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**Report to the Joyce Foundation**

**US Public Policy for  
Cities -  
Insights from Abroad**

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# US Public Policy for Cities

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# US Public Policy for Cities—insights from abroad

## Executive Summary

Approaches to the governance of US cities have many strong features. Over the decades democratic traditions have been healthy and many US urban residents – whether living in city or suburb – have enjoyed relatively high standards of living. However, the starting point for this paper is that all is not well in urban America. Indeed, some US cities face major urban challenges, not least because global economic restructuring has decimated job opportunities and prosperity for many citizens. Given this context of rapid change what, if anything, can US policy makers learn from experience with city planning and urban governance in other countries?

In July 2004 the College of Urban Planning and Public Affairs of the University of Illinois at Chicago organized an International Conference on ‘City Futures’. Attended by over 250 urban scholars and policy-makers from 36 different countries, the conference set out to boost the level and quality of international debate about urban issues and challenges.

This paper, prepared specially for The Joyce Foundation, identifies the main ‘insights’ from the large array of scholarship presented at the conference that could be helpful to those concerned with US public policy for cities. In order to lend structure to this ‘lesson drawing’ exercise we identify seven major themes relating to US public policy for cities where experience abroad may have something to contribute:

- City leadership, management and governance
- Culture and diversity
- Marketing the city
- Economic development and employment
- The urban environment
- Financing cities
- Social dimensions of the city

This is not a comprehensive review of ‘insights’ from abroad, but it does provide an injection of new ideas, concepts and experiences. The narrative discusses each of these seven themes in turn and cross references are made to 48 of the papers presented at the City Futures conference. These papers, listed in Appendix 1, stem from research by leading urban scholars working in 21 different countries. It is hoped that this paper can, by reframing debates and offering new sources of evidence, stimulate fresh thinking relating to US public policy for cities.

## Introduction and background

In July 2004 the College of Urban Planning and Public Affairs (CUPPA) at the University of Illinois at Chicago organized an International Conference on City Futures. Attended by over 250 urban scholars and policy-makers from 36 different countries the conference set out to boost the level and quality of international dialogue about urban issues by:

- Creating a whole conference sharply focused on strengthening international exchange
- Engaging different disciplinary perspectives and approaches
- Welcoming papers that addressed policy concerns

We were very pleased with both the quality and the quantity of the papers presented at the City Futures International Conference. Over 160 papers were presented with many of them raising very different perspectives on the challenges now facing city leaders and urban change agents around the world.

The **purpose** of this report is to identify 'insights' from the large array of scholarship presented at the conference that could be helpful to those concerned with US public policy for cities.

Gone are the days when the leaders of cities and nations could safely ignore developments in far off lands in the belief that they were irrelevant. Rather, as argued by Thomas Friedman in his popular book, *The World is Flat (2005)*, the forces of globalization require leaders '...to help educate and explain to people what world they are living in and what they need to do if they want to thrive in it' (p. 280). In a modest way the City Futures International Conference was a step in this direction. It was an effort to explain what seems to be happening in cities around the world and, more than that, to identify lessons for public policy derived from urban research in different contexts.

The conference papers were divided into four tracks:

- The Housing and Urban Development (HUD) Track
- Comparative Urban Analysis (examining how cities are changing in different countries)
- Comparative Urban Planning (examining how different countries are approaching the planning of cities and regions)
- Comparative City Governance (considering alternative approaches to city politics, urban management and community involvement)

The City Futures Conference program, listing all panels and papers, is displayed on the City Futures website: [www.uic.edu/cuppa/cityfutures](http://www.uic.edu/cuppa/cityfutures). In addition most of the authors of the papers delivered at the conference were kind enough to agree to have their full papers presented on the website.

We are most grateful to authors for agreeing to have their papers on the site as this makes the scholarship of the conference available to a wider audience. It is important to stress that this was not a typical 'academic' conference with scholars talking to scholars as the sole activity. From the outset we made it clear that we wanted to include policy makers and practitioners and a good number of officials from central and local government as well as other agencies participated. The feedback from conference participants was very positive indeed. Many indicated that it was the most international conference they had ever attended and many praised the quality of cross-national dialogue that took place in the 46 panels.

## **Emerging themes for US public policy for cities**

The scholarship presented at the City Futures International Conference represents a valuable resource for both policy makers and academics. We reviewed all 160 papers in a systematic way and, by taking account of the particular interests of The Joyce Foundation, we identified 48 papers for closer examination. These papers are listed in **Appendix 1**.

The papers deal with a range of complex issues and challenges now facing city leaders and managers. In order to gain coherence and identify 'insights' in an organized way we have identified seven major themes. Many of the papers we have listed do, of course, bear on more than one theme. However, for the purposes of exposition, we have grouped the papers according to their primary theme. The seven themes are as follows:

- 1) City leadership, management and governance
- 2) Culture and diversity
- 3) Marketing the city
- 4) Economic development and employment
- 5) The urban environment
- 6) Financing cities
- 7) Social dimensions of the city

In the narrative that follows we provide a brief commentary on each theme and cross refer to the papers as necessary. The papers are numbered by theme and, in the text below, the numbers refer to specific papers in **Appendix 1**. Thus, 1.1 refers to the first paper in Section 1) and 2.3 to the third paper in Section 2) and so on. We now discuss each theme in turn.

## **1) City leadership, management and governance**

The first theme we consider is 'City leadership, management and governance'. Many of the papers presented at the conference suggested that cities are not helpless victims in a global flow of events. Rather, city leaders can make a significant difference in relation to what happens to their city and the arrangements for urban governance can also support or frustrate the achievement of local objectives. Four interlinked sub-themes relating to city leadership, management and urban governance emerge from the papers presented at the conference:

- New ideas on the nature of city leadership
- Rethinking the roles of politicians and officers
- Comparing approaches to metropolitan governance
- Enhancing the legitimacy of government through participation

We now consider each of these sub-themes in turn.

### *i) New ideas on the nature of city leadership*

In the past city leaders often tended to focus their attention on the internal management of city hall. The public services provided by local authorities are enormously important and they need to be well run and managed. Overseeing the city bureaucracy is, however, only part of the city leadership task. Several of the papers suggest that new forms of city leadership are emerging that emphasize the importance of working with various stake holders. Orchestrating collaboration across the public, private and non-profit sectors is essential if the new challenges facing city leaders are to be confronted successfully. For example, in a period of rapid change leaders may find it beneficial to strengthen arrangements for public participation as a means not just of legitimizing decisions but also as a way of learning about conditions and challenges that are relatively new. Examples from Italy (1.1) and from other European countries (1.2, 1.6) suggest that urban leadership and community involvement can be creatively combined. These papers suggest that city leaders can play a vital role in facilitating the creation of an effective participatory governance arrangement.

There are lessons here relating to the style of city leadership. Clearly approaches to local leadership need to be tuned into their local setting – local culture and context are critical. There can be no ‘one right way’ to lead a city. However, comparison of leadership approaches in several European countries suggests that the ‘city boss’ approach to city leadership is not well suited to the complexity of the challenges now facing cities nor the rapidity of social change. The evidence suggests that leaders adopting a ‘consensual facilitator’ style, taking time to consult and collaborate, can generate policy innovation as well as legitimacy for their leadership agenda. Research in Europe (1.2, 1.6, 1.9) as well as in the US (1.13) supports this view.

### *ii) Rethinking the roles of politicians and officers*

Several of the papers explore the important contributions both politicians and appointed officers make to effective urban governance. In many cities there appears to be a tension between, on the one hand, pressures to streamline decision making to improve service delivery and, on the other, demands for more effective political control of the bureaucracy. Too often these forces are seen as contradictory. However, it may be possible to reframe discussion by picturing new ways of closing the ‘gaps’ between modernizing the bureaucracy and building community engagement (1.11). Both professional staff and elected politicians have an important contribution to make, but the settings within which they interact are not always conducive to learning. There are implications here for the training of both politicians and appointed officials (1.8, 1.11).

Different institutional designs for handling politician – officer relations are available. Different countries have adopted various models. Some are familiar within the US context – for example, the ‘strong mayor’ model and the ‘council manager’ model. Other models, involving a more collective approach to city leadership – for example, the ‘cabinet’ model – operate reasonably effectively in other countries. Several papers examine these different models and note that institutional design influences significantly the interplay between politicians and officers (1.9, 1.13). There is room for more innovation with neighborhood decentralization as a means of tackling the problems encountered in highly centralized bureaucracies (1.4). And there is a need for fresh thinking in the way ‘leadership teams’ work both within city hall and among city hall and other agencies (1.8, 1.11, 6.2).

### *iii) Comparing approaches to metropolitan governance*

There are striking differences in approaches to metropolitan governance in different countries. To some extent the variety in approaches reflects different conceptions of the role of the state. Thus, in many European countries the state is relatively interventionist in reshaping the form of metropolitan governance to meet new challenges. For example, in 2000 the UK central government created an entirely new form of governance for London – the Greater London Authority – via an Act of Parliament. In the US arrangements for metropolitan governance are

more likely to emerge from a process of negotiation among numerous place-based centers of interest and power. In the past this 'bottom up' approach to reform has served the country reasonably well. But, in an era of intense global competition between nations and city regions, it is worth debating whether the existing US pattern of fragmented metropolitan governance (compared with other countries) is delivering a cost effective and democratic form of governance (5.8).

The dramatic changes taking place in urban areas across the world – and particularly the growing pace of urbanization in countries like China and India – suggest that the arrangements for metropolitan governance that now exist in many countries, including the US, are being overtaken by events. Many commentators take the view that the city region is becoming the key economic unit driving economic progress. It follows that central governments will need to pay more attention to the health of the city regions within their countries if they are to achieve their national economic and social objectives (1.5).

One area where considerable rethinking is taking place relates to the concept of the city region. Various papers examine this concept and the processes driving change at the city regional level (1.5, 1.7, 1.14). There may be new ways in which national governments can stimulate change at the city regional level (1.5). We may also need to clarify the distinctions between 'government' and 'governance' at the metropolitan level – several papers suggest that new forms of governance can provide a better way forward than reorganizing the formal structures of local government (1.7, 1.10, 1.12, 1.14).

#### *iv) Enhancing the legitimacy of government through participation*

While there is variation it is possible to suggest that, in many countries, there has been a move from 'representative democracy' towards 'participatory democracy' at the local level of government (1.4). Instead of relying simply on the votes of citizens for legitimacy, political leaders in many cities have taken active steps to involve communities in the process of adopting policies that will affect them. There is now a good deal of experience with public participation in urban governance and there are interesting differences in practice in different countries. Again it is important to refer to the fact that different countries have different conceptions about the role of the state and this certainly affects the level of local participation. In Scandinavia, for example, public spending is highly valued and consequently, the state has a major impact on the local quality of life. Not surprisingly, voter turnout in local elections is high – well over 50% of the electorate votes and, in some areas, over 60%. In the US, public spending tends to be lower and interest in local politics tends to be lower - the voter turnout in US local government elections may be less than 30%. Thus, the national context is important – innovations in participation that work well in one particular country may not work so well in the US because of differences in political traditions and practices.

A key theme in many of the discussions at the City Futures International Conference concerned the growth of the multi-cultural city. In one sense cities have always been 'gateways' for new migrants seeking a better life. But the level of migration – particularly cross-national migration – has accelerated rapidly in recent decades with the result that most major cities now house people from very different cultures and walks of life. This has major implications for civic engagement and public participation because methods that may have served the city well in the past may no longer be appropriate. Unless cities pay attention to this challenge they could find that they have built up a local democratic deficit – with some groups of citizens being largely left out of the process of governing the city (1.3). We refer further to culture and diversity in the next section.

Several of the papers stem from a major European project – known as the PLUS project - involving 18 cities in nine different countries (1.1, 1.6, 1.9). What unites these papers is an effort to throw new light on the relationship between 'leadership' and 'community involvement'. In various ways these papers show that outgoing leadership at the top can foster and encourage the growth of local leaders in the neighborhoods of the city. Certainly there is often conflict between grassroots movements and city hall, but a key finding of this European study is that fostering local mobilization can have many benefits – not just for local communities but also for the politics of the city.

## **2) Culture and diversity**

While the idea of embracing culture and diversity is constantly stressed by American policy makers as crucial to the success of urban communities, it is not always clear how to support diverse communities or how to engage traditionally disenfranchised populations. Three sub-themes emerged from the City Futures conference that speak to this theme.

- Creating economically diverse communities
- Recognizing the strengths of homogeneous communities
- Engaging diverse communities

### *i) Creating economically diverse communities*

In recent years, American housing market research has, in large part, condemned influxes of upper income residents into low income neighborhoods as leading to widespread displacement of existing residents and the destruction of existing communities. Research on 'gentrification' suggests that increased demand for housing in low-income neighborhoods often drives up rents to levels that existing residents cannot afford. However, gentrification processes in all localities are not

the same – there is a need to embed analysis within the political economy of particular housing markets and particular state intervention policies (2.1).

In light of this more nuanced framework, European researchers are finding that the American model of gentrification – with the better-off displacing the poor - does not necessarily arise in all countries. Internationally, gentrification has unfolded in different ways, with local economic ground rules and regulatory systems playing a crucial role. For example, in Germany, gentrification in some cities has helped to create communities with a mix of incomes (2.1).

Germany's regulatory and housing tenure systems have affected the rate and distribution of gentrification activity in Berlin and other larger German cities. In this way, the rent a particular land lord charges, does not only depend on the supply and demand in the housing market, but also on the legal framework that determines how, where and to what extent rents can be increased. It follows that 'gentrification' is not some kind of inexorable process in which the rich inevitably displace the poor. This is an important insight for US policy makers. There is widespread experience in urban Europe suggesting that the social ills of gentrification can be mitigated if not eradicated. Sensible regulation can ensure more equitable outcomes for poor families without impairing the dynamism of local housing markets.

#### *ii) Recognizing strengths of homogeneous communities*

It is claimed by some urban commentators that policies to create economically diverse neighborhoods can lead to significant improvements in the quality of life for low-income residents. But is this true? In The Netherlands this topic has received considerable attention. Bold attempts have been made to integrate better off families into public housing estates that have been overwhelmingly occupied by low-income, immigrant families. In order to attract middle and upper income residents, low-rent social dwellings have, to a degree, been replaced with more expensive owner-occupied and rental units. There is evidence to suggest that this policy may have been misguided – that it has actually damaged rather than enhanced social cohesion (2.3) This research suggests that social cohesion flourishes in homogeneous neighborhoods, where people have a common set of values and norms, where friends can be found within the neighborhood and where people have a long-term connection to their neighborhood. By attracting higher income groups to low-income neighborhoods and creating greater socio-economic and socio-cultural diversity, low-income residents may experience fragmentation and feel isolated from residents of higher incomes. These researchers call for strengthening communities from the inside rather than relying on external actors as a stabilizing force.

#### *iii) Engaging diverse communities*

Recent conflict in housing estates on the periphery of a number of French cities suggest that, in some cities at least, the needs of immigrant communities have been seriously neglected. Similar problems of social friction, if not widespread urban violence, are to be found in many multi-cultural cities across the world. The existence of these troubled areas raises serious questions for public policy and urban governance and existing models are found to be wanting.

It can be argued that the 'social capital' model of community development (a model that is popular in the United States and Europe) may work against the interests of immigrant groups. This is because this model emphasizes 'organizational capacity' over 'mobilizing capacity'. That is, the social capital model stresses resident input into policy implementation rather than the setting of a policy agenda. What is more, social capital models favor professionalized community institutions, de-emphasizing community level political mobilization (2.2). It can at least be asked whether prevailing models of community development are effective in engaging the interest and enthusiasm of newly arrived migrants.

Research on German cities suggests that public agencies should understand that, in order for community revitalization programs to involve all members of the community, the ground work must begin early in the development process. Efforts to build community trust and initiatives geared towards building mobilizing capacity should be undertaken. Immigrants, it seems, will have the highest participation rates when they are engaged early in the process and when heavy outreach to already active immigrant organizations is employed (2.2).

Research on local governance in Nigeria suggests that, at a macro-level, decentralized governments with strong local representation increase accountability and strengthen the voices of minority groups (2.4). Even at this level, indigenous knowledge and community linkages must be respected and drawn on throughout the development of revitalization policies. This research suggests that municipal governments can take on a leadership role in serving the long term needs of diverse communities, but they must be willing to invest additional time in achieving this goal.

### **3) Marketing the city**

A number of presentations at the City Futures conference suggested that a growing number of communities, having suffered the effects of deindustrialization, are now looking to the city in itself to be a source of revenue and prosperity. Many civic leaders take the view that investing in the cultural appeal of the city – with the aim of boosting tourism and attracting new upper-income residents – represents a better economic development strategy than looking to large employers to grow the local economy. This theme of marketing of the city has three linked sub-themes:

- Culture as a marketing tool

- The international city
- Corporate design in the city

*i) Culture as a marketing tool*

Over the last twenty years, 'cultural policy' has become an integral part of economic and physical redevelopment strategies for cities across the world. Driven by deindustrialization, population decentralization and globalization, many cities have turned to cultural strategies as a means to secure their positions in a rapidly changing economic environment (3.3). Growth of citizens' disposable income is fueling culture-driven strategies in urban development. That is, city governments are increasing expenditures on cultural developments framing them as initiatives in economic development, urban regeneration, place-making, urban design, and social planning.

In a growing number of cities these trends have resulted in the development of an economy based on urban tourism, with cities focusing on policies that showcase their cultural heritage, export their cultural identity and translate into revenue streams capable of social and economic transformation. Some researchers go so far as to suggest that culture has become the new business of cities. The significance of this 'cultural economy' is measured in terms of employment, expenditure, wages and economic multipliers, and is recognized as one of the fastest growing industrial sectors in the world (3.1).

The stakes involved in successfully marketing a city's cultural attractions are quite high. This desire for tourism revenue may supersede many other public goals and is likely to have a direct impact on policy agendas. These cultural policies should not be viewed as a passing fad in development strategies. Researchers in both Australia and Europe predict intensification of the market-oriented environment for cultural industries, entrepreneurial competitiveness between jurisdictions for scarce cultural resources, and integration into formal planning strategies at all scales (3.1).

*ii) The international city*

Within this context, many large cities are looking to market an image that portrays the area as an international center of culture operating 24 hours a day (5.8). In Europe, for example, cities compete vigorously to be named 'European City of Culture' for a given year knowing that the economic benefits of such a designation can be very significant. But who benefits from the notion of the 'international city' and for whom does it exist?

Research has suggested that a key aim of these strategies is to attract high-income groups to visit and/or live within the central city core. This focus on downtown spaces can, however, have a negative impact on low-income, outlying neighborhoods. Few new 24-hour city developments are formulated with the needs of the urban poor in mind, particularly in terms of access to jobs, public and private sector services and housing development (3.3).

Research on the 'cultural economy' suggests that synergies between culture, finance and politics ultimately benefit institutions, tourists and the tourist industry, rather than local communities and independent cultural producers. Heavy-handed tourism strategies can leave local communities disenfranchised from the process, and can create a false and characterless reproduction of a city's cultural identity. Clearly policy makers cannot ignore these relatively new dynamics. But, as they attempt to rebuild their downtowns, decision makers should be encouraged to adopt a more sophisticated approach. Cultural venues and activities can be important income generators, but who gains and who loses as a result of such initiatives are questions that all city leaders would be wise to ask.

### *iii) Corporate design in the city*

While cities may be trying to market themselves as distinct, culturally significant locations, international corporations are often heading in the opposite direction. Major companies rely on product and image standardization to sell their products. Thus, the corporate standardization of architectural design works against the more enlightened approaches to urban place-marketing. In the US at least, corporations seem to be winning the battle - more and more cities offer placeless urban landscapes with 'could be anywhere' architecture. Regional differences in architectural styles are giving way to standardization and uniformity (3.2).

In contrast, some European cities and towns have been more effective in getting corporations to adapt their buildings to suit local conditions and preferences. In many cases, citizens expect or demand that local officials regulate the architectural design of these buildings to ensure that they are sensitive to local context and history. Also Europeans have added leverage: corporate movers-in are predominantly from the United States and would like to be viewed as good neighbors rather than be seen as invading outsiders (3.2).

While American citizens tend to expect less from their corporate neighbors, in recent years public interventions have grown. These have come in the form of both grass roots protests and communities working with corporations to modify approaches to design. Regardless of intervention style, affluent American communities have experienced greater success than low-income communities in restricting and controlling franchise design.

Research suggests that, in the end, the most effective way of getting, well-designed context-sensitive buildings is through the regulatory process. European

governments illustrate this lesson for American cities. In many European countries, government regulates design at local, regional and national levels and municipal leaders are given more discretion to counteract architectural homogenization through the regulatory process (3.2). In the American context, increased regulations have potential to level the playing field between rich and poor communities.

#### **4) Economic development and employment**

Policies for economic development and employment lie at the heart of any sound strategy for urban development – without a sound economic base any city will struggle to deliver a high quality of life for its citizens. The previous section has described how ‘cultural policy’ has grown in significance within the broad field of urban economic development. Here we explore four further sub-themes:

- Measuring economic development
- Deindustrialization and economic development
- Urban employment opportunities
- Spatial impacts of economic development

##### *i) Measuring economic development*

Several of the papers presented at the City Futures conference suggested that the spatial ‘unit of analysis’ we commonly use for measuring economic progress are out of date. One US study put it this way: ‘Cities, rather than nation-states, have emerged as the primary economic units of the 21<sup>st</sup> Century. Their increasing importance – more than half the world’s population is now considered urban – demands change in the ways we collect data globally... Without comprehensive, consistent, and comparable data about conditions in the urban places where various flows originate and are transformed, not to mention information about conditions in the places that the flows bypass, we cannot provide useful advice to their leaders and residents as to how to improve their lots’ (4.4).

It follows that, in order to perform valid comparative analysis, researchers around the world need to work on building a common method of capturing data. Various pleas were made for governments to assist in creating a universal system for data reporting in a global context. In the US context, it is suggested that researchers should take a broader view of the economic drivers of a country and begin to collect data about the economic development patterns of mid-size American cities (with populations from 300,000 to 700,000), rather than writing these areas off as idiosyncratic. (4.4)

## *ii) Deindustrialization and economic development*

Here we visit a familiar but very important theme – the decline of traditional industries and the new challenges this decline presents for city leaders. Across the world, cities face growing international competition; the pressures to innovate in the sphere of local economic development have never been greater. Several contributors suggested that American industrial cities must do much more than work on pollution control and central business district revitalization to jumpstart faltering economies. A comparison of urban transformation of old industrial cities in China and the US suggests that, in order to attract global talent and capital, cities must also breathe life into new knowledge-based economies (4.8).

They, and other researchers, argue that old industrial cities can only strengthen their existing economic make-up by integrating innovative knowledge-based and technology-based growth strategies into their future plans. There is an important role here for urban universities – they can become a source of applicable and innovative research and may be critical in ensuring that top students are retained in the region's future workforce.

However the effects on labor and wages cannot be forgotten when instituting policies to redirect old industrial economies. As the most urban continent in the world, it is important that all cities look to South America for insights on urban planning. Just as many northern cities in America's 'Rust Belt' are reeling from the impact of deindustrialization, so too are many of South America's largest cities struggling with this erosion as a result of the decline of local manufacturing jobs.

The insights that can be gleaned from study of South American experience are significant as they may portray possible futures for cities in better-off parts of the world. For example, in Medellin, Colombia, the effects of deindustrialization are a weakening of local industry, a break-down of social cohesion and mobility, and a deep questioning of the legitimacy of the economic system (4.1). In the face of these trends there has been a growing 'informalization' of the economy, with a growth in all kinds of unregulated activities. In such a stressful environment citizens search for ever more daring ways of bettering their lot – and, inevitably this nurtures the growth of criminal and illegal economies. These 'illegal economies' can now be found in the disinvested areas of American cities and they appear to be growing rapidly. One study of change in African towns and cities also points to the importance of the informal economy (4.6).

Prescriptions that focus on increasing the competitiveness of cities often do so at the expense of workers rights. This would appear to be a flawed strategy as a good deal of research now exists showing that prosperous cities need to deliver a high quality of life - cities full of social tension cannot expect to succeed. There is, then, an economic as well as a social argument for balancing measures that stimulate new knowledge-based economies with measures that provide job

opportunities for citizens with diverse educational backgrounds. In making this point we are echoing the desirability of creating economically diverse communities (referred to in Section 2).

### *iii) Urban employment opportunities*

Much of the research presented at the City Futures conference focused on workers 'left behind' as the blue-collar economy shrinks. Creating accessible work opportunities emerged as a key opportunity for city planners and managers. In many American cities, we see significant spatial divides within housing and labor markets. Indeed, it is clear that inaccessible labor markets can give rise to inequality and disadvantage in urban areas (4.2, 4.7). Improving housing opportunities in job-rich areas can mitigate these harmful effects. Such policies geared towards minority populations are likely to be successful, especially if such initiatives focus on alleviating housing market discrimination (4.2).

Job accessibility is especially pertinent when considering the state of public transportation in American cities. In the US urban zones with high job accessibility for public transit users are usually limited to tiny portions of metropolitan areas. This auto/public transit disparity is not nearly so great in other countries where there has been heavier investment in public transport. In Tokyo, for example, the suburbs are served by high quality public transport. This means that workers without cars are not barred from accessing jobs in outlying areas (4.3).

However, it is important to note that Tokyo's workers are willing to endure lengthy commute times (16 percent of Tokyo area workers have a commute time of 90 minutes or more) in order to take advantage of low land prices in outlying areas. One insight that flows from the Japanese and the European experience is that transit oriented development should become a much stronger feature of city planning practice in the US. Great advantages flow if development is focused not only in areas with good public transport access (transportation nodes), but also in job-rich areas.

### *iv) Spatial impacts of economic development*

The urban sprawl all too commonly associated with American cities is a growing trend in the emerging land markets of China. Sprawl within this context can be defined as more than an environmental problem, but also an economic development problem. Chinese researchers highlight the added expenses of sprawl - sparse development is seen as an inefficient use of land that is being undervalued (4.5).

The cost of inefficient land use is very transparent in the Chinese case because government is the seller of this undervalued land. While American municipal governments are not commonly the sellers of land, they bare a similar burden when outlying areas are undervalued and underdeveloped. That is to say, the cost

of providing infrastructure to sprawling areas should be an important consideration for American municipal governments and regional planning agencies. Indeed, when per capita costs are considered, increased infrastructure expenses are not as easily mitigated by corresponding tax base increases.

Several researchers contend that under utilization of outlying areas can be prevented through land use and density regulations (4.5). While a free market system lacks many of the government controls of the Chinese system, land use regulations are an important tool of American municipal governments. Cities and suburban areas could be using their planning powers much more effectively to guide economically feasible and sustainable urban development.

## **5) The urban environment**

Not surprisingly the environmental challenges facing city leaders received a good deal of attention at the City Futures conference. Here we highlight four sub-themes:

- Defining urban environmentalism
- Environmental impacts of high profile development
- International perspectives on mixed use development
- Privatization of water management/infrastructure

### *i) Defining urban environmentalism*

A key challenge facing all 21<sup>st</sup> century governments concerns the struggle to balance metropolitan growth with the capacity of the natural resources of a given city region (7.3). Several researchers explored the dilemmas and tensions relating to urban environmentalism and the way these conflicts are played out in city politics. Clearly, there is a very important global debate taking place on the 'ecological footprint' cities impose on the natural environment. Papers presented at the City Futures conference examined aspects of this debate and, in particular, showed how ideas about sustainable development are contested. A study comparing urban environmentalism in the UK, Poland and Colombia shows how the very concept of 'sustainability' is contingent – the local political arena and context will shape thinking and approaches significantly (5.1).

A paper by Alexander Slaev of Bulgaria is particularly interesting in this regard. It suggests that the commonly accepted definitions of sustainable development – for example 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs' – tend to be somewhat vague and offer little guidance for specific settings. By drawing on the experience

of Bulgarian planners, he provides an interesting comparison of sustainable development practice in South Eastern Europe and North America. He suggests that sustainable development has very different meanings and that approaches must be country or area specific if they are to be effective. He offers a particularly interesting discussion of urban density. He argues that the very low densities found in many US metropolitan areas are unsustainable. But Dr. Slaev also suggests that very high housing densities (over 200 units per hectare) are also enemies of sustainable development mainly because of acute shortages of open space and greenery (5.6).

Katrin Grossmann and Gregory McDonald both examine sustainability in the context of urban growth patterns. Grossman places sustainability in the context of city decline or shrinkage (5.3). Using Pittsburgh, Pennsylvania (US) and Chimnitz, Germany as case examples, she posits decline (i.e. population shrinkage) as presenting opportunities for cities to regroup and revive themselves using more incremental, smart growth philosophies and practices. McDonald places sustainability in a regional context, focusing on urban growth that preserves the natural regional landscape (5.5). His case study of Toronto's growth and analysis of the impact on natural and built systems supports integration of the natural landscape in city design through green building techniques. Edge cities can do more as a transitional landscape between the urban city center and open space by incorporating more pedestrian-oriented green space in city design as well.

#### *ii) Environmental impacts of high profile development*

There is a lively ongoing debate about the benefits of mega developments in cities - arenas, universities, high-rise projects, etc. These developments often consume large plots of land, require adequate transportation planning (5.9), and can have rippling environmental impacts on surrounding neighborhoods. Research suggests that there is a pattern, both nationally and internationally, of marked revitalization or rehabilitation in the immediate vicinity of mega developments, coupled with dwindling investment further away from the heart of the development. A paper comparing high profile buildings in Prague and Helsinki highlights these global trends (5.7).

This research echoes the findings of other studies of downtown development – various studies suggest that mega developments can be a mixed blessing. For example, a study comparing the downtown areas of Chicago, US and Birmingham, UK suggests that, notwithstanding the large sums of public money involved, the distributional consequences of such spending are not comforting (3.3). Projects such as these can impose high environmental costs on other parts of the city, and can widen the gap between the 'haves' and the 'have nots'. It follows that city leaders and planners should give more attention to the distributional consequences of projects if they wish to avoid unintended side effects.

#### *iii) International perspectives on mixed-use development*

In many countries the urban planning authorities can be criticized for promoting the development of 'single use' areas in cities. Indeed, for many years in the post WWII period, it was conventional wisdom in urban planning that different uses should be segregated from one another. At one level this is desirable as, for example, when heavy industrial uses are sensibly segregated from residential areas. However, in many countries the approach has been taken too far and this has worked against the creation of dynamic, livable and sustainable neighborhoods. It remains a major challenge for developers to bring to fruition complex mixed use projects that integrate residential, retail, service, parking and other uses in a single complex. Thankfully this issue is now receiving more attention with organizations like the Congress for the New Urbanism (CNU) campaigning for a more imaginative response to current challenges.

A paper from the UK offers an interesting perspective on the 'mixed-use development' debate by examining the attitudes of 'empty nesters' in Nottinghamshire, England (5.2). Empty nesters are defined as people who are aged 55 to 75 and whose children have grown and left home. These 'baby boomers' are heading for a richer, healthier, longer life in comparison to their parents. A growing number are moving back into city center locations and there appears to be a growing body of evidence suggesting that they feel safer in physically diverse areas with relatively high densities and mixed land uses.

#### *iv) Privatization of water management/infrastructure*

The move to 'privatize' many public services gained momentum in many OECD countries in the 1980s and 1990s. Several papers at the City Futures conference suggested that these policies do not appear to have been as effective as their advocates had suggested. For example, a study of privatization in Zambia suggests that political factors are paramount (5.4). For such policies to succeed – and the evidence supporting privatization of major public services is not particularly strong – it is important to build stakeholder participation into the process of change.

## **6) Financing cities**

Arrangements for the financing of local government vary dramatically among different countries. In just about all countries there is, however, evidence of 'fiscal strain'. By this we mean to suggest that just about all city leaders face difficulties in balancing their budgets. This is a complex subject because discussion of urban finance cannot sensibly be divorced from discussion of: inter-governmental transfers (where higher levels of government transfer funds to down to the city level); earmarking of funding (by higher levels of government or by citizens through referenda); and broader discussion about local taxation principles and practices (with many different tax regimes in different cities). Nevertheless, on the basis of

discussions at the City Futures conference it can be suggested that comparative urban finance is an underdeveloped field. More comparative work could generate new insights and solutions for all involved. Here we identify two sub-themes for consideration:

- Infrastructure spending comparisons
- Trends in public/private partnerships

*i) Infrastructure spending comparisons*

There are several international tools for comparing municipal expenditures. A paper from Jamaica used the United Nations Human Settlement Program's Global Urban Indicators database to evaluate variations in municipal finance in developing countries (6.1). The author suggests that through comparison, governments can work towards creating a universal model for improving consistency and standardizing certain processes in municipal finance.

This paper identified four influences on international variations in expenditures: economic environment, growth rate, the quality of governance, and government financial capacity. Two major factors explaining variations and low spending were identified: corruption and poor fiscal capacity. It follows that governments must be willing to curb corruption through increasing fiscal transparency. While this research examines experience in less developed countries it is a lesson that applies to practice in all countries – urban finance is notoriously difficult to scrutinize. Governments can also engage in capacity building by increasing revenue via taxes, user charges, and capital markets (6.1).

*ii) Trends in public-private partnerships*

From a US perspective public-private partnerships appear to be driving the bulk of urban redevelopment projects – and the same is true for many other countries. Large-scale city projects, and even infrastructure improvements, are increasingly being led by 'special purpose authorities' via public / private partnerships and development corporations. These collaborations are often comprised of private institutions and actors that are not accountable to the public (6.2). This has also led to the growth of policy communities separate from municipal government, in which policy entrepreneurs (for example, philanthropists, chambers of commerce) have become more significant as actors. This has resulted in less public participation which translates into an increase in fractured city development. Dennis Judd, a leading US political scientist, put it this way:

'The new public/private institutions of urban development are not bound by rules normally applied to municipal governments. As a consequence, the politics of urban redevelopment is rapidly moving from the arena of electoral and municipal politics into an expanding number of institutions that operate with little public

accountability. These institutions, in turn, seek to enhance their political authority by seeking support from a constellation of supportive actors (6.2).'

From an international perspective several of the papers use case studies of public-private partnerships in an attempt to identify broader trends. For example, a case study of public-private partnerships in Utrecht reveals a variety of tensions (6.4). Utrecht is encouraging development that produces more of an economic mix and there are similarities here with US trends towards mixed use development, as advocated by those in favor of 'new urbanism'. The Utrecht government, the housing association, and the developer are the three principal actors. The Dutch authors note that the public is excluded as an actor. The focus is on restructuring the neighborhood to meet the interests of particular stakeholders. Regardless of community support, these authors suggest that in order for public/private partnerships to be successful, political policy support must be strong, roles should be clearly delineated, and goals should be distinct and mutually shared among all the actors involved.

Another case study focused on Dublin found that uneven development is occurring due to privatization of certain services – for example, public housing (6.3). The authors suggest that this shift was influenced by government's drive to mitigate municipal budget cuts. In this case, a revitalization process that began with government and citizen participation to develop a mutually supported revitalization plan, shifted in favor of a public/private partnership model at the expense of community input.

A general lesson that can be taken from these experiences is that all municipalities would be wise to enter public/private partnerships with great care. A balance needs to be struck between drawing in private investment and retaining a clear and sharp focus on public purpose. In too many examples public/private partnerships have served private interests more effectively than the public interest.

## **7) Social dimensions of the city**

This theme focuses on the city from a sociological perspective. The topics that could have been included here are vast. Some have already been discussed in the context of other themes – for example, the discussion of diversity in Section 2) and the discussion of culture and economic development in Sections 3) and 4). The authors referenced in this final section have taken a critical eye to examining how institutions, municipal services, and public policies impact different individuals and groups. We identify three sub-themes:

- Settlement patterns
- Policy, governance and inequities in development

- Crime and policing

### *i) Settlement patterns*

From a global perspective, tracking settlement patterns, population migration and immigration, helps municipalities predict area growth, as well as future resource and infrastructure needs. This allows governments to take a more proactive approach to the planning and management of development. In an urban context, however, the measurement of urban sprawl has become a highly contested topic. Is it a good thing? Or is it a bad thing? Answers to these questions depend on views of appropriate criteria as well as contrasting views on the metrics for measurement.

Several papers from the US focused on developing technical tools for measuring settlement patterns. Using such tools, one paper identified variations, imbalances, and inequities in settlement on a regional scale (rural vs. urban) that affect behavior, such as work patterns (7.4). From an international perspective, the discussion tends to focus more on tracking both the urbanization patterns and migratory movements of 'invisible' populations in various countries, such as Botswana, Africa (7.1). As mentioned earlier in the discussion of the 'informalization' of the economy in South America, the data gathering challenges facing those concerned with urban development in less developed countries are formidable.

### *ii) Policy, governance and inequalities in development*

There has been a dynamic shift from a classical model of government to what has been termed the 'new liberal' model of governance. This model seeks to open government up to more social networks and reduce the impact of traditional top-down forces. A paper from Austria - comparing Vienna to the UK - comments on how this shift opens up the government systems to more actors from both the public and the private sectors (7.3). Instead of governments being seen as storage-houses for information, the municipalities are working to build clear competency expectations, and develop human capital. Vienna's governmental reformation is referred to as 'controlled modernization' in which rapid change to more open governance is resisted in favor of more conservative changes in which old government and new governance are interwoven.

In more culturally and economically homogenous societies, research on the influence of public policy on urban governance differs. Research on Chinese urban development reveals a pattern of uneven development (7.6). In Shanghai researchers found that the land management and land leasing programs promoted more or less development depending on a community's cultural features. Specific business practices in each district worked to various degrees with the policy to produce more or less intensive development. Clearly political traditions between

China and the US vary dramatically but it is interesting to note that cities in both countries are experiencing very uneven development.

### *iii) Crime and policing*

The issues of crime - both local and national - are complex in that they require examination of individuals, groups, institutions and societies as a whole. Here we refer to two intriguing papers. The first examines variations in local policing strategies and considers how these variations influence city crime rates (7.2). It tackles a breadth of issues, illustrating how interrelated the governance of policing, housing, economic development, and globalization is to crime rates. This study shows how effective approaches to tackling rising crime rates need to be broad based.

The second paper examines the correlation between national policing efforts to deter terrorism and local policing strategies (7.5). In the past the US has been seen as a democratic model with strong protection of civil liberties. Now with moves to heighten levels of national security, it is important to examine when intrusive policing is warranted and how it can be better implemented to protect rather than suppress.

Militarization of urban space includes increased controls over infrastructure, buildings, and people. In the US context, the transformation of infrastructure to militarized urban space has been criticized as resulting in 'the suppression of citizen political mobilizations' and inhibiting personal / political freedom under questionable perceptions of national threat. A popular sentiment in the US is that militarization 'continues the examination of the military character and dynamics of restricting or denying the use of urban public space to individuals and groups seeking to mobilize to contest policies and actions of transnational entities involved in the project of defining and controlling the global economy in the interests of capital... At the same time the discussion places particular emphasis on a parallel issue that has received less attention to this point—the ways in which the transformation of public to militarized space undermines democratic governance within the urban site where it occurs' (7.5). Here, attention is drawn to the importance of remaining ever vigilant in fighting to sustain individual freedom.

## **References**

Thomas L. Friedman (2005) *The World is Flat*. New York: Farrar, Strauss and Giroux.

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# Appendix 1

## List of selected City Futures papers

In this appendix we list the 48 papers we have drawn on in preparing this report. They were all presented at the City Futures International Conference held in Chicago in July 2004. The papers are grouped into the following seven themes:

- 1) City leadership, management and governance (14 papers)
- 2) Culture and diversity (4)
- 3) Marketing the city (3)
- 4) Economic development and employment (8)
- 5) The urban environment (9)
- 6) Financing cities (4)
- 7) Social dimensions of the city (6)

In the list we have included the country of origin of the author(s). The authors listed here come from 21 different countries. Many of these papers – those marked with a \* - are available on the City Futures website:  
<http://www.uic.edu/cuppa/cityfutures/>

### THEME 1: City Leadership, Management and Governance

- 1.1 Balducci, A. and Calvaresi, C. (2004) *Participating and building new forms of leadership: The role of planning in fostering local mobilization* (Italy)
- 1.2 Getimis, P. and Heinelt, H. (2004) *Leadership and community involvement in the European cities. Conditions of success and/or failure* (Greece and Germany) \*
- 1.3 Gross, J.S. (2004) *Local government and local stakeholders: Building bridges in the global city-lessons from London for New York* (US)
- 1.4 Hambleton, R. (2004) *Beyond new public management - city leadership, democratic renewal and the politics of place* (US) \*
- 1.5 Harding, A. (2004) *City thinking: Transformations in principles and practice* (UK) \*

- 1.6 Haus, M. and Klausen, J.E. (2004) *Urban leadership and community involvement: Ingredients for good governance? Findings from the PLUS project* (Germany and Norway) \*
- 1.7 Hendricks, F. (2004) *Shifts in governance in a polycentric urban region: The case of the Dutch Randstad* (The Netherlands)
- 1.8 Holder, A. (2004) *Taking the strain or a strained relationship? Joint political and managerial leadership in UK city governance* (UK) \*
- 1.9 Howard, J. and Sweeting, D. (2004) *Addressing the legitimacy of the council-manager executive in local government* (UK) \*
- 1.10 Lee, J.H. (2004) *The prospects and future tasks of globalization and urbanization in Korea: The need for strategic approaches of urban governance* (Korea)
- 1.11 Nalbandian, J. (2004) *Perspectives on contemporary trends in local government and the responsibilities, roles, and values of local government professionals* (US)
- 1.12 Puglisi, M. and While, A. (2004) *Futuresworks in urban and regional governance: Rhetoric or reality?* (UK) \*
- 1.13 Simpson, R., Adeoye, O., Bliss, D., Navratil, K. and Raines, R. (2004) *The new Daley machine: 1989 – 2004* (US) \*
- 1.14 Sokol, M. (2004) *City-regional governance: on conceptual issues* (Ireland) \*

## **THEME 2: Culture and Diversity**

- 2.1 Bernt, M. (2004) *Rent-gaps revisited: the unusual dynamics of neighborhood upgrading in East Berlin* (Germany)
- 2.2 Bockmeyer, J. (2004) *The capacity to engage? Assessing nonprofits and immigrant engagement in Social Cities* (US) \*
- 2.3 Dekker, K.K. and Bolt, G. (2004) *Social cohesion in heterogeneous neighbourhoods in the Netherlands: the cases of Bouwlust and Hoograven* (The Netherlands) \*
- 2.4 Nwaka, G. (2004) *Using indigenous knowledge to strengthen local government and governance in Nigeria* (Nigeria)

### **THEME 3: Marketing the City**

- 3.1 Freestone, R. and Gibson, C. (2004) *City planning and the cultural economy* (Australia)
- 3.2 Schwarz, T. (2004) *Defending regional identity: Strategies for reshaping franchise architecture* (US) \*
- 3.3 Spirou, C. and Loftman, P. (2004) *Cultural policy and urban redevelopment: A comparative analysis of downtown restructuring and social inclusion in Chicago and Birmingham (UK)* (US and UK)

### **THEME 4: Economic Development and Employment**

- 4.1 Betancur, J. (2004) *Urban restructuring and informalization: Evidence from Medellin, Columbia* (US)
- 4.2 Dawkins, C., Sanchez, T. and Shen, Q. (2004) *Residential segregation and the persistence of racial differences in unemployment* (US) \*
- 4.3 Kawabata, M. and Shen, Q. (2004) *Job accessibility and commuting modes in US and Tokyo metropolitan areas* (Japan and US) \*
- 4.4 Levine, J.N. and Wesley, J.M. (2004) *Growth in the middle: The economic fortunes of mid-sized metropolitan areas* (US)
- 4.5 Min, Z. and Yan, Z. (2004) *Improving land use management in economic development zones - the case study of Changzhou China* (China)
- 4.6 Rakodi, C. (2004) *African towns and cities: Powerhouses of economic development or slums of despair?* (UK) \*
- 4.7 Todman, L. (2004) *Reflections on Social Exclusion: What is it? How is it different U.S. conceptualizations of disadvantage? And, why might Americans consider integrating it into U.S. social policy discourse?* (Italy) \*
- 4.8 Yang, X. and Hua, Y. (2004) *Wuhan vs. Pittsburgh: Urban transformation of old industrial cities under globalization impacts* (US) \*

### **THEME 5: The Urban Environment**

- 5.1 Brand, P. (2004) *Urban environmentalism in context: case studies from Birmingham (UK), Lodz (Poland) and Medellin (Colombia)* (Colombia) \*

- 5.2 Chao, T. and Oc, T. (2004) *Future city centre living and the aging society - Attitudes to mixed-use developments in the UK* (UK) \*
- 5.3 Grossmann, K. (2004) *Declining Cities - rising futures? The future prospects for declining cities in relation to development paradigms* (Germany)\*
- 5.4 Malama, A. and Kazimbaya-Senkwe, B.M. (2004) *Privatisation from above and from below: A comparative analysis of the privatisation of water and sanitation and solid waste management services in the city of Kitwe* (Botswana and UK) \*
- 5.5 McDonald, G. (2004) *The continuum of the landscape: Promoting a livable network strategy* (Canada) \*
- 5.6 Slaev, A. (2004) *Sustainability in different urban development contexts: The Southeastern European Experience* (Bulgaria) \*
- 5.7 Temelova, J. (2004) *The impacts of high profile buildings on urban physical environment: A case study of Prague and Helsinki* (Czech Republic) \*
- 5.8 Thornley, A. and Newman, P. (2004) *Planning world cities: Globalization, urban politics and degrees of convergence* (UK)
- 5.9 Zhuo, J. (2004) *The speed of urban transportation as a new regulatory tool for future cities* (France) \*

## **THEME 6: Financing Cities**

- 6.1 Arimah B.C. (2004) *Intercity variations in public infrastructures spending: Evidence from developing countries* (Jamaica)
- 6.2 Judd, D. R. (2004) *Special-purpose authorities, policy communities, and the new municipal politics* (US)
- 6.3 Punch, M., Redmond, R. and Kelly, S. (2004) *Uneven development, city governance and urban change: Unpacking the global-local nexus in Dublin's inner city* (Ireland) \*
- 6.4 van Beckhoven, E., van Boxmeer, B. and van Kempen, R. (2004) *Partnerships in Problem Neighborhoods: Success or Failure? A case study in Utrecht, the Netherlands* (The Netherlands) \*

## **THEME 7: Social Dimensions of the City**

- 7.1 Gwebu, T. (2004) *Patterns and trends of urbanization in Botswana and policy implications for sustainability* (Botswana) \*
- 7.2 Hagedorn, J. and Rauch, B. (2004) *Variations in urban homicide: Chicago, New York City and global urban policy* (US) \*
- 7.3 Hamedinger, A. (2004) *The changing organization of spatial planning in Vienna: learning lessons from the organization of planning in the UK in the context of the shift from government to governance* (Austria) \*
- 7.4 Ottensmann, J., Payton, S., Palmer, J. and Minger, T. (2004) *Measuring and comparing patterns of human settlement and their consequences* (US)
- 7.5 Warren, R. and Warren, C.V. (2004) *Militarization of urban space and local and global democratic practice* (US)
- 7.6 Zhang, T. (2004) *Differentiations among brothers: Urban development in three Shanghai urban districts* (US) \*