

Predatory Equity

THE
SURVIVAL
GUIDE



**MAKING
POLICY
PUBLIC**

EDITORIAL NOTE

Crisis, “Recovery,” and Beyond

Urban restructuring is an integral part of the crisis-induced reorganization of capital and labor.

-Soja, Morales, and Wolff, “Urban Restructuring: An Analysis of Social and Spatial Change in Los Angeles”

We began conceptualizing this sixteenth volume of *Critical Planning* at an “exceptionally uncertain” time at the peak of the financial crisis last autumn¹—when the burst of the housing bubble and the collapse of the subprime mortgage industry in the United States were sending shockwaves through markets and societies around the world. While new homeowners in Florida and California were defaulting on their adjustable-rate mortgages, guarantors, banks, and insurance corporations in New York and London were falling bankrupt or being nationalized. As stock markets plunged and unemployment rates rose, we braced ourselves for the greatest global economic downturn since the 1940s.² What did this crisis mean for urbanization, urban studies, and urban planning? Did it bring into question the kind of neoliberal policies widely practiced since the 1970s? Were we on the cusp of a new era of restructuring and if so, what might this new era consist of?

We turned to Soja, Morales, and Wolff’s seminal article, “Urban Restructuring: An Analysis of Social and Spatial Change in Los Angeles” (1983), for a method to interpret these emerging changes. Written following the 1970s crises and amidst the post-Fordist industrial restructuring of Los Angeles, the article conceptualizes urban restructuring as:

. . . active struggle and conflict under conditions of crisis, with no predetermined outcome. The struggle and competition is not only between capital and labor, but it is occurring between different fractions of capital, different segments of the working class, and in association with often incompatible functions of the state. Moreover, there will be unique locationally specific conditions which filter the effects of these tendencies in particular urban regions, contributing to their uneven development over time and space. (Soja, Morales, and Wolff 1983, 206)

In line with this perspective, our aim with volume 16 is to explore the ways in which crisis-induced struggles between capital and labor are playing out on the ground in different places around the world—amidst specific configurations of political-economic relations, socio-spatial dynamics, and collective imaginations. We add to this our understanding of urban restructuring as dialectical, consisting both of a crisis-induced *process*, but also of the *actions* of collective and individual agents as they struggle to determine this process. Finally, while our impetus for this volume grew out of our experiences in *Critical Planning*’s home base of Los Angeles,³

the authors of volume 16's articles each interpret our call for papers distinctly according to their specific research topic, methodology, and locale. The result is a truly global volume, with articles that extend, critique, and reconstruct the concept of urban restructuring from diverse disciplinary and theoretical perspectives and in a range of empirical and historical contexts.

Volume 16 begins by introducing the winning article of our second Edward W. Soja Prize for Critical Thinking in Urban and Regional Research, "Outside Endopolis: Notes from Contra Costa County." **Alex Schafran**, a doctoral candidate in city and regional planning at the University of California, Berkeley, crafts a sophisticated "remix" of Soja's "Inside Exopolis: Scenes from Orange County" (1992), substituting Contra Costa County in northern California for the now famous "OC" in southern California. Taking Soja's concept of *exopolis* as a point of departure, Schafran develops his concept of *endopolis* as the sociocultural bubble from within which writers and journalists imagine, analyze, and portray the metropolis. Comparing recent demographic changes in Contra Costa with the ways in which these changes have been represented in the literature, "Outside Endopolis" reminds us that while urban restructuring is one kind of struggle taking place in urban space, the ways in which it is envisioned and discussed in the media may constitute another one entirely.

Next, we are very fortunate to feature an interdisciplinary conversation among five scholars that wrestles with the urgent issue of how to interpret the current crisis and project its outcomes, "Urban Restructuring and the Crisis: A Symposium." **Neil Brenner, John Friedmann, Margit Mayer, Allen J. Scott, and Edward W. Soja** joined us for this e-mail symposium

to discuss the origins of urban restructuring theories; the crisis and its implications for city-regions; and future challenges and opportunities for planning, policy, and action. *Critical Planning* is most grateful to the participants for their truly insightful responses. Special thanks are due to John Friedmann, Allen Scott, and Ed Soja for their advice at various points, as well as to editorial board member Konstantina Soureli for skillfully coordinating this project.

From here we proceed to a much-anticipated article and one of volume 16's conceptual anchors, **Neil Brenner's** "Restructuring, Rescaling, and the Urban Question." Whereas the debates of the 1980s probed various meanings of the ongoing processes of restructuring, Brenner asks us, "how precisely, are these constantly churning spaces of restructuring to be conceptualized" (Brenner 2009, 57)? To understand the spatial aspects of restructuring, he deftly traces the theoretical evolution of the concept of *scale*, from Lefebvre's work on the simultaneous "implosion-explosion" dynamic (1996 [1968]), to Castells' empirical research on "the urban question" (1977), and Saunders' subsequent critique (1986). He adds to this genealogy the concept of *rescaling*, put forth together with eight explanatory propositions, as a strategy for reconceptualizing sociospatial processes that reach across different scales.

The balance of the volume is devoted to six articles selected through *Critical Planning's* double-blind peer review process, reflecting a wide range of interpretations of urban restructuring as it manifests itself in specific contexts around the world. In an innovative application of the concept of scale to postwar urban governance in the global South, **Daniel E. Esser** argues that studies of politics in Freetown, Sierra

Leone and Kabul, Afghanistan demand a multiscalar theoretical approach, as exogenous actors—such as international donors and NGOs—have greater power over “local” political outcomes than do endogenous actors. **Deljana Iossifova** thoughtfully combines theories of scale with ethnography as she tells the stories of two displaced residents of a neighborhood undergoing redevelopment in Shanghai, forming the concepts of *macro* and *micro gentrification*. In a second contribution on restructuring in the same city, **Sheng Zhong** offers a very different interpretation as she analyzes state-society relations and planning practices in China through the history of the formation of the M50 art district. Moving on to Toronto, **Ute Lehrer and Thorben Wieditz** deepen the literature on gentrification as a specific form of urban restructuring, as they recount the evolving struggle over the transformation of the Studio District, an inner-city industrial employment area. Turning the discussion to post-Fordist, neoliberal urbanization strategies, **Deike Peters** teases out the manifold goals of “urban renaissance” agendas through a comparison of rail station redevelopment mega-projects in Berlin, London, and New York. Finally, linking two other aspects of post-Fordist restructuring, **Shomon Shamsuddin** envisions a strategy for labor activism in Bangladesh, arguing that low-cost mobile phones offer garment factory workers a means to organize against exploitative working conditions.

Volume 16 concludes with three short review essays by UCLA doctoral students that shed light on the integral relationship between urban restructuring and planning: **Jennifer Goldstein** offers a critical perspective on planned, continuously productive spaces for urban agriculture; **David R. Mason** reviews the promised benefits of decentralization in

planning through case studies in the global South; and **Maureen Purtil** calls for a critical race analysis in urban planning in her essay describing the evolution of critical race studies at UCLA’s School of Public Affairs.

This volume would not have been possible without the enthusiasm and commitment of the *Critical Planning* staff, advisors, editorial board, dozens of volunteers, and supporters. A special note of thanks goes to our core staff, Ava Bromberg, Stephen Brumbaugh, Morgan Chee, Fallon James, and Chandini Singh, for their daily work keeping the journal’s administration, design, development, and production running throughout the year. Professors John Friedmann, Allen Scott, and Edward Soja offered invaluable formative advice and suggestions to guide the conceptualization of the volume. Our five editorial board members, Charisma Acey, Stephen Brumbaugh, Naji Makarem, Deirdre Pfeiffer, and Konstantina Soureli, devoted numerous hours to advising, working with individual authors, editing, and attending meetings. At the same time, our new marketing committee labored tirelessly to publicize and fundraise for the journal. This year also marks the first time we organized two workshops to train students across the School in journal design, layout, and copyediting, and we are especially grateful to the instructors for their efforts planning and leading the sessions. Finally, we extend our sincere appreciation to the UCLA Graduate Students Association, the Dean’s Office in the School of Public Affairs, the Lewis Center for Regional Policy Studies, and the Urban Planning Department for generously funding and supporting the journal. Thanks to all of your dedication, *Critical Planning* continues to thrive and grow as an extraordinary forum for emerging, critical scholarship on issues facing cities and regions.

While volume 16 grapples with interpreting the relationship between the recent crisis and urban restructuring, I will close with some thoughts on what may be a possible next step. As economists, politicians, and the media begin talking of “green shoots”⁴ in emerging markets and “restoring the financial sector”⁵ in advanced economies, we, as urban scholars and planners, must ask ourselves whether we are satisfied with the promises of “recovery”—if such a recovery means simply returning to the same ways in which global capital has been produced and accumulated over the last three decades, unevenly building up, breaking down, and restructuring urban space. We urge you to consider this question as you read the following articles, commentaries, and reviews spotlighting the local impacts of urban restructuring around the world: displaced residents in Shanghai, factory worker exploitation in Dhaka, employment district gentrification in Toronto, or neoliberal urban imaginaries in Contra Costa County. We invite you to rethink the recent struggles between capital and labor in urban space and to seek further conceptual and practical tactics for moving beyond mere “recovery,” wherever you are, from the ground up.

Elise Youn

Lead Photograph

Predatory Equity, *The Survival Guide* foldout poster (Making Policy Public #3), the Center for Urban Pedagogy, 2009. Photograph by Prudence Katze.

Notes

¹ International Monetary Fund, *World Economic Outlook October 2008: Financial Stress, Downturns, and Recoveries*, Washington, DC: International Monetary Fund, 2008, xv. Available from <http://www.imf.org/external/pubs/ft/weo/2008/02/pdf/text.pdf> (accessed October 2008).

² International Monetary Fund, *World Economic Outlook April 2009: Crisis and Recovery*, Washington, DC: International Monetary Fund, 2009, xii. Available from <http://www.imf.org/external/pubs/ft/weo/2009/01/pdf/text.pdf> (accessed July 27, 2009).

³ California and Florida alone accounted for 39% of all foreclosures in the United States during the second quarter of 2008. See *Mortgage Bankers Association*, “Delinquencies and Foreclosures Increase in Latest MBA National Delinquency Survey,” September 5, 2008, <http://www.mbaa.org/NewsandMedia/PressCenter/64769.htm> (accessed July 27, 2009).

⁴ Interview with Ben Bernanke, March 15, 2009. See *60 Minutes*, “Ben Bernanke’s Greatest Challenge,” March 15, 2009 (Updated June 4, 2009), <http://www.cbsnews.com/stories/2009/03/06/60minutes/main4862191.shtml?tag=currentVideoInfo;segmentUtilities> (accessed July 27, 2009).

⁵ International Monetary Fund, *World Economic Outlook April 2009: Crisis and Recovery*, Washington, DC: International Monetary Fund, 2009, xiii. Available from <http://www.imf.org/external/pubs/ft/weo/2009/01/pdf/text.pdf> (accessed July 27, 2009).

References

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