

This article was downloaded by:[University of Wisconsin Madison]
On: 20 April 2008
Access Details: [subscription number 786346878]
Publisher: Routledge
Informa Ltd Registered in England and Wales Registered Number: 1072954
Registered office: Mortimer House, 37-41 Mortimer Street, London W1T 3JH, UK



Journal of the American Planning Association

Publication details, including instructions for authors and subscription information:
<http://www.informaworld.com/smpp/title~content=t782043358>

The Improbability of Urban Policy The Case of the United States

William W. Goldsmith; Harvey M. Jacobs

Online Publication Date: 31 March 1982

To cite this Article: Goldsmith, William W. and Jacobs, Harvey M. (1982) 'The Improbability of Urban Policy The Case of the United States', Journal of the American Planning Association, 48:1, 53 - 66

To link to this article: DOI: 10.1080/01944368208976166

URL: <http://dx.doi.org/10.1080/01944368208976166>

PLEASE SCROLL DOWN FOR ARTICLE

Full terms and conditions of use: <http://www.informaworld.com/terms-and-conditions-of-access.pdf>

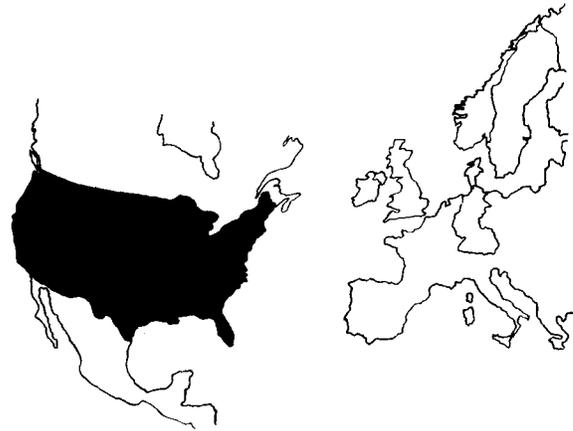
This article maybe used for research, teaching and private study purposes. Any substantial or systematic reproduction, re-distribution, re-selling, loan or sub-licensing, systematic supply or distribution in any form to anyone is expressly forbidden.

The publisher does not give any warranty express or implied or make any representation that the contents will be complete or accurate or up to date. The accuracy of any instructions, formulae and drug doses should be independently verified with primary sources. The publisher shall not be liable for any loss, actions, claims, proceedings, demand or costs or damages whatsoever or howsoever caused arising directly or indirectly in connection with or arising out of the use of this material.

The Improbability of Urban Policy

The Case of the United States

William W. Goldsmith and Harvey M. Jacobs



Recent American history reveals that national urban policies lack effective coordination and have themselves contributed to urban problems. In this article, federal programs, budgets, and the obstacles presented by pluralism and the political economy are reviewed. Programs in transportation, housing, redevelopment, and industrial location are elaborated. The authors conclude that coherent national urban policy, to serve the interests of American residents, would conflict with the needs of the market. While there is little hope that the Reagan administration will deal directly with urban problems, a broad and growing citizens movement may provide the basis for pressure which will eventually demand action.

The U.S. urban problem

It would be fair to conclude from what Edward Banfield wrote in 1968 in the *Unheavenly City* that there is no need for urban policy, other than what has come to be called, in Senator Moynihan's unfelicitous phrase, "benign neglect." Banfield wrote:

The plain fact is that the overwhelming majority of city dwellers live more comfortably and conveniently than ever before. They have more and better housing, more and better schools, more and better transportation, and so on. By any conceivable measure of material welfare the present generation of urban Americans is, on the whole, better off than any other large group of people has ever been anywhere. What is more, there is every reason to expect that the general level of comfort and convenience will continue to rise at an even more rapid rate through the foreseeable future (1968, p. 4).

This is close to the position taken by Martin Anderson, who wrote the *Federal Bulldozer* in 1964, and it is prob-

ably an accurate summation of impressions that influence the Reagan White House, where Anderson is now chief domestic advisor.

Most careful observers would contrast this optimism with another, perhaps more plausible, view of the American city:

The city is in desperate straits: the crippled public transit system, once the finest in the world, is officially in a "state of emergency," crime is rampant, the streets are filthy, public health care is deteriorating, the parks are a disgrace, the libraries are seldom open, civic morale is plummeting and, most alarming of all, a dangerous racial polarization is developing (Walton 1981).

William W. Goldsmith is professor of City and Regional Planning and Director of the program on International Studies in Planning at Cornell University. He is on the national steering committee of the Planners Network. Harvey M. Jacobs is a doctoral candidate in City and Regional Planning at Cornell whose areas of interest are rural planning and the political economy of land policy.

This is a description of New York, but it applies as well to many other cities—for example to San Francisco, where people avoid riding the bus or train during the day for fear of being robbed; to Cleveland, where the premature birth rate, associated with such serious illnesses as retardation, blindness, and cerebral palsy, is half again as high as it is in the state of Ohio; to Miami, where people have recently rioted to make themselves heard.¹

It is not a simple matter to say which view is correct. Not all metropolitan residents in the U.S., not even all central city people, are afflicted with this litany of problems.² Most rich people and many people with middle-class suburban lives can avoid the problems. However, even in cities where the rich and middle class are numerous, large numbers of others are afflicted. Also, when economic conditions in the country are bad, the numbers of those in trouble expand. Furthermore, the increased complexity of the society and economy make it ever more difficult to isolate the problem. Suffice it to say, even if a large portion of the urban population is daily better off (which is doubtful), still a sizeable and probably growing number find their lives unsatisfactory.

Some have suggested that these problems, and the urban fiscal crises to which they relate, are diminished by the dramatic shifts in population out of the biggest cities, and even metropolitan areas, to suburbs and rural areas, and from the north to the sunbelt, movements confirmed by the 1980 census.³ The evidence is yet to be analyzed, but the changes seem unlikely to alleviate the problems. The geographic shifts imply continuation of long-term social trends toward suburbanization, separation of races, and isolation of the central city poor; more strain on city budgets and reduced services; and the shifting of congressional power to well off suburban and conservative rural districts.

Thus this examination of urban policy in the U.S. begins by asserting that there are significant urban problems in need of public attention and action. One would hope to find a history of the development of careful and coordinated response to these problems. Instead, in spite of many proclamations and much legislation there is very little successful policy. Its formulation and implementation are inhibited by politics, inadequate funding, bureaucracy, and operation of the overall economy. Some of these difficulties may be peculiar to the U.S., but many are shared by most Western nations.

Explicit policy: history and federal budgets

A discussion of national urban policy is bound to run aground on the question “what is and isn’t urban policy?” Before begging the question by making (necessarily) arbitrary distinctions three particular problems

should be brought out.⁴ First, there is the dilemma of identifying what policy to exclude from the rubric “urban.” If a policy encourages the development of, say, rural Vermont or the rural South, it may likewise be discouraging migration to cities, thus influencing, one way or another, their viability. Likewise, programs such as federal highway construction, transfer payments to poor families for health and social services, and business subsidies to promote employment all influence urbanization. More remote, but not so far-fetched, military expansion may encourage investment overseas which may in turn deplete U.S. cities of opportunities for new employment. Thus there are difficulties associated with the necessary exclusion of rural, transportation, military, or many other policies from consideration. A second problem is determining the locational impact of any expenditure. A classic case of this targeting issue has to do with federal expenditures of the Tennessee Valley Authority. The TVA spent funds for development in the South to purchase electrical generating equipment. Because the equipment was manufactured in cities such as Rome and Utica, New York, an unanticipated but major result was the economic stimulation of the upstate New York area. The third problem is the tracing of impacts of “invisible” policies. One such policy with significant spatial effect is the law that allows deduction of home mortgage interest payments from personal federal income tax liability, thus providing more subsidy to areas where there are higher proportions of homeowners than renters, typically suburbs, not central cities. These analytical problems are not easily resolved. However, they should be kept in mind as necessary simplifications are made.

National urban policy, for the purposes of this article, will be organized according to two main themes. On the one hand there are all those public activities that influence, directly or indirectly, the general process of urbanization and, in the case of the U.S. especially, suburbanization. This will be discussed in the third section, when the article focuses on the intertwining of the government and the economy, and pays particular attention to the formulation of policy and the importance of economic forces in transportation, housing, redevelopment, and industrial location. On the other hand, there are those activities that influence, and especially those that are *intended* to influence, the affairs of troubled central cities and the well-being of their inhabitants. In this historical section, discussion will be restricted mostly to such explicit urban programs, and since it is the intent to discuss *national* urban policy, the article considers largely federal programs. This discussion ends with the presentation of reasonably comprehensive estimates of overall federal urban budgets.

Housing and redevelopment, 1900–1980

The first major collective efforts in the U.S. that might now be called national urban policy had their most vis-

ible roots in the Regional Planning Association of America (1920s), the Southern Regionalists (1920s–1930s), and various metropolitan reforms (from the 1890s on). Beginning with the Roosevelt administration in the 1930s, these (and other) roots grew into reform movements and programs on housing, municipal beautification, and government reform in the cities, and on resource development, regionalism, and metropolitan economic planning in the nation (Friedmann and Weaver 1979). Among the more important acts and bodies preceding today's efforts were the National Planning Board (1933) (later the National Resources Committee and then the National Resources Planning Board), the Tennessee Valley Authority (TVA, 1933), the Housing Acts of 1934 and 1937, the Full Employment Act (1946), and the Interstate Highway Act (1956).

As it turns out, of course, the most *explicit* policy has reacted to obvious and demanding urban problems. The most elaborate sequence of policies, through which the development of federal involvement and consciousness in urban affairs can be traced, has dealt with housing and redevelopment. The programs began in the 1930s when, under pressure of the Depression, President Hoover called a Conference on Homebuilding and Home Ownership in 1931, Congress created the Federal Home Loan Bank System in 1932, and, by 1933, thirty-three states had passed moratoria on mortgage foreclosures and Congress established the Home Owner's Loan Corporation, under the Home Loan Bank, which refinanced a million mortgages by 1937. The national Housing Act of 1934 had four primary goals: insurance for home improvement, mortgage insurance for new home construction, the creation of secondary mortgage markets, and insurance of savings accounts. These provisions, combined with war savings and the postwar boom, totally transformed the housing industry in the United States (Goldsmith 1965). Outstanding residential mortgage debt, for example, increased from \$30 billion in 1946 to \$880 billion in 1978, from a ratio of 18 percent to 61 percent of personal disposable income (Stone 1980). One important impact of these programs, in combination with the interstate highway system, was to suburbanize the cities of the United States.

The 1949 and 1954 Housing Acts, and their subsequent modifications, authorized the demolition of central city slums for the purpose of rebuilding center cities. As of 1967 the program had demolished 400,000 housing units and provided much land and subsidies for commercial development, but had built fewer than 11,000 low-rent public housing units.⁵

In the wake of the social turmoil of the 1960s the Johnson administration, as part of its elaborate War on Poverty, dramatically increased federal expenditure and activity on social programs of all sorts. A part of this program involved a more comprehensive approach to the problems of American central cities. This ultimately led to the Model Cities program, aimed at integrated

rehabilitation and development of housing, commerce, industry, and human capital.

As one of his first acts of office, President Nixon established an Urban Affairs Council, comprised of key agency secretaries and department heads, and directed it to assist in the "development of a national urban policy." The Council, under Daniel P. Moynihan's guidance, produced a report, *Toward Balanced Growth*, in 1970. It discussed policies such as population distribution, alternative growth centers, new communities, income redistribution, and environmental protection.

The 1970 Housing and Community Development Act required the President to prepare a biennial "national urban growth report." Prepared in 1972, 1974, and 1976, these reports did little to formulate policy, instead reporting on the deterioration of American cities. Later, the Nixon administration created the so-called "new federalism," the consolidation into block grants of many of the categorical programs which had proliferated during the 1960s. The resulting Community Development Block Grant program made federal allocations to local authorities under rather broad guidelines and looked to the state and local authorities to define the appropriate use of the funds.⁶

Active discussion of formal national urban policy began in early 1977, when Carter officials endorsed it warmly. The White House domestic affairs advisor, Stuart Eisenstat, spoke of "a commitment to urban America and America's cities;" the Secretary of the Treasury, W. Michael Blumenthal, focused on "the question of cities;" and the Secretary of Housing and Urban Development, Patricia Harris, said "the White House is now in the hands of a friend of the cities." Fifteen months later—after active intervention by various departments, the Office of Management and Budget, big city mayors, senators, the NAACP, Wall Street financiers, the National Urban League, and others—the White House released its 1978 report, *A New Partnership to Conserve America's Communities*. It called for the following: planning coordination and assistance, encouragement for states to aid cities, support for neighborhood and voluntary organizations, fiscal relief, incentives for private investment (including a development bank and tax credits), employment subsidies (tax credits) and public works, anti-discrimination policies, social, health and educational services, and physical, cultural, and environmental programs.⁷ The most costly programs were to be tax credits, the bank, and fiscal relief, which together would add more than \$6 billion in federal programs, an increase (depending on how the budget is computed) of between 11 percent and 45 percent in total federal urban spending. In addition, all federal programs were to undergo an "urban impact analysis" to identify the impact of federal programs on cities and to curb funding of programs that harm cities. In retrospect, very little of this program made it through the Congress as enacted legislation.

Federal budgets, 1967–1979

To judge the evolution of even direct and often explicit federal urban policy it is necessary to look well beyond programs of housing and urban development, to include welfare, health, economic development, transportation, and other activities. A single, consistent series that summarizes all these for recent history is analyzed below. It would, alternatively, be possible to look at pronouncements or to list all legislation. It would be possible to estimate the commitments of the various governments by their statements. It might be possible, indirectly, to establish the quality of urban policy by relating it to output, such as measures of the health of cities. Any approach is fraught with difficulty of implementation and interpretation. The approach used here has other shortcomings, but it is at least comparable over time. A set of federal budgets that can be associated with urban policy are analyzed. The major problems with this approach, aside from the definitional issues mentioned at the outset of this section, is that inputs are measured, not results. It is analogous to measuring the number of beds in a hospital rather than the quality of health achieved. However, with urban policy, there is little choice.

What is a federal urban budget?⁸ In 1978 the Federal Community Development Budget (a compilation of federal allocations, mostly from HUD) was about \$5 billion. A budget compiled from a Carter White House set of proposals was a little over \$25 billion. A Brookings Institution budget documenting actual federal urban spending was \$29 billion. Finally, there is a budget of allocated Federal Aid to State and Local Governments, \$80 billion in 1978. Each of these has problems of consistency and coherence, and none is available in a series

that is comparable over time. Fortunately, however, one set of comparable urban policy budgets has been compiled for a period of twelve years, from 1967 to 1979, based on redefinition and recalculation of federal budgetary entries for programs that closely approximate the thirty-six programs in the Carter White House documents. This set of estimates is the best available for studying federal urban expenditures over time. It allows comprehensive analysis of urban policy budgets in historical perspective (Goldsmith and Derian 1979).

The budget series in Table 1 are constructed by reviewing programed expenditures by federal departments, assigning whole programs either to urban use or not. There are distortions, but the series is sufficiently accurate for rough time series comparisons. The departments and programs included are Housing and Urban Development, the Economic Development Administration, the Environmental Protection Agency, Transportation, Labor, the Small Business Administration, the Community Services Administration, Health, Education and Welfare, and the Treasury.⁹

A consistent series of federal urban expenditures appears in column 2. Current expenditures grew 16-fold from 1967 through 1979, at the same time that the total federal budget grew only by 3.2 times. The most substantial increases came between 1967, when urban outlays comprised 2 percent of the federal budget, and 1973, when they comprised 12 percent. After that, they stabilized at approximately 11 percent, as shown in column 3. When deflated by the Consumer Price Index, the increases from 1973 until 1979 are minimal, only 17 percent for the six years. The last column deflates urban outlays by a more rapidly inflating index, the Urban Price Index, after which outlays hardly change from 1972 or 1973 until 1979.

Table 1. The federal urban budget, 1967–1979 (in millions of dollars)

Year	Total federal outlay (1)	Total urban outlay (2)	Urban outlay as a percent of total federal outlay (3)	Urban outlays CPI (4)	Urban outlays UPI (5)
1967	158,414	3,334	2.1	3,334	3,334
1968	175,635	5,103	2.9	4,897	4,747
1969	186,062	9,570	5.1	8,716	8,552
1970	197,885	13,297	6.7	11,433	11,543
1971	200,771	15,893	7.9	13,102	12,921
1972	231,876	22,844	9.9	18,231	17,060
1973	249,796	29,660	11.9	22,284	19,135
1974	268,665	28,287	10.5	19,152	15,909
1975	324,601	31,473	9.7	19,524	17,360
1976	373,535	38,744	11.0	21,347	19,304
1977	411,800	42,793	10.4	23,578	19,224
1978	463,800	52,928	11.5	27,395	21,437
1979	504,000	53,656	10.6	26,085	19,597

Source: Goldsmith and Derian. 1979. "Is There An Urban Policy?" *Journal of Regional Science* 19: 93–108, Table 2. Compiled from U.S. Congress, *The Budget of the United States Government*, The Appendix, and the Section entitled "Federal Aid to State and Local Governments" of the Special Analysis (various fiscal years, up to 1979).

Table 2. Urban and HEW-urban budgets, 1967-1979 (in millions of dollars)

Year	HEW urban outlays (1)	Other urban outlays (2)	Other urban outlays CPI (3)	Other urban outlays UPI (4)
1967	1,487	1,847	1,847	1,847
1968	2,946	2,157	2,070	2,007
1969	7,014	2,556	2,328	2,284
1970	9,871	3,426	2,946	2,974
1971	10,887	5,006	4,127	4,070
1972	16,086	6,758	5,393	5,047
1973	15,589	14,071	10,572	9,078
1974	14,976	13,311	9,012	7,487
1975	17,236	14,237	8,832	7,853
1976	19,956	18,788	11,019	9,361
1977	22,398	20,395	11,236	9,162
1978	24,046	28,882	14,040	11,698
1979	25,997	27,659	13,447	10,102

Source: Goldsmith and Derian. 1979. "Is There An Urban Policy?" *Journal of Regional Science* 19: 93-108, Table 3.

Many commentators on urban policy feel that it is necessary to consider social welfare expenditures separately from other urban policy spending. Table 2, consequently, shows HEW urban outlays separated from other urban outlays. Once again, when deflated, growth of outlays is substantial from 1967 until 1973, but then levels off.

The conclusion to be drawn from these budgetary series, and confirmed by other sorts of analysis, is that programs for cities—national urban policy, if you will—expanded quite substantially in the late 1960s and early 1970s, but subsequently stagnated. Though this overlaps the change from a Democratic to a Republican administration, the increase may be a lagged fiscal response to legislation and administrative change introduced by the Great Society programs of Lyndon Johnson. The subsequent stagnation may be attributable to disinterest of the Nixon administration and legislative ineptitude of the Carter administration.

Policy since 1980

Two new initiatives mark the evolution of U.S. urban policy for the 1980s. In October 1979 President Carter appointed a blue ribbon panel to formulate a "National Agenda for the Eighties," which would be presented to the president-elect, whoever that might be. Released in January 1981, the panel's report suggested that urban policy mark a clear break with the past. Carter policy, the report suggested, was increasingly and inappropriately place oriented. In the words of the report, "the purpose and orientation of 'national urban policy' should be reconsidered [because] there are no 'national urban problems,' only an endless series of local ones" (President's Commission 1980b, p. 99). Even though the

report notes that "our cities are truly national assets," it asserts that the nation's "strength" comes "from all kinds of places," suggesting a focus outside cities (p. 98). Therefore, the report suggests that territorially specific programs should be avoided, "locationally neutral economic and social policies rather than spatially sensitive urban policies" should be promoted and no attempt should be made "to preserve cities in their historic roles" (p. 98).

The Commission's alternative is a program of people oriented policies, which "aim to aid people directly wherever they may live," principally through federal assumption of many welfare costs now borne by state and local governments (p. 102). The report further suggests that there is no need for the federal government to concern itself with the deconcentration and dispersal of population over the landscape and that the effort to assess the urban impact of federal expenditures, initiated under the Carter administration, should be abandoned because ultimately "our nation's settlements have not been and will not be significantly dependent on what the federal government does or does not do" (p. 101).¹⁰

The Reagan administration appears to have paid attention to half the report, as it proposes to reduce drastically federal aid of all kinds to cities—housing assistance in its many forms, transportation subsidies, public sector employment, and both the Urban Development Action Grants and the Community Development Block Grants (which Reagan has proposed be folded together into a new and smaller program). One study, by the National Black Leadership Forum, shows that 60 percent of the proposed \$54 billion in budget cuts would be concentrated in urban areas (LeGates and Wilmoth 1981). Following the budget analysis presented above, that would mean at least a 55 percent cut in the total

federal urban budget. Both the National Governor's Association and the U.S. Conference of Mayors have noted the disproportionate share which would be born by cities under the proposed budgetary program (Rattner 1981).

The other half of the "Agenda for the Eighties" report, the call for people oriented policies, seems to have passed the Reagan team by. The proposed reduction in federal aid to cities is matched by a cold shoulder for other aid programs (the "holes in the safety net"). The Reagan administration, in its rhetoric at least, sees no need whatsoever for such an urban policy, other than that made up by the competitive operation of the private market. The head of the Office of Management and Budget, in March of 1981, said the government ought not to provide things such as housing, psychiatric care, and legal aid: "I don't believe that there is any entitlement, any basic rights to legal services or any other kinds of services . . . the idea that's been established over the last ten years," he continued, "that almost every service that someone might need in life ought to be provided and financed by the Government as a matter of basic right, is wrong. We challenge that. We reject the notion" (Hershey 1981).¹¹

The other significant departure in Reagan's urban policy, not at the suggestion of the Agenda for the Eighties committee, is the proposal to create so-called "free enterprise zones." Under this proposal the more distressed areas of center cities will be made attractive to private investors through drastic reductions in tax obligations of all kinds, as well as through possible suspension of many existing environmental, health, safety, minimum wage, zoning, and building code regulations. These free enterprise zones, first proposed by British planner Peter Hall, and then popularized by Margaret Thatcher's Chancellor of the Exchequer, have drawn bipartisan support in Congress. As in Britain, the zone's supporters would have them double as free trade areas where businesses could assemble, store, and process goods from abroad without paying tariffs. Supporters see this "fairly shameless free enterprise" as the only way to bring back the cities; others, such as Sam Brown (former director of VISTA in the Carter administration) suggest they will only be "colonialism brought home" (LeGates and Wilmoth 1981; Peirce and Steinbach 1981; Butler 1981; Goldsmith 1982).

These events do not lend themselves to simple summary. Several trends and characteristics, however, are worth pointing out. Perhaps of greatest significance is the general and continuous trend of development in federal urban programs from the beginning of the century until today, in which there have been two periods of major expansion, the Roosevelt New Deal in the 1930s and the Johnson Great Society in the 1960s. In each of these periods, and in between as well, reforms were of course not restricted to housing and redevelop-

ment, but were spread across all sorts of urban activity. Throughout this period, including the Nixon New Federalism, and extending especially to the Carter administration, the federal role has become more organized, more self-conscious, and more explicit. The Reagan administration's budget cuts represent reduction of federal organization and commitment to deal directly with urban problems. History suggests that the reduction may be temporary.

The budgets for the most recent period, including more detailed figures not presented here, reinforce these interpretations. It is also clear from the history that there has been almost no successful effort to plan and coordinate policy at the national level. The Congress has legislated in this direction and the Carter White House took great *formal* strides both in planning and control, but the effect has been minimal. The result is that policy has been developed and implemented on an issue by issue basis, the net result, as shall be seen, largely following market forces. There has been little coordination and control, little overall planning, and little real urban policy in the U.S. The next and most obvious question must be, "Why can the U.S. not, or why does the U.S. choose not to, formulate and implement a national urban policy?"

Implicit policy: the obstacles of pluralism and political economy

One can explain the inability of the federal government to formulate a national urban policy from two perspectives, one that is rooted in the pluralist assumption about American politics and one that asserts that the business of America is business.

The pluralist obstacles

The inability to formulate a successful national urban policy relates to the role of planning in U.S. society. At best, planning as a means of directing physical, social, and economic development has always been viewed skeptically in America. If the logic of comprehensive, coordinative planning for cities has been self-evident to planners since the first turn of the century plans for Chicago and other cities, the political and social mood of America has forced planners, for the most part, to abandon this logic for either incremental and indicative planning (to support basic market forces by providing the private sector with the overview information it needs to make investment decisions) or advocacy planning (which assists narrow, usually needy, constituencies, who have been disenfranchised by either the market or public programs).¹²

With this background, the failure of national urban policy is perhaps understandable. Studies of European national and regional growth have noted how essential

are strong central governments (such as in France) to the implementation of policies for spatial growth and management. Those who have tried to transfer this information to the U.S. have found that regardless of its nature, a national urban (or national growth) policy is by definition a centralizing/centralist concept.¹³ Individual programs are subject to broad, overarching directives (exactly what the Urban Impact Assessment process of the 1978 Carter National Urban Policy attempted to do). A successful policy requires the belief that advanced industrial societies require intervention and management by the public sector. As such national urban policy challenges something basic to the American psyche and political tradition—a pluralism of programs, institutions, and levels of initiation, all of which reinforce the notion of an “invisible hand” influencing the market, as opposed to a coordinated policy.

Discussion of national urban policy thus becomes just another version of the now somewhat tired debate over the role of planning in America.¹⁴ What gives the urban debate particular flavor is the nakedness of conflicts which such policy is designed to correct.

One reason why urban policy is difficult even to formulate is that raw conflicts in this area cannot be concealed. In contrast, for example, labor policy can focus on those already unionized, or at least those employed. Energy policy can be vigorously debated by the various interests, but class distinctions usually are obscure. Even unemployment policy, such as . . . the early . . . Humphrey-Hawkins bill, avoids raw conflict, as there is no effective way for the unemployed or even the underemployed to be represented. In contrast, urban policy, given that everyone lives somewhere . . . forces attention to conflict. Nearly all the big issues—unemployment, crime, racism—are frequently raised in bald class terms, at least in the biggest cities. In fact, if planning is seen as ideology, as a patina of rationality to legitimize public activity taken in the interests of private groups, then national urban policy, with its necessary responsiveness to people and neighborhoods, must be among the most difficult policies of all. This seems to be the case (Goldsmith and Derian 1979, p. 94).¹⁵

The business of urban policy

This section considers conflicts between government planning and the operation of markets by examining particular aspects of policy (including much that has been only implicit) to identify particular conflicts between private activity and the “public interest.” Four spheres of activity have been crucial for U.S. urbanization. In each, as shall be seen, the role and objectives of business firms and corporations have been exceedingly prominent, and the needs of the private economy in the last analysis have strongly influenced public pol-

icy. First to be discussed is transportation, then housing, then urban redevelopment, and finally the location of industry and jobs. The presentations shall be very brief. The purpose of the exercise is twofold—to summarize how public policy in these spheres has been influenced by the private economy, and to explore whether these conflicts have reduced the chances for coherent national urban policy as a whole.

Ground transportation. Perhaps the single most important influence on urban development in the United States is growth and change in ground transportation. In 1979, 14.1 percent of personal income was spent on transportation.¹⁶ Transport and congestion costs are major determinants of industrial and residential location; city residents spend a great deal of time traveling to and from work, shopping, and recreation; urban health and well-being are seriously diminished by pollution from transportation activity; and the energy crisis is partially attributable to urban transport requirements.

The history of the transportation industry is a fascinating example of the failure in formulation and implementation of public policy. For present purposes four cases shall be examined.

The first case is the development of intercity routes, something that plays a large role in influencing or channeling influence for urban growth or decline. The United States today has, with very few exceptions, no good intercity passenger rail connections. Electric trains, an integral part of the transport system of virtually every other industrial nation, do not presently exist as a feasible technical economic alternative in the U.S. “The demise of nonautomotive transport is a matter of historical record. By 1973,” noted a congressional researcher, “viable alternatives to cars and trucks had all but ceased to exist. No producers of electric streetcars, trolley coaches, or interurban electric trains remained,” and only a handful of electric locomotives were manufactured by General Motors (Snell 1974, p. 27). By 1980, no domestically owned railcar builder remained in this country (Moberg 1980).

This situation did not result from the forces of the “invisible hand,” but rather from the kick of an “invisible foot.”¹⁷ The exercise of monopoly power by the auto companies led to the conscious destruction of viable and profitable train connections between cities.

The dieselization of the New Haven Railroad is illustrative. During 50 years of electrified operation, this road never failed to show an operating profit. Then, in 1956, GM persuaded it to tear down the electric lines and scrap an entire fleet of powerful, high-speed electric locomotives. By 1959, three years after dieselization, the New Haven lost \$9.2 million. In 1961, it was declared bankrupt; by 1968, when it was acquired by Penn Central, it had accumulated a deficit of nearly \$300 million. After a review of these

facts, the Interstate Commerce Commission, in an unprecedented move, found that General Motors had contributed to the New Haven's financial ruin (Snell 1974, p. 5).

The second case, more familiar to city planners, deals with transport systems within cities. At one time there existed more than one hundred electrified rail and bus systems, in more than fifty U.S. cities. Streetcar "suburbs" were widespread. In Boston, for example, they predated the automobile by decades (Warner 1973). These systems provided relatively safe, quiet, clean, cheap, and often rapid and profitable transit. What they did not provide were profits for the auto, oil, and rubber tire industries. As a consequence, over a period of years, beginning in the 1930s, the streetcars and trolleys were retired from service. The most astonishing case of all is Los Angeles. By 1911 private entrepreneurs had consolidated the city's train systems—which by 1940 reached out thirty-five miles from the center—north to San Fernando, east to San Bernardino, and south to Santa Ana, with three thousand trains carrying eighty million passengers to the region's fifty-six incorporated municipalities each year. There were problems, of course, from over-extension, from competition between different companies' parallel lines, and from growing auto ownership and subsidies related to cars and streets (Fogelson 1967; Snell 1974). Most striking, however, is that General Motors, Standard Oil, and Firestone, through various corporate affiliates, in 1940 purchased and scrapped portions of this system, proceeded five years later to buy the downtown streetcar systems, and "scrapped its electric transit cars, tore down its power transmission lines, ripped up the tracks, and placed GM diesel buses fueled by Standard Oil on Los Angeles's crowded streets" (Snell 1974, p. 31). In sum, Snell points out, "GM and its auto-industrial allies severed Los Angeles's regional rail links and then motorized its downtown heart" (p. 31).

The third case of transportation policy is considerably more public—the creation of new mass transit train systems in areas deprived of earlier streetcar and commuter railroad service. The San Francisco Bay Area is one place where bus and auto interests destroyed trolley lines (the Muni Railway and the Key System) even while plans were first being laid for the Bay Area Rapid Transit (BART) System. The trouble is, "now when it is recognized that there is a need for such systems in our cities, new systems like BART are not only prohibitively expensive, but also are not designed to accomplish the same purpose" as the operations dismantled earlier (Whitt 1979, p. 96). In particular, the BART system neglects the needs of most area residents, ignoring many corridors of dense urban demand, where workers with modest incomes could use it heavily, and focusing exclusively on suburban, white-collar commuting to the central city. The principal effect is to raise real estate

values in the central downtown area, where the system's chief backers, such as the Downtown Businessmen's Association, hold much land, while heavy subsidies are paid out in taxes by homeowners and renters throughout the area (Webber 1976; Freshbach and Shipnuck 1972).

The last case arises from an extensive analysis of five local and statewide transit elections in California between 1962 and 1974 which uncovered disproportionately large contributions from big business—\$1.7 million compared to less than \$50,000 from private citizens. Such influence does not guarantee that large businesses get what they want, but combined with all the institutional biases present in the transportation sector, it certainly helps. Thus even when there are public elections for bonding and taxation, it is almost impossible to formulate or implement sound, socially equitable, and efficient urban transportation policy.¹⁸

To conclude this discussion of transportation policy, mention must be made of the federal interstate highway system, where it is absolutely impossible to disentangle the multiple effects of advertizing; the importance of the automobile to American culture; the financial interests and lobbying influence of manufacturers of autos and trucks, steel and rubber, cement and asphalt; and even the international entanglements of the oil business and the military. It would be absurd to blame urban problems on the automobile, and equally absurd to ignore the fact that the auto industry has been one of the driving forces for material progress in this country for more than half a century. It would, on the other hand, be irresponsible to assume that urban problems can be solved without grappling with the dilemmas associated with auto and highway development, and equally irresponsible to assume that those problems are technical, when they are in fact rooted deeply in the U.S. political economy.

Housing. Housing policy comprises the most persistent and fully elaborated set of federal programs to help cities in the U.S. Most city planners look upon housing as a basic need, something that everyone is entitled to. The reality, however, is that housing, just like transportation, is a commodity; it is planned, built, and sold for profit (Achtenberg and Marcuse 1981). Commodities are not given out according to need or public plan, but, following the workings of supply and demand in the market, according to ability to pay. If it is not profitable, then businessmen, understandably, will not supply houses. For a long time in the United States it has not been profitable to either build or "trickle down" decent housing to many poor people, and the resulting problems have been acute in cities. Even today, as many central cities are losing sizeable parts of their population, the operation of the private market makes it unprofitable, and therefore infeasible, to convert building space

to decent housing for the poor. The problem of inadequate housing is particularly acute for minority people, because discrimination and segregation limit their choice even beyond the restrictions of income (Goldsmith 1974).

Under such circumstances, there is every reason for the formulation of policies to provide housing outside the market, or to stimulate the market to function to provide housing for the poor. There have been many attempts, but they have been frustrated either in formulation or implementation.

The biggest and most influential program of all was the Federal Housing Administration's home loan mortgage guarantee program.¹⁹ The congressional debates on the formulation of this program are revealing. The debates, as recorded in the *Congressional Record* for 1934, are almost exclusively about how the interests of various profit making groups shall be treated. Once it was accepted that stimulation of housing construction was necessary for economic recovery, then the particulars of the housing side of the question (urban versus rural, single family versus apartments, ownership versus rental, city versus suburbs, new versus rehab) were relegated entirely to a subordinate status, if they were discussed at all. Instead, discussion focused on relative benefits to banks versus savings and loan associations, on builders versus suppliers, etc. Take, for example, the issue of apartment buildings. The drafters of the original bill were urban reformers, such as Catherine Bauer, who wanted loans for multi-family construction. However, there was strong opposition from the National Association of Real Estate Boards, whose president protested against government entry into the business of building and renting apartment spaces in competition with private owners and urged federal concentration on the promotion of home ownership and new individual home building (Goldsmith 1965). Additional opposition to multi-family construction came from the lumber associations for far more wood is used in single family homes than in tall apartment buildings. Home builders, for obvious reasons, took the same position. The emphasis of these debates on the various profitabilities for different interests ignored entirely two crucial considerations: how would housing be supplied to people in dire need, and what would be the impact on urban form.

To jump several decades and to an entirely different kind of program, the largest contemporary housing policy in the U.S. is not really a positive policy at all. It is, on the contrary, a tax advantage that stimulates home ownership and, mostly, suburbanization. This is the federal income tax deduction for interest payment on home mortgages. This tax expenditure cost the government \$12.505 billion in 1980, nearly one-half as much as the direct urban expenditure of \$28 billion (Column 2, Table 2) (U.S. Bureau of the Census 1980, Table 445). This is

money that is awarded least of all to people who need it the most, poor renters, mostly in central cities. Thus this is an enormously regressive urban policy that penalizes both poor people and city people, as well as old people who have paid up mortgages. Once again, an implicit policy exists whose effect is to reward just those who need it the least (e.g., private homebuilders in extensive suburbs) and whose actions may be least beneficial for the general economy, as well as for energy utilization and other concerns.

Urban redevelopment. The distortion of redevelopment programs, both in formulation and implementation, has been widely claimed and documented by researchers of all political persuasions. The urban renewal program spent vast quantities of public funds to tear down housing, forcibly evict hundreds of thousands of persons without adequate relocation services, and destroy numerous small businesses. As pointed out above, the National Commission on Urban Problems found that by 1967 many more housing units were torn down than rebuilt or built new (Weiss 1980, p. 51). Furthermore, a majority of the people evicted (to poorer housing at higher rents, as a rule) were minorities.²⁰ The difficulties with the program seem to stem in part from its origins in the early federal legislation, which was heavily influenced by "downtown merchants, banks, large corporations, newspaper publishers, realtors, and other institutions with substantial business and property interests in the central part of the city" (Weiss 1980, p. 54). The Urban Land Institute, for example, strongly opposed any "restriction on the profits or dividends" from redevelopment projects and held that "the redevelopment agency should not be required to provide for the rehousing of displaced tenants" (Urban Land Institute 1945, p. 3, cited in Weiss 1980, p. 61). Local, state, and federal laws often fulfilled goals such as this, so that "actual projects were based directly on plans and priorities that had been thought out many years earlier" (Weiss 1980, p. 54).

Industry and jobs. Of all the ways in which the operation of the economy and the accompanying politics affect cities, probably business location, relocation, and employment are the most important. (Strangely, until recently, policies in this area have not been recognized as being crucial to the planner's trade.) There are poverty and other difficulties generated both in periods of rapid industrial growth (e.g., early nineteenth century Manchester or late twentieth century Houston) and in periods of industrial decline (e.g., late twentieth century Cleveland). It is precisely the unevenness of the processes of growth and decline of industry and employment—private economic activity—that present so many of the problems that urban policy is expected to solve (Goldsmith 1981). Today, no doubt, the most difficult problems are associated with cities in decline.

You don't have to be an economist or an unemployed worker to be aware of the epidemic of plant closings and other forms of capital flight now sweeping the country. From day to day or week to week, it may be a shirt factory in Connecticut, a steel mill in Ohio or an automobile plant in California which shuts its doors or reduces its work-force. But wherever and however this disinvestment takes place, its repercussions on people, communities and even the productivity of the American economy as a whole are often devastating. In fact, the economic and social wreckage left in the wake of capital flight is fast becoming a major American crisis (Bluestone and Harrison 1980, p. i).

Besides providing the backdrop for the enactment of virtually all national urban policy, in housing, redevelopment, transportation, the provision of public facilities, etc., this vast movement of investible funds is directly related to urban policy. Three areas in which public policy relates directly to these movements of private capital shall be mentioned briefly. First, and probably most important, there are the impacts of federal fiscal and monetary policy, including changes in tax rates, interest rates, investment depreciation laws, corporate bail-outs, insurance against overseas expropriation, re-import tariff exemptions, and directed business subsidies, such as the so-called counter-cyclical employment grants. Second, states and localities throughout the country provide various subsidies to industries in an attempt to influence their decisions on plant location.²¹ Most researchers conclude that these local subsidies—land write-offs, tax abatements, and loans and grants—have little influence other than to force communities to compete, and they also conclude that large corporations are the ultimate beneficiaries.

No matter what indicators are used, no matter how the evidence is arranged and organized, the unequivocal conclusion of our analysis points to America's giant corporations as the principal recipients of industrial financing assistance (Jacobs, cited in Bluestone and Harrison 1980, p. 240).

The third direct link between industrial mobility and urban policy is the need mobility creates for federal relief, to individuals without jobs and to communities without taxable revenues to provide necessary services. The federal industrial bail-outs only clarify the point; for every Penn Central, Lockheed, or Chrysler, there are dozens of communities and literally hundreds of thousands of unemployed and under employed persons left stranded.

Summary and conclusions

There exists no coherent national policy in the United States for dealing with urban problems—poverty, crime,

and disrepair in the central cities, waste of time and energy on transport to dispersed metropolitan areas, and, in many parts of the country, a seriously declining urban economic base. In two periods of history there have been partially coherent centralized urban policies. In the economic crisis of the 1930s, when the housing sector collapsed and foreclosures were widespread, the federal government intervened, aimed to use house construction to stimulate the economy, and—with the help of the postwar boom, the Veterans Administration loan program, the interstate highway program—housed and suburbanized vast numbers of people. The result, good or bad, was not consciously intended. Suburbanization was a by-product, and its problems, including racial separation, income class segregation, the energy crisis, and, ultimately, central city fiscal crises, were unanticipated. In the social crisis of the 1960s, another partially coherent and centralized attempt at urban policy was made, this time aimed at providing relief for (some might say pacifying) people in tough financial circumstances in central cities. This policy, though it channeled a good deal of money into cities where people needed it, providing considerable relief, nevertheless fell far short of solving the problems. Even when each of these policies was in its heyday, other actions by the government ran in direct conflict, and numerous others were left totally unconsidered.

The differences between the postwar suburbanization policies and the central city policies of the 1960s illustrate how important an influence the private economy has on planning. In the first case, the policies (mortgage subsidies, highway construction, secondary mortgage markets, etc.) gave great aid to private forces (growth of the automobile industry, spending of pent-up war savings and rapidly rising family incomes, the dismantling of transit systems, etc.) so that success, at least in the short run and for specific (and sizeable) groups of the population, was possible. It is a separate, though important, fact that these successes later gave rise to some very great difficulties, many of which public policy seems entirely unable to cope with. In the second case the central city policies (transfer payments to poor, elderly, the disabled people, such as welfare, food stamps, and housing allowances; neighborhood development grants; support for serious citizen participation, etc.) did not give any direct aid to market forces. In fact, these policies were for the most part quite consciously aimed at dealing with market inadequacies and failures, providing a subsidy for people underpaid in the market or not paid at all. As a consequence, there is no "success" parallel to the suburbanization of the middle class. While housing, highway systems, and public facilities appeared as tangibly successful results of urban policy for the suburbanizing middle class, no such success can be claimed for the central city policies. The poor, elderly, and minority people remain in the cities; their numbers remain large and their situation grows worse, if any-

thing, in spite of the large amounts of money spent, without which they would be in much more difficult straits.

These differences between policies that reinforce the private economy and policies that mop up problems left over by the private economy suggest a way that the failures of national urban policy may be understood. Rogers Morton, who as Secretary of the Interior in the Nixon administration held vast authority over extensive federal lands throughout the country, had this to say about national land use planning (a plausible element of national urban policy):

If you try to superimpose a Federal . . . plan on top of the States, I do not believe this will be in the spirit of the Republic. I don't believe it is the American way of doing business, and I don't think it would go anywhere in the Congress (U.S. House 1971, p. 133).

The problem, it seems to us, is that any effective planning that is aimed at solving problems of the average citizen is likely to run into obstacles from the normal, and expected, functioning of the private economy. For example, consider transportation policy for the Northeast. A sensible *technical* system for the northeastern United States, where weather often endangers or prohibits auto or air travel and where population is dense, would utilize one of a variety of kinds of (electric) train networks, which would be safe, fast, convenient, and from the point of view of the entire economy, efficient. Why is there no such system? Because there is no system of incentives to motivate private business to build and operate it. Why not? Partly because of the political power of the auto, oil, highway, and trucking businesses, which reap profits from their heavily subsidized operation, and partly because profitability is not always a good measure of social usefulness.

Critics can respond that the American rail system is inefficient, every rider now requires a subsidy worth at least as much as his or her ticket. There are two flaws in this response. First, a well designed and thoroughly integrated system would be, in such narrow terms, considerably more efficient than what exists, and comparison should in any case take into account subsidies offered to other forms of transportation, including, e.g., artificially low taxes for big trucks and subsidized (military) research on the development of airplanes. Second, it is quite possible that the public would choose to "subsidize" such a train network, or that its side benefits (such as rehabilitation of central cities near major stations to say nothing of reduced energy use) might be taxed to provide such subsidy. However, these arguments carry little weight in the deliberations that lead to policy in the United States. The transportation system, as it stands now, is organized for profit, not for public service. Even openly public expenditure is organized so as to keep transportation businesses (e.g.,

Chrysler and Penn Central) profitable, when it should be used to reorient and reorganize the industry. It is not necessary for the industry to resort to practices which some would call conspiratorial or for public purpose to give way to corporate financial interests. It is simply that profitable business operation and social need often do not lead to the same actions.

The urban renewal program is of a different nature. In this case a public program, with the public good as its ostensible aim, served primarily private interests. A program which was to renovate cities to make them better places to live, instead in many localities destroyed the social fabric of neighborhoods, evicted people without assistance to make room for hospital or university expansion, for highways, or mostly, for business development, and used up tax monies for private benefits.²² There was a glimmer of legitimate public purpose—improved housing, revived urban centers, urban beautification—but this purpose was swamped, even in formulation of the legislation, by the private purposes.

Housing has problems that are deeper. The simple fact that many American families do not make enough money to be able to afford adequate housing must be confronted. If housing is a social need, then its provision is a social responsibility. If housing is a commodity to be sold for a profit, then its provision is a private business responsibility. The principal difficulties with the housing sector are rising costs of real estate and borrowing, and low real incomes of many families. It is conceivable, within a private economy, that costs could be subsidized sufficiently so that there would be adequate housing for all, but such a program would face very large political obstacles. The problem has roots deeper than the housing sector itself.

Finally, consider the problem of investment, employment, and industrial movement. The failure of U.S. policy to come to grips with the problem of industrial mobility stands in stark contrast to Western European rules requiring advance notification, severance pay, and even consultation with public authorities prior to plant closing (Bluestone and Harrison 1980). Though the problem is by no means resolved by these forms of intervention, they at least indicate recognition of the seriousness of the issue, something that so far has escaped from the highest circles of U.S. policy formulation.

The proposed budget cuts of the Reagan administration (which are likely to be fully in effect by the time this is published) bring home this point. Urban policy is seen as an extravagance that goes to undeserving people and a hinderance to efficient operation of private markets. To eliminate urban programs is thus to enhance the operation of the market; to continue them cuts into profits directly (via taxes) and indirectly (via support systems that help keep wages from falling).

The Reagan administration rhetoric seems cruel, but as an expression of short-run and short-sighted business interest, it is not far from the mark. Also, as a clue to

the real conflicts that inhibit the formulation and implementation of coherent national urban policy, it is very accurate.

When S. P. Huntington, writing for the Trilateral Commission, complained of "an excess of democracy" in America, he was concerned with an excess that threatened to expand beyond the narrow confines of elective politics and to seep into areas normally reserved for discussion and influence only by business (Crozier, Huntington, and Watanuki 1975, p. 113). Which cities shall prosper, which shall decline? Who should control the fate of neighborhoods? For whom should urban transit be designed? A national urban policy would have to deal with these questions, which are related to larger issues. For example, what shall be produced, and where? What shall be invested, and where? How shall work places be organized? How much shall workers be paid? Who shall get to work?

The authors have little doubt that someday an "excessive" democracy that deals with these questions will be in place. The trend of history is in that direction. One element of such a democracy will be national urban policy. Yet, none of this will happen without struggle. An explicit and coordinated urban policy will be strongly opposed by many interests, but the pressure from the grass roots will continue. Note the contemporary upsurge of citizens movements, "the backyard revolution," with dozens of organizations representing neighborhoods and communities.²³ There are also black, Hispanic, women's, and ecological coalitions, and state-wide committees on occupational safety and health. As the failures of formal urban policy, among other things, become more acute, these and many other groups will lead to an increase in the number of outspoken progressive elected officials, who will demand changes in the national agenda, who will insist that the cities are the people of America. Urban policy will not be national for some time, but, in the face of the complexity of urban America, and the continual need to resolve crises, ever more organized pressures from below will force the issues, and progress will be made.

become ever more urban, though less of the urban population is settled in central city areas.

Year	Urban population as percent of total population*	Central city population as percent of total urban population†
1970	73.5	43
1960	69.9	46
1950	64	50
1940	56.5	
1930	56.2	
1920	51.4	
1910	33.3	
1900	37.3	
1890	32.9	
1880	26.3	

* From U.S. 1975, Series A73-81 "Population By Type of Residence, Sex and Race: 1880-1970."

† From U.S. 1975, Series A82-90 "Urban Population By Type of Residence, Sex and Race: 1950-1970."

- See Alcala and Mermelstein (1977) for a discussion of the urban fiscal crisis. Perry and Watkins (1977) provide analysis of the sunbelt-frostbelt regional shift question. Fuguitt, Voss, and Doherty (1979) examine urban-rural shifts.
- Glickman (1980a) is a volume of papers on the urban impacts of a variety of federal policies. They were commissioned by the Department of Housing and Urban Development as part of its impact review commitment under the Carter Urban Policy. Sections of the book deal with general data and methodological issues in conducting urban impact assessment, as well as looking at specific income transfer, urban-related, tax, and intergovernmental relations policies.
- Weiss (1980) summarizing the findings of the so-called Douglas Commission (National Commission on Urban Problems 1969).
- Parsons and Clavel (1977) provide a summary of this material.
- See the analysis of the New Partnership (President's Urban and Regional Group 1978) in Goldsmith and Derian (1979).
- The following budget information draws from Goldsmith and Derian (1979).
- An analysis updating some of this—but in substantial agreement—appears in Glickman (1980b).
- These are some of the summary recommendations presented in Chapter 9 "Perspectives on Urban America and Key Policy Issues for the Eighties" of the urban report of the President's Commission for a National Agenda for the Eighties. (1980b).
- LeGates and Wilmoth (1981) provide a very brief and provocative summary of the Reagan administration urban proposals.
- In a recent book review essay Clavel and Jacobs (1981) utilize this typology of planning theory and practice.
- Parsons and Clavel (1977) summarize the findings of Lloyd Rodwin (1970), Philip Friedly (1974), and James L. Sundquist (1975) when coming to this conclusion. The discussion here of the pluralist explanation for a failure to construct national urban policy draws from this monograph.
- The case of national land use planning is illustrative. There, the policy of the federal government "is typical of the disjointed nature of state policy in the U.S. Programs and jurisdictions are fragmented and uncoordinated because this helps to insulate preserves of private influence from central administrative supervision." Members of Congress, especially those in the House, act to protect distinctive geographic interests which then makes national planning an impossibility because national legislation for plan-

Notes

- See for example the data in *Cleveland Profile* (1978) and the presentation by Marable (1980).
- As the table below indicates, the U.S. population continues to

ning becomes "a protectorate of the interests it was supposed to control" (Plotkin 1980, p. 442).

15. The Carter urban policy found that it could not ignore these pressures and responded by drafting, and letting out for review, a specific neighborhood component to its national urban policy. (President's Urban and Regional Group, n.d.).
16. Since the early 1950s, this figure has remained relatively constant.
17. The phrase "the invisible foot" is from Daly (1973, p. 17). It is useful to note Daly's observation "that the invisible foot leads private self-interest to kick the common good to pieces."
18. Whitt (1979) is an excellent treatment of the interrelationship between social and political theories of power and transportation policy.
19. A summary of these debates is contained in Goldsmith (1965).
20. Anderson (1964) was an early criticism of urban renewal. Also see Hartman's study of relocation failures (1964) and his study of opposition to redevelopment (1974).
21. Chapter 7 of Bluestone and Harrison (1980), "What's Wrong With Present Policy?" discusses and evaluates the various measures currently used by states and localities to attract business: tax abatements, subsidies, incentives, and "welfare" policies for displaced workers.
22. One of the most recent, and dramatic, examples of this process is the decision by the city of Detroit and the courts of Michigan to allow the destruction of a vibrant, ethnic inner-city neighborhood, Poletown, so General Motors can build a sprawling Cadillac assembly plant (Moberg 1981; Serrin 1981).
23. The phrase "backyard revolution" is from Boyte (1980), one of a recent series of books which indicate the nature of this grass roots activity. Planners in particular can benefit from the still brilliant early criticisms of U.S. urban "policy" offered by Goodman and Goodman (1947). Updates of elements of this analysis are included in Goodman (1972, 1979), Rifkin and Barker (1978), and Carnoy and Shearer (1980). For perspectives on progressive responses by planners see Bach, Carbone, and Clavel (1981), and the selections in the edited volume of Clavel, Forester, and Goldsmith (1980). The Planners' Network, an informal organization of information exchange and support among self-defined progressive planners, is also a resource.

References

- Achtenberg, E., and Marcuse, P. 1981. *Housing and neighborhoods*. Draft of position paper for the Planners Network.
- Alcaly, R. E., and Mermelstein, D., eds. 1977. *The fiscal crisis of American cities*. New York: Random House.
- Anderson, M. 1964. *The federal bulldozer*. Cambridge: MIT Press.
- Bach, E.; Carbone, N.; and Clavel P. 1981. Progressive planning: a report from Berkeley and Hartford. *Working Papers in Planning* No. 51. Ithaca, N.Y.: Cornell University, Department of City and Regional Planning.
- Banfield, E. C. 1968. *The unheavenly city*. Boston: Little, Brown.
- Bluestone, B., and Harrison, B. 1980. *Capital and communities: the causes and consequences of private disinvestment*. Washington: The Progressive Alliance.
- Boyte, H. 1980. *The backyard revolution: understanding the new citizen movement*. Philadelphia: Temple University Press.
- Butler, S. 1981. Enterprise zone theorist calls for "unplanning." *Planning* 47: 6.
- Carnoy, M., and Shearer, D. 1980. *Economic democracy*. White Plains, N.Y.: M. E. Sharpe.
- Clavel, P.; Forester, J.; and Goldsmith, W. W., eds. 1980. *Urban and regional planning in an age of austerity*. New York: Pergamon.
- Clavel, P., and Jacobs, H. M. 1981. Planning and national urban policy. *Public Administration Review* 41: 87-92.
- Cleveland profile. 1978. Cleveland: Greater Cleveland Interchurch Council.
- Crozier, M.; Huntington, S. P.; and Watanuki, J. 1975. *The crisis of democracy*. New York: New York University Press.
- Daly, H. E., ed. 1973. *Toward a steady-state economy*. San Francisco: W. H. Freeman.
- Freshback, D., and Shipnuck, L. 1972. Bay Area Council regional powerhouse. *Pacific Research and World-Empire Telegram*. November-December.
- Fogelson, R. M. 1967. *The fragmented metropolis: Los Angeles, 1850-1970*. Cambridge: Harvard University Press.
- Friedly, P. 1974. *National responses to urban growth*. Lexington, Mass: Lexington.
- Friedmann, J., and Weaver, C. 1979. *Territory and function: the evolution of regional planning*. Berkeley: University of California Press.
- Fuguitt, G. V.; Voss, P. R.; and Doherty, J. L. 1979. *Growth and change in rural America*. Washington, D.C.: Urban Land Institute.
- Gans, H. J. 1968. *People and plans*. New York: Basic Books.
- Glickman, N. J., ed. 1980a. *The urban impacts of federal policies*. Baltimore: Johns Hopkins.
- . 1980b. *National urban policy in an age of economic austerity*. Working paper #33. Philadelphia, Pa.: University of Pennsylvania, Department of Regional Science.
- Goldsmith, W. W. 1965. The origins of the Federal Housing Administration's home loan insurance policy, and its effect on the pattern of urban development. Unpublished manuscript. Cornell University, Department of City and Regional Planning.
- . 1974. The ghetto as a resource for black America. *Journal of The American Institute of Planners* 40: 17-30.
- . 1981. Poverty and profit in urban growth and decline. Chapter prepared for *The Urban Underclass*, ed., Clement Cottingham, forthcoming. Available as *Working Papers in Planning* No. 44, Ithaca, N.Y.: Cornell University, Department of City and Regional Planning.
- . 1982. The biggest banana republic. *Working Papers for a New Society March*: forthcoming.
- Goldsmith, W. W., and Derian, M. J. 1979. Is there an urban policy? *Journal of Regional Science* 19: 93-108.
- Goodman, P., and Goodman, P. 1947. *Communitas*. Chicago, Ill: University of Chicago Press.
- Goodman, R. 1972. *After the planners*. New York: Simon and Schuster.
- . 1979. *The last entrepreneurs*. New York: Simon and Schuster.
- Hartman, C. 1964. The housing of relocated families. *Journal of the American Institute of Planners* 30: 266-286.
- , et al. 1974. *Yerba Buena: land grab and community resistance in San Francisco*. San Francisco: Glide.
- Hershey, R. D. 1981. Volcker forecasts progress this year in inflation battle. *New York Times*. March 23: A1.
- Jacobs, J. 1979. *Bidding for business: corporate auctions and the 50 disunited states*. Washington, D.C.: Public Interest Research Group.
- Kelman, S., et al. 1981. Planning the planners. *Social Policy* 11: 46-51.
- LeGates, R., and Wilmoth, D. 1981. More sweatshops are not the answer. *In These Times* March 11-17: 5.
- Marable, M. 1980. The fire this time: the Miami rebellion. *Working Papers in Planning*. No. 36. Ithaca, N.Y.: Cornell University, Department of City and Regional Planning.
- Moberg, D. 1980. Crazy logic dictates Pullman closing. *In These Times* November 5-11:6-7.
- . 1981. "Detroit I do mind moving." *In These Times* February 4-10: 11-14.
- National Commission on Urban Problems. 1969. *Building the American city*. Washington: U.S. Government Printing Office.
- Parsons, K. C., and Clavel, P. 1977. *National growth policy: an institutional perspective*. Ithaca, N.Y.: Cornell University. Program in Urban and Regional Studies.
- Peirce, N. R., and Steinbach, C. 1981. Enterprise zones—would they mean the loss of other federal help? *National Journal* February 14: 265-268.

- Perry, D. C., and Watkins, A. J., eds. 1977. *The rise of the sunbelt cities*. Vol. 14, Urban Affairs Annual Reviews. Beverly Hills: Sage.
- Plotkin, S. 1980. Policy fragmentation and capitalist reform: the defeat of national land-use policy. *Politics and Society* 9: 409-445.
- President's Commission for a National Agenda for the Eighties. 1980a. *A national agenda for the eighties*. Washington: U.S. Government Printing Office.
- President's Commission for a National Agenda for the Eighties, Panel on Policies and Prospects for Metropolitan and Non-Metropolitan America. 1980b. *Urban America in the eighties*. Washington: U.S. Government Printing Office.
- The President's Urban and Regional Group. 1978. *A new partnership to conserve America's communities: a national urban policy*. Washington: U.S. Government Printing Office.
- The President's Urban and Regional Group. n.d. *The neighborhood component of a national urban policy draft*. Washington, D.C.: Department of Housing and Urban Development.
- Rattner, S. 1981. Mayors criticize Reagan budget cuts saying municipalities are hurt worst. *The New York Times* March 13: A 15.
- Rifkin, J., and Barber, R. 1978. *The North will rise again: pensions, politics and power in the 1980's*. Boston: Beacon Press.
- Rodwin, L. 1970. *Nations and cities*. Boston: Houghton-Mifflin.
- Serrin, W. 1981. Detroit, G. M. and court act to doom neighborhood. *New York Times* March 15: A24.
- Scott, M. 1969. *American urban planning since 1980*. Berkeley: University of California Press.
- Snell, B. C. 1974. *American ground transport*. Presented to U.S. Senate Subcommittee on Anti-trust and Monopoly of the Committee of the Judiciary. 93rd Congress, 2nd Session. Washington: U.S. Government Printing Office.
- Stone, M. E. 1980. Housing and the American economy: a Marxist analysis. In *Urban and Regional Planning in an Age of Austerity*, eds., P. Clavel et al. New York: Pergamon.
- Sundquist, J. 1975. *Dispersing populations—what America can learn from Europe*. Washington: The Brookings Institution.
- U.S. Bureau of the Census. 1975. *Historical statistics of the United States, colonial times to 1970, bicentennial edition, Part 1*. Washington, D.C.: U.S. Government Printing Office.
- U.S. Bureau of the Census. 1980. *Statistical abstract of the United States: 1980, 101st Edition*. Washington, D.C.: U.S. Government Printing Office.
- U.S. House. 1971. *National land use planning: hearings before the Subcommittee on the Environment*. 92nd Congress, 1st Session. Washington D.C.: U.S. Government Printing Office.
- U.S. National Goals Research Staff. 1970. *Toward balanced growth*. Washington, D.C.: U.S. Government Printing Office.
- Urban Land Institute. 1945. Discussion of principles to be incorporated in state urban redevelopment enabling acts. *Technical Bulletin No. 2*. Washington, D.C.: Urban Land Institute.
- Walton, R. J. 1981. New York's Ed Koch should be a sitting duck, but he's still flying high. In *These Times* March 11-17:12.
- Warner, S. B. 1973. *Streetcar suburbs*. New York: Antheum.
- Webber, M. M. 1976. The BART experience—what have we learned. *The Public Interest* 45: 79-108.
- Weiss, M. A. 1980. The origins and legacy of urban renewal. In *Urban and Regional Planning in an Age of Austerity*, eds., P. Clavel et al. New York: Pergamon.
- Whitt, J. A. 1979. Toward a class-dialectical model of power: an empirical assessment of three competing models of political power. *American Sociological Review* 44: 81-100.

