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Against and beyond the crisis: The role of urban social movements

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AGAINST AND BEYOND THE CRISIS: THE ROLE OF URBAN SOCIAL MOVEMENTS¹

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Abstract

In this paper, Margit Mayer provides critical and theoretical reflections on “cities for people”, neoliberalism, and social movements, in the context of the current crisis. In contrast to the more monolithic and homogeneous conception of the world-wide neoliberalism, and, also, in contrast to poststructuralist positions, which have emphasized on the unique particularities of specific neoliberal formations, the author prefers to speak of neoliberalization instead of neoliberalism as an open-ended process of market-oriented regulatory restructuring. Following the conceptualization suggested by Jamie Peck, Neil Brenner, and Nik Theodore, she distinguishes between neoliberal ideology and practice, since neoliberal ideology aspires to a utopia of free markets, but in practice the neoliberal project has entailed the intensification of state intervention in order to manage the consequences and contradictions of such marketization. The contradictions of these neoliberalization processes of the urban space are mirrored in the arena of social movements. Thus, the field of struggle, even if it is enormously heterogeneous and fragmented in terms of locality and context-specificity, is important to move towards a more networked, and transnationally orchestrated formation which will be able eventually to dismantle the neoliberal rule regime.

Ενάντια και πέρα από την κρίση: ο ρόλος των κοινωνικών κινημάτων πόλης

Περίληψη

Στο κείμενο αυτό η Margit Mayer διερευνά την έννοια του νεοφιλελευθερισμού σε σχέση με συνθήκες άνισης γεωγραφικά ανάπτυξης που λαμβάνουν χώρα στον αστικό χώρο, και αναδεικνύει το ρόλο των κοινωνικών κινημάτων στο πλαίσιο της τρέχουσας οικονομικής κρίσης. Σε αντίθεση με κυρίαρχες ερμηνείες του νεοφιλελευθερισμού που βασίζονται σε ολιστικές/γενικευτικές προσεγγίσεις ή αποτελούν εμπειρικές αναλύσεις αυθύπαρκτων ιδιαιτεροτήτων, εδώ η συγγραφέας πραγματεύεται την έννοια της νεοφιλελευθεροποίησης, ορίζοντάς την ως τη διαδικασία που εντείνει την εμπορευματοποίηση κάθε πτυχής της δημόσιας ζωής και επιδιώκει την ενεργοποίηση νέων χρηματοδοτικών εργαλείων με στόχο τη συνεχή κερδοφορία του κεφαλαίου. Αρχικά, ακολουθώντας το θεωρητικό σχήμα των Jamie Peck, Neil Brenner και Nik Theodore, θέτει ένα διαχωρισμό μεταξύ νεοφιλελεύθερης θεωρίας και πρακτικής, καθώς, ενώ η νεοφιλελεύθερη ιδεολογία προσβλέπει στην ουτοπία της ελεύθερης αγοράς αγνοώντας το ρυθμιστικό ρόλο του κράτους, στην πραγματικότητα το νεοφιλελεύθερο πρόγραμμα έχει οδηγήσει σε εντατικοποίηση της κρατικής παρέμβασης για τη διαχείριση των επιπτώσεων και αντιθέσεων που προκαλεί η εμπορευματοποίηση. Οι αντιφάσεις που δημιουργεί η νεοφιλελεύθερη ατζέντα αντικατοπτρίζονται και στην αρένα των κοινωνικών κινημάτων, η οποία παρά την ετερογένεια και τον κατακερματισμό που την χαρακτηρίζει, μπορεί μέσα από δια-εθνικά δίκτυα και κοινές στρατηγικές να ανατρέψει το νεοφιλελεύθερο καθεστώς.

The organizers of the workshop “Crises regimes and emerging urban social movements in cities of Southern Europe” asked me to provide some critical and theoretical reflections on “cities for people”, neoliberalism, and social movements – because I’ve done some work on these issues, though most of it based on my own experience in Germany and comparative work I’ve done in North America.

1. Το κείμενο αυτό παρουσιάστηκε στη δημόσια εκδήλωση που πραγματοποιήθηκε στο πλαίσιο του τριήμερου εργαστηρίου «Καθεστώς κρίσης και αναδυόμενα κοινωνικά κινήματα στις πόλεις της Νότιας Ευρώπης», ΕΜΠ 8 Φεβρουαρίου 2013, Αθήνα.

2. Καθηγήτρια στο Τμήμα Πολιτικών Επιστημών του Ελεύθερου Πανεπιστημίου του Βερολίνου, mayer@zedat.fu-berlin.de.

We all know that neoliberalization processes of the past decades have played out very unevenly and the effects of the 2008 crisis have created even sharper differences among regions and countries and cities. So one really needs to know the specifics of each country, each region and we cannot generalize from one experience to the next.

Still, there may be two reasons why my perspective might matter also in this context of Southern Europe, where the fallout from the crisis has been so much more drastic than in Northern Europe. First, in order to understand the trajectory of the current crisis, we want to make use of some analytic work around *neoliberalization* as a *global* dynamic, for which *cities* have become staging grounds – both for ultraneoliberal policies such as austerity and fiscal revanchism and for alternatives and counter-politics. Second, it is also the case that smaller versions of the extreme catastrophe countries like Greece, Spain and Italy are going through, play out in cities of the global North: especially the US cities teetering on the verge of bankruptcy and frequently under so-called emergency management; but even within wealthy cities there are everywhere enclaves of decaying, blighted neighborhoods that are drained of all resources.

Uneven development – between Southern and Northern Europe, between the global South and North – is essential to neoliberalization, but much of this unevenness, many of these differences, are reproduced within cities as well. So there are patterns to these uneven developments, and the research on the neoliberalization of the urban can provide a helpful analytical perspective possibly for here, too.

What I'll do then in this talk is, first, present a conceptualization of neoliberalization that allows getting a handle on its contradictions, and then, explore these contradictions specifically for cities. Finally, thirdly, I want to look at conflicts and contestations around the neoliberalization of the urban – something you all know much more about from hands-on experience, but there also seem to be some implications of the theoretical analysis for movement practice.

1. *The concept of neoliberalization*

In contrast to the more monolithic conception of neoliberalism (as put forth by people like Wallerstein, Altvater,³ Stiglitz) that tends to equate neoliberalism with a worldwide homogenization of regulatory systems, and also in

contrast to poststructuralist positions, which have emphasized the unique particularities of specific neoliberal formations and practices (Ong⁴), I find the conceptualization suggested by Jamie Peck, Neil Brenner, and Nik Theodore more useful. So I use this and push it a bit further, because I think it provides the best angle for bringing the neoliberalization of the urban into view and for getting a handle on its contradictions and the prospects of strategies of transformation.

Importantly, they distinguish between *neoliberal ideology and practice*: While neoliberalism (neoliberal ideology) aspires to a utopia of free markets, liberated from all forms of state interference, in practice the neoliberal project has entailed the intensification of state intervention in order to impose versions of market rule and manage the consequences and contradictions of such marketization.

Based on this distinction, they see neoliberalization as one among several tendencies of regulatory change that have been unleashed across the global capitalist system since the 1970s. In this regard, neoliberalization prioritizes market-based, market-oriented or market-disciplinary responses to regulatory problems, strives to intensify commodification in all realms of social life and often mobilizes financial instruments to open up new arenas for capitalist profit-making.

Therefore they prefer to speak of *neoliberalization instead of neoliberalism* – signaling that we are not dealing with a fixed state or condition, but rather with an open-ended *process* of market-oriented regulatory restructuring. This process entails no "convergence" of regulatory outcomes. Rather, neoliberalization projects assume contextually specific forms as they collide with very diverse regulatory landscapes inherited from earlier rounds (Fordism, national-developmentalism, state socialism). And it also imagines no limits, it pushes endlessly for marketization/privatization, having no sense of where to stop, there is never an equilibrium, it keeps failing forward, neoliberalism is ultimately unrealizable.

They also view cities and urban regions as key arenas, in and through which such processes of regulatory creative destruction occur.⁵ Because cities played a central role in Fordist-Keynesian systems of production and reproduction, they became key arenas for neoliberal rollback strategies. But their strategic significance as sites for innovation and growth, and as zones of devolved governance, has positioned them at the forefront of neoliberal rollout programs.⁶ It is in this context that the cities are now simultaneously sites of regulatory "prob-

lems”, such as poverty, crime, joblessness, etc., sites of putative regulatory “solutions” (where new policy prototypes are developed and experimented with, which, if effective, will travel around the world) and sites of contradictions, conflicts, and opposition to such projects.

But even if local and regional spaces are important sites for anti-neoliberal struggles, these struggles cannot, in their view, be lastingly effective in the absence of *supralocal* political mobilization to roll back geo-institutional arrangements oriented towards profit-based forms of social life. Currently, these supra-local arrangements – nation states, the EU, IMF, WTO, etc. –, which they call “rule regimes” or “context of contexts”, of course reinforce market-based forms of regulation.

So, for any *lasting* transformation to occur, what matters is the relation between all three “layers of regulatory restructuring”. The first (lowest) level is where *regulatory experimentation* – in fragmented, disarticulated (locality- and context-specific) form takes place. The second is the level of *systems of interspatial policy transfer*, where the experimental and fragmented forms of institutional reform are intensified in diverse spatial scales as well as in strategic zones (“a more tightly networked, transnationally orchestrated formation of mutually recursive ... policy reform strategies”). The third is the layer of the rule regimes, where neoliberalization tendencies either deepen, as they have been over the last 30 years⁸ – or where the neoliberal rule regime gets destabilized or dismantled by “deep socialization”.⁹

According to Peck, Brenner and Theodore, both neoliberalization as well as its overcoming has developed or will have to develop from fragmented local experiments, via orchestrated systems, towards “deepening”, i.e. from disarticulated neoliberalization (when zombie neoliberalization is still hegemonic on the supra-regional levels), via orchestrated interspatial policy transfer (eventually in the direction of counter-neoliberalization) to a new rule regime (eventually, to deepening socialization).

2. Contradictions of the Neoliberalization of the Urban

In my own work I try to work with this conception of neoliberalization, I have distinguished four consecutive rounds, in which the consequences of this relentless project have reshaped cities and urban governance, first by addressing the limits of the Keynesian city, then by re-

acting to the contradictions and problems each round of neoliberalization has brought with it.¹⁰

Here I jump right into the third phase, where urbanization has gone global through the integration of financial markets that used their flexibility and deregulation in order to debt-finance urban development around the world (cf. Harvey 2008: 30). Debt-financing also became the primary mechanism with which urban households as well as governments rekindled new growth rates domestically as well – with the well-known consequence of the foreclosure crisis, which turned into a banking crisis, which became a global economic crisis, which became a debt crisis that is now refracted on the state (state crisis).

The latest, current round of neoliberalization (where the neoliberal project, while discredited by the financial meltdown of 2008 and the ensuing economic crisis, is anything but weakened) is characterized by a devolved form of extreme fiscal constraint, projected largely on subnational state scales (but in Southern Europe projected from the EU and IMF onto national scales), everywhere else particularly on municipalities: we might call it austerity politics 2.0, because it is now cutting away not just at the local Keynesian (alien) institutions, but at the urban infrastructures and institutions that have survived and been shaped by cumulative rounds of neoliberal restructuring.

I want to highlight the (new) features of *contemporary* neoliberal urbanism, because they have certain implications for movements:

(i) At this juncture, neoliberal urbanism is still characterized by the pursuit of growth first, and urban managers still try to use various forms of urban spectacles and signature events to accelerate investment flows into the city. They may lean more towards symbolic and less costly forms of festivalization, and look for low-cost ways to attract “creative classes” to help culturally upgrade their brand for better placements in the interurban rivalry, but these (innovative, culture-led) efforts are still geared towards mobilizing city space for (unfettered) growth.

(ii) They also continue to embrace entrepreneurial forms of governance: business models and privatized forms of governance are increasingly complemented by an increase in bidding for (speculative) investments,¹¹ which has entailed more out-contracting and a shift towards task- and project-driven initiatives, where mayors and their partners from the business sector (bypassing council chambers) set up special agencies to deliver target-driven initiatives that focus on specific concrete objectives, such as attracting a certain event or developing

a particular part of town. In the course of this informalization of the political process, *global* developers and *international* investors have come to play more leading roles, and are actually shaping the investor-driven upgrading of urban environments.

(iii) There has also been intensified privatization, of services (social housing, public transport, utilities) and of the public sector, especially its socially oriented institutions have been rolled back and re- (or dis-)organized.¹² Intensification of privatization has equally pertained to space, as more and more private spaces dedicated to elite consumption as well as gated communities have been created, while the privatization of other (public) areas has meant limiting access to or making the use of collective infrastructures more expensive.

(iv) A further feature is the gap between economically thriving and struggling cities, which has been widening: those with strong market positions do well (while still reproducing within them sharper forms of uneven socio-spatial development), while failing cities have a hard time to foster growth, not least because they suffer from governmental incapacitation. The thriving cities have been turning all their central areas (CBDs), and increasingly their not-so-central areas, over to gentrification. In the most "competitive" cities this has meant mega-gentrification, while new types of so-called "mixed use" policies are deployed to "improve" poor neighborhoods through influx of more affluent people. The area-based programs previously applied to "blighted" neighborhoods to presumably stem their downward spiral are increasingly superseded by blunt displacement strategies pushing low-income households out of central urban areas, to further and further peripheries. Precious city space needs to be rid of whoever might threaten to devalue its exchange value or disrupt the exclusive business and elite consumption meant to take place there¹³ – city users who are deemed irritants to these new urban work-play environments are ruthlessly pushed out.

Economically struggling cities, on the other hand, have experienced conditions of systemic austerity, where ongoing fiscal restraint has meant service retrenchment and even slides into default or receivership. In the US, the financial crisis of municipalities is often used to install unelected "emergency managers," who assume total control over areas declared to be in a financial state of emergency. Just like with the state of emergency invoked in Greece, laws get decreed that are violating or even abolishing essential political and social rights.

While the increasingly punitive regulation of poor and marginalized populations, for which Neil Smith coined the term "urban revanchism", generally has involved the strengthening of the repressive "right" arm of the (local) state (more surveillance and securitization which implied more physical fortressing, displacement and exclusion), cities at the forefront of austerity 2.0 increasingly have to downsize their police and penal institutions – creating yet another contradiction in today's neoliberal urbanism: after cuts of police forces crime has increased,¹⁴ prisons release inmates as their budgets are cut,¹⁵ municipalities turn off street lighting because they can no longer pay their utility bills,¹⁶ darkened neighborhoods invite more crime – especially as (youth) unemployment rates skyrocket – a cycle of spiraling insecurity and social disorganization, which can probably not be contained within select areas where the "outcasts" are confined.

What we have then, thanks to neoliberal austerity measures, are cities and communities burdened with social and environmental externalities offloaded from higher scales, which they then seek to address by outsourcing, marketization and privatization of public services and social support – landing the costs and burdens with those at the bottom of the social hierarchy.¹⁷

3. *What can movements do against and beyond the crisis?*

The contradictions of the neoliberalization of the urban are, alas, mirrored in the arena of social movements. We reproduce the unevenness and the competition, the playing out against each other of different regions, of plundered neighborhoods against tony ones, of indebted regions against those favored by finance capital, of policed and terrorized communities against those co-opted or pacified by concessions. I will illustrate this with just one of the many systemic contradictions of the neoliberalization of the urban, and leave us with the challenge this presents for urban movements to reach beyond the local, to play a role in the deepening socialization, which the model suggested by Peck et al. calls for.

Today's activist landscape in most cities is characterized by a disparate make-up, which, I believe, is related to the contradictory set of changes cities have gone through under the impact of cumulative rounds of neoliberalization.

Most activist networks nowadays exhibit some combination of the following social groupings:

- radical autonomous, anarchist and alternative groups and various leftist organizations,
- middle class urbanites who seek to defend their accustomed quality of life,
- disparate groups that share a precarious existence, whether in the informal sector, in the creative industries, or among college students,
- artists and other creative professionals which may cut across these backgrounds,
- frequently, local environmental groups that fight problematic energy, climate, or development policies,
- and finally, the marginalized, excluded, oppressed, people of color (not so present in Northern European cities, but very present in Southern Europe and North America).

Though all of them are affected by contemporary forms of dispossession and alienation, they occupy very different strategic positions within the neoliberal city. It is crucial to acknowledge and understand these differences if we want to succeed in bringing these forces together and harnessing each other's energies.

On the one hand, neoliberalization has fostered branding and creative city policies as competitive forms of urban development, and this has allowed cities to make concessions to those movement groups whose work may usefully be absorbed into the marketing strategies and the locational politics that municipalities everywhere are tailoring for attracting investors, creative professionals, and tourists. As municipalities have discovered cultural revitalization and creativity-led economic and urban development as useful strategies to enhance their brand and improve their global image, they became willing to make concessions to specific parts of urban movements. In fact, local authorities these days eagerly jump on (sub)cultural activism wherever it sprouts in order to harness it as location-specific asset and competitive advantage in the interurban/interlocality rivalry. This happens in run-down Detroit as well as in Berlin, where hip neighborhoods filled with clubs and beach bars have become key to official urban marketing discourses.¹⁸ Even radical squats and self-managed social centers have taken on ambiguous roles as they mark urban space as attractive. The sub- and counter- cultural activists charge such spaces with cultural capital, which in the scheme of '*creative city*' policy then becomes transformed by investors into economic capital.

On the other hand, movements that confront the other side of neoliberalizing urbanism occupy a completely

different strategic position. This side entails austerity measures, intensifying repressive strategies towards unwanted behaviors, and more disenfranchisement. This is what communities of color, informal workers, austerity victims, and urban rioters experience, and what shapes their position and their mobilizations.

Their struggles – though often less visible than those of other urban movements – against the discrimination and dispossession they experience have been turning first-world cities into arenas of anti-colonial as well as anti-racist struggles. This field of struggle is enormously heterogeneous and fragmented, involving vastly different concerns and grievances, from homeless advocacy and activism, via anti-hunger and anti-poverty organizations, via the panoply of Workers Centers, all the way to the community organizations of peoples of color involved in various forms of transformative organizing.¹⁹ Most of their struggles face – if not deaf ears – far more restrictions, surveillance, and more aggressive policing than those of their more comfortably positioned (potential) allies in the alternative/anarchist/(counter-)cultural scenes.

Even before accounting for differential forms of state repression, which exacerbate divisions between different movement groups, we have to recognize that there are huge distances in terms of cultural and everyday experience between the comparatively privileged movement groups and the "outcasts".

The reality of these different experiences creates all kinds of hurdles for connecting their shared interests in contesting neoliberal urbanism. But the struggles of all those excluded from the neoliberal city, be they at the peripheries of this model (in the banlieues and ghettos) or invisibly servicing the privileged city users from subliminal and precarious spaces, will need to be connected if we want to make headway in destabilizing the neoliberal rule regime. To that end, the more privileged urban movements need to add their leverage to the struggles against the exclusivity of neoliberal urbanism (as has begun to happen in the new collaborations formed between Occupy and Indignado activists on the one side and neighborhood and community organizations on the other). The opportunities for collaborating – for example in anti-foreclosure campaigns, or in blockades to prevent evictions – have helped mend the reservations and mistrust between communities of color and other poor people, and Occupy/Indignado "radicals", between those who are the "outcasts" of the neoliberal city and those who are, in some ways, benefiting from it.

Such collaborations would be a first step toward a stronger counter-hegemonic social movement. But, because neoliberalization operates through multi-scalar politics, and austerity involves devolving redistribution across scales and regions, progressive alternatives also need to reach beyond the local,²⁰ anti-neoliberal movements need to scale up and coordinate across localities and regions, as they develop alternative – eco-socialist, solidaristic – models of regulation.

Of this, too, we have seen glimpses in Indignado and Occupy movements. And we are seeing it here in this gathering of movement groups from all over Southern Europe. As you/we, in our everyday efforts, are challenging one or another of the features of contemporary neoliberal urbanism, we are at the forefront of important struggles, building new radical-democratic practices in the crisis-ridden cities of Southern Europe – as movements in Argentina, Chile and Mexico have done before. The point now becomes to connect with each other, and to move all those fragmented, locality- and context-specific experiments towards a more "tightly networked, transnationally orchestrated formation of mutually recursive ... policy reform strategies",²¹ so that eventually we may get to the third level where the neoliberal rule regime gets dismantled by "deep socialization." Thanks to Encounter Athens for allowing us to build and deepen those connections and to move in this direction!

Σημειώσεις

3. "This dominance of the financial market, and neoliberalism, came to an end August 2008. Postneoliberal strategies can still lead to a restructuring of capitalism," he wrote in "Postneoliberalism or postcapitalism? The failure of neoliberalism in the financial market crisis," *Development Dialogue* 51, 2009: 73-87.

4. Aihwa Ong (in "Neoliberalism as a mobile technology") employs a concept of neoliberalism as a "migratory set of practices"/ "a migratory technology of governing" / "a technique of administration," which is actually a static concept.

5. Cf. Neil Brenner/Nik Theodore (eds.) «Spaces of Neoliberalism. Urban Restructuring in North America and Western Europe», Oxford: Blackwell 2002.

6. Peck/Theodore/Brenner, "Neoliberal Urbanism: Models, Moments, Mutations," *The SAIS Review of International Affairs*, 29/1, winter/spring 2009.

7. Brenner/Peck/Theodore, "After Neoliberalization?" 2010, p. 10 in Ms.

8. "...market-disciplinary reform agendas were institutionalized on a world scale through ... worldwide, multilateral, multilevel, supranational juridico-institutional reforms ... Through ... market-disciplinary redesign of global and supra-national arrangements, from the OECD, the World Bank and the IMF to the WTO, the post-Maastricht EU and NAFTA... neoliberalization processes came to impact and restructure the very geoinstitutional frameworks of governing national and subnational forms of regulatory experimentation (Brenner/Peck/Theodore, "After neoliberalization?" Ms p. 10).

9. That is when "... the inherited institutional frameworks of neoliberalization are infiltrated at all spatial scales by social forces and political alliances oriented towards alternative, market-restraining agendas" (such as capital and exchange controls, debt forgiveness, progressive tax regimes, non-profit based, cooperatively run, deglobalized credit schemes, global redistribution, public works investments, decommodification and deglobalization of basic social needs), i.e. when "... an alternative ... solidaristic and/or eco-socialist model of global regulation ... (emerges, characterized by) radical democratization of decision-making and allocation capacities at all spatial scales" (13-14).

10. You can read up on these in my contribution to CITY 13/no 2-3 (2009) or in *Cities for People, not for Profit*, edited by Neil Brenner, Peter Marcuse, Margit Mayer, Routledge 2012.

11. Cf. NYT study on bidding wars: Louise Story, "As companies seek tax deals, governments pay high price," NYT December 1, 2012. Cf. also Jamie Peck: "Grant hustling and investment-chasing entrepreneurialism ... become (even) less of a willed political strategy, more of a fiscal necessity," *Austerity Urbanism: American Cities under extreme economy*, in: CITY 16/6 (Dec 2012), 626-655.

12. Stuart Hodgkinson, "The new urban enclosures," CITY 16/5 (October) 2012, pp. 500- 518.

13. Cf. K. Beckett, S. Herbert, *Banished. The New Social Control in Urban America*. Oxford UP 2010; Brenner/Theodore 2002: "Cities and the geographies of actually existing neoliberalism," *Antipode*, 34/3, 349-379.

14. Erica Goode, "Crime increases in Sacramento after deep cuts to police force," NYT, November 3, 2012.

15. Monica Davey, "Safety is issue as budget cuts free prisoners," NYT, March 5, 2010, p. A 1.

16. Monica Davey, "Darker nights as some cities turn off the lights," NYT, 29 December 2011, p. A15.

17. Cf. Peck 2012, p. 650-51.

18. Cf. for Berlin Scharenberg/Bader 2009: 331; for Detroit: Kathy Hughes, "Is Detroit the new Brooklyn?" The need to know on PBS, July 7, 2011 <http://www.pbs.org/wnet/need-to-know/the-daily-need/is-detroit-the-new-brooklyn/10290/>, James Tulloch, "Detroit: von der Geister-zur Gartenstadt," Allianz, July 14, 2011. <http://www.wissen.allianz.at/?1554/gruene-staedte-detroit-von-geister-zur-gartenstadt>).

19. Cf. <http://www.sojustlead.org/ny-transformative-organizing-initiative>.

20. Peck 2012: 651.

21. Brenner/Peck/Theodore, "After Neoliberalization?" 2010, p. 10 in draft Ms.