-being. To briefly review the evidence, social scientists have found that segregation has the following effects: 1) it confines African Americans to geographic regions where employment opportunities are scarce (Holzer 1991; Kain 1992); 2) it leads to a lower quality of life for the African American middle class (Massey and Denton 1987); 3) it leads to the creation of segregated and unequal schools (Kozol 1992); 4) it concentrates the higher poverty experienced by African Americans into a few neighborhoods, leading to the creation of an underclass (Massey and Denton 1993); and 5) it increases African American poverty (Galster 1991). Indeed, one of the justifications for affirmative action in education and employment is that African Americans are unlikely to grow up in neighborhoods that provide the same opportunity structure as white neighborhoods. As a method of promoting equal opportunity, pro-integrative housing policies certainly pass muster.

The last two justifications for pro-integrative housing policies, the promotion of diversity and increasing racial harmony, are both based on the assumption that society will benefit from African Americans and whites living together. Arguments in favor of encouraging housing integration as a means of reducing interracial animosity are usually derived from contact theory (Allport 1954). Contact theory suggests that intergroup hostilities are often due to unfamiliarity with other groups. According to contact theory, prejudice between hostile groups can be reduced under the following circumstances: when they meet on an extended basis, when the context is a noncompetitive environment, when the mingling is sanctioned by authorities, and when both groups have equal status. While there is conflicting evidence on the full validity of this theory (Sieglman and Welch 1993; Buono 1982; Deutsch and Collins; Hamilton and Bishop 1976; Cagle 1973), the bulk of the evidence seems to suggest that it is at least partially valid. Contact theory suggests that residential integration would bring African Americans and whites into closer contact with each other, and as long as the other criteria are met, it would help reduce racial animosity. Hence, pro-integrative housing policies are justified on these grounds as well.

In sum, research by social scientists and historians clearly illustrates that past and

present discriminatory practices have contributed to the creation of the segregated communities of today. The evidence is also consistent in showing that segregated communities have harmful impacts on aggregate African American well-being. And although the evidence on the putative benefits of integrated housing is somewhat more mixed, there appears to be at least some positive affects. Furthermore, although there have been legal challenges to some of the techniques employed to promote integrated housing, there are a number and variety of pro-integrative tools that have been validated by the courts.²

In contrast to affirmative action policies in education and employment, pro-integrative housing policies are also unlikely to be criticized as a form of reverse discrimination. Because African Americans appear to be more tolerant of integrated neighborhoods than whites, pro-integrative housing programs are more likely to benefit white individuals rather than African Americans. African Americans as a group are likely to benefit from the results of pro-integrative programs -- integrated neighborhoods. For example, a program designed to subsidize those willing to move into neighborhoods where they are underrepresented is likely to find that whites would need to be induced by a larger subsidy than African Americans in order to make the move.

The Role of Pro-Integrative Policies In Reducing Racial Inequality

Based on the evidence discussed above, many observers have called for pro-integrative housing policies. Examples of such policies include the following: 1) reverse steering by realtors, whereby African Americans and whites are shown homes in neighborhoods where they are underrepresented; 2) financial incentives for African Americans or whites moving in neighborhoods where they are underrepresented; 3) equity assurance programs that guarantee the property values of homes in order to dampen the fear that property values will decline when African Americans move in; 4) bans on for sale signs that are suggestive of racial turnover; and 5) scatter site public housing and vouchers that seek to disburse minority recipients of housing assistance into white neighborhoods (Chandler 1992). But the very evidence that illustrates the harmful impacts of segregation and spurs advocates to call for pro-integrative efforts also vividly depicts why pro-integration policies have had limited success (Smith 1993). This evidence also undermines some of the rationale for promoting integrated neighborhoods. Below is a consideration of each point.

The literature on the negative consequences of segregation seems to suggest that having African American neighbors is somehow harmful, or at least not as beneficial as having white neighbors. But if Afri-

can Americans are harmed by having African American neighbors, does it follow that whites would be harmed also? If so, it makes sense for whites to resist segregation and it is not clear that society as a whole would be better off with more integration. Some African Americans might benefit, but perhaps some whites would be harmed. Perhaps African Americans would benefit more from integration than whites would be harmed. The point is that we do not have evidence either way to guide our decision.

A better question considers why having African American neighbors should be harmful to anyone. George Galster and Donald DeMarco address this question by arguing that "given our racist history, there are likely to be multifaceted institutional responses to predominantly minority occupied neighborhoods that are likely to erode their quality" (1993: 144). In order to buttress their argument, Galster and DeMarco point to the historic disinvestment in African American communities by retail, commercial and financial institutions. But this point raises the question of whether we should attempt to counter this disinvestment rather than promote integration so the opportunity to disinvest is not there. Most likely, a mix of both attempts is necessary. The key point is that merely promoting integration seems to imply that either having African American neighbors is problematic or that African American communities are discriminated

against. There is little evidence to suggest that African American neighbors are problematic for African Americans. To the extent that institutional disinvestment is a problem, this needs to be addressed head on rather accepting than accepting its inevitability.

Even the idea of promoting racial harmony by interracial living is not without its pitfalls. Recall that two of the tenets of contact theory state that for increased intergroup exposure to be successful in reducing prejudice, the two groups must be of equal status and the setting must be non-competitive. For housing integration, this effectively rules out poorer African Americans as candidates for integration into middle class white neighborhoods due to class inequality. Integration of poor African Americans into poor white neighborhoods would not be desirable either because it would pit poor whites against poor African Americans over scarce resources. Furthermore, the creation of integrated poverty-stricken neighborhoods rather than racially homogenous poverty-stricken neighborhoods seems like a dubious policy objective. Therefore in order to reduce prejudice, integration must be promoted between middle class African Americans and whites of equal status. Any other approach will not only not reduce prejudices but will probably lead to white flight. A number of examples exist where whites fled neighborhoods after poorer African Americans moved in, even

though the goal was the creation of integrated neighborhoods (Hillel 1992; Saltman 1990).

Hence, a pro-integrative policy would have to be aimed at middle class African Americans of equal status to middle class whites. But the African Americans that are able to achieve socioeconomic status comparable to middle class whites are not the ones suffering the most deleterious consequences of residential segregation. If they have achieved middle class status, they are unlikely to be either living in neighborhoods of concentrated poverty or residing in neighborhoods isolated from employment opportunities. But if the latter is the case, they are likely to have the means to reach employment centers. Certainly some middle class African Americans prefer integrated neighborhoods and might benefit from living in one. But if we propose a pro-integrative policy we must face the fact that in order to be successful, poor African Americans living in isolated ghettos are unlikely to benefit from such policies, even if the programs are successful.

This leaves us in a quandary. A successful pro-integrative policy is unlikely to help those who need the most help, the ghetto poor, but clearly there are problems with doing nothing. We know that segregation contributes to problems of poverty and racism, yet it will be difficult to address segregation without tackling these problems first. The solution proposed in this paper is to focus on

the problems, such as disinvestment, that afflict African American communities. Pro-integration strategies should be pursued simultaneously, but because they are unlikely to help those who need the most help, they should play an ancillary role. This approach has several advantages. By reducing the systematic institutional disinvestment that has historically been associated with the creation of African American communities, African Americans will have a wider choice of housing options than either living in inferior (in terms of amenities) African American neighborhoods or living in predominantly white neighborhoods. Some African Americans prefer predominantly African American neighborhoods because of the sense of community they feel from living in these neighborhoods (Dent 1992; Farley et al. 1994). While pro-integrative policies are necessary to give whites and African Americans the option of integrated neighborhoods, improving African American communities will give African Americans who are not looking to integrate the choice of living in a quality African American neighborhood. To the extent that the socioeconomic status of African Americans is improved by living in improved neighborhoods, it will be easier to implement integration programs that require African American and white participants to be of equal status.

While it is beyond the scope of this paper to fully discuss the examples of success-

ful strategies that have been employed to improve many African American communities, following is a brief overview of several examples. The Community Reinvestment Act has had some success in increasing investments in many minority communities. Developing indigenous institutions in minority communities is also a useful strategy for ameliorating some of the problems associated with white communities. This is in fact the model of spatial assimilation that has been followed by immigrant groups in the US. As immigrants have moved up the socioeconomic ladder, they have traditionally moved out of ethnic enclaves and into white neighborhoods (Massey 1985). Racism has often blocked socioeconomic advancements for African Americans, and if they are successful, African Americans have often not been able to translate their success into spatial assimilation. Substantial integration can only be expected to occur after African American communities participate fully in American society. This is not to suggest that pro-integrative efforts should be pursued or scaled back. But arguments in favor of pro-integrative policies as a tool for overcoming racism seem to be based on the Myrdalian notion that racism is mostly a result of ignorance and should be treated as such. Merely promoting better relations between middle class African Americans and whites does not appear to go far enough in tackling the problems of the ghetto.

Conclusion

This paper started out by outlining several criteria that any affirmative action policy should meet. It was argued that pro-integrative housing policies could only be justified if one of the following were met: 1) the effects of past and present discrimination were still being felt today; 2) pro-integrative policies could be used as a tool to promote equal opportunity; 3) there was some benefit to promoting residential diversity; or 4) pro-integrative housing policies would be successful in promoting racial harmony.

Based on the historical and social science literature, it was clearly shown that the effects of past and present discrimination are with us today in the form of massive ghettos in most American cities and the preferences of many white Americans for racially homogenous communities. In addition, the existence of racially isolated neighborhoods are likely to limit the opportunities of African Americans. Finally, society as a whole may benefit from reduced interracial animosity if integration occurs under certain circumstances.

However, it was also shown that a strictly pro-integrative policy is not without its flaws. It is unlikely to help those most in need, and it ignores the fact that some African Americans might prefer living in high quality African American neighborhoods. Furthermore, given the large gaps in socio-economic status between most whites and

African Americans, a pro-integrative policy would be likely to fail if pursued on a broad basis. This suggests that we must break the cycle of racism that leads to reduced residential opportunities and fuels further racism. The observations of some of the earliest urban sociologists provide a clue on how this should be done. Robert Park (1926) observed that spatial relations between groups reflect the social relations of those groups. Residential segregation thus reflects the continued inequality, both economic and social, between African Americans and whites in America. While segregation now exacerbates that inequality, it is not the ultimate cause of it. This does not mean that pro-integration programs should not be supported — they should. But if we truly hope to address segregation and its negative consequences, we must first address the inequality between the two different Americas inhabited by African Americans and whites.

Endnotes

¹Because African Americans are the group that experiences the highest level of segregation, this paper will focus exclusively on policies designed to promote integration among African Americans and whites.

²Legal challenges to pro-integrative housing policies have most frequently involved the following three tactics: 1) the use of quotas to restrict African American entry into integrated neighborhoods; 2) restrictions on

for sale signs; and 3) and blockbusting tactics. While the former has been declared illegal (*US v. Starrett City Associates* 1987), the latter have been upheld as not infringing on first amendment rights if such tactics can indeed be shown to cause panic selling.

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THE ROLE OF SUBSIDIES IN ACHIEVING TRANSIT'S OBJECTIVES: AN EVALUATION

Devajyoti Deka

Mass transit subsidization in the United States became a controversial issue immediately after transit's public takeover and the initiation of the federal subsidization program in the 1960s. In recent times, the amalgamation of highway and transit funds by the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 has made some critics wary that valuable resources may be wasted on a mode that is destined to fail. As Jean Love, a critic of the US transit subsidization program, has stated, "Taxpayers have pumped more than \$100 billion into the mass transit systems during the past 25 years. Regrettably, experience demonstrates that each supposed benefit of publicly supported transit is more myth than reality" (1992: 43). This paper seeks to identify and examine the problems associated with the US mass tran-

sit subsidization policy that have made its critics wary. Specifically, the paper examines the impact of subsidization on the performance of transit and investigates whether transit subsidies have actually obtained some of the proclaimed social objectives, such as providing mobility to the transportation disadvantaged and reducing congestion and air pollution.

The Sources and the Extent of Transit Subsidies

Mass transit in the United States had never been a very attractive industry. Although many private transit properties managed to survive as independent entities until the late 1950s and even early 1960s, exclusive investment on mass transit was never considered lucrative. The bankruptcy of pri-

vate transit agencies led to their public takeover in the 1960s, and the transit industry has since been predominantly a public concern. Between 1965 and 1974, the number of publicly owned transit agencies increased from 58 to 308 (Jones 1985), and by 1985, approximately 96 percent of transit's vehicle miles were provided by public agencies (Wachs 1992). The public takeover of the transit agencies started an era of massive subsidization, and ever since, a serious confusion has arisen as to the appropriate role of mass transit.

Currently, mass transit is subsidized by all three levels of government. Prior to 1960, transit properties were expected to be fully self-sufficient in terms of their revenue and expenditure (Jones 1985). In 1961, the first federal aid, amounting to \$25 million, was given to mass transit in the form of loans and demonstration projects (Wachs 1989). In 1964, a program for capital subsidization of transit was initiated under which \$3.3 billion were given out as capital grants in the following ten years (Jones 1985). In 1974, the federal government approved another program that, for the first time, provided transit operating assistance that would allow billions of dollars to be diverted towards covering the increasing operating costs of the industry. The federal aid program to transit, which started with a meager \$25 million in 1961, reached a massive \$4.6 billion by

1995 (Federal Transit Administration 1995). Yet, the federal role in transit financing has been relatively more restrained in the 1990s than in the 1970s, and the real federal appropriations in 1994 were considerably smaller than those in 1977 (Federal Transit Administration 1995).

Recently, the federal government has attempted to reduce its transit operating subsidies. Between the years 1994 and 1995, the Federal Transit Administration (FTA) succeeded in reducing its Section 9 formula operating grants for urbanized areas by 6.2 percent, from \$757 million to \$710 million (Federal Transit Administration 1995). During the same period, however, federal capital grants, excluding those under FTA's Section 18 for non-urbanized areas, increased by 3.9 percent, from \$3471 million to \$3605.8 million (estimated from Federal Transit Administration 1995). According to the latest available figures, federal assistance to transit covers 41 percent of the capital expenditure and 6 percent of the operating expenditure (American Public Transit Association 1995).

Although the federal role in transit subsidization seems to attract the most attention, state and local governments' roles in subsidizing transit are no less significant. In fact, due to the diminishing role of the federal government in providing transit subsidies in recent years, the roles of state and local gov-

ernments are becoming increasingly significant. According to the American Public Transit Association (APTA), transit's total operating expenses during the year 1993 amounted to \$17.5 billion, of which 37 percent came from the farebox, 6 percent from non-governmental sources, 29 percent from local governments, 22 percent from state governments, and 6 percent from the federal government (American Public Transit Association 1995).

Rationale for Transit Subsidization

Providing subsidies to mass transit is based on the rationale that mass transit has a potential for delivering certain social benefits. Various authors have listed the potential benefits that can be accrued from transit (Anjomani and Amico 1986; Cervero 1983; Goldsack 1989; Pack 1992; Gomez-Ibanez 1982; Wachs 1989). However, the most elaborate list of benefits from transit is provided by the APTA (1995). According to the APTA, transit can benefit society in the following ways: 1) reduce energy consumption; 2) provide access to high density areas where auto access is difficult; 3) provide mobility to the transportation disadvantaged; 4) promote retail sales; 5) reduce congestion; 6) create jobs within and outside the transit industry; 7) provide mobility during crises; 8) reduce air pollution; 9) provide safety; and 10) increase productivity.

Apart from the above claims by the APTA, various scholars have considered certain other benefits from transit. Some of these benefits include restricting urban sprawl, conserving land, providing an optional travel mode to all (including the auto driver), and generating economy by raising land prices in transit accessible areas (Cervero 1983; Pack 1992). It is clear from the benefits listed by the APTA and others that the expected benefits from transit are mainly social. A part of the rationale for providing transit subsidies thus lies on these proclaimed social benefits from transit.

Evaluation of the Transit Subsidy Policy

The US transit subsidy policy has been controversial since its inception. In principle, subsidization implies a transfer of funds from the public exchequer (local, state, or federal) to the transit agencies, and if the latter fail to deliver the expected benefits, criticisms of the subsidy policy are bound to arise. In the following sections some of the most common criticisms against transit subsidization are discussed.

The Impact of Subsidies on Transit's Performance

When considered alone, a transfer of funds from the public exchequer to transit agencies implies a windfall to the agencies and a loss to the taxpayers. Subsidization

implicitly reduces the supply of money with the taxpayers and explicitly increases it with the subsidized transit agencies (See Figure 1). With an increase in the supply of money, represented by a shift of the supply curve from s_1s_1 to s_2s_2 in Figure 1(a), the value of money goes down for the transit agencies.

On the other hand, with the reduction in money supply due to transit subsidization, the supply curve for the taxpayers shifts to the left, from s_1s_1 to s_2s_2 in Figure 1(b), implying an increase in the value of money for the taxpayers.

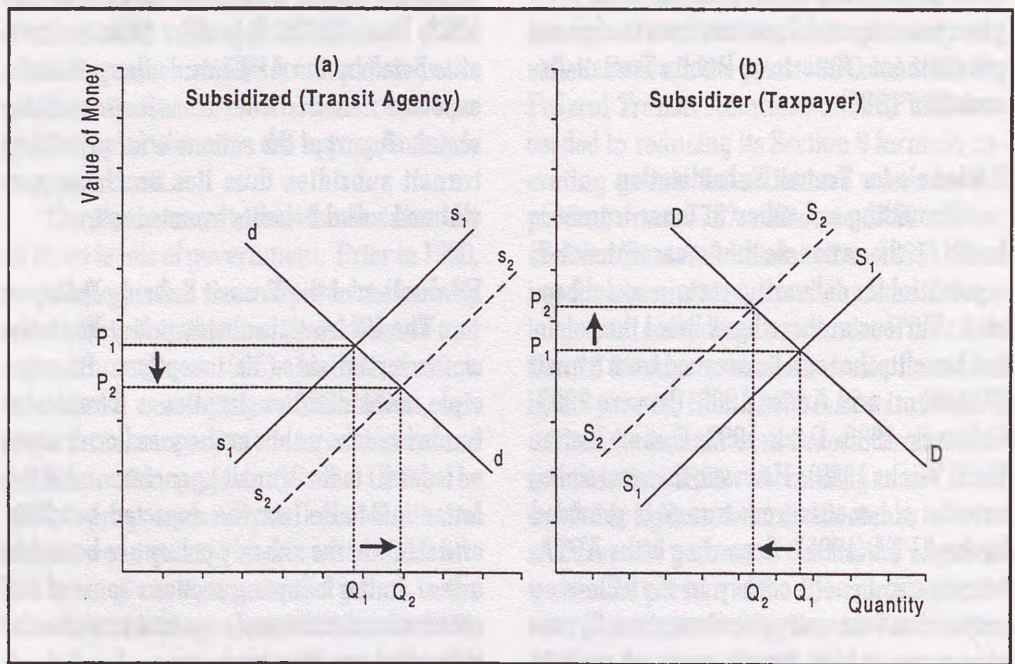


Figure 1: Effect of subsidization on money supply of transit agency and tax payer.

In reality, the transfer of funds from the taxpayers is not meant to be a windfall to the transit agencies as the latter are expected to provide benefits to the former in return. That is, the benefits provided by the transit agencies should be sufficient to cover the costs

incurred by the taxpayers through the transfer of funds. In case a taxpayer is a transit-user, he or she can obtain the benefits either directly or indirectly, whereas a non-user taxpayer can obtain the benefits only indirectly, i.e. in the form of social benefits. Most

controversies about transit subsidization revolve around the success of transit agencies in returning the expected benefits. The theoretical underpinning of much of the criticism of subsidies is that by making money less dear to the transit agencies, subsidization lowers transit's performance. And this results in transit's failure in delivering the expected benefits.

During the 1980s, many studies were conducted in the United States and Europe that attempted to discern the effect of subsidization on transit performance. Most of these studies found a negative relation between subsidies and transit's performance, although some studies found results to the contrary (Gwilliam 1988). Some of these studies relate to transit capital subsidies while others relate to operating subsidies. One of the most noted US studies to analyze the effect of capital subsidies on transit performance was conducted by Anderson (1983). Anderson used data for the years 1960 through 1975 for 74 bus transit agencies and applied a two-stage least squares regression technique to identify the effect of subsidization on transit performance. The study analyzed the effects separately for local, state, and federal subsidies.

One of Anderson's findings was that transit ridership decreased by 6.9 percent with the overall increase in subsidies during the study period. The decrease in ridership was most prominent in the case of fed-

eral subsidies (9.1 percent), while local subsidies actually raised ridership by 2.9 percent. The implication of this finding may be that local subsidies were distributed among the services that were likely to recover a greater share of the costs, while federal subsidies were provided in a relatively indiscriminate manner.

Anderson's analysis also shows that the frequency of service decreased with the aggregate subsidization from the three levels of government, although the effect of local subsidies on service frequency was positive. The analysis shows that federal subsidies decreased service frequency by 15.7 percent, while local subsidies raised it by 4 percent. The reduction in service frequency in the case of federal subsidies may have occurred due to a decreasing efficiency resulting from the subsidization, or substitution of services on busy urban routes by services on suburban routes. The effect of state subsidies on service frequency was also found to be negative, but small.

Anderson found a negative relationship between subsidies and fares. This is expected since a subsidized agency is under less pressure to charge a higher fare. However, the study found that the effect of federal subsidies on fares was in fact positive, i.e., federal capital subsidies actually raised fares. Since Anderson defined fare as the average revenue per revenue passenger (revenue \div passenger), an increase in longer trips for a

given number of passengers (hence a higher fare and a larger revenue), or a decrease in revenue passengers for a given total revenue, can explain the increasing fare resulting from federal subsidies

Another important conclusion from Anderson's study was that subsidies from all three levels of government raised transit operators' wage rates. The overall increase in wage rates as a result of subsidization from all the three levels of government was estimated to be 14.7 percent, of which nearly one half was due to the effect of federal subsidies. Finally, Anderson's analysis showed that cost per bus hour increased by 28 percent due to the aggregate subsidies from the three levels of government. The federal subsidies were again found to have the greatest contribution to the increase in cost per bus hour of service, accounting for more than two-thirds of the overall 28 percent increase.

One of the most consistent findings in Anderson's study was that among all the three sources of capital subsidies, federal assistance had the most significant negative relationship with transit performance. In her study, federal capital subsidization was found to decrease ridership and frequency and increase fares, operators' wage rates, and cost per bus hour of service. On the other hand, local capital subsidies were found to increase ridership, frequency, operators' wage rates, and cost per bus hour, but reduce fares. In short, federal capital subsidies were found to

consistently have a negative effect on transit performance with regards to all the indicators, while the effect of local capital subsidies varied from indicator to indicator. On the basis of a comparison among several countries, Pucher (1988) came to a similar conclusion about the effect of federal subsidies on transit performance.

According to the APTA (1995), federal subsidies constitute about 41 percent of transit's capital revenue. Federal programs under FTA's Section 3, which provides capital funds for fixed guideway modernization, new systems, buses, and bus related projects, have allocated steadily increasing amounts in recent years. Between 1987 and 1994, the appropriations under Section 3 increased in current dollars from \$0.92 billion to \$1.8 billion (Federal Transit Administration 1995). Even though Section 3 appropriations were slightly reduced between 1994 and 1995, the overall capital subsidization increased moderately from the previous year. Based on Anderson's study, one can argue that these appropriations may have lowered the performance of the transit properties, and thereby possibly led to a wastage of valuable resources.

The impact of operating subsidies on transit performance is probably more controversial than that of capital subsidies. Although the transit industry today is heavily dependent on operating subsidies from all three levels of government, operating rev-

venues and operating costs were nationally balanced until the year 1967 (Ortner and Wachs 1982). However, the operating costs of transit began escalating after 1967, and between 1965 and 1983 they increased by a massive 419 percent. In real terms, this represented an 80 percent increase over the base period (Wachs 1989).

Robert Cervero (1984) conducted a study of the impact of operating subsidies on the performance of transit agencies in California. He compiled data for 17 properties, including the state's largest ones. Data were collected for all the years between 1971 and 1981, and Ordinary Least Squares estimates of the regression coefficients were derived from the pooled cross section-time series data. Similar to other studies with the same research question (e.g., Bly and Oldfield 1986), the results of Cervero's study need to be interpreted carefully since they only allow us to observe the extent to which operating subsidies and transit performance are associated. It is difficult to discern from the study the causal relationship between subsidies and performance.

Yet, certain associations found in Cervero's study between operating subsidies and performance indicators can provide some insight. Cervero found a significantly positive relationship between cost per passenger and the share of local operating subsidies. Another key finding was that cost per vehicle hour, a measure of efficiency, had a

positive association with total subsidy rate, defined as the ratio of aggregate federal and local subsidies to total passengers. Finally, it was found that vehicle miles per employee, a measure of labor productivity, declined at a decreasing rate with increases in both federal and local operating subsidies. From Cervero's study of California properties, it thus appears that there is a negative association between transit operating subsidies and transit's performance. However, Cervero's study is not as clear as Anderson's in distinguishing the effects of federal and local subsidies.

The results of an elaborate European study (Bly and Oldfield 1986) on the effect of operating subsidies on transit performance substantiate Cervero's findings. This study included information from 16 countries and more than 100 cities. The study concluded that transit subsidies had a significant positive relationship with unit costs and a significant negative relationship with output per employee. However, Bly and Oldfield caution, similar to Cervero, that these results should be considered only as associations rather than causal relationships showing one leading to the other.

Bly and Oldfield's study of the European transit industry shows that the negative association between operating subsidies and transit performance is not a problem typical of the US transit industry. The negative association found by the two cited studies be-

tween operating subsidies and performance implies that either larger subsidies lead to lower performance of transit, or larger subsidies are given to properties suffering the greatest losses, or both. While the first interpretation of the association between subsidies and performance would naturally call for withdrawal of transit subsidies, from a competitive market standpoint there is no justification in endorsing larger subsidies to the less efficient agencies either. However, consideration of the supposed social benefits from transit subsidization may lead us to a different set of conclusions.

Among the indicators of performance, labor productivity deserves the most serious attention. Transit, especially bus transit, is an extremely labor-intensive industry. Out of the US transit industry's total operating expense of \$17.5 billion in 1993, about 45 percent was devoted to salaries and wages and an additional 25 percent went to fringe benefits (American Public Transit Association 1995). Transit's total employment is currently estimated at 291,000, of which 49 percent are operators and conductors and 27 percent are maintenance personnel. In 1960, before the federal subsidy programs began, transit's total employment amounted to only 156,000 (Wachs 1989). While the number of transit employees has almost doubled since 1960, the industry has experienced a decrease in annual ridership from about 10

billion to 8.4 billion during this period (Jones 1985; American Public Transit Association 1995). Wachs (1989) observes that the vehicle miles of service offered per employee declined from 14,000 in 1960 to 11,000 in 1985, which also indicates a substantial decline in labor productivity during the last few decades.

Due to their declining productivity, serious criticisms are often leveled against transit employees' relatively high wages and fringe benefits. As Jean Love observed:

Most adults have the basic skills needed to operate a transit vehicle and could be trained to drive one in a month or less. Yet public transit drivers' compensation exceeds that of the average full-time US employee by 45 percent and is double that of their unionized private-sector counterparts. Although the educational requirement for transit drivers is often less than a high school diploma, transit drivers receive 11 percent more in total compensation than private-sector employees with four or more years of college education (Love 1992: 44).

The average annual earning of a transit employee in 1988 was \$49,009, and that of a transit bus driver was \$41,662, while the average earning for persons with four or more years of college education was only

\$37,656 (Love 1992). Critics claim that large portions of the funds acquired through government subsidization programs have been spent on increasing labor costs, and the critics' claims have been substantiated by some of the empirical studies on this issue (Pickrell 1986).

Although most critics have been extremely vocal about the declining labor productivity in the transit industry, it is not very clear whether the problem can solely be attributed to either a deteriorating standard of transit labor or to the flaws in management. Jones (1985) points out that although the increase in real labor compensation per seat mile of service increased 40 percent between 1960 and 1980, the real compensation per employee increased only 9 percent during this period. Jones also contends that an increase in real income, as experienced in the transit industry, is a desirable trend in an advanced democracy, and the problems of labor productivity arise not solely due to the increasing labor cost, but from an interaction between the increasing labor cost and other constraints in the transit industry. Showing sympathy for public transit labor, Guess (1990) has maintained that a comparison of their earnings with that of private sector labor ignores the fact that the latter are often underpaid for the risks and responsibilities associated with their work. In spite of this justification for the relatively high

earnings of public transit labor, the fact remains, however, that the increases in their real income have generally been accompanied by a loss of ridership for transit.

In discussions relating to the effect of transit subsidization on labor productivity, Section 13 (c) of the 1964 Urban Mass Transportation Act is often referred to as the root cause of the problems. According to the statute, in order to receive federal assistance, a transit agency must guarantee its labor "preservation of rights under existing agreements," "continuation of existing rights to bargain collectively," and "protection against the worsening of employee working conditions" (Luger and Goldstein 1989: 230-31). The original intent of Section 13 (c) was to protect transit employees from possible adverse effects of the industry's public takeover in the 1960s.

The federal Department of Transportation, with its claim that the protection under Section 13 (c) reduces the incidence of service contracting, testified in Congress to repeal the statute. However, a detailed study on the effect of Section 13 (c), involving 87 transit properties in the country, concluded that although an irritant, the statute does not significantly inhibit the decisions of transit properties in contracting out services (Luger and Goldstein 1989). Instead, the study concluded that the need for maintenance, the lack of innovativeness, and the need to main-

tain control over service provision were the main factors inhibiting the contracting of services.

While radical critics of transit subsidization (Love 1992) demand that Section 13 (c) be revoked, other scholars advocate solutions within the existing framework. The most common solutions advocated by scholars are the use of permanent part-time workers, split-shift duties, and cross-training of workers so that they can assume a variety of responsibilities (Jones 1985; Lave 1981; Wachs 1989). The resistance to these changes will apparently be less than the resistance to revoking Section 13 (c). Considering the overall problems in changing the work rules in the transit industry, Jones has suggested that "the key to achieving productivity gain is not more work for less pay, but wage scales, training programs, and career ladders that reward transit workers for advancing to job roles that are increasingly productive" (1985: 174).

The Effect of Transit Subsidies on the Mobility of the Disadvantaged

One of the most frequently cited rationales for subsidizing transit in the United States is transit's supposed role as the provider of mobility to the transportation disadvantaged. A survey conducted by Cervero (1983) of state transit officials and transit operators revealed that both state officials and transit operators rated mobility to the

disadvantaged as the most significant benefit from transit. The transportation disadvantaged are conventionally recognized as those that are disabled, too old or too young, or too poor to own a car (Cervero 1983, 1990; Rosenbloom 1992; Wachs 1989). Apart from these conventionally recognized groups of transportation disadvantaged, several authors have considered ethnic and racial minorities in the context of transit's social objectives (Hodge 1986, 1990; Meyer and Gomez-Ibanez 1981; Taylor et al. 1995). From this literature, minority communities, especially in central cities, also appear to be transportation disadvantaged.

Studies have found that the proportion of persons having mobility problems due to physical impairment ranges between 5 and 14 percent of the total population (Rosenbloom 1992). Among disabled persons, however, the popularity of public transit is rather low. The fact that only 1 percent of non-elderly disabled persons use subsidized transit services (Rosenbloom 1992) indicates that, so far, transit subsidies have contributed very little to the mobility of the disabled.

Due primarily to the expensive nature of the required services, provision of mobility to the disabled through public transit has been rather controversial. The Americans with Disabilities Act (ADA) of 1990 made it mandatory for all new transit vehicles to have wheelchair lifts. Although in conse-

quence, transit agencies in some cities have been experiencing an increase in the number of wheelchair boardings, in some other cities wheelchair boardings have continued to be so sparse that the average cost per boarding has been estimated to be more than \$700 (Rosenbloom 1992). While it is uncertain whether the additional expenses mandated by the ADA will attract a larger number of disabled persons to transit in the future, it is, nevertheless, certain that the Act will make transit more dependent on subsidies, for even in those places where boardings have increased, the cost per boarding is around \$15. The Act can be considered an indication of society's changing perception about the role of transit.

Transit's failure to attract the elderly (people over the age of 65) is similar to its failure to attract the physically disabled. Nationwide, the proportion of transit trips by the elderly was only 2 percent in 1990 (Pisarski 1992). Pisarski also mentions that the proportion of transit trips among the elderly was less than 2 percent during the same period, implying that the elderly population is served less, rather than more, by transit than the general population. Considering that the share of transit trips among those in the age group 5-15 years is also only about 2 percent (Pisarski 1992), one can conclude that transit does not serve the younger population in any special manner either. It is important to note that the shares of transit trips

among the elderly and the young are not only low, but they are also decreasing over time. For instance, between the years 1983 and 1990, the share of transit trips among the young decreased from roughly 2.9 percent to about 2 percent, while the share for the elderly decreased from approximately 2.6 percent to about 1.8 percent (Pisarski 1992). From this diminishing trend in ridership among the elderly and the young, it does not seem likely that government subsidies to transit have been used with special concern for the mobility of these disadvantaged groups.

Among the various transportation disadvantaged groups, the poor probably attract the most attention. According to Pucher (1981, 1983), one of the key reasons for transit subsidization is the supposition that the primary beneficiaries will be the poor. Webber (1982, 1995) and Wachs (1982) have also emphasized the importance of transit in providing mobility to the poor. In the early 1980s, Pucher (1981, 1983) studied the impact of transit subsidies on the redistribution of welfare among income classes. Although Pucher's analysis showed that low income people obtained slightly larger benefits from transit subsidies than did the affluent, his overall conclusion was that the redistributive effect of subsidies between income classes was neutral when external benefits to the affluent (e.g., downtown store owner) were taken into account. Pucher also

concluded that about 90 percent of the poor did not benefit at all from transit subsidies and that 62 percent of the subsidies were spent to serve people from households with relatively high incomes.

An indication of transit's failure in providing mobility to the poor is that the proportion of zero-vehicle households has been decreasing significantly over time. In 1969, for example, these households accounted for 20.6 percent of all households, while in 1990 the proportion decreased to 9.2 percent (Lave and Crepeau 1994). Even more surprising is the fact that currently more than three-fourths of the population below the poverty level are members of households with at least one car. Considering that the cost of owning, operating, and maintaining a vehicle is rather high, it is likely that the poor are spending their valuable resources on auto transportation out of necessity (Wachs 1982). It is probable, given the high cost of automobile ownership and maintenance, that many of these households would have preferred to use transit if adequate services were provided with a special intent to increase their mobility.

Transit subsidies have benefited the rich in relation to the poor in several different ways. First, the modes of transit frequently used by the poor, such as bus and streetcar, are less heavily subsidized than those used by the affluent, such as commuter train (Pucher 1981). Jones (1985) maintains that federal capital grants heavily favor rail transit. In 1994, the federal capital appropria-

tions for bus and fixed guideway modernization for all areas were 48.7 and 51.3 percent respectively (estimated from Federal Transit Administration 1995). However, in metropolitan areas with populations greater than one million, where transit's popularity is relatively high, the share of bus and fixed guideways were 35.2 and 64.8 percent respectively. Thus, even without considering the capital subsidies for new systems, a bias towards rail transit is apparent in these large metropolises. With the consideration of new systems, the federal capital appropriations on bus transit in the large metropolitan areas comes down to 27.9 percent. This uneven distribution of federal capital subsidies exists between bus and rail transit in spite of the former being distinctly cost effective.

Second, since transit subsidization has led to the expansion of services to suburban areas (Jones 1985), where ridership is low, one can argue that disproportionately larger transit subsidies have been spent for the benefit of the relatively wealthy, who predominantly live in the suburbs, than the poor, who live in the central city. Third, the flat fare system made possible by subsidies also disproportionately favors the wealthy. Wachs (1989) found that in Los Angeles a transit rider making a trip one mile long pays 2.2 times the actual cost, while a person traveling 20 miles pays only one-tenth of the true cost. Since poor people mainly live in the central cities and make shorter trips, while

the wealthy live in the suburbs and make longer trips, the flat fare system contradicts the objective of promoting equity in mobility through transit. Finally, in terms of the distribution of transit subsidies between peak and off-peak trips, the wealthy seem to be more favored. Using Nationwide Personal Transportation Survey data, Pucher (1981) has shown that the proportion of riders having low incomes is substantially higher during the off-peak period than the peak period, while the reverse is true for high income riders. Considering that the net cost of transit provision is significantly higher for all the different transit modes during the peak period (Parody et al. 1990), it becomes clear that the peak period riders benefit more from the transit subsidies than do the off-peak riders.

While the disabled, the old, the young, and the poor have always been recognized as the transportation disadvantaged, racial and ethnic minorities have sometimes been considered as disadvantaged also. In fact, after every major racial unrest in urban areas, such as the 1965 Watts Riots and the 1992 riots following the Rodney King verdict, the role of transit in providing mobility to minority communities has received serious attention.

Racial and ethnic minorities in US metropolitan areas have relatively lower incomes and their transit ridership has traditionally been rather high. The minority populations in these metropolitan areas live

and work primarily in the central cities, where the provision of transit services is relatively cost effective due to the higher density of land uses. Due to the relatively higher cost effectiveness in central locations, the transit services used by minority communities require smaller proportions of subsidies than do the services provided in the low density suburbs. In fact, a study of 25 large transit properties in the nation found that most of the profitable transit routes were in high density areas inhabited primarily by minority populations (Cervero 1990).

Despite the relatively higher cost effectiveness of transit services in the central locations inhabited by low income and minority households, recent transit practices seem to have favored suburban areas that are predominantly inhabited by affluent, non-minority communities. A recent study (Taylor et al. 1995) claims that minority transit patrons in the Los Angeles area pay a higher fare per mile traveled than do the white patrons. The study also observes that the average subsidy spent per minority passenger is less than the subsidy per white passenger. Since transit routes in minority areas are nationally more cost effective (Cervero 1990), it is likely that fare discrimination similar to that in Los Angeles also exists in other metropolitan areas. The significant decline in transit ridership among racial and ethnic minority populations at the national level (Pisarski 1992) may be, at least partially, due

to this discrimination against minorities.

In areas experiencing rapid influx of minority immigrants, the role of transit becomes relatively more important. Los Angeles is one such region experiencing a high rate of immigration. The immigrant populations are economically worse off than the general population and, therefore, have a greater need for transit services. In spite of the greater need for catering to the travel needs of minority populations, the transit regulatory practices in Los Angeles do not seem to favor these populations. Immediately after the passage of Proposition A in 1980, which earmarked a half cent of sales tax for public transit, a significant proliferation of transit services started under the Proposition's Local Returns Program (Gordon, Richardson and Giuliano 1989). The increase in the number of transit agencies resulted in an increasing competition for transit subsidies. While, on the one hand, Proposition A led to the expansion of transit services to the outlying areas, on the other hand, it also made provisions for significant spending on rail transit, a mode that generally favors the affluent and non-minority populations over the low income and minority populations. The passage of Proposition C in 1990, which earmarked yet another half cent of sales tax revenue for public transit, will presumably intensify the effect of Proposition A over time.

The Effect of Transit Subsidies in Relieving Congestion and Air Pollution

Finally, the question arises whether subsidies have been successful in achieving transit's proclaimed objectives of reducing congestion and pollution. While transit proponents always highlight these benefits, the literature shows that measuring such benefits is an extremely difficult, if not impossible, task (Pucher 1981; Bly 1987). Moreover, the existing literature lends little support to the success of transit subsidies in achieving these objectives. For congestion and pollution to be reduced, transit must be used by a sufficient number of people, and from this standpoint, an increase in subsidies should be accompanied by an increase in ridership. Although heavy subsidization of transit in the 1970s had some effect in increasing ridership in some places (Jones 1985), recent trends in ridership and farebox collection (hence subsidies) do not indicate such an effect. The literature reveals that the share of transit's farebox revenue has remained roughly constant during the 1980s, indicating that the share of real subsidies has remained fairly constant as well (American Public Transit Association 1995; Jones 1985; Wachs 1989). On the other hand, the proportion of transit passenger trips decreased from 2.2 percent in 1983 to 2 percent in 1990 (Pisarski 1992). The implication of a decreasing ridership against a constant real

subsidy is that subsidization has failed to maintain the prevailing user market in recent times, and as such, the objectives of congestion and pollution reduction have not been achieved.

In regards to the objective of reducing congestion through transit, two conditions must be fulfilled. First, transit must be able to divert a sufficient number of trips from the automobile, and second, the increased street capacity resulting from the modal shift must not be refilled by additional automobile trips. Pickrell (1992) found that only one of seven large rail transit projects had actually succeeded in attracting the predicted number of automobile users, whereas for most others, the number fell far short of the predicted. While Pickrell has shown that transit has often failed to divert a sufficient number of trips from the automobile, Webber (1976) found that in the case of Bay Area Rapid Transit (BART), traffic volumes in the Bay Area soon reached the pre-BART level despite a reduction in the number of automobile trips immediately after the system's opening. It can thus be concluded that unless all the latent demand for auto trips is eliminated by some as yet unused method, adding capacity through transit cannot bring a long-term solution to the congestion problem.

Some of the preconditions for reducing air pollution through the provision of transit

are identical to the preconditions for reducing congestion. That is, in order to reduce air pollution, transit must be able to attract a substantial number of automobile users and the resulting increase in road capacity must not be refilled by newly generated auto trips. Even if transit were successful in fulfilling these two conditions, by attracting auto users, transit must not create such an unused capacity on the freeways that would encourage people to drive at speeds exceeding 55 mph, for in that case, the emission of carbon monoxide and volatile organic compound will increase again (Committee for the Study of Highway Capacity Improvements on Air Quality and Energy Consumption 1995). There is little evidence of subsidies leading to transit's success in fulfilling any of the above conditions, and for reasons identical with those in the case of congestion, transit subsidies do not seem to have made any contribution to the reduction in air pollution.

Despite the general conclusion here regarding the lack of evidence about the contribution of subsidies to the overall reduction in congestion and air pollution, it has to be acknowledged that there may be location-specific cases where subsidies have been successful in providing enough social benefits to override the social costs from the likes of pollution and congestion. For example, under certain simplifying assumptions, Pack (1992) has shown that the total social ben-

efits from Philadelphia's commuter rail system exceeds the agency's subsidies. Similar conditions may exist in other locations, but given the overall picture of a rapidly diminishing transit ridership, such conditions cannot be considered common. Moreover, in view of the difficulties in estimating social and environmental costs and benefits, cost-benefit studies, whether they favor or disfavor transit subsidization, have to be interpreted carefully.

Improving Effectiveness of Subsidies in Achieving Transit's Objectives

Since subsidies seem to have contributed very little towards achieving transit's social objectives, it is necessary to search for policy alternatives. Scholars have suggested various solutions, some more radical than the others. In reality, however, solutions sought in this country have been moderate compared to some of the European countries. Among a host of solutions usually considered, the most radical are probably privatization and deregulation of the transit industry. However, the only measure taken in this direction in the US is contracting out services to private operators. Serious efforts to privatize and deregulate transit had been made in Great Britain and Norway, but both attempts have resulted in undesirable consequences (Pucher and Kurth 1995). The British experiment with privatization and deregulation resulted in substantial in-

creases in fares, reductions in ridership, and virtually no change in automobile traffic (Gomez-Ibanez and Meyer 1990). While increasing fares accompanied by declining ridership clearly contradict the objective of equity, the unchanging auto traffic on the road network does not indicate reduction in congestion and air pollution. As transit in the US has become increasingly dependent on low income riders (Pucher 1988), and since its patrons primarily belong to certain racial and ethnic groups, a British-type privatization, deregulation, and subsidy-withdrawal policy in the US will presumably result in a greater disaster than that which resulted in Britain. Fortunately, most scholars in the US are in favor of structural changes within the transit industry rather than radical changes similar to Great Britain.

Although complete privatization and deregulation of transit cannot reasonably be advocated in this country, an emphasis on service contracting seems to be appropriate nevertheless. A detailed nationwide study of transit properties (Teal et al. 1987) revealed that large transit agencies could realize cost savings of 20 to 30 percent by contracting out services to private operators. While actual service contracting may have the potential of being economically beneficial to the large agencies, the presence of a threat of service contracting may make all transit agencies efficient in service delivery.

As such, whether service contracting actually takes place or not, the threat of service contracting should be present at all times to induce a relatively efficient delivery of transit services.

Aside from privatization and service contracting, the commonly discussed structural changes for transit relate to management of subsidies, fare policy, and labor productivity. Bly's (1987) recommendation that the subsidizing authority should exercise sufficient control over the subsidized property by specifying objectives and monitoring achievements seems reasonable for US transit subsidization programs as well. Significant ridership information will be required for setting up the objectives, and hence the FTA's Section 15 data collection requirements can be considered a welcome development in this direction.

Certain improvements can be achieved in the distribution of subsidies as well. Jones (1985) has shown that the US subsidization policy has prized the most needy agencies rather than the most efficient. Continuation of such a policy will produce only more inefficiency. Pickrell (1992) suggests that instead of providing a proportion of the costs on a matching basis, subsidies should be provided as a lump sum amount so that cost overruns are prevented. Bly (1987) has suggested that subsidies should be matched with the number of riders, the amount of services provided, or both. Although not common,

such practices have actually been tried in certain places in the US and some efforts in Pennsylvania are considered successful.

It is clear from the earlier discussions that some of the current transit policies have actually nullified the social benefits that were supposed to accrue to the poor. One can conclude from the discussions that a shift of emphasis from rail transit to bus transit, an increase in services within and around central city at the cost of the suburban services, an increase in distance-based fare systems, and possibly pricing of the peak period services, all have the potential to enhance the welfare of the poor. Since federal taxes are more progressive, an increasing role of the federal government in transit subsidization would normally contribute more to the welfare of the poor, but if federal subsidies make transit agencies inefficient, as it appears from Anderson's study, the end result may not be desirable. Moreover, user-side subsidies, although not free from limitations, deserve more experimentation than has been made so far.

With respect to providing mobility to some other disadvantaged groups, namely, the elderly and the disabled, it is doubtful how transit subsidies on conventional services can help. The elderly are located increasingly in the suburban areas where provision of transit is relatively inefficient. For the disabled, the Americans with Disabilities Act of 1990 has made expensive provisions. The

long term outcome of these heavy expenses is yet to be known. Considering that special services and expensive equipment are necessary to serve the elderly and non-elderly disabled, it is probably appropriate to separate these services from other transit services for accounting purposes.

Regarding the effort to reduce labor expenses, increasing the use of part-time labor and split-shift responsibilities seems appropriate. For example, we should consider Jones's suggestion that transit labor be trained in a multiplicity of skills so that even in off-peak hours labor can be used in some productive activity. Although Section 13(c) of the 1964 Urban Mass Transportation Act had previously been considered a significant obstacle to labor-related negotiations, the study by Luger and Goldstein (1989) has shown that extensive service contracting has actively been prevented by the lack of innovativeness and management's desire to have more control over operation and maintenance.

Finally, Wachs (1992) suggests the importance of reducing transit crimes. It can be expected that with a decline in transit crimes, including street crimes against transit passengers, transit ridership and farebox collection will increase. Although transit security is expensive, reduction of crime against transit patrons is important especially due to the fact that the areas with high

transit patronage, such as central city neighborhoods, are also the areas with high crime rates.

Conclusion

Although some 30 years ago transit was an independent industry not having to depend on subsidies, today its role has changed in the eyes of the decision-makers. For many local officials today, increasing ridership is not transit's primary objective (Kemp 1982). Even for the federal decision-makers, the role of transit has changed dramatically from a potentially profit-making industry to a provider of social benefits, as is evident from the imposition of the compulsory wheelchair lift requirement by the Americans with Disabilities Act of 1990. Given the changing expectations from transit, its objectives are no longer very clear. Subsequently, judging the success or failure of transit subsidies has become more difficult over time.

Yet, even in this state of confusion about the role of public transit, there are various ways in which many of its proclaimed social objectives could be achieved. Some of the major considerations that may help public transit achieving its objectives are as follows:

- emphasize service contracting, especially in large agencies
- pay attention to optimal use and productivity of labor

- monitor the use of subsidies by transit agencies and penalize agencies for unproductive use of resources
- attain a balance between federal, state and local funding so that the interests of the transportation disadvantaged are best served
- prevent expansion of transit services to the suburban areas at the cost of services to the cost effective central locations
- emphasize bus transit over rail transit in all metropolitan areas except those where distribution and density of activities favor the latter, such as the older metropolises of the Northeast
- pay attention to user side subsidies
- adhere to distance based fare policy
- consider pricing of peak period transit services
- enhance experimentation with demand responsive systems, especially in areas with lower density
- enhance transit security

It may be noted that none of the considerations mentioned above are as radical as privatization and deregulation of the transit industry. However, for implementing some of the changes emanating from the above considerations, substantial changes may be needed in the general outlook of the transit industry.

Although the objectives of transit subsidization policies are complex, there are ways to make subsidization more effective in achieving some of transit's simple objectives. This is not to suggest, however, that these solutions are easy to attain. It is also necessary to recognize that at least some of the recommendations made by the various scholars will never be implemented because a part of the transit decisions are made in the political marketplace where objective decision-making is not always welcome.

From the discussions in this paper, it appears that a large part of the complexity regarding transit's objectives arises from its twofold objectives of achieving economic and social benefits. Aaron Wildavsky (1994), one of the foremost experts in budgeting, held the opinion that, for accounting purposes, social and environmental considerations should be kept separate from economic considerations, and that the former set of considerations should be used only for supplemental reasons. Taking the cue from Wildavsky, it can be suggested that transit's social and environmental objectives should be separated from its commercial objectives. For those agencies for whom the primary motive is commercial sustainability, there should be a separate set of rules and privileges than for those for whom the primary objective is to achieve social benefits. For those agencies with a primarily commercial motive, their achievements should be measured more in

terms of ridership, while for those with primarily social objectives, their achievements should be measured largely in terms of net social benefits. Finally, there is certainly a need for developing techniques that will measure the net social benefits from subsidization more accurately

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UNDERSTANDING RACE AS A POLITICAL CONSTRUCT

Janet L. Smith

On August 29, 1995, a newspaper headline in the *Cleveland Plain Dealer* announced "Race plays part in reaction to two murders" (White 1995: 3-A). The corresponding article described how different the community response was to the disappearance of a 10 year old white boy and a 13 year old black girl in Kankakee, Illinois. The boy had been abducted and his stabbed body was found eight days later in a shallow grave following a massive community search with regional media coverage. The suspected kidnapper was a convicted murderer. The girl had presumably run away from home and was found several days later in a burning garage. She had been sexually assaulted, stabbed and then set on fire. Her story had been relatively unknown until the day of the murdered boy's funeral. White reports that on that day,

a letter to the editor from the police chief was published in the *Daily Journal* to remind the community of her death, to stir up a community he felt was "numb" when it came to black victims. Of course, each victim's story was different -- a child kidnapped by a convicted killer will get more attention than a runaway -- but this still did not justify the lack of interest in the girl's death. In response to the police chief's concern that the media, the community, and the police department had become indifferent, the news editor for the *Daily Journal* acknowledged a bias: "We tend to become blasé to problems in the black community. . . We tend to take them for granted" (White 1995: 3-A).

This story brings up several issues that have relevance to how planners -- practitioners, educators, researchers -- use race to

make sense of the world. A key concern is the effect created when employing racial classifications to examine social issues. This paper is based on the supposition that, for the most part, using this system of classification often results in a disparate understanding and treatment of different groups. Evidence of this can be found in planning history where Thomas (1994) finds that the link between race and planning has often been neglected because either certain subpopulations have been excluded from consideration or racism has been ignored. A pressing interest here is the way in which attention to race can actually establish and reinforce racial identity.¹ In other words, how does attention to different subpopulations transform, for example, problems affecting blacks² into "problems of the black community"? Simply ignoring *processes* that produce and sustain racial identities over time can bring about this transformation.

It is essential that planners understand how race functions as a political construct in society and how the meaning of race itself is constructed and negotiated over time. As a political construct, race "signifies and symbolizes social conflicts and interests by referring to different types of human bodies" (Omi and Winant 1994: 55). From this perspective, we can begin to see the politics of racial identity as it is played out in everyday life.³ In this sense, then, the lack of attention to the murdered black girl in Kankakee is

considered a symbol of social conflict and evidence of the underlying racism both in the community and outside of it.

Of equal importance, planners need to be aware that they can affect change by utilizing this broader view of race when examining society. Just as the police chief juxtaposed the two murders in Kankakee to make evident how each was treated differently by the community, opportunities exist to make visible what is missing from discussions that include race, as well as those actions and statements which make the politics of racial identity invisible. This requires exposing the racial formation process by which "racial categories are created, inhabited, transformed, and destroyed" (Omi and Winant 1994: 55). Inspection must turn in to see how our own actions as educators, researchers and practitioners produce and reproduce socially constructed racial identities of social problems.

This paper begins with an exploration of how race operates as a political construct in American society, focusing on the performative nature of race. The work of W.E.B. DuBois is used to illustrate how using race as merely an objective category in the discussion of social problems can actually "fix" racial identity. Following this is a discussion about how efforts to understand social issues might benefit if planners take a critical position when discussing race. The last section presents a demonstration of how the metaphor of the stage might be em-

ployed to understand the performative nature of race in society. The stage provides a physical referent to examine how racial identity is a contextual performance that depends on actors, audience, and playwright to give it meaning.

Constructing Race

Why is race such a powerful political and behavioral force in society? This question is badly posed, however. It is not "race," but a practice of racial classification that bedevils the society (Webster 1992: 27).

In *Racial Formation in the United States*, Michael Omi and Howard Winant "explore how concepts of race are created and changed, how they become the focus of political conflict, and how they have come to permeate US society" (1994: vii). At the foundation of their work is the concern that unless we understand how the concept of race functions in society, particularly the ongoing negotiation of its meaning over time and space, we cannot deal effectively with racism. From their perspective, racial formation constructs the meaning of race by linking social structure and cultural representation in such a way so as to produce racial identity. This process is ongoing and continuously being changed in relation to structural conditions and representations that exist at any given time in history (Bhabha

1994). For example, consider how the term "black" came to replace "colored," or how at the turn of the century a "white" person of European descent was more likely to be identified by his/her ethnic heritage than race. While today, if ethnicity is distinguished within this group, "American" is usually attached to it (e.g., Irish American). When viewed as a political construct, race is seen as a way of ordering the world that is based in power relations and is therefore presumed to be contestable although perhaps not immutable. Any shift in the vocabulary of racial classification is presumed to indicate complex changes in the social structure of America, providing evidence of the racial formation process.⁴ Accordingly, the shift to using "black" instead of "colored" must be examined in the larger context, including the black power and civil rights movements, to understand the significance of this change at that time.

Omi and Winant (1993) argue for a critical theory of race, one that can transcend the limitations of previous attempts to investigate the meaning of race, particularly efforts to either dismiss race on ideological grounds or to view race narrowly as an objective measure. In brief, their concern is that when race is assumed to be only an ideological construct⁵ (e.g., how it was used to justify slavery by saying that Africans were inferior to Europeans) or an objective construct (e.g., how it is used to distinguish different groups

of people with regard to poverty status or educational attainment), then we run the risk of ignoring how race continues to organize experience even though particular conditions surrounding the constructed meaning of race are no longer relevant today. From their perspective, such a narrow interpretation of race does not account for the ongoing process of racial formation -- even as categories are dismantled, reworked or renamed, there will always be a politics of identity at work. In other words, race will always be with us in some form.

A concern with regard to planning activities and research is the way race is often considered to be an "objective condition" of social existence. As a means of classification that is presumed to not be based on inherent biological traits, race is often employed to demonstrate disparities among different groups with regard to economic status, quality of life, access to resources, educational attainment, and so forth. However, when race is cast as an independent variable in explanations of social problems, it is possible to forget about how the boundaries of race or any other classification inscribe meaning on the body in the form of a stereotype or a set of predetermined behaviors and expectations. Consider William Julius Wilson's *The Truly Disadvantaged* (1987), which focused on the concentration effects of poverty in the central city and attributed the

isolation of poor blacks in the city to middle class blacks moving out. On one hand, his work was severely chastised for overlooking the problem of race and racism in the production of poverty, while on the other, it was cast out as being too liberal in its proposal for a progressive social democracy to deal with the social pathologies it revealed (Remnick 1996). These reactions illustrate how any ambivalence towards race can reinforce racial stereotypes if it ignores how the *discourse of race* is based in a politics of difference that historically marginalized blacks in relation to whites (Bhabha 1990a). Wilson's arguments about the effects of isolation, while well intentioned, appear limited because his work did not deal with the larger issue of why race was an important variable in the first place when discussing poverty in central cities. In essence, the project helped fix a meaning of race that equates being black with being poor and living in the city because Wilson did not examine how the category of race itself is problematic.

When race is considered a fact, then, "a modal explanatory approach emerges: As sociopolitical circumstances change over historical time, racially defined groups adapt or fail to adapt to these changes, achieving mobility or remaining mired in poverty, etc." (Omi and Winant 1993). The outcome is similar to biological determinism since it

does not easily allow for human variation within racial categories. Furthermore, an objective view of race does not take into account the performative nature of race, which is evident when an individual is expected to behave in a certain manner or comes to expect others to act in a specific manner because of their race, as in someone acting or not acting "his/her own race" (see for example Bhabha 1990b).

The danger of the objective position should be of concern to planners given the common use of socioeconomic indicators to discuss urban conditions and social problems. It is in the seemingly benign act of using racial categories to break down poverty rates or unemployment data that we tend to lose sight of the role that social processes play in shaping racial categories. What is particularly problematic is how the underlying issue of racism constitutes whatever problem is being reported. To see how the objective condition of race itself is transformed into "a problem of policy, of social engineering, of state management" (Omi and Winant 1994: 3), the work of W.E.B. DuBois is employed here since it illustrates how race functions as a symbol of political and social conflict. Looking back at this work helps in understanding the trajectory of contemporary racial formation processes that link being black with social problems in America.

The Problem of Racial Identity: What Can We Learn From DuBois?

In both his academic research and in his metaphorical writing, DuBois conveys the very powerful and real feelings of being identified as black in America at the start of the twentieth century. At a time when slavery had officially ended, there was still a lack of freedom among blacks living in the United States. Even for DuBois who was raised in the North, educated at Harvard, and had traveled in Europe, the identity created by the color of his skin did not allow him the same freedom that would be expected for a white man with similar credentials. Despite his limited social position, DuBois was able to work in sociology. His early research on race relations began when he was hired by the University of Pennsylvania to work in conjunction with Isabel Eaton of the College Settlement to study the conditions of blacks living in Philadelphia in the late 1890s. This project, which resulted in *The Philadelphia Negro* (1899), reflected a general trend toward large scale investigations of the conditions of ghetto life, such as Booth's *Life and Labor of the People of London* (1891) and *Hull House Maps and Papers* (1895).

The Seventh Ward was the primary site of investigation. It was considered to be the center of black population in the city at the time, which in 1890 was less than four percent of the total population. At issue, in part,

was the continued expansion of this population due to immigration, which was assumed to be increasing exponentially and at a rate faster than whites. As this population grew, philanthropists and settlement workers became more concerned with growing tension in the city attributed to the "dangerous classes" occupying the ghetto (Aptheker 1973). The intent of *The Philadelphia Negro*, according to the introduction by Samuel McCune Lindsay from the University of Pennsylvania, was to produce information and a more comprehensive knowledge of the ghetto "so that much work may be directed in the most helpful channels" (in DuBois 1973: xv).

The report, which contains findings from a door-to-door survey of nearly ten thousand black residents between 1896-1897, reflects DuBois' careful and laborious collection of data. His personal goal was to "lay before the public such a body of information as may be a safe guide for all efforts toward the solution of the many Negro problems of a great American city" (DuBois 1973: 1). It is important to put this viewpoint in context with the general climate regarding race relations, as well as DuBois' own view of race. In particular, the rise of Jim Crow laws, the commonplace of black lynching, and the growing belief in biological determinism, all helped to reinforce a sustained belief that blacks were inferior in American society and therefore not presumed to be

equal, even as new immigrants entered the city. DuBois assumed that while racism contributed to the disparate conditions of blacks, attaining higher economic status through hard work would command the respect of whites and would therefore be the road to equality. Despite this definite class bias, his research clearly documented the effects of discrimination that prevented educated and hard working blacks from advancing.

The Philadelphia Negro illustrates how the practice of racial classification helps to maintain this relationship, even when the intent is to clarify how racism, not race, is a better explanation of the differences found in society. In the footnote on the first page, DuBois states: "I shall throughout this study use the term 'Negro' to designate all persons of Negro descent, although the appellation is to some extent illogical. I shall, moreover, capitalize the word, because I believe that eight million Americans are entitled to a capital letter" (1973: 1). Like most footnotes, DuBois' might have been skimmed with indifference or gone unread. At first glance, the simple explanation of the use of a capital letter appears like many subtexts in a research report: to clarify the use of certain terminology for the reader. Yet, there is obviously something more to the statement, a recognition that the choice of terms -- what is or is not included in the author's lexicon -- is important to the project. DuBois is not just using a word to designate or point to a

group of people to be examined; he is applying a label that contains potential power for many who at the time were identifiable but not necessarily recognized to have equal status with other recognized groups.

Even though DuBois saw a limit to the label "Negro" he still used it. Rather than ponder the flawed logic of assuming that skin color was a significant indicator of whether or not a person was of Negro descent ("the appellation is to some extent illogical") he chose to take advantage of his position. He declared that people who were already classified as Negro should at least be considered worthy of a proper name like the English, the Italians, the Jews, the Irish, etc. On one hand, this gesture pushed the identity of black Americans to a new level. Simply replacing the lower case "n" with a capital "N" created a group that was no longer a lesser character in the melting pot, giving status to people who had been affected in some way because of their racial identity. On the other hand, DuBois' act may have been self-defeating because it reinforced the idea that racial identity was inherent. When DuBois declared that Negroes should be recognized, he also implied that there were shared traits and universal experiences among all Negroes. In essence, his intention was good because he wanted to make it clear that a common history shaped the life chances of blacks in Philadelphia and elsewhere. Unfortunately, the label reinforced a bias toward a group

identity that reduced individual identity and experiences to "the Negro condition."

To a certain extent, the effect of this new label was no different from efforts to identify the racial heritage of freed slaves and their children. In many southern states, a person was considered "black" if there was some trace of "Negro blood" in their lineage. Much like the system of classification used in South Africa under apartheid, once the label was attached, it was legally very hard to undo. This is evident in a 1983 lawsuit against the State of Louisiana, which under a 1970 law, declared anyone with at least 1/32 "Negro blood" to be black. The court upheld the law in the case on the grounds that the classification system was legal. Eventually, the legislation was repealed by the state (Omi and Winant 1994). Obviously, it is a serious matter when the wrong label is attached to a person, especially when it somehow fixes his or her identity regardless of skin color. However, a larger concern here is with the effects of any label that imposes an identity on an individual.

DuBois' use of a capital letter demonstrates how race never can be simply a tool for classification. Whether it be in research or informal discussion, the symbolic meaning of race cannot be fully eliminated because the act of classification itself is a political gesture and not a neutral activity. In the process of using skin color, or any other category (e.g., gender, age, income), a distinction is

being made. If this distinction becomes fixed or routine in the efforts to classify social phenomena, then it represents a system of division that maintains borders around objects by determining what is and is not "visible" when we look at the world (Foucault 1972). Over time, as racial categories are used to represent social problems in the space of discourse, we tend to lose sight of the individual identity, replacing experience with characteristics and using labels to capture the whole.

Any system of division depends on relations of power to sustain and transform the symbolic meaning of classification schemes over time (Foucault 1972). By referring here to relations of power, the intention is not to refer to a traditional perspective of power as a means to dominate or control. Instead, the focus is on a more pervasive notion of power found in setting up and believing in a system of division. Power, in this sense, is about the production of knowledge, and it operates at the level of desire (Foucault 1980). It is not just the act of "drawing the line" that is problematic -- it is the fact that the symbolic meaning gets fixed at some point, no longer allowing it to be contested. The transformation relies on a belief in the categories and in the validity of the system that produces it. Therefore, the symbolic meaning that ascribes different roles for "black" and "white" will have some currency as long as the system of division is used as a legitimate tool to

order the world, and as long as the relations of power confirm this role.

DuBois' experience in producing *The Philadelphia Negro* provides evidence of how a seemingly benign gesture helped fix a negative racial identity for blacks in the Seventh Ward of Philadelphia. Prior to the study, he was aware that blacks were perceived as different from, and somehow lesser than, whites. He was also very aware that institutional racism produced inequity.⁶ Upon hearing of the project, DuBois recalled how some white people did not understand why he should "study the obvious." DuBois assumed that "ignorance was at the base of the racist oppression of his people, and that with scientific investigation the truth would be uncovered and that process would itself inevitably induce a termination to the oppression" (1973: 17). In retrospect, DuBois had a short-sighted view of the project. Contrary to his own intent, he later believed that the research sponsors were primarily seeking confirmation that "the crime and venality of its Negro citizens" was responsible for the demise of Philadelphia (Aptheker 1973: 22).

Regardless of what motivated the project sponsors, the design of the study itself could only reinforce an existing bias against blacks. Even though some effort was made to compare whites and blacks, there was no attempt to examine with the same intensity the lives of whites living in similar conditions, or to understand what experiences each

group did and did not have in common. However, the lack of a comparison group was not the only limiting factor in DuBois' research. Equally important was DuBois' belief that scientific investigation would make it obvious that institutional racism and oppression caused many of the problems in the black community. For example, he assumed that by describing in detail the abhorrent housing conditions or blatant discrimination by employers, this data would confirm the existence of racism and negate prior explanations that linked behavior and race to segregation and poverty.

Although his evidence was revealing, DuBois assumed any interpretation of the results would follow a logical order that begins with racism as a prior condition and then sees the problems it produces. This demonstrates that, like the use of racial categories, description is not a neutral act. It presumes that the reader, as well as the writer, will try to make sense of what is presented without relying on preconceived notions including existing racial identities. In other words, it relies on a myth that each time race is utilized, any prior symbolism has been renegotiated, and the meaning of race has been "unfixed." However, like the divergent motives of DuBois and the sponsors of the research, a fixed meaning of race preceded the project, and blacks were presumed to be the problem.

The Racial Identity Problem

They approach me in half-hesitant sort
of way,

eye me curiously or compassionately,
and then instead of saying directly,

How does it feel to be a problem?

they say, I know an excellent colored
man in my town;

or, I fought at Mechanicsville.

Do not these Southern outrages make
your blood boil?

At these I smile, or am interested, or re-
duce the boiling

to a simmer, as the occasion may require.

To the real question, How does it feel to
be the problem?

I answer seldom a word.

(DuBois 1903: 7)

This often recited passage from *The Souls of Black Folks* speaks of the unspoken intolerance among some whites at the turn of the century. There is a sense that many whites were suspicious of blacks at the time and not necessarily willing to accept the other as an equal. Yet, some had evidently found contrary examples of individuals who were worthy of recognition as indicated by the

statement: "I know an excellent colored man in my town." In this statement, the speaker notes an exception to the rule, a black man whose actions and performance somehow contradicts "typical" behavior for someone who was colored.

The passage also makes painfully obvious the way skin represented the "problems" black people posed for whites at the time. To a certain degree, freedom for blacks might have been characterized as a burden for whites. In the rural south, the aftermath of slavery resulted in a large population of black sharecroppers who were free yet still dependent on the white property owners for their livelihood. Even blacks who moved north in search of higher wages and better lives were received as a new group of immigrants to accommodate and help adjust to city life. However, such a literal interpretation of DuBois' observation about being "the problem" would be limited. For it is not the type or degree of problem that most concerned him. Rather, it was the lack of attention to the way in which racism continued to maintain racial identities, making it impossible to have equality as long as race remained a symbol of a social system that privileged whites and marginalized blacks. When DuBois writes "instead of saying directly, How does it feel to be the problem?," he is articulating a system of division based on a belief in an innate racial identity that relegates one race to a lesser position -- a sys-

tem that places the burden of proof for *not* being the problem on those who are marginalized. Therefore, blacks also had to prove themselves to be different from what was expected, to demonstrate that they were *not* a problem if they wanted to be accepted in society.

The same rules are in effect when the racial categories we use to talk about problems produce expectations for groups of people based on their race. For example, if someone says that 50 percent of the children living in cities below the poverty level are black, he sets up a dualism that locates black children either below or above poverty. As an object of investigation, being a black child is independent from the fact that 50 percent of the children below poverty and living in cities are not black. The subject, identified by his/her racial classification, becomes an object of study and the individual no longer exists as a fluid body in motion. Any attempt to study the object places the observer outside the experience of the subject, often positioned at a great distance in a separate space from which to observe "it." From this vantage point, the experience of the subject can only be economized (de Certeau 1984) so that the actual experiences of a particular child can only be understood in terms of the group classification. What is included or excluded from the observer's account is subject to rules of knowledge formation which determine what evidence completes the observation

(Foucault 1972). As with the system of division that creates racial categories, the rules for knowledge formation are also produced and sustained through power relations. Therefore, the process of observing is not assumed to be predetermined or permanent. Even though certain protocol has become fixed over time, rules have been renegotiated as methodological battles play out (e.g., the continuing contest in social science between ethnographic/qualitative and survey/quantitative methods). These interrogations of protocol suggest that efforts to make visible how race operates as a political construct can also benefit the research process.

What has only recently been investigated is the issue of authority or position; that is, who determines by way of position and mode of speech what constitutes knowledge? Just as some have questioned employing a "Western" framework and a "European white male" perspective to interpret the lives of people elsewhere, we need to re-examine how a perspective of race as an objective condition limits our understanding of the world. Of particular concern is the way in which "the black community" may be cast as the "exotic" object to investigate because this group is associated with urban social problems (Jacobs 1993). In part, this may be a result of a predominantly white voice speaking from a distance. However, as was evidenced in DuBois' research experience and in reactions to Wilson's work, the speaker's

skin color or ethnic origin will not guarantee that the symbolic meaning of race will not be reproduced in what s/he is saying or how it will be received. Therefore, anyone who wants to clarify the way race gets linked to social problems will need to pay attention to how the racial formation process is determined in the work being done. The task is to look beyond who is speaking and to be critical listeners of what is being said.

In DuBois' project, the symbolic meaning of race was reproduced in the research. It not only reaffirmed the idea that blacks had inherent traits, it also linked the group's problems to its racial identity. Of course, this may just be a sign of ignorance or "black innocence" ⁷ -- DuBois gained access to the arena where racial identities were formed, but was unable to change the stereotype of blacks because he did not contest the way race itself was constructed (West 1993). Similar criticism can be made of contemporary research seeking to change a negative perception of blacks by elevating their status to a level that is above that of whites by inverting the social relationship. As with the statement "I know this nice colored man," this tactic contradicts the stereotype, but it does not make transparent the causal factors that produce and sustain racial identities in the first place (Bhabha 1990a). In other words, it does not challenge the "politics of representation."

As long as experience is categorized by race, the politics of representation will continue to inscribe the subject with an identity. By constructing a particular view of race that makes some people problematic in relation to others, the issue of racism and its effect on people is lost. Attention is shifted from the prejudiced thought, action or behavior that facilitates the creation of a racial identity, to fix the gaze of the viewer on "the other" as a curious subject. In this moment, the process of racial formation is concealed. Rather than questioning a particular representation of blacks and whites, attention should be given to how it is decided that race comes to be represented. What needs to be examined, then, is the power relations that produce and sustain particular rules of knowledge formation, systems of division and racial categories. In this regard, planners need to become aware of the power relations that shape representations of urban problems.

Planners as Cultural Critics

Equal opportunity and affirmative action rely on principles of distributive justice, but racial inclusion raises more different issues about cultural membership and identity. Changing the deep-rooted beliefs of the white majority that stigmatize and subject African-Americans may seriously challenge even the most ardent white, liberal reformers (Hoch 1993: 456).

The use of racial categories to describe and analyze social problems such as poverty, crime and neighborhood decline have become routine in planning activities and education. Continued use of race, especially to interpret social problems, is cautioned because it sustains the position of non-whites at the margin. Race becomes attached to the body, so that one group (whites) is understood in relation to the "other" (non-whites). This is the politics of identity, both transparent and elusive, and often only fully visible in retrospect.

The role of planners is not neutral in shaping the politics of identity. As advocates for particular groups, efforts to invert the relationship so that the hierarchy is reversed only reconstructs an identity that is highly politicized. This is a precarious position that also presents an opportunity to reveal how the politics of representation creates a racial identity, transforming blacks into a problem for study and policymaking. It also suggests an alternative position is needed so that planners can expose how the process of racial formation operates, but that is also self-conscious of the fact that in every effort to reveal this process, we also contribute to it. What becomes important, then, is to make the system of division apparent so that others will then question "why" we use categories to describe and explain the conditions of the world in the first place. The task is to

challenge the logic of race as an objective condition.

A position that might help planners to challenge this logic is that of the cultural critic. Cornel West (1993) describes this role, with regard to race, as a form of discursive consciousness that aims to preserve modes of critique while reconceptualizing the dominant vision in a discipline. The politics of difference symbolized by race "impels these cultural critics and artists to reveal, as an integral component of their production, the very operations of power within their immediate work contexts (academy, museum, gallery, mass media)" (West 1993: 4). A primary role of the critic is to open up the discursive space in order to examine the process of racial formation, so as to make visible the power relations that produce and reproduce race as a system of division. For example, rather than describing racial composition of a city in terms of the degree to which it is segregated, the critic aims to reveal how it is that race comes to define urban space and how it is that space is racialized:

When referring to the racialization of residential space, I mean the process by which residential location is taken as an index of the attitudes, values, behavioral inclinations and social norms of the kinds of people who are assumed to live in particular 'black' or 'white', inner city

or suburban, neighborhoods. Once the 'black inner city' is isolated in this way, the image of racial segregation is mustered as spurious evidence of the supposedly natural origins of social ('racial') differentiation (Smith 1993: 133).

In this passage, it becomes apparent that race is not an objective condition, but rather an active signifier of the social, political and economic processes that shape urban space. The power relations are explained as a process that transforms segregation into an indicator of a natural desire to differentiate rather than as a sign of social structures and cultural representations of racism.

West refers to this process of critique as "demystification," the process by which the cultural critic analyzes social and institutional power structures "in order to disclose options and alternatives for transforming praxis" (1993:23). Demystification also refers to efforts to understand strategies of representation as a creative response to contemporary conditions. The key point here is to recognize the central role of human agency in sustaining the relations of power that produce racial categories and suspend them as logical forms of examining urban problems.

The effect of critique is limited, however, unless it also challenges the processes that produce racial identity. This requires "transforming the conditions of enunciation at the level of the sign -- where the intersubjective

realm is constituted -- not simply setting up new symbols of identity, new positive images that fuel an unreflective 'identity politics'" (Bhabha 1991: 206-7). In other words, critique should not only reveal how racial identity is formed, it should also aim to redefine the signifying position to be more reflective. This will occur when efforts to articulate social problems not only allow other voices to be heard, but also give these voices an enunciative role in the process. The critic's role, then, is to dissect, reveal and dismantle relations of power which sustain a system of division that privileges one group over another.

West (1993) finds that with this new cultural politics of difference comes three basic challenges: discursive, existential and political. The discursive challenge is most relevant to planning educators, primarily because it is a "methodological debate" that focuses on how we should think about *representational practices* in terms of history, culture, and society. This is evident in the work of Omi and Winant (1994), for example, which examines racial formation as both a social structure and as a cultural representation. Similarly, spatial projects that aim to "open up" space and how it is interpreted (e.g., Keith and Pile 1993; Liggett and Perry 1995; Pile and Thrift 1995; Shields 1991; Sibley 1995; Soja 1996) provide a wide array of insights into the effects of representa-

tional practices in the production of identity.

In planning activities, challenges to dominant representational practices might simply entail including work by those traditionally excluded or marginalized based on the prevailing rules for participation (i.e., who is brought to the table and who is given authority to speak and for whom) and for evidence (i.e., what is and is not considered valid). This latter concern does not entail lowering standards, only reconsidering what constitutes "data" and who is considered to be a valid producer and purveyor of it. In the most basic sense, this paper is produced as an discursive challenge intended to raise questions about the representational practices of planning academics and practitioners. It is a critique of the dominant methodology which presumes that race is an objective condition.

By casting planners as cultural critics, the intent is to help shape how planners think about the world before even getting their professional feet wet. The aim is to improve the possibilities for racial justice in the academy and the profession by clarifying the relationship between planning and race in its present form, to see how it has been "mishandled" (Thomas 1994). Of course, it is also recognized that this role is not for everyone, but rather that it be considered a choice among many.⁸

The Stage as a Metaphor to Examine the Construction of Race

The goal of demystification is to clarify the role of planners in a process that is a productive (not passive) form of power. To better understand the racial formation process, this section considers the proposal of using the metaphor of the stage to examine how race operates as a political construct in planning. A metaphor can "assist by reducing the unfamiliar to the familiar" (Smith and Katz 1993: 69). In drama, the stage is a physical place where a play is performed. As a metaphor to understand how race is constructed, it is a physical referent to the space in which the "drama" of racial identity is conceived, acted out and completed. The benefit of using this metaphor to examine the racial formation process is that it serves as a fairly concrete and familiar site that is outside of the realm of what planners do. This can ease the difficulty of trying to turn the gaze in upon ourselves.

The stage also works nicely to explain how it is that when race is considered an objective condition, we ignore the performative aspect of race that produces expectations for certain behavior because of skin color. In *Truth and Method*,⁹ Hans-George Gadamer (1993) explores different forms of play, which he considers to be an action that is affirmed by observation and response -- a performance that presents the

self to another. The stage provides a physical place for play in the form of drama to take place. For Gadamer, drama is similar to that of a religious rite, a representation that is intended to convey its meaning to the entire religious community: "[L]ikewise, a drama is a kind of playing that, by its nature, calls for an audience" (1993: 109). In this sense, a definitive meaning of the performance cannot come from the actors or from the playwright because an audience is needed to complete the play (i.e., the religious have to believe in the representation otherwise it is not successful).

Any performance on the stage physically separates the audience and actors, although the audience is not necessarily excluded from the process of the performance. With regard to the physical space of the stage, Gadamer finds fault with a conception of it being only a space bounded by three walls with the front open to the audience. This portrayal does not take into account how the space between the audience and the actors is closed in performance: "[I]t is not the absence of the fourth wall that turns the play into a show. Rather, openness toward the spectator is part of the closedness of the play. The audience only completes what the play as such is" (Gadamer 1993: 109). This notion of performance relies on some boundary to be crossed in order for the performance to be completed. Members of the audience some-

how transcend the spatial separation, to actually "believe" the performance to be real or part of reality. The audience not only completes the performance, it also completes the space.

Performance also allows the actor to take on characteristics of the role s/he is playing. Over time, whether it be a single or a repeated performance, the actor's identity in the role can become fixed so that the meaning of the performance no longer needs to be negotiated by the audience. That is, the players no longer exist because the roles they play become real. Therefore, the stage as a site of drama also provides a place to ground or fix a performance, giving it meaning that is permanent, if only temporarily for the time the actors are on stage. In essence, the actor is *transformed* into the role when s/he is on stage. Transformation is different from alteration where the original object remains unchanged so that its previous or beginning state is still visible (Gadamer 1993). Transformation is not gradual; rather it occurs when "something is suddenly and as a whole something else, that this other transformed thing that it has become is its true being, in comparison with its earlier being nil" (Gadamer 1993). In order for the performance to work, the process of transformation into a role must erase evidence of the actor. In this regard, it is the audience, not the actor that must make the transformation

occur -- the performance is complete when the audience transforms the actor into his/her role. Therefore, it is not just the actors' ability or the playwrights' script that makes performance successful.

As a metaphor to explain how the symbolic meaning of race is transformed in the process of using racial categories, a parallel can be drawn to compare the physical site of the stage and the discursive space created by racial categories (see Figure 1, next page). Just as the stage provides a physical referent to the relationship between the playwright, the actors and the audience, we can imagine a space created by the producers and receivers of discourse in relationship to the subject(s) being studied. Each has a distinct part in creating the space, but no one position is capable on its own to maintain the space without the other. This is similar to the previous description of power relations, where the legitimacy of a system of division is sustained by those who continue to validate it through use and reuse.

Also, just as the stage itself creates a spatial division, distinguishing what is on and off the stage (or behind or in front of the curtain), so does the use of racial categories to study society. The division created by placing individuals in one category or another reveals what is inside or outside discursive space. As the subject under investigation, a person's classification transforms his/her

existence into a set of characteristics or criteria, so as to become the object of study. In this process some information is lost. Individual identity is no longer of interest, only those features in common with the group are preferred (e.g., income, education level, marital status, age, etc.).

POSITION BECOME IDENTITY	
<i>physical place</i>	<i>discursive space</i>
on/off	inside/outside
actor	subject
role	object
audience completes performance	behavior is expected, inscribed

Figure 1: Schematic of Transformation Process

The economy of classification erases the individual, transforming him/her into a member of a group defined by race or any other classification scheme (e.g., ethnicity, class/income level, education, age, gender). However, the transformation will occur only when there is an "audience" to make the per-

formance complete. So for example, if race is to play a role in explaining neighborhood change, then there has to be some belief within planning discourse that it does actually make sense to create and sustain a confrontational relationship between whites and blacks (or any other non-white group) where the in-movement of one group (usually blacks) will cause the out-movement of the incumbent group (usually whites). We may point to evidence that supports this assumption and say there can be no doubt that race is a factor influencing decisions to move. Yet what is lost or concealed in the process of viewing the evidence is how the meaning of race has been constructed prior to its use and how its symbolic meaning is reproduced whenever racial categories are employed. Just as a performance requires an audience, there too must be an audience willing to believe that race is somehow a valid explanation for what has been observed.

This comparison is not to deny that racism does not affect neighborhood change, however. What is problematic in the previous example is the way in which the racial identity can be formed with little consideration to racism. Like DuBois' effort to study blacks in Philadelphia, the intention to benefit blacks by revealing the conditions resulting from racism can be lost if we do not recognize the symbolic meaning of race that precedes racial classification. Any analysis

of neighborhood change that incorporates race without first considering how racism creates the necessity to identify residents' race will be limited. Moreover, the analysis may actually be self-defeating because it reinforces a notion of racial identity that relegates blacks to a lesser position than whites.

Just as the performance of the actor is completed by the audience, so too is the identity inscribed on the object of study. Identity is always being completed in the racial formation process because it is a product of social structure and cultural representation. The racial formation process will continue as long as the participants in discourse continue to use racial categories to study social problems. Even efforts to change the previous conceptualizations of race, can just as easily inscribe racial identities as it can remove them. This occurs when we ignore how race is constructed. Incorporating the metaphor of the stage in the discussion is one of many possible approaches to helping others understand how racial formation sustains particular constructions of race and fixes its symbolic meaning rather than allowing it to be negotiated. As planners, we should seek out opportunities to make visible what is missing from discourse when race is discussed, as well as to critically examine and even disengage discursive practices — actions and statements — which make the politics of racial identity invisible. However, any effort to reduce or even eliminate using

race and other categories as a way to order society must begin with an understanding of race as a political construct.

Endnotes

¹A similar argument can be made for the use of ethnicity, as well as economic status, gender, and age.

²The words "black" and "white" will be used throughout the text. In part, this is to keep the terminology clear while making an argument about race at a fundamental level of black-white relations in the United States. I recognize that these words are neither neutral nor objective. The lower case "b" and "w" is deliberate — it reproduces the way that race is used as an objective construct, similarly to how the words "men" and "women" are not usually capitalized even though gender is a powerful classification scheme in society.

³The notion of race as a political construct fits into a larger body of literature on identity formation. A foundational work is Edward Said's *Orientalism* (1978). A recent collection of writings edited by Kwama Anthony Appiah and Henry Louis Gates, Jr. (1995) demonstrates the complexity of the issue of identity formation.

⁴Foucault (1972) would consider these to be "points of disjuncture" that indicate shifts in the cultural logic of race. These points of disjuncture provide openings in the discursive space, allowing us to see the cultural

preferences and the power relations that precede the shift in discourse.

⁵See, for example, Fields (1990), whose account of the origin of race thinking in the United States aims to denounce the use of race as a historical explanation. In her framework, race is ideology.

⁶The University of Pennsylvania hired DuBois as an "assistant instructor" because some faculty did not want a colored faculty member (Aptheker 1973).

⁷Cornel West (1993) uses the phrase "black innocence" to refer to efforts by some blacks writing about race as if there was some homogeneous "black community" and forgetting to question the politics of representation.

⁸See for example Hoch (1993) who talks to planners about the practical issues to consider when confronting racial justice concerns in institutions.

⁹Gadamer explores the concept of *play* as a means to provide insight into how ontological explanation works in art. Truth is experienced through a work of art in a way that can never be replaced or surpassed by a "science of art." He believes that "all are modes of experience in which a truth is communicated cannot be verified by the methodological means proper to science" (Gadamer, 1993: xxii). His concern here is less with the gap between science and experience, and more with making human science more aware of its limits.

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SOCIAL MOVEMENTS, PLANNING, AND THE STATE

Alex Caputo-Pearl

The current stage of capitalist restructuring has thrown the planning discipline into crisis, but it is simultaneously laying the foundations for a new model of progressive planning to emerge. The model developed in this paper will be grounded within civil society, developed out of the intersection of progressive social movements and sites of power (whether transnational corporations, public-private industrial consortia, or the state) within the capitalist economy.

Defining Progressive Movements and the Divided Capitalist State

The paper focuses specifically on the work of progressive social movements, defined as those that strive to create: 1) a more equitable distribution of wealth within society; 2) a prioritization of community use val-

ues over market exchange values; and 3) greater public control over the economy by way of expanded planning roles for labor unions and community-based organizations. These movements address the concerns of subaltern groups -- the working class, the poor, women, people of color, gays and lesbians, etc. Examples of progressive movements are diverse, ranging from economic conversion coalitions that include labor unions, clergy, and peace activists, to labor/community cross-border solidarity groups that tackle issues of gender and class through support for the women of the Mexican maquiladora zone. It is important to note, however, that many of the new social movements that have emerged over the last three decades have been reactionary and conservative, based largely on racism, sexism, and

class bias. Examples of such movements are those that emerged in support of anti-immigration policies (Proposition 187 in California) and those associated with groups of the religious right. In addition to these explicitly right-wing movements, many grassroots organizations have emerged on the basis of the NIMBYism (Not in my Backyard) mentality, which prioritizes the narrow interests of specific geographic communities over broader agendas for change. Racist and class biased organizations often emerge from these community-specific NIMBY movements because of their focus on the protection of private property and socioeconomic homogeneity within their neighborhoods. For example, such movements often take the form of middle class communities either resisting the placement of low income housing within their immediate neighborhoods creating associations that develop implicit racially discriminatory policies regarding prospective residents.

Though it is important that research be developed on these right-wing and NIMBY movements, the purpose of this paper is to analyze how progressive movements are contributing to the development of a new planning model, a new conceptualization of the state, and a new role for planners within society. At the foundation of the argument is the idea that social movements are the active subjects in planning. By this, it is meant that these collective entities -- reflective of

many different groups, ethnicities, and issues -- are the most important agents in developing rich visions and concrete strategies for the creation of new cities that are both sustainable and stable for people in positions of subordination. Creating such a level of sustainability involves the expansion of political freedoms, organizing and economic rights, the social safety net, wages, public services, and participation in the decision-making processes of major public and private entities. In short, this sustainability will be based on moving towards a model of democratic socialism in state and society -- meaning that the needs of people will take precedence over the logics of profit and property, that the democratically-controlled state and mass organizations/movements will control the economy, and that economic rights (such as equal distribution of wealth) will be as important as political rights.

There is a rich history to the development of progressive movements, reflective of historical trends in organizing practice and political theory. In the early 1970s, using a Marxist framework, Manuel Castells defined social movement as "an organization of the system of actors (conjuncture of class relations) leading to the production of a qualitatively new effect on the social structure" (Castells cited in Pickvance 1976: 151). But Marxism has since had to transform itself within the postmodern period -- a period characterized by both the emergence of

movements and ideas that defy categorization into normal dualisms such as capitalist/socialist or public/private and by the rise of a multiplicity of histories challenging the established meta-narrative or History. Thus, under postmodernism and the rise of new social movements, the working class is no longer considered to be the only revolutionary subject. Rather, activists and scholars have recognized the need to expand the notion of what can serve as adhesive agent in social movements -- it may be class status, or it may be related to gender, ethnicity, sexual orientation, or a combination of these attributes (Mouffe 1988).

The capitalist state is the target of a variety of demands that emanate from these new progressive social movements. The most important movement-generated challenge to the state revolves around issues of epistemology. Most progressive movements are attempting to change the conception of how the state relates to knowledge and planning. They advocate a shift from seeing the state as planning and policy "expert" to seeing the state as a guarantor of a political framework in which movements are the agents that bring knowledge and information gathering processes to the shaping of policy. Examples of the grassroots-generated knowledge of social movements might be the direct insight of bus riders into what level of bus fare they can afford on a daily basis, or the maquiladora workers' intimate understand-

ings of the impacts of US-Mexico economic integration on the environment and their families' economic well-being. This type of knowledge is not based on market rationale, but on the experience of human beings in subordinate positions.

This paper investigates the epistemological challenge to the state through an analysis of five factors: 1) the current condition of the capitalist state and proposals as to why movements emerge against the state; 2) the avenues through which social movements are intersecting and intervening with the state; 3) the subject, means, and arena of the new model of progressive planning; 4) the role of the progressive planner under the new model; and 5) the conceptions of how a transformed state would support the new model of progressive, grassroots planning, acting as a crucial support in the generation and "bringing forth" of grassroots knowledge. Throughout this paper, Poulantzas' (1980) model of the divided capitalist state is used as a frame of reference. Under this model, the state is seen as relatively autonomous from the dominant class and as a reflection of a balance of power which can be shifted to the advantage or disadvantage of subordinate groups depending on the outcome of struggles that occur within and outside of different state apparatuses -- whether they be apparatuses of the educational system, transportation, or social services.

There are specific qualities of the capitalist state that permit such polarized class struggle to take place within the state apparatuses, thus creating its "divided" nature. The framework of the liberal, "democratic" state displaces the class struggle from the economic into the political realm, where individuals, regardless of class status, have the same amount of power through their voting rights. In addition, various arms of the state are given regulatory control over social and economic matters. This juridical-political base to the state system serves to stifle protest by encouraging expression through voting, and it serves to legitimate the capitalist state by celebrating peaceful and "democratic" transitions of power (Carnoy 1984). However, under the surface of the juridical-political system, class antagonisms remain a central component of struggle in society. These antagonisms begin to express themselves in the political arena not only through voting, but also through organizing, protest, and violence. Thus, subordinate classes may, through the formation of political alliances and militant mobilizing or lobbying strategies, struggle with dominant classes within state apparatuses. Through such strategies, subordinate classes may begin to shift the balance of power within apparatuses towards their interests -- whether it be through forcing bus fares to decrease or investment in public schools to increase. Thus, this theory of the divided capitalist state posits that class

struggle is occurring within civil society and within the state simultaneously. For the purposes of this paper, Poulantzas' model is slightly expanded and the claim is made that all forms of subordination may be expressed through struggle within state apparatuses -- subordination based on class, race, gender, sexual orientation, etc.

The Condition of the Capitalist State and Why Movements Emerge

Three major discussions relate to the current condition of the capitalist state and the emergence of progressive movements confronting the state. At the foundation of each of the approaches is the assumption that the capitalist state has a dual mission: to create the conditions for capital accumulation while also legitimizing itself as the appropriate and fair governing entity. Thus, the state must intervene in the economy and the social structure to allow for businesses to make a profit, while also responding, to some degree, to the needs of the population so that it can appear as the legitimate governing body (Carnoy 1984).

First, writers such as Chantal Mouffe (1988) argue that movement-based resistance to the state has emerged from the alienation that people feel in relation to the "mass bureaucratization" of our society. Mouffe claims that bureaucratization is largely an outgrowth of the New Deal/Keynesian welfare state which began intervening in pre-

viously non-bureaucratic realms in the 1930s and has intensified its intervention in many realms over the years. According to this argument, the major realms that have experienced increased bureaucratization include transportation, roads, housing, education, and health (Smith 1988). Increased intervention in these realms is related to the state's needs to both sustain workers so that they can enter the productive system efficiently and to provide basic levels of support for the poor to prevent rebellion. In other realms, such as economic development policy, the state has increasingly intervened explicitly on behalf of businesses and corporate interests in the form of subsidies, pro-business policies, or anti-union provisions. According to Mouffe, the increased intervention of the state in these realms of society and economy has led to "new forms of subordination and resistance" (Mouffe 1988: 93). Subordination may manifest itself through people's feelings of lack of control within bureaucracies, anger at depersonalized approaches to service provision, lack of input into public agency decisions, and invasion of individual privacy and freedom. Thus, patterns of everyday life are disrupted by the intervention of the state and resistance emerges, primarily as a result of people's feelings of alienation towards a controlling and depersonalized state.

Second, the collective consumption model maintains that movements emerge not

primarily as a result of alienation, but as a result of hardship caused to the working class by fiscal austerity measures. This model, elaborated by Castells (1978) and Richard Child Hill (cited in Smith 1988), holds that maintaining funding for items of collective consumption (such as public transportation and education) has become financially burdensome on the state, leading to "the fiscal crisis of the state" (Smith 1988: 75). Popularizing this discourse of crisis has been a central component to the neoliberal political project, which has been constructed primarily by large corporations of laissez-faire orientation and capitalist states. Largely through citing the dangers of a highly competitive global economy, corporate interests have gained hegemony in calling for policies of lower corporate taxation and increased forms of state subsidy for business. Both of these policies have led to more money for corporate interests and less for the working class and other subordinate groups. Hence, collectively consumed urban services that address the concerns of subordinate groups are cut dramatically. Subordinate groups' pain and anger associated with these cuts trigger a politicization of these services, which are a major part of peoples' everyday lives, and lead to resistance and social movements against the state (Smith 1988).

The third model on the condition of the state is elaborated by Hilary Wainwright (1994). Though the previous two models con-

tribute to an understanding of the state and social movements, it is Wainwright's model, based on epistemology, that truly begins to lay the foundations for a progressive planning model and a democratic socialist state. She uses an epistemological framework that is based on grassroots knowledge, i.e. collected at the level of grassroots movements, community-based organizations and the everyday lives of people in struggle. She writes that the anti-establishment struggles during the 1960s were fundamentally struggles over knowledge -- over the question of whether the knowledge of state planning experts or that of grassroots organizations should be given priority in shaping policy (Wainwright 1994). These struggles continue today as progressive movements around the world challenge governments and corporations to shape policy based on the knowledge and information-gathering practices of grassroots groups of indigenous people, women, and immigrants rather than on the knowledge of "experts" who are deeply influenced by the ideas of the market and unbridled economic competition. These progressive movements claim that social and economic justice will only be achieved through a grassroots democratic process that respects community, territory, and the implementation of knowledge at the level of grassroots movements and non-state collectives. It is towards this epistemological conflict between the capitalist state and progres-

sive movements that the argument now turns, providing an analysis of movement strategies that are challenging the state and its conception of knowledge by beginning to shape a grassroots planning model and conceptions of a democratic socialist state.

How Social Movements Intersect with and Intervene in the State

Wainwright writes that progressive movements are not so much interested in seizure of the state as they are in creating new forms of power, sharing a common concern "to build power through citizens' organizations and to attempt to win support from political structures at all levels" (Wainwright 1994: 228). There appear to be four main approaches among progressive social movements in attempting to create these new forms of power, inside and outside the formal state apparatuses of legislature and state agencies. All of these approaches are based fundamentally on the idea that social movements' epistemological framework is superior to that of a centralized, controlling, bureaucratic state. Following is a discussion of these four approaches.

First, progressive social movements create new forms of power outside of the state in mobilizing to defend components of the current political system that are essential to laying the foundations for a future grassroots democracy. Wainwright writes of the Northern European context that "there are features

of the existing state, therefore, which the movements defend implicitly. . . these are the state's social provisions and its assemblies elected through the franchise" (Wainwright 1994: 211). Drawing on the work of Richard Flacks in *Making History* (1988), the specific reference here is to movements that have as their primary goal the protection of freedoms and rights that already exist in everyday life and which people often take for granted. These movements do not have larger agendas of extending rights or benefits or of placing a major critique on state and society. They do not have strategically conceived long-term demands around which to build organization. They are, quite simply, defensive movements. Examples of such movements are the US welfare rights movement of the 1970s and the "No on Proposition 187" movement in California. These forms of power and movement are usually fleeting and impermanent, led by coalitions that are assembled quickly and do not stay together as a cohesive group. The importance of such movements is not in the creation of long-term organizations to oppose or challenge the state. Rather, their significance is in protecting elements of the existing state (such as the safety net provided by welfare or the commitment to educate immigrant children) that facilitate the work of other movements in advocating for grassroots democracy.

Second, progressive movements create non-state organizations that serve as watchdogs on institutions of power, models of grassroots democracy, and the launching pads for new economic networks. These organizations remain outside the state, though many of them enter into conflict with institutions within particular state apparatuses. Wainwright writes that in "tracking unaccountable centers of power that have been out of the effective control of elected government . . . networks and sporadic organizations have been built up which point to the role that different levels of representative government could play to exert democratic control over these centers of power" (Wainwright 1994: 282). Contrary to the defensive movements described above, these non-state organizations that have emerged from movements usually *do* have larger agendas for the expansion of rights, *do* contain major critiques of status quo policy-making, and *do* formulate strategic demands around which to build long-term organization.

An example of the watchdog/grassroots regulator is AGENDA (Action for Grassroots Empowerment and Neighborhood Development Alternatives) of Los Angeles, which emerged out of social movements committed to racial and environmental justice. Currently, AGENDA is pressuring the Los Angeles Community Development Bank to disburse federal economic development funds

into sustainable projects in the inner cities. Global Exchange, a group deeply influenced by the Central American solidarity movement, is an example of an organization that is creating new economic networks. The organization is currently developing markets and distribution channels for "Third World" products (such as Salvadoran coffee), with proceeds supporting small farmers and progressive movements in Central America. Through their advocacy of public, movement-driven planning of the economy based on the concrete needs of those in subordinate positions, both of these groups focus on expanding discussions of rights from the political into the economic realm. In addition, the work of both groups is informed by the notion that movements know better than the state and the market. Thus, they serve as watchdogs and create their own systems, asserting that grassroots knowledge gained at the level of every day life is essential to developing more sustainable political and economic policies and networks.

Many of these non-state organizations also serve as models of grassroots democracy in their methodology and process. For example, many of the organizations use small group discussions in the decision-making process, create time and space for members to articulate their needs to a group, and recognize the importance of culture in helping members develop feelings of political relevance (Wainwright 1994). These organi-

zations are in direct conflict epistemologically with the bureaucratic, controlling, centralized capitalist state but they do not intervene in the state in the sense of gaining representation or taking control of the balance of power in any state apparatuses.

Third, progressive social movements create new forms of power by actually intervening in formal state apparatuses. This intervention can take two forms: gaining direct movement representation in agencies and forging long-term strategic alliances with politicians who shape their stances according to the demands of grassroots movements. In citing the former, the reference here is to situations where the movement representation has actual decision-making or oversight capacity -- not to situations where an ad hoc committee is arranged to falsely incorporate community input. An illustration of this important distinction comes out of an analysis of two separate campaigns of the Labor/Community Strategy Center of Los Angeles.

In the early 1990s, after years of grassroots organizing around issues of corporate accountability and toxic emissions in poor neighborhoods of South Los Angeles, the Center was invited to delegate two representatives on a community input committee of the Southern California Air Quality Management District. After serving on the committee for several months, the Center understood that it was designed exclusively for purposes

of co-optation and not for decision-making. The representatives of the Center resigned from the committee. However, the Center's more recent Bus Riders Union (BRU) campaign has yielded more satisfying results. Again, the Center and the union were involved in years of grassroots organizing around a particular set of issues and policies. This time, the central issue was to force the Los Angeles Metropolitan Transportation Authority (MTA) to devote resources to Los Angeles' decrepit inner-city bus system rather than to an expensive rail system serving outlying suburban areas and only very small sections of the central city. In coordination with the long-term organizing campaign which built the membership of the Union, the BRU filed a federal civil rights lawsuit. The suit sought to challenge the MTA's rail-biased funding policies which discriminated against the largely African-American and Latino bus ridership. As the BRU continued with an aggressive grassroots organizing strategy which gained the attention of political leaders, the MTA pushed to settle the suit out of court. One of the key provisions of the settlement gave the Bus Riders Union official representation (equal to the representation of the MTA) on a Joint Working Group (JWG) within the transportation authority. The JWG has oversight capacity concerning certain components of the MTA's bus policy. Thus, though it is still clear that the MTA holds the reins

of power over transit policy in Los Angeles, the Bus Riders Union has very consciously intervened in the state, gained official representation, and has potentially created the conditions for altering the balance of power within a state apparatus -- a very rare accomplishment. Again, this model is fundamentally based on an epistemological critique of the state, as the movement boldly asserts that its grassroots knowledge should be the basis of forming transportation policy.

There are several examples from around the world of movements forging alliances with politicians, thereby allowing for some degree of movement intervention in the state apparatus. In Central America, FMLN (*Farabundo Martí Liberación Nacional*) politicians have formed a bloc within the Salvadoran legislature that responds directly to the wishes of grassroots groups, particularly radical and socialist workers associated with the guerrilla movement in the 1970s and 1980s. In Europe, progressive leaders involved with labor and public space struggles were elected to the Greater London Council planning body in the 1980s, leading to the creation of a comprehensive plan to support grassroots movements and involve them in policymaking. In the US context, the Harold Washington administration of Chicago attempted to form a model of governance that would expand the capacity of movements through the formation of city research committees to assist in movement-generated

challenges to plant closings. Today, the New Party advocates similar ideas. In each of these cases, political representatives have worked to pass broad legislation or create initiatives that support and guarantee the process of grassroots democracy. Though it is clear that the assistance of politicians is often crucial to grassroots struggles, it is the social movement that is again at the center of knowledge-gathering and decision-making.

Fourth, a model of social movement interaction with the state is described in detail by Barbara Epstein in *Political Protest and Cultural Revolution* (1991). Epstein discusses direct action movements, such as some segments of the peace and anti-nuclear movements, in which the approach to the state is composed of a "non-perspective" on the state, a "lack of interest in political power," and an uneasiness in "thinking about strategy" (Epstein 1991: 232, 241). These segments in the direct action movement are utopian in that they promote alternative lifestyles in self-created social communities while displaying harsh critiques of culture but, for the most part, they do not challenge or interact with the state. Yet, this movement approach is again based on an epistemological critique of state and society. These utopian communities emerge out of a complete rejection of state- and corporate-conceived development models. They develop, instead, their own communities based

on self-defined needs, desires, and knowledge base.

Together, these models of progressive social movement begin to paint a picture of a new democratic socialist state. We can identify three key elements of this state structure. First, the state should be committed to a vision of greater public control over the economy and the political process, meaning that the needs and demands of people rule over the motives of profit and property. Second, the state should, essentially, be run by social movements in the sense that it should authentically incorporate the concerns and demands that arise from the knowledge emerging from grassroots struggles. Third, as illustrated by the Bus Riders Union and Washington administration models, the state should be shaped into an entity that can help generate and bring out grassroots knowledge. For example, the Bus Riders Union has used the power of its position on the Joint Working Group to demand time for formal presentations at MTA Board meetings. In this way, the BRU has used the time, space, and resources of the state agency to conduct what are essentially political education seminars which help to develop leadership capabilities, knowledge base, and critical analysis at grassroots levels. This development of grassroots knowledge and resources will be used to further pressure the MTA, further build the movement, and increase public control over the state apparatus.

Yet, as movements struggle to restructure the state, what is the role of the progressive planner? How does the progressive planner relate to the subject, means, and arena of planning under a new emerging model that is based in social movements and their intersections with institutions of power?

The Role of the Planner and the Subject, Means, and Arena of Planning

As stated earlier, social movements are the subjects of planning under the new model proposed here. Progressive planners must understand that movements will be the driving forces behind social change and the progressive "re-planning" of state and society. Hence, from a progressive standpoint, planners, policy professionals, and technical experts within the state and mainstream firms are no longer considered the subjects or the authoritative voices of urban planning. Rather, it is the voices of social movements that are the subjects of planning, shaping policy through their analysis of how capitalist institutions affect their membership. Thus, the new role of the progressive planner is not within the state, but within social movements -- attempting to contribute to a honing and amplification of the movements' voices and analysis.

In order to intervene in and change the operations of institutions of power, movements must have leadership with great strategic sophistication. Assisting leadership in

strategic analysis is, then, the primary role for the planner under the new restructured paradigm of progressive planning. Progressive strategic analysis has short-term and long-term components. Short-term analysis is particularly geared towards a specific campaign to reform or challenge an institutional target. Long-term analysis is oriented towards the formation of a progressive united front and the creation of a blueprint for democratic and public control of the economy. Progressive planners engage in strategic analysis that involves understanding state and corporate systems, understanding the sentiments of certain constituencies, analyzing industries, evaluating the use of resources in certain mobilization or organizing strategies, laying out power analysis, and evaluating the strategic selectivity of different state structures. This role of strategic assistance applies to planners who might have attended a planning school and also to planners who have emerged as leaders from the grassroots rather than from the university.

The arena of planning under the new progressive model is all that is public, all that affects people in social movements, and all directions in which social movements can travel. Oppressive relationships in society (whether in the state, the family, or the economic sphere) have the potential to be deeply influenced by movements, especially at an ideological level. A strong movement that

advocates for new conceptions of equality can change the face of all types of relationships, from gender relationships to economic relationships. When a person is touched by these new conceptions of equality ideologically, and takes part in a movement-inspired liberatory action, it is an indication that the arena of planning encompasses that person and their relationships. This dramatic expansion of the arena of planning is a direct result of theorizing social movements as the subjects of planning, and it is also a result of their immense potential to serve as liberating forces through the advocacy of a new politics on ideological terrain.

The primary means of planning under the new progressive model are intuition, respect, marginality, and the aforementioned capacity for short- and long-term strategic analysis. In dealing primarily with grassroots social movements, a planner must come to develop an intuition to recognize the time and place to act. This intuition grows out of patience and a great respect for grassroots democratic process. Using these means of planning does not limit the contributions that a planner makes in a movement. Rather, the planner must simply join in an egalitarian democratic structure. The final element in the means of planning is the capacity to remain marginal. Writing on marginality, bell hooks states:

I was not speaking of a marginality one wishes to lose, to give up, or surrender as part of moving into the center, but rather as a site one stays in, clings to even, because it nourishes one's capacity to resist. It offers the possibility of radical perspectives from which to see and create, to imagine alternatives, new worlds (hooks 1990: 341).

Under this model, the planner must always retain this capacity to see outside of confining structures, to think unthinkable thoughts with regards to rights, equality, and freedom. The planner must be wrapped up in her/his daily life, the daily lives of others, and all of the structures of oppression that people encounter regularly. But, simultaneously, the planner must remain marginal in her/his mind, outside of structures that limit her/his ability to imagine a new society and innovative strategies to push for the new society.

Having analyzed different models of social movement interaction with the existing state and the role of the planner within those interactions, this paper concludes with an elaboration on the potential structure of the democratic socialist state. In building a long-term strategy of governance, it is very important that progressives develop a vision of the state that allows for the formation of concrete sets of demands in moving forward on the project of radical state restructuring.

Conceptualizing a New State and Defining its Mission: Reforms in Political Time and Political Space

The new progressive state would be one that supports and guarantees radical grassroots democracy -- using a conception of democracy that covers both political and economic realms. Grassroots democratic structures would be developed as the foundation institutions in policy-making on the basis of their superior epistemological frameworks. The state would see its role, at national and municipal levels, as the guarantor of truly democratic process that supports the formation and maintenance of social movements, their organizations, their knowledge, and their practices. A vision of this state and its mission may be defined broadly using two concepts, one related to political time and the other to political space.

First, the new state must have built into its structure a capacity to encourage and support continued, long-term forms of social mobilization within civil society. Typically, movements reach an endpoint and political participation rates for those involved dramatically decline. These endpoints are partially self-imposed by the movements (as in the cases of short-term movements of resistance such as the "No on Proposition 187" movement), and they are also partially system-imposed upon the movements. The focus here, with regards to the mission of the

new state, is on changing the system-imposed endpoints to movements.

Potential to participate in movements for most people is extremely limited because of issues of time. Their day-to-day lives and schedules make carving out time for voluntary participation in political activity extremely difficult. A new state would specifically address issues that relate to people's time on a day-to-day basis. Again, the paper draws on the work of Flacks (1988) in providing details of policy. Specific policies might include subsistence payments to all lower- and middle-income families, potentially freeing up time that would have been devoted to wage earning work otherwise. Raising the minimum wage beyond just a subsistence level nationally would decrease the amount of time that would have to be devoted to wage earning work to make the same income. Mandatory guidelines for employers that would create longer vacations for employees, similar to some European practices, would allow for family time as well as the opportunity to become more deeply involved on a day-to-day basis with a political organization or movement. Using the state as a source of capital for public and private projects that relate to the development of grassroots democracy would give people resources and essentially "buy their time" as they work on initiatives and research that will further democratize their communities.

In submitting that movements have been the key agents in bringing about social change throughout history, Flacks beautifully connects history-making, daily life, social movements, and grassroots democratic process in his definition of democracy. Flacks states that democracy is:

a social arrangement in which the gap between history and everyday life is permanently closed because society's members achieve the ability to make history (i.e., to influence and decide the terms and conditions of their lives) in and through their everyday lives (Flacks 1988: 87).

The reforms in political time mentioned above would guarantee the support of the state for the history-making and movement-building processes on a day-to-day level. Movements and mobilizations would remain permanent rather than reach endpoints.

Grassroots democratic process requires not just the expansion of political time, but also of political space. Subordinate groups must be guaranteed access, through the power of the state, to certain spaces in order for democratic process to be fully injected across all sectors of society. Policy provisions related to this spatial element would include creating public access to media and broadcasting. This provision would allow social

movements and their ideas to reach a much broader range of publics. Free speech for workers in the workplace and in the community would begin the process of democratizing work and connecting community activists to the daily lives of workers and their struggles. Inclusion of equally-represented worker and consumer groups on corporate boards would democratize decisions of major employers and place ears that are sympathetic to social movements in these spaces of decision-making. Key economic sectors would be controlled by the state with the administrative boards, again, reflecting equal representation for administration, workers, and consumer groups. Service consumers would be included on the governing boards of state and private service-provision agencies. Through the work of joint community/worker/owner forums, the development of corporate accountability charters would democratize decisions that affect communities and develop concepts of shared space and resources (Flacks 1988: 261-265). Thus, the democratic socialist model of the state is a guarantor state. By addressing issues of political time and space, it structurally guarantees grassroots democratic process and greater public control of the economy. The state structures itself such that the demands of movements shape policy, and so that it can devote resources to generating and bringing forth grassroots knowledge and movement.

Conclusion

Throughout this paper, three key models-in-formation have been developed: 1) a progressive model of planning; 2) a new role for the progressive planner; and 3) a model of the democratic socialist state. An argument has been presented that shows that progressive social movements are the agents that shape each of these models. Unified action among these progressive movements will carry the democratic socialist and progressive planning projects furthest and fastest. This paper suggests that a common epistemology will be the unifying theme behind a potential democratic socialist/progressive planning hegemonic bloc -- basing a unified effort on the common idea that grassroots-generated knowledge at the level of movements is the knowledge of governance and liberation. The more we investigate the nooks and crannies of possibility within the grassroots democratic epistemological framework, the more we test its limits in the practice of social movements, the more we add to its historical and cultural richness through the creativity of movements, the more we study competing epistemologies, then the greater are our chances of creating a new state and society.

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HOW DO BODIES MATTER IN THE EXPLORATION OF NON-SEXIST SPACE?

Eric M. Fung

When feminist criticism and activism encounter the architectural and urban planning fields, questions such as "What would non-sexist space be like?" are, perhaps, at the center of all concerns. In her seminal article, "What Would a Non-Sexist City be Like?," Dolores Hayden demonstrates how the spatial separation of social and economic spheres in cities induce gender inequalities. Hayden is brilliant not being trapped by the question she raised. She does not simply look for either a "dream home" or an "ideal city" but instead inquires into a diversity of gender relationships in everyday life and lived space (Hayden 1984). Non-sexist space will not emerge when the whole society is still sexist or sexist-practicing. If society would finally reach a state where there are non-

sexist gender relationships, searching for non-sexist space would not be an issue any more. Meanwhile, the "non-" scenario tends to lead the focus of arguments into a either/or binary that often oversimplify the problematic. Non-sexist space is not a sameness-space that simply ignores the significance of differences between women and men. Deeply rooted patriarchy still dominates gender relationships, and yet masculine values remain the standard of the ideal of "neutral humanity." Instead of desperately looking for a non-sexist space, this paper explores the possibility of how different spatial experiences between genders/sexes can be useful in developing an alternative way of seeing the world.

Once space is taken into account, the existence of physical bodies can not be ex-

cluded from the discourse. Drawing upon a growing collection of spatial feminist literature, Edward Soja asserts in *Thirdspace* that:

At the core of these explorations [of experiencing urban spatiality] has been a revived interest in the body as the most intimate of personal-and-political spaces, an affective microcosm for all other spatiality. The spatiality and sensuality of the body is being given a central positioning in the critical interpretation of the real-and-imagined geographies of everyday life in and outside the city (Soja 1996: 112).

Barbara Hooper also insists the importance of the body in the politics of difference. In her ongoing project, "Bodies, Cities, Texts," she maintains that "the space of the human body is perhaps the most critical site to watch the production of power" (Hooper cited in Soja 1996: 114). Both Soja and Hooper have treated bodies as the site of spatial politics through which the operations of power are produced and distributed in space. Following Henri Lefebvre's critique (1991) that Western philosophy has "betrayed," "abandoned" and "denied" the body, both Soja and Hooper's projects tend to lead us into explorations of a dynamic concept of space and urban erotic through the material and symbolic embodiment of the body.

Feminists, such as Iris Marion Young and Judith Butler have also intentionally put bodies in the center of theorizing feminism. Slightly different from those of Soja and Hooper, their projects focus more on bodily experiences having broadened our understanding about how gender relationships are produced in accordance with the existence of a physical body. In her book, *Throwing Like a Girl and Other Essays in Feminist Philosophy and Social Theory*, Young (1990) establishes her notions of the politics of difference and explores some female body experiences. She argues that "most social theory provides little space for conceptualizing the socialized body and the lived experience of culture in daily bodily habits and movement" (Young 1990: 17). Young evokes a pragmatic context of meaning through sharing her own experiences about female body movement, pregnancy, clothing, and the breasted body. Through what she refers to as an "existential phenomenology" framework, Young's descriptions of gendered or sexed experiences do not claim to be universally and categorically "true," but try to draw generalities that can be shared with other women and can evoke reflections from other women.

In her book, *Bodies that Matter*, Butler (1993) contributes to feminist and queer studies with her theorizing of the materiality of the body. Butler's concept of materiality is embodied in language with a particu-

lar history and cultural implications, namely, the heterosexual imperative. She manifests the materialities of the bodies through a consideration of how sex is produced and constrained as a regulatory norm by a heterosexual hegemony of power. Butler's project, however, is not separating biological sex from culturally-inscribed gender because in her view, "sex" is already discursively inscribed. Using bodies as a site of the possibility of re-figuring the hegemonic symbolic, Heckmen defines Butler's project as the necessity to embrace the abject, the excluded, through the imagination of a future horizon that values bodies differently (Heckmen 1995).

Through the theorizing of bodily experiences by Young and Butler, something rather than the either/or binary of the "non" scenario is brought into the discourse of feminist critique. This serves as an inspiration to explore some possibilities that treat the physical body as a metaphor in which both biological and socialized differences between women and men are initiated. By doing so, an effort is made to try to develop an alternative way of understanding through the exploration of each other's bodily spatial experiences. An argument is presented that contends that the sense of bodily experiences can be useful in a deeper understanding of the differences not only between genders but also between cultures, races, classes and all

kinds. Further, the bodily experiences, while being analyzed in a way that perceive space not just as a container but a dynamic that interacts with the existence of the physical bodies, can be also helpful in developing the sensory system of the bodies. Finally, on the issue of gender inequality, the paper considers the proposal to treat bodies as a symbol that can help us to imagine and revalue bodies differently and hence, provides possibilities to subvert the superiority of patriarchal capitalism.

Bodily Experience in Space

In the introduction of *Making Face, Making Soul: Hacienda Caras*, Gloria Anzaldúa suggests that "[t]he world knows us by our faces, the most naked, most vulnerable, exposed and significant topography of the body" (1990: xv). This body is the "doer of deeds" which carries out the soul inside. Feminist Maria Lugones also suggests a similar project of loving each other through travelling to each other's worlds. In her own words, "the shift from being one person to being a different person" is what she calls "travelling" (Lugones 1990: 396). By doing this as a game of role-playing, Lugones believes, "we can understand what is to be them and what is to be ourselves in their eyes" (Lugones 1990: 401).

Echoing Anzaldúa and Lugones, the paper proposes that we treat bodies as the

boundary of each other's inside and outside worlds. Through Lugones' notion of travelling, men and women can learn to go across the boundary of each other's inside world. If the body is, as Butler maintains, a site where "sex" is materialized, it is important to explore, through this site, how the "materialization" is "forcibly reiterated" by a regulatory norm (Butler 1993: 2). Acknowledging the materiality of the body, perhaps, bring us no closer to a understanding of how our bodies are constructed under taken-for-granted everyday practices. Subtle comparisons of the state of embodiment, such as going into each other's inside world through travelling across the boundaries, allow us to comprehend the process of materialization. This travelling back and forth would also help us to have a better understanding of our own bodies through the understanding with other's. Thus, bodies are not just a metaphor of boundaries to cross but a metaphor of interfaces for women and men to learn how the biological significance of their own bodies are also socially inscribed. Through travelling, a bodily experience can be analyzed and a cultural and social aspect that is materialized in the bodies can be revealed.

To demonstrate how travelling across the boundary of the bodies can be a methodology of entering each other's worlds, this paper draws from observations of a group of aboriginal inhabitants, the Yami, living on a small island approximately 70 kilometers

south-east from Taiwan. This island is called Lanyu which, in Chinese, means orchid islet. The Yami's existence heavily depends on fishing. On the sea, they ride small hand-made boats with a carrying capacity limited to five persons. On the land, the Yami live in a semi-underground space with a wooden roof-deck over it. This is the only enclosed space identified as home. However, most of the year, the Yami sleep on the open roof-deck rather than in this protected space. From a "civilized" point of view, we may interpret this situation as their being too poor to afford a bigger room for the whole family. However, by travelling through their bodies, we may find that they choose to continually expose their bodies to the wind. By doing so, their bodies are trained to be sensitive to the ever changing wind. This is a very important ability in their everyday lives as they fight the rigorous sea. In contrast, the whole small island is their home -- as a calm, stable and safe place. The semi-underground space, the only enclosed space they need for their home, simply serves as a storage site, a sacred space and a sleeping room during winter. The Yami people are relatively short and they like to squat on their heels all the time. This may look awkward to "civilized" people, but if we travelled through their bodies, we might find that this is the best appearance and stance for people who have to skillfully balance their bodies on small boats on the sea.¹

This exercise of travelling through the bodies of the Yami is a good example to show what we can accomplish through treating bodies as a boundary to transgress. When the Yami are considered as others from a different cultural perspective, the analysis of their bodily experiences in space is a key to understanding their practices. In this sense, the analysis of the differences between women and men's bodily experiences can reveal how "sex" is materialized in both biological and social constrained processes. Further, as is shown in the case of the Yami, treating bodies as the carrier of people's cultural and social aspects can be useful in developing a deeper understanding of differences not only between sexes/genders but also between cultures, races, and classes. It can be treated as an alternative research methodology of getting closer to the observed. Traditional research methods in sociology and other disciplines, including either quantitative research through questionnaires and statistics or qualitative research via observations and interviews, have a limitation of depth in acquiring the essence of research objectives. Using travelling as a mode of analysis of bodily spatial experiences can be a powerful tool to supplement those shortcomings. It can be seen as a method of advanced observation which uses an observer's body as an interface to meet the body of the observed. Since an interpretative description usually is the product of these observa-

tions, travelling may be criticized as too subjective to be a research method. However, if an observer has a sensitive enough body, this alternative methodology is not necessarily less objective than a set of framed questions on a questionnaire or in an interview. Neither the Yami nor any other subjects of a traditional survey are necessarily able to successfully express their subconscious. Travelling across the boundary of the bodies may help researchers to reach an unspoken part of the observed phenomenon, but not necessarily to get the universal truth. Perhaps there should never be one.

Bodily Sensory System of Space

Bodies, while being treated as an interface that helps an observer to reveal what kinds of cultural and social aspects are materialized into the observed, can also be treated as a sensory system to perceive the outside world. Space, as the first substance that bodies meet in the outside world, takes bodies as a medium to be perceived by the inside world, the mind. Travelling, in this sense, becomes a way of therapeutic exercise that helps us to develop our own bodies to be as sensitive as an antenna, helping us to perceive the space around us. This ability to perceive space with the whole body as a sensory system has been neglected by Western philosophers. As criticized by Butler, "in that disembodied way to demarcated bodily terrains: they invariably miss the body or,

worse, write against it" (1993: ix). Seeing history as a rational process, Hegel claims that the awareness of bodies is considered an evil matter that should be intentionally excluded from the discourse. He treats art as a product of the spiritual world, limiting the sensory system of appreciating aesthetics as only senses of vision and hearing (Hegel 1920: 14-15). Thus the sense of touching, smelling, tasting and the awareness of the existence of the physical body and how that is related to the space around it, is excluded from aesthetic experiences.

As a critique of Hegel, Christian Norberg-Schulz developed a theory of phenomenological architecture. He maintains that people imagine their world as "an ordered cosmos within an unordered chaos" (Norberg-Schulz 1971: 23). This unordered chaos is the objective outside world as well as the spatial order in people's inside world, and is a comprehensive cognitive system which, with a reference to a central point, helps to identify their existence in the world. Drawing on Norberg-Schulz's contribution, Kent Bloomer and Charles Moore (1977) emphasize the definition of boundaries between a human body and its surrounding space. They assert that people perceive space in the image of their own bodies and the moving ability of their bodies. From the moment people learn to stand up and walk forward, the contrast between up and down, front and back has a meaning and an impli-

cation related to their own perception of the world. In addition, the contrast between inside and outside, here and there, center and periphery, etc. attached to the awareness of physical bodies, also plays a significant role in the perception system. Although these sensory systems always work to perceive the outside world at, perhaps, a subconscious level, they are greatly degenerated in the so-called "civilizing" process. To some degree, we do not even know how the body can be a useful tool to sense the outside space.

Maya Lin's design of the Vietnam Veterans' Memorial in Washington, DC demonstrates the power of using bodies as a sensory system to perceive and conceive space. This monument, if seen from far above, is simply a 40-foot-long and 9-foot-deep wedge-shaped pit on the ground with two straight edges like a knife cut, which is in Lin's concept being presented like a scar upon the earth. While approaching the monument, our physical bodies descend along the sunken contour and our moods start to get lower and calmer according to the downward body movement. When we finally reach the bottom of the pit, our bodies are totally below the horizon and our mental situation is ready for a memorial to the war victims. As described by Shirley Neilsen Blum:

Lin's Wall . . . is given life and shape by our presence. We must read it, and in order to read it we must walk through

it. As the number of names increases with the size of each slab, we are slowly drawn down into the monument, ultimately enclosed on either side and above by a listing that stands some four feet above our heads. The Wall is not so large as to seem beyond our grasp, but large enough so that upon entering we lose track of its outer limits. Once inside we cannot see it all at once. Again we are confounded, for we can never 'possess' the monument. Our physical participation makes us 'of' it at the same time that we stand outside it (Blum 1984: 128).

This wall, like a mirror, constantly catches our eyes to see our own reflection mingling with the numerous names of the dead. This wall, like a touchstone, unceasingly drags us to touch it or to kiss it. This wall, like wide-open arms, takes our whole bodies to participate within it. All together, this wall shows how powerful a space can be when bodily spatial experiences are developed in the processes of both perceiving and conceiving space.

By presenting the qualities of the design of the Vietnam Veterans' Memorial, the intention is not to celebrate it as a norm of non-sexist space because it is designed by a young Chinese American woman. Neither does this intention mean to praise the design as a non-sexist space because it rejects the traditional phallic image of monument designs. As ar-

gued earlier, non-sexist space will not emerge if the whole society is still sexist or sexist-practicing. Yet Maya Lin's design inspires us. Resisting the masculine superiority originated in patriarchal society, Lin explores a whole range of bodily spatial experiences to enrich the meaning of space. Phallic structures are a typical version of what masculine superiority consolidates into a patriarchal space. Over time, monuments such as obelisks, triumphal arches, or commemoration halls have been shaped in tall, straight, erect images to served as a sacred masculine icon that praise the supremacy of the heroic, the bravery, the forceful, the conquering, and the oppressive. The overwhelming power of these patriarchal spaces established upon the basis of male experience, male consciousness, and male control has created a dichotomy that justifies and supports human exploitation and male supremacy. Meanwhile, through a forcible reiteration to the body and the space, this dichotomy of masculine/feminine, high/low, big/small, hard/soft has ossified our imagination and has limited our sensory experiences of the body and the space. This leads to the proposal of a project that uses bodily symbolism to subvert the masculine superiority of the phallic structure.

Bodily Symbolism

Throughout patriarchal history, vertical structures such as skyscrapers, medieval

churches, Renaissance king's palaces, and Roman obelisks have been criticized as phallic architecture, erected by the dominant group to claim their authority of control under a political/economic framework of social relationships. The symbolic images and meanings of these built forms have been used to legitimize and reinforce the authority of dominant power structures. How space and built form are symbolized and used to serve a certain social purpose can be traced back to phallic worship in the ancient patriarchal society.

Phallic worship has been greatly theorized in psychoanalysis. From Sigmund Freud, we know that since the most ancient times the Father developed phallic worship to affirm that, because his penis is used to make the Mother pregnant, he should therefore be the authority in the patriarchal society. However, Freud indicates that there is a strong linkage between male children and their mother, the Oedipus complex, and that such a relationship actually makes the Father anxious about maintaining his legitimacy in the patriarchal system. Phallic worship was established to separate this linkage. Phallic symbolism helps the male to emphasize something he has that women do not have. By doing so, the male claims a superiority over the imperfect woman.

Today, it is obviously ridiculous for any man to claim any of his authority by the image of his penis. It is also fairly apparent

that if any man persist in claiming his legitimacy, this could reveal a profound anxiety about losing what he is tirelessly claiming. This strong anxiety about losing legitimacy also reveals the fact that he is, perhaps, not necessarily deserving of this legitimacy. Nevertheless, such claims for legitimacy by similar symbolized built forms still persist today. Since the beginning of this century, skyscrapers have served as a symbol of supreme power of commercial enterprises, despite urban problems such as overcrowdedness, air pollution, fire prevention and so on. In her book *Discrimination by Design*, Leslie Kanés Weisman states:

If ancient obelisks and columns were built to celebrate the military conquests of departed warriors, twentieth-century skyscrapers were built to celebrate the economic conquests of the 'captains of commerce,' with unabashed competition among the corporate giants to build the tallest building as a symbol of ultimate superiority (Weisman 1992: 14).

How these symbolized built forms are embedded is "the pinnacle of patriarchal symbology and the masculine mystique of the big, the erect, and the forceful" (Weisman 1992: 16). Again, why do corporate giants eagerly erect their public image to compete with each other? Why is commerce as a whole so eagerly reshaping the urban land-

scape through these sacred masculine icons? What kinds of anxiety hide behind this eagerness?

Marxist critiques have revealed that, from many aspects, capitalism does not necessarily have the legitimacy of capitalist accumulation. Ironically, despite being aware of all these critiques, driving by the skyscraper-jungle of Bunker Hill in Los Angeles, one cannot help glancing up at the magnificent shape of its skyline. While acknowledging all the arguments against capitalist accumulation and masculine values of phallic architecture, this artifice which praises man for conquering nature is still awe-inspiring. These masculine values are so powerfully dominant that when they consolidate into a built form, they become the ultimate superiority to legitimize the dominant societal relationship. It is therefore even more important to subvert this symbolic superiority of the patriarchal capitalism.

While all those phallic worship constructions so powerfully legitimize the dominant power structures through their magnificent shapes, these same shapes also reveal the dominant power structures' anxiety of losing their legitimacy of capitalist accumulation. Furthermore, the more exaggeratedly big and erect this built form is, the greater anxiety it hides. This paradox of exaggeration and anxiety has opened a niche for proposing a subversive project that turns the

sacred symbol of patriarchal capitalism upside down. It is called the project of laughing.

When a man in the dominant power structure chooses this big and erect form to claim his authority, this also reveals another kind of anxiety. We know this is the shape he wants to simulate but he, in fact, has little control to keep it in such a big and erect form. It is all in his imagination. Perhaps more than 99 percent of the time, his penis, the very original image of phallic worship, is actually in the shape more comparable to an earthworm. But never in HIStory has this shrunken form been chosen to claim his authority. Why can't he be relaxed enough to show the "real time" of his life? Because he is so anxious about not being capable to exert his power. This is a situation that we can continuously laugh at and the laughing itself is what is proposed here as a project to subvert the capitalist patriarchal structure of value standards from its very origins.

This project of laughing needs to be constantly practiced to deconstruct the hegemonic structure of value standards established in patriarchal history. Laughing tries to rewrite or re-present the meaning of phallic architecture to disarm its superiority of legitimizing capitalist accumulation. In the process, it may revoke other subversive projects that, all together, reconstruct the dominant capitalist patriarchal institutions.

But the project of laughing can be easily misunderstood as a move by women to laugh at men's anxieties of sexual incapability. This is not the intention here and it has nothing to do with another war between women and men. It is designed as a project for both men and women to laugh at the situation that the supreme value standards in patriarchal history were established on such a vulnerable and idiotic mentality. This project, to some extent, can also be treated as a therapeutic exercise that helps men dismiss all of their anxieties that evolved throughout HIStory and to develop healthier gender relationships. By laughing, nothing can be deified or mystified into supremacy and no one needs to be anxious about nothing.

Conclusion

When feminist critiques are applied to the concerns of bodies, they engender a chance to depart from the binary of "non-" scenarios. By doing so, they also provide a window through which to enter the exploration of aesthetic experiences and symbolic value standards. Perhaps non-sexist space will never emerge while society is still sexist. When and if we finally reach the utopian state of a non-sexist society, searching for a non-sexist space will not be the problem. However, while we wait for the emergence of a non-sexist society, scenarios such as, "How can space be non-sexist?" still have

to be explored. If we acknowledge feminism as spatial politics, then bodily experiences can not be excluded from the discourse. In this paper, an effort was made to avoid amplify bodily experiences to establish a methodology which bridges the differences not only of gender but also of race, class and culture. An attempt was also made to show how bodily experiences can be developed as a powerful tool in the process of both perceiving and conceiving space. Finally, the paper concluded with a proposal for a collective project of laughing, which like the project of travelling, may help us to subvert the symbolic superiority of the patriarchal capitalism which originated in a stereotype of male bodies.

Endnotes

¹I visited the Yami 17 years ago. Most of the observations and interpretations of their lives in this paper were updated by my friend, Yoson Fu, who recently worked on a housing project on Lanyu Island. Through our long distance phone conversations about this project, I was inspired by Fu's vivid interpretations through bodily spatial experiences.

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ERIC M. FUNG is currently completing his master's degree in the Department of Urban Planning at UCLA. He is also architect practicing in Los Angeles area. His area of interest focuses on the social and cultural meanings of urban space. An earlier version of this paper was presented for the class "Great Planning Debate: Gender and Planning" taught by Leonie Sandercock in Spring 1996.

The first part of the book is devoted to a discussion of the nature of the problem. It is shown that the problem is a special case of a more general one, and that the solution can be found by using the method of Lagrange multipliers. The second part of the book is devoted to a discussion of the method of Lagrange multipliers. It is shown that this method can be used to find the maximum and minimum values of a function subject to a constraint. The third part of the book is devoted to a discussion of the method of Lagrange multipliers. It is shown that this method can be used to find the maximum and minimum values of a function subject to a constraint.

Conclusion

The method of Lagrange multipliers is a powerful tool for finding the maximum and minimum values of a function subject to a constraint. It is shown that this method can be used to find the maximum and minimum values of a function subject to a constraint. The method of Lagrange multipliers is a powerful tool for finding the maximum and minimum values of a function subject to a constraint. It is shown that this method can be used to find the maximum and minimum values of a function subject to a constraint.

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INTERCAMBIO DE SABERES: LEARNING FROM THE BARRIO OF PUENTE PIEDRA, LIMA, PERU

Corina Villacorta

It is winter in Lima. The cold weather engulfs the Peruvian capital and the peripheral *barrios* are even colder because of the humid sand and the chilly wind. People living in Puente Piedra, a barrio located in the north of the city, settled here fifteen to twenty years ago from different parts of the country. Others have arrived as recently as three to five years ago. Prior to migrating to the capital city, many of the residents were *campesinos* (peasants). About a third of the community came from Andean villages and their native language is Quechua. Most men are bilingual but a great number of women have difficulty expressing themselves in Spanish. Hence, men predominantly assume the leadership and official relations of the barrio with outside agencies. Although women and youngsters are left underrep-

resented in the formal structure of the barrio, all residents of Puente Piedra frequently participate in informal gatherings to discuss their particular interests and to undertake different types of projects to ameliorate their living conditions. The urban infrastructure is very poor, and one of the most pressing issues is related to water availability. I first visited Puente Piedra in 1983 when working for a nonprofit, non-governmental organization that brought technical and financial support to this barrio community.

I worked closely with the residents of Puente Piedra for more than two years, visiting the barrio five days a week including Saturdays and Sundays. From my earliest visits, I was struck by how the residents lived and struggled in their barrio with joy and hope. Most community meetings were held

during the weekend because people usually did not work on those days and therefore could attend the meetings. The general assembly of *vecinos* (neighbors) provided a collective space for information, discussion, analysis, and decision-making. Although such an assembly was the formal setting for community organization, it soon became obvious that it was an unequal forum where many women were marginalized by societal and linguistic barriers.

Since my role in Puente Piedra was to assist barrio residents in preparing a community plan, it was imperative for me to facilitate as much participation as possible and to make the process representative of the needs and interests of all members of the community. I met with the residents in formal meetings. But I also visited them individually in their respective homes since formal meetings were not always the best avenue for learning about the residents' everyday lives and concerns. At first, my questions were focused on learning more about the people. I wanted to know about their interests and concerns, their personal and collective experiences in their struggle to improve their lives, and also the ideas they had about working together. Speaking some Quechua helped me to make a direct contact with the many residents who were not bilingual. My ability to communicate with everybody was the key to understanding the

problematic of the barrio. Moreover, it helped us all to develop a mutual sense of trust. I shared with them information about myself, both as a person and as a planner. I expressed my willingness and excitement to support them in their endeavors, but I also emphasized that through the planning process, I would learn from and with them. Working together is *un intercambio de saberes* (exchange of knowledges). As people started opening their hearts and acknowledging the importance of working collectively, I felt hopeful too.

I kept a *diario de campo* (field journal) of my meetings and visits in Puente Piedra. In my journal, I regularly recorded notes of meetings, notes about people with whom I had spoken, and interesting quotations that people said about themselves and their barrio. I took notes on the dynamics of the relationships that I observed, as well as those that I sometimes had to mediate. My journal was a continuous means to define and re-define my actions and reflections as a social planner. Often times, I found that my journal notes portrayed a more satisfying perspective of my observations of and interactions with the residents than any of the official forms required by the NGO. I wrote down my own thoughts about what was going on in this barrio, in the city, in my country. I also let my own feelings run through the pages -- noting my enthusiasm when more

people began to break their silence and started expressing themselves, as well as my frustrations with the government agents.

As residents of Puente Piedra struggled to solve their water services problem, the government agents proved to be very bureaucratic and unsympathetic. They argued that they did not have any resources to provide assistance with the preliminary technical design for the reservoir and pipe system. Through long discussions with the leaders of Puente Piedra, I soon realized that the collaboration between government agencies and barrio residents has always been uneasy. "This is typical", explained one leader, "it has always been like that. . ." I worked with the barrio residents to map out the past and present behaviors of the bureaucracy, and soon it became clear that we could expect very little collaboration and support from governmental representatives. As another leader concluded, "We have to rely on our force and capability."

In meetings with both male leaders and female residents, we decided to organize some fund-raising activities in order to collect the necessary money to directly hire an engineer. Working closely with an accountant living in the barrio, we trained a group of people on how to organize fund-raising activities. My contribution as a planner was to identify potential resources both within and outside the community and, of course, to pool them together. Aware of the necessity

for social sustainability, I taught people from the community how to establish these contacts by themselves. I shared my skills with them and all together we created a learning environment where residents soon drafted proposals and negotiated with government and private agencies. I also learned from the residents as they instructed me on the existing conditions within and outside the community. They taught me barrio-analysis and networking. They refined my interview skills by providing more accurate words and more perceptive questions while pointing me towards strategic informants. We learned from each other; we exchanged skills and knowledges.

We learned together as the process of securing better resources for the barrio slowly evolved. Collectively, we prepared for every action. At the beginning, I sometimes acted as the facilitator of the meetings but very soon, they increasingly were led by residents, not only formal leaders. My first priority was to make sure that everybody fully participated. This was not an easy task because two male leaders held the power and were insensitive to women's participation. At first, nobody paid much attention to the Quechua-speaking women. Despite their silence and inability to communicate, these women had a lot to say since they had developed a special sense of observation. I suggested to the assembly that they chose a person to translate from Quechua to Spanish and

back to Quechua. They rapidly selected a bilingual woman who translated all the meetings. Unexpectedly, this role changed her completely, and as her self-esteem went up she became a very active leader. As a result, many Quechua-speaking women started speaking and participating even more, finally feeling liberated and acknowledged. Their opinions and suggestions were taken in consideration. Their voices were heard.

Through our multiple queries to different organizations, governmental agencies and private firms, we finally found an engineer willing to prepare the design of the proposed water system at a reasonable and affordable cost. Holding a set of plans in our hands, we then proceeded to request the necessary permit from the local municipality. But the permission was not so easily granted for another party claimed access to the water. A rich *empresario* (businessman) who owned a large amount of agricultural fields adjacent to Puente Piedra actually demanded access to the existing water reservoir located in Puente Piedra. Not only was he a powerful businessman who owned agricultural fields and food processing factories all over Lima, but he had also cultivated strong connections with both local police and government officials. One Quechua-speaking woman warned us that we would have to be very careful in dealing with this man. Many

women of Puente Piedra worked in his fields earning seven dollars for a six day week.

In doing more research on water allocation, we discovered that the reservoir was actually designated for five communities in the immediate area. Some colleagues working at the Metropolitan Municipality of Lima explained to me that water resources were reallocated a few years earlier when district municipalities took control over the peripheral territories. Although the original allocation of water resources did not include the agricultural fields of the rich *empresario*, local planning officials in charge of the management and distribution of water resources changed the original allocation schedule to privilege or legitimize the demands of the *empresario*. And as it stood at the time, it seemed likely that water would irrigate his fields rather than flow to residences in Puente Piedra. A special committee was set up to contact leaders from the other four communities and to prepare a joint plan of action to be approved later during a general assembly. Collectively, the five barrios prepared a detailed analysis of land and water distribution in *El Cono Norte*, the northern part of the city. It became fairly obvious that those who had major holdings of land also had most of the water resources.

Instead of being discouraged, we appreciated *la coyuntura* (the political momentum). Municipal elections were scheduled to

be held in six months and candidates began campaigning in the barrios. Most of the people living in the five barrios agreed that we should take advantage of this situation. We discussed different alternatives and decided to put forward a formal petition to acquire the construction permit. The residents of the five barrios decided that circulating a petition was the best strategy for ensuring that their water concerns would be inscribed on the political agenda and that electoral promises would survive election day. Subcommittees were set up to execute specific tasks related to our common goal to gain access to water resources while minimizing governmental and *empresario* power. Different actions were undertaken, and every month representatives from all the subcommittees assembled together to review the process, share experiences, socialize, and discuss the lessons learned.

A year and a half later the five communities received the permit from the Municipality. A strong feeling of satisfaction and happiness is blooming in the barrios. Everybody was ecstatic. A big *fiesta* was organized both to celebrate our collective victory and raise money to acquire the pipes that would bring water from the collective reservoir to individual houses. Meanwhile, the *empresario* also got a permit allowing him to have access to Puente Piedra's reservoir two days a week. But the people of Puente

Piedra vowed to keep working together to manage and monitor water allocation.

The structural inequality in the city is a sinister fact. I learned that my role as a planner in reversing this situation was very limited. But working with the people of Puente Piedra, I also learned that collective involvement is the main requisite to improve inadequate living conditions. And I learned a great deal about the joy, wisdom and hope of people living in the barrios.

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...the first step in the process of critical planning is to identify the key objectives of the organization. This involves a thorough analysis of the organization's mission, vision, and values, as well as an understanding of the external environment. Once the objectives are identified, the next step is to develop a strategic plan that outlines the organization's long-term goals and the actions required to achieve them. This plan should be flexible and adaptable, allowing for changes in the external environment. Finally, the organization should implement the plan and monitor its progress, making adjustments as needed.

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REFLECTIONS ON A CRUMBLING WORLD VIEW

Amy Shimson-Santo

As the pillars of the planners world view slowly crumble, so the search begins for a new scaffolding for the future (Harvey 1979: 229).

*Los procesos sociales tienen un ritmo propio, a veces difícil de interpretar a través del solo discurso*¹ (Castaneda 1987: 5).

Critical theory does more than reflect on reality. Good theory evokes our historical memory and ignites our imaginations. Last fall, David Harvey's trope about a "crumbling ideology" sent me back in time ten years to a haunting place called *Tlateloclo*. Long before I was seduced by the field of urban planning, Tlateloclo taught me that public spaces can immortalize the exploding

consciousness of a nation. Tlateloclo's landscape was a vivid canvas exposing the brush strokes of Mexican urban history. From ancient societies, through colonization and industrialization, Tlateloclo had been transformed into a patchwork of floundering ideas. A collage of struggle and defeat juxtaposed in time and space. One epoch's "plans" were literally erected on top of the ruins of the past, but, despite failed attempts to conceal it, the past resiliently peeked through around the edges.

Over the years, Tlateloclo has meant many things to many people. Back in the sixth or seventh centuries, this land was populated by Teotihuacan peoples. Hundreds of years later, perturbed by the evolution of Tlateloclo, archeologist Francisco Gonzalez Rul wrote that "as the new Spanish city [was]

erected upon the razed remains of Tenochtitlan. . . Tlateloclo lost more and more of its importance until it became a dirty and unattractive suburb" (Rul cited in Pani 1955: 60). Rul projected his modernist vision for rebuilding Tlateloclo with unabashed arrogance: "Today, like the old gods, technicians are going to create a new Cosmogonic Sun with the buried remains of the past and the blood of the new nation" (Rul cited in Pani 1955: 60). But Rul and his colleagues did not predict the tragedy that was to revisit Mexico City. By October 2, 1968, the Diaz-Ordaz administration massacred several hundred Mexican citizens in Colonia Tlateloclo. Testimonies claim that guns were fired for hours on end; that the bodies of the dead were burned; that thousands of others were jailed. In his poem "Tlateloclo," Tim Reynolds described the scene following the massacre as a "summit of terror, you encounter here only a dry as dustness, no sign of life" (Reynolds 1970: 5).

I visited Tlateloclo in 1986-87 as a foreign student at Universidad Autonoma de Mexico (UNAM). The recent earthquake had exposed the failure of the Mexican Revolution and modern industrial dreams to adequately address working people's needs. Buildings crumbled. Poor people were left homeless as the ground quivered unsteadily and tore open the seams of Tlateloclo's tumultuous past. Indigenous ruins were eclipsed by a Catholic church surrounded by

high rise apartments — all of which were falling down in disarray. None of these overlapping societies had been able to control the future to their own satisfaction.

A monument, in honor of Mexico's "new" Mestizo identity, still stood in the plaza facing the church. A national identity modeled from the clay of conquest and colonization. A hodgepodge of dreams, buildings, and *cielo*;² the monument's words tells one story, and the built environment tells quite another. But the openness of the space does not lie. It simply paints the portrait of Mexico's multicultural identity in a bloody red tint.

Nearly twenty years after the 1968 massacre a new student movement was gaining momentum and Tlateloclo was to play an important part in its efforts. Motivated by the desire for accessible higher education, students organized against university policies designed to dramatically increase tuition and therefore effectively deny lower class students from pursuing a university education. Months of mobilizations culminated in a dramatic march connecting Tlateloclo's plaza to the Zócalo -- Mexico City's largest public plaza adjacent to the National Palace -- symbolically connecting the struggle of many generations of people over access and control. Students from public high schools and universities, parents holding placards reading: "*hijo escucha, su madre esta en la lucha*,"³ and laborers carrying banners rejoiced in solidarity. An impassioned crowd

carrying banners honoring the coalition *obrero/estudiantil*⁴ filled the streets. Tlateloclo was chosen as the starting point of the march for it represented an act of remembrance of those killed in the 1968 massacre as well as an act of bravery in the face of possible future repression. Thousands of people danced and sang their messages in public until the sky became dark. One professor, who had marched as a student in 1968, was impressed that students of the 1980s had involved more people than the sixties bunch; for the plaza seemed fuller to him than it had twenty years before. It was as if we had honored the dead properly; with revived enthusiasm for social justice.

As the manifestation ended, this historic explosion of unified human potential in action was dispersed out into the streets and subways of the nation's capital. It took but a few moments for the PRI's janitorial crew to paint over the red dripping messages people had painted on the walls of the palace.⁵ Activists went home and rapidly, everything was tidied up. The moment became a memory. A memorable show of strength. A memory inscribed into our *cerebros y seres para siempre*.⁶

As I reflect back, it was Harvey's language -- his choice of adjectives, his trope equating a decaying building with a state of mind -- that dusted off the cobwebs in my brain and made me remember Tlateloclo. Thinking about these memories showed me

that stories are imbedded in space. In 1987, Mexican student activists used the symbolic significance of space to invigorate their efforts. Students took over school buildings claiming ownership over their own education. Marches revisited places of cultural density -- like Tlateloclo -- and reshuffled the collective consciousness of these places. In retrospect, I am thankful for theory. But, we all know that ideas alone cannot build an adequate "scaffolding for the future." Critical thinking must be linked to brave, intelligent, and poetic action in order to make dramatic and memorable differences.

Endnotes

¹Social processes have their own rhythm, difficult to interpret through a singular a singular discourse (Castaneda 1987:5).

²Sky.

³Child listen, your mother is in the struggle.

⁴Labor/student body.

⁵PRI: Institutional Revolutionary Party.

⁶Minds and being forever.

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REFLECTIONS ON A CRUMBLING WORLD VIEW / Shimson - Santo

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WHERE TRAFFIC AND MEMORIES CROSS

Evening traffic in the city was exasperating, so slow that bumpers touched each other and bits of conversation and radio talk escaped through open windows and invaded neighboring cars. I had just bought my car, so I knew it would not overheat in the wait as previous cars of mine had recently done. So it was that in between spurts I had advanced to one of the busiest intersections in the city. The city within the city.

As I waited immobilized by rush hour traffic, it wasn't the big Ferris wheel or the carousel lights which caught my eye. This was rather strange, for colorful neon lights against a dark backdrop have a unequivocal mesmerizing quality. Instead, it was the frozen figure of a man who captured my attention. He stood, transfixed, looking through the chainlink fence into the sea of flickering moving lights -- not

moving, or twitching, calmly standing on the sidewalk staring straight ahead into the future and into the past. He was holding a plastic bag with one hand, his other arm left simply dangling, the hooded sweatshirt falling a bit off his shoulders.

As I sat in my car lost in thought looking at the man, looking at the simulated country fair, music and laughter distracted me and forced me to tear my eyes away and search for its source. I traced the musical source to a car stopped next to mine. Two young women were laughing and talking loudly, white teeth framed by red lips, whilst their radio spewed some romantic ballad sung in Spanish. I could not make out the lyrics but the male singer was most likely promising eternal love to a woman -- all those ballads have the same tone and message.

When I looked back to the sidewalk, searching again for the obscure figure, people had gathered around a bus stop bench -- all brown faces holding plastic bags and parcels; tired, haggard, expectant faces lost in the dread of the daily routine. Now and then someone would take a few steps to the edge of the sidewalk and extended their neck to see if the bus was emerging from the traffic lines. Others, patiently waiting, would look at the twirling electrical seats and at the round and round of the carrousel horses which sported a few children on their backs. The children had the biggest smiles on their faces as they went merry-go-round, merry-go-round.

I gazed over the entire scene and no longer seeing him, believed the man had gone. Impatiently, I shifted gears waiting for the traffic light to change and for the cars in front of me to advance, even a meager inch, just enough to get the feeling that we were finally moving. As I moved forward in the next bout of activity, the mysterious man suddenly became visible again, partially hidden behind a young tree, his stance had remained the same: still transfixed by something far, far away, as if pulled by a strong memory.

I suddenly felt the warmth of my mother's hand squeeze mine as she zig-zagged through a crowd of people who seemed to have no particular destination in mind. My sister and I ate a corn-on-the-cob lollipop: a corn covered with mayonnaise,

smothered with a dry, Parmesan-like cheese, sprinkled with lemon drops or hot pepper flakes, and held in place by a bamboo stick long enough to allow the eater not to grab the spicy corn. We quickly engulfed the corn and took a ride on the carousel, both fighting to find the most handsome horse on the lot. My mother patiently stood by the side and waved at us every time we came around her side as music flowed from speakers underneath the carousel's tent. She seemed to enjoy herself just watching us go round and round, whooshing past her in one ride or another, engrossed and watchful over our actions. I never understood why she did not want to join in such fun.

The carnival came once a year to every town, no matter how big or small, in celebration of the local patron saint. Since we lived in the second largest city in the country, our fair was more elaborate, with more rides and attractions than a more modest town could draw. My mother took us to the fair twice during its usual one week stay in town. First, just my sister and I went, and then we went a second time with our cousins. I loved this arrangement because my second time around was usually my cousins' first and this meant I could guide them to the best food stands and to the fastest rides.

I loved the carnival. Maybe this was because my father never joined us and all the indulgences my mother allowed us seemed all the more permissive in his ab-

sence. Beside the veil of conspiracy between the three of us, I loved the combination of colorful lights against the dark sky, people walking around wearing smiles, the smell of fried and sweet foods wafting through the air, and the renewed contentment of eating certain things only once a year: the sweet roasted and covered peanuts, *salchichas alemanas* -- white sausages for hot-dogs -- cotton candy, and the corn lollipops of course. The all you could eat was rivaled only by the all you could see: the marvelous, festive lights against the setting sun. But the wonderful sweet world of the fair masked the more immediate world: drunkards sleeping underneath the trees of the fairgrounds, the beggars' faces distorted by dirt, dust and shame and the legion of pick pockets ready to pounce on the most innocent victims: cheerful children with pink ticket in hand, waiting so patiently in line to get on the next exciting ride.

Unconsciously, I shifted gears again and the jolt of my car brought me back to the City of Angels. I had traveled back to LA from a forsaken, war torn Central American country. Once again I found myself in the pulsing heart of the biggest manufacturing center of the biggest country in this big wide world. Incongruous realities, folding space and time.

The lights have not changed, they still hold the same enchanting quality. Only the setting is different. . . but not really. The

brown faces, the squalor of the grounds, the chain link fence marking the limits, the drunks standing in corners and behind trees, the robbers and pickpockets are all here. The motives may be different, the players may change. Fifteen years ago there were no corner drug transactions in my childhood home. We had clandestine transactions of another sort: meetings in university classrooms, in adobe houses under thatched roofs, actions planned inside cardboard houses. Now we are all here, transplanted from another place, sharing and not sharing, escaping the same space, just like we did over there, in our small homeland.

When I finally crossed the intersection, it dawned on me that the transfixed man knew all of this. He has lived it as I have. He remembered the same reality in another place and time, what else could have kept him so still, so transfixed. I looked in my rear-view mirror and caught one last glance at the Ferris wheel lights twirling against the dark sky, the tall buildings of multinational corporations and banks looming ever present and powerful on the Los Angeles horizon.

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POEMS: DIVIDED WE STAND and WESTSIDE SHANGRI-LA

Michael Sonksen

DIVIDED WE STAND

On the eastside near the concrete river
Daybreak begins with many people on the street
Standing and waiting for the MTA
Embarking on a journey for minimal pay
Riding west with the sun to daylight
Income levels fluctuate from Hancock Park to Boyle Heights
Downtrodden masses of the new urban industrial order
Proliferate as immigration spills over the border
As tenement fires burn the midnight oil
Pico-Union's pool of underclass seeking low-wage labor
expands as network recruitment allows easy-entry.
Ethnic niches are as elementary as K-Town
Demographic segregation is no joke
Economic restructuring like urban renewal
Transforms Bunker Hill and/or Chavez Ravine

POEMS / S o n k s e n

Skyscrapers mount lots once used for public housing
Recreated into vertical shopping centers
Wasn't there a street called Cinnabar?
Corporate culture has reached critical mass
A reality rooted in instant gratification
While postindustrial technology increases specialization
Topography assists in residential dispersion
Maintaining the disjunct mosaic across Wilshire.

Poly-nucleated in a grand organism
Realized as the ultimate capitalism
Amalgamating the Fragmented Metropolis
Suburban dreams facilitate low-density development
Where growth regulations can be strictly enforced
As homeowners cry "Not in my backyard!"
Other grassroots groups struggle for community
Residential displacement built the freeway of the Century
Slicing through historic "hoods"
"It's only Watts and Inglewood"
Ruthless revenue through parking enforcement
Permits from district six exempt
High-tech security like the Bel Air Patrol
Protect affluence from "undesirables"
Reinforcing the vibes which are made so clear
Caution: you are not wanted here!
Unless of course you do domestic work
Polarization extends from east to west
In socio-economics and ethnic unrest
Chaos prevails in the sunshine land
These are the divisions in which we stand.

WESTSIDE SHANGRI-LA

Fast women and cars on the Sunset Strip
 Dining outdoors in a strapless slip
 Enjoying the cuisine of Wolfgang Puck
 Tiny portions cost twenty buck\$.

Jogging San Vicente in the early morn
 Bagels and smoothies have become the norm
 Designer sweat suits with the NIKE AIR
 Versace, Armani, Guess -- Who cares?

"My cellular is on, Give me a call.
 After my facial, I'll be at the mall."

Gilded youth snort white rails
 Before they hit Bloomingdales
 Middle aged women will never die
 Just like there's no cellulite on their thighs.

"The alimony is late, Did you send it?
 My Visa's maxed, Sport me an ice-blended."

Anything can happen in this pseudo Eden
 Sexy young divas get called back to readings
 Doing all they can to play the part
 A Playboy portfolio might be a start.

"The sun is bright, Pass my shades
 Let's go to Venice, I got rollerblades."

POEMS / S o n k s e n

Tempers rise in the left turn lane
As caffeinated drivers honk in vain
Driving somewhere they may never reach:
A tri-level chateau along the beach.

Thirsting for something to fill the void
The insatiable feeling is never destroyed
Until your hunger makes you a vulture
This is the world of Westside Consumer Culture.

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9:36 BIG BLUE BUS

Josh Polston

A big baby in an asphalt diaper
she belches and whines for a new love.
Her rubber wears away the stone
leaving her own damaged yellow brick road.

For the three teenagers
her back seat is a tableau of Pearl Jam to be lovesexycool.
My friend clutches his groceries,
she'll take those away at the blink of an eye.

Three judges pull the chain
and a bell is heard in the gallery.
She stops. She kneels. An old man slowly climbs aboard
she gives him reason to hold on.

9:36 BIG BLUE BUS / P o l s t o n

Three drifters ride her for only 6 blocks.
They sit solvent-stoned with a dissipated hunters blanket,
conversation turns to desire ending as molars finish off another warm 99 cent
Whopper.

Three of us remain serious-looking as she meets the UCLA turnaround,
I never thought of my fellow students as such a lifeless lot.
39 minutes later she is alone once again,
her transient family fanning out to plant their seed in the desert.

JOSH POLSTON is a first year master's student in the Department of Urban Planning at UCLA. His interests include environmental and transportation issues. When he is not chasing electric wind turbine on his bicycle, he may be found working on sustainable transportation systems.

LOSING CONTROL? SOVEREIGNTY IN AN AGE OF GLOBALIZATION

Saskia Sassen. Columbia University Press, New York. 1996.

L i e t t e G i l b e r t

Saskia Sassen, political economist and Professor of Urban Planning at Columbia University, is internationally known for her extensive research on the global restructuring of capital and labor. For more than a decade, her research work has focused on the dynamics of the new global economy (internationalization of financial markets, services and multinational investments, and the globalization of manufacturing) among and within several global cities, notably New York, London and Tokyo. Sassen's major contributions, *The Mobility of Labor and Capital* (1988), *The Global City* (1991), and *Cities in the World Economy* (1994), provided us with a better understanding of the global practices and local implications that define the new socio-economic order. Sassen has

also examined the socio-spatial inequalities engendered by the new urban order, and her more recent essays in *Public Culture* (1996) and *Re-Presenting the City* (King 1996) have insightfully analyzed the production of a new transnational legal regime that privileges the flows of financial and corporate capital beyond national sovereignty. However, Sassen finds no evidence of a similar transnational regime for labor, which as a result still describes global movement of people in terms of immigration and national control of borders. The coexistence of two different legal/regulatory regimes offers contradictory representations of globalization: the denationalization of markets and firms opposing the renationalization of immigration politics. This contradiction raises important ques-

tions of accountability and governance in the new economic order and opens a new field of inquiry for Sassen.

Losing Control? Sovereignty in the Age of Globalization is the compilation of three lectures presented at the University Seminars at Columbia University on the processes of governance and accountability in the global economy. *Losing Control?* is accordingly organized in three chapters: "The State and the New Geography of Power," "On Economic Citizenship," and "Immigration Tests the New Order." Sassen's basic assumption in *Losing Control?* is that the growth of a global economy and information society has profoundly destabilized institutions fundamental to processes of governance and accountability in the modern nation-state (p. xii). She suggests that the existing political institutions of the modern nation-state (or the old national rules) might no longer be suitable for the new social and economic realities of globalization (or to the new global game). Throughout each chapter, Sassen summarizes the major transformations occurring between global actors and the national institutions. The strength of this small collection of lectures is that Sassen raises a multitude of important questions on the complex interdependence of economic, social and political systems. However, the format of providing only lectures might not provide the best terrain to deliver in-depth answers. *Losing Control?* remains an open question.

But given Sassen's prolific record, it is undoubtedly a valuable first phase of a promising larger project on the topic.

Challenges to national sovereignty with respect to territoriality are examined in the first chapter, "The State and the New Geography of Power." Global flows of capital, goods, information and services materialize in global cities and national territories. Whether these flows contribute to the weakening or the *rapprochement* of nation-states is a matter of perspective, but they unequivocally represent major transformations to the territorial organization of economic activity and politico-economic power. In this chapter, Sassen evaluates three processes of globalization that contribute to a "new geography of power." The first is the emergence of new territoriality in the global economy, i.e. the geographic redistribution of factories, offices and service outlets integrated in a centralized top-level controlled corporate system that have been disproportionately concentrated in the national territories of highly developed countries. The second process is associated with the rise of new legal/regulatory regimes, i.e. the extension of the space economy beyond the regulatory capacity of a single state that has necessitated the creation of legal innovations and changes (deregulation) across borders altering the sovereignty of the state. The last of this process is the inherent virtualization of economic activity, i.e. the increase in economic activi-

ties taking place in electronic space, overriding all existing territorial jurisdiction. Here Sassen concludes that sovereignty and territory "have been reconstituted and partly displaced onto other institutional arenas outside the state and outside the framework of national territory" (p. 28). But the fact that the sovereignty of economic power is being decentralized through a denationalization of norms and conventions across the traditional physical boundaries of the modern nation-state implies the formation of new claims for both the upper and lower circuits of capitalism.

The second chapter, "On Economic Citizenship," looks specifically at the effects of globalization on the formation of new economic claims and rights. In a very brief review of the concept of citizenship, Sassen argues that the notion of modern citizenship "developed out of a particular conjuncture of cultural and structural conditions that may be peculiar to the West" (p. 33) might not be so universal after all. In many states, national membership persistently remains a contentious debate for the rights of differentiated groups (notably aboriginal communities, multicultural groups and national minorities). As we are still debating national inclusion and cohesion, globalization is adding a transnational dimension to the question of citizenship. For example, transnational immigrant mobility within the territory of the European Community "has once again brought to the fore the question

of citizenship in Europe itself, the birthplace of the institution" (p. 35). To address the relationship between economic globalization and citizenship, Sassen draws upon the notion of "economic citizenship" -- a neglected construct in T. H. Marshall's (1950) work on the relationship between civil, political and social rights of modern citizenship to the welfare-state. Defined by the right to economic well-being, Sassen contends that economic citizenship demands accountability from governments for the polarized structure of the global economy. Sassen provocatively argues that this form of "economic citizenship" does presently exist but does not actually belong to citizens or individuals. Rather, it belongs to multinational firms and financial markets and their global power to influence national government policies. Given the largely pro-economic globalization consensus among nation-states, these firms and markets have developed an impressive bundle of *de-facto* rights (deregulation, privatization, etc.). Investment portfolios and corporate merger proposals seem to be the new passports to transnational globality. But if there is a growing consensus among states to lift border controls for the flow of capital, information, and services, there is also a consensus among nation-states to cling to their sovereign rights to control their borders to the flow of migrant workers, immigrants and refugees. In these contradictory tensions between territorialization, sov-

ereignty and citizenship, Sassen finds that immigration provides a crucial nexus in examining "global" governance and accountability.

In "Immigration Tests the New Order," Sassen examines the tensions between the denationalization of economic space and the consensual renationalization of immigration policies. Immigration is a strategic site to study the issues of governance and accountability not only because it has both global and local implications, but also because it is both the means and the outcome of globalization. Immigration has, Sassen writes, "the dual property of being a central object in and a tool for the renationalizing of political discourse and being the object of government policy and practice" (p. 62). Sassen sees immigration as a management problem rather than a crisis. Traditional immigration policy that places exclusive responsibility for the migration process on the individual (and thus making the individual "illegal") fallaciously represents migration as geographically and historically disembodied from complex economic, social, and cultural processes. Yet the persistent tendency to isolate immigration from other national and transnational economic and social processes creates a growing gap between immigration policies' intent and immigration realities. Given a variety of international human rights conventions, the growth in the num-

ber of political actors involved in domestic policies, and the increasing demand of federal accountability by lower levels of governments (as in the case of the State of California's \$377-million-dollar lawsuit against the federal government), national control over immigration is not absolute. As a consequence of most states promoting border-free economic spaces yet intensifying border control to keep some immigrants and refugees out, Sassen optimistically sees the rise of an international human rights regime with the potential to erode the exclusive legitimacy of the nation-state and to transform the international legal order. Sassen defends the 1990 International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families adopted by the General Assembly of the United Nations in 1990 as one of the most important steps to legitimate transnational labor. Such international agreements might help to bring accountability to the new global citizen, however this remains conditional to nation-states paying their global dues.

Losing Control? would benefit from more localized analyses and, of course, Los Angeles (which has traditionally been in Sassen's blind spot) with its multiplicity of economies and cultures would provide a fertile terrain of research to investigate the complex linkages that bind social, economic and political processes.

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The Editors of *Critical Planning*
would like to acknowledge the support of alumni
who have made a vital financial contribution to this
issue.

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C R I T I C A L P L A N N I N G

Volume 5 Spring 1998

CALL FOR PAPERS

Submission Deadline: January 30, 1998

Critical Planning is a student-run journal formed by students of the Department of Urban Planning in 1993. The journal was established to serve as a forum for members of the urban planning and public policy community at UCLA, particularly students, who wish to present current research interests and debate timely issues. We welcome submissions from graduate students, faculty, and alumni.

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1. Submissions should not exceed 20, double-spaced pages. Contributors must submit two hard copy version of the article and one version of the same paper on an IBM formatted computer disk using WordPerfect version 6.0 or higher.
2. All submissions are reviewed by the Editorial Review Board. The author's anonymity will be protected during the review process.
3. The Editorial Review Board evaluates submissions according to the following criteria: clear statement of thesis or objective; relevance of subject matter; clear development of ideas; clear and concise writing.
4. Place the author's name, phone number, e-mail address, and title of submission on the cover sheet. The first text page should contain the title of the article, without the author's name, as a means of identification.
5. Tables, illustrations, and photographs should be titled, numbered, and included separately at the end of the text.
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