various income levels, from moderate to very rich, have barricaded themselves against the intrusion of development interests and fought growth with new controls (Babcock and Siemon 1985).

Environmental Restrictions on Land Use

A related land-use conflict has grown up around land-use restrictions aimed at reducing environmental problems. In the 1960s, a number of activists working in the environmental movement began to target the negative impact of development on the urban and rural landscapes. Since most local zoning and other land-use ordinances seemed inadequate to the task of environmental protection, many pressed for regulation at the higher levels of government. By the early 1970s, numerous environmental laws had been passed into law. Indeed, the 1970s have been called a "decade of quiet federalization." Laws coming out of Congress attempted to regulate air pollution, water pollution, utility siting, land conservation, strip mining, and wilderness lands (Mayer 1979, 55). The new laws have covered large projects such as power plants and strip mines, as well as coastal and mountain areas. State governments have taken back some of the police powers delegated to local governments. Thus, the 1972 Coastal Zone Management Act gives thirty seacoast and Great Lakes states federal dollars to regulate coastal developments (Popper 1981, 16-17). Toward the end of the decade, Representative Morris Udall estimated that there were about 140 federal programs that shaped local government land-use decisions, ranging from direct regulation to federal funding of state regulation, and from broad guidelines to detailed stipulations. In addition to federal laws, state governments have passed hundreds of land-use laws since the early 1970s (Meyer 1979, 56).

This wave of environmental regulation has been strongly opposed by some powerful real estate actors, particularly developers. Often arrayed against environmentalists have been development corporations and their local government allies, although there have been temporary coalitions between environmentalists and some big development firms. As Popper (1981, 6) notes, "this opposition has not succeeded in stopping land use reform legislation, but it has imposed a variety of prodeveloper concessions and compromises on what began as strictly environmentalist bills." This major struggle has often involved local homeowners and environmentalists primarily interested in use values on the one hand and certain factions of capital, such as real estate developers interested in exchange values, on the other. But the picture is often complex; some communities with unemployed residents have preferred the social costs of corporate investment to what they have regarded as the "purism" of environmentalists. The logic of capitalism, as it is currently structured, often forces a Hobson's choice between a clean environment and jobs.

Conflict over Large-Scale Development Projects

In recent decades, localized zoning and other land-use regulations have been increasingly attacked by big developers and their allies among land-use reformers. Prior to the 1940s, most urban development projects were carried out by small builders and developers. Beginning in the 1940s and 1950s, large developers such as Levitt and Sons began to build very large suburban development projects. By the 1960s there were numerous big developers constructing large shopping malls, office buildings, warehouses, and residential subdivisions. In the late 1960s and early 1970s, many large firms put together or acquired their own development subsidiaries, such as ITT taking over Levitt, and Exxon creating the Friendswood Development Corporation. At the peak of corporate involvement in the 1970s, many top executives expected to reap new profits from shifting investments into large-scale urban development projects. With much surplus capital to expend, large industrial firms moved capital into real estate investment circuits, including large planned unit developments (PUDs), such as Kaiser Aluminum in Rancho, California; Gulf Oil in Reston, Virginia; and Exxon in developments in Clear Lake City, Texas. Independent real estate development corporations grew ever larger as capital became more centralized and concentrated in firms like Cadillac-Fairview, Gerald Hines Interests, and Olympia and York, Ltd.

As the scale of urban development projects increased, local regulations became problematical for the big developers: "Traditional zoning and subdivision regulations with their piecemeal approval, density limits, and fixed-use districts were not in accordance with the new scale and design of major projects" (Walker and Heiman 1981, 71). The Urban Land Institute (ULI), the research arm of big developers, took an active part in pressing for land-use reform. One ULI publication notes that "broadening the concept of zoning to meet the needs of large new communities and redevelopment projects" is a goal of "planning bodies, redevelopment authorities, large corporations and foundations and those qualified to engage in large-scale developments." (ULI 1961, 59).

Shopping malls are one major type of large-scale development project. Existing zoning maps locates the locations for commercial projects, but in the view of large developers the "prezoned, mapped commercial strips are usually not suitable locations for shopping centers" (McKeever, Griffin, and Spink 1977, 51). This quote is from the Shopping Center Development Handbook of the Urban Land Institute. The Handbook continues by noting that in numerous communities zoning laws have not been revised to automatically provide for the planned unit concept (and the shopping center is a planned unit)." The Handbook calls for the updating of ordinances so that existing building height, lot size, and setback regulations will not prevent large shopping mall projects. The shopping mall project is said to be in the public interest because of the in-
creased taxes accruing to the local community and because the community is relieved of the need to provide parking facilities (McKeever, Griffin, and Spink 1977, 53).

In the 1960s and 1970s, large-scale infrastructure projects using public money also ran into local land-use barriers. Local communities used land-use controls to keep out power plants, highways, and airports. Plotkin (1987) cites cases of successful citizen mobilization: the Tocks Island dam in New Jersey, the Miami-Dade Jetport, and the North Expressway project in San Antonio. Backed by large-scale development interests, these projects were attempts to improve the local transport-energy infrastructure using federal government funds. Such land-use conflicts have been viewed as "the result of poor planning" or a "lack of coordination," to quote Senator Henry Jackson (quoted in Plotkin 1987, 183). But they represent something far more fundamental, again the use-value concerns of urban and suburban residents versus the exchange-value concerns of, to use the ULI language above, "those qualified to engage in large-scale developments."

Proponents of large-scale development projects have seen themselves as positive forces for social change. Thus Berry (1973, 24) notes that the "planning commission in a social sense and the zoning ordinance in a real estate sense ... are holding operations against the forces of social change." The defenders see local opponents of growth as opposed to progress. It has often been asserted that large-scale development projects can better meet the goals of racial desegregation, can lower housing costs, and can better protect the environment than the disorganized and fragmented projects of smaller developers. However, Walker and Heiman (1981, 79–81) have demonstrated that for the most part such assertions cannot be supported from the existing data on large developments.

The Strange Career of Land-Use Reform

Regulation versus Profit?

Land-use reform has been on the nation's agenda since the late 1960s. Land-use reformers have been committed strongly to race and income desegregation of the suburbs, rational planning and control of the environment, and greater efficiency in the location of large-scale development and infrastructure projects. Popper (1981, 212) portrays the land-use battles as between those who view land as "a resource that was subject to stringent centralized regulation" and those who see land as a "loosely and locally regulated commodity on which its owners could make a profit." But Popper misses the complex reality of the class backgrounds and interests of many of the reformers. Indeed, the struggles over land use have involved a diverse array of competitors and ac-
tors, some concerned with the use value of land as living space, some concerned with the use value of land for commercial profit making, others with the exchange value of land. Worker–homeowners have often pressed for territorial separation; mall developers, for investment expansion. But the picture can be complex; land-use politics often brings together strange bedfellows.

The 1960s and 1970s were a period of great debate over zoning and other land-use ordinances. Because of the problem of land-use localism, big business interests worked through private planning groups such as the Regional Plan Association of New York, the Bay Area Council of San Francisco, and the Committee for Economic Development in order to press for metropolitan reorganization and planning. In the 1960s there were numerous foundation-funded critiques of local political and zoning fragmentation. Particularly important have been the Ford and Rockefeller Brothers foundations. The Ford Foundation funded a study on this subject by the Regional Plan Association of New York. In 1961, the Ford Foundation gave a grant to the American Society of Planning Officials to review zoning laws, with Richard F. Babcock as the key evaluator. Two years later, Ford also gave a half-million-dollar grant to the American Law Institute to study zoning laws and to propose a model law. Out of this latter project came draft proposals for a Model Land Development Code that would bring up to date the Standard Zoning and Planning Acts of the 1920s. In The Zoning Game (1966), Babcock argued that the patchwork quilt of such local laws should be transformed into a set of development controls operated by higher levels of government. He argued that existing zoning practice defies municipal plans and "enshrines the municipality at a moment in our history when every social and economic consideration demands that past emphasis on the municipality as the repository of 'general welfare' be rejected" (Babcock 1966, 123). For Babcock, as for many reformers, the public good (of big developers?) can be better preserved at a level of government beyond the local level.

Major government-funded reports took up the cause of land-use reform in the late 1960s. One major reform issue grew out of the civil rights protests. One response to the intense black ghetto riots was the 1968 Kerner Riot Commission's strong critique of exclusionary zoning by suburbs as a cause of the central-city racial crisis. The report of the 1968 National Commission on Urban Problems also argued vigorously against the use of land-use controls to segregate housing. That report argued that the right of minority individuals to achieve their housing choices must be given priority over the desire of white neighbors to exclude them: "The principle, of course, is well established in such matters as the invalidity of racial zoning... there are many gray areas, however, in which a regulation with a purported 'physical' objective (e.g., a minimum house or lot size) may have a dominant motive of exclusion" (National Commission on Urban Problems 1968, 241). The commission recommended that state governments amend zoning acts to include
as a legitimate zoning purpose the inclusion of housing sites for persons of all income levels.

The report of the 1973 Rockefeller Brothers Fund Task Force on land use and urban growth, called *The Use of Land*, was a major step in the struggle for national land-use reform. It also called for removal of exclusionary zoning laws to keep minorities out of suburban areas. Moreover, this report pressed vigorously for new governmental action to facilitate capital accumulation by big developers frustrated by local zoning and planning regulations. In its attacks on small-scale development, the report reflects the interests of big developers:

The small scale of most development remains a major obstacle to quality development. Although an increase in scale does not guarantee high quality, it significantly increases the developer’s opportunity to achieve quality [Reilly 1973, 28].

*The Use of Land* is aggressive in proposing large-scale developments as a solution to urban development problems and in arguing for the abolition of local planning and zoning barriers that interfere with large projects. It proposes state government entities, such as New York’s pioneering Urban Development Corporation, with the “power of eminent domain, the power to override local land-use regulations, and the power to control the provision of public utilities, when necessary, to overcome the barriers that now prevent most developers from operating at the larger scales that the public interest requires” (Reilly 1973, 29). The report further calls for depriving “local governments of the power to establish” various land uses in excess of state government statutes and for a remodeling of the regulation process so as to reduce the control of governments over land-use regulation “that significantly affects people in more than one locality” (Reilly 1973, 27–28).

**Major Federal Legislation**

A centerpiece of the reform movement was the National Land Use Policy Act introduced in various incarnations by Arizona Rep. Morris Udall and Washington Senator Henry Jackson between 1968 and 1976. This bill would have given state government dollars “to devise comprehensive land use programs to regulate large developments and other building in environmentally fragile areas” (Popper 1981, 17). It passed the Senate easily in 1974, but was defeated by four votes in the House. While Senator Jackson claimed his land reform was “the best possible protection for basic property rights” and that the $100 million provided under the act would not allow the “federal government to substitute its own policies for those of the states,” it was clear that the law would require that states to set up detailed land-use planning requirements and agencies as a condition of eligibility. House supporters such as Udall saw the bill as a national land-use planning policy, one needed because there was “no real order, no overall policy to cope with future land development and the struggle between speculators and preservationists” (quoted in Meyer 1979, 57). The Jackson bill was presented as “policy neutral” and as oriented toward greater efficiency in land-use planning. But the bill actually shifted power away from local governments to the federal and state governments.

**Classes and Class Factions in the Land-Use Reform Struggle**

The new urban political economy perspective would suggest an in-depth investigation of the relationship of the land-use reform commissions and bills to the larger class and political-economic context, in particular to oligopoly capitalism and attempts to rationalize the chaos of a profit-centered market system. Because of the class-structured character of capitalism and of state intervention, there is typically no consensus on land-use goals. Reformers have included not only environmentalists and civil rights advocates, but also those representing the interests of big developers and those planners committed to rationalizing the problems of cities under advanced capitalism. Some large-scale development interests have worked for land-use reform, particularly major developmental and industrial companies that see centralized policy-making as neutralizing local regulations and reducing local no-growth barriers to development.

Environmentalists testified for the Jackson bill, together with big corporations and their real estate and banking allies: the National Wildlife Federation, Exxon, Bank of America, the National Association of Realtors, and the Conservation Foundation. Energy and utility companies have sometimes been supportive of a certain type of national land-use policy. The environmentalists wanted a law that would protect the U.S. environment against rape from local interests. But the large corporations “preferred a system that would minimize the risks inherent in an uncoordinated and decentralized approach to land use planning” (Meyer 1979, 57–58). Not surprising, thus, was the testimony by an Exxon executive before a Senate committee that emphasized that “we believe the time has come for a more orderly, disciplined way of planning for and managing for future growth of the nation” (Meyer 1979, 58).

Zoning reformers have noted the problems that local zoning laws create for large firms interested in urban development. Thus Babcock notes that these “sophisticated advocates are chagrined to discover that village codes often are a major barrier to marketing their dwelling-related products. . . . In short, there are powerful and conservative forces that would welcome an erosion of local land use control” (Babcock 1966, 59–64). The point is that localism in land-use regulations is a major headache for large development firms. Thus a na-
tional land-use law is in order to rationalize local "irrationalities" in land-use regulations.

The 1920s Euclid zoning debate was centered on getting what was seen as a reform past the judiciary of that era. In the 1960s and 1970s, reformers such as Babcock wanted to remake that reform. Babcock seems to fear that the "one-man, one-vote" concept increases the power of the suburbs in state legislatures and thus makes zoning reform difficult. In this sense, his corporate-liberal view is basically antidemocratic. He and other reformers prefer state and federal legislatures to reform the laws in spite of what voters might want (Toll 1969, 306). Big firms and their advocates seem to prefer centralized planning because they more easily can influence decisions at these state and federal levels of government than smaller developers and the general public can. Large developers need standardized zoning and planning regulations to facilitate huge development projects over large geographical areas. Moreover, the participation of federal and state authorities can help steer development projects away from the most resistant and assertive local communities.

Corporate land-use reformers and their professional allies had the value commitments and practical wisdom to try to build a coalition with civil rights advocates who find exclusionary zoning repulsive and environmentalists who find certain traditional state practices as degrading of the environment. In a review of the literature of the late 1960s and early 1970s, Walker and Heiman (1981, 73) found numerous calls "for alliance between developers and proponents of environmental quality, social equity, and growth control." The major land-use commission studies pressed hard (1) for streamlined regulations for large-scale development and (2) for restrictions on exclusionary zoning, goals supported by divergent factions in the reform coalition. However, from the beginning there were major tensions in any coalition of this type. The benefits of large-scale projects have been exaggerated, and environmentalists often disagreed with big developers on such matters. Many minority activists have also been ambivalent about land-use reform. While they recognize its potential for reducing racial zoning, they also fear that new environmental rules will create the possibility of new types of exclusionary zoning. For example, one group of middle-income whites in Newark was able to block a low-income housing project by questioning the environmental impact of the project, using the environmental impact law (Popper 1981, 70, 258).

Another set of allies for the national land-use reformers were the environmentalists who had succeeded in getting Congress to pass laws regulating water and air pollution. Many environmentalists supported the use of state police powers to regulate the environment, and they supported the national land-use planning legislation in the 1970s. But this love affair did not last long. The environmentalists' concern with pollution controls ultimately "stood in opposition to developer interests..." The latter disapproved of protecting critical environmental areas without balancing this with the power to override local restraints on development elsewhere" (Walker and Heiman 1981, 75).

Localized Opposition to Land-Use Reform Bills
The most effective opposition to national land-use planning legislation came from local forces. When they lost, some reformers saw their opponents as right-wingers who conducted a "campaign of strident sloganeering" (Meyer 1979, 58). But the opposition was more substantial than this implies. Local business and government officials, small farmers, and local developers opposed the National Land Use Policy Act. For example, Chicago Democrats, controlled by Mayor Richard Daley, provided crucial votes to defeat the act. Popper (1981, 62) suggests that the reason for this opposition was a concern that higher levels of government would get the power to regulate land use; local government officials wanted that power, as well as the political contributions given by local builders and developers to those politicians in control. But Popper gives too much weight to the political officials. The land-use struggle was between a national and rationalized land-use system of the corporate-liberal, land-use reformers and a localized land-use system of suburban homeowners and local real estate actors.

Plotkin (1987) notes that the nattionally oriented land-use elite pressing for the rationalization of development ran into the basic problem that few local people wanted land-use law changes. For these local officials land-use decision making was a stabilized and routinized activity, with routine access for the powerful actors at the community and city level. In some areas, the application of zoning and other ordinances favored growth, but in other areas decisions favored zoning and no-growth. In any event, most local real estate actors had little reason to support federal government intervention.

The defeat of the comprehensive land-use law has led some reformers to target more restricted goals such as expanding regional action. Some large developers and allied reformer-lawyers have tried to participate on regional environmental bodies, in order to influence regional land-use policies. Others have tried to piggyback onto the conservative (laissez-faire) deregulation movement of the 1980s, arguing that streamlined land use is necessary in order to deal with the "dramatic increase" in local regulations.

Alternative Strategies for Dealing with Urban Development

Large-scale Organizations and Corporate Liberalism
Large-scale industrial, real estate, and development organizations increasingly have come to dominate American urban landscapes. Corporations often have
annexed the power of the state to help them in private profit-making. At the core of the struggle over a streamlined national land-use policy has been a corporate-liberal approach to the problems of modern capitalism. The corporate-liberals long have disagreed with their laissez-faire conservative brethren and have pressed for more government involvement in dealing with the irrationalities of the capitalist system. Urban protest movements, such as that in Santa Monica (see below), have raised fundamental questions about capitalist cities including questions about the quality of life, the pervasive profit criterion of investment, and the dominating influence of capitalist elites. While recognizing the significance of these urban movements, those adhering to the corporate-liberal ideology remain committed to a capitalist system and see the solution to many problems in more centralized regulation and in coopting certain elements of popular protest. But the corporate-liberal solutions are illusions, since the real issue is not the “obsolescence of zoning and small-scale development” but the “obsolescence of organizing social life around class inequality and the accumulation of capital” (Walker and Heiman 1981, 83).

Corporate liberalism appears to be a reform effort. Yet in reality corporate-liberalism offers “equality of opportunity” for real equality; bureaucratic regularity and rationalization for expanded citizen participation; and consumer goods for democratic control of workplaces (Lustig 1982, 248). The problem with corporate liberalism is that it encompasses a strong faith in a profit-oriented capitalism, albeit a state-administered and rationalized capitalism. But profit-oriented production and development frequently do not respond to basic human needs very well, either in the short run or in the long run. And a concern with making city development more rational and efficient is not the same as ridding cities of deepening injustices. If we are to meet the needs of all city dwellers, we must move beyond the choice of twentieth-century corporate liberalism and the choice of a renewed nineteenth-century individualism and Social Darwinism.

Democratizing Land-Use Controls: Accenting Home-Use Values

Henry George (1962, 264) long ago argued that it is the work and effort of all the people in communities that create land values and bring whatever advances in land prices that do occur. In his view, land dealers and real estate speculators secure, unjustly and without much effort, the increased prices generated by community labor. Extending this insight, George argued that the inequality of property holding and property control was a major source of the extreme imbalances in wealth and poverty in the United States. Real estate capital—and other land-interested capital, one might add—often is concerned only with the exchange value of urban space itself or the use value of space for money making, whereas most ordinary worker-renters and worker-homeowners view their residential urban spaces in terms of family-use values, as “home.” When capital becomes highly expansive and mobile, great tensions can occur. Critical to the health and progress of U.S. society have been certain basic social and cultural arrangements—stable neighborhoods and communities, dependable social relationships, and a sense of the limits to destructive capital investments. Yet these family-home arrangements are being destroyed by the world-oriented operation of modern corporate capitalism. A capitalism that has always operated as though “community, tradition, family, and morality made no difference, now finds them disappearing in fact” (Lustig 1982, 256).

A major problem with the national land-use reform proposals of the corporate-liberal reformers is that they would reduce citizen input, input that has been expanding at the local level in recent years. Certain land-use reforms may be appropriate, but they should be set in a context of human concern with use values and citizen participation.

Major class and income inequalities, major imbalances in political power, racial exclusion in matters of housing, struggles over air and water pollution, conflict over siting of large development and utility projects—all these reflect the “normal” problems of the elitist system we call capitalism. As long as that elitist system is in place, reforms will be biased in favor of the exchange value interests of the powers that be. The existing social relations of capitalist production set significant limits on reform, so in the end capitalism will have to be replaced. But there is still a need for reforms “in the meantime.” Urban land-use reforms can be related to more progressive and democratic goals rather than the corporate-liberal or reactionary Social Darwinist goals. What progressive reforms might be, or have been, attempted?

Plotkin’s Proposal

In a provocative analysis, Plotkin (1987, 241) has suggested the need for a National Community Security Act bringing together five basic goals often considered separately by progressive analysts:

1. To achieve full employment;
2. To control prices in oligopoly sectors;
3. To eliminate speculation and to control housing prices;
4. To restrict corporate flight from communities;
5. To establish integrated planning and investment controls.

The first step here would be to provide the breadwinners in every family with a decent income and a guaranteed job and thereby to reduce the residential isolation of poor minorities now suffering job and racial discrimination. Adequate incomes would be corrosive of exclusionary zoning. Controlling prices for primary commodities (e.g., food and energy) would involve regulation of
only a few major firms and would control inflation. Housing could be treated as a basic necessity and valued for its home-use value, rather than its speculative exchange value. For example, Congress could pass legislation controlling the prices of all houses built with federal aid or federal tax subsidies. A heavy tax on undeveloped land could be used to reduce speculation, as Henry George proposed. Racial exclusion might be reduced because there would be less of an income and housing cost differential between city neighborhoods. Plant-closing legislation is necessary to reduce the negative impact of capital flight. Without control of job-creating investments, cities are without control of their futures. Plotkin suggests the further step of actual contracts between companies and cities such as those made by professional sports teams. The new law would require that a corporation that violates its written contract by leaving would be liable for the costs of abandonment.

“Contracts” between Communities and Corporations

The idea of a contract between communities and corporations has been broached by other analysts of the urban scene. David Smith (1979), for example, has argued that the “reliance” doctrine can be linked to a conception of “implied contracts.” There is in the common law a “reliance” doctrine. If a local government promises to build a sewer and water system for an area, and a builder constructs houses on that promise, and if the government fails to deliver, the builder has a legal right to sue for breach of contract. There was no written contract, but there was an implied contract on which the builder took action. Smith (1979, 7) has suggested that this principle should be applied to decisions by private companies as well. When a company locates a major plant or office facility in an area, it not only attracts people to work there but also encourages people to settle in for the long term with their families, to build schools and city buildings, and to take out long-term mortgages on their homes. Tax breaks are granted to the company by the local community. Workers and their families develop strong social ties to the community. There is an implied contract between the company and the people; the company implicitly has agreed that it is there for the long term. But, if a company leaves after a short time or with a few weeks’ notice, it has clearly violated that implied contract. Yet in such a case there is as yet no way for citizens to sue a company for damages or to force compliance with community needs. Today, a basic community necessity is to build into American law such contracts in order to hold corporations accountable for the broader community costs for investment and disinvestment.

In Europe, pressures from organized workers have resulted in some laws restricting corporate flight. A company in Great Britain desiring to close or re-locate must get an industrial development certificate from the government’s Department of Trade and Industry. Corporations are thereby discouraged from leaving a troubled area and are encouraged to enter high unemployment cities. In cases where firms must close, workers are required to be given training, relocation, or job severance pay benefits. Similar laws are in operation in France and West Germany.

But what is the relevance of this to urban land-use debates? There are two points here that are relevant to an alternative progressive perspective. One central point is that capital flight is indeed a land-use issue. When companies abruptly leave a community, they destroy the viable context for securing home- and neighborhood-use values, and they take capital with them that has been created by the collective efforts of the workers in the community. In many apologies for capitalism, capital itself is viewed as a privately generated resource, and thus as legitimately beyond the control of citizens and local communities. But companies frequently borrow money from banks and other lenders, or they draw on past profits. Where does that money come from? Smith (1979, 7) has put this well:

Capital is a social resource. The people created it collectively, by their labor, savings, and their presence in a community which creates markets. It is absurd to say that once this money moves into the hands of some financial intermediary, it ceases to be theirs and is no longer accountable to public concerns.

Capitalists often borrow from the savings of workers in banks, insurance companies, and pension funds. Or they draw on the past profits generated by the labor of their workers. It is ironic that capital created by people’s sweat and savings in a particular locality is used to create unemployment there as companies abandon that place for lower-wage labor markets around the globe.

A second point is that Smith’s conception of an implied contract and of much capital as a resource created collectively by people’s labor and savings can be extended to land-development corporations and their relationships to communities. The latter come into communities seeking profits; they too can be viewed as making an “implied contract” with the community residents whose labor and efforts there give land a price—and a rising price. And they, too—for example, in hit-and-run developments or in environmentally disastrous projects—can create major social costs for community residents to pay. Moreover, real estate firms draw on lenders’ capital whose source is, partially at least, collective in the sense that Smith eloquently describes above.

Forging Contracts with Developers

Progressive policies regarding land use have been implemented in a number of U.S. cities in the last decade (cf. Clavel 1986); but Santa Monica seems to have
moved the most substantial distance in the direction of forging major agreements and contracts with real estate development firms. Santa Monica, a beachfront city of 90,000 surrounded by Los Angeles, has been the site of major conflict over the use value of land. In the 1970s, housing in Santa Monica became a critical issue, particularly for senior citizens. Housing price increases outran incomes by eight to one in the late 1970s (Clavel 1986). Speculative sales of residential units increased tenfold; between 1970 and 1978 landlords increased rents twice as fast as landlords elsewhere in Southern California. While moderate-rent apartments were being razed in large numbers for large-scale development projects, expensive condominiums and homes accounted for most new units being privately developed (Capek 1985; Feagin and Capek 1986).

The business-dominated city council repeatedly suggested that moderate-income residents were "second-class citizens." In response, a group of senior citizens in 1978 spontaneously organized to put a rent-control initiative on the ballot. It lost, but Proposition 13 won. Proposition 13 was a property tax measure publicly linked to promises of rental savings for tenants. When landlords instead increased rents, opposition formed against this "exchange value" solution. This time voters passed a strict rent-control law. Two years later, the successful grass-roots electoral coalition targeted the destruction of the city by landlords and developers and elected a slate of progressive candidates to the city council.

The new city council took some dramatic steps, including a moratorium on all real estate development. Unlike most cities, which typically vie with each other to capture footloose investments, Santa Monica's democratically elected progressive council forced developers to negotiate givebacks to the community in exchange for the right to make a profit there. Santa Monica exacted a whole new category of social goods: low- and moderate-income housing, day-care centers, public parks, energy-saving features, and affirmative action hiring. The projects themselves were made to conform to a "human scale" construction. For example, one developer came to the Santa Monica council for permission to build a multistory office complex. The council agreed, but only after the developer committed himself to meeting major community needs as part of the project: an affirmative action program of hiring, a public park, thirty units of low- and moderate-income housing, a 1,500-square-foot community room, and a day-care center. In addition, an agreement between the city of Santa Monica and another real estate firm specified that a significant portion of a proposed commercial-office project be constructed to house low- and moderate-income citizens, including units for senior citizens and families with children. In another agreement with a real estate developer, Welton Becket Associates, the Santa Monica City Council reportedly reshaped a 900,000-square-foot commercial-office-hotel complex to include the following: 100 rental units in new (or existing) buildings for low- and moderate-income residents (including the aged and handicapped); three acres of landscaped park areas with athletics sport facilities; a day-care center, promotion of car pool, bicycling, and flex-time arrangements to reduce traffic programs; and an arts and social services fee (Feagin 1983, 203–5).

Reviewing the Santa Monica proceedings, Linderoff (1981, 20) noted the extraordinary character of such negotiations between a city council and important developers. These are rare written contracts because in big cities, such as New York, "developers routinely threaten to drop projects if the city doesn't give them something (usually a height exemption and a giant tax abatement)." The usual procedure is for city councils and other government officials to rush to the aid of developers with subsidies and to require no negotiations with developers for contributions to community needs or meeting social costs. The new council, not dependent on development interests for its campaign financing, argued that developers should pay for some social costs they create, including housing destruction and increased city service expenditures. Other city council innovations stressing democracy and local control included city funding of neighborhood organizations, the creation of citizen task forces, development policies encouraging open space and public amenities, a housing policy to preserve the income and racial mix of the city, an innovative anticrime program, toxic disclosure regulations, and farmers' markets (Shearer 1982; Feagin and Capek 1986).

Democratization of decisions about urban land use is a central feature of the reforms in Santa Monica and a number of other towns and cities across the United States. But the expansion of democratic input does not come easily. The progressive politicians in Santa Monica faced a host of problems. While they had laid down some new people's rules governing their city, they could not control the regional economy and investment flows into and out of that region. Landlords besieged the city with expensive lawsuits. Progressive city council members often faced hostile community groups and found that democracy was limited by the existing hierarchical (anticommunist) structure of city hall and by constant pressures on the city by the larger political-economic system in which it was embedded. Organizing a routinized government and regulating real estate development resulted in the city council members compromising their ideals in order to take effective action in a capitalistic economy. Even the aforementioned developer agreements signal the compromises made by progressive council members who were initially opposed to all private development in the city. At the same time, the Santa Monica People's Movement raised democratic participation in the city significantly and rewrote the traditional urban script on land-use decision making in a way that favored non-elite actors (Feagin and Capek 1986).
Conclusion: Lessons for Land-Use Decision Making

The democratic reform impulse has not been limited to a few city councils. We have noted the progressive elements of the New Jersey (Mt. Laurel) court decisions concerning the income and racial desegregation of housing in that state's suburbs and cities. The negative consequences of exclusionary zoning practices there slowly became evident to judges who were in no sense "radicals," although their actions were taken, accurately, by conservatives as fundamentally radicalizing for traditional land-use practices. The judges recognized that "freedom and equality for all U.S. citizens," an American ideal since at least 1776, has a force of its own which in the long run is difficult to resist. People of all income levels and racial backgrounds have a right to secure home and neighborhood use values. This principle of the right to a life-space is one that could well become a guide to future planning and court decisions in regard to U.S. cities. The essential ideal has two parts. First, maximize the resources available to all citizens, even if that requires redistribution of income or housing rights down the status ladder (cf. Rawls 1971). Secondly, maximize the participatory rights of the entire citizenry, even if that entails the sacrifice of the tradition of elitist decision making on behalf of that citizenry. This democratization ideal can be seen as encompassing both the political and the economic spheres—and thus as challenging the maldistributions of rights and of wealth which are grounded fundamentally in a capitalist political-economy.

It has been pointed out that in order to exist, capitalism must continuously convert life-space into commodity-space in order to sustain profits. Whole communities created by a large developer—or organized around a particular industry—may be defined as commodity-space; particular neighborhoods may be singled out to be converted into investment space, as in gentrified areas from New York to San Francisco. In the process of expansive capital investment, life-space often is rendered abstract economic space and separated from the fact that it is a place where people carry on their lives. It is in this sense that capitalism must swallow the "roots" of people to stay alive. Such a process raises basic questions of fairness. It does not take place without a struggle, as Santa Monica illustrates. And by enshrining the private property principle, capitalism creates its own nemesis—people want to defend their life spaces, their use-value concerns, and thus stand in the way of capitalism's restless appropriation of urban space.

Notes


References

Form, William H. 1954. “The place of social structure in the determination of