Is a Progressive City Possible? Reviving Urban Liberalism for the Twenty-First Century

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INTRODUCTION

The Great Recession has laid bare a deep divide among American cities, a divide that had been masked somewhat by the preceding economic boom. A significant group of cities has gained ground over the last decades in what scholars have dubbed the "urban resurgence."1 In resurging cities, populations have stabilized, property values have been rising, and central city locations have become more desirable (and more expensive) places to live.2 These trends have continued, even as the economy has slowed. At the same time, however, other American cities, and many neighborhoods within improving cities, have continued their decades-long downward spiral, made more severe by the economic crisis.

These countertrends in city fortunes raise important questions for local policymakers who seek to build healthy cities while remaining attentive to economic justice. An initial question is how to reconcile the increasingly stark divide between ascendant cities and poor, left-behind ones. We may celebrate the "city resurgent,"3 but the disparities in city health in America are dramatic. Cities like New York are among the richest places in the world,4 while Camden, New Jersey, laid off its entire police force in the face of budget shortfalls.5 Even seemingly resurgent cities, like Chicago, continue to face severe revenue shortages and have sought to close yawning budget gaps by privatizing or cutting public services.6

A similar transition may be occurring at the metropolitan level. The decline of inner-ring and older suburbs has been well documented, with pov-

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erty and crime rates rising to levels formerly seen only in inner cities.\footnote{See, e.g., BILL LUCY & DAVID PHILLIPS, TOMORROW'S CITIES, TOMORROW'S SUBURBS (2006).} Thus, the urban resurgence may represent a regional “inversion” as wealth moves inward and poverty moves outward.\footnote{See Ehrenhalt, supra note 2, at 3–21.} Re-creation of a European metropolitan model—with poor, minority banlieues on the fringes and rich white enclaves at the center—is no more desirable than the opposite for those concerned about racial and economic inequality. The urban resurgence might merely signal a shift in the geography of poverty.

Progressivism argues for reforms that ameliorate economic inequality. But what does that mean in terms of urban policy? Cities currently operate within a larger political economy that makes it difficult for them to challenge the structure of interlocal inequality. Interlocal tax-base competition, state and national policies that encourage pro-market policies and undercut social welfarist ones, and powerful pro-growth political coalitions that capture resources for developers and business interests all reinforce existing inequalities.

These structural constraints are significant, but they are not immutable. They are underwritten by a particular theory about how city economies work—namely the view that cities are “competing” in a global marketplace for mobile firms and residents, especially mobile talent. The conventional view has been that city efforts to engage in redistribution—to adopt a living wage ordinance, engage in labor-friendly regulation, or provide ample services to the poor—cannot succeed. Cities are constrained in their ability to redistribute by the mobility of residents and capital. A successful city thus needs to pursue business-friendly, growth-oriented policies that attract residents and firms, even if such policies result in increased income inequality.\footnote{See Douglas Rae, Two Cheers for Very Unequal Incomes, in JUSTICE AND THE AMERICAN METROPOLIS 105, 105 (Clarissa Rile Hayward & Todd Swanstrom eds., 2011).}

This view of the city’s “limits”\footnote{See Paul E. Peterson, City Limits (1981).} is based on a kernel of economic truth. But it has also given rise to a conventional wisdom that is hostile to urban policies that seek directly to tackle place-based poverty. Certainly there are constraints on what cities can do, and we should be realistic about them.\footnote{See Richard C. Schragger, Mobile Capital, Local Economic Regulation, and the Democratic City, 123 HARV. L. REV. 482 (2009).} But these constraints are more political than economic. The limits on city power are the product not of “natural” forces but man-made ones.\footnote{See Gerald Frug, City Making: Building Communities Without Building Walls 17–25 (2001).}

Reformist urban theorists have been making this argument with force for some time, so what I say here should be relatively familiar.\footnote{See id.} The recent urban resurgence provides an opportunity, however, to test the assertions of the dominant growth-directed ideology. For if we find that cities are doing
better because they have ceased redistributing from the rich to the poor, then perhaps the dominant view is correct. But I argue that urban success and failure has little to do with local policies that redistribute.\textsuperscript{14} New York’s wealth and Camden’s poverty have not been a function of their respective tax and spend policies. New York’s tax burden is relatively high, and it redistributes through its provision of significant public and welfare services. Camden can barely afford to provide services at all, let alone redistribute in any significant way to its local population. The quasi-libertarian recommendations of hardheaded reformers did not produce New York’s recent success. Nor is Camden’s failure a sign that local rulers failed to follow otherwise good advice.

Part I of this Essay describes the dominant competition paradigm. This account of the city’s political economy generates a policy program aimed at attracting and capturing mobile taxpayers, a program that I argue should be unattractive to progressives. In Part II, I suggest how progressives might counter this set of policy outcomes conceptually—first, by resisting the economic logic of the limited city and, second, by asserting a more egalitarian claim to the city’s (and metropolitan area’s) resources. Here I refer to some recent invocations of “a right to the city,” an assertion that has been at the conceptual forefront of an international movement for urban equality.\textsuperscript{15} Part III discusses some of the policies that might follow from recognizing a public claim on urban or metropolitan-wide resources. Part IV describes the structural political barriers that need to be overcome in order to generate such policies and discusses some features of our current politics that might provide leverage for a revived urban liberalism.

I am not particularly optimistic that such a politics will take hold—the national abandonment of our declining postindustrial cities signals otherwise. This Essay mostly highlights the challenges faced by policymakers in a world in which the concept of the progressive city—while not quite an oxymoron—is deeply fraught. The city cannot address the problem of inequality on its own. But an urban-based national reform movement could do so if the politics of city power were to change substantially. In the meantime, progressives might be able to take some modest steps in the right direction.

I. THE “NEO” PROGRAM

The dominant account of the city’s limitations consists of an economic theory of how cities are constrained and an acceptance of metropolitan-area inequality. The end result is a chastened urban policy that some have called neoliberal and others have called neoconservative. Whatever “neo” label is attached, this set of policies generally privileges private-sector economic


\textsuperscript{15} See, e.g., Edward Soja, \textit{Seeking Spatial Justice} 95–110 (2010).
growth over the provision of public-sector goods and seeks to make cities more competitive in the intermunicipal competition for wealthier people. In cases of cities that are in serious decline, “neo” policymakers advocate reforms that enable and encourage individuals to relocate. That is, they advocate abandonment of places that are past their productive lifespans.

The basic assumption underlying “neo” policies is that cities are competing for regional residents. Unless cities capture and keep rich people, they will experience a declining tax base, increased costs of services, and eventual ruin. Scholars and policymakers have been making this argument for years, and certainly since the 1960s and 1970s when the flight to the suburbs was at its height. As James Buchanan pointed out in a 1971 article, the city needed to attract and keep wealthier resident-taxpayers. He recommended providing amenities that appealed to such residents: “art museums, symphony orchestras, theaters, and parks.”

Douglas Rae has recently made a similar argument about inequality in the city. As he observes, the “healthiest central city economies . . . turn out to have very unequal income structures.”

Rae makes the exact argument that Buchanan made in 1971. “Those of us who want better life chances for low earning households in major cities,” Rae writes, “should set out to increase inequality by attracting and keeping high earners, now greatly underrepresented in central city populations.”

This argument has taken various forms over the last half-century. Buchanan’s emphasis on the provision of urban amenities that appeal to wealthier people has echoes in Richard Florida’s more recent strategies for bringing the “creative class”—young, entrepreneurial intellectuals—into the cities. Creative-class amenities might be different—young hipsters have preferences that do not necessarily align with those of the wealthy or of middle-class suburbanites—but the attraction strategy is identical. In the 1970s, cities tore down blighted areas, built highways into the city, constructed festival marketplaces, and redeveloped the downtown business district in an effort to pull in suburbanites. Those strategies continue, though with an added emphasis on waterfront parks, arts districts, the creation of edgy urban streetscapes, and the repurposing of downtown turn-of-the-century industrial warehouses. The city, on this account, is a consumer good that needs to create a brand that will appeal to a particularly desirable demographic.

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17 Id. at 14.
18 Rae, supra note 9, at 105 (emphasis omitted).
19 Id. at 106.
The mostly unrealized regionalist reform agenda of the last fifty years has been driven by this same impulse: namely, capturing and taxing the wealthy. Regionalism seeks to solve the problem of inequality between city and suburb by bringing the suburbs into the city, either via annexation rules that permit the city to absorb urbanizing areas or via regional governments that can redistribute across local jurisdictions.22 The assumption, here again, is that the city needs to find a way to prevent flight. Regionalism simply moves the borders of the city so that it encompasses those who would have otherwise escaped. Creating the political will to generate a robust regionalism has always been difficult. But the theory is the same: both the amenity and the regionalist policy prescriptions are efforts to address the problem of capital mobility.

According to conventional wisdom, capital mobility means that cities should not engage in redistribution to poor people at all. As Paul Peterson famously argued in his City Limits,23 the city is limited because it cannot risk capital flight by taxing it. If firms and residents are taxed too much, they will simply leave. More importantly, if the city redistributes too much to the poor, it will attract more poor people, further increasing the costs to the city and exacerbating the impulse for the rich to flee.

By this logic, the city would arguably do best by redistributing from those who have limited mobility to those who have greater mobility. A wise city would charge those least able to move (the poor, the elderly, and the working class) to provide amenities for those most able to move (the rich). By reducing welfare-related support and shifting those monies to the downtown business district, or to museums, theaters, and other wealth-attracting amenities, a city could do exactly that.

Indeed, the history of urban renewal and downtown redevelopment through the latter half of the twentieth century can be understood as a variant of this strategy. Downtown redevelopment schemes used slum clearance and blight removal to replace poor minority residents and the businesses that sustained them with higher-income residents and amenities intended to appeal to wealthy suburbanites. More generally, cities systematically redirected capital away from poor neighborhoods to the downtown business district, where it was used to prop up ailing commercial rents or remove unwelcome populations.24 Most of these efforts were unsuccessful in stem-

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22 See Margaret Weir, Coalition Building for Regionalism, in Reflections on Regionalism 127, 127 (Bruce Katz ed., 2000); see also John A. Powell, Addressing Regional Dilemmas for Minority Communities, in Reflections on Regionalism, supra, at 218, 218–22.
23 See Peterson, supra note 10.
ming urban flight. Nevertheless, neighborhoods on the periphery and minority city residents suffered mightily.

The logic of the constrained city that underpins the “neo” program seems to require inequality, at least from the perspective of city policy. Consider local efforts to adopt a living wage ordinance or to engage in labor-friendly regulation or redistribution. As with poor relief, the fact of mobility—this time of business firms—seems to limit the city’s ability to force employers to provide better wages or benefits. Thus, while some mayors have found it fruitful to ally themselves with union efforts to improve working conditions aimed at certain employers, there always seems to be a structural limitation: the threat of business exit. Even progressive mayors go out of their way to be business-friendly, promoting a low-tax, low-regulatory environment.

This dominant economic-development ideology is, as always, based on an attraction strategy. The current face of downtown redevelopment—publicly financed stadiums; the use of eminent domain to clear lands for universities, hospitals, and other large-scale entities; and tax abatements and outright subsidies for business investment—looks similar to the urban redevelopment program that has been pursued since deindustrialization and suburbanization quickened in the 1950s. The pace of interlocal competition for investment seems only to have accelerated. The scale of subsidies is significant—upwards of $80 billion per year. And, as scholars have repeatedly pointed out, there is no evidence that these subsidies are effective in creating jobs or in keeping them.

Cities are caught in seemingly zero-sum interlocal competitions for mobile capital. On the “neo” account, cities should “avoid redistributive policies that target the rich and drive them away.” Similarly, cities should avoid overregulating business and should “be responsive to the needs of developers and entrepreneurs.” City mayors should “fashion a pro-growth coalition.” One way to do this is to “provide the amenities that will attract smart people and then get out of their way.” Finally, government aid

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28 See Yoonsoo Lee, Geographical Redistribution of US Manufacturing and the Role of State Development Policy, 64 J. URB. ECON. 436 (2008); see also Story, supra note 27.
30 See Robert P. Inman, City Prospects, City Policies, in MAKING CITIES WORK, supra note 29, at 1, 17.
31 Id. at 18.
32 Glaeser, supra note 29, at 58.
should not be targeted to particular places—neighborhoods or cities—but rather to individuals so that they can become newly mobile. No government program can stem the tide of spatial decline and therefore “[i]n many cases, people are best served by leaving areas that have passed their period of economic prominence.”

Such a program of deregulatory- and amenity-based “bribes” aimed at mobile taxpayers, coupled with abandonment of the worst-off places, is not particularly attractive to the progressive urban policymaker. Indeed, if the city is limited in the ways that the “neo” program assumes, then the progressive city cannot really exist. The fragmentation of the metropolitan region, the need for property tax-generated revenue, and the interregional and global competition for resources and desirable residents make a progressive policy program virtually impossible. If this is true, then city policymaking in an economically stable city will, at its most ambitious, reflect a corporation-friendly libertarianism. Cities that are not stable and that have few resources will remain dependent on higher-level governments while being slowly denuded of their populations, waiting—presumably—for the economic winds to change.

II. THE RIGHT TO THE CITY

Progressives are correct to resist this view by challenging the economic logic of the limited city and asserting a more egalitarian claim to the city’s (and metropolitan area’s) resources. These two are intertwined. It is undoubtedly true that cities are open economies, structurally limited by the realities of mobile capital—by the possibility, threat, and reality of disinvestment. But that fact alone does not dictate the current distribution of wealth in metropolitan areas: existing political and legal arrangements do much of that work. And those existing political arrangements are open to criticism and reform.

The criticisms are not new. Urban theorists and policymakers have long observed that there is nothing natural or foreordained about a metropolitan area political structure that creates incentives for interlocal competition for mobile firms and taxpayers. While economic growth is and always has been geographically uneven, the fact that poor minorities are more often stuck in poor geographies is a function of political decisions: decisions that reinforce the jurisdictional separation between city and suburb; that make local property-tax wealth the determinant of school quality; or that simply put poor and minority residents out of sight through discriminatory housing, developmental, land-use, and zoning policies. Socio-economic and racial

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33 Id. at 61.
34 See Richard Briffault, Our Localism: Part II—Localism and Legal Theory, 90 COLUM. L. REV. 346, 415–16 (1990); see generally FUG, supra note 12.
exclusion were built into our metropolitan area political arrangements from the start. These arrangements, as Stephen Macedo has recently pointed out, “make all of us into stakeholders in undemocratic exclusion and the perpetuation of inequality.”

The second half of the twentieth century witnessed monumental efforts to dismantle those arrangements, but they have had limited success. After the riots of the sixties and seventies, the Kerner Commission sought to promote an “urban Marshall Plan”—large, sustained federal investments in the city. That plan never materialized. Despite formal legal equality, our metropolitan regions continue to be riven by deep racial and economic divisions. The battles for fair housing, non-discrimination in zoning and lending, and school funding equalization continue. But the surge of post–civil rights anti-poverty and metropolitan reform efforts—in the courts and in the legislatures—have mostly been stalled or abandoned.

Yet there are inklings of a renewed attention to economic inequality, with special focus on the city. In particular, urban theorists and activists have begun to revive the idea of the “right to the city,” adopting the concept from the pioneering French sociologist Henri Lefebvre, and explicitly linking it to international protest efforts like the recent Occupy Wall Street movement. The right to the city has been invoked to challenge the exclusionary developmental processes that have shaped metropolitan areas worldwide. These include segregation, slum clearance and urban renewal, urban decline and the gentrification that has accompanied urban resurgence. Those who invoke the right to the city assert an individual liberty to access urban resources, to have a role in the shaping of urban spaces, to avoid spatial segregation and exclusion, and to be provided with public services that meet basic needs in health, education, and welfare. The right to the city, as some have used it, is also an assertion of a fundamentally public right to certain territories and a resistance to the privatization of urban space.

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30 Id. at 50.
32 See, e.g., David Harvey, Rebel Cities: From the Right to the City to the Urban Revolution 1–25 (2012); Soa, supra note 15, at 6–7.
34 E.g., Harvey, supra note 38, at 163.
36 See, e.g., Don Mitchell, The Right to the City: Social Justice and the Fight for Public Space (2003). One can see immediately how social movements like Occupy Wall Street explicitly make the connection between urban space and inequality. Part of Occupy Wall Street’s aim (to the extent it had definable aims) was to take over an urban space that was otherwise committed to furthering the interests of the financial class in a city increasingly catering to the interests of that class. Occupy’s claim on city space raised the question of who
It is worth saying more about this, for the idea of a claim on the city—a legal entitlement to it—is more than just an affirmative social welfare right. First, the right to the city suggests that individuals have a right not just to the exchange value of land but to its use values as well—not just a claim to the right to buy and sell urban land, build or tear down buildings, or invest capital, but also to enjoy the non-commodifiable goods of the city: the city-created public goods of sociability, society, and community. As influential urbanist David Harvey argues, the right to the city is “far more than a right of individual or group access to the resources that the city embodies . . . it is a collective rather than individual right.” It encompasses the idea that individuals have idiosyncratic, non-monetizable stakes in neighborhoods and in the city as a whole that should be recognized. This entitlement can be operationalized as a right to stable tenure regardless of one’s resources.

Second, the right to the city suggests that individuals should have equal access to those communal processes that create wealth—the city itself being a product of that communal process. Harvey argues that “to claim a right to the city . . . is to claim some kind of shaping power over the processes of urbanization.” Edward Soja elaborates:

Lefebvre saw the normal workings of everyday urban life as generating . . . inequitable and unjust distributions of social resources across the space of the city. Demanding greater access to . . . valued resources by those most disadvantaged by inequitable and unjust geographies defined the struggle to reclaim the manifold rights to the city. The aim, at least from the liberal egalitarian point of view, is to gain greater control over the forces shaping urban space . . . to reclaim democracy from those who have been using it to maintain their advantaged positions.

This is an important point: the right to the city is a claim to appropriate democratic control over the political and social processes that constitute urbanization. Those asserting a right to the city argue that the city’s value has a collective dimension and that its fruits should be more widely distributed. Some theorists, writing from within a Marxist tradition, invoke the idea by way of challenging the existing capitalist order. But the right to the city can be compatible with a liberal, market-based economy. To the extent that city- and metropolitan-wide development is not a function of unconstrained market forces but is instead a result of political and social arrangements, those arrangements should be modified. The claim is for a wider and fairer distribution of basic economic and social resources.

the city is for. By occupying space, the protestors not only drew attention to the maldistribution of resources but laid claim to the urban spaces that distribution had built.

44 Harvey, supra note 38, at 4.
45 Id. at 5.
46 Soja, supra note 15, at 96.
47 See Harvey, supra note 38, at 115.
On this account, the city is itself a generator of wealth, not simply a legal jurisdiction in which already-wealthy rights-bearing individuals exchange entitlements. The processes of urbanization create wealth by bringing together labor, land, and capital. A city both creates economic value and is that value—it is a spatial manifestation of economic activity.\(^{47}\) This is arguably what theorists mean when they argue for “spatial justice”\(^{48}\)—the recognition that land-based private development often limits and constrains the public’s rights to the collective value of the city, and that metropolitan-wide land-use and development processes regularly isolate, exclude, and restrict particular groups or classes of individuals.\(^{49}\)

This attention to space—and in particular to the processes by which space benefits some and harms others—tends to be underappreciated by those who adopt a “neo” approach to urban policy. The logic of city limits often seems to assume that property rights and free markets should or do generate the patterns of metropolitan-area development that we see. On this view, the city is a neutral and passive background against which individual property holders act. Urbanization and the wealth it produces is thus primarily a market process, not a political one.

As I have already observed, we know this is not true: political arrangements drive the processes of urbanization just as much as, if not more than, a mythological free market in property does. The market conception of the city is also not true in a more significant sense, for the concept of the limited city does not appreciate how the city itself creates wealth and is in turn created by it. It misunderstands the relationship between the city and economic development.

Consider again the problem of inequality. Douglas Rae is certainly correct that the fairly high degree of income inequality in the United States is not something that cities can easily combat. But this assumes that the relationship between the city and inequality is relatively straightforward. If we posit an existing background level of inequality, then cities should presumably compete—like all other jurisdictions—to obtain their share of the metropolitan area’s richer people.

Indeed, as we have seen, the “neo” program emphasizes attracting desirable residents—as if changing the residential make-up of the city is the path to the city’s prosperity. Of course, that strategy is definitionally true. If a city attracts talented, wealthy people, the city will be talented and wealthy. But then the city is not really a city at all, but rather a free-market platform for already-resource-rich residents and visitors, only incidentally concerned with the production of urban public goods. The amenity-focused city is—by


\(^{48}\) See id., supra note 15.

\(^{49}\) See id.; see also Richard Thompson Ford, *The Boundaries of Race: Political Geography in Legal Analysis*, 107 Harv. L. Rev. 1841, 1844–47 (1994); Harvey, supra note 38, at 22–23 (“[S]ince the urban process is a major channel of [surplus] use . . . then the right to the city is constituted by establishing democratic control over the deployment of the surpluses through urbanization.”).
definition—a city for those who do not need resources. Such a city only creates economic activity incidentally.

But cities are not passive jurisdictions competing for resident-users of public services. As Jane Jacobs famously argued, cities are engines of economic development and upward mobility. When working correctly, that engine both creates inequality and ameliorates it. Cities attract the rich and the poor because both will prosper through the economic activity that accompanies urbanization. For the poor, especially the rural or small-town poor, the city may be the only conceivable path toward a better life. And indeed, incomes and educational attainments are higher in urban areas than in rural ones. For the rich, the healthy city is a massive generator of land-based wealth.

Cities are not simply vessels to be filled with desirable populations; to think in static terms about whom they should attract is to misunderstand their nature. Such thinking also underappreciates the healthy city’s capacity to ameliorate inequality by creating new wealth. On this account, income inequality should be understood as a product of the city itself, both something the city creates and something the city can solve.

American cities played and continue to play a significant role in creating an urban middle class, both by creating wealth and by providing public goods. Consider that in a forty-year span in the middle of the twentieth century, New York City built thousands of units of working- and middle-class housing; hundreds of schools, libraries, and parks; and thousands of miles of roadways, bridges, tunnels, and subways. The basic infrastructure built by the newly emergent industrial cities raised living standards for the rural and urban poor alike. And those goods helped produce a robust urban middle class at mid-century. In many places these urban goods continue to provide the working class, the poor, and newly arrived immigrants resources for upward mobility. Those resources are basic and obvious: security, education, transportation, health, and shelter.

These forms of public provision can be understood as the mechanisms by which individuals access city-created wealth. Or they can be understood as affirmative entitlements, encompassed by the right to the city. Of course, such a right is foreign to ears trained in the discourse of negative rights—as we are in the United States. And a great deal more needs to be said about how the right cashes out in practice—something urban theorists and urban activists have begun to do elsewhere. The important point for my purposes

50 See Schraguer, supra note 14, at 313–23.
51 See generally Jane Jacobs, Cities and the Wealth of Nations; Principles of Economic Life (1984); Jacobs, supra note 47.
52 See Glaeser, supra note 3, at 6–8.
53 See for a discussion of wealth creation in this context, see generally Jacobs, supra note 47.
54 See John Mollenkopf & Ken Emerson, Introduction, in Rethinking the Urban Agenda, supra note 37, at 1, 1.
55 See generally Allison Brown & Anneli Kristiansen, Urban Policies and the Right to the City: Rights, Responsibilities and Citizenship (2009); Sola, supra note 15;
here is how the discourse of rights upends the conventional geographic and economic logic of the city.

III. PROGRESSIVE URBAN POLICY

What policies might follow from recognizing a general claim on urban-and metropolitan-area resources? At a minimum, a progressive urban agenda should aim to improve and expand access to the city’s basic goods. There is no need to invent new goods—only to fully fund and provide the ones we have. In this part, I first address the problem of funding and then suggest ways in which localities can begin to address economic and social inequality despite local resource limits.

A. Capturing Resources

That our cities are remarkably underfunded is a political and economic reality. In the face of this reality, the progressive mayor has to locate resources. She can do so in a number of ways. The “neo” program recommends attracting certain kinds of workers through amenity provision and the deregulation or subsidization of incoming firms. This pro-growth agenda is pretty straightforward. And its goal is not particularly controversial: economic growth is generally preferable to the alternative.

Nevertheless, it is not at all clear that such an agenda can be implemented. Mayors are obsessed with “growth” and job creation, but economic development efforts are often unsuccessful. Economists still do not really understand how to produce growth or how urban policy creates jobs. Even if economic growth could be induced by metropolitan policy, it is far from self-evident that it will benefit the urban poor. Growth often raises unemployment as new in-migrants seek work. Growth may also change the employment profile of the city—presumably away from lower-skilled work. There is no reason to believe that new jobs will be filled by city residents or the minority poor.

Of course, a progressive mayor would likely see the “neo” agenda as a first step toward leveraging the resource-rich for the benefit of the resource-
poor.  But there are reasons to be skeptical that policies geared to attracting the rich, the young, or the creative class will in turn generate the resources required to produce broader urban public goods. An equally likely outcome is the significant displacement of the poor and the working class, perhaps accompanied by a wider regional inversion—a result that merely reproduces interlocal inequality. Another possibility—one that is the source of protests in many city neighborhoods—is that valuable resources that would otherwise be directed to basic public services will be diverted to the already resource rich. In either case, the city’s fiscal condition will improve, but the production of basic urban public goods and the regional resources available for the worst off will suffer.

Regional solutions to the resource problem might be more fruitful, as extending city boundaries is a way to capture urban flight and force tax-base sharing. Metropolitanism has long been a goal of good government reformers. Advocates have argued that “elastic” cities—those that can expand their boundaries—do better on measures of equality than do inelastic ones. Regionalism is not a panacea for a declining city, however, for the political pathologies that plague the interlocal distribution of resources can also plague intraregional distribution, particularly if there is a significant disparity in the budgetary preferences of regional residents.

An alternative is a fair-share approach that seeks to distribute the costs of social services by requiring all metropolitan-area governments to provide affordable housing, school access, and other social services to the poor and working class. This may be a way of dispersing the ghetto, but such a policy has its own drawbacks. Dispersal may create pockets of poverty throughout the metropolitan area without materially advancing the welfare of those dispersed. It also breaks up existing communities and neighborhoods, and dilutes the political power of those dispersed communities. And it requires a level of social engineering and political will that sets it up for failure.

No doubt, some form of revenue sharing would be better than what currently exists. Revenue-sharing reforms, however, run up against serious political realities brought about by the need for state and interlocal cooperation. And importantly, these efforts do not address in a direct way what is ailing declining cities. Capturing resources or dispersing poor people does not address the underlying causes of economic inequality. It merely changes the make-up of the population of the city.

59 See Rae, supra note 9, at 119–23.
60 See Bruce Katz, Editor’s Overview, in Reflections on Regionalism, supra note 22, at 1, 2–3.
62 For proponents of regionalism, see Peter Drier, John Mollenkopf & Todd Swanson, Place Matters: Metropolitics for the Twenty-First Century (2002); Myron Orfield, American Metropolitics: The New Suburban Reality (2002); Reflections on Regionalism, supra note 22; Rusk, supra note 61. For a critique of regionalism, see David Imbrogno, Urban America Reconsidered: Alternatives for Governance and Policy (2010).
B. Local Redistribution

A different avenue for the progressive mayor is to pursue economic justice efforts internally, at the local level. These efforts are more politically feasible as they do not require cooperation across municipal lines or full-blown metropolitanism. And they may be the only possibility as anti-poverty and pro-equality efforts stall at the state or national level. To this end, cities have adopted living wage requirements, local health care mandates, and linkage ordinances that require developers to provide public goods in exchange for development rights. Cities have also begun to enforce labor and employment rights and have adopted other pro-worker policies.63

These policies face serious opposition from “neo” theorists, who assert that local regulation is likely to cause capital flight. No doubt, cities in serious decline are unlikely to be able to adopt such measures—they may be in a position to do little of anything. But some cities are likely to have the leverage to regulate on behalf of working people.

These cities are able to do so because the flight narrative is overstated. It is not wrong, but it too quickly dismisses the locational advantages that keep firms and residents in particular places. Despite globalization, much of the metropolitan-area economy is still local: a significant share of the metropolitan-area workforce produces goods and services that are consumed within the same metropolitan area.64 Those local-producing firms—particularly in the service industry—cannot readily move their operations elsewhere. Moreover, firms that rely on the sharing of ideas, the development of intellectual capital and its transmission, or a deep bench of skilled laborers tend to locate among similar firms.65 So do many forms of retail. Certain neighborhoods within cities and metropolitan areas will thus provide agglomeration benefits that are difficult to replicate elsewhere.66 That means flight is less likely, even in the face of redistributionist regulations.

Indeed, cities have always produced more public goods and engaged in more redistribution than seemed possible under a pure competition theory.67 No doubt residents and firms with resources are mobile, but there have always been constraints—both personal and labor-market-related—on that mobility. Firms are surely mobile, but they too gain advantages from being located in certain places. Moreover, redistributive social-welfare policies have always provided benefits to society as a whole and to employers and residents who do not directly profit from them. The moral benefits to those

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64 See Schragger, supra note 11, at 521–22.
who believe that society has an obligation to pursue social justice are obvious. The economic benefits of having an urban, healthy, educated workforce are obvious as well.

Once we cut back on the assumption that capital is relentlessly mobile, the city’s capacity to regulate and redistribute becomes more robust. Contrary to theory, some of our most successful cities—New York and San Francisco come to mind—have relatively high tax rates and impose substantial regulatory burdens. Consider also that, contrary to theory, living wage ordinances have now been adopted (in varying forms) in hundreds of cities. So too have cities negotiated clawbacks and community benefits agreements (CBAs) with industries and developers. Clawbacks and CBAs target incoming development, requiring developers or industries to provide benefits to the local community in exchange for subsidies or regulatory approvals. In such cases, the city uses its regulatory leverage to extract concessions. When working appropriately, these concessions can better distribute the costs and benefits of new economic development.

Labor organizing has also “gone local.” Scott Cummings, Benjamin Sachs, and others have written about community and labor mobilization in the context of community economic development. Organization activities seeking to take advantage of capital immobility have targeted the service sector—hospitals, health care, and hotels, as well as retail and fast food—in order to gain leverage in workers’ struggles for well-being. “Land use unionism” is also an attempt to shift economic power from corporations to local workers, through the exercise of political leverage through the land-development process. In particular, unions have organized to fight local land use approvals for big-box retailers. These local site fights are a way of leveraging large-scale retailers’ desire for access to valuable markets in order to gain wage and benefits concessions. Community organizers have had some success in mobilizing at the planning-and-development stage and bringing this organization to bear before local land-use and planning boards and city councils.

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68 On the living wage, see Schragger, supra note 11, at 512–17; see generally Gillette, supra note 67.

69 On community benefits agreements, see Schragger, supra note 11, at 509–12; see generally Julian Gross, Community Benefits Agreements: Definitions, Values, and Legal Enforceability, 17 J. AFFORDABLE HOUSING & COMMUNITY DEV. L. 35 (2008).

70 See sources cited supra note 69.


72 Schragger, supra note 11, at 517–18.

73 See Cummings, Law in the Labor Movement’s Challenge to Wal-Mart, supra note 71.
These policy efforts are somewhat in their infancy, but they constitute attempts to distribute the wealth of the city—access to its resources, its valuable land—to the wider community. CBAs seek to balance the displacement associated with large-scale developments with local jobs, housing, or other amenities. Clawbacks seek to insure that industries who receive location benefits from local government actually stay in the community and produce the long-range prosperity that is promised. Local labor organizing has targeted in-place service workers to seek out higher wages and benefits, and land use unionism has sought to intervene at the level of the local development process to induce better conditions for local labor. These efforts will not reverse city decline nor dramatically reduce nationwide income inequality, but they do challenge somewhat the usual distribution of winners and losers in urban development. They show that it is possible to engage in relatively small-scale community and labor organizing in pursuit of a more just city.

IV. Reforming Metropolitan Politics

For those interested in a more ambitious urban progressivism, however, the political impediments are daunting. These impediments include a pro-growth ideology that continues, as already noted, to dominate city politics; a federal political structure that weakens cities; and cities’ general estrangement from mainstream American politics. Here, I describe these political limitations and then consider the possibility of a revived urban liberalism.

A. Political Limits

For any progressive urban policymaker, structural political limitations are going to be difficult to surmount. I start with growth politics. As Harvey Molotch observed over thirty-five years ago, urban politics can be understood best by conceiving of the city as a “growth machine.”74 Coalitions of land-based elites drive city policy in their quest to expand the local economy and accumulate wealth.75 City politics is thus growth politics—dominated by downtown business interests, real estate and related occupations, and large employers. The growth agenda also appeals to labor unions, small-business owners, and the retail sector. The city’s regulatory apparatus is deployed to further the interests of these groups.

The rise of technocratic, managerial mayors reflects this emphasis. Democrats and Republicans alike tend to pursue pro-business agendas that emphasize reducing regulatory burdens and fostering development. These mayors tend to court business and eschew labor and seek to maximize the city’s attractiveness to the wealthier and whiter segments of the community.

75 See id. at 309.
The dominant model of economic development continues to revolve around the city’s subsidization of transnational corporations. Though these giveaways are of dubious efficacy, corporate subsidy demands backed by the threat of exit are seen as the cost of doing business in a global market for location. The ideology of economic boosterism, with the “job-making” transnational corporation at its center, is quite powerful.

As we have seen, even left-leaning reformers have embraced the attraction-and-growth strategy, with its vaguely libertarian and nonredistributive implications. Populist, social-welfare-based politics is anathema to the big-city mayor—even in heavily Democratic cities. This embrace is partly tactical, but it continues to perpetuate the centrality of corporations, wealthy elites, and the creative class in our thinking about the metropolitan-area economy. City policymakers cannot easily resist the interests of these groups, for they are the most influential and politically powerful in the city.

The second factor that limits cities’ political power is American-style federalism. In the United States, federal, state, and local governments are formally independent. It is thus relatively easy for state and federal officials to wash their hands of failing cities, blaming decline on city mismanagement or the city’s failure to compete in the global marketplace. State and national leaders will be particularly unresponsive if cities are reliably partisan or can be isolated—as they often are—through partisan gerrymanders. This also means that state and federal governments rarely need the direct cooperation or assistance of local officials to achieve their aims. Thus, cities have little influence over the many policies that affect them. Cities do lobby Washington for aid and assistance, but they do not necessarily have an ongoing relationship with federal bureaucracies or congressional powerbrokers.

The absence of city influence can be attributed in part to the fact that the city’s political representation is fragmented and redundant—horizontally and vertically. The city is divided into state and federal legislative districts. The state and national legislative delegations do not represent the city qua city, but only constituents within the city, and those constituents will have competing interests. Moreover, higher-level political officials are in constant political competition with lower-level political officials. This competition means that state and federal officials have incentives to take popular positions on state and national matters and shift negative consequences onto local government officials. Often this means that higher-level officials adopt anti-tax and pro-spending positions that have deleterious effects on local governments. Unfunded mandates are an example. The city’s political fragmentation makes it difficult for city delegations to resist such impositions, and it makes cross-city coordination difficult as well. Local officials may have power within their sphere, but that sphere is relatively small, and they are always subordinate to state and national officials.

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A third constraint on a progressive urban politics is cities’ national political estrangement. Our current national political conversation neglects cities. In part this is because, as already observed, cities are constitutionally weak in our federal system. States, not cities, are the salient sites for constitutionally protected “local” governance. Moreover, because of the malapportionment of the U.S. Senate, rural areas of the country are overrepresented and cities are significantly underrepresented in Congress. The Electoral College also creates barriers to city power. There are few incentives for the President to pursue pro-city strategies as a way of increasing vote totals in urban areas. In presidential elections, cities only matter in swing states and can have no effect if a state is reliably partisan.

Moreover, city leaders tend to be invisible in our political culture. The mayoralty is rarely a stepping-stone to higher office, and city leaders rarely rise to national prominence. A mayor’s political constituency—while sometimes large in terms of population—is often narrow in terms of political appeal. The gap between the political preferences of those inside the city and those outside of it is often too great. Consider that Mayor Michael Bloomberg of New York City—arguably the most visible recent mayor in the United States—began an independent political action committee to support congressional candidates who are sympathetic to the mayor’s general city-friendly agenda. Any political influence Bloomberg has on the national stage will not be attributable to his position as the elected leader of one of the most important cities in the country. Rather, it will be because his independent fortune allows him to fund candidates whose views happen to coincide with those of his constituents.

Mayors and other city leaders do not exercise a great deal of power, individually or collectively. When so many important policy decisions are made at higher levels of government, this lack of political power is a significant barrier to the pursuit of urban interests.

B. Reviving Urban Liberalism

Cities have not always lacked national influence. The New Deal coalition relied on urban ethnic and blacks, which made city mayors powerful political brokers at the national level. Starting with the New Deal and into the Great Society and the War on Poverty, mayors were able to garner funds and support from the federal government. With the rise of suburbanization and the decline of urban economic and industrial power, the political land-

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78 See id. at 2545.
scape shifted. Cities are weak for structural political reasons. They are also weak because of changing spatial and demographic political alignments.

Those alignments can change, however. And some recent demographic shifts suggest that a nationally salient urban progressivism might be possible. First, scholars of urban America such as Myron Orfield and David Rusk have argued that cities and inner-ring suburbs can and should make political common cause as the problems of inequality, poverty, and economic stagnation become increasingly regional. As already noted, the suburbs have not been immune to declining economic fortunes, and there is an increasing realization that they need relationships with healthy cities for regional prosperity. In some cases, as cities do better and suburbs do worse, regional agendas might be more palatable. There are only a handful of examples of this new regionalism, but some urban theorists provide reasons to hope that revenue sharing and cooperative economic development efforts will increasingly emerge. Whether improving cities will find it in their interest to partner with declining suburbs, however, remains to be seen.

Second, local antipoverty and labor movements are increasingly receiving aid and support from larger cross-city, cross-state, and even cross-national networks. Occupy Wall Street is a recent example of a locally-based national movement gone international. Labor organizing across cities is another. The right to the city has itself become an international movement. In 2005, organizations from around the world introduced a World Charter on the Right to the City with the support of UNESCO and UN-HABITAT. In 2010, the Right to the City was the theme of UN-HABITAT’s World Urban Forum 5 in Rio de Janeiro.

These networks may have some potential to alter both local and national political priorities. But they require intercity and intraregional solidarity, which tends to be undermined by the political imperative of competition and the dramatic differences in local economic and political circumstances. For this reason, locally directed, targeted, site-specific labor efforts seem more likely to succeed than more general cross-city efforts. Urban-based labor movements take advantage of organizational expertise while operating on the retail level. The recent battles over public-sector unions, collective bargaining, and right-to-work laws have been waged house to house and city to city. With labor increasingly marginalized at the state and national levels, we should expect to see more city-specific efforts.

Third, there is also the possibility of a revived vision of economic localism. Citizens throughout the world and in cities and suburbs throughout the United States have felt threatened by the loss of democratic control that has

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82 See Orfield, supra note 62, at 3–4; Rusk, supra note 61, at 10–11.
83 See sources cited supra note 82.
85 See World Urban Forum 5, supra note 55; Brown & Kristiansen, supra note 55.
accompanied the economic dislocations of globalization. The economic localist’s response to the threat of globalization is to reconstruct the economy on a local and less vulnerable scale, to think of ways to resist the encroachments of transnational corporations by favoring small businesses, local employees, and municipal ownership. These progressives reject the “capture and redistribute” program, arguing that it is too weak to counter the forces of transnational capital mobility. They instead propose “efforts to build community-based development institutions, worker-owned firms, publicly-controlled businesses, and webs of interdependent (locally networked) entrepreneurial enterprises”—all of which will “generate indigenous, stable, and balanced economic growth in local economies.”

Advocates admit that achieving indigenous, stable economic growth is a tall order, both economically and politically. The localists are relying on an extremely robust political countermovement to the excesses of global corporate capitalism. We have seen such a movement in response to the recent economic downturn, but it has taken multiple forms, from Occupy Wall Street to the Tea Party, which are not at all compatible. Nevertheless, the discourse of inequality and disenfranchisement—echoes of which were heard in the “ninety-nine percent” language of the last presidential election—has attained some level of political salience, especially in the aftermath of the Great Recession.

Finally, the progressive electoral coalition that returned Barack Obama for a second term tends to be urban, ethnically diverse, and young. If this coalition becomes a more permanent majority, then it may be possible to construct a new urban progressivism in the wake of the 2012 elections. President Obama has never focused on the continuing urban crisis per se. He has been unwilling to speak about urban problems as distinct from other problems—perhaps out of wariness at being viewed as a president beholden to a minority, “urban” constituency. Even so, an increasingly urban-based political majority can demand more responsiveness from national political leaders, though it will likely have to do so by framing those policies in nongeographical, non-city-specific terms. This may be appropriate as the sociological lines between cities and suburbs continue to dissolve. But it also might undercut the formulation of a specifically urban form of progressivism.

87 See Schragger, supra note 11, at 532.
88 Imbroscio, supra note 62, at 9; see also Gar Alperovitz, America Beyond Capitalism (2011); Michael Shuman, Going Local: Creating Self-Reliant Communities in a Global Age (2000); Thad Williamson et al., Making a Place for Community: Local Democracy in a Global Era (2002).
89 See Imbroscio, supra note 62, at 174.
As noted, the New Deal offers a historical model for what such a progressive urbanism might look like. Though often denigrated by “neo” policymakers, the urban liberalism of the mid-twentieth century produced public goods that were real and enduring. Mid-twentieth-century urban policy relied on the replacement of weak state welfare support with strong federal welfare support, significant federal dollars for urban public improvements, and an immigrant and ethnic-minority-friendly agenda. This agenda collapsed with the rise of the suburbs, though it may return with the rise in Latino voting strength and continued urbanization.

Reaffirming the importance of those goods and reviving a new form of progressive politics will require a significant, though not impossible, political realignment. The dominance of city halls nationwide by adherents of the “neo” model, the political weakness of American cities in our federal system, the fragmentation of urban political representation, and the national invisibility of urban leaders and urban issues are serious barriers to any new politics. But countertrends are beginning to emerge, including the migration back into the cities, the waning relative power of the suburbs, a rise in intercity progressive cooperation, the localist backlash against globalization, and the rise of the new Obama coalition.

Conclusion

Progressive policymakers face a stark reality. Walk through the ruined neighborhoods in Detroit, Camden, or Baltimore, or the struggling neighborhoods in Chicago or Los Angeles, and consider the enormous political and fiscal response that would be required to revive those places and others just like them. Much of what policymakers do or can conceive of doing in this political environment to help the worst cities is, at best, ameliorative.

Nevertheless, it is important not to mistake political limits for economic ones. A series of economic “truths” currently drives urban policy in the United States. These include the view that cities are relatively economically impotent, that redistribution at the local level is impossible, and that attracting or capturing wealth is the only way to improve urban lives.

These truths are somewhat odd in light of the urban resurgence of the last two decades or so. During this period, none of the postindustrial cities that have now seen their populations stabilize and their property values increase moved to reduce local tax rates or regulations so substantially as to eliminate the city-suburb differential. Indeed, those cities did not do anything starkly different from what they had been doing for thirty years to attract young people and suburbanites into the urban core. Those cities had already attempted to rebuild their downtowns, to create an attractive nightlife, and to create amenities that would appeal to the right kind of people.

All of which is to say that the causes of the urban resurgence are not at all self-evident. In many cases, the decline of cities was overstated and their resurgence too is overstated. But to the extent that cities are doing better, the causes seem to turn on baby-boomer preferences, immigration trends,
changes in global capital flows, and other factors that are not well under-
stood. It is possible that the decline in crime rates has been a factor, but
that decline was not predicted by criminologists and still does not have an
adequate explanation. Or perhaps it was deindustrialization, ironically, that
helped some cities by making them cleaner and more pleasant places to live
and by opening up access to desirable waterfronts. Or possibly information
industries and other creative technologies require agglomeration economies
that only (certain) cities can provide. These theories are speculative. Without
a solid causal explanation for the resurgence of cities, we should be quite
wary about proposing solutions—especially antiregulatory solutions—for
those that have been less successful.

Where does this leave the progressive urban policymaker? As I have
argued, one can resist the economic logic of the limited city without ignoring
it altogether. There is no doubt that the revenue-constrained city is limited
and that cities must, by necessity, engage in the competitive scramble for
regional resources. To the extent that this scramble involves directing re-
sources away from poor people, funneling the poor into other parts of the
metropolitan area, or excluding the poor altogether, however, the city is
complicit in the promotion of metropolitan-area inequality. The progressive
policymaker should seek leverage without exclusion.

Furthermore, the progressive policymaker should not give up on the
urban liberalism of the mid-twentieth century. Providing education, hous-
ing, and healthcare is still appropriately the city’s work. There are better and
worse ways to do these things, no doubt. But the ends of the city should be
the same: the provision of municipal infrastructure and basic public goods.
In order to do this work, urban policymakers must resist the privatization
of the city and city space. There should be greater democratic control over the
production of urban wealth. The right to the city needs to be enjoyed by a
larger and more representative collection of urban dwellers. To the extent
that a revived urban liberalism can emerge, it will only do so if progressives
articulate the purpose of the city in less consumerist and more egalitarian
terms.

There are good reasons to be skeptical of progressive policy as a viable
option. But these are political reasons, not economic ones. A revived urban
liberalism is not constrained by some intractable economic logic. If politics
drives our metropolitan arrangements and the distribution of resources
across and within cities, then a political movement is what is required to
change these arrangements. The first step is to identify accurately the
sources of the city’s powerlessness. The next step is to challenge them.

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92 For a discussion of theories of urban resurgence, see Schragger, Decentralization, supra note 65, at 1879–88; Storper & Manville, supra note 1.
93 Philip Cook, Crime in the City, in MAKING CITIES WORK, supra note 29, at 297, 301.
94 See Schragger, Decentralization, supra note 65, at 1884; Storper & Manville, supra note 1, at 1249.
95 See HARVEY, supra note 38.