A Brief Tale of Two Neoliberal Governances

The Evolving Redevelopment Rhetoric of Buenos Aires and Chicago

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The neoliberal project applied to cities, suburbs and towns deepens across the globe as inequalities and discord grow. Cities are seemingly the epicenter: Cleveland, Chicago, Buenos Aires, London, and countless other urban locales visibly reflect a stepped-up neoliberalism. As the drive to entrepreneurialize government actions intensifies—to create more responsible and business-oriented citizens, build strong local business climates, and fashion globally competitive, consumption-oriented downtowns—millions of people are hurt (Hackworth, 2007; Peck, Leitner, and Sheppard, 2007). But are the prevailing power blocs (“neoliberal redevelopment governances”) in these cities identical?

This essay supports the notion that neoliberal governances are varied and place-specific, i.e., they are significantly different entities and locally constituted conglomerations of interests. On the ground of the local these formations are humanly crafted and able to be legitimized and reproduced in their routine operations. To be clear, these formations do not arise in isolation; they are profoundly influenced by societal structural forces. But it is in the local that such forces are fundamentally mediated, made sense of, assigned distinctive meanings, and acted on that ultimately breaks down the traditional, simple distinction between “the local” and “trans-local.” Chicago and Buenos Aires are two illustrative examples of urban centers experiencing incredible social dilemmas as a result of neoliberal redevelopment governance actions.

Chicago today is characterized by growing disparities between prosperity and poverty, which is manifested in swaths of gentrified housing (e.g., Lincoln Park, Wicker Park, Bucktown) and upscale downtown zones situated within a broader urban environment of disinvested and struggling communities (e.g., South and West Sides). In particular, gentrification of the Loop and nearby areas resulted from decisive policy objectives that implemented 157

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* I use the term neoliberal redevelopment governance to identify the physical and social transformation of urban space in two case-study cities. I identify redevelopment as a central subset of neoliberal governance; it is its central manifestation in the land and property restructuring realm, which carries the “neoliberal project” to this particular domain. I define neoliberal redevelopment governance as the assemblage of institutions (builders, developers, financial institutions, and the local state) that unify around a common vision of city redevelopment and push to make it a reality. Such institutions work collectively to create planning agendas, bolster such plans through the usage of discursive formations, and implement redevelopment projects through tools and policies.
tax-increment financing districts (TIFs) (in Curran et. al, 2007). In 1999 Chi-
cago’s redevelopment governance forces used their Plan for Transformation to
generally scale down public housing and resell the land to private developers.
This public housing land, situated on Chicago’s south and west sides, for de-
decades was characterized by Chicago’s governance as “problematic and infested
areas” and peripheralized for redevelopment. However, with encroaching
levels of property taxes, discipline is large blocks of devalued land creating a “rent-gap” that
can make redevelopment profitable, these areas (e.g. Bronzeville and Pilsen) sud-
denly appeared on the neoliberal governance radar.

Similarly, Buenos Aires is experiencing major increases in poverty,
deprivation and an increasingly class-segregated city. In housing, reduction of
the public housing budget by 50 percent was inversely proportional to the rate
of construction of housing for middle- and upper-income sectors (Furlong and
Torres, 2000). The reduced public housing budget helps explain why in 2010
an unprecedented 20 percent of the population (600,000 inhabitants) registered
deficient housing conditions in the city. Of these, 100,000 persons live in aban-
doned buildings (Census, 2010), while at the same time, dramatically upscaled
and gentrified neighborhoods now flourish, particularly in the southern areas (La
Boca and San Telmo). A series of governance programs and policies, meant to
cultivate a culturally and socially integrated city, have actively disciplined the
physical environment in the southern areas of Buenos Aires for more affluent
consumers.

Yet, such governances also need to be seen as evolving and fluid as
they adapt in response to shifting economic, political, and social circumstances
(Brenner et al., 2010; Keil, 2002; Leitner, Peck and Sheppard, 2007; McLeod,
2002; Mitchel, 2001; 2004; Peck and Tickell, 2007; Wilson, 2004, 2007). Thus,
redevelopment governances in Chicago and Buenos Aires locally negotiate cul-
tural norms, identity configurations (i.e., race, ethnicity, religion) existing spatial
structures (i.e., public housing), and varying degrees of resistance and political
mobilitation that altogether shape the different trajectories and outcomes of
redevelopment projects. In this context, common understandings and systems of
meanings become essential political tools that governances use to build nor-
malcy, acceptability and legitimacy for redevelopment projects to be successful. Two
different rhetorical strategies are presented below for Chicago-Pilsen and
Buenos Aires-San Telmo in order to illustrate the way neoliberal redevelopment
governances differently negotiate their redevelopment dilemmas.

In Chicago-Pilsen, governance entities use shifting rhetorical strategies in
response to changing realities and contestation: new city economic circum-
stances, increased impoverishment and hunger, growing unemployment, and
increased protest to stall redevelopment projects. Disciplining ethnic neigh-
borhoods through punitive/revanchist rhetoric to advance development at a
critical moment was deemed an increasingly problematic tactic and something
that needed to be refined. In the process, governance revealed its adroitness
by enacting a subtly more humane rhetoric about people and communities. In
previous presentations (from 1990 to 2005), the notion of social pathologies was
frequently invoked to characterize the Latino community of Pilsen.

“Pilsen has become, quite simply, a crime-ridden slum ... a Mexican
ghetto. It is now less a place for decent people and decent families.
The streets have become dangerous, the kids outside [on the streets]
are destructive ... it is a neighborhood that needs to be changed. Hell, I
wouldn’t let my kids or any decent person I know walk these streets”
(in Wilson et al., 2004).
However, post 2005, renderings of Pilsen Latinos increasingly and subtly invoked a more humane resident and community, as seen in the following quote from the Chicago Tribune:

“We have a good mix of working-class and professional people who are fixing up the older buildings, getting involved in the community and putting down roots” (Chicago Tribune, February 18, 2006).

Buenos Aires-San Telmo’s neoliberal governance also adjusted its rhetoric in response to changing social, economic, and political realities. Before 2003, governance negotiated tolerant policies towards the population ocupas (a Spanish slang word that refers to squatters) living in the abandoned buildings. “[The squatters] are a product of the economic recession and the 2001 crisis… they are part of marginalized populations that need to be assisted” (Interview to representative of Department of Housing Policy, May 2002, in Herzer 2008).

After 2003, these policies were at odds with the city’s investment and economic growth. Thus, governance rhetoric turned more punitive and harsh; the lack of housing stock was “menacing”, locals and their impediments to the public good. Even as city-wide cultural unity and city heterogeneity was being espoused, governance articulations now characterized these people and neighborhoods as civic outliers who simply were not functioning as integral to “the desired city.” Between 2003 and 2006 there were increasingly explicit suggestions to eradicate abandoned buildings and negative cultural associations connected with these spaces. Additionally, between 2007 and 2008 the number of evictions and displacements in the city rapidly escalated, resulting in increasing levels of social marginality and deprivation.

“[the squatters] keep constituting an urban ill, not only because they incarnate a crime but also because it is sometimes used to shelter the undesirable ones. (…) an occupied building is always a plague in the urban landscape …” (Interview with local developer in La Nación, March 29, 2004).

Neoliberal redevelopment governance in general is an outgrowth of new economic times and circumstances. Yet, as the shifting rhetoric illustrates, these governance entities are fluid and evolving formations that are continuously being constructed and reconstructed using rhetorical strategies of inevitability and permanence. Understanding this complexity is critical to policymakers and analysts in efforts to make way for more socially just and sensitive redevelopment. More justice-oriented redevelopment can be aggressively pursued in cities based on the knowledge that redevelopment is fundamentally locally constituted, locally driven and humanly crafted. Meaningful social change and the transformation of redevelopment governances often begin with something “supposedly” minor: modifying the rhetoric used to characterize human identities and communities.

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This publication is funded in part by a Title VI grant for National Resource Centers through the US Department of Education.

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