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URBAN MANAGERIALISM

Mystification of Allocation and Accessibility in a Mixed Economy

The purpose of this paper is to question the «urban managerialism» hipothesis which I have put forward in previous papers.[1] The notion that there is a redistribution of real income as a result of the allocatiom of public resources and facilities is well understood. The ideology of allocation according to need is part of the trappings of «the welfare state» as a type of society, and professional groups claiming special expertise in the determination of and provision for such needs have grown in power as the resources they allocate increase.

Whilst a focus on these urban managers or gatekeepers is a useful research strategy, and whilst an exploration of their implicit goals, values, assumptions and ideologies is useful in providing a valuable approach for students exploring the role of professionals in bureaucracies, such an approaach lacks both practical policy implications and theoretical substance. Practically the implication is so often that there is need for more sensitivity and more resources: basically the planners, social workers, housing managers and so forth are very often trying to turn the taps of their resources to favour the most disadvantaged; but either through a mistaken belief in the validity of their data, a lack of awareness of the unintended consequences of their actions or simply through human error, the results

1. R. E. Pahl «Urban Social Theory and Research» in *Whose City?* Longmans 1970 chap. 13 and «Urban Processes and Social Structure» Mimeo University of Kent 1972.

of their activity fail to improve, and possibly add to, the plight of the poor. Sometimes, it is true, they are carrying out basically inequitable government policies, often with reluctance, but knowing that this is against their equitable instincts, if not their professional training. Generally a lack of resources inhibits the full development of their programme, plan or provision and the central government is accused of having the wrong order of priorities, or private employers and entrepreneurs are accused of putting private gain above public interest. Thus, in practical terms the implications turn out to be remarkably similar: researchers show that the area of operation of the professional allocater is far more complicated than his training and policies suggest.[2] Wiser, more sensitive and better trained urban managers, supported with more resources, is inevitably the policy conclusion. As with industrial relations there is a permanent plea for «better communications». Since that is an inherent problem in large-scale bureaucratically-organised societies, there is no reason why every research worker should not discover the point for himself.

I consider that this emphasis on the local gatekeepers is to be welcomed and, indeed, it is, in my view, part of the sociologist's general responsibility to explore, expose and to demystify the workings of our institutions which are there as our creations to meet our needs and should not be seen as external systems dominating us. We should not be surprised to find that within local government structures there are conflicts, feuds, factions, cliques, cabals and all the strains and tensions common in bureaucracies.[3] In particular we should not be surprised that individuals and professional groups often dress up their plans for personal and collective career advancement with altruistic and professional ideologies emphasising the needs of their clients as a basis for expansion. Some may believe that with different relationships to the means of production different motivations and a different «human nature» may emerge. Until such time comes it would be a naive sociologist who would expect local government bureaucracies to operate very much differently from others.

That there may be some differences between urban managers and, say, industrial managers would be hard to deny. Despite the no doubt well intentioned attempts of those who seek to make local government «more efficient» by introducing management consultants, operational research and other aids from the world of profit maximising, not all those in

2. See, for example the work by Norman Dennis *People and Planning* Faber 1970 and *Public Participation and Planners' Blight* Faber 1970 and J. G. Davis *The Evangelistic Bureaucrat*.

3. A good instance of this is *Urban Renewal in Liverpool* by D. M. Muchnick G. Bell & Sons 1970.

local government are concerned with providing efficient services et least cost to the rates. Those who believe in public service, who believe that the library service, for example, has always too little money and too few clients, would claim that more money spent is not profligate but rather a form of community investment in the good life. Similarly those responsible for education, health services, the personal social services and the like would rarely consider their task in terms of efficiency, but more often in terms of equity or even equality. Local governments' search for a collective managerial ideology and identity is certainly an interesting research field but can hardly be a separate focus for urban sociology.

This brings me to the second weaknes in the approach — that of theoretical substance. The focus on urban managers or gatekeepers «allocating» indirect wages and controlling access to scarce urban resources and facilities in «an urban system» may be useful, but too much should not be built upon it. Certainly the danger of verifying concepts such as «allocative structures» [4] should be avoided. Recent research in Britain has focussed on the urban gatekeepers largely because the researcher has been heavily on the side of the lower participants who may have suffered at the hands of insesitive local officials. It is understandaby very easy for the researcher to view the situation through the eyes of disadvantaged local populations and to attribute more control and responsibility to the local official than, say, local employers or the national government. Following Gouldner's scathing discussion of this issue it does seem likely that it is easier for sociologists receiving their research funds from government departments or national research councils to combine with, as it were, the bottom and the top in blaming the middle. As Gouldner remarks, such «a criticism of local managers of the Caretaking Establishment» and «of the vested interest and archaic methods of these middle dogs» may lead to an «uncritical accomodation to the national élite and to the society's master institutions».[5] Such is the danger and it does seem to be the case from recent British studies that the middle dogs have been the chief target for champions of the underdog.[6]

4. As I tend to do in the paper on «Urban Processes and Social Structure» op. cit.

5. A. W. Gouldner «The Sociologist as Partisan: Sociology and the Welfare State» in *For Sociology* Allen Lane 1973 p. 51.

6. In addition to the work by Dennis and Taylor cited above there are the Birmingham studies by J. Rex and R. Moore *Race, Community and Conflict* O.U.P. 1967 and by J. R. Lambert and C. J. Filkin *Ethnic Choice and Preference in Housing* Report to SSRC 1971 and by Sean Damer in Glasgow *The Broomloan Road Rehousing Scheme* Report to the Glasgow Corporation and his unpublisher M.A. thesis at the University of Strathclyde.

These local studies focusing on one set of managers of the urban system may be admirable in enabling us to understand the workings of bureaucracies and organizations. The detailed accounts of the use and misuse of rules, the internal struggles, the confusions, decisions and non-decisions are all useful accounts of the workings of large-scale organisations and, in particular, of their relationships with those outside the organisation. No doubt more such studies are needed but they do not, even when taken all together, add much to our understanding of the city in capitalist society. Indeed, in many ways they may confuse and mystify us by suggesting that research on the sociology of the urban manager implies an understanding of an independent variable in the creation of the urban system. Such is the position I have characterised as urban managerialism.

Turning to the industrial sphere in order to clarify the point about the inadequacy of managerialism, the crucial point managerialists put forward is that ownership and control have become separated.[7] Thus, even in such matters as forward planning and investment decisions it is the managers and not the shareholders, or their representatives the directors, who take the crucial decisions. Clearly, this argument applies most strongly when investment is drawn mostly from retained earnings and, in the case of public companies, assets are appropriately reflected in the quoted share price. Without the former the managers would be dependent on external sources of finance and the control that might follow from that, without the latter the company would be in danger of being taken over.[8] Managers maintain control largely because of their technical expertise in industries operating with the more advanced technologies, the logic of science and technology is sail to determine the way such industries must develop. Managers thus form part of the technostructure, in Galbraith's term.[9]

Further discussion of managerialism in the industrial context would be misplaced here. Even those who would hold to a theory of industrial managerialism, and this is hard to sustain in the light of Nichol's attack, would be even more pressed to develop a theory of urban managerialism.[10] Certainly the professional officers of a local authority can manipulate their

7. These arguments are admirably summarised in Theo Nichols *Ownership, Control and Ideology* George Allen and Unwin 1969.

8. See R. E. Pahl and J. T. Winkler The Economic Elite: Theory and Practice in P. Stanworth and A. Giddens (eds.) *Elites and Power* Cambridge University Press 1974.

9. J. K. Galbraith *The New Industrial State* Hammish Hamilton 1967.

10. It is only fair to note that I have come probably as close as anyone to adopting this position in my prevoius work. See also J. R. Lambert The Management of Minorities in *The New Atlantis* (Milan) 2 (i) 1970.

elected councillors by withholding information or presenting it selectively and by other means. Also to some degree and in some cases they have control over income from rates. Further, they can influence the scope and range of central government legislation by informal pressure exerted by their most senior professionals and also through their various associations and Institutes. However, at best, they only have slight negative influence over the deployment of private capital, and their powers of bargaining with central government for more resources from public funds are limited. Even when budgeting allocations have been negotiated either between departments at a national level or between the national and local government it is still liable to be cut or held back at very short notice. Writing at a time when public expenditure in Britain has been cut by £1200 million and The Times is suggesting that £20,000 should be invested in (mainly private) industry, it is clear what sort of a mixed economy Britain is.[11]

Indeed it is evident that far from there being a clear-cut relationship between the managers and the managed in an urban system —taken to mean a local configuration of social, economic and political power structures— the whole notion must be seen as extremely problematic. On the other hand, unless one assumes a relative amount of autonomy within local configurations the position of urban sociology as a distinctive stance within the discipline becomes extremely precarious. Without such relative autonomy, life chances would be solely determined by national decision and there would be no variation in access to resources, such as housing or education, from one part of the country to another (holding position in the occupational structure constant).

It is well documented that there is, however considerable variation in the level of service and accessibility to resources between localities.[12] This must imply variations in 'indirect wages' and real income in different milieux or spatial configurations. It may appear in a specific context that those controlling the local «taps» — whether planners, housing managers or medical officers of health — are the true 'gatekeepers and the way that they use and interpret their rules and procedures influences life chances in a fundamental way. Quite evidently recent case studies demonstrate that is much force in this position.[13] However, if it is the case in one context the «managers» can operate inhumanely or insensitively, it is equally

11. See the editorial in *The Times* 19.12.73 and the subsequent correspondence.

12. G. Taylor and N. Ayres *Born and Bred Unequal* Longman 1969. B. Davies *Social Needs and Resources in Local Services* Allen and Unwin 1968. D. Harvey «Social Processes, spatial form and the redistribution of real income in an urban system» in M. Chisholm et al *Regional Forescasting* 1971.

13. See above works cited in footnotes 2 and 6.

plausible for «managers» in a different context to control their local taps according to different principles. Indeed, this must be partly the cause of the empirical variation in the provision of facilities which has been demonstrated.

If it is the case, then, that the existing state legislation in the fields of planning, housing, social welfare and so on permits wide discretion on the part of the local controllers, it is more difficult to see how organised, systematic and structured opposition can emerge. If the local gatekeepers of public resources and facilities do not *systematically* work together to reinforme, reflect or recompense inequalities engendered through the productive process then an urban managerialist thesis could hardly be sustained. In order to clarify the main themes for the discussion which follows I set out four alternative ideal types.

(i) *The Managerialist Model*

This assumes that control of access to local resources and facilities is held by the professional officers of the Authority concerned. Such «gatekeepers» share a common ideology (which it is the job of sociologists to expose) and manipulate their elected representatives so that the political composition of the council makes little difference to the policies pursued, and hence there is a common effect on indirect wages of the populations as a whole.

(ii) *The Statist Model*

This assumes that control over local resources and facilities is primarily a matter for the national government and that local professionals or managers have very little room for manoeuvre. National legislation in the fields of housing, planning, education and so forth, effectively determine the indirect wages or real income of the population as a whole. Whilst there may be *marginal* differences between one local configuration and another, these do not substantially affect the basic class structure.

(iii) *The Control-by-Capitalists Model*

This assumes that at either national or local levels resources are allocated primarily to service the interests of private capitalists. These may be taken to be the reproduction of a docile, well-trained and healthy labour force. If housing affects the supply of labour then resources must be allocated to ensure that the supply is adequately maintained. If growth and profits depend to some extent upon investment in education, then, again, minimal resources must be allocated

accordingly. Public services and facilities are always seen as a «luxury» according to this model. At a local level private profit is a more legitimate basis for the allocation of, say, central locations than public good.

(iv) *The Pluralist Model*

This assumes a permanent tension between national bureaucracies, committed to obtaining and distributing larger resources, (following partly their own internal logic of growth) and the interests of private capital manifested through the economic pressures of the city, private industry and the political party representing the dominant class. Cuts and increases in public expediture ebb and flow between different sectors as the lines of conflict shift. Similarly, local authorities are in competiton whith each other to get larger shares of central funds and, once funds are obtained, there is the same tension between public and private interests at a local level.

Each of these ideal-typical models produces different explanatory frameworks for answering the question 'who gets what?' in given spatial contexts. Leaving aside the difficult questions of political economy which would have to be resolved to determine which model is most appropriate for any given society, (for example, is Sweden more like model (ii) or model (iv)?), there remains the problem that not all local configurations have equal demands for national resources. Since the physical and demographic variation is considerable between one locality and another in Britain, the opportunities for *ad hoc* special pleading in the claiming of national resources are very great. Given, too, that territorial justice is an elusive concept, implying an ability to come to a satisfactory definition of social need by the benevolent dictator or benevolent bureaucracy at the centre, some kind of negotiating or bargaining between the national and the local is likely to be an inevitable element in any system.

The very differences in local configurations which give rise to different amounts of national resources inhibits the establishment of organised collective responses to the allocative process. Whilst one local bureaucracy may have made an effective claim for more resources for local schools in the light of its demographic structure, a neighbouring authority might have less good schools but better health provision. Since peoples' conceptions of the provision of these services are likely to be heavily influenced by their local subjective experiences, a sense of common deprivation or 'urban class-consciousness' may not easily develop. Since different groups benefit at different times from different services, common urban conscious-

ness is undermined. Sporadic protests may, indeed, develop: the mobile and affluent may protest by moving their location; the poor may take part in rent strikes or squatting.

Perhaps by focussing attention on indirect wages the urban sociologist helps to create the very mystifications I am at pains to describe. By focussing on urban resources and facilities and by alerting urban populations to their relative deprivations in the field of consumption, attention is shifted from the main *source* of inequality in society, namely, the field of production. The work by Hindess in Liverpool shows that the extreme salience of housing opportunities for workers' life chances has made this a central feature of working class political discussion. As Hindess puts it «local government is experienced not simply as providing a background but also as an external constraining and coercive organization».[14] In many northern cities the Labour party in control is seen as being as constraining and as coercive as the alternative. If workers are made to think that their main interests are in the field of consumption, and if sociologists adopt a form of urban manegerialism to explain the allocation of resources within an urban system, then clearly basic inequalities arising from the productive process will remain hidden.

So far we have argued spatially: we have noticed the tension between the national and the local and hinted at the inevitability of territorial injustice. It is now necessary to make certain points explicit: no economy can develop in a «spatially neutral» way. Inevitably certain areas will have certain advantages for the development of the production of certain goods and services. As technology develops of (but not necessarily) as markets change, certain areas grow more rapidly whilst others decline. This unbalanced development follows more from the logic of technological development than from the pattern of ownership of the productive processes. As the division of labour becomes more fine, differentiation and concentration of the work force produces a spatial form to an economy, which has a relatively autonomous logic of its own.

In the same way that a certain *scale* of production leads to the creation of a resource — the economies of scale — so too does the physical concentration of the work force in cities create a resource, namely *accessibility*. As long as facilities are concentrated so that some locations are more favoured than others, then inequalities of accessibility will occur, whether or not these are reflected in a differential rent structure.

There are only two ways of overcoming such inequalities: the first would be to allocate centrality according to need. Since need changes over

14. B. Hindess *The Decline of Working Class Politics* Paladin Book 1971 p. 77.

the life cycle (being close to a primary school when under 11 is an advantage, being close when over 65 can be a disadvantage) and since the facilities are more spatially fixed than the users, then a high level of individual mobility would be necessary. However much this might disrupt social relationships and draw families apart, it would have to be insisted upon in the interests of territorial justice. The second alternative would be to «abolish centrality». Cities are inherently inegalitarian structures and ultimately the only way to eradicate spatial injustice is to eradicat the city. This would seem to imply a regression to a simpler mode of production and a less fine division of labour. So far I am arguing that *technology and the division of labour create inequality independently of that engendered by the capitalist mode of production.* If cities are predominantly privately owned then a *second* source of inequality, over and above that connected with accessibility will emerge, namely *differential rent.* And the two aspects of inequality are interrelated. High accessibility is generally equated with high rents. But very high rent locations are in turn created by the existence of the mass of the population that surrounds them. If, overnight, the city was totally depopulated, apart from those living in the area of the very highest rentable value, such high rents could not be sustained. Thus, the owners of central locations get a «surplus rent» which, in the case of productive enterprises, is passed on as an extra cost which the worker has to work marginally longer to recover for the employer.

The fundamental difference between a 'capitalist city' and a 'socialist city' appears, therefore, to be in terms of the *ownership of land and rent structures.* Hence, it is possible to postulate a 'socialist city' in a capitalist society. This would be the case if the state owned all urban land despite the ownership of the forces of production still remaining in private hands. Apart from paying rent (however determined) to the State, private capitalist enterprises could presumably carry on much as before. Such a situation raises in acute form the relationship between the political economy and the territorial structure of the society. How would a city owned on a 'socialist basis' interrelate with a privately owned system of production?

It would only be under these circumstances that the urban managerialism I hace discussed above would have force. Possibilities for genuine redistributive policies would emerge so that indirect wages could compensate for low direct wages. Tension would then arise between the polity and the economy as capitalists found that their control over local labour markets was thereby diminished. Indeed it is through the construction of such a scenario that the realities of power in a truly «mixed» economy emerge. The city then becomes a short-hand term for the public allocation of all services and facilities (including accessibility), apart from position in

labour markets. Such a situation would create enormous strains as firms' competitive position was undermined by state action. In such a situation the urban managers would not necessarily have any more power than at present to get information on incomes from local employers, to change the structure of local labour markets by introducing new and more flexible types of employment, preventing closures or affecting earned incomes, hours of employment or anything else. The recent *Report of the Panel of Inquiry into the Greater London Development Plan* summarises the situation as it exists at the present time:

> «we are driven, therefore, to the view that the local planning authority can, within its area, over the long term influence only marginally the tendency of employment to contract or alter, or retain its nature. It can somewhat more effectively exercise, or fail to exercise, its powers to inhibit expansion, but even here, the power of the market renders less than perfect the ability of an authority to check it consistently in the long term».[15]

Yet even in an area where the local authority *does* have the power to intervene directly with the market, as in the case of allocating land for private residential revelopment, there is no clear evidence that there is redistribution towards the poor. Indeed the best evidence suggests the reverse. The massive study evaluating land-use planning in England since the 1947 Act concluded:

> «he objectives of planning system result in various economic and social costs being created and borne by different sectors of society. At the present time, the lower end of the private housing market (both the groups who succeed in purchasing and those who fail) seem to be bearing a high burden of real or opportunity costs. In effect, this is a direct *redistribution* of *income*. Unfortunately, this is in the wrong direction; in this case from the relatively less well-off house purchaser to the rural landowner... Rather than contribute and be instrumental in achieving an egalitarian society, the current planning of land development has made matters worse».[16]

15. *Report of the Panel of Inquiry into The Greater London Development Plan* H.M.S.O. 1972 Vol 1 p. 79.

16. P. Hall et al *The Containment of Urban England* G. Allen and Unwin 1973 Vol 2 p. 402.

Similar general points can be made in relation to the urban low-paid workers.[17]

In the light of this kind of evidence it is hard to sustain a theory of urban managerialism. Nor, even when the State does make attempts to «solve» the housing problem or to restructure the declining regions by introducing new employment through the Regional Employment Premium, does it seem to have much success. Indeed examples of Government decisions leading to unintended consequences are unhappily only too common:

> «In London the siting of the G.P.O. Tower in an area that has long been a traditional centre for a tightly-knit community of small tailors, working largely for West-End stores, has affected the trade. Here was an area occupied by rather seedy buildings, which were perfectly adequate from the viewpoint of their occupiers, who were sometimes their owners. Some were demolished in order to make room for the Tower. Now that the Tower exists there is a large tourist interest in the area. Higher rents can be obtained from souvenir shops and cafés. As short term leases expire, tailors are asked for higher rents, and often they cannot afford them. They move to other places, in a way that disrupts this trading community and leads to a decline in its efficiency».[18]

Such examples indicate that it would be by no means certain who would gain and who would lose in a genuinely mixed economy so long as the main productive forces were outside the control of the State. Evidence from the command economies of Eastern Europe indicates that even with State control of all investment and allocation to urban resources and facilities, there still exists in such societies:

(i) Hidden market mechanisms operated by those with higher incomes over those with lower
(ii) Territorial injustice in access to resources and facilities
(iii) Inequitable tax redistribution between one locality and another
(iv) All the informal operations within bureaucracies that favour those who know to work systems and probably implying further redistribution of real wages
(v) Conflicts over the «needs» of one category in relation to another

17. R. E. Pahl: *Poverty and the Urban System* in M. Chisholm and G. Manners (eds.) *Spatial Policy Problems of the British Economy* Cambridge U.P. 1971.
18. D. Franklin Medhurst and J. Parry Lewis *Urban Decay* pages 75-76.

Indeed if urban managerialism applies anywhere it is most likely to have relevance in societies operating systems of state socialism.

In my discussion of the myth of urban managerialism I have implied that those who organise against the local authority are suffering from a kind of false consciousness. Taking direct action may lead to a local authority amending its housing policy or providing more pre-school playgroups but once the particular goal has been achieved there seems little evidence that such groups continue, aiming at broader political goals. In one recent account of a successful attempt to change a local government decision it was claimed that «there is a chance that community power can begin to turn the scales of social justice». The author, who lead the local campaign claimed «We can now regard ourselves as part of a new social and political force at the local level. In time, it will have national significance».[19] These are large claims: if they are substantiated they will confirm the urban managerialist thesis by action from below. However, it is the thesis of this paper that such sentiments must be wrong. Since different groups benefit at different times in different parts of the same city, common situations of deprivation rarely occur. Those who claim that they can see development of «urban social movements» leading to radical changes in the nature of urban society would find difficulty in getting empirical support form British experience, although there may be more valid reasons for using the term in France.[20] Very rarely would situations arise in the British context were workers were *systematically* deprived of indirect wages through the administration and distribution of what is most aptly termed in France *la consommation collective.* The best example I know of a collective response to a widespread threat was the coordination of a whole cluster of local organizations set up to oppose the concentric system of urban motor ways proposed by the Greater London Development Plan. The London Motorway Action Group appeared to be more concerned with preserving «amenity» and protecting property values and gained its support from home owners more than from local authority or private tenants. An attempt to put forward separate candidates to oppose the two main political parties, in an election held at a time when feeling was running high, was singularly unsuccessful.[21]

With so many local authorities, and with services provided at different

19. G. Clark The Lesson of Acklam Road in E. Butterworth and D. Weir (eds.) *Social Problems of Modern Britain* Fontana Books 1972 p. 186.

20. See the issue of *Espaces et Sociétés* 1: 6-7 1972 particularly the introduction by M. Castells. See also his book *La Question Urbaine* Maspero, Paris 1972.

21.

levels in different historical and geographical contexts, it is hard for the academic researcher to find a clear patern. Unlike the situation in France, with its very rapid post-war urbanization and massive suburbanization of the working class, Britain had a rather slower and more piecemeal urban development. Local authority building was more evenly balanced between the inner city and the periphery, and the quality of the dwellings and level of public provision, whilst not exactly lavish, nevertheless maintained a modest standard. Indeed the level of working class dwellings in some areas produced a sort of housing aristocracy within the working class in comparison with those in the privately rented sector. It is hard to see an aggressively exploitative capitalism at work if one considers simply the national standard and distribution of local authority dwellings. Tenants' Associations did not organise collectively to produce a national rent strike during the period when the Conservative government introduced a system of «fair rents» for local authority housing, essentially tying them to a local free market rent structure. Many local authorities made it clear that they were introducing this measure reluctantly and the transparency of the power situation was clear enough for the opposition to be focussed at a national level where the measure was vigorously attacked clause by clause through the committee stage of the Bill by the Opposition.[22]

Similary the activities of property speculation, whilst generating sporadic local squatting in unoccupied office blocks did not stimulate working class collective action against the private ownership of urban land. Controlling the excess profits of property speculators became a national political issue at the end of 1973 when, amongst others, Lord Plowden, Chairman of Tube Investments, one of the largest of British industrial enterprises, wrote to *The Times* urging government action. It is significant that this pressure to take action seemed to come at least as much from the controllers of industry as from trade unionists, and was directed, evidently, against the capitalist system in housing and land not at the capitalist system in industry.

Now whether Britain has a more divided ruling class than France, whether we have adopted a «softer» form of capitalism and whether a French Prime Minister would own up to the «unacceptable face of capitalism» in Mr. Heath's phrase, is in each case hard to say. One conclusion does, however, seem clear and that is that urban conflicts relate directly to the specific nature of the particular type of capitalist society concerned. It is clear to me that it is *not* possible to generalise about cities in capitalist societies without making many serious qualifications. The «urban question»

22. See, for example *Hansard* Vol. 826 No. 10 Cols 32-160.

in France, Australia, United States, Germany and Britain will be very different. This now seems to me to be the new and fruitful focus for sociological analysis.

I amarguing, in fact, for a return to a more macro analysis of political economy as the most helpful way of exploring the distribution of real income and the relationship between access and allocation in urban and regional systems. Unless we have a clearer notion of the nature of *British* capitalist society it will not be possible to come to a sound theoretical understanding of «the city» and the space economy. Certainly in terms of practical policies in connection with «the urban crisis» (variously defined) it is clear that attacks at the level of urban management are misdirected. It is rather like workers stoning the house of the chief personnel manager when their industry faces widespread redundancies through the collapse of world markets. In this final section of the paper I shall try and put forward a different orientation for the organisation of urban social theory and research.

It is now becoming more widely accepted by sociologists that Marx's unitary abstract model of capitalist society is misleading, particularly insofar as it relates to the European societies of his time. By taking Britain as 'the most typical form' of capitalist society and then developing a typology which could be applied to other European societies Marx, in Giddens' view, committed the error of '*misplaced concreteness*'.[23]

> «The point is, that rather than being the 'type case' of either capitalist or industrial evolution, Britain is the exception; or, more accurately, it represents only one among various identifiable patterns of development in the emergence of the advanced societies. In Britain — no doubt as the overall result of a complicated (and still highly controversial) set of specific historical antecedents — the way was paved in the nineteenth century for the mutual accomodation of capitalism and industrialism within a general framework of bourgeois democratic order. Consequently the process of industrialisation took place in an 'undirected' fashion, through the agency of a multiplicity of entrepreneurial activities in a relatively stabilised 'bourgeois society'. France in the nineteenth century, and arguably ever since, was dominated by the legacy of the 1789 revolution».[24]

It would be ironic if contemporary sociologists adopted the same error

23. A. Giddens *The Class Structure of the Advanced Societies* Hutchinson 1973 p. 146.

24. Ibid. pp 144-5.

in reverse and applied an analysis of the urban question in France or Italy to the situation in Britain. Comparative analysis can do much to illustrate the *differences* between capitalist societies and the distinctive nature of British urbanism.

Giddens discusses some of the differences in the infrastructure between Britain, France and Germany in the nineteenth century. There were similarly important differences in the space economy between the three societies. It is curious that Marxist geographers such as Harvey have not, apparently, recognised the relevance of the historical geography of the nineteenth century and its relationship to the political economy of early capitalism and developing urbanisation in Britain.[25] As Briggs points out «the first effect of early industrialization was to differentiate English communities rather than to standardize them».[26] Briggs goes on to emphasize how far Manchester and Birmingham «diverged very strongly in their economic life, their social structure and their politics» and «Sheffield had much in common with Birmingham in its economic system, but the shape of its society and the chronology and trend of the municipal history were quite different. A full study of social structure must take account of property relations as well as income, of religion as well as economics, and not least of demography, which provides a quantitative basis for much subsequent generalization...» [27]

«In the fundamental study of comparative property relations obvious points to note are the pattern of ownership of urban land, the extent of aristocratic interest (including absentee interest), the volume of industrial investment, the amount of corporate wealth and the total rateable value.» [28]

Different types of corporation and sources of finance meant that «the early — and mid — Victorian cities would confront urban problems with differing degrees of imagination and efficiency... Some Victorian cities quite deliberately embarked upon large-scale programmes: others lagged behind.»[29]

It is clear that the industrial and occupational structure of cities varied greatly and that the life chances of the urban working class varied according to social, economic and political factors in the different cities. Foster's comparative analysis of Oldham, Northampton and Shields provides clear

25. D. Harvey *Social Justice and the City* Arnold 1973.
26. A. Briggs *Victorian Cities* Penguin Books 1968 p. 33.
27. Ibid pp 35-6.
28. Ibid p. 38.
29. Ibid pp 42-3 See also E. P. Hennock *Fit and Proper Persons: Ideal and Reality in Mineteenth Century Urban Government* Arnold 1973.

evidence of the variation in the pattern and style of exploitation between towns as industrialism advanced.[30]

The growth in the scale and volume of grants-in-aid from the State during the nineteenth century was gradually to lead to a decline in provincial autonomy and the increasing dominance of the power of the State in determining appropriate levels of education, health, housing and so forth. However, and this is the point of this brief excursion into nineteenth century history, the development of national standards of public provision during the twentieth century was grafted on to a wide variation in local infrastructure. Thus, Norwich, Bristol, Sheffield and Manchester, to take four cities at random, not only had different local economic structures but also consequently had different levels of indirect wages.

Then, in the twentieth century, in the same way that some cities had acquired greater growth and greater wealth in the previous century, so industrial and urban decay produced a different pattern which increasingly has come to be seen as a national and not a local problem. Further, as Britain's competitive position in the world declined, as it lost its overseas investments, its Empire, its supply of cheap raw materials and its captive markets for manufactured goods, so the political power of its productive industry increased, forming, as it does, the foundation of our economic base. Unlike France, Britain has to import about half its food and this means that the production of goods and services for export occupy, with agriculture, a particularly key role in our political economy. This is broadly the context in which the recent dramatic cuts in public expenditure, and the proposed even more dramatic investments into industry, must be seen. The competitive arena of international finance capitalism puts very severe constraints on Britain's room for manoeuvre. The pursuit of what were seen as «too radical» measures could lead to a massive flight of capital from the City of London to money markets elsewhere and, possibly, a similar flight of skilled managerial and professional workers. If Britain cut itself off from trading partnerships with western capitalist societies it would be likely to enter acute balance of payments crises if food imports were to be maintained. In this context, with continuing inflation aided by the inevitable increase in world primary product prices (especially oil) expenditure on urban infrastructure is inevitably seen as a «cost» restricting our overall competitiveness in world markets.

In the light of this, it is surprising that the level of our public provision is as high as it is in comparison with, say, France. Partly this

30. J. Foster Nineteenth Century Towns- a Class Dimension in H. J. Dyss (ed.) *The Study of Urban History* Arnold 1968.

can be accounted for by the incorporation of the working class into the political process, the extension of the rights of citizenship and the reform of social security in the 1940s. However, it would also be reasonable to attribute some measure of credit to the forces of bourgeois liberal, humanitarian reformism in the Fabian tradition for ameliorating the harsh logic of capitalist enterprise. The lower-middle class values of decency, orderliness and «balance» enshrined in such ameliorist pressure groups as the Town and Country Planning Association [31] have done much to create a climate of opinion in which the small-scale of our urban scene, epitomised in the New Towns, was preserved and maintained. The fact that a unitary capitalist ruling class did not exist ni nineteenth century Britain and that, whilst the aristocracy «ruled officially», the bourgeoisie ruled «over all the various spheres of civil society in reality» as Marx noted, has led Giddens to conceive of a «system of leadership groups» to describe the situation today.[32] This pattern may serve to soften and moderate the more aggressive capitalist tendencies.

There has been remarkably little research on the ideology which has produced British urbanism and on the relationship between urban allocation and the political economy of the state. Ruth Glass's survey of the nineteenth century literature [33] and Raymond Williams' masterly work on the literary images of *The Country and the City* [34] provide valuable starting points, and detailed case studies such as that by Stedman Jones [35] or Wohl [36] are outstanding exceptions. For recent years we have to rely on journalistic analyses, such as *The Property Boom*,[37] and somewhat garbled attempts to link the activities of property speculators with the housing crisis in London.[38] What is needed is a systematic socio-economic analysis of the implications of the rapid movement of capital into land markets. The expansion of finance capitalism in the British economy is a new trend which is sucking resources out of local spatial economies in a way previous industrial investment did not (at least it provided local employment).

31. D. Foley Idea and Influence: The Town and Country Planning Association *Journal of the American Institute of Planners* 28(1962) 10-17.

32. A. Giddens Elites in the British Class Structure *Sociological Review* 20(3) 1972 pp 345-372.

33. R. Glass Urban Sociology: A Trend Report *Current Sociology* 4 (4) 1955.

34. R. Williams *The Country and the City* Chatto and Windus 1973.

35. G. Stedman Jones *Outcast London* Oxford U.P. 1971

36. A. S. Wohl The Housing of the Wording Class in London 1815-1914 in S. D. Chapman (ed.) *The History of Working Class Housing* David and Charles 1971 and also the forthcoming book by Professor Wohl.

37. O. Marriot *The Property Boom* Hamish Hamilton 1962.

38. Counter Information Services *The Recurrent Crisis of London* 1973.

Such shifting patterns of investment have led Eisenschitz to conclude «that now the city as a physical artefact is being used in order to absorb the economic surplus and promote the welfare of the capitalist system».[39] In the light of recent Government legislation to curb the activities of property speculators, such broad generalisations may be questioned.[40] However, Eisenschitz's emphasis on the *flows* of investment capital is correct. As he puts it:

> «To understand the relation of the city to the world and in particular the relations of areas within the city one needs to know where the surplus is generated and absorbed, and the magnitude, generation and destination of wages, rent, profits and output. Areas and land uses should be examined with regard to their relative production and consumption, and their generation and absorption of profits, relating land use patterns to economic forces. Each pattern of flows has an associated pattern of social relationships.» [41]

This must be done in the context of *British* political economy based on our distnctive infrastructure and distinctive position in the pattern of world trade in capitalist markets.

«Urbanism», as Harvey reminds us, «entails the geographic concentration of a socially designated surplus product».[42] Cities are essentially unfair. Urban sociology in capitalist societies is basically concerned with analysis of the distinctive form of unfairness of one society in comparison with another. I am arguing, somewhat eliptically perhaps, that British urbanism and the indirect wages generated and distributed are a product of the tensions between competitive international capitalism and ameliorist welfare-state-type ideologies. This *may* mean that the British urban working class suffers less naked exploitation in the area of collevtive consumption, and that the central government is less *dirigiste,* than *may* be the case in France. However, in making these analyses of the distinct nature of various forms of capitalist urbanism there is an urgent need to remember — as Marx and Engels first saw — that 'the housing question', and much else that is wrong in our cities can *never* be solved while «modern big cities» survive. Even if we had the social control and ownership of the means of production, so long as such «modern big cities» exist, so

39. A. Eisenschitz «Planning and Inequality» Mimeo: The Architectural Association 1973.
40. The Times 2.1.'74.
41. Eisenschitz op. cit. p. 73.
42. Harvey op. cit. p. 246.

also, if in a different form, will the inequitable generation of indirect wages continue. The search for a just city is self-defeating. As long as there are «modern big cities» there will be a need for ameliorism and the allocation of resources by managers and gatekeepers. And, to return to Harvey «the reputation and significance of individual cities rest to a large degree upon their location with respect to the geographic circulation of the surplus. The qualitative attributes of urbanism will likewise be affected by the rise and fall in the total quantity of surplus as well as the degree to which the surplus is produced in concentratable form».[43]

I see this focus on the circulation of the surplus as the main *theoretical* orientation for the future. This should not prevent activists and pragmatists working towards the ameliorists' goals of «more resources and more sensitivity». There is no reason, apart from intellectual arrogance, why they should not work closely together.

R. E. PAHL 3.1.74

43. Ibid.