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How Racism Takes Place

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Contents

3

Space, Sports, and Spectatorship in St. Louis

There is a spatial dimension to discrimination.
—Joe Feagin

When the St. Louis Rams defeated the Tennessee Titans on January 23, 2000, to win the National Football League's Super Bowl championship, the team's players, coaches, and management deserved only part of the credit. Sports journalists covering the game cited the passing of Kurt Warner and the running of Marshall Faulk as the key factors in the Rams victory. Others acknowledged the game plan designed by head coach Dick Vermeil and the player personnel moves made by general manager John Shaw. But no one publicly recognized the contributions made by 45,473 children enrolled in the St. Louis city school system to the Rams victory. Eighty-five percent of these students were so poor that they qualified for federally subsidized lunches. Eighty percent of them were African American. They did not score touchdowns, make tackles, kick field goals, or intercept passes for the team. But revenue diverted from the St. Louis school system through tax abatements and other subsidies to the Rams made a crucial difference in giving the football team the resources to win the Super Bowl.

In the home city of the 2000 Super Bowl champions, children attended underfunded public schools staffed by underpaid and inexperienced teachers. In the year when the Rams won the Super Bowl, beginning teachers in the local school district received annual salaries of $26,501 with a B.A. degree, $26,511 with an M.A., and $29,443 with an Ed.D. or Ph.D. The average salary for teachers in the district in 2000 was $33,269 per year.[1] Compensation was so meager in St. Louis that teachers' union president Sheryl Davenport reported that the district could not even attract qualified *substi-*

tute teachers in competition with neighboring school systems. Consequently, teacher assistants frequently staffed classrooms when the primary instructor was absent. Out of 104 school districts in the region, the pay scale for teachers in St. Louis was the seventy-third lowest.

The problems facing the school system were of long standing. During the 1990–1991 academic year, more Black students dropped out of the city's high schools (1,421) than graduated from them (966).[2] By 1999, for every hundred students who began the ninth grade in St. Louis schools, only thirty graduated.[3] The total dropout rate from the city schools in 1998–1999 was 18.7 percent, the highest in Missouri and more than three times the state average of 5.5 percent.[4] During the 1999 Missouri School Improvement Program Review, the city's schools met only three of the state's eleven performance standards. Yet at the same time, tax abatements for profitable businesses including the Rams football team deprived St. Louis children of seventeen million dollars annually in educational funding.[5]

St. Louis's school-age children suffered a distinct class injury because of the subsidies received by the Rams. Students from low-income families lost access to educational dollars so that they could be spent subsidizing the profits of the millionaire owner of the Rams. The injury in this case was also a racial one, and not merely because most of the students in the city school system were Black. The starkly unequal educational opportunities offered to students in different districts within the St. Louis metropolitan area stemmed directly from carefully designed and deliberate discrimination against African Americans. The diversion of funds to the Rams was only the latest in a series of measures designed to prevent Blacks in St. Louis from competing fairly with whites, to relegate them to separate and unequal segments of the area's housing, labor, and educational infrastructure.

In St. Louis, a deliberate and irretrievably racial logic has long guided local decisions about redevelopment, planning, taxation, transportation, and zoning.[6] In the late nineteenth and early twentieth centuries, whites in St. Louis developed, honed, and refined many different mechanisms designed to segregate the city by race. A racial zoning ordinance mandated that Black home buyers and renters could move into a new residence only if a majority of the residents already living on the block were Black. Restrictive covenants promoted by real estate brokers, lenders, and government agencies placed requirements in deeds obligating their holders never to sell the property to anyone who was Black. As Colin Gordon observes in his excellent book *Mapping Decline*, market forces did not create housing segregation in the St. Louis region. On the contrary, public policies protected antimarket collaboration among whites by regulating, restricting, and rigging private economic exchanges to preserve and augment the possessive investment in whiteness.[7]

The Supreme Court ultimately declared racial zoning to be unconstitutional in the *Buchanan v. Warley* case in 1917, and the Court ruled that states could not enforce restrictive covenants in the 1948 *Shelley v. Kraemer* case. Yet even after being ruled illegal and illegitimate, these practices remained important in shaping the contours of racialized space in the city. Subsequent policies about land use, development, and taxation sought to protect the cumulative benefits and underlying spatial and racial logics of the outlawed forms of overt discrimination. Gordon notes that the racial prejudice of real estate brokers became the "ethical and effective foundation of local incorporation, zoning, taxation, and redevelopment policies in St. Louis and its suburbs."[8] In the 1950s and 1960s, the federal government subsidized home mortgage loans and funded transportation and infrastructure projects that augmented the economic value of racially exclusive suburbs while locating means-tested public housing projects in inner-city Black neighborhoods. Even after direct references to race disappeared from federal appraisers' manuals, race remained the crucial factor in determining whether borrowers received federally supported mortgage loans. Only 3.3 percent of the 400,000 FHA mortgages in the greater St. Louis area went to Blacks between 1962 and 1967, most of them in the central city. Only 56 mortgages (less than 1 percent) went to Blacks in the suburbs of St. Louis County.[9] Three savings and loan companies with assets of more than a billion dollars worked together to redline the city effectively, lending less than $100,000 on residential property inside the city limits in 1975.[10] The local savings and loan institutions made loans totaling $500 million in the greater St. Louis area in 1977, but just $25 million of that total (less than 6 percent) went to the city, almost all of it to the two mostly white zip codes at the municipality's southern border.[11] Depreciation provisions added to federal tax laws in the mid-1950s encouraged capital flight to the suburbs and discouraged reinvestment in inner cities. These policies imposed particular and inordinate costs and liabilities on Blacks, but they hurt the entire region as well. They misallocated resources, depressed property values, increased inner-city taxes, concentrated poverty, promoted suburban sprawl and drained resources away from needed expenditures on housing, health care, and education.

The residential patterns and racial hierarchies that were created initially by restrictive covenants, racial zoning, redlining, and mob violence between 1880 and 1960 continued to shape the contours of all of the important planning policies that governed the city and its suburbs afterward. Downtown redevelopment for the Rams stadium followed clear precedents established previously by a variety of slum-clearance, highway-building, and urban-renewal policies in the mid-twentieth century, as well as by neoliberal public-private partnerships in subsequent decades. Protection of white property and privilege guided nearly all decisions about laws and policies that promoted the establishment of new small and exclusive suburban municipalities with restrictive zoning codes, that concentrated public housing in inner-city areas, that offered tax incentives for industrial and commercial establishments to move to the suburbs, and that established separate school districts with vastly unequal resources. Suburban governments used zoning and other land-use controls to promote homogeneity, isolation, and defensive localism. When circumstances created the possibility of integration, whites acted quickly and decisively against it. State and county policies about municipal incorporation enabled white residents of Kinloch to break away from their Black neighbors in 1937 and form the city of Berkeley as an all-white well-funded municipality while leaving Kinloch without a viable tax base.[12] When residents of the all-white suburb of Black Jack learned in 1970 that a church group planned to build apartments that would be open to Black renters, the city dissolved itself and drew up new incorporation papers prohibiting multifamily dwellings in order to prevent their community from being integrated.[13]

In a city where direct discrimination confined Blacks to an artificially constricted housing market, landlords and real estate brokers were free to charge them high costs for inferior and unhealthy dwellings in overcrowded areas. Slum-clearance, urban-renewal, and redevelopment programs made a bad situation worse by bulldozing houses inhabited by Blacks without providing adequate replacement housing. The majestic Gateway Arch on the riverfront, the corridor of municipal buildings and parks near City Hall and Union Station, the midtown redevelopment area near St. Louis University, and the downtown baseball and football stadia all stand on land formerly occupied by housing available to Blacks. Seventy-five percent of the people displaced by construction of new federal highway interchanges in the downtown area were Blacks.[14] Redevelopment in the Mill Creek Valley area alone displaced some twenty thousand Black residents, creating new overcrowded slums in the few areas into which they were able to relocate. Urban renewal dispersed Black social and business networks to far-flung locations, decreased the value of Black-owned property, and created higher tax burdens for those who remained by eliminating tax-paying properties while granting tax abatements to new projects in the redevelopment zones.[15]

The patterns needed to maintain marginal advantages for individual whites produced calamitous social conditions for the region as a whole. But in St. Louis, nothing succeeds like failure. When urban renewal created new slums in other parts of the city, these areas were then targeted for new redevelopment schemes that repeated the errors and compounded the consequences of the earlier ones. Public money spent in support of private for-profit schemes that could not be sustained by sound market practices created programs ostensibly aimed at eliminating urban blight, promoting reinvestment in the city, and enhancing the region's well-being. Yet these initiatives wound up exacerbating the very problems they purported to solve. They failed to face the expressly racial causes and the collective social consequences of urban decay in St. Louis. The white spatial imaginary led people to believe that people with problems *are* problems, that the conditions inside the ghetto are created by ghetto residents themselves, that rather than investing in people of color and their communities, civic problems should be solved by displacing Black people and creating new homogeneous, pure, and prosperous spaces for whites. Thus in the white spatial imaginary, creating and maintaining a domed stadium erected largely for the amusement, pleasure, and comfort of white suburban spectators came to seem like a more legitimate expenditure of public funds than education for Black children.

As a federal judge ruled in the 1981 *Liddell* case, Black students in city schools had seen their constitutional rights violated systematically by the city of St. Louis, by St. Louis County, by the state of Missouri, and by the federal government itself. The concentration of Black students in city schools with high-poverty populations stemmed from the cumulative effects of the ways in which school district lines were drawn, from the placement of low-income housing projects in Black neighborhoods, from the county's use of zoning to reject public housing projects and integrated mixed-income private developments, from the actions by real estate brokers and landlords that confined Black people with vouchers for subsidized housing to Black neighborhoods, from mortgage and insurance redlining, from the subsidies for "white flight" created by the Federal Housing Administration's home mortgage loan policies, and from the refusal by the state's housing development corporation to publicize, promote, or even adhere to federal fair-housing regulations even after having been ordered to do by a federal court.[16] Housing segregation not only concentrated Black children in Black schools, but also into the school districts with the least resources. The subsidies to the Rams not only augmented the power of rich people over poor people; they are also an illustrative example of the depths, dimensions, and duration of the possessive investment in whiteness.[17]

The Rams were not the only St. Louis corporation to receive tax abatements or other subsidies. Some of the money that the city lost through tax abatements was recouped from increased municipal revenue from sales and earnings taxes paid by the Rams, their employees, and their fans. School funding, however, is almost completely tied to property taxes, and as a result, the recouped revenues could not be spent on education. According to one conservative estimate, for every dollar the city abated in property taxes, the schools lost fifty-seven cents.[18] In addition, despite extravagant claims that tax abatements and other subsidies would increase the general wealth of cities, the St. Louis case shows clearly that subsidies for professional sports teams and other corporations do not "trickle down" to the majority of the population, but instead function largely as a means for transferring wealth and resources from the poor and the middle class to the rich.

In order to attract a National Football League team to play in St. Louis after the owners of the Cardinals moved that franchise to Phoenix, the region's business and political leadership conducted a well-funded public relations campaign that secured approval from taxpayers to spend $270 million of public money (actually more than $700 million counting interest payments over thirty years) to build a domed stadium as an addition to the city's downtown convention center.[19] The facility, constructed completely with public funds, stands 21 stories high and contains 800,000 square feet of concrete block, a 500,000-square-foot roof covering 12 acres, 595 miles of wire and cable, 32 escalators, and 12 passenger and freight elevators. They undertook this project even though the city at that time had no team. The high costs involved in building such a lavish stadium made it necessary to spend even more money to attract a team, or else the entire investment would have been wasted. After being denied a franchise by the National Football League's expansion committee, civic leaders turned their efforts toward convincing the Rams to move to St. Louis from Los Angeles. As part of their inducements to the team, St. Louis officials simply gave forty-five million dollars of tax revenues raised in St. Louis to Rams owner Georgia Frontiere so she could pay off debts incurred by the Rams in Los Angeles and build a new practice site for the team in St. Louis. To pay off the mortgage on the domed stadium, city, county, and state officials committed twenty-four million dollars a year or fifty-five thousand dollars per day for thirty years from tax revenues.[20] St. Louis County imposed a new hotel tax to pay its share of the debt, but the city of St. Louis and the state of Missouri identified general fund revenues as the source of their contributions.[21]

The state of Missouri's contribution to the domed stadium was especially offensive because state agencies and officials had played a primary role in undermining educational opportunities for Black students in the city of St. Louis. In the 1990s, Missouri had the lowest per capita taxation of all fifty states and ranked forty-third in educational spending per pupil.[22] Consequently Missouri's schools depend more than schools in other states on local funding from property taxes—the source that most reflects the inequalities shaped by housing discrimination.[23] By minimizing the state's contribution to education, Missouri's government increased the value of segregated housing in suburban communities where the presence of shopping centers and the high value of property allow for large expenditures on education despite low property tax rates. At the same time, these taxation policies decreased the value of housing in inner cities and the largely Black inner-ring suburbs of north St. Louis County where low property values and unmet infrastructure needs required higher tax rates.[24]

The specifically racist malice of state officials toward St. Louis's Black children became starkly evident when federal courts required them to take remedial action after having been found guilty of de jure segregation in the St. Louis school desegregation case. Ruling that the city, county, state, and federal governments had violated St. Louis students' constitutional rights by collaborating to maintain an illegally segregated school system, the courts mandated the creation of a voluntary cross-district busing program that included the establishment of new magnet schools in the city of St. Louis. Judges also ordered the state of Missouri to encourage local governments to enforce fair-housing laws and to promote integrated housing. Yet rather than complying with the law, state attorney general (and later governor, senator, and U.S. attorney general) John Ashcroft used the powers of his office to promote massive resistance to the court's orders at every turn. Ashcroft delayed implementation of court orders, appealed even minor rulings to higher courts, and opposed every magnet school proposal. Ashcroft demonstrated an unusual understanding of the concepts he often touted in other contexts like personal responsibility and respect for the law. When it came to school desegregation, he maintained that the state should take no responsibility for the harm done to Black children by the segregated educational system that the state had created and condoned. Ashcroft railed against sending students by bus to new schools to produce desegregated learning environments, without acknowledging that St. Louis County and the state of Missouri felt that busing was fine when it was used for the purpose of segregation. Before the *Brown v. Board* decision, St. Louis County and the state of Missouri routinely used buses to transport *all* Black students in the county to segregated Black schools in the city. Most egregiously, Ashcroft lied repeatedly to the people of Missouri, claiming that the state had never been found guilty of any wrongdoing. In fact, the clear finding of the federal judiciary was that the state of Missouri was obliged to pay most of the costs of the St. Louis desegregation program precisely because it was guilty of violating the *Brown v. Board* ruling.

Under Ashcroft's demagogic and racist leadership, the state of Missouri spent nearly four million dollars fighting desegregation and resisting accountability for the damage done to Black children by the state's own illegal actions.[25] Ashcroft's Missouri Housing Development Commission even refused the token step of drawing up a plan to enforce fair-housing laws as the court had ordered it to do. Instead, the agency acquiesced to white resistance to integrated housing so thoroughly that it did not even encourage local governments to enforce the fair-housing laws already on the books.[26] Thus a state unwilling to spend money on educating Black children showed itself to be quite willing to spend money to fight federal court orders mandating desegregation. A state led by politicians who proclaimed themselves proponents of small government found it reasonable to obligate taxpayers to pay millions of dollars in subsidies to the Rams football team for thirty years.

Government spending and state subsidies made the domed stadium project possible. If huge sports arenas made money, private investors would pool their funds and build them with their own resources. In order for a domed stadium to be profitable, it must host an enormous number of events. Economists estimate that every million dollars of debt for stadium construction necessitates two dates with large crowds every year. A hundred million dollar stadium requires two hundred football or baseball games, concerts, and religious revivals per year. A 270 million dollar project like the domed stadium in St. Louis needs 540 such dates for every 365-day year—a practical impossibility.[27] The Convention Center adjacent to the domed stadium did manage to schedule some 240 events per year, but the size of the conventions and car shows at that venue were too small to make a dent in the overall project's debt obligation. In fact, there would be no need for the domed stadium at all if not for the Rams who play only eight regular season games at home each year. These eight dates and the sporadic exhibition or playoff games that sometimes supplement them actually lose the stadium money because they do not produce enough revenue to offset costs.[28] The team paid only $25,000 in rent per game, an amount aptly characterized by one local journalist as barely enough to cover the cost of turning on the lights.[29]

Yet while squandering colossal amounts of public revenue, the domed stadium in St. Louis offered lavish amenities to select patrons, especially to the wealthy individuals and corporations who purchased the 122 luxury boxes that circled the building. League regulations require home teams to split ticket revenues on a 60–40 basis with visiting teams, but these rules do not apply to luxury suites. The Rams kept all that money. The team thus played its games in a publicly funded stadium on a virtually cost-free and extremely profitable basis. The Rams received all revenue from ticket sales, concessions, and luxury seating. The lease was structured to obligate government to pay even more to the Rams in the future. One provision held that if attendance drops below 85 percent of capacity, the city of St. Louis's Convention and Visitors' Commission pledged to purchase all unsold luxury suites and club seats, ranging in price from $700 to $110,000 per year per ticket. Another provision said that if other teams built facilities for other teams on a basis more lucrative than the Rams' arrangement with St. Louis, the city would supply the team with more revenue. The Rams kept for themselves more than $24 million of the $36.7 million paid by Trans World Airlines to have the stadium named the "Trans World Dome" when it first opened, and it continued to profit disproportionately from the naming rights when the Edward Jones brokerage replaced TWA as the stadium's main sponsor. The Rams also retained 75 percent of all other advertising revenue up to $6 million, and 90 percent of revenues from advertising above that figure. Business experts estimated that the value of advertising revenues alone to the Rams approached $15–20 million per year.[30]

While the Rams and their fans in the expensive luxury suites are housed lavishly inside the dome, Black children in St. Louis face the consequences of a segregated housing market. The shortage of affordable housing for all people in the St. Louis metropolitan area is exacerbated by racially discriminatory practices by real estate brokers, lenders, landlords, and insurance agents that confine African Americans to an artificially constricted housing market.[31] A 1990 survey of housing segregation found that St. Louis ranked as the eleventh most segregated city among the 232 largest metropolitan areas in the nation.[32] Poverty and a disastrous shortage of adequate dwellings forced some children to have to move and change schools so often that they were never exposed to any one single teacher, pedagogy, or curriculum for very long. St. Louis school administrators and teachers estimated that about half of their students in the 1990s moved to a new residence during any given school year.[33]

Many African American children in St. Louis also lived in dwellings with lead-based paint on the interior and exterior walls, exposing them to a strong likelihood of developing toxic amounts of lead in their bloodstreams. One out of every four children tested in St. Louis in 1998 was found to be lead poisoned. Medical authorities discovered 1,833 *new* cases of lead poisoning in that year alone. Moreover, the full dimensions of lead poisoning in St. Louis remained unknown because the city had only enough funds to test 40 percent of preschool-age children.[34] National studies showed that lead poisoning is even more of a racial injury than a class injury. Among the poorest families Black children were almost twice as likely as white children to contract lead poisoning. Among the working poor, Black youths were three times as likely to develop lead poisoning as their white counterparts.[35]

The domed stadium was not the first gigantic structure in St. Louis built with public funds. A 630-foot-high stainless steel arch on the banks of the Mississippi River celebrates Thomas Jefferson's purchase of the Louisiana Territory and the westward expansion that followed it. Local residents ruefully note that it cost the U.S. government more to build the arch commemorating the Louisiana Purchase than it cost Jefferson to purchase the territory itself in the first place. But the construction and management of the domed stadium are more than a matter of local excess. Properly understood, the history of this stadium can help us understand some of the central dynamics of contemporary urban economics and politics in cities all across the nation.

Why would the political and business leadership of a city faced with crises in public education and public health extend such lavish subsidies to a spectator sport? What happens to a city or a society that neglects the education of its children in order to build sports arenas? Why is the racial injury done to Black children in St. Louis not just their problem, but also a manifestation of how racial inequality in our society encourages a misallocation of resources with ruinous consequences for the majority of the population?

Despite their high public profile, professional sports are not a significant sector of the U.S. economy. As southern politician Sam Ervin once noted, as a locus of economic activity and a generator of profit, the national sports industry is no larger than the pork and beans industry.[36] A study commissioned by the mayor of Houston found that the local sports industry in that city (including all nonsporting events held at the local domed stadium) had a smaller economic impact on the locality than the Houston Medical Center. Sports spending amounted to less than 1 percent of the local economy.[37] Yet professional sports teams play a privileged role in public-private partnerships for urban redevelopment everywhere, and their utility for such projects tells a great deal about the general priorities and practices of our society.

Justifications for projects like the domed stadium in St. Louis generally revolve around two related claims about the benefit of professional sports to the economic and social health of the city and the need to protect the competitive position of the local team in relation to wealthier franchises. These claims are worth investigating, not because they are true, but rather because their blatant and obvious mendacity serves to occlude the actual role played by subsidies for sport within the urban economy in particular, and within consumer culture more generally. Discretionary spending on sports and other forms of entertainment is limited. Subsidies for new arenas and entertainment districts tend to shift spending from one part of a city to another, but they rarely generate new wealth. The subsidies supplied to sports entrepreneurs create artificial advantages for some profit-making firms over others. They misallocate resources away from more productive and more socially beneficial investments. They impose direct and indirect burdens on small business owners and on middle-income and lower-income taxpayers.

The experience of the Rams in St. Louis exemplifies the economic advantages available to team owners. Sports franchises generate a flow of cash that can be invested in many ways. They provide long-term appreciation as well. The anticompetitive cartel qualities of sports leagues insure a shortage of franchises, inflating the value of all teams so that owners always make a profit when they sell the team. Sometimes they make money by selling the team to themselves, forming a separate corporation that now "owns" the club. This enables the owners to loan money to the team and receive the principal and interest back in return payments from it. The payments appear as a debit on the club's financial records as they provide the owners with a flow of cash from the operation. In addition, owners can provide themselves with large salaries and expense accounts as team executives.[38] The most significant economic benefits that accrue to professional team owners, however, come from tax benefits. The tax advantages available to owners of sports teams provide secret subsidies to professional franchises and impose secret burdens on taxpayers unable to take advantage of the favored treatment afforded team owners.

Financial institutions capable of selling thirty-year bonds for stadium construction profit directly from the municipal subsidies that make it economically feasible to create new sporting venues. Corporate executives of all kinds can take their clients and coworkers to football games and even deduct a large part of that expense from their taxes by claiming it as business-related entertainment. Nearly half of the gate receipts of most National Football League franchises come from sales to corporations.[39] In addition, returns to investors on the kinds of municipal bonds used to create sports arenas are not taxed by the federal government, a subsidy that costs the federal treasury more than two million dollars a year for a project the size of the domed stadium in St. Louis.[40] As a writer in *Fortune* magazine concluded, "Professional sports teams qualify for so many tax benefits as to render their 'book' profit or loss figures meaningless."[41] Yet owners neglect to mention these tax advantages when they lament their paper losses in public in order to extract even more subsidies. Taxpayers doubly subsidize sports franchises by producing the revenue needed to build stadia and arenas in the first place, but then also paying higher taxes and receiving fewer government services to make up for the revenue lost from tax breaks extended to sports team owners.

Owners of teams can also claim players' salaries as depreciable assets for five years after buying a franchise, even though the cartel-like nature of professional football guarantees that the value of players on the roster will not actually depreciate. Depreciation credits can be extended even more by forming a new corporation and transferring ownership of the team to it, even when franchise ownership remains essentially in the same hands.[42] At the domed stadium in St. Louis, nearly two million dollars a year of the cost of luxury boxes and club seats are written off as business-entertainment deductions.[43]

Claims about the value of sports franchises to cities are often articulated, but rarely investigated. The studies that have been conducted provide ample room for skepticism about the economic value of sports to the average worker, consumer, or business owner. One study of seventeen cities during the 1994 baseball players' strike found that sales of nondurable goods actually *increased* in thirteen of the cities without the revenue usually brought in by major league baseball. Another longitudinal study examined nine cities between 1965 and 1983 and found no significant correlation between building a stadium and economic growth. In all but two of these cities, the opposite took place—the municipal share of regional income actually declined after the opening of a new stadium or the relocation of a team. Another study of fourteen cities hosting professional sports franchises could find no positive economic gain attributable to sports in most cases.[44]

Economist Robert Sorenson of the University of Missouri–St. Louis pointed out that no one has done a thorough study on the revenues generated by the St. Louis stadium. "I don't think the city really wants to," he noted, observing, "They'd be embarrassed by what they'd find."[45] Seven hundred and twenty million dollars invested over thirty years could make an enormous difference in the economy of a city the size of St. Louis. Loans for housing renovation and acquisition could stabilize neighborhoods and offer individuals opportunities to accumulate assets that appreciate in value that could be passed along to future generations. Throughout the 1990s, for example, the city of St. Louis lacked funds for assisting middle-income families interested in buying houses inside the city limits.[46] Loans to small businesses could increase employment opportunities and stimulate the local economy by generating wage earnings and profits almost certain to be spent in local stores, invested in local banks, spent on local goods and services, and used to increase municipal revenues.

A massive domed stadium, however, does none of this. It occupies a huge amount of tax-abated land surrounded by freeways and parking garages that inhibit rather than encourage the development of new businesses. It drains resources from the rest of the city while creating increased needs for police protection, traffic control, fire safety, and the construction and maintenance of new electrical power, water, and sewer systems. It provides windfall profits for millionaire athletes, investors, and owners, almost none of whom live in, or even invest in, the city. Because most owners and players live outside the cities where they make their money, tax subsidies for sports franchises produce less tax revenue for cities than would be true of businesses with local managers and employees.[47] Moreover, the hidden subsidies for luxury boxes and revenue bonds shift tax burdens away from the wealthy, thereby imposing new (albeit unacknowledged) tax burdens on local middle- and low-income workers.

In the past, stadium construction in St. Louis has repeatedly failed to generate the revenues promised by city boosters. The Civic Center Redevelopment Corporation justified spending twenty million dollars of public money (80 percent of the total cost) to build Busch Stadium for the St. Louis Cardinals baseball team in 1966. They promised that tax abatements for the stadium would enable the Cardinals to give the city $540,000 in payments in lieu of taxes within ten years. But the team paid only $269,324 to the city in lieu of taxes in 1976, while downtown retail establishments discovered no increase in business because of the stadium. By 1981, the Anheuser Busch brewery, which owned the Cardinals (and which enjoyed the free publicity that came from having a stadium with the same name as one of their brands of beer), threatened to move the team out of St. Louis unless the Civic Center Redevelopment Corporation gave them full ownership of the stadium along with control over parking, concessions, adjacent offices, and hotels. Waging what he later boasted of as "a skillful public relations campaign," the brewery's president claimed that the increased holdings would enable the team to compete for better players. But he knew what the public did not, that concerns about the competitive position of the Cardinals were only a smoke screen, that the heart of the matter was "essentially a real estate deal, a very big real estate deal. And, for Anheuser Busch . . . a very good deal."[48]

The brewery offered a ridiculously low bid of $30.2 million for the entire package, which was valued at somewhere between $75 million and $90 million. When a competitor offered a bid of $58.9 million, the brewery broke off negotiations and used its influence behind closed doors, eventually succeeding in gaining a controlling interest over the properties in question. The brewery paid $3 million to purchase the team in 1953, added $5 million toward the cost of the new stadium in 1976, and may have paid as little as $53 million in 1981, to emerge in control of most of the real estate in the southern part of downtown St. Louis in return.[49]

In the mid-1990s, Anheuser Busch sold the Cardinals to a new group of investors that included the corporation that owned the city's only daily newspaper, the *St. Louis Post-Dispatch*. Pointing to the revenues available to the Rams, the new ownership group immediately began to complain about "antiquated" Busch Stadium (then only thirty years old) and started using their influence to get the state of Missouri to pass enabling legislation for a new baseball stadium to be financed with $120 million in cash and real estate contributions from the Cardinals and $250 million in public money. The state contributed $45 million to build the new stadium. St. Louis County contributed through a bond issue that obligates taxpayers to provide $108 million. The city exempted the new stadium from property tax obligations for twenty-five years—a tax abatement that will cost the city and its public schools an additional $600,000 every year.[50] For good measure, the city of St. Louis repealed its 5 percent tax on tickets, resulting in a decrease in municipal revenues by at least another $5 million per year.[51] Armed with the surplus profits the new stadium produced from public monies, William DeWitt and other members of the Cardinals ownership group then donated large sums of money to the electoral campaigns of conservative candidates who trumpeted their opposition to government spending on education, housing, highways, and health care.

The subsidies that St. Louis channels to the owners of sports teams while neglecting the educational and health needs of its children may seem like the product of the particular problems of one especially troubled city, a metropolis devastated by capital flight, deindustrialization, and economic restructuring, a municipality left with few other feasible options for urban renewal and redevelopment. Certainly, distinctly local factors can be found inflecting every aspect of the stadium deal given to the Rams. But the significance of the ways in which African American St. Louis schoolchildren and some of their poor white and Latino/a classmates have been forced to subsidize the professional football franchise in their city lies less in local factors than in larger transformations that have taken place in the United States over the past thirty years that have decisively altered the meanings of local place, politics, and property. However extreme, the St. Louis experience is a representative part of a larger pattern.

Twenty-nine new sports facilities were constructed in U.S. cities between 1999 and 2003 at a total cost of nearly nine billion dollars. Sixty-four percent of the funds to build those arenas—approximately $5.7 billion—came directly from taxpayers.[52] In Philadelphia, construction of a new baseball stadium for the Phillies and a new football stadium for the Eagles cost $1.1 billion. City funds supplied $394 million, and state tax revenue contributed an additional $180 million.[53]

In their generative study of urban economics, John Logan and Harvey Molotch argue that urban investors try to trap capital in the areas they own in order to win advantages against competitors elsewhere. Downtown real estate investors and owners try to enhance the value of their property by making their part of town the locus of profitable activity. They increase their profits considerably when they secure public assistance for land acquisition, development, and construction, and when they acquire tax abatements and tax increment financing for their projects.[54] In addition, inequalities among—as well as within—cities force small local units to compete with one another for capital to such a degree that few can afford to withhold subsidies from developers.

During the late industrial era, when Keynesian economics prevailed (1933–1976), urban redevelopment in North America coalesced around progrowth coalitions led by business leaders and managed by elected officials

and supported largely by urban voters. These coalitions often pursued disastrous policies that destroyed inner-city homes in order to build highways, office buildings, and cultural attractions oriented toward the interests of suburban commuters.[55] In order to secure better spaces for large corporate headquarters and in order to build the kinds of cultural institutions required to recruit top-rank executives (symphony halls, art museums, and theaters), local elites felt they had to offer compensatory concessions to a broader population. Banks with money tied up in conventional mortgages and industrialists in need of a healthy and educated work force made charitable contributions to social service agencies. Politicians in need of voter approval for the bond issues that financed new developments made sure that their constituents received services from the city. Bankers, business leaders, and politicians all found themselves (for different reasons) attentive to "place" in the local region that made their well-being possible.

The postindustrial era, however, helped "delocalize" capital. Mergers made large local corporations small entities inside transnational conglomerates. Deregulation made it easier for banks to neglect local investment. Computer-generated automation allowed for "outsourcing," turning high-wage skilled jobs that had to be performed by educated workers in urban areas into low-wage unskilled tasks that could be done virtually by anyone in virtually any place. Containerization and capital flight enabled management to ship industrial production overseas. Forty-four thousand manufacturing workers in St. Louis alone lost their jobs between 1979 and 1982. Even before the presidency of Ronald Reagan, government programs established to aid urban areas were restructured to begin funneling benefits away from inner cities and toward the suburbs, especially funds to develop infrastructures for new (often racially segregated) developments.[56] An astounding increase in the use of industrial development bonds and tax increment financing treated private for-profit developments as if they were public services, shifting resources away from taxpayers and toward businesses that found themselves strapped for capital. State and local governments sold only $6.2 billion of bonds for commercial projects in 1975, but that total climbed to $44 billion by 1982. These tax-exempt bonds cost the federal treasury $7.4 billion in 1983. At the same time, regular bond sales for the construction of schools, hospitals, housing, sewer and water mains, and other public works projects in cities tapered off.[57] Direct federal aid to urban areas fell by 60 percent between 1981 and 1992.[58]

After Reagan's election to the presidency in 1980, the nation's business and political leadership expanded on themes developed during the terms of Richard Nixon, Gerald Ford, and Jimmy Carter to advocate policies cutting federal expenditures on cities in order to "return" money to state and local governments. This "new federalism" emphasized "revenue sharing" and block grants rather than direct federal spending or administration of programs targeting particular needs. Revenue sharing enabled municipalities to take money originally intended for the sick, the old, the very young, and the poor, and instead use it to cut property taxes for the wealthy, subsidize corporate development projects, and increase security and police protection in the new zones of wealth surrounded by blocks and blocks of desperately poor people.

Federal funds for water, sewage treatment, and garbage disposal declined by more than $50 billion per year during the 1980s. State aid to cities dropped from 62.5 percent of local urban revenues to 54.3 percent during the decade. The corporate share of local property tax burdens counted for 45 percent of such revenues in 1957 but fell to 16 percent by 1987.[59] These changes help redistribute wealth upward while fracturing the fabric of local life in urban areas, pitting each governmental unit against every other unit, and creating the preconditions for the kinds of subsidies secured by the Rams in St. Louis.

Proponents of the new federalism proclaimed their intention to return power to the people at the local level. But in reality, these policies were designed to remove local obstacles to capital investment and to break the power of inner-city social movements and political coalitions. First, the new federalism transferred resources and decision-making authority away from cities and toward county, suburban, and rural governments. Second, it left the "public" represented by a plethora of administrative units too small to resist the demands of capital by themselves. Suburban growth, for example, strengthens the hand of big investors by enabling them to play off one small suburb against another.

While purporting to make local connections to place more meaningful, the new federalism and revenue sharing did the opposite, creating deadly competition between places for scarce resources and diminishing the power of those most dependent on local places for residence, work, and community. It also increased the power of those approaching local places as sites for speculation and profit. In short, it delocalized decision making about urban life in order to create new circuits for investment capable of generating massive returns. This pattern not only requires an end to concessions granted to urban residents like those made by the progrowth coalitions in the Keynesian era, but even discourages philanthropy and civic-minded reinvestment of profits back into the sites that produced them. Rather than giving back to urban areas to show themselves good citizens, today's transnational investors expect cities to supply them with subsidies for the privilege of profiting from local sites and resources. In fact, business coalitions like Civic Progress in St. Louis that often speak in support of local subsidies for public-private development are usually dominated by the very local firms most responsible for disinvestment in the local economy and most responsible for the flight of capital to more profitable places.

Tax cuts for the wealthy and transferring programs like Aid to Families with Dependent Children and General Assistance to the states have exacerbated the delocalization of decision making in urban areas. Every time a unit of government cuts necessary services, it increases the pressure on the unit just below. Cuts in federal spending on infrastructure and social welfare put pressure on the states. State cutbacks impose new demands on counties, in turn squeezing the resources of cities. As Sidney Plotkin and William Scheuerman point out, under these conditions "every unit in the sub-national government system must preserve, protect, and expand its tax base at the expense of every other unit."[60] Municipalities within a region compete for low-risk wealthy populations and high-yield establishments like shopping centers. They seek to avoid responsibility for high-risk poor and disabled populations or low-yield high-cost institutions like hospitals and schools. But this competition only produces new inequalities that can be used in a race to the bottom by capital, promoting bidding wars between government bodies that reduce property taxes and other obligations while increasing subsidies and the provision of free services to corporations.

The subsidies offered to sports structures like the domed stadium in St. Louis proceed from this general pattern. In the Keynesian era, St. Louis financial institutions invested in their own region. But since the 1980s they have been shifting investments elsewhere, exporting locally generated wealth to sites around the world with greater potential for rich and rapid returns. Building the domed stadium offered them an opportunity to create a potential source of high profit for outside investors in their region. Large projects like these generate some new short-term local spending on construction, financing, and services. They clear out large blocks of underutilized land for future development. But because they are so heavily subsidized, projects like the domed stadium wind up costing the local economy more than they bring in while they funnel windfall profits toward wealthy investors from other cities.[61]

Although claiming to base their actions on capitalist principles of profit making and risk, investors in the St. Louis domed stadium actually counted on the government to eliminate any risk on their part by passing along debt obligations to the city, county, and state governments. Potential profits projected to result from the project lay not in new consumer spending or the ripple effect it might have on the local economy, but rather on profits derived from real estate speculation by knowing insiders. Here again, federal tax policies make an enormous difference because they encourage speculation and discourage broad-based investment in the local economy. Income gained from investment is treated more favorably in the federal tax code than income generated from the production of actual goods and services. In addition, mortgage interest payments can be deducted from income, depreciation allowances can be taken on newly built property, and in abatement zones property taxes can be waived completely.[62] The tax structure makes developments that are unprofitable for the local region quite profitable for individual speculators and investors.

Business leaders often claim that professional sports franchises have intangible values, that they give a city a "big league" image that makes it easier to attract capital and corporate relocations. But no evidence supports this claim. It is true that individual corporations find it easier to recruit top-flight executives when they can offer them the use of tax-subsidized luxury boxes at sporting events, but nothing indicates that this is a wise investment for the entire area, that it means more to fiscal health of the region than adequate housing, medical care, or schools.

At least twenty-four million dollars a year in city, county, and state tax dollars will continue to be spent on the St. Louis stadium project through the year 2022. That sum could increase, however, because a clause in the stadium contract frees the football team to flee to another city if the money the team receives from the building does not place the Rams among the top eight NFL franchises in municipal subsidies. Yet even if it somehow eventually becomes an economic success for someone, the domed stadium has already been a disaster for the residents of St. Louis. The Rams can always move again. After all, they were the Cleveland Rams before they were the Los Angeles Rams. Even inside Los Angeles, the team moved from the Los Angeles Coliseum to Anaheim Stadium after officials in that suburban city expanded the size of their facility from 43,250 to 70,000 seats, constructed new executive offices for the team's use, and built 100 luxury boxes for use by Rams fans. But when Georgia Frontiere found a better deal somewhere else, the Rams left Anaheim too.[63] The team's lease in St. Louis contains a provision stipulating that the Rams can move to another city or demand a whole new round of upgrades on the stadium if it does not remain among the best in the NFL for ten years.[64]

Subsidies to previous franchises did not prevent St. Louis from losing the basketball Hawks to Atlanta or the football Cardinals to Phoenix. In fact, by using subsidies to provide the Rams with more profit in a metropolitan area with three million people than they could get in one with more than nine million, the backers of the stadium have unwittingly increased the number of their potential competitors. With subsidies like these, professional football franchises can move virtually anywhere and make a profit. The Tennessee Titans, defeated by the Rams in the 2000 Super Bowl, previously played

in Houston as the Oilers, until a subsidized stadium in Nashville persuaded team owner Bud Adams to move his operations there. He could make more money in a smaller city because of government subsidies.

The National Football League will make sure that franchises are limited, that teams will always have leverage with the cities in which they play simply by threatening to move somewhere else. As long as the tax system encourages speculative investment over the production of goods and services, resources will be misallocated into projects like the domed stadium. As long as the federal government abdicates its responsibilities to states and cities, capital will have a free hand, and the public interest will be represented by fragmented government bodies too weak to resist the concessions demanded by corporate interests. As long as urban political coalitions and social movements remain more poorly organized than the representatives of corporate and suburban interests, poor children will continue to pay for projects like the sports stadium in St. Louis out of funds originally intended for education, medical care, and transportation.

Shortly after the domed stadium was constructed and opened, the shopping mall adjacent to it failed and closed. The city's prize convention hotel directly across the street from the stadium filed for bankruptcy protection. Shortly after the new baseball stadium opened, the city of St. Louis raised taxes three times, increased fees for water service, curtailed trash collections, laid off municipal employees, and leased part of Forest Park to private interests to raise funds for park maintenance.[65] Yet even if the convention center and stadium somehow serve as focal points for new business, even if the Rams remain in St. Louis, even if the Super Bowl championship they won in 2000 is the first of many, and even if new stores, restaurants, and hotels are established near the stadium, the vast majority of people in St. Louis will be no better off. Recreational discretionary spending will just shift from one part of town to another, and entrepreneurs in the newly marginalized areas will then demand the same kinds of concessions and subsidies supplied to their competitors. As long as urban real estate investment projects are dominated by global investors, local political leaders will simply be administrators of austerity and supervisors of the subsidies sought mostly by out-of-town investors. Inequalities between cities and within them make it possible to play off one part of town against another, to provoke political leaders from different jurisdictions into bidding wars to obtain high-profile projects. But rather than reducing inequality, urban developments like the domed stadium in St. Louis exacerbate it. They not only take money out of education and health care to service debts incurred by speculators, but they also drain resources away from the precisely targeted "demand side" expenditures (loans for housing and small business, public works projects) that might lessen inequality and increase opportunities and life chances for inner-city populations.

The delocalization of decision making about urban spatial relations leaves residents with little stake in the cities in which they live. It fractures the social fabric, encouraging individuals and communities to monopolize high-yield and low-risk economic activities in areas they control while dumping low-yield and high-risk obligations onto others. Inequality generates poverty and its attendant costs: underutilization of human resources, increased expenditures for health care, impediments to local investment, and the diversion of resources toward increased policing and incarceration. Such practices are not only unjust; they are also inefficient. Cities with the least amounts of economic and social polarization have less crime and experience faster growth. They utilize human resources more efficiently and provide a better quality of life for more people.[66]

At a time when cities should be imposing *more* taxes on profitable ventures like the Rams, when sports arenas should come with long-term leases with large penalties for moves to other cities, the opposite seems to be the case. Whether it is the sports business or the pork and beans business, it has become increasingly difficult to "trap" capital and secure a fair share of the tax burden from business enterprises. But the costs of inaction are far greater than the risks of action on these matters. Efforts to lessen the leverage of the NFL by asking Congress to remove the limited antitrust exemption it enjoys, a revision of the tax code to discourage speculation and encourage more productive spending, and measures to reverse the new federalism's fracturing of political authority by displacing decision making on to small units that are powerless to resist the demands of concentrated capital are measures that would all help residents of St. Louis and other cities resist the plundering that is now taking place in the name of development.

Yet we need to understand as well the role that culture plays in the politics of stadium subsidies. Relentless attacks on public schools, libraries, parks, gyms, transportation systems, and other services over the past thirty years have left people with few public spaces that promote mutuality and commonality in urban areas. The delocalization of decision making has undermined local political organizations and leaders, while the mobility of capital has undercut the critical force of trade unions and other community organizations. The creation of new specialized markets and the emergence of new "lifestyle" differences based on seemingly trivial consumer preferences divide families and communities into incommensurable consumer market segments.

Under these conditions, professional sports fill a void. They provide a limited sense of place for contemporary urban dwellers, offering them a rooting interest that promises at least the illusion of inclusion and connection

with others. This illusion is not diminished by contrary evidence, by the fact that every St. Louis Ram would become a Tennessee Titan and every Tennessee Titan would become a St. Louis Ram tomorrow if they could make more money by doing so, by the fact that team owners preach the virtues of unbridled capitalism while enjoying subsidies that free them from the rigors of competition and risk, by the fact that impoverished and often ill schoolchildren are called upon to subsidize the recreation of some of their society's wealthiest and healthiest citizens.

Entire communities pay the price for the profits secured by speculators and investors from subsidized sports developments. But the aggrieved racial minorities who need public services the most because of rampant discrimination in the private sector suffer most of all. Cruelly enough, the success of Black athletes in St. Louis on the football field every Sunday helps build public identification with a project that systematically deprives Black children of needed educational resources. Nearly two-thirds of NFL players are Black, a demographic imbalance shaped by the very inequalities the stadium project exacerbates. By offering lavish salaries to successful athletes but only a discount education to nonathletes, our society tells poor people that their value as gladiators far outweighs their worth as students or citizens.

The denial of educational resources to Black children in St. Louis because of the domed stadium is not a peculiar aberration in an otherwise just society. It represents just one of the many forms of systematic inequality and injustice that underwrite "business as usual" in our society. Despite claims that the 1964 Civil Rights Act "ended" racism, our society continually devises new ways of rewarding racism and subsidizing segregation. St. Louis students receive meager resources for their educations, but even that small amount is too much for the team owners, developers, and business leaders who use their power to divert resources away from the schools in pursuit of even more wealth for themselves.

For her skill at securing public funds for private purposes, Rams owner Georgia Frontiere was rewarded with a Super Bowl trophy. For his efforts in blocking the implementation of a federal court order and refusing to take responsibility for the obligations that the law imposed on the state of Missouri, John Ashcroft became the attorney general of the United States. Black students and parents in St. Louis, however, who have broken no laws, who instead turned to the federal courts to secure the educational opportunities guaranteed to them by the Fourteenth Amendment have not received the kinds of rewards reaped by the Frontiere and Ashcroft families. In fact, their victimization played an essential part in Frontiere's and Ashcroft's success.

Every Ram victory will be celebrated loudly, but the despair of students deprived of decent educations will be kept quiet. People speaking the language of democracy will continue to broadcast the illusions of "trickle-down" economics to us at high volume, but ever so quietly, they produce not democracy but plutocracy. They sacrifice the rights of citizens in order to subsidize the profits of speculators. In the case of the St. Louis domed stadium, "trickle-down" economics sends a clear message that our society values entertainment more than education, that the pursuit of unlimited profits for the wealthy counts for more than the basic needs of the poor. The exploits of the Rams on the football field make their fans cheer and fill the dome with joyous and high-decibel noise. But quiet as it's kept, the echoes of educational inequality will be heard long after the fans' cheers have died down.

4

The Crime *The Wire* Couldn't Name

Social Decay and Cynical Detachment in Baltimore

We have to bring the cat out of hiding, and where he is hiding is in the bank.
—James Baldwin

The Wire may well be the best program ever to appear on television. In sixty episodes broadcast on the HBO cable network from 2002 through 2008, David Simon's drama about police officers and drug dealers in Baltimore displays a unique understanding of race and place. On this show, criminals, crime fighters, and ordinary citizens are trapped in spaces they cannot control. Urban life is a constant series of small interpersonal meetings, negotiations, and confrontations. Breaking with decades of crime dramas that pit virtuous guardians of law and order against monstrous outlaws, *The Wire* emphasizes similarities between drug dealers and police officers. The criminals and the cops both come from working-class backgrounds. Both have been shaped by the social relations and social codes of the neighborhoods where they were raised. Both view the work they do as "just business," as they fight to survive and long to move up in their respective organizations. Corruption is taken for granted, not only inside the police department and the hierarchy of organized crime, but in every other major urban institution as well: in government, the school system, trade unions, the media, and businesses. Recognizing that the "war on drugs" relies on police practices that produce the very criminality they purport to prevent, *The Wire* demonstrates that individual villainy has systemic causes, that corrupt police officers and criminal sociopaths are the logical and inevitable products of dominant approaches to drug interdiction and incarceration.

Part of *The Wire*'s unusual achievement comes from its approaches to physical place and urban space. The show displays a ferocious attachment