Planning the Neoliberal City

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RADICAL PLANNING THEORISTS have long held that one of the defining activities of municipal government historically has been to physically shape the city in order to facilitate the circulation and accumulation of capital. This traditionally involved the coordination of infrastructure, land use, and service provision and dated back to the Progressive Era, when economic elites extended their influence through a Reform movement that emphasized clean government, technical acumen, and the methods of business (all preludes to "the Bloomberg Way"). Efforts by urban political economists to grasp the influence of business interests on municipal policy have largely focused on real estate developers and other locally dependent business interests.

The advent of neoliberalism, however, requires a new examination of the role that postindustrial economic elites — the owners and managers of global capital — play in urban politics and governance. Although concentrated in a number of cities, their work was famously characterized by Manuel Castells as occupying the "space of flows," operating in a world of mobility, networks, and technology that seemed to preclude any localized spatial agenda. And even if they were to challenge developers for control of urban governance, what would it entail for them to refashion the city to serve as an instrument of postindustrial capitalist accumulation? And how precisely would such a regime be sold to the mass public as serving the public interest?

Julian Brash views New York's Mayor Michael Bloomberg's ascendancy and administration as a class project unto itself, one in which postindustrial elites discovered their collective identities and interests by participating in government efforts to (re)shape the production of urban space. According to Brash, two motifs epitomize the Bloomberg regime: 1) "The Bloomberg Way," a particular mode of neoliberal and entrepreneurial urban governance; and 2) "the Luxury City," the New York imagined by members of the postindustrial elite that served as a coordinating mechanism for various policy areas, especially economic development and urban planning.

In times past, political economists could follow the trail of money in the form of campaign contributions that filled a mayor's campaign coffers. However, in the case of Michael Bloomberg, there are no contributions to cast suspicion on the influence of private interests on the billionaire mayor who "couldn't be bought." This places an even greater imperative on the task of unpacking the ideology and politics driving Bloomberg's development policies. It also requires close examination of the new set of actors who penetrated the city's influential civic groups and the administration itself. Brash's book accomplishes this through an eclectic mix of methodologies: a close analysis of the Administration's stated goals and policy rationales, a rigorous examination of the public officials and civic elites who crafted the city's development policies, and an in-depth case study of the attempted redevelopment and rezoning of the Far West Side of Manhattan.

"The Bloomberg Way" refers to an ostensibly pragmatic, nonideological approach to urban governance that places a premium on management skill, technical expertise, and data-driven evaluation. In its core formulation, the mayor serves as CEO, the city government is a corporation, businesses and residents are clients and customers, and the city itself is a product to be branded, marketed, and developed. On this logic, the city's bottom line depends on its ability to generate more property tax revenue, which therefore is a primary consideration when it comes to land use policy and economic development. The flip side, of course, is that distributional concerns — for example, the quality of jobs produced and the impacts of public actions on the stability of neighborhoods and fragile networks of small businesses — are of secondary importance at best.

Indeed, the cornerstone of the city's policy efforts has been to improve New York's standing in the global competition for jobs, investment, and residents abounding in human capital. Brash describes this entrepreneurial approach to enhancing the city's competitiveness as quintessentially neoliberal, though he is careful to point out that neoliberal projects "are fashioned out of preexisting political, cultural, and economic materials that lie close at hand." Indeed, an early chapter examines how the post-fiscal crisis political environment, a reactionary drift in national politics, and a number of contingent local events combined to make the election of Bloomberg possible. Throughout the book, Brash then details how the Bloomberg Way actually represents a "complex reworking of post-fiscal crisis neoliberalization" that was required for Bloomberg to govern effectively. It is within this broader context, where governmental priorities had been redefined and a new process of postindustrial class formation was underway, that the Bloomberg Way is revealed as "ideological, class-based, and deeply political."

Brash documents the influx of members of the Transnational Capitalist Class (TCC) and Professional-Managerial Class (PMC) into the Bloomberg Administration, beginning with the appointment of financier Dan Doctoroff to the newly empowered position of Deputy Mayor for Economic Development. Indeed, according to Brash, Doctoroff's hiring was a "watershed in New York City class politics, the moment when the city's TCC first asserted itself as a player in the city's governance." Doctoroff also had strong ties to the development community due to his own real estate holdings and his relentless efforts to bring the 2012 Olympics to New York City. Bloomberg and Doctoroff recognized the potential of using the Olympics to push along numerous development projects and, most importantly, the extension of the Midtown Central Business District to the Far West Side of Manhattan. Shortly after Doctoroff's appointment, Andrew Alper was plucked from Goldman Sachs to run the city's Economic Development Corporation (EDC). As Brash shows, before stepping into their respective positions, neither Doctoroff nor Alper were even sure what EDC was. This reflected a faith that it was the corporate leadership skills and experience of postindustrial elites, assisted by a professional technocracy, that would propel the city toward economic growth and prosperity.

In crafting an overarching economic development strategy for the Bloomberg Administration, Doctoroff and Alper worked closely with the Partnership for New York City, the business advocacy group representing the "leadership of New York's international business community" (as described the Partnership itself). It was determined that New York should not compete on the basis of business costs, and instead should focus on a high-end market segment that valued the city's labor pool, its infrastructure, and its urbanism itself—the city's dynamic culture, its energizing density, and its inimitable cosmopolitanism. In effect, New York itself was envisioned as a high-end product—not just to be consumed, but as an asset in the postindustrial production process since the "luxury city" would attract "high-value-added postindustrial sectors that comprised the city's target market." New York was therefore an urban brand, and development policy would be geared toward shaping the city to meet this marketing imagery. Specifically, this involved comprehensive planning for upscale residential projects, the creation of new and enhanced office districts, and improved parks (especially on the waterfront) and cultural resources that would appeal to the city's postindustrial denizens. Compared to traditional growth regimes, where development incentives are distributed in a piecemeal fashion, "the Bloomberg Way revitalized the role of the local state in the economy, centralizing its development functions, enhancing its capacity for coordinated action, and permitting it to guide, rather than merely support, development."

Brash further argues that the technocratic Bloomberg Way and the associated vision of the Luxury City were "premised on the existence and identification of a unitary interest of the city as a whole, the delegitimization of particular interests, and the rejection of political conflict." Following the logic of Paul Peterson in *City Limits*, Bloomberg officials claimed that their growth-oriented

economic development strategies were in the interest of the reified city, since this approach enhanced New York's position vis-à-vis other cities competing for investment. Bloomberg is also quick to point out the fiscal imperative of facilitating development, since an enhanced tax base is necessary to fund the services to New Yorkers who may not directly benefit from a corporate-center strategy.

In reality, though, there were losers associated with this approach, namely the cost-sensitive industries and neighborhoods impacted by this agenda. Though Brash does not list specific examples, there are many to draw from: for instance, the ethnic food distributors in Bronx Terminal Market who were displaced by a city-subsidized mall; the independent retailers in Albee Square Mall who were cleared to make room for a glitzy shopping and housing complex sponsored by EDC; the small manufacturers in Greenpoint-Williamsburg and other rezoned neighborhoods who could not compete with higher-rent uses; and the residents of neighborhoods where gentrification was facilitated by public policy. Despite the administration's deployment of "urban patriotism" intended to portray opponents of redevelopment projects as "NIMBY" (Not In My Backyard) obstructionists working against the public interest, these policies generated a good deal of political conflict that occasionally challenged the broader class-inflected vision held by the administration.

Far West Side Stories

THE BREWING TENSIONS between Bloomberg's grandiose plans for the luxury city and local interests and neighborhoods bubbled to the surface with the announcement of an ambitious plan for the development of a football stadium as the centerpiece of the city's Olympic bid, along with a large-scale rezoning intended to facilitate the westward expansion of the Midtown business district. Brash devotes several chapters to these controversies, often bringing to light crucial details that escaped the notice of mainstream reporters. As Brash argues, the larger effort to transform the Far West Side was premised on familiar postindustrial fantasies that producing an oversupply of office space would somehow generate office demand, or that the "information economy" would produce an endless supply of office jobs that would quickly be absorbed by the new buildings.

Bloomberg's aversion to democratic planning and oversight, which Brash attributes to his corporate background and CEO persona, fundamentally impacted the design of the projects and the manner in which they were pursued. For instance, Bloomberg deferred to the Empire State Development Corporation (ESDC) as the lead agency for developing the stadium, thereby avoiding the city's public land use review process. He also created the Hudson Yards Infrastructure Corporation (HYIC) as an off-budget financing mechanism for the extension of the Number 7 subway line, partially because it did not require approval from the City Council to issue bonds. As Brash shows, there were substantial costs incurred by this arrangement, where funds from new commercial development in the area would be diverted from the city's treasury and instead used to service the debt incurred for the subway project (which itself raises distributional issues). Aside from the fact that developers would pay the equivalent of discounted property taxes, this strategy required the city to plan for an unprecedented level of density in order to raise enough funds to cover the $3 billion transit project, which Bloomberg officials viewed as the key to developing the Far West Side at the speed and scale they desired. Furthermore, because the bonds were being issued by HYIC, they were not technically backed by the full faith and credit of the city, thereby increasing the city's borrowing costs. As Brash observes, "getting the project underway and completed quickly, without undue interference or delay, trumped democratic niceties and even profitability." In the public discourse, these prosaic issues were overshadowed by legitimate questions pertaining to the wisdom of placing a football stadium, which hosts a small number of games a year and does not pay property taxes, on prime Manhattan real estate.

Brash artfully constructs a narrative of "the battle for the West Side" that reveals how elements

of the Bloomberg Way ironically worked against the mayor's own objectives, contributing to the demise of the stadium proposal despite the fact that the rezoning was passed with only minor concessions to the community. As Brash shows, Bloomberg's arrogance and his animus against "politics" resulted in the Administration's failure to placate the concerns of New York State Assembly Speaker Sheldon Silver, who feared that overdevelopment on the West Side would undermine efforts to bolster the economy of Lower Manhattan (situated in Silver's district). To be sure, Silver personifies the traditional style of political horse-trading disdained by Bloomberg, but the fact of the matter is that Silver eventually killed the stadium project through his vote on the state Public Authority Control Board.

Brash also demonstrates how the Bloomberg Way's technocratic bent put a premium on the opinion of experts, giving additional weight to devastating critiques of the project published by the Regional Plan Association and planners working on behalf of the local Community Board. These reports gave Silver all the ammunition he needed to eventually kill the stadium. Rather than attacking the class-inflected character of the Administration's vision, however, these critiques mostly refuted the Administration's arguments on their own terms — contending that the stadium was not a "profitable investment" and did not meet the standards of "best practices" in urban planning. In this respect, Brash argues that the Bloomberg Administration ultimately succeeded in determining the parameters of the debate, as evidenced by the passage of the massive rezoning and risky financing plan related to the subway extension. In my view, this could not have been accomplished without the partial complicity of Christine Quinn, the local Council member who aspired to become speaker of the Council (which she achieved in 2006) and has aspirations to receive Bloomberg's support in her own bid for mayor. Because of these ambitions, Quinn abandoned her more progressive political roots to strike a conciliatory note in the hopes of garnering the support of the influential, prodevelopment building trades and the business community despite her opposition to the stadium. Thus, Quinn was walking a political tightrope, which she resolved by convincing other Council members and community leaders that it was necessary to accept the contours of the rezoning in order to defeat the stadium (a dubious claim since there is no evidence that Silver was influenced by this line of thought). This was key to Bloomberg's ability to implement his overall vision, and the absence of Quinn's role in Brash's narrative is my only quibble with his otherwise impeccable account of the micropolitics involved with these projects.

THE BLOOMBERG WAY HAS BEEN COMING apart at the seams since Brash's book was written, with Bloomberg's third term producing a series of debacles that undermine the ideal of technocracy and his image as non-ideological. Bloomberg's management skills have come into question due to several scandals, none more costly than CityTime—the massive automated payroll system Bloomberg promoted as a way to regulate workers and cut down on inflated overtime pay. Despite investigative news reports that sounded the alarm when the project's budget ballooned from $63 million to over $700 million, Bloomberg insisted that the private companies contracted to design CityTime were working in good faith. Eventually the U.S. Attorney's office would level charges of fraud, money laundering, and receiving kickbacks against the private contractors and consultants, arguing that they were able to manipulate the terms of their contracts and inflate the costs eleven times its original estimate. James A. Parrott, chief economist for the Fiscal Policy Institute, commented: "Given the magnitude of the CityTime scandal, I think the mayor has already squandered most of his smart management reputation." The city's lackluster response to the catastrophic 2010 snowstorm further tainted this image, especially since there was confusion over who was in charge of declaring a snow emergency and coordinating the efforts of various agencies while Bloomberg spent the weekend at his home in Bermuda.

The notion that Bloomberg stands above the fray of urban politics also took a hit this year with the trial of John Haggerty Jr., a Republican campaign operative convicted of stealing over a million dollars from the Bloomberg campaign (which spent a total of $105 million in this election alone). The trial revealed that Bloomberg had hired Haggerty to implement a "ballot security" initiative on Election Day. As journalist Tom Robbins reported, ballot security operations have historically been a Republican tactic intended to suppress voter turnout in targeted neighborhoods. During the 2005 election, Bloomberg first hired Haggerty to supervise a ballot security operation, prompting Fernando Ferrer to file a complaint with the Justice Department claiming that Bloomberg had planned to use off-duty correction officers to guard polls in the Bronx as "an organized effort of voter intimidation disguised as poll watching." During the most recent election cycle, Bloomberg avoided this sort of scrutiny by funneling Haggerty's payments through the beleaguered Independence Party as a donation to their housekeeping account, thereby ensuring that this expenditure would not show up on campaign disclosure reports before Election Day. At the very least, this smacked of the kind of "dirty politics" that contradicted Bloomberg's cultivated image as being "above politics."

When Bloomberg appointed publishing magnate and Upper East Side neighbor Cathie Black as Schools Chancellor, he argued that her lack of experience in public education did not matter because her attributes as an effective corporate leader were all the credentials needed. This ended with her resignation 95 days later. Bloomberg's fabled facility with data has come back to haunt him in several respects. Ballyhooed improvements in student test scores were mostly negated when state officials recalibrated the results. Data-driven policies in the police department have resulted in the systematic misreporting of crimes and recent corruption scandals. Still more troubling, last year the New York Police Department conducted over a half-million forcible stop and frisks, 85 percent of which were of non-whites, and only 10 percent of which led to arrests (usually for petty crimes). This has triggered a federal lawsuit and several large protests in recent months.

However, it is the Occupy Wall Street protests that have exposed Bloomberg's class politics. Given his immense wealth—a net worth estimated at $19.5 billion, mostly derived from providing financial information to Wall Street—Bloomberg epitomizes "Wall Street" excess and power. Perhaps for this reason he has chosen to publicly support the First Amendment rights of the protesters, all the while making tone-deaf and patronizing statements about the substance of the demonstrations.

During the first week of OWS, Bloomberg made a muddled argument about the protests harming the tourism economy of New York. Ironically, within days newspapers were reporting that Zuccotti Park had itself become a tourist attraction. More recently, Bloomberg resorted to flippant language, calling OWS "fun," "cathartic," and "entertaining to go and blame people," but concluded that "it doesn't get better by complaining about it; it doesn't get better by disrupting commerce; it doesn't get better by vilifying people and scaring them away from taking risks." Bloomberg has also adopted the standard reactionary interpretation of the mortgage crisis, saying that it was "plain and simple, Congress who forced everyone to go and to give mortgages to people who were on the cusp" and implicated Fannie and Freddie Mac as the principal culprits. Finally, Bloomberg has strenuously opposed a state income tax surcharge on top earners and a Living Wage bill currently wending its way through the City Council.

It is to Brash's credit that Bloomberg's recent failures are all comprehensible within the framework of his book, especially his trenchant debunking of "the Bloomberg way" and the nonsensical claim that Bloomberg is "above politics." Perhaps Brash's most valuable contribution is that he demolishes the notion that there is "a unitary city interest" that can be determined by disinterested elites through technical analysis. When it came to shaping the city, Bloomberg focused on creating a place for postindustrial elites to work and play by directing incentives toward office buildings, stadiums, and shopping centers, and strategically using a hot real estate market to encourage speculation and gentrification across large swaths of the city. Clearly, the Bloomberg

Way points up the pitfalls and dangers of neoliberal city building, as well as the need to democratize urban planning and economic decision-making processes.