AUSTERITY URBANISM AND THE SOCIAL ECONOMY

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with Jeff Noonan and Jamey Essex

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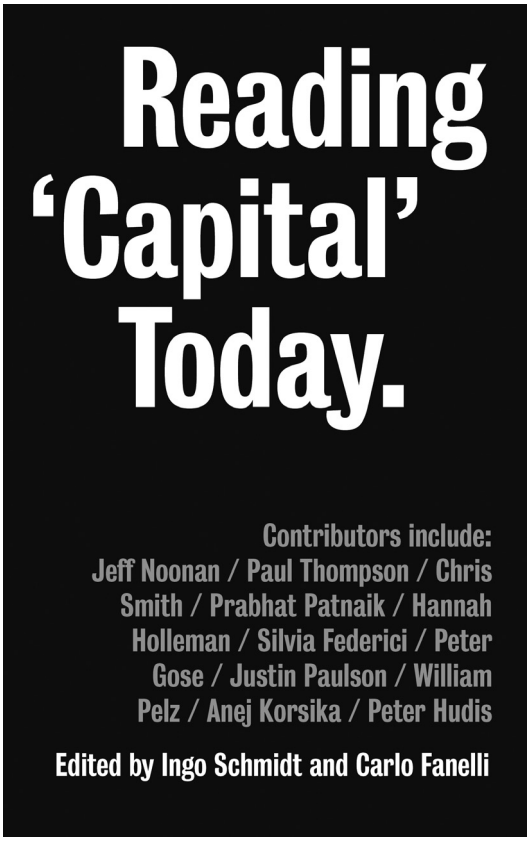

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Editorial Introduction: Austerity Urbanism and the Social Economy

Carlo Fanelli[1] and Steve Tufts[2]

This issue of *Alternate Routes*, "Austerity Urbanism and the Social Economy," is particularly timely and relevant. The 'urban question' has been with us for some time, but it seems particularly significant at the current conjuncture. We are now, it is argued, in an age of 'planetary urbanization,' with 'the urban' predominating contemporary economy and society (Brenner 2013). It is not merely an empirical reality that most of the world's population lives in cities, a 'statistical artifact' as Brenner and Schmid (2013) have argued, but that we now exist in a deeper process of urbanization or 'global urban condition'. The global financial crisis of the last decade launched a prolonged period of austerity that continues to play out in the urban arena. Much needed investments in public transit, affordable housing, aging infrastructure, and social services elude municipalities constrained by low taxation regimes and interurban competition. These urban challenges are beginning to be linked to the broader phenomenon of "permanent austerity," a condition that precedes but is exacerbated by the 2008 recession. Ever more, cities are the battlegrounds where the struggles against increasingly authoritarian forms of neoliberalism are being waged (Albo and Fanelli 2014; Thomas and Tufts 2016).

Austerity can be defined broadly as government measures taken to reduce public spending, particularly in the areas of social welfare expenditures and public sector employment. In some cases, this also includes new taxes. According to conventional narratives, these measures are taken when a government's expenditures exceed its revenues, creating

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[2] Steven Tufts is a member of the Department of Geography at York University. He has recently published in *Antipode* and the *Labor Studies Journal.*

debt burdens due to over-borrowing. Seeing the problems of cities as part of this broader shift towards austerity urbanism, however, is valuable because it reveals the larger political and economic drivers of these problems that go beyond more particular issues such as antipathy towards taxes, over-spending or the salaries of municipal workers. "Above all, it is important to recognize" as Jamie Peck (2015: 6) has recently argued, "that enforcing economy is a relational strategy: austerity is ultimately concerned with offloading costs and displacing responsibility; it is about making others pay the price of fiscal retrenchment. In the language of the Occupy movement, it is something that the one percent, which continues to accumulate wealth and power at an alarming rate, does to the 99 percent."

Of course, manifestations of austerity urbanism vary across diverse contexts. Austerity urbanism can be understood as an uneven form of urban social organization that lacks both luxuries and basic comforts for people. As an approach to public policy, austerity urbanism has included tax-shifting for competitiveness, reductions to social services provisioning, contracting-out and privatization of city assets, new forms of marketization such as the use of public-private partnerships, and a shift away from universality to user-fees. New workplace arrangements have also proliferated, including the use of part-time and short-term contracts, as well as casual and seasonal forms of employment. In some cases, this has also incorporated new restrictions on workers' rights to unionize and bargain collectively. Reductions to employee compensation have also been a stated aim of municipal austerity (Fanelli 2016). In this regard, the state has at times imposed austerity from above or led the charge from below, and at other times created the conditions for capital to lead in an assault against urban social life.

Austerity urbanism is not a universal form, but rather a process of struggle with a diverse set of stories and practices. It is the unevenness across urban space that creates openings and possibilities for the future. This politically imposed condition is being actively resisted across a

diverse range of social actors. This includes struggles against homelessness, fights for living wages, and experiments with new forms of governance all (re)producing the urban.[3] What is central is developing an acute understanding of how austerity urbanism is implicated in strategies and tactics that can build a better world.

Some of these strategies directly confront the logic and ideology of austerity urbanism. But others more closely reflect the context in which they operate. The 'social economy', the so-called 'third' or voluntary sector of the economy located between the public and private spheres is crucial to the functioning of neoliberal capitalism. As these institutions confront austerity urbanism, they themselves are being transformed – often in alignment with neoliberal practices. This issue addresses, through a number of articles and interventions, the links between austerity urbanism and the social economy. While the analyses provide no absolute paths to a more just world, there is enough evidence and understanding of the current conjuncture to demonstrate that alternatives are indeed necessary.

Sophia Lowe, Ted Richmond and John Shields argue that in the case of immigrant settlement agencies (ISAs) the current era is an extension of the "permanent austerity" that faced such services since the 1980s. The new model for such services limits advocacy and autonomy, while integrating market driven, new public management 'best practices'. The next contribution by Debbie Rudman and collaborators demonstrates how new public management has reconfigured nonprofit employment services agencies in ways that constrain and/or contradict the goals of reducing long-term unemployment. These pressures have reconfigured the relationships between service providers, unemployed persons and state funders, as well as increased the pace of work leading to heightened workplace insecurity.

[3] Many of these issues are addressed in fuller detail in the 2016 *Alternate Routes* special issue, "Precarious Work and the Struggle for Living Wages," co-edited by Carlo Fanelli and John Shields.

While transformations in the social economy do reflect the latest phase of neoliberalism, there is resistance. Bryan Evans reviews the struggles of living wage movements in Canada and the United States as an emergent post-industrial working class response to precarity in cities at a time when traditional unionism has failed many workers. Laura Pin's examination of participatory budgeting, a much lauded alternative to neoliberal urban fiscal policy, finds that such experiments are themselves limited in their capacity to challenge elite municipal powerbrokers. In what follows, Jeff Noonan and Josie Watson critically engage with anti-homelessness movements that frame 'housing as a right' as opposed to 'housing as a human need'. Together these contributions demonstrate that resistance to austerity urbanism takes many forms, yet remains an incomplete project.

A number of *Interventions* further address austerity urbanism and its uneven social dislocations. Pierre Hamel and Grégoire Autin examine how austerity as ideology operates as a necessary collaboration with different levels of government to constrain the autonomy of municipalities. Roger Keil details with great insight the regime of Toronto's John Tory as a form of progressive urbanism that aligns with an elite conservativism under conditions of austerity. Toronto remains the focus of discussion as Douglas Young examines the debates involving residential tower renewal in the 'in-between city' as a possible challenge to austerity urbanism.

A series of interventions then shift to the US. Otrude Moyo recounts the Flint, Michigan water crisis and situates the tragedy in the broader context of a racialized, neoliberal urbanism that has reproduced white supremacy through urban policy. Related, Carolyn Gallaher examines policy efforts to mitigate gentrification in Washington, DC through an examination of a tenant 'right-to-buy' program which is a complex assemblage of austerity urbanism and social justice efforts. The final intervention from the US is from Kafui Attoh, Don Mitchell and Lynn A. Staeheli, who look at the role of the university in the city. Here, the final intervention provides a hint of optimism in an era where post-

secondary institutions are viewed with increasing cynicism. Universities, as spaces of engagement, can provide a place for students and community to come together in the city and resist austerity urbanism.[4]

We would like to thank all our contributors to this issue. We would also like to gratefully acknowledge the invaluable contributions of external reviewers who lent their time, energy and expertise in providing feedback on articles. Thanks are also due to Jeff Noonan who was joined by Jamey Essex this year as co-editors of the *Interventions* section. Moving into 2017, all book reviews will now be available online at www.alternateroutes.ca on a rolling basis. Many of these papers were presented at the *Alternate Routes* conference, "Sub/Urbanizing Austerity: Impacts and Alternatives," hosted by York University's *City Institute* in March 2016.[5] We thank both the institute and the university for sponsoring the conference and assisting with the publication of this issue.

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[4] See also, the broad range of contributions in the 2015 *Alternate Routes* special issue, "Neoliberalism and the Degradation of Education," co-edited by Carlo Fanelli and Bryan Evans.

[5] Video presentations from this and past conferences are available online at the *Alternate Routes* website, http://www.alternateroutes.ca/index.php/ar/pages/view/Video

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