Report Part Title: Background:

Report Title: Global Cities, Inequality, and the Public Realm

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2 BACKGROUND: URBAN PUBLIC SPACE AS A BATTLEGROUND IN GLOBAL COMPETITION IN NEW YORK, LONDON, PARIS, AND AMSTERDAM

uccess as a contemporary global city comes at the price of growing economic polarization. Even in countries that have intentionally preserved middle-class employment in manufacturing and in the public sector, the 21st-century urban growth paradigm has moved major cities of Europe and North America inexorably toward a less equal distribution of incomes. Knowledge-based industries have concentrated in the developed world's top-tier cities, many of which have specialized in one or more growth sectors - finance, technology, entertainment, etc. And while income growth has concentrated in their upper economic tier, the numbers of people employed in low-wage service jobs have grown even more quickly, as these sectors employ both incumbent workers shed by contracting mid-wage industries, and newcomers who are drawn from all over the world.

Table 1

Gini Coefficients for Selected Cities			
Amsterdam	0.31		
London	0.32		
Paris	0.33		
Los Angeles	0.51		
New York	0.54		
Bogotá	0.60		
Moscow	0.62		
Johannesburg	0.75		

The Gini coefficient is a simple measure of income inequality; it compares the actual distribution of income in a country, region, or city, with a hypothetical equal distribution. Perfectly equal distribution would result in a Gini equal to zero; perfect inequality would yield a Gini of 1.¹

Economic polarization may be accepted as inevitable by urban political leaders worldwide, but national politics determine the degree to which it is mitigated by public policies, such as income support, as well as by national funding of urban

public services, from education to transit. Because European cities rely less heavily on local tax revenue to fund their capital and operating expenditures, they are less constrained by the pressures of fiscal competition with their neighbors than their U.S. counterparts. U.S. mayors must constantly engage in the balancing act of keeping taxes low while keeping the quality of public services high; competition also drives them to prioritize the services that are valued by the footloose individuals and companies they seek to attract and retain. In Europe, both European Union and national funding of urban infrastructure and services frees city and regional governments to make a broader range of choices about local expenditures in the public realm than is available to U.S. cities.

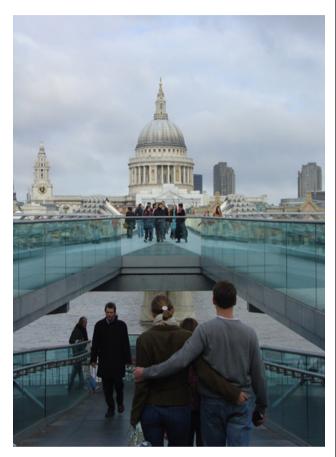
The results of those choices are immediately apparent, even to a casual U.S. visitor to London, Paris, Amsterdam, or any other thriving European city. From the preservation of historic buildings and open spaces, to the insertion of innovative new architecture and amenities, to the ubiquity and efficiency of public transportation, the quality of the public realm in Europe's cities is at the core of their attraction — not only for tourists, but in global competition for financial and human capital. Many of Europe's global cities have an enviable physical legacy on which to build, of course, but decisions they have made from their post-World War II reconstruction through the present have burnished that legacy, in sharp contrast to the plethora of antiurban policies that contributed to the degradation of U.S. cities during the same period. In common with other European capitals, London, Paris, and Amsterdam largely excluded major highways from their cores, and have used both regulation and public investment to aggressively steer and shape land development. The urban planning cultures established in each city during the post-World War II period (and the social democratic political values that underpinned them) set the stage for the spectacular projects each undertook beginning

¹ Gini data: New York and Los Angeles (for 2009) U.S. Census; London, 2005, Greater London Authority

in the 1980s, often involving the redevelopment of maritime and industrial sites on their waterfronts.

The physical transformation of urban waterfronts mirrored and was driven by economic transformation. In particular, de-industrialization, along with technological changes in shipping (containerization and bigger ships that required new and much larger port facilities) made historic harbor areas obsolete. Leaders of global cities embraced the opportunity to dramatically make over these waterfronts. The scale and complexity of projects like London's Docklands, Amsterdam's Ost Harbor, and Paris' Grands Projets required the coordination of large-scale public and private investment, based on more market-driven programming than the revitalization projects of earlier decades.9 In these and other cities, such ambitious projects opened up millions of square feet of residential, commercial, and recreational space uses that were needed to attract the young, educated workforce upon whom the cities' new economies relied. In New York, the same dynamic has given us Battery Park City and the World Financial Center, and more recently Brooklyn Bridge Park, and the redevelopment of the Williamsburg, Brooklyn, Long Island City, and Queens waterfronts.

While the governance, planning, and financial mechanisms that put these projects in place differ among cities, the striking similarities in their programming, scale, and economic rationale reflect the shared imperative of girding the physical city for global economic competition.



Glam waterfronts: London Millennium Bridge and Saint Paul's Cathedral Joan Byron

If repurposed waterfronts and other high-end public spaces look the same from country to country, the public spaces used by poor and working class city-dwellers reflect differences. While most of the income growth in global cities has occurred at the top of their economies, most of their population growth has been at the bottom. And as low-wage workers have flocked to successful cities, the price of housing in those cities' historic centers has soared out of reach. Though long-established social housing developments have allowed the centers of some European cities to retain a measure of economic diversity, low-wage workers,

⁹ Les Cahiers #146, published in June 2007 by L'Institut d'Amenagement et d'Urbanisme de la Region d'Ile-de-France, Large-Scale Urban Development Projects in Europe: Drivers of Change in City Regions. The essay "Strategies, Stakeholders, and Large-Scale Projects: A Few Pointers" by Paul Lecroart analyzes major redevelopment projects in nine European cities from the 1990s through the present, and draws a useful distinction between projects driven by the desire to attract external capital and resources, and those intended to address internal needs.

especially immigrants, are most likely to inhabit outlying areas whose physical quality sharply contrasts with their cities' well-tended cores.

After World War II, decolonization brought large numbers of Africans to France, South Asians and West Indians to Great Britain, and Surinamese, Antilleans, and Ghanaians to the Netherlands. Amsterdam and Paris protected the architectural integrity of their historic centers by consigning large new housing developments to their outskirts. Much of London's social housing ended up betterlocated, ironically, because the World War II bombing of the city left many large sites open for redevelopment. For many years, the large housing developments of Paris' banlieues, in contrast, have isolated immigrants and their descendants from the amenity and opportunity of the city's core. Amsterdam planners long spoke of the huge Bijlmermeer development in the city's south-east as "our Pruitt-Igoe," a social and architectural disaster. Beginning in the

1990s, both cities have undertaken makeovers of what they view as their most egregious social housing failures.

The quality of the public realm in poor and working-class neighborhoods, as well as the degree to which political leaders and planning agencies define and address its shortcomings, and the processes through which residents themselves are engaged, vary among the three cities I visited: London, Paris, and Amsterdam. Those differences reflect the interplay among the different systems of values that underlie each country's political system, including:

- Values regarding economic equality and social integration;
- Values regarding design and quality of the built environment;
- Values regarding planning, and the roles of government and private entities; and
- Values and cultures regarding participation by residents in planning and implementation of changes.

Table 2 provides a very schematic and subjective comparison of those values across cities.

Contrasts among the three cities I visited abound. But I found them all to be much more like each other than they are like New York.

	London	Paris	Amsterdam	New York
Equality and social integration	Moderate	High	Very High	Low
Design and quality of the built environment	Moderate to Low	Very High	Moderate	Low
Strong government role in urban planning	Moderate	High	Very High	Low
Strong culture of participation by residents in planning decisions	Low	Moderate	Moderate	Moderate
Financing of public realm improvements via PPPs	Moderate	Low	Low (except High in social and market- rate housing)	High

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Table 2