



Understanding Cities

Governance and Privatisation

Jenny

Part of the story about governance is also around privatisation, bringing business in to take responsibility for certain services or other kinds of activities that local government has previously been responsible for. And this kind of move has been quite important in framework of developing countries in terms of international agendas promoting good governance for states which have long lost a sense of responsibility for delivering services or a capacity for delivering social services, trying to encourage businesses to come in and deliver those services on a private sector basis, of course also on a cost recovery basis so the politics of that shift in the effect and terms of citizenships' rights and responsibilities in relation to the state seems to be quite substantial.

Michael

Although I think there are some interesting complexities in that set of events in the development context precisely because I think you have both a global version of neo-liberalism which is, represents in part an attack on state-driven bureaucracy which has its strengths and has its weaknesses, but you also interestingly enough have running alongside it a sort of populist anti-statism that emerges in the old Iron Curtain countries after the collapse of Communism, but also in regimes like South Africa where the state is seen as complicit with various forms of oppression. But I think privileges, those areas of society that are not the state and so assumes that there is something that is not the state which is sometimes called civil society that can deliver things better than state bureaucracies themselves, and I think that isn't without quite serious difficulties as well because when you begin to look at in the development context the role of the civics in South Africa or the non-governmental organisations in various other Third World countries they themselves are part of political economies of funding which tend to make the position as part of this kind of pure non-state realm a little bit more complex.

Jenny

Perhaps we could move on to start thinking about how it is that different groupings or different networks and institutions and agents have brought together into the relations of governance in particular cities and I quote from what you wrote: urban areas are characterised by differences, tensions and divisions – how is it possible for shared agendas to emerge, so in other words how is it possible to draw in all these different actors into a common project, and if we think about the two primary actors who've been playing a part in urban development initiatives, business organisations or entrepreneurs and individuals, and communities – perhaps we can talk through the particular reasons why businesses get involved, and why communities get involved, and the possibilities and difficulties around bringing these two groupings together. Alan, perhaps you'd like to kick off?

Alan

I think the context of some of the initiatives, some of the changes, some of the forms of governance that have taken place that are developed in cities, particularly in the West, seems to me to be very much part of the process by which the whole sets of welfare institutions, some of the things that Michael was talking about earlier, the ways in which the neo-liberal agenda has been developed, has changed, has in some cases been transcended towards different sorts of political understanding which have gone beyond some of the traditional notions, certainly of a welfare state, I mean some of the traditions, certainly in the UK context, the move beyond the sort of local welfare state which many local authorities represented, many governments were part of that, they were part of a wider system of a welfare state which was either called a Keynesian welfare state or a Beveridge welfare state, depending on

which particular academic discipline you started out from. But the important point was that it became difficult within the sort of neo-liberal language between the language which was redefining the politics of the mid-20th century to think in terms which said what we ought to be doing is providing state welfare, state welfare got defined as the problem. And what became defined as the solution was actually finding ways of moving beyond the state, generally or initially in terms of saying economic success equals welfare, so that in terms of cities what became defined as being a successful city for the people who lived in it and for everybody else was that they were somehow economically successful, and that economic success tended to be in terms of economic growth of one sort or another, people began to talk about entrepreneurial cities, and so on. There are other ways of thinking about what one might call a post-welfare urban society was to say that, you know, it's actually about community groups, it's about some of the groups in civil society taking on responsibilities that were either previously taken on by the state, but I'd like for the moment to stick with the first form because I think that's been the most significant in terms of the organisation of urban governance, of ways of developing a shared agenda. One of the approaches was the idea of an urban regime, the emergence of an urban regime, which is the notion that it is possible to bring together alliances around, normally around notions of economic growth, economic development which are driven by wider concerns largely associated with business interests but not always articulated through them, sometimes articulated through the local government itself, which defines the only possible success as being economic success, and therefore says the only way in which we can get economic success is to form an alliance with business and to form some sort of urban regime which brings together bigger organisations, and which works together to deliver things for the local population. So you end up, precisely because things are fragmented being prepared to look for, trying to find ways of setting up networks which bring together major interests, major organisations, trying to develop partnerships, trying to think of forms which different groups are balanced, and trying to define the agenda in terms of something which they can all benefit from, and the thing it appears everybody can benefit from is economic growth. If you get economic growth you can give something to everybody, you can even give something to the poor, you can give something to the real estate developers, you can give something to the local state through taxes, and so on, and economic growth is actually one of the clearest ways I think in which a shared agenda can develop. I don't think it's the only way, but one of the things that is quite apparent I think in terms of cities in the West has been the way in which those sorts of growth agendas have become dominant, and you find that everywhere wants to be some place, everywhere wants to be a success, everywhere sees itself defining itself in terms which are about economic success, and place marketing is a very important phenomenon, the ability to sell your place to business and so on, to sell your place to people who want to come in and invest, and so on. One of the examples that is worth looking at is the example of Manchester where in the early '90's there was a very big campaign to get the Olympics to go to Manchester which drew on support from the business community but drew also, managed to get support much more widely within the local population because it seemed like a good thing to get the Olympics. Now it's quite interesting to see how that managed to exclude certain other things from the political agenda, that became the main thing, it was difficult therefore to argue for perhaps some of the more mainstream welfare activities because if they got in the way, if spending on those things got in the way of trying to identify the Olympics as a way forward, it was very difficult to get that onto the political agenda, and one of the interesting things about getting the shared agendas to emerge is also what they exclude as well as what they include, so it can be a way of getting rid of certain issues from the political agenda.