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Urban in Transformation

Cities, Global Processes and
Right to the City

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Abstract

The word city has a double meaning: from one side it indicates a geographic space, from the other it refers to a social reality made up of relations and interactions. This latter quality should be protected and supported as fundamental element of democracy and of a pluralistic society. Indeed, as affirmed by Henri Lefebvre, the city should be considered as intermediary element between the upper level composed by global and national processes, and the lower, private, level. In other words the city works – or should work – as a filter between the abstractness of political ideas and decision and their materialization. Its role appears than fundamental for the elaboration and representation of a critique and of an alternative to the model existing in a specific historical moment. However, the processes of commodification, gentrification, speculation and privatization are threatening this role with no restriction at political and institutional level: the city is no more conceived as oeuvre but as a product, economic rationality and search for surplus is favored over the social effects of the above mentioned processes. This thesis aims at analyzing the processes that are causing the crisis of the city and at demonstrating how the double attack to the city – from above and from below – is transforming the perception of democracy, intended as set of values and as process.

Abstract (Italian)

Il termine città ha una doppia valenza: da un lato indica lo spazio geografico all'interno del quale si sviluppa un determinato insediamento, mentre dall'altro lato tale termine va inteso come realtà fatta di relazioni, incontro, socialità, contrasti e mediazioni. Questa seconda peculiarità dovrebbe essere protetta e supportata in quanto elemento fondamentale di una società pluralistica, eterogenea e accogliente. Come affermato da Henri Lefebvre, infatti, la città deve essere considerata come elemento intermedio tra un livello inferiore, composto da singoli individui, e un livello superiore, rappresentato dall'insieme di processi globali e nazionali. La città, in altre parole, funzionerebbe come filtro tra idee e politiche astratte e concretizzazione di esse. Il suo ruolo appare quindi fondamentale non solo nell'elaborazione e rappresentazione di una critica e di una alternativa ad un modello esistente o in auge in un determinato momento storico, ma anche in quanto attore basilare di un concetto di democrazia intesa come partecipazione. Tuttavia, i processi di mercificazione, gentrificazione, speculazione, turistificazione, privatizzazione, deregolamentazione, stanno turbando tale ruolo senza altresì essere soggetti a restrizioni o limitazioni a livello politico e istituzionale: la città non è più concepita come un'opera bensì come un prodotto, la visione economica e la ricerca e creazione di surplus e capitale viene anteposta agli effetti sociali di tali processi secondo un'ottica prettamente neoliberista.

La presente tesi affronta il problema di come il duplice attacco alla città – dall'alto attraverso politiche globali e nazionali di stampo capitalista e neoliberale, e dal basso attraverso processi di privatizzazione e atomizzazione - stia modificando la percezione di democrazia, intesa sia come insieme di valori che come processo. Infatti, essendo il luogo di concretizzazione locale di politiche e decisioni nazionali e globali, la città rappresenterebbe lo spazio di nascita e sviluppo della critica e della creazione del dissenso, elemento fondamentale di un sistema democratico.

Il primo capitolo affronta l'importanza dell'utilizzo della città come unità di analisi. Tale processo permette infatti di analizzare come i cambiamenti globali plasmino il locale. La prima parte del

capitolo è dedicata alla descrizione del pensiero di Henri Lefebvre e David Harvey e della loro teoria sulla crisi della città. Secondo Lefebvre l'origine di tale crisi risiede nel doppio processo di urbanizzazione e industrializzazione che hanno provocato lo spostamento di grandi masse di lavoratori dalla campagna alla città e la conseguente suburbanizzazione. Il principale effetto di tale cambiamento va ricercato nella costruzione di cosiddetti "quartieri dormitorio", cioè luoghi che rispondono alla sola funzione dell'abitare, escludendo invece ogni spazio dedicato alla socialità e, più in generale, all'urbano. E' quindi nella perdita del senso di appartenenza alla città che secondo Lefebvre va individuata la crisi: la città non è più concepita come un'opera da costruire e conservare, bensì come un prodotto da valorizzare e vendere. Seguendo tale pensiero David Harvey mette in luce come il sistema economico attuale sia incentrato sulla creazione e ricerca di surplus attraverso lo sfruttamento della città. Tale processo è inoltre accompagnato da forme di "distruzione creativa", cioè da un tentativo, spesso riuscito, di riconfigurazione della città e ricollocazione di classi e gruppi all'interno di essa, così come successo nella Parigi dell'800 grazie al lavoro dell'architetto Hausmann. La seconda parte del capitolo è invece dedicata all'analisi delle tre maggiori crisi economiche del '900, le quali sono tutte state precedute da un incremento degli investimenti nel settore edilizio e, quindi, nella città. L'ultima parte del capitolo descrive invece la situazione presente e passata di Atene, al fine di evidenziare non solo come la città sia il luogo in cui i fenomeni globali si concretizzano, ma anche come la supremazia della stabilità economica crei processi di gentrificazione, abbandono e allontanamento.

Il secondo capitolo descrive il tema della trasformazione dello stato e di come la logica del mercato e della competizione si siano affermati attraverso l'implementazione di processi di deregolamentazione, liberalizzazione e privatizzazione. Se quindi da un lato lo stato è diventato minimo, lasciando così sempre più spazio ad attori privati, dall'altro il processo di centralizzazione ha portato a un sempre maggiore potere di controllo e imposizione di decisioni che trovano la loro origine a livello nazionale e sovranazionale, ma applicazione a livello locale. La conseguenza più visibile di ciò risiede nell'approccio sempre più tecnocratico e burocratico alla città: l'esistenza di servizi primari come scuole o ospedali dipende da analisi più legate alla produttività che agli effetti sociali della presenza o meno di tali servizi. Lo stato appare quindi sempre più come un attore che favorisce una visione mercificata della città, piuttosto che colui che ne salvaguardi l'esistenza. Il capitolo prosegue analizzando come la trasformazione del ruolo dello stato e del settore economico dominante influisca e abbia influito anche sul rapporto città-città. Il passaggio da un'economia basata sulla produzione e sull'esportazione ad un'economia in gran parte legata alla finanza e al settore dei servizi ha stravolto l'equilibrio di molte città, dando un nuovo ruolo strategico ad alcune ma isolandone altre. Ne è quindi seguito un nuovo modo di organizzare l'economia della città, individuandone i punti vendibili e nascondendo, o addirittura eliminandone, quelli più critici e meno appetibili. La città non appare più il luogo dei cittadini, ma è trasformata e plasmata dalla ricerca di surplus e capitale. E' proprio in questo punto che si inserisce l'idea di diritto alla città suggerita da Harvey: sono i cittadini e coloro che vivono e attraversano la città che dovrebbero deciderne le sorti, non attori distanti che hanno invece tale potere grazie alla forza del mercato.

Il terzo capitolo ha l'obiettivo di spostare l'attenzione da un'idea di diritto alla città inteso come controllo democratico del surplus creato nella e dalla città a una concezione di inclusione e partecipazione di tutti quei soggetti che ne sono invece esclusi a causa di motivi economici e/o sociali. L'analisi si sposta quindi sugli effetti che i processi descritti nei capitoli precedenti hanno da un punto di vista sia sociale che spaziale. L'esclusione di cui sopra deriva, infatti, dall'unione di processi a prima vista scollegati ma che trovano una sintesi totale se analizzati attraverso la lente della città. L'unione degli effetti dell'attuale mercato del lavoro, generalmente caratterizzato da precarietà e minori diritti e sicurezza, della trasformazione del welfare state e di processi come

gentrificazione, mercificazione e speculazione dello spazio della città appaiono così avere effetti devastanti sulla città intesa, di nuovo, come relazioni e socialità. Il diritto alla città assume così la forma di un diritto basato su un conflitto: quello tra la classe che attualmente gode di tale diritto e di coloro ai quali è invece negato. Tuttavia tale diritto va inteso anche come insieme di tutti quei diritti che sinteticamente vanno riportati al concetto di giustizia sociale.

Il quarto e conclusivo capitolo pone la città come fondamentale elemento democratico. Considerando infatti come elementi essenziali della democrazia le norme socialmente costruite e i processi politici, emerge il ruolo della città come elemento di contro democrazia. I due elementi hanno un rapporto dialettico, nel senso che uno influenza l'altro e viceversa. La città rappresenta lo spazio di costruzione delle norme sociali, ma anche quello dove pratiche politiche si concretizzano. La crisi della città, intesa come perdita della sua abilità di creare alternative ai modelli in auge in un determinato momento storico rappresenterebbe quindi anche una crisi della democrazia. I processi descritti in questa tesi – mercificazione, centralizzazione, gentrificazione, speculazione, esclusione, sfruttamento – sono dunque anche la manifestazione non solo di un continuo allontanamento dalla città, ma anche dalla partecipazione intesa come elemento fondamentale di una democrazia. Alla luce di tale analisi il diritto alla città appare dunque diritto basilare di una democrazia.

Chapter 1: City and Economy

A number of words exists, whose meaning changes and evolves over time. The reality they used to name has changed, while the word has remained the same. Parts of their original elements have endured, but the core has transformed. “City” is one of these words. Carlo Olmo defines it as a “term without owner”¹, a term that does not have a precise definition, a word that everybody can use according to their own need. Indeed, a city can be defined through actual parameters like the number of its inhabitants, its density, its size, or the presence of specific buildings. For example, in the XVI century, under Henry VIII, to define a city as such a diocesan cathedral was enough to guarantee the claim². It may also be determined in opposition to something else, like to the countryside or to the periphery. But a city is not only this. A city is also a living object, a complex system composed of social relations and interactions. Henri Lefebvre uses two words for explaining these two aspects: city and urban. Indeed, there is

“[...]a distinction between the city, a present and immediate reality, a practico-material and architectural fact, and the urban, a social reality made up of relations which are to be conceived of, constructed or reconstructed by thought.”³

There is, then, a distinction between material and social morphology. However this is not a clear separation, in the sense that *urban* and *city* do not exist without

¹ Olmo, C. (2018), p.3

² Bevan, R. *The Guardian* (2014) <https://www.theguardian.com/cities/2014/may/08/what-makes-city-tech-garden-smart-redefine>

³ Lefebvre, H. (1996), p.103

each other. Indeed, the former needs the reality to be achieved, while without society what would be the latter if not a mere agglomerate of buildings? It can be said, then, that the city affects society, at the same time as society affects the city. It is in this idea that it is possible to find the evolution and transformation of the city that, from now on, must be considered as the synthesis of the concept just explained.

1.1 Lefebvre and the crisis of the city

Henri Lefebvre⁴ affirms that “the city is gone” meaning that the old city, as people used to know and imagine it, does not exist anymore. The causes of this end are to be found in the double process of industrialization and urbanization. Industrialization produced the moving of big masses of workers from rural to urban areas and the consequent building of new houses. This created what Lefebvre calls “implosion-explosion” of the city, meaning both the increase of the number of inhabitants and the enlargement of the city itself. However, Lefebvre does not only refers to numerical or spatial phenomena. Indeed, the city grew around the center, but without creating any social link with it nor reproducing the social interactions that used to characterize it. The urbanization originated by industrialization has created big residential areas and single-family houses, where the old functions of the city do not exist anymore. The idea of “inhabit”, meaning participating to social life, being part of a community, meeting, confronting people, discussing with people, creating relations with people and having to relate with different ways of life and thinking, was completely eliminated from this areas.

⁴ *Ibid.*, p. 148

This notion was then replaced by the one of habit, which must be understood as the isolation of one function only. The atomization of people's life was the consequence of the deprivation of the old urban consciousness.

“With “suburbanization” a process is set into motion which decentres the city. Isolated from the city, the proletariat will end its sense of the oeuvre. Isolated from places of production, available from a sector of habitation for scattered firms, the proletariat will allow its creative capacity to diminish its conscience. Urban consciousness will vanish.”⁵

The vanishing of urban consciousness and the loose of the sense of behaving causes the shift of the city from being an *oeuvre* to be a product. The city is not considered a public good anymore. In this context public good do not only refer to the property, meaning that is owned by everybody, but also refers to the concept of community that used to surround the city. The use value of the city is then substituted by the exchange value. The city witnesses the commodification of its spaces, their exploitation, their implication in the economic processes of valorization and search for surplus, while citizens loose the sense of the city as a space for interacting, relating, participating. This is, then, what Lefebvre calls “the crisis of the city”: a complex interaction of processes that find their origin in the industrialization and urbanization and that affect both the city itself and its citizens.

Lefebvre defines the city as “a projection of society on the ground”⁶. It follows that the crisis of the city is also a crisis of society, while at the same time society itself creates the crisis of the city. It is society based on the search for surplus and for a

⁵ *Ibid.*, p.77

⁶ *Ibid.*, p.109

continuous increase of the capital that has created the crisis; it is the capitalist society. Tendency towards homogenization of lifestyles, engineering of everyday life, monotony of the labour process and the normative constraints of the modernized urban everyday life are the social effects of industrialization and urbanization. It can be stated, then, that Lefebvre sees a double crisis: one of the city itself and of its spaces, and one of society. It must be underlined, however, that these two are extremely interconnected and they affect each other at the same time and with the same weight. As explained by Schmid⁷, the city is attacked from “above” and “below”, both from the logic of the global market and from the individual logic. The result of this is the dissolution of the urban and of what it used to be and to represent.

1.2 David Harvey and the city

Lefebvre is not the only one to affirm that the old city is gone. Indeed, David Harvey affirms that:

“The traditional city has been killed by rampant capitalist development, a victim of the never-ending need to dispose of the over-accumulating capital driving towards endless and sprawling urban growth no matter what the social, environmental, or political consequences.”⁸

His starting point is that urbanization (meaning not only the construction of new buildings, but also of new infrastructures) has been and is the main means used by capitalism in order to absorb the surplus it constantly produces. The

⁷ Schmid, C. (2012), p.47

⁸ Harvey, D. (2012), p .xv-xvi

construction of houses and infrastructures allows the capitalist first to invest his money in the building, and then the game goes to the bank, that lends money to those who want to buy houses through credits. This is a very simplistic explanation of a more complex system, one that is even more complex today thanks to the new financial instruments that increase the possible exploitation of cities and of citizens. His theory allows a shift of vision: from a focus on capitalism itself to a look at how the mechanisms of capitalism shape the city, which, in turn, becomes the main protagonist and recipient of the process. Reshaping the urban, however, implies also forms of “creative destruction”:

“Surplus absorption through urban transformation has, however, an even darker aspect. It has entailed repeated bouts of urban restructuring through “creative destruction”. This nearly always has a class dimension, since it usually the poor, the unprivileged, and those marginalized from political power that suffer first and foremost from this process. Violence is required to achieve the new urban world on the wreckage of the old”.⁹

If for Lefebvre urbanization leads to an “implosion-explosion” of the city, for Harvey it leads to a “creative destruction”. This destruction concerns not only buildings, but also society itself or, using Lefebvre’s words, the urban. Again, one does not come without the other. Harvey affirms that this process is also part of a class struggle, where capital and capitalists needs to destroy both the old society and buildings in order to create the new society they want in that specific place. It is the power of the capital and of ideologies against the power of grassroots resistance. The people who usually loose from this are the poor, the marginalized,

⁹ *Ibid.*, p. 16

the oppressed, the working class and the excluded that, in Marcuse¹⁰'s words, are the deprived. The goal of this process is double: to create a new order and to use and gain new surplus of capital. Haussmann's project during the second half of the 19th century in Paris is a good example of this. This architect had been called by Napoleon III in 1853 and was in charge of redesigning the urban infrastructure of Paris. The goal of the operation was both the use of non invested surplus of capital, the absorption of huge quantities of labour, given the unemployment problem of the time, as well as a reconfiguration of the city aimed at controlling it and at "maintaining the order" more easily. With this goal in mind he "replaces winding but lively streets by long avenues, sordid but animated quarters by bourgeois one".¹¹ The use of labour allowed the social stabilization as well as the use of capital and its re-creation through the money first given to and then spent by the workers. The reconfiguration of Paris, instead, transformed the whole city, that became " 'the city of light', the great center of consumption, tourism and pleasures-the cafés, the department stores, the fashion industry, the grand expositions - all changed the urban way of life in ways that could absorb vast surpluses through crass consumerism"¹². Given this description, I think it is obvious to outline which classes were excluded from this kind of urban life, and which type of new urban citizen it created. The Paris example refers to a renewal of a specific territory where the money invested had a regional character. Today, instead, the story is different. Indeed, thanks to the globalization and to the deregulation of the finance, urbanization has a new scale, a global scale, first in

¹⁰ Marcuse, P. (2012), p.31

¹¹ Lefebvre, H.(1996), p.76

¹² Harvey, D. (2012), p.8

the sense that it is no more concentrated in few regions of the world only; second this indicates that globalization and deregulation has allowed a greater number of actors, also of those that do not have a direct contact with a specific area, to be the main characters in the making of big urban renewal: the integration of world financial markets and their flexibility and ability to debt-finance has allowed the exploitation of cities and their spaces as well as the construction of big infrastructures by foreign investors. Many times these renewals have not considered the effect on environment, on the health of the people and on the social stability, but they have only served the logic of the market.

1.3 Cities and crises

It is evident now the economic aspect of the “creative destruction” process of urbanization. With Harvey the city becomes the central point for the analysis of economic crises and for their recovering. In a capitalist society, indeed, surplus is generated not only through investments in the production process, but also in the built environment. However, as claimed by Harvey, in the capitalist production process there is an inherent tendency toward over-accumulation, whereby “too much capital is produced in aggregate relative to the opportunities to employ the capital”¹³. The problem of over-accumulation – that, among others, includes falling rates of profit and idle money capital – is solved by capitalism through the so-called *capital switching*, meaning a substantial switch of investment in the built environment in an attempt to slow and circumvent crisis’ most immediate outcomes. However, this is only a temporary solution, one that do not solve the

¹³ Brett, C. (2011), p.1348

problem, but only delay its burst¹⁴. Despite the fact that finding of data for the analysis and proper identification of *capital switching* preceding financial crisis is not an easy task¹⁵, looking back it is possible to pick up mainly two crisis that, by the way, were preceded by an increase of investments, and in general of money circulating in the built environment: the 1929 and 2008 crisis. The crisis of 1968, that in some aspects went on for the whole '70s, was partly caused too by the role of finance in the built environment.

1929 is commonly known as the year of the stock market crisis, however as explained by Goetzmann and Newman¹⁶ not only the crisis was preceded by a real estate boom, but also the interplay between financial speculation and real construction have been a crucial aspect for the following crisis. New York and Chicago witnessed the main urban construction boom, while Florida experienced high speculation with people coming from the whole country for buying lots. Indeed, if between 1922 and 1931 in New York were constructed more buildings taller than 70 meters than in any other ten-year period before, between January 1919 and September 1925 in Miami the average nominal value of a building permit grew from \$89.000 to \$7.993.500, or, 8.881%¹⁷. In Florida selling lots was so easy that the standard joke at the time was: "a native saying to a visitor, 'want to buy a lot?' and the visitor at once replied: 'Sold'"¹⁸. Goetzmann and Newman well explain how the boom was firstly surrounded by different financial mechanisms mainly rotating around the built environment, but ultimately it was exactly this

¹⁴ See also: Brett, C. (2011)

¹⁵ *Ibid.*

¹⁶ Goetzmann, W. and Newman, F. (2010)

¹⁷ *Ibid.*, p.2

¹⁸ Rapp. D. (2009), p. 122

scheme that caused the market to collapse. Indeed, they affirm: “that publicly issued real estate securities affected real construction activity in 1920s and that the breakdown in their valuation, through the mechanism of the collateral cycle, may have led to the subsequent stock market crash of 1929-30”¹⁹.

After the second World War the United States, moved by “strategic interests”, launched the Marshall and the Dodge plans as solutions to make the economy start again and as responses to the need to rebuild bombed and destroyed cities and infrastructures in Europe and Japan. From 1948 to mid-1952 more than \$13 billion were distributed to fourteen countries in Europe in the form of direct aid, loan guarantees, grants and necessities from medicines to mules. Thanks to these programs a big amount of dollars started to circulate and for many years United States kept printing and selling dollars abroad through investments, aid and military aids, with the goal of providing dollars to countries that were in shortage of it due to the war, but especially in order to finance the imported inputs needed to get American exports going again. However, by the end of 1950s the dollar shortage was over and, in contrast, the world started to be in dollar overhang. Since economy was still working under the Bretton Woods regime, the situation became problematic when the ratio between dollars circulating and gold possessed by the Federal Reserve was no more credible. The consequences of these events are known, with the begin of a financial crisis in 1968, the run to exchange dollars into gold, governments of the time trying to find a common solution to save the Bretton Woods system, and the de facto end of it in 1971

¹⁹ Goetzmann, W. and Newman, F. (2010), p. 2

under the Nixon's administration²⁰. However, according to Harvey the reason of the 1968 crisis was not only the dollar's overhang, but also the support given by credit institutions that had powered the property boom in the preceding years.²¹

The destructive effects of the second world war are among the main causes of the just mentioned boom. In Italy, for example, building sector has been the main one from the end of the war until 1970s, according to data that relate the per capita income level with the weight of the building sector on the national economy²². Urbanization, infrastructures and production plants can than all be seen as processes that stimulate the first phases of economic growth. Looking through these lenses, Italian building sector stopped to be the driving one in the 1970s, hence when economy was already industrialized. This idea reminds the explanation of the two poles of capitalism that claims the presence of an inherent division in capitalism: on the one hand there are the *money-capitalists* that control enormous accumulations of funds, while on the other hand stand the *employers of capital* who manage the enterprises.²³ The fact that they are different and, symbolically, at two different poles is fundamental, because:

“By being distanced and relatively autonomous from the employers of capital in the productive sector, the money capitalists can pick and choose what sector they advance money capital to. If a branch has reached ‘maturity’, barely achieving the average rate of profit, then resourced of value from that sector as well as fictitious money can be

²⁰ For a more accurate explanation of these events, see: Eichengreen. B. (2010). “Exorbitant privilege. The rise and fall of the dollar”, Oxford University Press

²¹ Harvey, D. (2012), p.10

²² Girardi, D. (2012) <http://www.reconomics.it/costruzioni-e-crescita-economica-in-italia-1950-2011/>

²³ Gowan, P. (1999), p.12

advanced to other sectors which seems likely to produce higher rates of return. Through such redeployments, the financial system in the hand of the money capitalists is supposed to spur growth.”²⁴

Such a description of relation of roles makes the system appearing as almost perfect and self-balancing. However, the balance between the two poles is only partly governed by the business cycle: institutional design and the state have an impact on this relation too. The state, for example, can decide to keep money capital out of whole sectors of the credit system. But the point here is an other: having in mind the just mentioned explanation of the two poles of capitalism, it could be said that in the 1970s building branch had reached “maturity”, and here would stay the reason why investments in this sector stopped to grow. However, in addressing the causes of the crisis, the role of credit institutions and of the way they lensed money should be taken into consideration, as suggested by Harvey. Had it been the case, this would be an other example of how the instruments of finance have effects on our cities and, then, on our lives. Moreover, it is interesting to note again how a crisis, that officially was due to other factors, is again preceded by a boom in the built environment. In addition, Italy witnessed another boom in urban infrastructure investments that preceded another and more recent crisis: the one of 2008. Indeed, as showed in the figure below (Figure 1), investments in the built environment increased until the mid-70s, then they slowed down and almost stabilized until the new growth in the mid-90s and finally deeply fall again after 2008.

²⁴ *Ibid.*, p.13

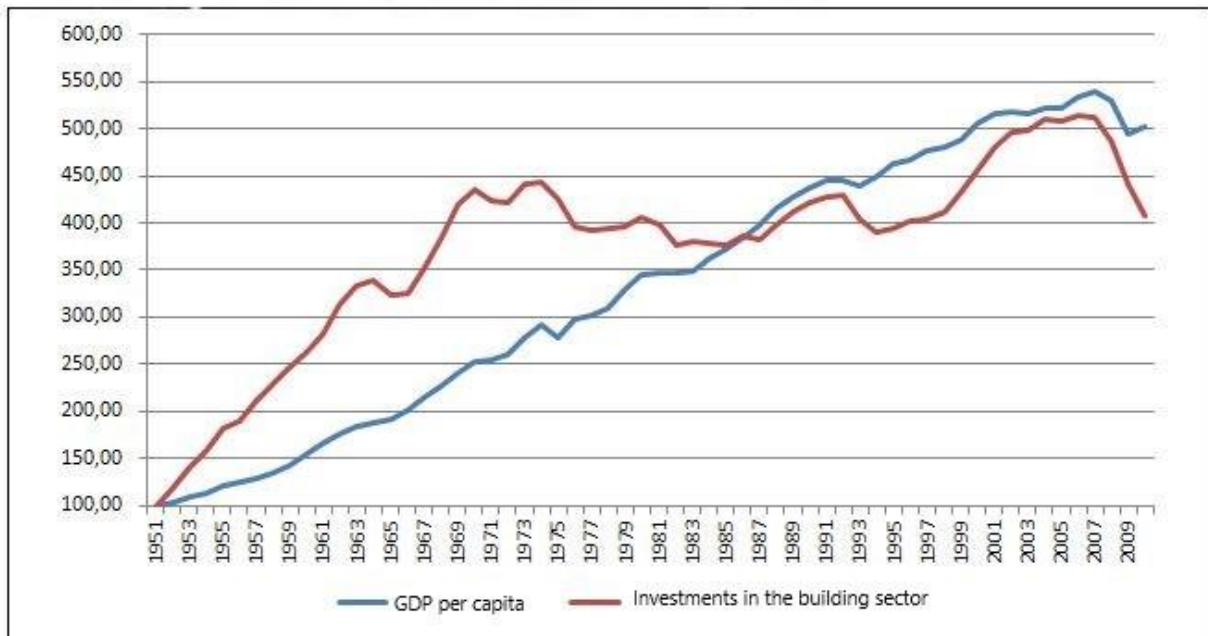


Figure 1: GDP per capita and investments in the building sector in Italy between 1951 and 2009

1.4 The New York crisis

1968 global crisis and credit institutions were the causes of another, more local and peculiar, decisive moment: the financial crisis of the city of New York. This case has some elements in common with the Paris one described above. In both cases, indeed, the final outcome is a reshaping of the urban society and a stabilization of “*the order*” or, better, of restoration of class power. The difference among the two cases is to be found in the means: in Paris the outcome was achieved through the architectural reconfiguration of the city, while in New York through the power of the finance. The New York crisis burst in 1975, when its debts were so high, that the city risked the bankruptcy. In the years before the crisis the city had continuously been borrowing money, in order to maintain the city life’s standard as well as a high level of welfare state. The problem arose when banks started to refuse to lend more money. There are mainly three reasons why New

York had to borrow so heavily: firstly to finance capital projects, like the construction of schools, public buildings, highways, sewers and similar projects. The second purpose was to match its income flow to its expenditure pattern: here the problems was in the fact that city expenditures were more frequent than city revenues, from which derived an incongruity in the cash balances, that had to be balanced through loans. The third reason is linked to the second one, so the fact that New York had to borrow every month, regardless of how unattractive market conditions could be in order to pay its pending debts and to finance the shortfall between current revenues and expenditures.²⁵ Given these reasons, it is quite evident the fact that this type of financial mechanism had been going on for many years, and then why the crisis spread exactly in 1975? Why banks decided not to lend anymore? Again, reasons are many, and short and long-term factors can be identified: a loss of investor's confidence in the credit worthiness of the city; the ongoing recession that had caused high unemployment and stationary incomes; the mass migration from rural areas in the years preceding the crisis and the following increase in aging that, combined with the unemployment factor and the failure of the city's tax base to grow as rapidly as its revenue requirements²⁶. But what is interesting in this story are two interlinked outcomes: the fall of New York's working class and the restoration of class power. The crisis, then, was not only fiscal but also political. The banks that owned the debt of the city, indeed, used their leverage in order to impose measures aimed at reducing the power of the working class and of municipal unions:

²⁵ Congressional Budget Office (1975)

²⁶ *Ibid.*

“The effect was to curb the aspiration of the city’s powerful municipal unions, to implement wage freezes and cutbacks in public employment and social provision (education, public health, transport services), and to impose user fees [...]. The final indignity was the requirement that municipal unions should invest their pension funds in city bonds.”²⁷

The huge public system, the huge number of public institutions that benefited the working class and the poor - the public housing system, a cheap and extensive subway service, hospital and health clinics, schools and libraries, museums and parks, welfare centers and anti-poverty programs - all disappeared²⁸ and within a few years many of New York’s working class achievements were destroyed. Instead, “corporate welfare substituted for people welfare”²⁹. The priority became the creation of a good business environment, that was achieved through lifestyle diversification, increasing consumer niche choices; the use of public money for building infrastructures for business and the reconfiguration of the city’s economy around financial activities. New York’s parable appears peculiar and especially clear in order to show how the actions on a city and the resolution of its problems can have great effects on the life of its citizens, on its society as well as on its environment. Moreover, as explained by Harvey:

“The management of the New York fiscal crisis pioneered the way for neoliberal practices [...] It established the principle that in the event of a conflict between the integrity of financial institutions and bondholders’ returns, on the one hand, and the well-being of the citizens on the other, the former was to be privileged. It emphasized

²⁷ Harvey, D. (2005), p.45

²⁸ Maisano. C. *Jacobin Magazine*, (2017) <https://www.jacobinmag.com/2017/07/new-york-fiscal-crisis-debt-municipal-politics-elections-socialists>

²⁹ Harvey, D. (2005), p.47

that the role of government was to create a good business climate rather than look to the needs and well-being of the population at large”.³⁰

Creation or, better, restoration of a good business climate at the expenses of the people; concretization of a principle according to which power under capitalism is to be found outside the electoral arena; modification of our cities; application of austerity measures and the urban crisis that followed – these are all elements that remind of a more recent and global crisis: the 2008 crisis.

1.5 The 2008 crisis

Speculation and capitalistic valorization of the city are among the main causes of the 2008 crisis. Speculation, moreover, has been done on that part of the city that has been molded as the arrival point of a successful life: the property house. As explained by Rapp, this system allowed households to use their houses as ATMs in three ways: “(1) by selling their houses at inflated prices, (2) by refinancing their mortgages at higher level of principal, and (3) by acquiring ‘line of credit’ loans in addition to their mortgage(s) using their houses as collateral”³¹. This fictitious money was used for general consumption, and for the maintenance of the whole economy. A whole economy that was then based on the exploitation not only of houses and properties, but also of the inducted desire of accumulation, of wealth, of “improvement”. As generally known, the crisis originated in the United States as consequence of the house bubble that grew in the years preceding the crisis. Finance, its deregulation and a very low level of control have been the main factors

³⁰ *Ibid.*, p. 48

³¹ *Ibid.*, p. 225.

for the creation of this bubble. The image used by Harvey for describing it is very explanatory: he compares the real estate market to a Ponzi character: you buy a house, the price of your property rise and the growing demands moves other people to buy and to re-sell the property at a higher price. But when the pool of creditworthy buyers expires, the easier solution is to sell to higher risk consumers, who can gain by selling the property again when the price rises. Such a system goes on until the bubble pops³². In a very simplistic way this is exactly what happened in the 2008 crisis, caused by the collapse of the real estate mortgages and more precisely of subprime mortgages, a specific type of loan extended to individuals with poor, incomplete or non existent credit histories. This process was mainly allowed by banks, agents and appraisers that offered mortgages with no money down, with initial low interest rates and with little or no checks on the ability of the borrower to make payments³³.

The crisis started in the United States with the subprime loans given to the so called NINJA people – no income, no job, no asset. This should be read, as Ugo Rossi³⁴ suggests, as a neoliberal attempt to include these people in the market. In a different society, indeed, the role of providing houses to those in need should be played by public house offices. However, the neoliberal phase had largely reduced the role of these institutions, especially in the United States, as the New York crisis described above has showed. This mechanism appears to be firstly a “passive exploitation”, in the sense the people are used for the mere aim of

³² Harvey, D. (2012), p.48

³³ Rapp, D. (2009)

³⁴ Rossi, U. (2018)

creating fictitious capital through the issuance of loans, hence of money that then allowed house demand to rise or that were spent in any field of the economy, as well as for the securitization of the mortgages that were issued through the loans. For “active exploitation”, instead, I mean the process through which, once the inability of these people to refinance their debts came to the surface, their house was seized and other money could possibly be taken through taxes or, more generally, through austerity measures: the individual actively, though not voluntarily, participated to the reconfiguration of the market. Through this passive and active exploitation the crisis has been firstly created and then (partly) solved.

The 2008 crisis has been a crucial point in the last years. The effects of the crisis have been not only economic. In Europe it has produced a strong anti-Europe feeling due to the austerity measures imposed from above that have consequently caused the growing spread of nationalist, populist and xenophobic movements. The power of finance and the will to save first banks and then people has caused growing rates of poverty, dissatisfaction, frustration, unemployment, huge cuts to public expenditures with consequences on the welfare state and on all the public services. Cities have suffered as well, both their architecture and their society. The exploitation of cities has grown due to the fact that the recovery of the capitalistic economy has been strongly based on the valorization of what cities can offer³⁵. Airbnb, Uber, and other digital platforms have been launched after 2008 and described as new ways for earning extra money. Their evolution, especially of Airbnb, well show how cities have become the space for capital extraction. Airbnb,

³⁵ *Ibid.*

indeed, is now identified as the main factor of a growing – and not anymore accepted – process of tourism and gentrification in many cities, like Amsterdam, Venice, Barcelona, and Athens. The latter is among those cities that most suffered the effects of the 2008 crisis, hence the next part of the chapter will be dedicated to its analysis.

1.6 Athens

In October 2009 the newly elected Greek prime minister Papandreou revealed that Greece's budget deficit would have exceeded 12 percent of GDP, nearly double the original estimates announced by the preceding government. The announcement costed the country a downgrade by the credit rating agencies of its sovereign debt to junk status in early 2010. To save the country, that was in risk of default, Greece was provided with loans by the International Monetary Fund (IMF) and the EU, in exchange to committing to a series of austerity measures, including 30 billion euros in spending cuts and tax increases. This first maneuver was then followed by more austerity measures, more loans, purchase of government bonds by the European Central Bank, all in order to boost market confidence and prevent sovereign debt contagion throughout the eurozone. Up to today, Greece owes the EU and the IMF roughly 290 billions €³⁶. The cost of "saving" Greece has been not only economic, but also (and mainly) social. The austerity measures, indeed, have increased the unemployment rate and the number of people at risk of poverty. Athens is a concrete example of the effects of these measures. In early 2017 the 28% of the shops in downtown Athens were

³⁶Council on Foreign Relations (2018) <https://www.cfr.org/timeline/greeces-debt-crisis-timeline>

closed, according to the data of the Hellenic Confederation of Commerce and Entrepreneurship (ESEE)³⁷; many of its buildings are falling into disrepair or have already been pulled down due to the bank loans frozen and tax increases that have transformed home maintenance into a luxury difficult to afford³⁸; construction and maintenance of public works and infrastructures has been paused; the number of homeless people has increasingly grown as well as of unemployed people.

Looking at Athens through Lefebvre's eyes, it can be stated that a cultural and social crisis pre-existed before the economic one. The city has witnessed a continuous growing of inhabitants since the end of WWII, and today hosts half of the country's population. The way the city enlarged caused the "implosion-explosion" phenomenon in all its aspects. At first, the new population was directed to the central city and to the working-class districts. The increasing number of the population caused the enlargement of the suburban areas, while their population remained quite small, and their dependence from the central city still a fact. With time, the saturation of the center, the expansion of the middle class and the attraction of the new suburban way of life led to a further expansion of the suburbs. The urbanization and detachment of suburbs from the center became real, thanks to the decentralization of many functions (employment, commerce, entertainment, health services, culture). The escape from the city must be read firstly as a consequence of the spreading of the modern lifestyle focused on

³⁷ Makris, A. *Greek Reporter*, (2017) <https://greece.greekreporter.com/2017/06/12/percentage-of-closed-shops-in-central-athens-up-to-28-in-early-2017/>

³⁸ Smith, H. *The Guardian*, (2017) <https://www.theguardian.com/cities/2017/sep/12/athens-modern-heritage-austerity-neoclassical-architecture-acropolis-greece>

atomization, consumerism, homogenization, and individual logic. Secondly, migration to the suburbs was motivated also by a growing fear of otherness and of crime, as well as by a desire for increased social segregation.³⁹ The last suburbanization of Athens has then be the last step in the process of destruction of the “old city”.

“The suburbanization of the recent decades appears, moreover, as the logical outcome of an ideology which privileges expansion, newness and the present, instead of preservation, maintenance and the future. [...]In this light, recent suburbanization appears as a material and ideological process that reinforced consumerism, political apathy and cultural impoverishment and contributed to the survival of a destructive and unsustainable mode of urban growth.”⁴⁰

It must be underlined here that Greece did not experienced a process of urbanization as huge as in other countries, hence the causes of suburbanization should not be addressed to it. However, as Leonidas Economou suggests, they must firstly be found in the urban politics of the city that has mainly been focused on suburbs, while central areas were largely abandoned and left to the decline. Consequence of this has been, as explained above, the escape from the city, and the replacing of older inhabitants with immigrants and refugees. The final reinforcement of transformation and creation of independence of suburbs in Athens was then achieved through the great infrastructures built for the Olympic games of 2000 that connected for the first time the three physical components of Attica (Lecanopedio, Thriasio, Mesogeia).⁴¹

³⁹ Economou, L. (2014)

⁴⁰ *Ibid.*, p.16

⁴¹ *Ibid.*, p.14

The second suburbanization factor is to be found in the media and in the advance of consumerism in Greek society and culture, and by the fact that “the sites for new consumer lifestyles were located there”⁴². A house in suburban areas was also presented by the media as the new ideal, as the best place for possession and display of goods, as well as for the perfect location for the real enjoyment of modern life. And people enjoyed that kind of life, identifying themselves not only through the acquisition of consumption objects, but also consuming those objects in targeted places, marking then the formation of neighborhoods with specific class identities.

The definition of Athens “as a failed city for consumption”⁴³ strongly clashes with the description given above of a “world-class” city for consumption. Indeed, if in the 80s and 90s the city has witnessed a consumption-led model of urban and social transformation,

“present-day Athens is the world’s ‘failed’ consumer city par excellence: comprising ‘zombie’ retailscapes for increasingly disempowered consumers who still mourn the dramatic decline of their spending power and unfulfilled consumer desires that seem all the more unreachable”⁴⁴.

Identification through consumption is then no more possible in a society where in only four years the average salary has been reduced by 40%. However, if Athenians citizens can no longer consume as they used to, it is the whole city that is consumed by Athenian elite, speculators and visitors in general thanks to

⁴² *Ibid.*, p.16

⁴³ Chatzidakis. A. (2014)

⁴⁴ *Ibid.*, p.36

processes of gentrification and privatization. The latter is part of a massive program all around the country and whose main promoter is the Hellenic Republic Asset Development Fund (TAIPED), an organ created in 2011 with the goal of selling all state's assets transferred to it, in order to "re-establish credibility, itself the basic pre-requisite for Greece's return to global capital markets"⁴⁵. Looking through TAIPED website it is possible to see all the assets for sale, those that have already been sold and those in process to be sold. There is a great variety of assets: highways, buildings, airports, coastline and societies that provide different types of services. In Athens TAIPED is selling the Marina of Alimos, the biggest marina in the Balkans; the Athens International Airport; and the Athens Water Supply and Sewerage Company (EYDAP). Water privatization has been a deeply and strongly discussed issue, given not only the importance of water, but also the fact that cities like Berlin or Paris have bought back water utilities they sold just last decade⁴⁶. Thanks to the refusal of people and of part of the government, the sale has been partially stopped, meaning that only a percentage of EYDAP stakes will be sold to private investors, hence cancelling the full privatization of the water company. A little reminder: the massive privatization has been strongly advised and supported by the EU.

The process of gentrification in Athens begun well before the financial crisis: it dates back to when the infrastructures for the Olympiads were built. A "state of exemption" mind was in place at the time, and thanks to it " the central state

⁴⁵ Hellenic Republic Asset Development Fund, <https://www.hradf.com/en/fund>

⁴⁶ Mathiesen, K. *The Guardian*, (2015) <https://www.theguardian.com/sustainable-business/2015/aug/14/germanys-hypocrisy-over-greece-water-privatisation>

passed planning amendments to assure profits from works undertaken by a multitude of fragmented agents of the state, local authorities and public – private partnerships, while any environmental and social consequences were suffered by the local population”.⁴⁷ The same “state of exemption” mind has been used for the implementation of austerity measures, for example facilitating processes of speculation, of which the privatizations mentioned above are an excellent example. Moreover, urban planning has always been almost non-existent in Greece, encouraging spontaneity in city development and with the elaboration of planning laws only after the modification of the landscape. The reasons of this phenomenon are to be found in the central control of local processes, hence in a centralization that causes non active participation of the state in this field. Indeed, non-action by the state, like “liquid strategy promoting gentrification, tolerating speculation and overlooking displacement”⁴⁸, are in the end actions, in the sense that they produce effects, one of the main being the process of gentrification. Gentrification, indeed, can be defined as a “urban process related to emerging investment opportunities, spatial displacement and dispossession of the vulnerable”⁴⁹. This process involves transformation of neighborhoods, from popular – or working-class type – to entertainment playgrounds, where everything is simply perfect and at your disposal. Moreover, gentrification has been hailed as the best solution not only for recovering from the crisis, but also for re-generate those neighborhoods that have been neglected by urban policies due to spending cuts and the consequent lack of money. The neutralization of the negative effects

⁴⁷ Alexandri, G. (2018), p.39

⁴⁸*Ibid.*, p.36

⁴⁹*Ibid.*, p.36

of this process is the starting point of its evolution. The displacement of people, the rise of rents, the loss of the old soul of places sold for the profit are effects that should not be mentioned. The final result of gentrification is then what Harvey would call “creative destruction”, hence “the socio-spatial purification and class appropriation of contested spaces”⁵⁰. Metaxourgio, an inner city area of Athens, has been deeply changed by this phenomenon. Indeed, despite gentrification had already started, it intensified with the crisis, when economic incentives for further rehabilitation of this area were implemented. These incentives comprehend: tax reduction for the restoration and rehabilitation of dilapidated buildings, reduction of conveyance tax to 3% (while in other parts of the city is 10%), and tax exemptions for restoration costs. All these reductions were directed to a specific part of the population: those who still owned capital and had the economic capacity to restore buildings. Poorer households, indeed, did not receive any tax breaks or fiscal incentives; instead, they experienced tax increase and reduction of their salary. Through the crisis, then, the process of gentrification experienced an acceleration and many people were forced to move to another part of the city due to the rent increase. In this process, it is important to note how the state has a primary and active role in shaping the urban and social development of a city and in causing abandonment and displacement of people from one area to another.

“Abandonment drives some higher-income households out of the city, while it drives other to gentrifying areas close to downtown. Abandonment drives some lower-income household to adjacent

⁵⁰*Ibid.*, p.38

areas, where pressures on housing and rents are increased. Gentrification attracts higher-income households from other areas in the city, reducing demand elsewhere, and increasing tendencies to abandonment. In addition, gentrification displaces lower-income people – increasing pressures on housing and rents. Both abandonment and gentrification are linked directly to changes in economic polarization of the population. A vicious circle is created in which the poor are continuously under pressure of displacement and the wealthy continuously seek to wall themselves within gentrified neighborhoods.”⁵¹

Abandonment and displacement are the effects of another process that is now going on in Athens and that is due to external forces that come from above. I am referring to the rent increase in the whole city caused by the so-called golden visa, a special scheme that allow non EU-citizens to receive residency and free movement in the EU’s Schengen-zone, in exchange for investing in property. With a law of 2014 Greece has introduced the lowest threshold among European countries: to gain a golden visa you are required to invest in property a minimum amount of 250.000 euro. The aim of this operation is obvious: attract foreign investments in order to, they say, re-activate the economy. The obtainment of this visa is quite fast and simple, as the advertising video of Enterprise Greece – the official agency of the Greek state in charge to issue these visas – shows: you can apply for it on the web, and only need to go to Greece once in order to sign⁵². This scheme had and is having great success: the number of residence permits given to non EU investors has continuously increased from 2014, when 444 permits were

⁵¹ Marcuse, P. (1985), p.196

⁵² Enterprise Greece Invest & Trade <https://www.enterprisegreece.gov.gr/en/greece-today/living-in-greece/residence-permits>

issued, to 2018, when 3620 permits have been distributed⁵³, with Chinese and Russians as the main buyers. If from one side this scheme permits the entrance of a huge amount of money in Greece, on the other side this is done at the expenses of the citizens. Due to the crisis, indeed, property market in Athens was completely dead, but now prices are increasing due to golden visas and processes of gentrification. According to the Greek rental site Spitagotas rents prices have risen of 17% in 2018, forcing many Athenians to move to other areas of the city. Since prices in central Athens fell a lot during the crisis, foreign investors purchased more than one apartment and rent them out on Airbnb, causing then the increase of house rents and the abandonment of many areas by Greek people⁵⁴. Harvey's creative destruction process is then materialized also through this type of mechanism that allows the capital to easily enter and shape the equilibrium of the city.

1.7 Cities and the world economy

Separate the analysis of a city from its country, split causes and effects of national and supranational politics from processes happening in a city, are not an easy task. Actually, in the case of Athens this would not even be the right line to follow: the measures imposed have been national, and have had consequences on the whole country with the same weight. However my aim now is to analyze how a city and its people react, and in which ways actual practices shape the place where we live. It is no more a matter of nationality, instead it is a matter of localism. Moreover,

⁵³ *Ibid.*

⁵⁴ Bateman, J. *BBC News*, (2019) <https://www.bbc.com/news/world-europe-47237923>

it is not only these economic crises have changed and are changing cities, but it is the global economy itself that changes them, as Lefebvre would suggest. Indeed, the last step in the evolution of cities is to be found in the main shift from an export-led economy to the prevalent role of finance in the market thanks to the deregulation. This transformation has produced the substitution of those cities once covering the role of economic centers: if in the past this role was performed by those places located close to raw materials sites, today the main centers are those able to offer the highest number of services. This has effects on many aspects, that among others are: the employment rate, the wealth of a city, the capacity to attract more investments, and finally the search for a new specialization of the city. As Saskia Sassen⁵⁵ claims, literature in the past has tended to focus only on the effects of globalization and world economy on nation states in general, only partially representing the effects these processes entails for the real life of cities. There is, then, the need to reduce the spatial dimension of these phenomena and this is the aim of the analysis of cities.

⁵⁵ Sassen, S. (1994)

Chapter 2: The City and the State

The previous chapter dealt with the problem of how economy shapes the city. I have chosen to start with the economic influences on our cities due to the constantly growing weight this sector has in shaping politics, national and international governance and, in general, our reality. The main argument offered by UKIP for the promotion of Brexit was fiscal, namely the amount of money given by Great Britain to the EU; the core goal of austerity measures after the 2008 crisis was the recovery of economy and the re-balance of national public debts without any concern to their effects on people's lives; the biggest obstacle for any ecological transition in response to climate change is the economic interests of big international actors; and many other examples of the influence of economy could be offered. The problem relies on the fact that we are not talking only of economy, but also of a rationality of economy: the "magic" of the market, indeed, is to be found in the fact that its logic has spread to all aspects of today's society, from government to individual life. As explained in the previous chapter, one of the elements it has changed is the nature of our cities. Capitalism and neoliberalism, indeed, must be analyzed both as international and local processes, in order to have a general understanding of the different levels on which these dynamics affect our society. It is not only a matter of levels, but also of how these levels are interconnected and overlapping. In the first part of this chapter I will analyze the double nature of the national state: minimal and unable (or unwilling?) to affect global process, and centralized and unfitted to respond to local needs. I will then move my focus on how the double nature of the state have effects on the relations

between the state and the city and among cities themselves, as well as on how capitalism enters and shows itself in the cities. Finally, I will conclude analyzing how some authors individuate in the so-called right to the city the response to the above mentioned processes.

2.1 Neoliberalism and the transformation of the state

The idea of transformation of the state must firstly be conceived as an active evolution by and of this body: the state has not been a passive actor conquered by the forces of the market. Instead, it is the state itself that through deliberative policies has allowed the market, its rationality and the logic of competition to spread and to enter all its institutions and society. Stabilization of competition in the international market after the 2008 crisis, for example, has been the leading aim of those austerity measures that have deeply changed the priorities of a number of countries through models imposed by supra and international bodies whose members are nations. The explanation of the neoliberal state can not be complete without a first knowledge of what neoliberalism is and of its history.

Neoliberalism is an all-inclusive discipline embracing social, economic, political and cultural fields and that finds its key features in three main points: competition, privatization and individual responsibility. Generally speaking, the main goal of this all-embracing discipline is freedom, an end that can be achieved only with a transformation of the role of the state through: the reduction of its actions as direct economic actor; the increase of its functions as market facilitator and regulator; the continuously enlargement of the freedom of the market, hence of

its deregulation; the enablement of people's free decision in the realm of the market.

Neoliberalism finds its roots in the crisis of liberalism at the end of the nineteenth century. Policies of redistribution, legislation on child labour, limits on the working day, accident insurance and workers' pension, indeed, were slowly corroding the power of the upper classes and were affecting the "natural course of economy". For example, Roosevelt's New Deal, approved after the 1929 crash of the stock market, launched a series of social reforms allowing the state to strongly enter in the market, and introducing, among others, provisions of social securities for unemployed people and the rising of the minimum wage. All these actions were against the leading idea of free market and *laissez faire*⁵⁶. Hence, for the supporters of the liberal ideas, a new re-thinking of liberalism was needed.

The first meeting for the re-elaboration of liberalism, and the subsequent "invention" of the concept of neoliberalism has been the Walter Lipmann colloquium held in 1938. This first meeting must be identified as a first step for the promotion and spread of think tanks aimed at the discussion and promotion of a neoliberal doctrine world-wide. Indeed, neoliberalism should not be regarded as a pre-written discipline applied to the reality, but, instead, as a "normative logic constructed through battles that were initially uncertain and policies that were frequently grouping"⁵⁷. Three fundamental elements can be identified in this first definition: "a normative logic", in the sense that neoliberalism is not a mere

⁵⁶ *Laissez faire* is a principle of economic liberalism affirming the total abstention of the state from intervening for regulating the market.

⁵⁷ Dardot, P. and Laval, C. (2013), p.9

economic policy, but a *rationality* that tends to structure and organize the whole reality. Moreover, this rationality, that should not be regarded as a static element but as one that continuously changes and adapts itself to reality, has been and is still constructed through measures at institutional level (policies) and through actions that directly affect society (battles), like those in the cities.

2.1.1 The Neoliberal state in theory

The main point the Walter Lipmann colloquium wanted to solve was how to model the overall exercise of political power on the principles of a free market economy. The problem relied on the contrast between the liberal idea of the *laissez faire* that promoted the total abstention of the state from economic intervention and the need for a certain kind of government intervention. The 1929 stock crash and the growing state intervention had indeed showed the criticalities of the *laissez faire* discipline. As explained by Dardot and Laval:

“what classical liberalism had not adequately incorporated was precisely the phenomenon of the enterprise – its organization, its legal forms, the concentration of its resources, and new forms of competition”⁵⁸

What derives from this idea is the need of a re-conceptualization of the society in order to apply the “phenomenon of the enterprise” to all its elements: states, institutions, individuals, cities.

According to Hayek, society must be conceived neither as an artificial nor as a natural order, but as a spontaneous one, meaning that “ is made up of structures

⁵⁸ *Ibid.*, p.23

independent from any intention, while at the same time being the outcome of human action”⁵⁹. Society, indeed, contains both constructed orders, like families, firms, public institutions, and the market order. The latter, that should not be confused with an “economy”, is to be considered as a spontaneous order too, and it also is the one that occupies the main place in a society. Why? Because “the market order is not *an* economy, but is composed of ‘economic relations’ [...] and these economic relations are *at the root of the social bond*”⁶⁰. Economic ties are, then, at the basis of society, even when speaking of non-economic relations. This concept is explained by Hayek through the term “catallaxy”:

“I propose that we call this spontaneous order of the market a catallaxy in analogy to the term ‘catallactics’, which has often been proposed as a substitute for the term ‘economics’. (Both ‘catallaxy’ and ‘catallactics’ derive from the ancient Greek verb *katallattein* which, significantly, means not only ‘to barter’ and ‘to exchange’ but also ‘to admit into the community’ and ‘to turn from enemy into friend’).”⁶¹

It is always more clear how market order, being considered the essential part of society, even its fundamental one, reduces all human relations to economic ones. Than if society is fundamentally made up of economic ties, the role of the state should be directed to these ties and to the defense of the market order. Such a role of the state is evident if we think about the events of Athens described in the previous chapter. Indeed, in that situation the role of the Greek state has not been of safeguarding its citizens, but only of loyal agent of the decisions of the European

⁵⁹ *Ibid.*, p.124

⁶⁰ *Ibid.*, p.125

⁶¹ Hayek, F.A. (1964), p.164

Union. Indeed, the aim of the operations implemented after the burst of the crisis has not been the maintenance of Greek citizens' social stability, needs, living conditions, but the stability and recovery of the economy, as the neoliberal rationality suggests.

2.1.2 The neoliberal state in practice

The previous sections of this chapter have been dedicated to the explanation of the neoliberal theory of the state, a doctrine that represents the basis of the project that has led to the state, as well as to the city, we are living in today. The analysis of the definition offered by Vigoda-Gardot and Mizrahi, describing that state as

“a form of political organization that brings together people, land, government, law and the administration of rules and strategies for achieving collective goals using the power of the authorities and the participation of citizens”⁶²

allows the understanding of how the state has changed its role. The main point is the achievement of collective goals: if on the one hand it can not be stated that at least at formal level this has not changed (albeit it could be problematized whether the goals are really collective), on the other hand what has changed are the means used for achieving this aim. Such transformation finds its foundation in the theory described above: if collective goal of society is freedom, and freedom can be created only through a free market, the means the state must put in place will only, or mainly, regard this field. It derives not only a step behind of the state in

⁶² Vigoda-Gadot, E. and Mizrahi, S. (2014), p.12

order to let the market works (despite its continuous supervision according to the neoliberal vision), but also that the main focus of state policies will be on the main actors of the market that, in the neoliberal vision, are not the consumers or, more generally, the common citizens, considered instead as the last actor of this model. In other words, the shift to policies that put free market at the center of interests is the factor that has allowed the reduction of the ability of the state to control those processes that on the one hand are continuously diminishing its own role, and on the other hand are threatening the old functions and the social stability of cities. It is through the general application of the market model that the rationality of the policies of the states has shifted to a new level, the level of the economy that do not look at its effects but only at its survival.

2.1.3 Neoliberal state, deregulation and privatization

"Privatization of the public sphere, deregulation of the corporate sector, and the lowering of income and corporate taxes, paid for with cuts to public spending"⁶³ are the three policy pillars of the neoliberal age. The first two pillars presented by Naomi Klein well express the "minimalization" of the state and the main processes that entail this transformation: deregulation and privatization are processes that reduce the regulation and the presence of the state favoring the influence of international and private actors. All these phenomena find their key feature in globalization, a largely discussed phenomenon that refers to the continuously growing economic interdependence among states, companies and people. As explained by Gowan, the "central motors of the interlocking mechanism of the

⁶³ Klein, N. (2014), p.72-73

whole dynamic known as globalization”⁶⁴ are the monetary and financial regime. Globalization, indeed, finds its best ally in deregulation: it is only through the opening and union of the state market systems that one whole system can be created. Up to today, the world financial interdependence is clear, as the 2008 crisis, moving one crisis from one state to many others, has showed.

Deregulation and liberalization

As explained in the previous sections, according to neoliberalism market must be as free as possible. The main consequence of this vision is the retreat of the state from the regulation of it, and the consequent improvement of free trade and competition through deregulation. The paradox of this practice relies on the fact that if the state minimizes its control it is also true that we are witnessing the increasing influence of international financial institutions, like the ECB and the International Monetary Fund (IMF). The aim of both these bodies is the stability of the financial market, no matter what cost. The practice of putting the market at the center of society has also the effect of not tolerating any massive financial defaults⁶⁵, as the case of Athens has showed. Hence, if the state gives more influence to financial institutions, and if market is the first thing to be saved, it derives that: (a) the state has always less influence in limiting the measures imposed by financial institutions; (b) financial institutions, being not elected body, have no interests in limiting the effect of their decisions on the society: their only aim is to save the market; (c) in case of financial defaults needs of financial

⁶⁴ Gowan, P. (1999), p.4

⁶⁵ Harvey, D. (2005), p.73

institutions will be prioritized over the real needs of society; (d) it is the state itself that allows this process and the prioritization of market needs. The cases of New York and Athens described in the first chapter are huge examples of this practice. Moreover, the 2008 crisis has showed the growing powerlessness of the state.

Privatization

Privatization is directly linked to deregulation, in the sense that through the latter sectors, spaces and services formerly regulated by the state can be privatized. Hence privatization means, again, a retreat of the state from control and regulation of services, real estates and spaces. The reliance of the state on public-private partnership is then allowing the increasing role of private actors, on which the state has limited control. In the case of the services this means that instead of receiving a service aimed at the public good, we will received a service aimed at the creations of surplus; in the case of real estate we will witness the enclosure of buildings formerly opened to the public, and the same will happen with regard to spaces. The postulate that drives privatization is that

“private management is always more efficient than public administration; that the private sector is more reactive, more flexible, more innovative, and technically more efficient because more specialist, less subject to statutory rules, than the public sector. [...] for neoliberals the main factor in this superiority is the disciplinary impact of competition as a stimulant of performance”⁶⁶.

The final consequence of this process is the increasing role of private actors in determining also public policies, in writing legislation and in setting regulatory

⁶⁶ Dardot, P. and Laval, C. (2013), p.238

frameworks.⁶⁷ From this derives a shift from government, intended as power of state on its own, to governance, meaning the mixing between state power and private actors or key elements of civil society.

2.1.4 Regional centralization

Transformation of the state also concerns a diminution of its sovereignty in favor of bigger institution. This process can be found many times in history, especially with the constitution of national states, when smaller parts of territories allowed – or were forced – to renounce to the control on their regions, ceding it to the centralized and bureaucratic apparatus of the state. The continuously enlargement of the scale of the power, meaning the gradually renounce of sovereignty in favor of bigger bodies and the consequently global centralization, have the effect of, as said before, distancing the center of power from the recipients of decisions. European Union shows the effects of this process. Anti-democratic patterns, presence of technocrats, non-elected bodies, absence of the institution(s), inability of understanding the ongoing processes and slowness in responding to them: these, among others, are all criticism directed to EU. The nature of all these critiques lies in the huge distance existing between EU and people. If on the one hand this distance allows institutions to take decisions even when they are not supported by the people; on the other hand it must be considered as an obstacle for those citizens whose instruments for letting their voices listened are extremely limited. Moreover, the nature of this distance is not only political, but also legal: albeit the constant remarks over the nature of Europe,

⁶⁷ Harvey, D. (2005), p.76-77

what must never be forgiven is the fact that the final result we are witnessing today has been achieved through the continuous acceptance of states to the European project.

An ordoliberal⁶⁸ vision is at the base of the construction of the EU. The construction of a common market based on the principle of competition has indeed been, and is, the first goal of the union. Economic integration is the only goal pursued and, for example, human rights are not part of the European agenda: individuals are granted only those liberties which are functional to the internal market. As explained by Dardot and Laval⁶⁹, in the building of the European market a direct strategy of containment and reduction of the social and political resistances to the neoliberal policies at national level can be identified. Accordingly, through the construction and acceptance of an “empire of the rules”, states give the Union the sovereign power that permits the imposition of neoliberal policies to the national states. Indeed, as just explained, if states are directly affected by clashes among social forces and political groups, this is not the case for the EU: the normative supremacy of the common law over national law allows indeed the imposition of decisions taken by experts and technocrats at European level, at the same time giving states the space for blaming the EU. This is to say that if EU can be accused of anti-democratic features, at the same time this is a characteristic that has not only been approved by states, but that also help them to go along through the path of neoliberal policies.

⁶⁸ Ordoliberalism is a variation of neoliberalism that finds its root in Germany and that considers the role of the state and of institutions as fundamental for the regulation of the market that, in turn, represents the best mechanism for allowing individuals to freely conduct their lives.

⁶⁹ Dardot, P. and Laval, C. (2019), p.67-83

2.1.5 The centralized state

The previous section of this chapter has been dedicated to the description of the transformations of the state and of its relations with international and global processes. The result of this analysis has been the understanding of the state as an actor that formally works as a mediator, but that in the practice works as a sieve with very large holes, through which pass global processes that then concretize becoming local phenomena. Despite the process of minimalization of the state, speaking of a retreat of it would be incorrect: the state has transformed, conforming to new conditions that it has helped to create. Indeed, if minimal state allows the reduction of its functions, centralization of its apparatus allows, instead, an intensification and rationalization of its intervention. As explained above, goal of neoliberalism is to incorporate the phenomenon of the enterprise in the society in general. As a consequence, the state is regarded as an enterprise that must conform to the rules of efficiency, applying a flexible, reactive and market oriented practice of government. This goal is achieved both through privatization, given the more efficient instruments and faster responses private actors have to analyze and to react to variations of the market, and through a double process of decentralization and centralization. The case of the National Initiative for Human Development (INDH) in Morocco is illustrative of the double process I just mentioned.

The INDH is an initiative launched in 2005 by the king of Morocco as a response to the revolutions in the Arab world, with the aim of improving the socio-economic conditions in poor areas through new participatory local mechanism. The goal is

to operate at the level of rural and urban local governments through the implementation of projects proposed by association and the civil society in general. The decentralizing pattern lies both in the “vertical disaggregation” of state functions, where central government is perceived as slow and non-efficient, while the local level becomes the privileged scene for government actions; and in the “horizontal disaggregation” of the state, meaning the preference of the state for the collaboration with civil society associations and NGOs rather than with public bodies in the production of services.⁷⁰ However, albeit the formally decentralizing feature of the INDH, the normative regulation of this initiative gives it a centralizing aspect, especially from the point of view of the control imposed by the state. Indeed, in the complex structure of regional, provincial and local committees those who have the real power of budget allocation are not the representatives of the targeted communes and urban neighborhoods, who only have an observer status, but those who are closer to the central government. A second aspect is that, despite being active and rooted in the targeted areas and having support among the population, protest associations in urban areas have not been included in the local representatives bodies of INDH, revealing a strategy of excluding opposition movements from government programs. Budget allocation by the central state, side-line of provincial and local bodies and the exclusion of specific associations well show the formally covered centralizing features of the project.⁷¹

⁷⁰ Bergh, S.I. (2012), p.411

⁷¹ For a detailed description of the INDH initiative and its features see Bergh, S.I. (2011), p.410-426

The case of INDH indicates a paradoxical – but not unique – situation: if from a formal point of view the state shows support for the participation of local bodies, at the end this only comes to be a plan for strengthening the central position of the state, that is still covering the role of having the “last word”. INDH shows how an apparently decentralizing and inclusive project can be shaped resulting in the amplification of the central power, while centralization is pursued also through the increasing bureaucratic concentration of the new public management of the state, in which central bodies evaluate efficiency and productivity of local ones through a number of performance indicators, hence of statistical guidelines that transform and read the reality through the application of numbers. The consequence of this practice is the shifting of attention from real effects of public actions to the focus on performances. The existence of an hospital is constrained by its capacity of filling hospital beds, the presence of a school depends on the number of students studying there: if the minimum efficiency rate is not reached, services are closed, without any concern over the real effects of such a closure on the daily life of people. Instead of having more freedom on the grounds, local actors are finally imprisoned in a hyper codification of activities. Cities appear than as directly affected by these paradigms, due to their dependence from the central state and to their limited actions.

2.2 The state and the city

The aim of this thesis is to use the city as unit of analysis, a goal that can be achieved through a reduction of the scale of observation. This is made analyzing how the principal global processes affect and remodel the city and how the city

respond to them. The state still is an active actor in these transformations, despite the evolution of its role in the past years. Privatization, deregulation, globalization and financialization, indeed, have permitted private actors to take the field and to shape cities according to their own needs. Hence, the reduction of the role of the state has not been followed by an enlargement of the role of local bodies, but, instead, by a growing weight of transnational, international and private actors. What must be understood, then, is that the city finally is the place where the real power takes real shape and fights for more space, and where the final effects of at first sight abstract processes show themselves. The city, moreover, is now becoming the place of the legitimization and naturalization of many phenomena that find their roots at national level and that are now taken as “normal” or necessary. In other cases, the city and its spatial organization can represent the means for hiding other aspects. The case of Athens talks by itself: from one side national states have not been able to diminish the effects of policies imposed from the top, while on the other side intensification of these policies have been allowed through states’ non action. Athens is today a city where you can concretely see the effects of austerity measures, of privatization, of fire sale of public goods, of implementation of measures aimed at attracting foreign capitals. Indeed, when the state do not concede enough money for the maintenance of a city, the only solution appears to be the individual (from a city point of view) search for other types of capitals. From this idea derives the commodification of our cities, the shift from use value to exchange value, the competition among cities, the atomic division of their spaces, the exclusion of certain types of people from their spaces. The city must be beautiful and attractive, and all those features that ruin its image

must be hidden. It does not matter whether this is due to public policies or not, the only important aspect is the aesthetic goal. The relation between state and city appears always more complex and complicated: the state works as partial mediator with the upper – global – level, as well as actor with whom the city interacts; from its side, the city is the mediator between the global level and individuals. Having said this, it appears that the city is the recipient, the final object, of processes that come from two different actors that are at the same time interlinked and separated: the state and the world.

2.3 The city and the cities

There are processes that are not in control of the state or, at least, not totally. The economic model of a specific historical period is one of them. As already largely discussed, the state has a role in the spread of it. However, in the case of capitalism the state is a minimal one, hence it appears to only create the basis for the spread of a specific logic (the logic of the well functioning of the market) and for then disappearing after the legitimization and naturalization of it. The preeminence of a sector or another has effects on the city itself and on the organization of cities. As Saskia Sassen suggests, the change of the main economic sector is at the basis of the new role cities have in the economy. The shift from an export-led to a finance-led economy, indeed, has caused the new centrality of cities. If in the past the key places of the economy were areas like Africa, Latin America and Caribbean, hence those places where raw materials, agricultural products or mining goods could be found, today the explosion of finance, due to the deregulation that has made this sector the most profitable, has strengthened the role of cities.

It is in the cities, indeed, that it is possible to find all those services that are at the basis of this sector. However, only a small number of cities are able to totally cover this role: global cities.

“Today’s global cities are: (1) command points in the organization of the world economy; (2) key locations and marketplaces for the leading industries of the current period-finance and specialized services for firms; and (3) major sites of production for these industries, including the production of innovations in these industries.”⁷²

This new strategic role is due not only to the modification of flows, but also to

“the combination of geographic dispersal of economic activities and system integration that lies at the heart of the current economic era.”⁷³

This means that a number – a limited one compared to the total number of cities in the world – of cities are becoming the space of the concentration of command functions of the international finance, hence the place where the driving elements of today’s economy are produced. According to this view global cities should also be regarded as the main sites of post-industrial production, as well as “transnational marketplaces where firms and governments from all over the world can buy financial instruments and specialized services”⁷⁴. However, as said before, the number of global cities is limited, from which, in turn, derives: firstly a decrease of importance as well as of centrality of other cities; secondly a new search for different means suitable for compensating the just mentioned loss.

⁷² Sassen, S. (2000), p.4

⁷³ *Ibid.*, p.22

⁷⁴ *Ibid.*

Specialization and a hierarchization of cities are an outcome of this process. Centralization of services has produced on the one hand the expansion of the importance of cities like New York, London, Tokyo, Paris and others, while from on the other hand a huge number of cities, once cradle of important industrial activities, have today lost their functions. This also comports a different distribution of wealth, in which central cities are continuously gaining more and more, at the expenses of the others. Take, for example, Marseille: in the past this city has been one of the main economic center thanks to its port, while today this role is played only by Paris thanks to its central position in the world finance. The international and national decentralization of manufacturing industries, for example, has also weakened the linkages between global cities and their hinterland and national urban system.⁷⁵ Instead, there is a new linkage among global cities: they do not only compete against each other for the attraction of capitals, but they also conquer to the creation of transnational urban systems, which means that they are interlinked by “distinct systemic ways”⁷⁶. For example, in the middle of the ‘80s Tokyo was the main center for the exportation of money; New York was where money, thanks to the continuous invention of new finance instruments, were transformed and multiplied; London, finally, had the role of centralizing small amounts of capital available in smaller financial markets around the world.⁷⁷ This example well shows the transnational dimension of global cities and how the process of deregulation has created a system in which there are cities that for historical, normative, geographical reasons are “at the center of

⁷⁵ See: Sassen, S. (1991)

⁷⁶ Sassen, S. (2000), p.54

⁷⁷ *Ibid.*, p.54

everything”, while an extremely higher number of other cities have seen decreasing their strategic importance. In the whole history there have always been parts of the world more attractive and more strategically important than others for various reason. However, what I think is peculiar in this time is the constantly growing dependence from global cities, as well as the continuous loss of wealth of *not* global cities.

This leads to another consideration: if global cities are those that attract capitals and people more easily, the only solution – or better, the most adopted – improved by all other cities is touristification. Sometimes this is imposed by top bodies – see the case of Athens or Lisbon after the implementation of austerity measures – sometimes this is the effect of the just mentioned process of specialization. I will talk about the effects of this phenomena inside the city later, however what I want to underline now is the process of specialization and branding cities are undergoing due to the organization of the world economy. Harvey, moreover, suggests how this process can also find its origin in the search for monopoly. The use of the word “monopoly” in a capitalist discourse can at first sight appear wrong, given the contrast of this model to the general idea of free market. However, there are many examples that show the constant search for monopoly in order to maintain the hegemony in the market. Monopoly, indeed, must be understood as an exclusivity that translates itself in many ways: from the more obvious, like having a patent or the privilege of being the only one allowed to sell something; to a monopoly given by being in a specific place, like a restaurant in front of the Eiffel Tower; to a monopoly discursively constructed, hence one that is formed through the application of specific characteristics to a specific

product⁷⁸; finally to a monopoly achieved through the so-called “collective symbolic capital”⁷⁹. I will now concentrate my analysis on the last type of monopoly listed.

Collective symbolic capital is the totality “of special marks of distinction that attach to some places, which have a significant drawing power upon the flows of capital more generally”⁸⁰. In other words, it is the search and exponential application of specific qualities to a place in order to produce a form of monopoly. Due to the preeminence of global cities that are able to attract people and capital thanks to their strategic centrality, the search and raise of this type of uniqueness is the best way other cities have in order to create monopoly rents. “Branding” of cities is then the natural consequence of this process. Food, lifestyle, architecture, culture, history, traditions, exhibitions, museums: everything becomes a means aimed at selling an experience that can apparently be enjoyed only in a specific place. However, this “strategy” must not be read as a way of attracting tourists only: it also represents a means of attracting investments in the building sector or in the organization of events (EXPO, Olympiads, etc.).

Collective symbolic capital can be an element that already exists and is exploited through marketing and commodification, as well as a quality created through new constructions or representations. Take, for example, Bilbao⁸¹. This Spanish city,

⁷⁸ As suggested by David Harvey, wine market is the best example of this type of monopoly. The search for unicity in this field is made through the application of specific acronyms that attest the geographical origins of wine, but also through peculiar qualities linked to culture, production and history. For a more detailed analysis see Harvey (2012), p. 97-99.

⁷⁹ Harvey, D. (2012)

⁸⁰ Harvey, D. (2012), p. 103

⁸¹ For a more detailed description of Bilbao’s case see Cirulli, A. (2015)

once an industrial center, witnessed a huge economic and social deterioration after the 1973 oil crisis, an event that caused the gradual deindustrialization of the main Spanish industrialized areas. Economic and social costs of the industrial dismantling have been really high, with huge increase of unemployment rate and a representation of the city as dirty and polluted due to the lack both of a general urban plan and of attention to environmental issues during the economic and industrial expansion of the previous era. The overturning of this image has begun in the 1990s thanks to the development of plans and projects aimed at overcoming the just described situation or, in other words, at requalifying Bilbao. The main goal of this big renovation was the overcoming of the negative image of a collapsed and polluted city and the substitution of it with the idea of a city of arts and culture, as well as of an innovative and attractive city. The main – and most famous - element of this renovation can be identified in the building of the Guggenheim museum in the Abandoibarra district, an ex industrial area located at the center of the city. The nature of this building well shows the orientation of the renovation of Bilbao: from being industry based to be a city relying on the tertiary sector, on services, on tourism and on business. The result of this massive operation has been a decrease of the unemployment rate and an increase in the number of tourists. However, it seems that the project has not attracted the expected investments, neither it has been helpful in attracting global strategic functions, missing then the economic and strategical revitalization goal.⁸² Despite

⁸² Gomez, M.V., Gonzalez, S. (2001)

the many controversial effects⁸³ Bilbao's requalification had and is having, what I want to underline here is the way in which the whole city has been changed and "put on the map" – at least from a touristic point of view - thanks to a transformation involving the whole city in social, economic and architectural terms, recalling in this way Harvey's theory of creative-destruction⁸⁴.

The example of Bilbao is useful as a way of demonstrating how world economy affects all the elements of the city, as well as to see how collective symbolic capital can be created through direct actions on the city. As already explained, the goal of this kind of operation is to allow the city to emerge in the global world and to gain a type of monopoly that can attract capital. The continuous investments on the city must be seen as having a potential circular movements, in the sense that once the first wave of investments has been productive, meaning it has created surplus, there will be a second one and so on. However, who really gains from this surplus? What are the consequences on the city and on its balance? How can people control this surplus? How is it created? This theme allows us to move the scale of the analysis again, from the new relations among cities, to the effects all the mentioned processes have inside the city.

2.4 The city as recipient of capitalism

Before assessing the problem of who gains and who should gain from the surplus created in the city, it is useful to understand what are the conditions in which

⁸³ See: Michael, C. *The Guardian*, (2015)

<https://www.theguardian.com/cities/2015/apr/30/bilbao-effect-gehry-guggenheim-history-cities-50-buildings>

⁸⁴ Harvey's creative-destruction thesis has been discussed in the first chapter of this thesis

surplus is produced and the effects this have on the city. The city is an element in continuous evolution, one that is affected both by material and immaterial factors. The newness of this moment is clearly given by the presence of big masses of people and of capital that are able to move freely and quickly. Due to the processes described above in this chapter, the city and its image appear to be the potential and wishful attracting point of these two elements. The example of Bilbao and the decision, proposed as the only possible in a globalized world, of transforming the city in order to attract and create capital of any kind is indicative of the perception of its spaces as objects that can be modelled according to the needs. The way in which it has been done, with the involvement of private agencies; the calling of famous architects; the focus on the center of the city and the marginalization of the peripheral areas; the exaltation of privatization at the expenses of the involvement of citizens, all these elements show whose needs such a transformation has fulfilled.

The transition of the city from an use-value to an exchange-value space appears than always more and more clear, and commodification is cause and consequence of it. It is cause because it is such a vision of a space that should be public in its definition, that allows the existence of projects whose only aim is to make a city more attractive. The problem relies on whose people a city is made attractive for. The already cited examples – New York, Athens, Bilbao – well show that the tendency is to attract external actors, and not to improve citizens' life. The vision of the city as a product is destroying cities' life, distancing their original inhabitants, privatizing buildings and spaces, eliminating those jobs that are not functional in attracting more, eliminating or even stealing cultural and social

patterns. Capitalism is transforming the city into a big enterprise, and from this derives the fact that commodification is also consequence of the exchange value vision applied to the city. As explained few paragraphs above, indeed, there is a continuous flow of investments mainly in those cities considered as more remunerative. Multinational companies are those more able to afford prices that have already increased thanks to a first wave of investments and gentrification, causing homogenization and the loss of the urban aspect of the city. Harvey's description of the case of Barcelona, a city that, partially like in the case of Bilbao, have been strongly promoted at international level through the creation and marketization of its collective symbolic capital, is indicative of this process.

“As opportunities to pocket monopoly rents galore present themselves on the basis of the collective symbolic capital of Barcelona as a city[...], so their irresistible lure draws more and more homogenizing multinational commodification in its wake. The later phases of waterfront development look exactly like every other in the western world: the stupefying congestion of the traffic leads to pressures to put boulevards through parts of the old city, multinational stores replace local shops, gentrification removes long-term residential populations and destroys older urban fabric, and Barcelona loses some of its marks of distinction. There are even unsubtle signs of Disneyfication.”⁸⁵

From this description it is easy to understand how the process of commodification continuously leads to redesign the city itself and its governance. I use the world governance for the reasons explained above, hence to underline the shift from a

⁸⁵ Harvey, D. (2012), p. 104-105

public administration aimed at improving the conditions of a city, to a public-private administration aimed at efficiency and at creation of profit.

“The deployment of the world of commodities now affects not only objects but their containers, it is no longer limited to content, to object in space. More recently, space itself has begun to be bought and sold. Not the earth, the soil, but social space, produced as such, with this purpose, this finality (so to speak)”⁸⁶.

Lefebvre best expresses how the process of commodification affects not only buildings, but the city as such. In other words, it is the urban space that is exploited and sold. Urban life is economically valorized and exploited, the logic of the market is injected in the old habits of the city. Everything is sold and made as much available as possible, causing in this way the loss of the old characteristics. But what is the loss of an old habit, compared to the revenues you can receive through commodification? Venice Carnival is the best example of this: once a popular feast, where every “campo” (square) was fueled with music and dances, a feast that represented an upside down world in which the poor could be the rich for one day, today this event has lost its local and popular features, eaten by the hunger for profit that has erased all the original patterns homogenizing this event, making it always more and more easy to enjoy, and even transforming the old upside-down feature. Today, indeed, Carnival in Venice represents the amplification of the world reality, of the logic of the market.

Lefebvre’s vision should not only be regarded as a nostalgia for the old city, but also as a desire for a new revisited conception of the city. To say that the city

⁸⁶ Lefebvre, H. (2003), p.154

should have a use value, denotes a willingness to shape its spaces not only according to the real needs of the people that live or daily cross its areas, but also in order to multiply the possibilities of the people to choose how to plasm spaces. For the existence of such a city, the idea of spaces should be a fluid one, hence one where atomization and specialization is abolished. Instead, Lefebvre gives us a description of a city where spaces are separated and targeted between those to be purchased and those to be sold, those that fulfill one task and those that fulfill another one. This is in deep contrast with an idea of fluid sociality, one built through interaction and plurality, but at the same time is extremely consistent with the atomistic patterns of neoliberalism.

Of course, it is not possible to speak about commodification without mentioning privatization. Privatization concerning services has already been discussed. Privatization of the city, instead, includes buildings, but also areas, like islands, occupation of squares, shores, for example. The process of privatization is a process of exclusion of people from a specific place, but also of deprivation of potential different functions. A place is no more publicly available and, instead, it is accessible only by those people allowed according to different parameters. The private, moreover, is most of the times an actor looking for surplus, and from this derives the homogenization of commercial activities in many cities that are now experiencing mass touristification. Privatization of space has not only the effect of diminishing those sectors essential for residents' life but less remunerative compared to those directed to the "consumers of the city", but it also concretely reduces spaces, the fundament of sociality.

2.5 The right to the city (1)

This chapter has mainly dealt with the economic consequences of a number of phenomena in the cities. The core of every point is, again, the shift from use to exchange value, the vision of a city as an enterprise and not as a lived and living place. Minimum state has allowed the increase of influence of supranational and private actors, while its centralization has led to a technocratic approach to cities. The general effect of all these processes is the detachment and dispossession of the city from its inhabitants. Who, indeed, really owes the city? From the description given above, it appears to be the capital, not the people. It is the dehumanization of the city, the separation of it from its content, meaning its inhabitants. The search for surplus is always more and more focused on the exploitation of cities. This surplus is extracted through the transformation of these areas, a transformation that comprehends spaces, buildings, sociality, identity. The search for monopoly and surplus through the collective symbolic capital, indeed, is controversial because it raises the question of whose symbolic capital. Indeed, it is hard to explain the plurality of cultural, historical, artistic, folkloric patterns of an area. Specialization and branding work also on this aspect, selecting the most marketable and suitable to become popular feature or features that will then become the main qualifier of a city. This operation leads to the accentuation and emphasis of one feature at the expenses of the others.

“It is a matter of determining which segments of the population are to benefit most from the collective symbolic capital to which everyone

has, in their own distinctive ways, contributed both now and in the past.”⁸⁷

A double problem can be identified: who will benefit from the surplus extracted, and which collective capital will be put in the foreground. I will begin discussing the second problem. Here the issue relies on which collective memory and which traditions should be promoted and celebrated. Take, for example, the city of Salò. This Roman city facing the Garda lake and surrounded by beautiful hills, has been the seat of government of the Italian Social Republic from 1943 to 1945. The memory of these two years has gone hand in hand with the representation of the city since then. In 2018, indeed, the mayor proposed to create the museum of fascism in order to “improve and deepen the study and the knowledge of that period”.⁸⁸ A part of a museum dedicated to this period already exists, and the realization of such a proposal would have definitely linked the image of Salò with that of Mussolini, finally overshadowing other aspects and factors of this city. In this case, then, the search for monopoly would have rested on a collective symbolic capital composed by the fascist period. The critique of such a decision is not the aim of this thesis, however what I want to underline here is the effect that such a choice would have had on the general idea of the city and on the exclusion of other memories and tradition.

The first issue identified above concerns, instead, who will benefit from the surplus. Privatization, gentrification, touristification, commodification are all processes that create capital not re-distributed in the city according to its needs,

⁸⁷ Harvey, D. (2012), p. 105

⁸⁸ Costa, G. (2018) <https://www.italiaoggi.it/news/un-museo-del-fascismo-a-salo-2267770>

but accumulated by multinational companies and private actors. As explained in the first chapter, urbanization represents today one of the major channels for re-investing the surplus. Hence, given the creation of surplus in the city and the transformation of it through the profit it is able to create, should not be those who live in the city the actors both deciding how to create this surplus and both receiving it? A democratic control over the production and use of surplus would allow this. In an ideal world, this would be made through the constant participation of citizens in the decisions concerning the whole space where they live. In the real world, this happens through protests and thanks to movements. In 2019 New York's citizens, for example, have been able to block the construction of the headquarters of Amazon in the city:

“New York City is in the middle of a housing and homelessness crisis that worsens every year. Rents are skyrocketing, neighborhoods are gentrifying, housing court lines are getting longer, and NYCHA (public housing) is in complete disrepair. Instead of addressing this crisis through public investment in underserved, working class, and immigrant communities, the City has maintained a policy of hastening displacement through its devastating zoning policies, specifically the deceptively named Mandatory Inclusionary Housing program (MIH), and through public-private partnerships. Lastly, we are witnessing the defunding of CUNY⁸⁹ and public services in general, in favor of privatization. It is in this context that AmazonHQ2 is coming to Long Island City, threatening to significantly speed up the process described above. Thousands of high paid workers from around the world will be

⁸⁹ City University of New York

moving to Queens, and this tech-gentrification will lead to tenant harassment, rent hikes, and massive displacement.”⁹⁰

It must be underlined that Amazon would have received state and local incentives for the opening of its headquarters. Some speaks of the lost of an economic opportunity⁹¹, others focus on the effects such a operation would have created on the surrounding area. In any case, this event well shows the conflict between common citizens and big companies, the former focusing on all the consequences a project can create on the whole population, the latter underlying the economic effects of their action on a specific part of population. The decision of how to use a space of a city should be addressed by its inhabitants primarily, as well as the priorities to be solved. This is what constitute one aspect of the larger concept of *right to the city*. As Lefebvre suggests, urban space can represent the concrete opportunity for the re-generation of social space through the active participation of people that live and experience it. The right to the city is to be understood as a conflictual right, in the sense that it entails the contraposition of divergent interests. One constituent of the right to the city is then the democratic decision over the use and production of surplus. However, today it is always more and more evident the fact that this right is increasingly owned by interest that are totally or partially private. Such a result is to be addressed to the spread of neoliberalism that has been able to create new models of governance in which the private

⁹⁰ Fuck Off Amazon – No AmazonHQ2 Principles of Engagement & Statement (2018)
<https://queensantigentrification.org/2018/12/24/fuck-off-amazon-no-amazonhq2-principles-of-engagement-statement/>

⁹¹ McCartney, B., O’Connell J. *The Washington Post*, (2019)
https://www.washingtonpost.com/local/trafficandcommuting/amazon-drops-plan-to-build-headquarters-in-new-york-city/2019/02/14/b7457efa-3078-11e9-86ab-5d02109aeb01_story.html?noredirect=on&utm_term=.20748b89b020

collaborate and overcome the public; in which the previously control of the state over the surplus has been minimized; in which big economic groups and upper classes shape the urban process. The city, then, represents the arena of the clash against capitalism. The city as an *oeuvre*⁹² is a metaphor for describing the possibility of creating a new relationship with the space, freeing it from market and profit, re-realizing a common and shared use of it. The right to the city is the collective, plural, from the bottom, construction of the *oeuvre*.

“That collective right, as both a working slogan and a political ideal, brings us back to the age-old question of who it is that commands the inner connection between urbanization and surplus production and use. Perhaps, after all, Lefebvre was right, more than forty years ago, to insist that the revolution in our times has to be urban-or nothing.”⁹³

⁹² See chapter 1

⁹³ Harvey, D. (2012), p. 25

Chapter 3: City, Crisis, Inequality

The previous chapter dealt with the economic aspect of the right to the city, meaning the democratic control over use and production of a surplus created through both urbanization and exploitation of the city. Transformation of the state, empowering of private actors and primacy of financial needs over people's needs are among the causes of the gradual stealing of the control of the surplus from those who live and experience the city in favor of a restricted minority that most of the time do not even live in the city itself. However, the meaning of the right to the city is a broader one and also embraces a general idea of inclusion in social, political and – of course – economic terms. Gentrification, privatization, enclosure of spaces, touristification, commodification, indeed, cause the exclusion of those people that do not feel in these processes and in the mechanisms that allow their spread. Gentrification excludes those who are not able to afford the increasing price of rents; privatization and enclosure those who are not allowed to enter a specific place; commodification and touristification eliminate the urban and the collective spirit. Direct and indirect exclusion is always more and more visible. Cities are more and more divided and fragmented according to the need of the capital, the new owner of our spaces. Exclusion, indeed, concerns both people and spaces. The continuous search for centrality at global and local level has the effect of creating from one side hyper concentrated areas and, from the other, forgotten ones. The factors causing exclusion – in its broader sense – are economic and legal. The first part of this chapter will analyze the economic processes identified as the catalysts of exclusion, while the second one will

address types of exclusion produced by the transformation of the state as well as by the presence or non presence of certain types of laws and of concepts in the legal realm. Finally, I will conclude the chapter with a more inclusive and accurate description of the right to the city.

3.1 Exclusion: from economic structure to individuals

In an interconnected world, global economy has local effects: the prevalence of an export-based economy makes industrial and port cities wealthier and increases the number of components of their middle class, while a finance-led economy allows the growth of specific parts of cities and of their population as well as speculation on their territory. The structure of economy appears then as the main transforming element, the one that affects all the reality around it. Changes come from and have different levels and scales: world, regional areas, countries, cities, people. Industrialization caused migration of big masses of people, with effects on the morphology of cities, on people's wealth, as well as on the formation of a middle class. The ensuing process of deindustrialization that has affected many cities and areas can have different reasons: in the case of Bilbao it was the 1973 oil crisis and the subsequent restructuring of international capitalism, as well as the growing international competition in the heavy industry, that at the time was Bilbao's main industrial sector⁹⁴. The whole economic structure collapsed, provoking a huge hike in the unemployment rate, that shifted from 2% in 1975 to 28.86%⁹⁵ in 1996. Looking at the numbers, the regeneration process that begun in

⁹⁴ Rodriguez, A., Martínéz, E. (2005)

⁹⁵ Esteban, M. (2000)

the '90s has completely overturned these data, since unemployment rate in 2006 was only of 8%.⁹⁶ Employment in the service sectors has indeed gradually substituted jobs in the manufacturing and industrial sectors thanks to the modifications of the economic structure of the area, now mainly dominated by the tertiary sector. According to data concerning the Basque country, of which Bilbao is the main city, by January 2018 78.81% of the companies were working in the service sector; 13.28% in construction and 7.22% in industry⁹⁷. Such a trend reflects Saskia Sassen's analysis of the general changes of urban labour market, that has indeed increased jobs in the services at the expenses of those linked to the industrial sector. If in Bilbao such a transformation is due to deindustrialization, more broadly variations in urban labour market have several origins.

“The most evident are the long-term shifts in the occupational and industrial balance of employment, which directly affect the mix of job characteristics, including earning levels and employment stability, and the careers available to local workers. These changing trends in the character of labour demand predate the oil price crises of the 1970s but their effects have been cumulative, and magnified by other developments in the labour market over this period. On the demand side these include the new flexibility which employers have sought under the pressure of international competition, unstable product markets, and a weakening of political support for public-sector programs.”⁹⁸

⁹⁶ *Ibid.*

⁹⁷ EURES <https://ec.europa.eu/eures/main.jsp?countryId=ES&acro=Imi&showRegion=true&lang=en&mode=text®ionId=ES5&nuts2Code=ES53&nuts3Code=null&catId=453>

⁹⁸ Gordon, I., Sassen, S. (1992), p. 118

Accordingly, the shift from an economy based on standardized production and characterized by masses of labourers, higher power of unions and as a consequence better labour standards for workers, to an economy based on finance, due to the higher levels of profit it creates, and on services, has deeply transformed urban labour market. These changes have affected mainly big cities due to the fact that this new economic structure extremely need the proximity among the different services suppliers. If in the production this was not need, today the strength of a service company is formed also by its position and the consequent ability of forming a network. An advertising company, for example, can work for a group located around the world, but need many different specialists like a photographer, models, video makers, for the effective creation of their services, from which derives the need of being in a central and agglomerative place, like cities. Moreover, the possibility of offering services from everywhere in the world has extremely increased competition, from which it follows that labour cost represents the balancing point for the winning or losing of a contract or a procurement.

The evolution of the world economy has effect on the urban structure of labour market. The shift, moreover, do not only regards a transformation of the type of job, but also of its quality. Indeed, as described in the previous citation demand side of jobs has today two main features: flexibility and fluidity. The obvious result of such a structure is precarity and difficulties in finding a permanent job. Take, for example, workers in the culture industry. The expansion of the cultural economic sector is a relatively recent phenomena and one that is more evident in a number of cities. The process of branding of some cities as “creative cities”, like Berlin, has

attracted masses of artists looking for a job in this sector. The high number of this type of workers has formed what Krätke calls the “culture-industrial reserve army”⁹⁹, or, in other words, a class of people competing for jobs in the creative industry. In this sector, indeed, work is often freelance, temporary, and based on the presence of networks, leading then to the formation of a group of precarious workers with no continuative wage and with low quality jobs lacking social safeguards. It is then the presence of such a high rate of labour offer that allows the side demand to still offer and find candidates for so low quality jobs. Moreover, it must not be forgotten that advanced industries, like finance, are not composed only by wealthy workers with high salaries, but also by a high number of low salary workers, like secretaries, those in charge of cleaning or of maintenance. This is to say that when speaking of technological or advanced industries we must consider not only high quality positions like engineers or managers, but also take into account those workers whose job is taken for granted and whose utility is not recognized. Besides, it must also be considered that even more traditional but essential jobs are touched by the new structure of economy. In this case I refer to the salary, rather than to the flexibility requested. According to data, for example, in the year 2017 in New York the “health care and social assistance” sector employed 703,848 workers whose average wage was \$49,960; personal and laundry services employed 59,335 workers whose average salary was \$30,755; while the “financial investment and related activities” employed 172,797 workers with an average wage of \$422,459¹⁰⁰. The difference among the number

⁹⁹ Krätke, S. (2012)

¹⁰⁰ Data from Quarterly Census of Employment and Wages (QCEW)
<https://labor.ny.gov/stats/ins.asp>

of employees and wages is evident, and also shows the inequalities created by the new model of economy, in which, as already explained, not only money are not equally distributed but also the importance of basic and fundamental jobs is not recognized at all. It is clear, indeed, that such a model of growth increases inequalities and polarization, meaning, as Saskia Sassen suggests, not the disappearance of the middle class due to an unequal distribution of money, land, opportunities, but

“a dynamic whereby growth contributes to inequality rather than to expansion of the middle class[...]. In many of these cities, the middle class represents a significant share of the population and hence represents an important channel through which income and lifestyle coalesce into a social form.”¹⁰¹

Inequality and exclusion are two terms extremely interlinked. From a social point of view, then, the changing structure of urban labour market, the increasing flexibility, the growing lack of jobs' social safeguard, precarity, are all patterns contributing to economic polarization as well as to the segmentation of the middle class, meaning that we are not witnessing a disappearance of it, but a double movement directed both up and down. Creative class is, again, a good example, since it can be seen as

“characterized by a pronounced polarization between flexible employees with a 'privileged status' and flexible workers situated in extremely precarious employment situations.”¹⁰²

¹⁰¹ Sassen, S. (2000), p. 136

¹⁰² Krätke, S. (2012), p.144

All these elements appear as direct consequences of changes in the organization of the productive process of which, as explained above, cities are the main center or, in other words, the background where these phenomena are more visible. The inequality that derives from polarization not only creates but also improves exclusion when combined with other processes described in the previous chapters: gentrification, privatization, commodification, increasing jobs in the service sectors, decrease of welfare, public help and assistance. Exclusion then becomes exclusion from economy, from specific areas of the city, from access to certain types of services, as well as social exclusion. It is not only the type of job, but also the wage you receive, the security you can rely on it, as well as the possibilities it can create. The changing economy, then, has created a system in which cities represent the main place where to find a job, without however maintaining a huge part of the guarantees that used to qualify jobs.

Economic structure creates not only social exclusion, but also spatial exclusion through the interrelationship of all the above mentioned processes. The increasing expansion of jobs in the service sector has come with a decrease role of trade unions. Factors of the latter phenomena can be generally inserted in the implementation of the neoliberal agenda, like those put into practice by Margaret Thatcher in Great Britain or Ronald Reagan in the United States, while more precisely they are the result of the deregulation of labour market, privatization and the same increase of the service sector. I will briefly explain all these processes. The latter has already been largely described, and the following graph will help to better visualize the explosion of this sector.

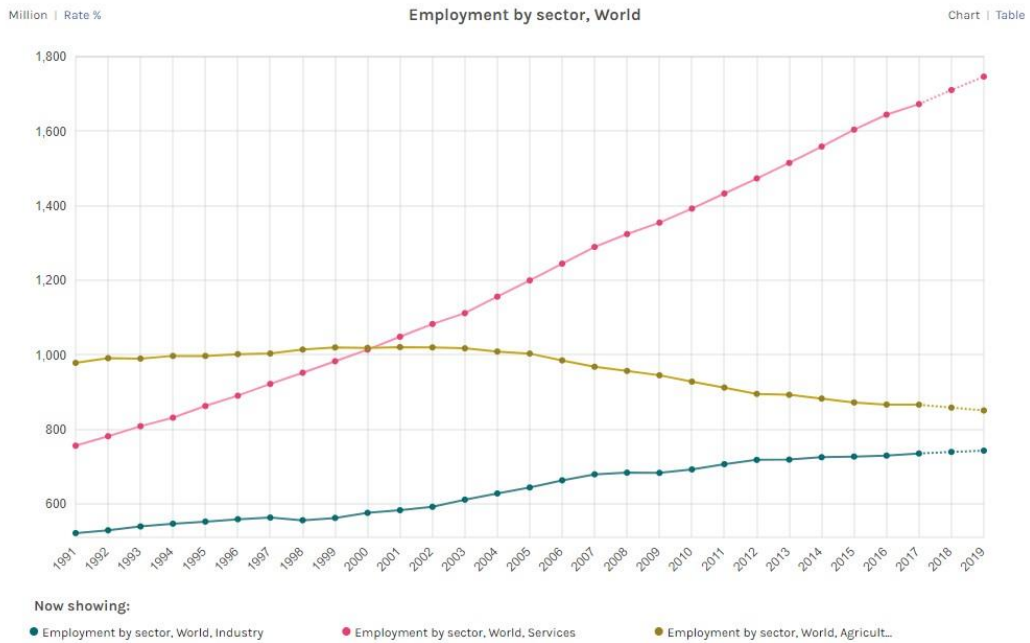


Figure 2: Employment by sector, World

Source: International Labour Organization

Secondly, deregulation, again a fundamental pillar of neoliberalism, erodes the hardly conquered guarantees of workers - minimum wage, stable job, paid leave in case of health issues or vacations – through a shift in the role of the state and of unions as well as through the implementation of laws aimed at advantaging more employers than. Finally, privatization must be considered as a process through which public services are entering into private consumption, losing then their social connotation, and becoming instead mere things to be bought or sold, no matter their utility. All these factors are extremely interrelated and work as cause and effect of each other. However, the point here is the social effect they create, hence increasing poverty and social instability. And how is all this inscribed in the reality of the city? If from one side there are processes ascribed to the labour market, they still must be connected to the processes affecting the city, that can

be generally synthesized into gentrification, centralization and privatization of spaces. Gentrification creates areas for the wealthier part of the population that in a globalized world do not only refer to the inhabitants of a city, but to the whole global population that can include tourists, businessmen and generally people with an higher income coming from all over the world. Gentrification creates displacement, and old inhabitants have to move outside the city for finding more affordable houses, while through the centralizing process most of the job opportunities have been concentrated in the city, forcing then the workers to move everyday from outside to inside the city, from the periphery to the center.

3.1.2 Economic structure and the city as a common good

Economic structure creates inequality, but also spatial expulsion, in some cases, as well as removal of a sense of belonging.

“Inequality, if it keeps growing, can at some point be more accurately described as a type of expulsion. For those at the bottom or in the poor middle, this means expulsion from a life space; among those at the top, this appears to have meant exiting from responsibilities of membership in society via self-removal, extreme concentration of wealth available in a society, and no inclination to redistribute that wealth.”¹⁰³

Division and exclusion then become concrete and their effects are exacerbated and more and more promoted. For a long time the city has been the common and shared place of all the people, the space owned by all social classes even if in different ways. City itself was the common good, the area to be protected, the

¹⁰³ Sassen, S. (2014), p.15

common linkage among different classes. Today it is more and more evident that such a relationship does not exist anymore. Low classes are constantly distanced from the city, despite the fact that it partly still remains their dimension, while upper classes are conquering it through commodification processes that transform old cities in globalized ones, in non-places¹⁰⁴, or, in other words, in uniform and homogenized areas whose unicity has been eroded. The relationship individual – local still exists for lower classes, while upper classes today continuously move from place to place, their home finally is the world, but the homologated world where everything is the same but easier to understand and face.¹⁰⁵ Infrastructures for travelling are always more technological¹⁰⁶, so that moving is constantly faster and easier. It is then possible to identify a cut in the past common relationship of all citizens with their own city. Today upper classes' dimension is the world, while lower classes' dimension still is their territory.¹⁰⁷ For the capital territories and their inhabitants are no more essential as they used to be during the industrialization era, instead they represent those who often protest against globalizing, city surplus extracting, privatizing, devastating, capital- led projects whose aim is gaining profit, without any concern to the quality of people's life. Indeed, the main problem of this broken relationship is the elimination of the understanding and awareness of the effects of projects and processes in a specific

¹⁰⁴ Auge, M. (1995)

¹⁰⁵ Quadrelli, E. (2018)

¹⁰⁶ The problem of which infrastructures and in which places would need a long discussion which is not the aim of this thesis now. The first chapter has presented through the history of New York an example of business-led re-organization of a city, hence of building of infrastructures aimed at the simplification of movement in those parts of the city more involved in surplus creation, without any concern to those areas where infrastructures were needed, but only by people not by capital.

¹⁰⁷ For a deeper description of the relationship between lower classes and their territory see Dal Lago, A., Quadrelli, E., *La città e le ombre. Crimini, criminali, cittadini*. Feltrinelli, Milano 2003.

area due to the distance between the creator and the recipient. The detachment from local is to be identified as another factor causing the commodification of the city and as a consequence the loss of interest in its social dimension. As African regions were considered the objects to be conquered during colonialism, today cities are the new places to be won, and economy is the new means for achieving such goal. Labour market's structure creates polarization, while global economic structure permits the resettlements of classes inside or outside the city.¹⁰⁸ This means that there is a close linkage between right to work and right to the city: the absence of the former jeopardize the enjoyment and the defense of the latter. Moreover here emerges again the conflictual pattern of the right to the city: it is the lower classes' vision and ideal against that of the upper classes; it is the commodification of the city against the preservation of its old habits; it is the inhabit against the habit¹⁰⁹; in other words it is the capitalist against the anticapitalistic vision.

“Secondly, the concept of work has to shift from a narrow definition attaching to industrial forms of labor to the far broader terrain of the work entailed in the production and reproduction of an increasingly urbanized daily life.[...] Above all, the concepts of work and of class have to be fundamentally reformulated. The struggle for collective citizens' rights (such as those of immigrant workers) has to be seen as integral to anti-capitalist class struggle. [...] Finally, while the exploitation of living labor in production (in the broader sense already defined) must remain central to the conception of any anti-capitalist movement, struggles against the recuperation and realization of

¹⁰⁸ Altieri, L. (2015)

¹⁰⁹ See chapter 1

surplus value from workers in their living spaces have to be given equal status to struggles at the various points of production of the city.¹¹⁰”

3.2 Exclusion: from state to people

The first part of this chapter dealt with a type of exclusion caused by an economic model that excludes part of the population – a continuously bigger part - from participating to the city life, as defined by Lefebvre, as well as from the enjoyment of city’s spaces due to different but interrelated processes. The following second part, instead, will address types of exclusion produced by both the transformation of the state, as described in the second chapter of this thesis, and caused by presence or non presence of certain types of laws and of concepts in the legal realm. Indeed, it must be said that the state, being the body that “contains” the city, has a role in all the processes described above. However, if in the previous sections its role had indirect effects, in the next paragraphs I will analyze actions – or non actions- of the state that have direct effects on the city and on its inhabitants.

3.2.1 The crisis of the welfare state and its consequences

The transformation and reduction of the welfare state has already been largely discussed and described. Such evolution has many consequences from economic, political and social points of view. All these consequences are, again, all extremely interlinked, hence the absence of a clear categorization in the next part of the chapter. Following the neoliberal rationality, it can be affirmed that the state has been split from its social attitude. Rather, we can generally affirm that the

¹¹⁰ Harvey, D. (2012), p. 139-140

binomial State/Nation and State/Social does not exist anymore: the state has completely been separated from its citizens. For what concerns the former relationship, it is true that there is a return of the dialectic of the Nation, an argument mainly used by right wing, populist and sovereigntist parties as a way of juxtaposing citizens of a state against refugees and migrants, as well as for many other distorted narrations. The discussion of this theme would require a lot of space, but this is not the argument of this thesis. Instead, for what concerns the binominal State/Social, the economic effects on the people and on the city of such a split have already been largely discussed; what is my concern now are the political and social effects. As Quadrelli¹¹¹ suggests, welfare state has been developed according to an idea of citizenship based on the conception that all political rights have the same weight for all social classes. According to this view, there are no categories and part of categories more important than others, but everything is equally significant and the absence of an element jeopardizes all the others. In other words, social rights are not only the core of welfare state, but they also are the direct and essential appendix of political rights. However, such a view appears to have changed, and the main consequence of the end of the welfare state as it used to be during the 20th century is than the crisis of the political and social legitimacy of the, generally speaking, subordinates¹¹². Such a process has two main effects: on the one hand political power has no more interest in these

¹¹¹ Quadrelli, E. (2018)

¹¹² With the word "subordinate" I refer not only to people in a working environment, but more generally to all those people that are subordinated: to someone else, to an organization, to a logic, to a rationality. More concretely I would refer to all those people that would gain from a different welfare state than the one in place today. However, due to the fact that the people in need of welfare state can be different according to different visions, I have decided to use a more abstract and inclusive word.

people; on the other hand, and connected to the first effect just mentioned, we are witnessing to the delegitimization and classification of social help, as well as to the addressing of individual responsibility, in the sense that the narration is that the state can not respond to everybody's needs and than – in a very neoliberal logic – the result of a certain situation is always conceived as consequence of the choices of a person with no concern to the social environment around them. If the actual model of city represents empirically what is abstractly designed by politics, and if the city expresses in social and spatial terms ideas that are the products of processes at larger scales – like the state -, it should be possible to identify in the city areas still politically considered and areas that are almost forgotten. The end of the welfare state excludes people from the city, continuously relegating them further from the center or in specific areas. Such exclusion emerges because, as already largely discussed, the crisis of the welfare is accompanied by the increasing role of private actors and by the imposition of the logic of the market. The division becomes then always more and more visible, with the co-presence of areas considered as clean, right, acceptable and others perceived as sick and degraded. The problem of division, indeed, must be looked not only from the point of view of the transformation of the welfare state, but also keeping in mind the restricted role of the state that has left the ground to private initiatives. But privates are – most of the time – seeking for profit, hence it is possible to identify concentration of interests in some areas and total carelessness in others, at least until the process of gentrification does not conquers those places too.

Then, despite the possible evolution a district can witness, a spatial exclusion whose causes are rooted both in political, social and economic factors exists. This

kind of exclusion exponentially reduces possibilities of integration among different classes, ethnic groups, new and old inhabitants in general, creating the so-called dual city: an urban where people are theoretically, but also practically, divided according to different parameters due both to the labour market structure and to the “rolling back of the state”. It is hard to say whether spatial exclusion is the effect of social exclusion or vice-versa; it is not possible to identify which process causes the other, instead I think that they both are linked and influence each other. Moreover, exclusion and expulsion are expressed not only through the presence of areas for “wealthy” people from one side and for “subordinates” from the other side, but also through the distancing of people from targeted areas.

“The successful branding of a city may require the expulsion or eradication of everyone or everything else that does not fit the brand.”¹¹³

Elimination of benches, prohibition of lying, bureaucratization of spaces, location of structures for refugees out of the center, militarization, are specific and general examples of how the space of a city can be “protected” from those who ruin its aesthetic or order. Moreover, this regards not only people – everyone – but also those areas, buildings, objects – everything-, that do not fit in the ideal aesthetic of the city. Following the logic of the capital, then, all those elements that do not create profit are spatially eliminated or distanced and politically forgotten¹¹⁴.

¹¹³ Harvey, D. (2012), p. 108

¹¹⁴ The issue concerning forgotten spaces and people has become more complex in the last years due to the rise of populism and of consequently different ways of addressing – and exploiting – problems of run-down urban areas. However, and despite the variety of political approaches, it can not be denied the presence of different interests in different areas. The consequences of the presence of such areas will be discussed in chapter 4.

3.2.2 House de commodification

It should be clear now that urban exclusion do not only refer to a mere displacement and distancing of people from the center, but it also means a loosing of the urban, a cut and division of spaces of life, social exclusion:

“Eviction from the neighborhood in which one was at home can be almost as disruptive of the meaning of life as the loss of a crucial relationship.”¹¹⁵

The location of a person’s house becomes then the main point of the discourse. The place where a person lives affects their life in different ways: for the distance from job, for the services available in the district, for logistic issues, for the social composition of the neighborhood, for the opportunities that can be seized, for the social relations. Housing problem can regard eviction from a neighborhood due to gentrification processes, as pointed out in the previous quote, as well as impossibility of finding a dwelling due to the exponential presence of houses for tourists or for “the floating residential population that lives temporarily in the city”¹¹⁶. The impossibility of finding a permanent house is exponentially intensifying the disneyfication process of many cities: the diminishing number of inhabitants lessens the demand for those services for daily needs – from the most important like schools, hospitals, post offices to less essential, but still useful, like blacksmiths, tailors, and many others. Municipalities and states appear not to consider this process as a problem, or, in the case they identify it as such, the answers are often not conceived as a solution but only as a way of freezing the

¹¹⁵ Slater, T. (2012)

¹¹⁶ Asunción, R., Canoves, G., Blazquez Salmo, M. (2018), p. 13

problem or of moving it away. For example in Barcelona, where the estimated number of tourists in 2016 has been of 32 million, far outnumbering its 1.6 million residents¹¹⁷, and where at the end of 2016 apartments offer for tourists has increased of 1633% since 2012¹¹⁸, reaching hotels' offer, municipality has introduced the Special Urban Plan for Tourist Accommodation (PEUAT). The plan distinguishes four zones of the city characterized by: the ratio between the resident population and the number of tourist accommodations; the presence of tourist attractions; the distribution of accommodations in the territory; and the impact of touristic activities in public spaces. In every zone a specific regulation is applied: zone 1, the most touristic, is a negative growth area, hence neither the release of new licenses for tourist dwellings, nor the selling of already issued licenses is allowed; in the second zone expansion of existing establishments is prohibited; in zone 3 expansion of existing establishments and setting up of new ones is permitted, but only if the growth is contained; finally in zone 4 establishment of new housing used for tourism (HUTs) is forbidden.¹¹⁹ The aim of such a program is: to ease the pressure of tourism; to respond to demand from city residents concerning the disproportionate increase in the number of tourist accommodation; to find an urban balance between tourism activities and other economic activities; to guarantee the right to housing.¹²⁰ However, as outlined before, PEUAT only appears to be a way of maintaining the actual situation instead

¹¹⁷ Plush, H. *The Telegraph*, (2017), <https://www.telegraph.co.uk/travel/destinations/europe/spain/catalonia/barcelona/articles/barcelona-unveils-new-law-to-keep-tourists-away/>

¹¹⁸ Russo Spena, G., Forti, S. (2017), <http://temi.repubblica.it/micromega-online/la-citta-come-bene-comune-cosi-barcellona-contrasta-il-regno-di-airbnb/>

¹¹⁹ Asunción, R., Canoves, G., Blazquez Salmo, M. (2018)

¹²⁰ <http://ajuntament.barcelona.cat/pla-allotjaments-turistics/en/>

of effectively giving people their right to a house. Indeed the program do not conceive the city as a whole, since it still allows the increase of tourist accommodations in certain zones, while the implementation of licenses granted before the approval of the PEUAT should be regulated, as suggested by the Neighborhood Assembly for Sustainable Tourism (ABTS, by its Spanish acronym).¹²¹ Moreover, if it is true that such a containment plan tackles the issue of housing, from the other side PEUAT only operates on the distribution of the effects of tourism, without offering real solutions for all those people that have already been evicted from their neighborhoods, or that will be in the future. The next two figures shows the actual PEUAT proposed and implemented by Barcelona's municipality (figure 3) and a second model proposed by a group of students of the Institute for Advanced Architecture of Catalonia (laaC) in which the zone division has been maintained, while their regulatory characteristics have been transformed for the creation of a Flow of Ecosystem Values (FEV) (figure 4).

¹²¹ Asunción, R., Canoves, G., Blazquez Salmo, M. (2018)

Figure actual



3: The

Special Tourist Accommodation Plan (PEUAT)

Source: IaaC Barcelona

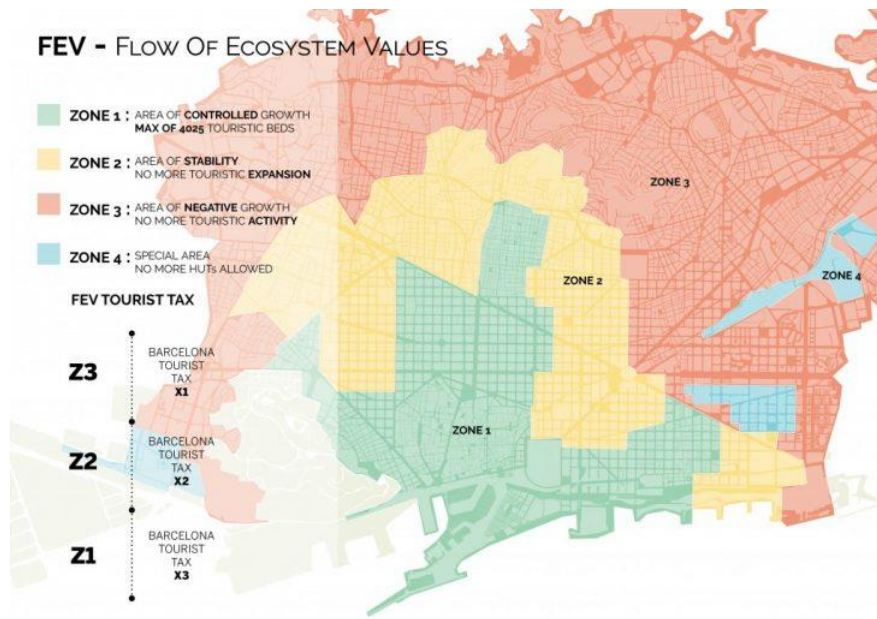


Figure 4: Flow of Ecosystem Values (FEV), a counterproposal to PEUAT

Source: IaaC Barcelona

The founding idea of the FEV is that instead of raising the monetary and touristic value of specific areas, the value created through tourism can be spread and

redistributed around the whole city creating a positive impact. Such an aim is achieved blocking the expansion of touristic activities in the whole city, while at the same time introducing an higher tourist tax that should be redistributed towards the creation of more social houses.¹²² Whether the increase of the amount of a tourist tax is fair or not is not the aim of this thesis, however two characteristics of the FEV project must be underlined: firstly the awareness of the consequences of mass tourisification that in this proposal result in the total stop of city exploitation through tourism; secondly, the proposal of a re-balancing between houses for residents and for tourists is based on the concrete situation of the city now and uses the problem as a solution not to recreate a past situation, but proposing a new one focused on one of the main problems: houses. Indeed this would use a profit coming from exploitation for the creation of social houses, hence of realities free from the logic of profit. The FEV example shows the possibility of creating answers to the housing problem affecting cities. The program makes no reference to the place where social houses should be created¹²³, but this is another point. Again, we have to focus our attention on the fact that a fundamental element of a city are its inhabitants, hence the importance of houses and their location.

However, all the measure actually enacted still consider houses as objects, as a mere good to be sold or bought and, more important, as something that can still be affected by financial speculation. Indeed, it is interesting to note the fact that

¹²² IaaC, <http://www.iaacblog.com/projects/flow-ecosystem-values/>

¹²³ Creation refer not only to a new construction, but also to the changing intended use of a pre-existing building.

the first factor that emerges when gentrification processes start is the rise in house prices. The 2008 crisis, moreover, firstly affected all those people that had a mortgage on their houses. The price of a house is then the one more related to the new mechanisms of finance, it can grow or decrease according to parameters that are not possible to be controlled by their owners or tenants. In those cities where capital is constantly stealing dwelling to residents, and where state and municipality are not addressing the problem, there is a spread in the phenomena of squatting despite a narrative that would describe this people as criminals who occupy a place owned by someone else. Such a story do not consider firstly the fact that in most of the cases squatted houses are those owned by the municipality and that due to mis-management are empty. Then, these social houses are not allocated to those people in need. Secondly, the criminal narrative neither consider the reasons that push people to squat: unemployed, precarious workers, migrants, women with children, in other words people that are directly experiencing different types of exclusion that the state and the municipality is not addressing. A new conception of house should emerge, its role in our economic system should be transformed or, even better, completely eliminated and instead framed as a question of social justice. As pointed out by Marcuse and Achtenberg:

”Needed is a program that can alter the terms of existing public debt on housing, that challenges the commodity nature of housing and its role in our economic and social system, and that demonstrates how people's legitimate housing needs can be met through an alternative approach.[...] To provide every person with housing that is affordable, adequate in size and of decent quality, secure in tenure, and located

in a supportive neighborhood of choice, with recognition of the special housing problems confronting oppressed groups (especially minorities and women).”¹²⁴

Given the central importance of a house and of its location, such a program would be an attempt to exclude profit from decision concerning housing, substituting it with the “basic principle of socially determined need”¹²⁵. The two authors reclaim the social ownership and production of housing, the resident control of neighborhoods, affirmative action and housing office, equitable resource allocation, social control of land, and public control of housing finance capital. In other words, what is reclaimed is a program aimed at giving people the power of managing their life starting from its core element: the place where they live.

3.3 Right to the city (2): a comprehensive but conflictual right

The democratic and social control over the housing issue must be read as another element referring to the more inclusive right to the city. In this point it is possible to identify both an economic aspect that can be related to the theory of the control of the surplus suggested by Harvey and described in the previous chapter, as well as a more theoretical one to be linked to the idea of the right to the city as offered by Lefebvre. Despite the different theoretical interpretation of what the right to the city is, the totalizing and comprehensive nature of this right should be clear now. Indeed, keeping in mind the importance and the centrality of the city in today’s society, the right to the city must be understood as

¹²⁴ Achtenberg, E.P., Marcuse, P. (1986), pp. 475-476

¹²⁵ *Ibid.*, p. 476

“a unitary right, a single right that makes claim to a city in which all of the separate and individual rights so often cited in charters and agendas and platforms are implanted. It is *The* right to the city, not *rights* to the city. It is a right to social justice, which includes but far exceeds the right to individual justice”¹²⁶

As seen it contains right to housing, right to a decent job, to health care, but also right to clean water, to clean air, to education, to democratic participation in decision making, and to all those rights that are part of a decent daily life. Moreover, it must be remembered that the right to the city do not regard only the rights of those people who live in a city as generally defined, but the name of this right must be framed through the lenses of Lefebvre’s thesis of complete urbanization of society, meaning the disappearance of old dichotomies like city/countryside and the emergence of urban society. This means, then, that the term right to the city must not be misunderstood as one that concerns specific spaces, but as one that comprehends all the spaces, because every space is urban. However, if it can be stated that the right to the city refers to every space, this can not be said for people. As already mentioned, this right is a conflictual one, meaning that it inherently contains a critique: to the mechanisms of our society; to the “predatory formation” that enables concentration at the top rather than distribution – using Saskia Sassen’s words - ; to the processes that excludes people from the enjoyment of fundamental rights and needs. In other words, it inherently contains a deep critique to the capitalist system. The question that arises, then, is:

¹²⁶ Marcuse, P. (2012), p. 34

whose is the right to the city? Who should fight for it? The answer has already been implicitly given in the previous examples: the right to the city is of all those people that are excluded from its enjoyment, of the marginalized, of the deprived, of the working class that has been exploited and alienated from the city. Such an answer is general, because the number of people deprived from their right to the city is continuously growing. Again, Marcuse's words help to better define the answer:

“It is crucially important to be clear that it is not everyone's right to the city with which we are concerned, but that there is in fact a conflict among rights that needs to be faced and resolved, rather than wished away. Some already have the right to the city, are running it now, have it well in hand (although “well” might not be just the right word, today!). They are the financial powers, the real estate owners and speculators, the key political hierarchy of state power, the owners of the media”.¹²⁷

Processes, then, are global, but their effects are local. The city represents the place where all the dynamics affecting today's world materialize, where people directly face the consequences of high levels decisions. It is then in the city – considered both as place and as community – that must start the responses, the reactions, the critiques to the evolution that are affecting people's existence. The city as described and wished by Lefebvre, the urban, is in danger but is resisting. Privatization is trying to annihilate the sense of community and of belonging, is

¹²⁷ *Ibid.*

atomizing the inhabitants, is destroying the sense of belonging to a place. The global level is homogenizing and erasing the particularity of every place and the logic of the global market is melting the old links. The urban level is the intermediate one between local and global, and if from one side this leads to a double attack to it – from above and from below – this also means that it is from the city that must start the fight against the actual economic model and against all those processes that reduce the power of people over their life. Indeed, as Lefebvre suggested, “revolution will be urban - or nothing”.

Chapter 4: City and Democracy

The previous chapter has often underlined the deep link between state policies and concrete processes in the city. In this final chapter I will try to make another step forward, linking the number of processes that have transformed and are transforming the city with the changing conception of democracy and of participation we are witnessing today. Is the new raising of fascism, racism, populism, linked – or even totally rooted in - with the transformation of the urban? And if so, to which extent? What would be the alternatives? Which are the causes? If the right to the city is the right of the excluded and of all those people wishing for an alternative and socially united city, how such an alternative can be constructed?

4.1 Democracy?

The word democracy has many meanings, at the point that a single, totally and uniformly accepted definition does not exist. There can be a focus on mechanism, as well as on values. Etymologically it means power (*kratos*) of the people (*demos*), but of which people? Dardot and Laval offer an interesting interpretation of the etymological and social meaning of this word. They explain that the word *kratos* literally means superiority or victory against enemies, hence it always involves a confrontation. Then, it follows that in a democracy power is not of the people as a whole, but it is the consequence of a victory over the oligarchical party.

“So today we must recall the original meaning of the word “democracy”: not peaceful conflict management via consensus, but

power conquered by one part of the polity in a war against the oligarchic enemy. [...] In a more conceptual sense, *demokratia* is the name of the regime where the power is exercised by the mass of the poor, unlike oligarchy, where power is held by the wealthy minority.”¹²⁸

According to this view, the core nature of democracy is not majority, but its social composition. A society ruled by the wealthier part, then, should not be defined as democracy. The two scholars offer a view of democracy that starts from its etymological meaning and finds its shape in the reality. However, the most important focus is, again, on the social composition. According to this view, the composition of a regime that would call itself democracy is defined *a priori*.

Besides, democracy, as we know it today, is based on the existence of procedures that starting from the old Athens were defined as “democratic”. As David Graeber¹²⁹ explains, we usually consider democratic all those practices that make use of the means of the vote for taking decisions. However, such a vision excludes from the definition of “democratic” all those communities that were egalitarian without deciding through the vote but in which, instead, resolutions were achieved through consensus. Then, if in the former the consensus is created, in the latter it is constructed. The reason offered by Graeber is that in a community based on direct relations it will be easier to understand which are the needs of the members rather than understand how to change their mind; while in a more complex society where there are no means for forcing a minority to agree with the decisions of a majority, the only possible means to be used is the vote. The result

¹²⁸ Dardot, P. and Laval, C. (2016)

¹²⁹ Graeber, D. (2007)

of a vote creates one winner and many losers, and the position of the one who gains the higher number of votes will be then imposed on all the others, with no concerns to their position. Take, then, this view of the vote and apply it to today's reality. Money, lobbies, sponsorships, use of the media, use of the news, are all means employed for the construction of the consensus and as a consequence for gaining votes.

4.2 The city as element of counter-democracy

Despite the fact that the arguments of the previous paragraphs give rise to some doubts about such a definition, almost all the countries in today's world define themselves a "democracy". Although hard, this must be taken as a matter of fact. Moreover, not only the word democracy has not a unique definition, but also it can be affirmed that today this term has even be reduced to a "brand", or that it is an "unfinished principle" impossible to be achieved in our reality.¹³⁰ Hence, in the next part of the chapter I will use the word democracy not referring to its ideal meaning, but to the one that has been given to it through the practices of the past years. Albeit all the rightful critiques and the growing tension between the ideal and the reality, all governments still legitimate their authority thanks to national elections and democratic vote, a majoritarian vote. Moreover, today we are witnessing the transformation of the perception of many values that used to be the hard core of democracy – justice, equality, freedom, but also antiracism and antifascism – in the sense that the same definition and application of these values is changing. If we are witnessing such a transformation, it follows that the same

¹³⁰ Brown, W. (2010)

democracy is changing. In order to understand how this transformation is happening, it is useful to identify which are the elements that give shape to a democracy or, in other words, that are the substance of it. According to Antje Wiener:

“Both practices and norms are identified as the substance of democracy and hence deemed central factors for assessing changing democratic order.”¹³¹

The author also explains that:

“while socially constructed norms have a structuring aspect on political processes, political practices equally influence the construction of norms and institutions.”¹³²

There is, then, a dialectic between these two elements, in the sense that they influence each other at the same time. According to this explanation, they shape democracy and when one – or both – changes, the essence of democracy consequently transforms itself. If political practices are able to be the most influencing elements of these two, it follows that the political element will have the chance to impose its logic and vision over ideas and democracy. If we take political practices as “upper level” and socially constructed norms as “bottom level”, the role of the city as mediator in this process will appear clear. The city is the projection of a society on the territory, hence the cradle of socially constructed norms. Again, Lefebvre’s words help to better explain this concept:

¹³¹ Wiener, A. (2001), p. 184

¹³²*ibid.*, p. 183

“Today, rationality seems to be (or appears to be, or pretends to be) far from the city, above it, on a national or continental scale. It refuses the city as a moment, as an element, as a condition; it acknowledges it only as an instrument and a means. (...) The centralized management of ‘things’ and of ‘culture’ tries to avoid this intermediary tier, the city. And more: the State, centres of decision-making, the ideological, economic and political powers, can only consider with a growing suspicion this social form which tends towards autonomy, which can only live specifically, which comes between them and the ‘inhabitant’ (...) Since the last century, what is the essence of the city for power? It ferments, full of suspect activities, of delinquency, a hotbed of agitation. State powers and powerful economic interests can think only of one strategy: to devalorize, degrade, destroy, urban society.”¹³³

The crisis of the city is a crisis of the democracy – if we ever had one or at least as we used to know it – and of democratic values. City represents the intermediary level, the obstacle between state and individuals, the place where critiques can be born because it is the place where decisions taken at national level become concrete. Such a dissent has its origin from two different actors: it can come from local political figures, like mayors, or from associations and at grassroots level in general. The city represents the space where counterculture can take shape and show that an alternative to the present one is possible. The Italian city of Riace, for example, has been a model of a different – and successful – way of welcoming and integrating refugees. Its mayor, Domenico Lucano, provided houses and jobs to refugees achieving the hard goal of not only integrating them, but also of resurrecting the economy and re-populating Riace, a city that had been hit by a

¹³³ Lefebvre, H. (1996), pp.127-128

strong decrease of inhabitants due to migration to industrial cities since the end of World War II.¹³⁴ The successful result of such a model, and the same existence of a place where refugees peacefully lived with older inhabitants represented a threat for a government that based most of its consent on the disavowal of refugees and on the slogan “Italians first”. Here relies the reason why in October 2017 Lucano was placed under house arrest and accused of abetting illegal migration.¹³⁵ Other examples of “rebel cities” could be made, and in most of the cases they represent counter-actions concerning the most discussed themes, like migrants or gay marriages. This is to say that the city is indeed the fundamental element of democracy given its possible role in the creation of dissent. A democracy, indeed, can be called as such when there is the opportunity to critique or, using Pierre Rosanvallon’s words, where there is a counter-democracy. But the mediatic effect of a rebel city is a danger for a centralized state, it is a delegitimization of its decisions, and from this derives the willingness to reduce as much as possible the operating space of a city as well as its ability to create alternatives.

4.3 Political exploitation of the city

We are living in times where the “old monsters” that seemed to have been (at least partially) defeated – racism, xenophobia, fascism, nationalism - are showing again and are spreading in such an easy way that one could even ask whether have they ever been defeated or have they only been silenced. The new rhetoric of the

¹³⁴ For a deeper description of the so-called Riace Model see O.F. Usgaard (2017) “The Riace Model”, <https://www.eurozine.com/the-riace-model/>

¹³⁵ Giuffrida, A. *The Guardian*, (2018) <https://www.theguardian.com/world/2018/oct/02/pro-refugee-italian-mayor-arrested-suspicion-aiding-illegal-migration-domenico-lucano-riace>

politics describes as local problems that are global and the “Not In My Back Yard” rhetoric appears now to be used at national level. What is forgotten in this analysis is that the problems we are facing today – unemployment, low growth, migration, to name a few – are the consequences of an unquestioning trust of those neoliberal policies that have allowed the creation and spread of hyperconcentrated, from one side, and abandoned, from the other, areas. Both of them are getting destroyed. The former due to the creative destruction process described by Harvey¹³⁶, the latter due to the disinterest of the neoliberal state. The center is continuously attacked by the capitalist extraction of and search for surplus, while the periphery is becoming the recipient of all those elements that do not fit in the ideal of the center. There is not an equal redistribution of investments and resources but, instead,

“the competition state attempts to promote economic regeneration by enhancing the global competitive advantages of its territory – including its major firms, its labor force, its technological infrastructure, and its most important cities, regions, and industrial districts”¹³⁷.

Such an analysis must be applied at national, regional, local level, in the sense that the focus on competition creates disparities not only among cities or regions, but also among different parts of the city itself. Where, then, is it possible to find the origins of the growing movement that can be categorized as carrying anti-democratic values? My answer is in the growing exploitation and abandonment of cities: exploitation of those aspects that increase surplus, and abandonment of

¹³⁶ See chapter 1

¹³⁷ Brenner, N. (2004), p. 172-173

those that do not fit in the logic of competition. As already largely discussed in this thesis, the focus on the city in the past years has been on its economic exploitation whether than on the social effects of all the processes described in this thesis. An easy example can be made looking at the most touristified cities, of which the best model is Venice. As generally known, this city is suffering a great wave of touristification since many years, at the point that tourists well outnumber the inhabitants today. Among the many difficulties that such a disparity creates, the most directly visible is the clash between visitors and people who permanently live in the city. On the walls of the city you can read “tourists go home”, walking through the tiny “calli” (streets) tourists are often pushed, and are accused of being uncivilized, rude, impolite, to not respect the place where they are. The question that arise here is: what is the problem? The tourist itself or the management of tourism? Of course, the primary problem is to be find in the second option. However, which is the most direct element on which people can vent their angriness? The tourist. Facing problems rooted in processes that are not in control of the city only and that can not be solved through direct actions, the main and daily reactions appear to be against the element that materializes the problem, not on the problem itself. Of course, there is a reaction against the problem itself, but this is to be find in the discussion of the people, in searching for the wakening of awareness of all the citizenship and finally in the search for a solution from the political actors of the city.

The exploitation by the state of problems that concretize in the city but have national and global roots, as well as the consequences of the new inability of the city of being a whole and pluralistic society, are elements that can also be

identified in the discourses over immigration that have accompanied the Greek crisis. Indeed, as explained by Giorgos Tsimouris, albeit the presence of a high number of immigrants even before the economic crisis, their classification as “dangerous class” has reached its peak during that period. Their representation has been the one often used against immigrants: they have been described as criminals, as a dangerous and threatening group, as well as the cause of the degradation of the city center. These types of discourses have been used by the state as a way of moving the focus from the real problems that were affecting the city – firstly unemployment and lack of social services. The consequences of such a representation of the crisis have been: at national level an increase in the number of racist assaults and the rise of Golden Dawn, and at local level the emergence of solidarity initiatives “from Greeks to Greeks only”¹³⁸.

The example of Venice and Athens are useful for understanding the roots of the increasing consensus that are gaining all those movements and parties that base their rhetoric on nationalism and on those issues described as having only international solutions due to the decreased sovereign power of national states. The rhetoric on migrants, for example, is spreading in many countries, as electoral results can show: in 2016 Trump has been elected president of the United States of America after an electoral campaign based on the slogan “Make America Great Again” and on the proposal of the construction of a wall between USA and Mexico in order to stop migration; similar arguments have been used by Matteo Salvini during 2018 national elections and during the 2019 European elections, with

¹³⁸ Chatzidakis, A. (2014)

incredible results in both cases; European election have seen also the victory of Marine Le Pen, president of the of the far-right party Rassemblement National; Golden Dawn, a Greek political party with explicit links to Nazi ideology won 7% of the vote in the national elections of 2012 and 2015. The just mentioned are only part of a bigger escalation of parties that are imposing their ideas at national level thanks to a rhetoric that exploits problems that are local but find their roots at global level. Why is such a rhetoric successful? The reasons are two: firstly for the transferring of an upper level problem on concrete elements; the second reason, instead, is to be find in the decreasing role of the city or, better, of the urban. Indeed, when socially constructed norms are no more shaped at grassroots level, but at national level, the result can only be the spread of those ideas used for creating the consensus a government need to be elected and to keep its office. In other words, the social and economic issues that are affecting people today are posed as the final problem, not as the concretization of global issues. The crisis of the city, meaning the crisis of its sociality and of its ability of designing alternatives, eliminate the role of the city as intermediary element between individuals and the state. The consequence of this is the lack of a critique and of alternatives based on concrete problems of concrete places.

4.4 Right to the city and democracy

The idea of democracy is constantly linked to the concept of participation. Democracy, indeed, should represent a form of government that allows the participation of citizens. However, in a capitalist economy and in a world shaped by neoliberal rationality, is it still possible to speak about participation? From one

side we have to consider the growing power of private actors and of multinational companies that are able not only to transcend the borders of national states but also to influence governments; from the other side there are national states that, as described in chapter 2, have supported and encouraged the influence of these logics. Here, then, comes into play the right to the city as democratic right. To have back the possibility to really participate and to have again the control over all the elements of a person's life: house, job, space, to cite a few. Moreover, it must not be forgotten that the right to the city is a comprehensive one, meaning that its enjoyment can be achieved only through the enjoyment of all the elements that it contains. It means that what I am referring to is a type of participation that concerns all the decisions referring to economic, social and political issues. The processes described in the previous chapters of this thesis – commodification, centralization, gentrification, speculation, exclusion, exploitation – are all manifestations of a continuous distancing of those who live or want to live the city. And here we find the core of the issue: the crisis of the city is the crisis of an old way of living the city, as opposed to inhabit. Lefebvre's works describes the loss of a way of feeling the city as the living place of everybody, a space where everybody can express themselves and find their own place. The loss of the city intended as space of sociality, meeting, construction, means the loss of a sense of belonging, of social construction, of participation, of democracy.

4.5 Athens, New York, Venice

Athens, New York and Venice are all examples of places where the enjoyment of the right to the city is constrained due to factors having apparently different

origins but that in the end are all related to the general preeminence of the logic of the market over people's social needs. What emerges from the analysis of the three cities is, indeed, the constantly increasing power of the upper class at the expenses of the lower one. The problem always appears to rely on the growing inequalities rooted in the actual economic model, on the influence of private actors and on the inability and unwillingness of local and national bodies to find real solutions.

In New York the 1% of the population is taking in over 40% of city's income, while the 19% of inhabitants are officially poor and the number of near-poor has swelled as well. Cost of rents have risen of 30% between 2014 and 2017, conditions of public services is degrading while a number of previously public spaces have been privatized.¹³⁹ The situation of Athens has been largely described in the first chapter of this thesis: institutions are literally selling the city in order to boost market confidence, rising prices are evicting people from their houses, and the continuously lowering level of welfare state is accelerating social problems. The state of crisis is allowing the implementation of irreversible policies that are officially aimed at restoring a previous situation. Finally, in the case of Venice it is possible to speak of an attack from all sides: the intrinsic beauty of the city makes it an easy victim of every type of exploitation. Residents and non-residents; multinational and small companies; private and public bodies or organizations: they all contribute to the extraction of surplus from this city. The number of residents diminish every year, accommodations for tourists well outnumber those

¹³⁹ Pizzigati, S. *Inequality.org*, (2018), <https://inequality.org/great-divide/new-york-new-york-less-wonderful-town/>

for permanent inhabitants, public spaces are constantly substituted by spaces for consumption.

The causes of the crisis of New York, Athens and Venice are different but similar at the same time. They all come from global, national and local processes and are supported by the actual economic model as well as by the neoliberal model of the state. The effects of the crisis are instead the same and all contribute to the consolidation of the power of a specific class from one side, and to the atomization and diminishing participation of individuals to the creation of the *urban*. However, despite the effective transformation of the city, it can not be stated the whole city is gone. The three cities cited in this paragraph are not only the subjects of a crisis, but also the cradle of a huge number of movements, associations, activists, common people that still believe in the power of cities.

Conclusion

If Lefebvre wrote that the old city is gone, he also is the one that affirmed that it will be in the city that it will be possible to find the roots of an anti-capitalist movement. Who should be part of such a movement? The answer is not easy, and can not be find in the class division proposed by Marx. The best answer is a very narrow one: “all those who do not enjoy their right to the city”.

“Our response is going to be built through coalitions. Coalitions between the work place and the living space, coalitions which stretch across a whole set of differences but at the same time understand the unity that potentially exists within all that difference.”¹⁴⁰

¹⁴⁰ Harvey, D. and Wachsmuth, D. (2012), p. 273

The exploitation of people through their job is indeed an important part of the missing enjoyment of the right to the city, but it is not the only element. What David Harvey affirm is that the fight for the city must overcome the old concept of labour and class, and, instead, must be regarded as a fundamental part of the anti-capitalist class struggle.

“Finally, while the exploitation of living labor in production (in the broader sense already defined) must remain central to the conception of any anti-capitalist movement, struggles against the recuperation and realization of surplus value from workers in their living spaces have to be given equal status to struggles at the various points of production of the city”.¹⁴¹

The exploitation of the city shows a big division in today’s world: from one side those who own the capital and thanks to the general application of the neoliberal rationality are able to transform and design territories; from the other side there are all those people that will never be able to stop such a process as individual, but that can do it as a community.

¹⁴¹ Harvey, D. (2012), p.140

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