



# **Preface: From the “New Localism” to the Spaces of Neoliberalism**

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In recent decades, the notion of a “revival of the local” has attracted widespread attention from academics and policy-makers. In contrast to the pervasive naturalization of national states, national economies, and national societies that prevailed during much of the Fordist-Keynesian period, localities and places are now back on the agenda across the political spectrum and within numerous strands of social-scientific analysis. In a geoeconomic context defined by massive upheavals of entrenched interscalar relations, local (and regional) spaces are now increasingly being viewed as key institutional arenas for a wide range of policy experiments and political strategies. These include new entrepreneurial approaches to local economic development as well as diverse programs of institutional restructuring intended to enhance labor market flexibility, territorial competitiveness, and place-specific locational assets.

Paradoxically, much of the contemporary political appeal to the “local” actually rests upon arguments regarding allegedly uncontrollable *supralocal* transformations, such as globalization, the financialization of capital, the erosion of the national state, and the intensification of interspatial competition. Under these conditions, in the absence of a sustainable regulatory fix at global, supranational, or national scales, localities are increasingly being viewed as the only remaining institutional arenas in which a negotiated form of capitalist regulation might be forged. From this perspective, as Eisenschitz and Gough (1993:11) explain, localities are frequently represented as sites in which “the apparent opposites of enterprise and community, of efficiency

and welfare, of economic means and local ends” might be reconciled. A variety of policy experiments have subsequently been advocated in order to unleash the latent innovative capacities of local economies, to foster a local entrepreneurial culture, and to enhance the flexibility of local governance systems. In short, the new localism has become a forceful call to arms through which local (and, in some cases, national) political-economic elites are aggressively attempting to promote economic rejuvenation from below.

Crucially, this new localism and its associated politics of place contain a number of deep ambiguities. Does the local really serve as a site of empowerment in the new global age, or do contemporary discourses of globalization/localization in fact conceal a harsher reality of institutional deregulation, regulatory downgrading, and intensifying zero-sum interspatial competition? Have localities and cities really acquired new institutional capacities to shape their own developmental pathways, or are their fates now being determined—or at least significantly constrained—by political-economic forces that lie beyond their control? Are local regulatory experiments actually improving local social conditions, or are they rendering local and regional economies still more vulnerable to global financial fluctuations, state retrenchment, and the capricious investment decisions of transnational corporations? These ambiguities arguably lie at the very heart of the new forms of policy experimentation and place-production that have proliferated in urban and regional economies throughout the older industrialized world during the last two decades. They present significant intellectual puzzles for analysts of place-making processes under contemporary capitalism; and they also pose profound strategic dilemmas for activists concerned with reshaping places towards more progressive, democratic, and socially just ends.

This collection builds upon these debates regarding the new localism, the transition to urban entrepreneurialism, the rescaling of political-economic space, and the dynamics of place-making within contemporary “glocalized” capitalism. However, we confront these matters through a very specific but relatively neglected analytical lens: that of *neoliberalism* and its evolving political-economic geographies.

Since the crisis of the Fordist-Keynesian accumulation regime and the breakdown of the Bretton Woods monetary system in the early 1970s, the global capitalist system has become increasingly neoliberalized. This multifaceted, multiscalar dynamic of neoliberalization has entailed the loosening or dismantling of the various institutional constraints upon marketization, commodification, the hyperexploitation of workers, and the discretionary power of private capital that had been established through popular struggles prior to and during the postwar period (see Bourdieu 1998; Lipietz 1994; McMichael 1996; Moody 1997). Particularly since the early 1980s, processes of

deregulation, liberalization, and state retrenchment—the linchpins of the neoliberal policy repertoire—have been imposed at a range of spatial scales, from the global and the continental to the national and the local, albeit always in context-, territory-, and/or place-specific forms. The crystallization of this worldwide regime of “disciplinary neoliberalism” (Gill 1995) has been examined at some length in the literatures on international political economy, both with reference to the consolidation of the supranational modes of governance embodied in the World Bank, the International Monetary Fund, the World Trade Organization, the North American Free Trade Agreement, the European Union, and the like, and—just as importantly—with reference to the increasing neoliberalization of national regulatory systems in the older industrialized world, in developing countries and, after 1989, in erstwhile state-socialist regimes (for overviews see Agnew and Corbridge 1995; Overbeek 1993).

Surprisingly, however, the politics, institutional dynamics, and socio-spatial effects of neoliberalism have rarely been theorized explicitly at the *urban* scale in the older industrialized world. More generally, even though discussions of the rise, consolidation, and diffusion of neoliberalism generally contain any number of implicit geographical assumptions, the complex spatialities of these developments have yet to be examined and theorized systematically, whether with reference to cities, regions, national territories, or supranational spaces.

Against this background, the present collection on *Spaces of Neoliberalism* confronts two closely related analytical tasks. First, the contributions to this volume examine the role of neoliberal political projects since the late 1970s in shaping the dynamics of urban change in North America and Western Europe. Second, by exploring the role of neoliberal politics in molding urban spaces and, more generally, in reproducing and intensifying uneven spatial development within and between cities, this collection seeks to illuminate some of the broader geographical contours, dynamics, and trajectories of neoliberalism itself as a multiscalar geoeconomic and geopolitical project. Both of these tasks are, we submit, extraordinarily urgent, both intellectually and politically. As the contributors to this volume demonstrate in a variety of ways, neoliberalism represents a strategy of political-economic restructuring that—to borrow a phrase used by Henri Lefebvre (1978:262) in a different context—uses space as its “privileged instrument.” In sum, by examining the role of neoliberal political-economic agendas in the contemporary remaking of urban space, we seek to advance recent debates on the contested politics of urban restructuring while, at the same time, opening up a wider research agenda through which the contradictory and continually evolving geographies of neoliberalism within post-1970s capitalism might be explored.

Neoliberal programs have, of course, had profound ramifications for urban development in cities and city-regions throughout the world economy. A comprehensive inquiry into the issues sketched above would therefore need to examine the particular ways in which neoliberalism has shaped trajectories of urban development in each zone of the world economy during the last two decades. Yet, as a number of contributors to this collection emphasize, the effects of neoliberalism must necessarily be understood in contextually specific ways: they hinge upon the path-dependent interaction of neoliberal programs with inherited institutional and social landscapes. Our focus on the impact of neoliberalism within older industrialized countries—in which neoliberal policies were mobilized within regulatory landscapes that had been molded in the preceding decades by Fordist-Keynesian regulatory arrangements—is consistent with this methodological emphasis on contextual specificity and, more generally, on the path-dependency of regulatory/spatial change. Due to limitations of space, time, and expertise, a broader inquiry into the dynamics of neoliberalization in cities located beyond the North Atlantic zone could not be undertaken in this collection. Nonetheless, it is our hope that the methodological strategies developed and deployed in this volume might also prove useful for scholars concerned with elucidating the urban dimensions of neoliberalism in other regions of the world economy—from sub-Saharan Africa and Eastern Europe to Latin America and East/Southeast Asia—where neoliberal programs have been imposed upon very different regulatory landscapes inherited from the legacies of imperialism, import-substitution growth strategies, and, most recently, programs of export-led industrialization.

### **Structure of the Volume**

The contributions to this volume were initially presented at a small conference on Neoliberalism and the City, sponsored by the Center for Urban Economic Development (CUED) at the University of Illinois at Chicago (UIC) in early September 2001. During the course of the conference, the participants articulated a number of common themes, concerns, and claims. While a broad range of methodological approaches and empirical reference points is represented in this volume, the following papers confront the urban geographies of neoliberalism in at least three ways—(1) by developing theoretical frameworks through which to explore the intersection between neoliberalism and urban development; (2) by analyzing the logics, dynamics, and contradictions of state intervention in neoliberalizing urban spaces; and (3) by examining the divisive sociospatial effects of neoliberal urban policies. The volume is therefore divided into three parts that reflect the contributors' efforts to grapple with these closely intertwined conceptual and empirical issues.

Part 1 explores various ways of conceptualizing the neoliberalization of urban life during the last two decades. On the one hand, these essays address the vexing question of how to theorize the urban geographies of neoliberalism under conditions of intensifying geoeconomic instability. On this basis, the essays examine various ways of analyzing the path-dependent and deeply contradictory dynamics of neoliberal urban policies. Just as importantly, this part of the collection suggests that, since the early 1990s, the reproduction of neoliberalism has become increasingly contingent upon specifically urban strategies of various kinds. In other words, the point is not only that neoliberalism affects cities, but also that cities have become key institutional arenas in and through which neoliberalism is itself evolving.

Part 2 explores the new geographies of state regulation that have emerged in conjunction with the neoliberalization of urban space during the last two decades. These analyses demonstrate that the implementation of neoliberal strategies in cities has entailed, *not* the rolling back of state intervention, but rather its political, institutional, and geographical reorganization. One important contribution of these essays is to map out some of the divergent forms in which neoliberal projects of state intervention have been articulated and some of the diverse institutional pathways through which those projects have evolved. In addition, these essays underscore the deeply dysfunctional yet extraordinarily malleable character of neoliberal statecraft. Despite the serial failure of neoliberal policies to establish a sustainable basis for socioeconomic regeneration, neoliberal orthodoxy retains its hold over municipal policy-making throughout much of the developed capitalist world. However, as these contributions demonstrate, neoliberal urban policies—and the state institutions through which they are deployed—have evolved considerably since the early 1980s, as political-economic elites have attempted to confront their profoundly disruptive socioeconomic consequences without calling into question the basic neoliberal premise of market-driven growth.

Finally, Part 3 examines the new forms of social exclusion, injustice, and disempowerment that have been inscribed upon the urban landscape during the last few decades of neoliberalization. The authors in this section explore a variety of ways in which neoliberal projects of political-economic restructuring collide with pre-existing sociospatial cleavages and, in turn, create new forms of inequality, political disenfranchisement, and economic immiseration. Moreover, as these contributors indicate, cities have become a key arena in which the everyday violence of neoliberalism has been unleashed.

By way of conclusion, it is worth emphasizing that much theoretical, empirical, and political work remains to be done in order to critically decode—and ultimately dismantle—the “utopia of unlimited exploitation” (Bourdieu 1998) that has underpinned the neoliberalization of

urban life during the last two decades. One particularly urgent issue, which this collection only begins to address, is the strategic role of cities as sites of resistance and oppositional mobilization against neoliberalism. For, even if cities have been subsumed within neoliberal agendas of various kinds in recent decades, they also remain vibrant sociopolitical arenas in which alternative practices of everyday life, a whole range of institutional experiments, and various traditions of political utopianism continue to flourish. Even in an age of neoliberal dominance, cities remain crucially important arenas for struggles in the name of social justice, radical democracy, popular empowerment, and the politics of difference. The demand for an urban life based upon grassroots democratic participation and the satisfaction of social needs rather than the imperatives of private profit—to which Lefebvre ([1968] 1996) famously referred as the “right to the city”—continues to percolate in many cities despite the neoliberal assaults of the last few decades. This demand is powerfully evidenced, for instance, in living-wage campaigns, projects to deepen and extend civil rights and civil liberties, environmental justice movements, antiworkfare activism, new forms of community-labor organizing, and ongoing social struggles regarding the right to decent, affordable housing. By providing an initial analysis of the complex political-economic geographies within which such struggles are embedded, we hope that this volume may also contribute, in some way, to the project of imagining and constructing alternatives to the neoliberal city.

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