URBAN FORTUNES

THE POLITICAL ECONOMY OF PLACE

WITH A NEW PREFACE

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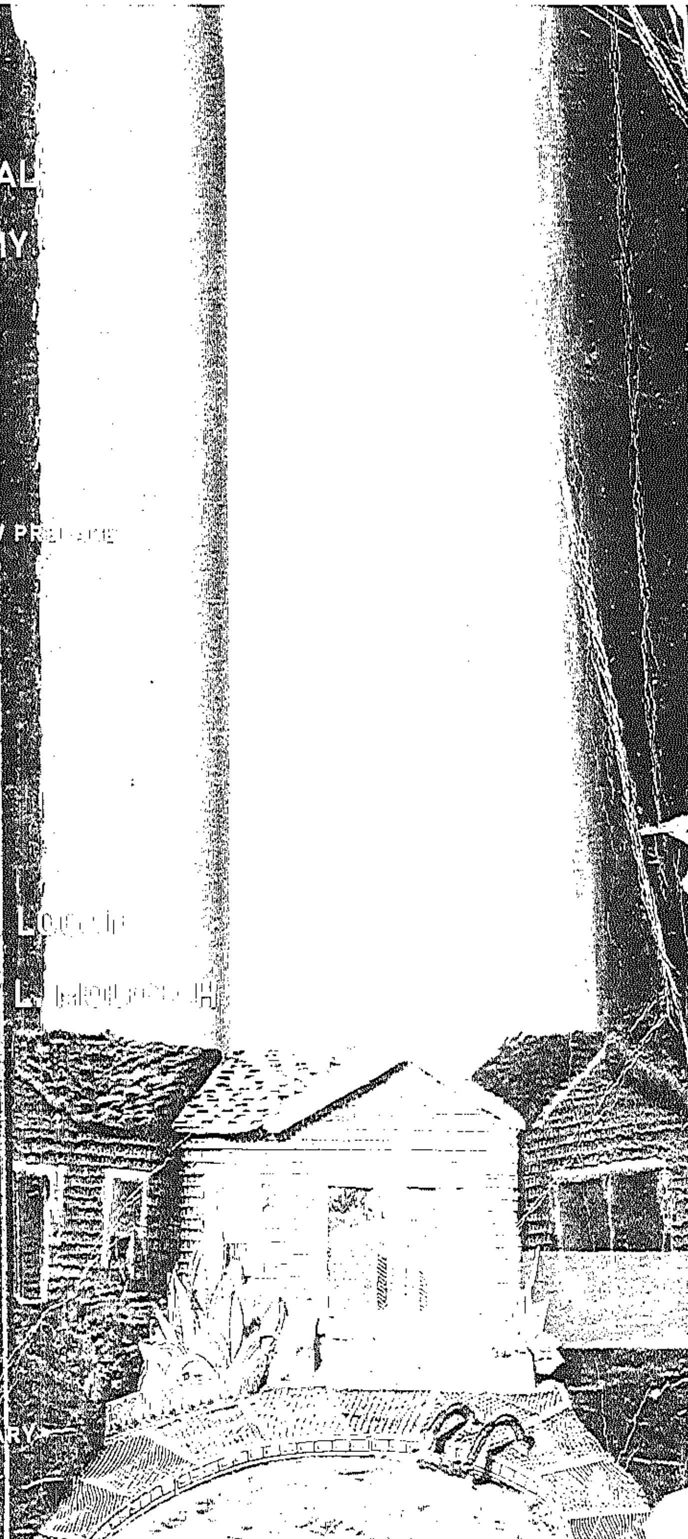

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The City as a Growth Machine

Traditional urban research has had little relevance to the day-to-day activities of the place-based elites whose priorities affect patterns of land use, public budgets, and urban social life. It has not even been apparent from much of the scholarship of urban social science that place is a market commodity that can produce wealth and power for its owners, and that this might explain why certain people take a keen interest in the ordering of urban life.

Research on local elites has been preoccupied with the question "Who governs?" (or "Who rules?"). Are the politically active citizens of a city split into diverse and competing interest groups, or are they members of a coordinated oligarchy? Empirical evidence of visible cleavage, such as disputes on a public issue, has been accepted as evidence of pluralistic competition (Banfield, 1961; Dahl, 1961). Signs of cohesion, such as common membership in voluntary and policy groups, have been used to support the alternative view (see Domhoff, 1970).

We believe that the question of who governs or rules has to be asked in conjunction with the equally central question "For what?" With rare exceptions (see Smith and Keller, 1983), one issue consistently generates consensus among local elite groups and separates them from people who use the city principally as a place to live and work: the issue of growth. For those who count, the city is a growth machine, one that can increase aggregate rents and trap related wealth for those in the right position to benefit. The desire for growth creates consensus among a wide range of

elite groups, no matter how split they might be on other issues. Thus the disagreement on some or even most public issues does not necessarily indicate any fundamental disunity, nor do changes in the number or variety of actors on the scene (what Clark [1968] calls "decentralization") affect the basic matter. It does not even matter that elites often fail to achieve their growth goal; with virtually all places in the same game, some elites will inevitably lose no matter how great their effort (Lyon et al., 1981; Krannich and Humphrey, 1983).

Although they may differ on which particular strategy will best succeed, elites use their growth consensus to eliminate any alternative vision of the purpose of local government or the meaning of community. The issues that reach public agendas (and are therefore available for pluralists' investigations) do so precisely because they are matters on which elites have, in effect, agreed to disagree (Molotch and Lester, 1974, 1975; see Schattschneider, 1960). Only under rather extraordinary circumstances is this consensus endangered.

For all the pluralism Banfield (1961) uncovered in Chicago, he found no disagreement with the idea that growth was good. Indeed, much of the dissension he did find, for example, on where to put the new convention center, was part of a dispute over how growth should be internally distributed. In his studies of cities on both sides of the southern U.S. border, D'Antonio found that when community "knowledgeables" were "asked to name the most pressing problems facing their respective cities," they cited finding sufficient water for both farming and urban growth (Form and D'Antonio, 1970:439). Whitt (1982) found that in formulating positions on California transportation policies, elites carefully coordinated not only the positions they would take but also the amount of money each would give toward winning relevant initiative campaigns. Thus on growth infrastructure, the elites were united.

Similarly, it was on the primacy of such growth and development issues that Hunter found Atlanta's elites to be most unified, both at the time of his first classic study and during its replication twenty years later (Hunter, 1953, 1980). Hunter (1953:214) reports, "They could speak of nothing else" (cited in Domhoff, 1983:169). In his historical profiles of Dallas and Fort Worth, Melosi (1983:175) concludes that "political power in Dallas and Fort Worth has typically been concentrated in the hands of those people most willing and able to sustain growth and expansion." Finally, even the ecologically oriented scholars with a different perspective, Berry and Kasarda (1977:371), have remarked, "If in the past urbanization has been governed by any conscious public objectives at all, these have been, on the one hand, to encourage growth, apparently for its own sake, and on the other hand, to provide public works and public welfare programs to support piecemeal, spontaneous development impelled primarily by private initiative." And even Hawley (1950:429) briefly departs from his tight ecological schema to remark that "competition is observable . . . in the struggle for transportation and communication advantages and superior services of all kinds; it also appears in efforts to accelerate rates of population growth."

All of this competition, in addition to its critical influence on what goes on *within* cities, also influences the distribution of populations throughout cities and regions, determining which ones grow and which do not. The incessant lobbying, manipulating, and cajoling can deliver the critical resources from which great cities are made. Although virtually all places are subject to the pervasive rule of growth boosters, places with more active and creative elites may have an edge over other areas. In a comparative study of forty-eight communities, Lyon et al. (1981) indeed found that cities with reputedly more powerful elites tended to have stronger growth rates. This may mean that active elites stimulate growth, or it may mean that strong growth emboldens elites to actively maintain their advantage. Although we suspect that both perspectives are valid, we stress that the activism of entrepreneurs is, and always has been, a critical force in shaping the urban system, including the rise and fall of given places.

Growth Machines in U.S. History

The role of the growth machine as a driving force in U.S. urban development has long been a factor in U.S. history, and is nowhere more clearly documented than in the histories of eighteenth- and nineteenth-century American cities. Indeed, although historians have chronicled many types of mass opposition to capitalist organization (for example, labor unions and the Wobblie movement), there is precious little evidence of resistance to the dynamics of value-free city building characteristic of the American past. In looking back we thus have not only the benefit of hindsight but also the advantage of dealing with a time in which "the interfusing of public and private prosperity" (Boorstin, 1965:116) was proudly proclaimed by town boosters and their contemporary chroniclers. The creators of towns and the builders of cities strained to use all the resources at their disposal, including crude political clout, to make great fortunes out of place. The "lively competitive spirit" of the western regions was, in Boorstin's view (1965:123), more "a competition among communities" than among individuals. Sometimes, the "communities" were merely subdivided parcels with town names on them, what Wade (1959) has called "paper villages," on whose behalf governmental actions could nonetheless be taken.[1] The competititon among them was primarily among growth elites.

These communities competed to attract federal land offices, colleges and academies, or installations such as arsenals and prisons as a means of stimulating development. These projects were, for many places, "the only factor that permitted them to outdistance less favored rivals with equivalent natural or geographic endowments" (Scheiber, 1962:136). The other important arena of competition was also dependent on government decision making and funding: the development of a transportation infrastructure that would give a locality better access to raw materials and markets. First came the myriad efforts to attract state and federal funds to link towns to waterways through canals. Then came efforts to subsidize and direct the paths of railroads (Glaab, 1962). Town leaders used their governmental authority to determine routes and subsidies, motivated by their private interest in rents.

The people who engaged in this city building have often been celebrated for their inspired vision and "absolute faith." One historian characterizes them as "ambitious, flamboyant, and imaginative" (Fuller, 1976:41). But more important than their person-

1. The same phenomenon is found today in Chicago suburbs formed principally to benefit from state fiscal codes.

alities, these urban founders were in the business of manipulating place for its exchange values. Their occupations most often were real estate or banking (Belcher, 1947). Even those who initially practiced law, medicine, or pharmacy were rentiers in the making. These professional roles became sidelines: "Physicians became merchants, clergymen became bankers, lawyers became manufacturers" (Boorstin, 1965:123). Especially when fortunes could be made from growth, the elite division of labor was overwhelmed and "specialized skills . . . had a new unimportance" (Boorstin, 1965:123). Speaking of the early settlers' acquisition of speculative lands through the preemption regulations of the 1862 Homestead Act, Leslie Decker remarks that "the early comers to any town—from lawyers to doctors to merchants, to just plain town developers—usually diversified in this fashion" (quoted in Wolf, 1981:52; see also Swierenga, 1966).

The city-building activities of these growth entrepreneurs in frontier towns became the springboard for the much celebrated taming of the American wilderness. As Wade (1959) has argued, the upstart western cities functioned as market, finance, and administrative outposts that made rural pioneering possible. This conquering of the West, accomplished through the machinations of "the urban frontier," was critically bound up with a coordinated effort to gain rents. In order for town leaders to achieve their goals, there was "ingenious employment of the instruments of political and economic leverage at [their] disposal" to build the cities and regions in which they had made investments (Scheiber, 1962:136).

Perhaps the most spectacular case of urban ingenuity was the Chicago of William Ogden. When Ogden came to Chicago in 1835, its population was under four thousand. He succeeded in becoming its mayor, its great railway developer, and the owner of much of its best real estate. As the organizer and first president of the Union Pacific (among other railroads) and in combination with his other business and civic roles, he was able to make Chicago (as a "public duty") the crossroads of America, and hence the dominant metropolis of the Midwest. Chicago became a crossroads not only because it was "central" (other places were also in the "middle") but because a small group of people (led by Ogden) had the power to literally have the roads cross in the spot they chose. Ogden candidly reminisced about one of the real estate deals this made possible: "I purchased for $8,000, what 8 years thereafter, sold for 3 millions of dollars" (Boorstin, 1965:117). The Ogden story, Boorstin says (p. 118), "was re-enacted a thousand times all over America."

This tendency to use land and government activity to make money was not invented in nineteenth-century America, nor did it end then. The development of the American Midwest was only one particularly noticed (and celebrated) moment in the total process. One of the more fascinating instances, farther to the West and later in history, was the rapid development of Los Angeles, an anomaly to many because it had none of the "natural" features that are thought to support urban growth: no centrality, no harbor, no transportation crossroads, not even a water supply. Indeed, the rise of Los Angeles as the preeminent city of the West, eclipsing its rivals San Diego and San Francisco, can only be explained as a remarkable victory of human cunning over the so-called limits of nature. Much of the development of western cities hinged on access to a railroad; the termination of the first continental railroad at San Francisco, therefore, secured that city's early lead over other western towns. The railroad was thus crucial to the fortunes of the barons with extensive real estate and commercial interests in San Francisco—Stanford, Crocker, Huntington, and Hopkins. These men feared the coming of a second cross-country railroad (the southern route), for its urban terminus might threaten the San Francisco investments. San Diego, with its natural port, could become a rival to San Francisco, but Los Angeles, which had no comparable advantage, would remain forever in its shadow. Hence, the San Francisco elites used their economic and political power to keep San Diego from becoming the terminus of the southern route. As Fogelson (1967:51, 55) remarks, "San Diego's supreme asset, the bay, was actually its fatal liability," whereas the disadvantage of Los Angeles—"its inadequate and unprotected port—was its saving grace." Of course, Los Angeles won in the end, but here again the wiles of boosters were crucial; the Los Angeles interests managed to secure millions in federal funds to construct a port—today the world's largest artificial harbor—as well as federal backing to gain water (Clark, 1983:273, 274).

The same dynamic accounts for the other great harbor in the

Southwest. Houston beat out Galveston as the major port of Texas (ranked third in the country in 1979) only when Congressman Tom Ball of Houston successfully won, at the beginning of this century, a million-dollar federal appropriation to construct a canal linking landlocked Houston to the Gulf of Mexico (Kaplan, 1983:196). That was the crucial event that, capitalizing on Galveston's susceptibility to hurricanes, put Houston permanently in the lead.

In more recent times, the mammoth federal interstate highway system, hammered out by "a horde of special interests representing towns and cities" (Judd, 1983:173), has similarly made and unmade urban fortunes. To use one clear case, Colorado's leaders made Denver a highway crossroads by convincing President Eisenhower in 1956 to add three hundred miles to the system to link Denver to Salt Lake City by an expensive mountain route. A presidential stroke of the pen removed the prospects of Cheyenne, Wyoming, of replacing Denver as a major western transportation center (Judd, 1983:173). In a case reminiscent of the nineteenth-century canal era, the Tennessee-Tombigbee Waterway opened in 1985, dramatically altering the shipping distances to the Gulf of Mexico for many inland cities. The largest project ever built by the U.S. Corps of Engineers, the $2 billion project was questioned as a boondoggle in Baltimore, which will lose port business because of it (Maguire, 1985), but praised in Decatur, Alabama, and Knoxville, Tennessee, which expect to profit from it. The opening of the canal cut by four-fifths the distance from Chattanooga, Tennessee, to the Gulf, but did almost nothing for places like Minneapolis and Pittsburgh, which were previously about the same nautical distance from the Gulf as Chattanooga.

Despite the general hometown hoopla of boosters who have won infrastructural victories, not everyone gains when the structural speculators of a city defeat their competition. It is too easy, and misleading, to say that "the public benefits . . . because it got the railroads" (Grodinsky, as cited in Klein, 1970:294).[2] Given

2. We were struck by the naive wording used by one historian in commenting upon the life of an urban booster-lawyer: "*despite* [our emphasis] his extensive business career, Brice delved deeply into politics as well. His devotion to the State [Ohio] and its economic interests won him wide popularity there" (Klein, 1970:110).

the stakes, the rentier elites would obviously become engulfed by the "booster spirit." But despite the long-held supposition of an American "antiurban bias" (White and White, 1962), researchers have made little effort to question the linkage between public betterment and growth, even when they could see that specific social groups were being hurt. Zunz reports that in industrializing Detroit, city authorities extended utility service into uninhabitated areas to help development rather than into existing residential zones, whose working-class residents went without service even as they bore the costs (through taxes) of the new installations. There was a "bias in favor of speculators and against the working class" (Zunz, 1982:116). Even the great urban reformers, such as Detroit's Mayor Hazen Pingree, while working to change this "standard practice" for financing growth (Zunz, 1983:118), were doing so in order to increase the overall efficiencies of urban services and hence "engineer growth better" (Zunz, 1983:111). "Real estate specialists and builders were more involved in the city-building process," Zunz (1982:162) says, "than anybody else." Reviewing urbanization from 1850 to 1930, Lewis Mumford observed: "That a city had any other purpose than to attract trade, to increase land values, and to grow is something, if it uneasily entered the mind of an occasional Whitman, never exercised any hold on the minds of our countrymen" (quoted in Mollenkopf, 1983:14).

This is the consensus that must be examined, particularly in light of recent urban development. Let us turn now to a description of the ingenious modern incarnations of the growth machines and to an analysis of how they function, a task made more difficult for modern times because the crucial participants seldom speak so openly as did Mr. Ogden.

The Modern-day Good Business Climate

The jockeying for canals, railroads, and arsenals of the previous century has given way in this one to more complex and subtle efforts to manipulate space and redistribute rents. The fusing of public duty and private gain has become much less acceptable (both in public opinion and in the criminal courts); the replacing of frontiers by complex cities has given important roles to mass media, urban professionals, and skilled political entrepreneurs. The growth machine is less personalized, with fewer local heroes, and has become instead a multifaceted matrix of important social institutions pressing along complementary lines.

With a transportation and communication grid already in place, modern cities typically seek growth in basic economic functions, particularly job intensive ones. Economic growth sets in motion the migration of labor and a demand for ancillary production services, housing, retailing, and wholesaling ("multiplier effects"). Contemporary places differ in the type of economic base they strive to build (for example, manufacturing, research and development, information processing, or tourism). But any one of the rainbows leads to the same pot of gold: more intense land use and thus higher rent collections, with associated professional fees and locally based profits.

Cities are in a position to affect the "factors of production" that are widely believed to channel the capital investments that drive local growth (Hawley, 1950; Summers et al., 1976). They can, for example, lower access costs of raw materials and markets through the creation of shipping ports and airfields (either by using local subsidies or by facilitating state and federal support). Localities can decrease corporate overhead costs through sympathetic policies on pollution abatement, employee health standards, and taxes. Labor costs can be indirectly lowered by pushing welfare recipients into low-paying jobs and through the use of police to constrain union organizing. Moral laws can be changed; for example, drinking alcohol can be legalized (as in Ann Arbor, Mich., and Evanston, Ill.) or gambling can be promoted (as in Atlantic City, N.J.) to build tourism and convention business. Increased utility costs caused by new development can be borne, as they usually are (see, for an example, Ann Arbor, Michigan, Planning Department, 1972), by the public at large rather than by those responsible for the "excess" demand they generate. Federally financed programs can be harnessed to provide cheap water supplies; state agencies can be manipulated to subsidize insurance rates; local political units can forgive business property taxes. Government installations of various sorts (universities, military bases) can be used to leverage additional development by guaranteeing the presence of skilled labor, retailing customers, or

proximate markets for subcontractors. For some analytical purposes, it doesn't even matter that a number of these factors have little bearing on corporate locational decisions (some certainly do; others are debated); just the *possibility* that they might matter invigorates local growth activism (Swanstrom, 1985) and dominates policy agendas.

Following the lead of St. Petersburg, Florida, the first city to hire a press agent (in 1918) to boost growth (Mormino, 1983: 150), virtually all major urban areas now use experts to attract outside investment. One city, Dixon, Illinois, has gone so far as to systematically contact former residents who might be in a position to help (as many as twenty thousand people) and offer them a finder's fee up to $10,000 for directing corporate investment toward their old home town (*San Francisco Chronicle*, May 10, 1984). More pervasively, each city tries to create a "good business climate." The ingredients are well known in city-building circles and have even been codified and turned into "official" lists for each regional area. The much-used Fantus rankings of business climates are based on factors like taxation, labor legislation, unemployment compensation, scale of government, and public indebtedness (Fantus ranks Texas as number one and New York as number forty-eight). In 1975, the Industrial Development Research Council, made up of corporate executives responsible for site selection decisions, conducted a survey of its members. In that survey, states were rated more simply as "cooperative," "indifferent," or "antigrowth"; the results closely paralleled the Fantus rankings of the same year (Weinstein and Firestine, 1978: 134–44).

Any issue of a major business magazine is replete with advertisements from localities of all types (including whole countries) striving to portray themselves in a manner attractive to business. Consider these claims culled from one issue of *Business Week* (February 12, 1979):

> New York City is open for business. No other city in America offers more financial incentives to expand or relocate. . . .

The state of Louisiana advertises

> Nature made it perfect. We made it profitable.

On another page we find the claim that "Northern Ireland works" and has a work force with "positive attitudes toward company loyalty, productivity and labor relations." Georgia asserts, "Government should strive to improve business conditions, not hinder them." Atlanta headlines that as "A City Without Limits" it "has ways of getting people like you out of town" and then details its transportation advantages to business. Some places describe attributes that would enhance the life style of executives and professional employees (not a dimension of Fantus rankings); thus a number of cities push an image of artistic refinement. No advertisements in this issue (or in any other, we suspect) show city workers living in nice homes or influencing their working conditions.

While a good opera or ballet company may subtly enhance the growth potential of some cities, other cultural ingredients are crucial for a good business climate. There should be no violent class or ethnic conflict (Agger, Goldrich, and Swanson, 1964:649; Johnson, 1983:250–51). Rubin (1972:123) reports that racial confrontation over school busing was sometimes seen as a threat to urban economic development. Racial violence in South Africa is finally leading to the disinvestment that reformers could not bring about through moral suasion. In the good business climate, the work force should be sufficiently quiescent and healthy to be productive; this was the rationale originally behind many programs in work place relations and public health. Labor must, in other words, be "reproduced," but only under conditions that least interfere with local growth trajectories.

Perhaps most important of all, local publics should favor growth and support the ideology of value-free development. This public attitude reassures investors that the concrete enticements of a locality will be upheld by future politicians. The challenge is to connect civic pride to the growth goal, tying the presumed economic and social benefits of growth in general (Wolfe, 1981) to growth in the local area. Probably only partly aware of this, elites generate and sustain the place patriotism of the masses. According to Boorstin, the competition among cities "helped create the booster spirit" as much as the booster spirit helped create the cities (1965:123). In the nineteenth-century cities, the great rivalries over canal and railway installations were the political spectacles

of the day, with attention devoted to their public, not private, benefits. With the drama of the new railway technology, ordinary people were swept into the competition among places, rooting for their own town to become the new "crossroads" or at least a way station. "The debates over transportation," writes Scheiber (1962:143), "heightened urban community consciousness and sharpened local pride in many western towns."

The celebration of local growth continues to be a theme in the culture of localities. Schoolchildren are taught to view local history as a series of breakthroughs in the expansion of the economic base of their city and region, celebrating its numerical leadership in one sort of production or another; more generally, increases in population tend to be equated with local progress. Civic organizations sponsor essay contests on the topic of local greatness. They encourage public celebrations and spectacles in which the locality name can be proudly advanced for the benefit of both locals and outsiders. They subsidize soapbox derbies, parade floats, and beauty contests to "spread around" the locality's name in the media and at distant competitive sites.

One case can illustrate the link between growth goals and cultural institutions. In the Los Angeles area, St. Patrick's Day parades are held at four different locales, because the city's Irish leaders can't agree on the venue for a joint celebration. The source of the difficulty (and much acrimony) is that these parades march down the main business streets in each locale, thereby making them a symbol of the life of the city. Business groups associated with each of the strips want to claim the parade as exclusively their own, leading to charges by still a fifth parade organization that the other groups are only out to "make money" (McGarry, 1985:II:1). The countercharge, vehemently denied, was that the leader of the challenging business street was not even Irish. Thus even an ethnic celebration can receive its special form from the machinations of growth interests and the competitions among them.

The growth machine avidly supports whatever cultural institutions can play a role in building locality. Always ready to oppose cultural and political developments contrary to their interests (for example, black nationalism and communal cults), rentiers and their associates encourage activities that will connect feelings of community ("we feelings" [McKenzie, 1922]) to the goal of local growth. The overall ideological thrust is to deemphasize the connection between growth and exchange values and to reinforce the link between growth goals and better lives for the majority. We do not mean to suggest that the only source of civic pride is the desire to collect rents; certainly the cultural pride of tribal groups predates growth machines. Nevertheless, the growth machine coalition mobilizes these cultural motivations, legitimizes them, and channels them into activites that are consistent with growth goals.

The Organization of the Growth Coalition

The people who use their time and money to participate in local affairs are the ones who—in vast disproportion to their representation in the population—have the most to gain or lose in land-use decisions. Local business people are the major participants in urban politics (Walton, 1970), particularly business people in property investing, development, and real estate financing (Spaulding, 1951; Mumford, 1961). Peterson (1981:132), who applauds growth boosterism, acknowledges that "such policies are often promulgated through a highly centralized decision-making process involving prestigious businessmen and professionals. Conflict within the city tends to be minimal, decision-making processes tend to be closed." Elected officials, says Stone (1984:292), find themselves confronted by "a business community that is well-organized, amply supplied with a number of deployable resources, and inclined to act on behalf of tangible and ambitious plans that are mutually beneficial to its own members."

Business people's continuous interaction with public officials (including supporting them through substantial campaign contributions) gives them *systemic* power (Alford and Friedland, 1975; Stone, 1981, 1982). Once organized, they stay organized. They are "mobilized interests" (Fainstein, Fainstein, and Armistead, 1983:214). Rentiers need local government in their daily money-making routines, especially when structural speculations are involved. They are assisted by lawyers, syndicators, and property

brokers (Bouma, 1962), who prosper as long as they can win decisions favoring their clients. Finally, there are monopolistic business enterprises (such as the local newspaper) whose futures are tied to the growth of the metropolis as a whole, although they are not directly involved in land use. When the local market is saturated with their product, they have few ways to increase profits, beyond expansion of their surrounding area. As in the proverbial Springdale, site of the classic Vidich and Bensman (1960:216) ethnography of a generation ago, there is a strong tendency in most cities for "the professionals (doctors, teachers, dentists, etc.), the industrial workers, the shack people and the lower middle-class groups [to be] for all intents and purposes disenfranchised except in terms of temporary issues."

Because so much of the growth mobilization effort involves government, local growth elites play a major role in electing local politicians, "watchdogging" their activities, and scrutinizing administrative detail. Whether in generating infrastructural resources, keeping peace on the home front, or using the city mayor as an "ambassador to industry" (Wyner, 1967), local government is primarily concerned with increasing growth. Again, it is not the only function of local government, but it is the key one.

In contrast to our position, urban social scientists have often ignored the politics of growth in their work, even when debates over growth infrastructures were the topic of their analyses (see Banfield, 1961; Dahl, 1961). Williams and Adrian (1963) at least treat growth as an important part of the local political process, but give it no priority over other government issues. There are a number of reasons why growth politics is consistently undervalued. The clue can be found in Edelman's (1964) distinction between two kinds of politics.

The first is the "symbolic" politics of public morality and most of the other "big issues" featured in the headlines and editorials of the daily press: school prayer, wars on crime, standing up to communism, and child pornography, for example. News coverage of these issues may have little to do with any underlying reality, much less a reality in which significant local actors have major stakes. Fishman (1978) shows, for example, that reports of a major crime wave against the elderly in New York City appeared just at a time when most crimes against the elderly were actually on the decline. The public "crime wave" was created by police officials who, in responding to reporters' interest in the topic, provided "juicy" instances that would make good copy. The "crime wave" was sustained by politicians eager to denounce the perpetrators, and these politicians' pronouncements became the basis for still more coverage and expressions of authoritative police concern. Once this symbiotic "dance" (Molotch, 1980) is in motion, the story takes on a life of its own, and fills the pages and airwaves of news media. Such symbolic crusades provide the "easy news" (Gordon, Heath, and leBailly, 1979) needed by reporters pressed for time, just as these crusades satisfy the "news needs" (Molotch and Lester, 1974) of politicians happy to stay away from issues that might offend growth machine interests. The resulting hubbubs often mislead the general public as well as the academic investigator about what the real stuff of community cleavage and political process might be. To the degree that rentier elites keep growth issues on a symbolic level (for example, urban "greatness"), they prevail as the "second face of power" (Bachrach and Baratz, 1962), the face that determines the public agenda (McCombs and Shaw, 1972).

Edelman's second kind of politics, which does not provide easy news, involves the government actions that affect the distribution of important goods and services. Much less visible to publics, often relegated to back rooms or negotiations within insulated authorities and agencies (Caro, 1974; Friedland, Piven, and Alford, 1978), this is the politics that determines who, in material terms, gets what, where, and how (cf. Lasswell, 1936). The media tend to cover it as the dull round of meetings of water and sewer districts, bridge authorities, and industrial development bonding agencies. The media attitude serves to keep interesting issues away from the public and blunt widespread interest in local politics generally. As Vidich and Bensman (1960:217) remark about Springdale, "business control rests upon a dull but unanimous political facade," at least on certain key issues.

Although there are certainly elite organizational mechanisms to inhibit them (Domhoff, 1971, 1983; Whitt, 1982), cleavages within the growth machine can nevertheless develop, and internal disagreements sometimes break into the open. But even then, because of the hegemony of the growth machine, *its* disagreements are allowable and do not challenge the belief in growth itself. Unacceptable are public attacks on the pursuit of exchange values over citizens' search for use value. An internal quarrel over where a convention center is to be built, Banfield (1961) shows us, becomes the public issue for Chicago; but Banfield didn't notice that there was no question about whether there should be a convention center at all.

When elites come to see, for example, that inadequate public services are repelling capital investment, they can put the issue of raising taxes on the public agenda. Trillin (1976:154) reports on Rockford, Illinois, a city whose school system was bankrupted by an antitax ideology. Initially, local elites opposed taxes as part of their efforts to lure industry through a low tax rate. As a result, taxes, and therefore tax money for schools, declined. Eventually, the growth coalition saw the educational decline, not the tax rate, as the greatest danger to the "economic vitality of the community." But ironically, elites are not able to change overnight the ideologies they have put in place over decades, even when it is in their best interests to do so.[3] Unfortunately, neither can the potential *opponents* of growth. As the example of Rockford shows, even such issues as public school spending can become subject to the growth maximization needs of locality. The appropriate level of a social service often depends, not on an abstract model of efficiency or on "public demand" (cf. Tiebout, 1956), but on whether the cost of that service fits the local growth strategy (past and present).

By now it should be clear how political structures are mobilized to intensify land uses for private gain of many sorts. Let us look more closely, therefore, at the various local actors, besides those directly involved in generating rents, who participate in the growth machine.

3. Trillin remarks that rejection of high taxes by the citizens of Rockford is "consistent with what the business and industrial leadership of Rockford has traditionally preached. For years, the industrialists were considered to be in complete control of the sort of local government industrialists traditionally favor—a conservative, relatively clean administration committed to the proposition that the highest principle of government is the lowest property tax rate" (Trillin, 1976:150).

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will see in the next two chapters, professionals not tied to the growth machine make particularly effective citizen opponents of the growth coalition.

Corporate Capitalists

Most capitalists, like others whose primary attachment to place is for use values, have little direct interest in land-use intensification in a specific locality. They are in business to gain profits, not rents. Particularly when local corporate leaders are division heads of multilocational firms, there is little reason for direct involvement (see Schulze, 1961). In his report on Houston's historical development, Kaplan quotes a local observer who remarks that the "pro-growth faction" consists of people "whose very good livelihoods depend on a local government that will continue to make the 'right' policy decisions." "Surprisingly," Kaplan comments (1983:204), "the oil and gas industry remains aloof from local Houston politics, preferring to concentrate on the national and international policies crucial to its interests." This disinterest of the large industrials is not a surprise to us.

Nevertheless, corporate actors do have an interest in sustaining the growth machine ideology (as opposed to the actual growth of the area surrounding their plant). This ideology helps make them respected people in their area. Their social worth is often defined in terms of "size of payroll," and their payroll in turn helps them get land-use and budget policies consistent with corporate needs. As long as the rentiers dominate locality, capitalists and their managers need not play a direct role. They may choose to do so anyway, particularly when they are natives of the locale (not branch plant functionaries) with ties to rentier groups (Friedland and Palmer, 1984; Galaskiewicz, 1979a, 1979b). But the absence of corporate officials in local politics (especially branch plant managers), repeatedly observed by various investigators (see Banfield and Wilson, 1963; Dahl, 1961; Schulze, 1961), is not a sign of their lack of power. It can instead be evidence that the local agenda is so pervasively shaped by their interests that they have no need to participate. Like good managers generally, they work through others, leaving their relative invisibility as a sign of their effectiveness. Only when there is a special opportunity, as in modern-day company towns (see chapter 5), or when ordinary hegemonic mechanisms fail (see chapter 6), do we find corporate functionaries again active in urban politics.

The Effects of Growth

By claiming that more intensive development benefits virtually all groups in a locality, growth machine activists need pay no attention to the distinction between use and exchange values that pervades our analysis. They assert that growth strengthens the local tax base, creates jobs, provides resources to solve existing social problems, meets the housing needs caused by natural population growth, and allows the market to serve public tastes in housing, neighborhoods, and commercial development. Similarly, Paul Peterson speaks of development goals as inherently uncontroversial and "consensual" because they are aligned with the "collective good" (1981:147), "with the interests of the community as a whole" (1981:143). Speaking in characteristically sanguine terms even about urban renewal (widely known by then for its detrimental effects on cities), Peterson says in his celebrated book: "Downtown business benefits, but so do laborers desiring higher wages, homeowners hoping house values will rise, the unemployed seeking new jobs, and politicians aiming for reelection" (1981:147).

Some of these claims, for some times and places, are true. The costs and benefits of growth depend on local circumstance. Declining cities experience problems that might be eased by replacement investments. Even in growing cities, the costs of growth can conceivably be limited by appropriate planning and control techniques. Nevertheless, for many places and times, growth is at best a mixed blessing and the growth machine's claims are merely legitimating ideology, not accurate descriptions of reality. Residents of declining cities, as well as people living in more dynamic areas, are often deceived by the extravagant claims that growth solves problems. These claims demand a realistic evaluation.

Fiscal Health

Systematic comparative analyses of government costs as a function of city size and growth have found that cost is positively related to both size of place and rate of growth, at least for middle-size cities (see Appelbaum, 1976; Follett, 1976). Of course, the *conditions* of growth are important. The overall fiscal state of a city depends on the kind of growth involved (industrial versus residential, and the subtypes of each) and the existing capacities of the local infrastructure. In general, most studies (see Stuart and Teska, 1971) conclude that housing development represents a net fiscal loss because of the service costs that residents require, although housing for the rich is more lucrative than housing for the poor. Industrial and commercial growth, on the other hand, tends to produce net benefits for the tax base, but only if the costs of servicing additions to the local labor force are omitted from the calculations. If local government provides special tax incentives or other sorts of subsidies to attract new industries, the fiscal costs of development will obviously be higher.

Growth can also at times save a local government money. A primary factor in this possibility is the existence of "unused capacities." If a town has a declining birth rate and thus a school district with empty classrooms, officials may try to attract additional families to increase the efficient use of the physical plant and thereby reduce the per capita costs. If a city is paying off a bonded debt on a sewer plant that could serve double its present demand, officials may seek additional users in order to spread the costs to a larger number and thus decrease the burden for current residents.

Under other conditions, however, even small increases in demand can have enormous fiscal costs if the increases entail major new public expenditures. In many cases infrastructures must be built "all at once"; these are "lumpy" costs. Additional water supplies can sometimes be gained only by constructing a vast aqueduct system that can transport 100,000 acre feet annually as easily as a single acre foot. The costs of such utility investments are usually shared equally by all users; the "new people" don't have to pay more because of the extraordinary costs their presence creates. The developer of a "leap frog" housing tract (one that jumps

beyond existing urban development) doesn't pay more than previous entrepreneurs to run utilities a greater distance, despite the higher costs entailed by the location. This pricing system, in which each user pays the same amount regardless of when or how the user joined the client group, tends to mask the cost of additional growth (or the irrationalities of its distribution). These costs can be especially high because the cheap sources of water, power, and highway rights of way are the first ones tapped; expansion thus tends to be increasingly expensive.

Costs to existing residents can be particularly high if the anticipated growth does not materialize. In what Worster (1982:514) calls the "infrastructural trap," localities that place bets on future growth by investing in large-scale capacities then must move heaven and earth to make sure they get that growth. Whether through deceitful plot or inadvertent blunder, the results can be a vicious cycle of crisis-oriented growth addiction as various infrastructures collapse from overuse and are replaced by still larger facilities, which then can only be paid for with additional growth that again creates another crisis of overuse.

All of this resembles the infrastructure crises of much earlier efforts at growth inducement in the nineteenth century. Scheiber (1973) reports absurd redundancies in the canal-building spree of the state of Ohio as each politically powerful land group demanded a linkage to the great waterways. The scenario was repeated with turnpikes and railroads, leading to absurd overcapacity and the "intolerable indebtedness" that led to bond defaults by several states (Goodrich, 1950). Costs of construction were considerably increased through corrupt management, and the viability of the completed projects was eroded by duplication and irrational routings. The result was "bitter disillusionment" (Scheiber, 1973:138) when prosperous towns did not materialize where expected (almost everywhere) and the costs of overbuilt infrastructures remained as a continuous drain on public budgets.

It is less likely today that a single project could bring about such a fiscal disaster, although the nuclear power bankruptcy in 1983 of the major utility in the state of Washington is one case in point, just as similar nuclear power problems threaten other ratepayers elsewhere. In most instances, growth spending corrodes subtly, slowly eroding fiscal integrity as the service costs of new developments outweigh the revenues they generate. Some localities have demanded "hard looks" at the precise cumulative costs, and have come up with striking results. A 1970 study for the city of Palo Alto, California, found that it would be cheaper for that city to purchase its privately owned undeveloped foothills at full value, rather than allow the land to be developed and enter the tax rolls (Livingston and Blayney, 1971). Again, a study of Santa Barbara, California, demonstrated that service expenditures for virtually any population growth would require raising property taxes and utility rates, with no compensatory public service benefits for local residents (Appelbaum et al., 1976). Similar conclusions on the costs of growth have resulted from studies of Boulder, Colorado (cited in Finkler, 1972), and Ann Arbor, Michigan (Ann Arbor, Michigan, Planning Department, 1972). In their review of case studies of the effects of industrial growth in small towns, Summers and Branch (1984) report that increments to the local tax base were in most cases outweighed by added service burdens, except when industrial development was not subsidized by local government and new employees lived in other communities.

The kinds of cities that have undertaken these studies, primarily university towns, are by no means typical U.S. places; in the declining cities of the frostbelt, the results might well be different. And cities can, in reality, manipulate the fiscal consequences of growth to benefit them. Here we want to stress that growth cannot, just because it "adds to the tax base," be assumed beneficial to a city's fiscal well-being. Only a careful analysis of the details can yield accurate conclusions about a specific place at a given time. We suspect that the promised benefits of growth would be found, more often than not, to have been greatly exaggerated by the local growth activists, who, while portraying themselves as the prudent guardians of the public purse, often lead their cities into terrible fiscal troubles.

Employment

A key ideological prop for the growth machine, especially in appealing to the working class, is the assertion that local growth "makes jobs." This claim is aggressively promulgated by developers, bankers, and Chamber of Commerce officials—

people whose politics otherwise reveal little concern for problems of the working class. The emphasis on jobs becomes a part of the statesmanlike talk of media editorialists. Needless to say, the benefits in profits and rents are seldom brought up in public.

The reality is that local growth does not make jobs: it only distributes them. In any given year the United States will see the construction of a certain number of new factories, office units, and highways—regardless of where they are put. Similarly, a given number of automobiles, missiles, and lamp shades will be made in this country, regardless of where they are manufactured. The number of jobs in this society, whether in the building trades or in any other economic sector, will therefore be determined by rates of return on investments, national trade policy, federal decisions affecting the money supply, and other factors unrelated to local decision making. Except for introducing draconian measures that would replicate Third World labor conditions in U.S. cities (not as remote a possibility as we might think; see chapter 7), a locality can only compete with other localities for its share of newly created U.S. jobs. Aggregate employment is unaffected by the outcome of this competition among localities to "make" jobs. The bulk of studies that search, either through cross-sectional or longitudinal analysis, for relations between size or growth of places and unemployment rates fail to show significant relationships (Applebaum, 1976; Follett, 1976; Garrison, 1971; Greenberg, n.d.; Hadden and Borgatta, 1965:108; Samuelson, 1942; Sierra Club of San Diego, 1973; Summers et al., 1976; Summers and Branch, 1984; but see Eberts, 1979).

Despite the pain and difficulty often associated with interurban migrations, there is enough worker mobility, at least within national boundaries, to fill jobs at geographically distant points, including even the wilds of Alaska. When jobs develop in a fast-growing area, workers from other areas are attracted to fill the developing vacancies, thus preserving the same unemployment rate as before the growth surge. Indeed, especially in cases of rapid, "boom town" growth, enthusiastic media coverage can prompt large numbers of workers to migrate, much in excess of immediate job openings. A large surplus of workers results when the boom comes to its inevitable end, often with many of the infrastructural costs still to be paid (Markusen, 1978). The human strain of migration—people forced to leave their relatives and neighborhood behind—may prove to have been for nothing. Unemployment rates in the state of Alaska, a boom region for many years, exceeded the national average from 1972 to 1982 every year except one. In 1978, even before oil prices began their precipitous fall, the national unemployment rate was 6.1 percent and the Alaska rate was 11.2 percent.

Similarly, just as "new jobs" may not change the aggregate *rate* of unemployment (either locally or nationally), they may also have little affect on unemployed *individuals* in a given place. For example, cities that are able to reverse chronic economic decline and stagnation, as Atlantic City has done through its recent gambling boom, often provide new jobs primarily for suburbanites and other "outsiders," rather than for the indigenous working class in whose name the transformation was justified (Sternlieb and Hughes, 1983a; see also Greenberg, n.d.; Summers et al., 1976). Summers and Branch (1984) draw the same conclusion in their review of the effects of growth on small towns, reporting that typically less than 10 percent of new industrial jobs are filled by persons who were previously unemployed (of whatever residential origin). Evidently, the new jobs are taken by people who already have jobs, many of whom are migrants.[8] Summers observes that "newcomers intervene between the jobs and the local residents, especially the disadvantaged," because they possess "more education, better skills, or the 'right' racial heritage" (as quoted in Bluestone and Harrison, 1982:90).

It is still possible that certain patterns of growth may stimulate employment without attracting migrants. New jobs that bring underemployed women or youths into the work force may have this effect. It is also true that certain categories of workers can be especially penalized if local labor markets fail to expand, for example, those immobilized by ill health, family commitments, or other factors that limit mobility. But overall, even though local growth may sometimes have beneficial effects on specific individuals and subgroups, both the weight of empirical evidence and the logic of the process indicate that net benefits do not follow as a

8. Further, new industrial investment in one city often eliminates jobs at another city, with no net gain. This process is detailed in chapter 7.

matter of course. Indeed, our conclusions reinforce what has been called the "unanimous" agreement among economists that "the only jurisdiction that should be concerned with the effects of its policies on the level of employment is the Federal government. Small jurisdictions do not have the power to effect significant changes in the level of unemployment" (Levy and Arnold, 1972:95).

The real problem is that the United States is a society of constant joblessness, with unemployment rates conservatively estimated by the Department of Commerce at 4 to 11 percent of the work force defined as ordinarily active. A game of musical chairs is being played at all times, with workers circulating around the country, hoping to land in an empty position when the music stops. Redistributing the stock of jobs among places may move the chairs around, but it does not alter the number of chairs available to the players.

Job and Income Mobility

Related to the issue of unemployment is the question of occupational mobility in general. It seems obvious that only in the largest places is it possible to attain the highest incomes in the lucrative occupations; for individuals with such ambitions, large may be the only option. Other than moving (the more efficient mechanism), growth of place is the only answer. In general, studies that have compared wage rates among places have found that urban areas with more people have higher wages rates, although the differences between places are small (Alonso, 1973; Appelbaum, 1978; Fuchs, 1967; Hoch, 1972).

More relevant in the present context than the issue of how size affects wages is the issue of how income is influenced by urban *growth*. In his study of matched "self-contained" cities, Appelbaum (1978) found that there was indeed a positive relation between family income and rate of urban growth (see Eberts [1979] for similar results using Northeast counties). But the size and growth effects together had a small *net* effect: controlling for other variables, size and growth explained about 8 percent of the variance in income among places. More crucially, we don't learn in these studies whether growth tends to merely attract higher-wage workers from other areas (which then "decline" in median income as a result), or growth itself benefits indigenous populations.

Also complicating the interpretation of the growth-related income difference is evidence that larger places (and in particular fast-growing ones) have higher living costs, which offset the higher wages. The degree to which this occurs is a matter of debate (Appelbaum, 1978; Hoch, 1972; Shefer, 1970). Although most evidence suggests that *size* has little effect on living costs, *growth* has a much greater effect. This is especially true for housing costs; the effects of growth on prices are especially strong for both single-family houses and apartments (Appelbaum, 1978:36–37; Appelbaum and Gilderbloom, 1983). Because so many detrimental effects of growth on costs are not reflected in these studies of household income—for example, the effects of pollution on health care and building maintenance expenses—we must conclude that growth does not benefit a family in terms of net income or quality of life.

An alternative way of investigating the connection between growth and the personal income of local populations is through case studies of how growth has affected the wages of specific social and occupational groups in given places. Greenberg (n.d.) carried out such a study with a special focus on low-wage groups and, in particular, poor blacks in southern counties of three subregions that were experiencing different patterns of development. Although all the areas in her study experienced rates of growth exceeding the national growth rate between 1960 and 1980, the economic basis of that growth was different in each place and had distinct consequences for specific labor groups. There were three different patterns: (1) growth in service industry in an area of declining low-wage manufacturing; (2) invasion of manufacturing jobs into an agricultural zone; and (3) major expansion of government jobs in an area with a mixed economy.

In the first case, found in Durham, North Carolina, the transition from a manufacturing to a service economy meant "that blacks simply exchanged low wage jobs in low growth sectors of the economy for low wage jobs in high growth sectors" (Greenberg, n.d.:23). In the second pattern, found in the area outside Durham, in which manufacturing invaded a former agricultural zone, Greenberg found that incoming industrialization did not

bring higher living standards: "The transition from agriculture to low wage manufacturing has done little to improve the relative economic position of blacks in most types of nonagricultural employment. Whites also earn substantially less than their counterparts in the adjacent urban counties" (Greenberg, n.d.:24). In Greenberg's third growth pattern, there were substantial gains for blacks and, presumably, the poor in general. In Wake County, the growth in employment was based heavily on expansion by the government. The number of blacks in high-level jobs increased and their wage gains outpaced the national average for blacks during this period. Although Greenberg attributes these gains for blacks to the increased "diversity" of the economy that government employment provided, we might put equal stress on the civil service and affirmative action requirements of government hiring and promotion (see Baron and Bielby, 1980).

Whatever the specific reasons for the differences among places, Greenberg's findings indicate that "growth *per se* is no panacea for urban poverty" (Greenberg, n.d.:26). Instead, the issue is the *kind* of growth that is involved, and the degree (ordinarily, limited) to which local residents are given an advantage over migrants in the competition for jobs. Otherwise, local growth may be only a matter of making the local rich even richer, or, alternatively, of moving those already privileged in their jobs from one part of the country to another part of the country. To stay with our metaphor of musical chairs, the number of *comfortable* chairs and the basis for allocating them does not change; only their *location* is altered. As Summers and Branch conclude on the basis of their own growth studies, "Industrial location has a small or even negative effect on the local public sector and on economically disadvantaged citizens" (1984:153; see also Garrison, 1971). This is hardly consistent with the myth of opportunity promoted by supporters of the growth machine.

Eliminating Social Problems

The idea that an increase in numbers and density leads to severe social pathology has been, at long last, thoroughly discredited (see, for example, Fischer, Baldasarre, and Ofshe, 1975). We do believe, however, that size and rate of growth have a role in creating and exacerbating urban problems such as segregation and inequality.

The great population explosions that marked America's industrial cities earlier in this century cannot be said to have increased levels of either equality or class and racial integration. Instead, greater numbers seem to have increased spatial and social segregation between rich and poor, black and white (Lieberson, 1980; Zunz, 1982). In a more contemporary context, Sternlieb and Hughes (1983a) have studied the social effects of the growth of gambling in Atlantic City, New Jersey—the revitalization of a service sector industry. Sternlieb and Hughes report that the consequences have been extremely negative for existing residents. The growth boom has set up "walled off universes" of casino-generated wealth, with the old people and poor finding their former "dismal comforts being swept away," without the compensation of better jobs.[9] The original residents are not participating in the new economy, except at the bottom (as is consistent with Greenberg's findings, discussed above), and the overall effect of the gambling boom on the community is to exacerbate visible cleavages between the rich and the poor (see also Markusen, 1978).

More generally, growth may not be the cause of problems, but increases in scale make it more difficult to deal with those that do exist. Racial integration is more difficult when members of a minority are concentrated in large ghettos within a vast, and often politically divided, region. It becomes harder to accomplish school integration without busing pupils over long distances and across jurisdictional lines. Busing generates controversy and high costs to public budgets as well as taking up children's time. In small places, racially and economically diverse social groups can more easily end up in the same schools, as well as the same shopping, recreation, and work settings. Whether through fortuitous movements of people or through managed intervention programs, small places can be more easily integrated, racially and economically. Under current jurisdictional and ecological patterns, growth tends to intensify the separation and disparities among social groups and communities.

9. "Atlantic City Hurt by Gambling, Study Finds," *Los Angeles Times*, November 2, 1983, sec. I, p. 11.

Growth likely increases inequality within places through its effects on the distribution of rents. Increases in urban scale mean larger numbers of bidders for the same critically located land parcels (for example, the central business district or the site for a freeway intersection), inflating land prices relative to wages and other wealth sources. Although growth expands the center zone (as well as stimulating other pockets in the area) the critical locations remain unique. Hence we see the familiar pattern of an intense use of critical spots (for example, Wall Street or Rodeo Drive) with a sharp drop in rent levels just outside their boundaries. Growth disproportionately increases the value of strategic parcels, generating monopoly effects for their owners. Thus, in terms of rental wealth, urban growth likely increases inequality.

There is some empirical evidence showing greater income disparities within larger and faster-growing places, whether from monopoly rent effects or another factor (Haworth, Long, and Rasmussen, 1978; but see Walker, 1978). Other studies, however, find little or no impact of size or growth rates on wealth distribution (Alonso, 1973; Appelbaum, 1978; Betz, 1972). Our own conclusion is that growth mainly hurts those in its direct path whose primary tie to place is for its residential use value. When tracing the effect of growth, we must look at how particular groups, at a given time and place, are affected by development (a task we take up in the next chapter).

Environment

Growth has obvious negative consequences for the physical environment; growth affects the quality of air and water, and the ease of getting around in a town or city. Growth obliterates open spaces and damages the aesthetic features of a natural terrain. It decreases ecological variety with a consequent threat to the larger ecosystem.

Though sometimes viewed as trivial concerns of an idle middle class ("rich housewives," according to the stereotype), these blows to the physical environment most heavily affect the less well to do. A high-quality physical environment constitutes a free public good for those who have access to it (Harvey, 1973). Those who are unable to buy amenities in the market lose most from the unavailability of such resources. More concretely, since the poor are most likely to live and work in close proximity to pollution sources, the poor are more affected by growth-induced environmental decay than are the rich.

Perhaps nowhere are the effects of environmental decline more dramatically displayed than in those places with the most rapid growth experiences. Feagin (1983a), for example, has compiled a list of Houston's problems that have accompanied that city's emergence as "capital of the sunbelt." These include crises in sewage disposal, toxic dumps, water supplies, and transportation. In addition to the visible increases in pollution and congestion, past environmental sins will entail vast cleanup costs—what Worster (1982:514) calls "ecological backlash." By 1983, Houston was second only to New York City in per capita bonding liability. Environmental decline, here as elsewhere, can exacerbate fiscal problems and inequality of life chances among rich and poor.

Accommodating Natural Increase

Growth activists incessantly raise the problem of providing "homes and jobs for our children." To avoid the forced exile of their youth, towns and cities might reasonably have as a goal the maintenance of economic expansion sufficient to provide jobs and housing for new generations. These expansions would be modest in scale, given the low rates of birth that are characteristic of U.S. urban populations. The difficulty is "reserving" the right openings for the right youths, a goal that is unrealistic given the nature of the hiring queue and the constitutional limitations on restraint of trade. Virtually no local growth policy could effectively guarantee local jobs for local people. Many of the young prefer, of course, to leave their home town anyway, and this in itself probably eliminates the problem of having to create large numbers of jobs to accommodate local youth.

Satisfying Public Taste

The current pattern of urbanization is not necessarily a response to people's wishes. As Sundquist has remarked,

> The notion commonly expressed that Americans have "voted with their feet" in favor of the great cities is, on the basis of every available sampling, so much nonsense. . . . What is called "freedom of choice" is, in sum, freedom of employer choice or, more precisely, freedom of choice for that segment of the corporate world that operates mobile enterprises. The real question, then, is whether freedom of corporate choice should be automatically honored by government policy at the expense of freedom of individual choice where those conflict. [1975:258.]

Most evidence suggests that people prefer living in small places or rural areas (Appelbaum et al., 1974:4.2–4.6; Finkler, 1972:2, 23; Hoch, 1972:280; Mazie and Rowlings, 1973; Parke and Westoff, 1972). Although only 8 percent of Americans in 1977, for example, lived in small towns and farm areas, 48 percent gave such places as their residential preference (Fischer, 1984:20). The larger the metropolis, the greater the proportion of people (in both the central city and suburbs) who express a desire to move away (Gallup, 1979:85). If people's responses to surveys are any indication, a substantial portion of the migration to the great metropolitan areas of the postwar decades was more in spite of tastes than because of them.

Growth Trade-offs

Although there is clear evidence on some of the effects of growth, urban size is fundamentally a political or value issue in which one person's criteria are lined up against another's (see Duncan, 1957). It may, for example, be necessary to sacrifice clean air to build a population base large enough to support a major opera company. If one loves music enough, the price may be worth paying. But in reality, differential material interests influence the trade-offs. If one happens to be on the winning side of the rent intensification process (or in the opera business), the pleasures of cleaner air or lower taxes will be easier to forgo.

Besides the variations between individuals and groups, the actual price to be paid for growth and the willingness to pay it will vary somewhat. Having an opera house is probably more important to the Viennese than to the residents of Carmel, California, and in the same way the preferred trade-offs in population size will vary. On more prosaic grounds, certain places may need additional population to absorb the costs of existing road and sewer systems, however misguided the initial commitment to build them. People in some small towns may want a population increase in order to make rudimentary specialization possible in their public school system. In other instances, a past history of outmigration may have left behind a surplus of unused capacities, which would easily accommodate additional growth and provide public benefits of various sorts.

These variations notwithstanding, the evidence on fiscal health and economic or social problems indicates clearly that the assumptions of value-free development are false. In many cases, probably in most, additional local growth under current arrangements is a transfer of wealth and life chances from the general public to the rentier groups and their associates. Use values of a majority are sacrificed for the exchange gains of the few. To question the wisdom of growth for any specific locality is to threaten a benefit transfer and the interests of those who gain from it.