NEOLIBERALISM AND SOCIALISATION IN THE CONTEMPORARY CITY: OPPOSITES, COMPLEMENTS, AND INSTABILITIES

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1. INTRODUCTION

Neoliberalism poses itself as the end of the social. It seeks to unshackle social actors from social and political constraints, to enable the firm freely to maximise its profits and the individual his or her 'utility'. Private property is to be freed from collective rights and obligations, in particular from state interference, though the state is required all the more strongly to protect property from infringement by others. This implies particular relations between capital and labour in which the worker confronts capital as an individual rather than a member of a collective or a citizen, freeing capital both in its purchase of labour power and the latter's consumption within the workplace.

But this project is haunted by the logic of what I will refer to as 'socialisation' – the coordination and cooperation of social actors other than through markets. [1] This logic is present both in production and in the social sphere on grounds of the efficiency of waged and unwaged work and the satisfaction of human needs (Offe, 1984). Thus to the extent that people are able to press for the satisfaction of their needs and to the extent that business is concerned for the efficiency of production, neoliberalism faces dilemmas. The break-up of longstanding forms of socialisation within cities has caused manifest inefficiencies not only for workers and residents but also for business. This has meant that many important forms of socialisation have not been destroyed altogether but rather

have been reformed in particular, always problematic, ways by neoliberalism. Moreover, substantially new forms of urban socialisations of production and reproduction have emerged, stamped by their neoliberal context. These deviations from 'pure' neoliberalism, the messy business of 'actually existing neoliberalism', are highlighted by Brenner and Theodore in their introduction to this volume; this paper attempts a theorisation of them.

There is a large left literature showing that neoliberalism has led to inefficient production as well as declining standards of working class life. But this begs some questions. Why has the neoliberal offensive continued despite these palpable failures? And on the other hand, what forms of socialisation have continued or emerged, and how are they related to their apparent opposite, neoliberalism?

Socialisation within capitalist society can take politically very different forms. It may reflect and embody a real class compromise, as in classical social democracy: an attempt to steer capital into high productivity paths which are relatively beneficial for quality of employment and living standards. Alternatively, socialisation may simply respond to demands of capital: it can provide labour power with suitable resources and attitudes as well as other inputs to profitable production, and organise particular paths of accumulation. Thus socialisation in the present period, though formally opposed to neoliberal principles, may in practice reinforce the class project of neoliberalism by creating real rather than merely formal options and freedoms for capital. This paper

maps some of the ways in which contemporary socialisations in cities complement and internalise neoliberalism.

Socialisation of whatever political complexion, because it involves direct and explicit relations between actors rather than relations mediated by impersonal value, can become excessively politicised from the point of view of capital (Habermas, 1976; Offe, 1984). Indeed, neoliberalism developed precisely as a response to such problems (Clarke, 1988; Bonefeld, 1993; Bonefeld, Brown and Burnham, 1995). I therefore seek in this paper to trace the historical development of the tension between the impersonal discipline of value and the political conflict immanent in socialisation in the city. This attempts to fill a gap in the literature on neoliberalism as depoliticisation (*ibid*.), which has neglected the local scale.

The paper thus seeks to interpret the contemporary city in terms of the contradictory relation between neoliberalism and socialisation, that is, both their conflict *and* their mutual construction. As this abstract dualism is developed towards historically and spatially concrete forms, I seek to show how socialisation can internalise neoliberalism and vice versa, thus complexifying the two poles. We are concerned here not only with impersonal structures but, crucially, with consciousness, political struggle, and their historical development.

Section 2 considers the notion of socialisation within capitalist society and its historical development. On this basis it proposes a particular account of the origins of

neoliberalism conceived as a set of class relations. Section 3 examines how neoliberalism has restructured cities, but also the persistence of longstanding forms of urban socialisation despite neoliberalism. Section 4 considers four examples of new or substantially reworked forms of socialisation within the contemporary city, and their complex dialectics with neoliberal disciplines and fragmentations. Section 5 concludes by contrasting the analysis with that of three influential currents of radical geographical theory.

2. THE SOCIALISATION OF CAPITALISM AND THE NEOLIBERAL RESPONSE

The core mechanisms of capitalism – capitalist production of commodities, the sale of labour power by individual workers, flows of capital governed by prospects of individual profit – have never been adequate in their pure form to ensure sustained accumulation nor, a fortiori, to meet the needs of the working class. There are consequently chronic pressures from sections of both capital and labour towards collaborative non-market arrangements, through both civil society or the state, to mediate the core relations. This 'socialisation' relates to both production and the reproduction of people. Because the reproduction of labour power is important to capital, and because employment depends on profitability, *both* spheres are the concern of *both* classes. It is therefore misleading to conceive of socialisation as serving accumulation and legitimation as distinct aims: accumulation is vital for popular legitimation, and the reproduction sphere underpins accumulation. As we shall see, this greatly complicates the politics of socialisation.

Socialisation of production and reproduction can have very varied class politics. It can be conservative, as in the state-zaibatsu planning of production in Japan, or in the public services of postwar West Germany which were structured to encourage polarised gender roles and family stability. It can be social democratic, as in the regulation of production and industrial bargaining in the Federation Settlement in Australia, or in the classical welfare state in Scandinavia. Or it can express, and unstably embody, an offensive of labour against capital, as in the forms of workers' and residents' control of production, housing and urban services during the 1969-70 events in northern Italy. Note, then, that socialisation does not always have a social democratic nature. This political ambiguity will be of central concern in the argument below.

Over the very long term development of capitalist industrialism, there is a tendency for socialisation of both production and reproduction to deepen. This arises, inter alia, from an increase in capitals of long turn over times, increases in the knowledge intensity of production, and increasing complexity and cultural content of reproduction commodities and public services, producing pressures for coordination at varied scales.

These pressures underlay the enormous extension of socialisation during the postwar boom in all the developed countries. Not only was demand management by nation states introduced to underpin investments of long turnover time, but national, regional and local states became increasingly involved in aspects of production including the coordination of investment and disinvestment in sectors, training, R&D, to land and property provision; these interventions typically were carried out in concert with representative bodies of business, and sometimes of labour too (de Brunhof , 1978). The range and

types of welfare service increased, deepening their cultural politics. State regulation of conditions of waged work and of commodity inputs to reproduction similarly increased enormously. Both the balance and the class relations of these forms of socialisation, however, varied strongly between different countries (*ibid.,* Esping-Andersen, 1990).

The forms of socialisation developed in the postwar boom for the most part contributed positively to the unprecedentedly rapid rate of capital accumulation. But this was a contradictory process. Socialisation organised the *use values* (material processes) of production and reproduction more efficiently than would otherwise have been the case. But this had some negative impacts on *value* relations. By enhancing the accumulation of productive capital, particularly of capital of long turnover time, it accelerated the growth of the organic composition of capital, hence tending to depress the rate of profit (Mandel 1978). A historically low rate of unemployment was a product both of successfully organised accumulation and, in some countries, of working class pressure (Therborn, 1986). But in Europe in particular this cumulatively strengthened the bargaining power of labour and the size and militancy of union organisations, negatively affecting the rate of exploitation (Glyn and Sutcliffe, 1972; Mandel, 1978). Moreover, socialisation in certain nationally-specific aspects of society became accepted as a norm. This encouraged sections of business, of workers and of residents to organise themselves and bargain with other social actors and with the state to further their immediate, perceived interests. Sectors of business increasingly came to see various types of state support as a norm; workers sought to extend bargaining and secure legally-based entitlements from employers; the non-waged and insecurely-waged secured better state

benefits; residents demanded improved public services and urban planning; and women and ethnic minorities, whose social positions had been fundamentally altered by the boom, and whose expectations had in many cases been raised by socialisation and its rhetorics, demanded equality and resources in both production and reproduction spheres. Socialisation thus eventually contributed to a wholesale *politicisation* of waged production, reproduction relations, and urban spaces. Thus the new forms of socialisation of the boom, while having beneficial effects on accumulation, came increasingly to undermine it and to weaken capital's command over society.

The long term decline of the average rate of profit in the major developed countries from its high point in the early 1950s reached a turning point in the late 1960s and early 1970s, definitively with the world recession of 1973-5, resulting in North America and Western Europe in decreased investment rates, increased scrapping of capacity, rising unemployment, wage restraint, and restraint of state expenditures. The forms of politicisation engendered by the socialisation of the boom period had crucial impacts during this period of crisis. The Civil Rights movement in the US developed towards outright rebellions of African Americans, especially in the Rust Belt cities, and this movement helped to mobilise black communities in Europe. The women's and lesbian and gay movements took off in North America and western Europe, presenting a challenge to whole systems of gender, family, sexuality and social life. Unionists, at least at workplace and local levels, were organised and confident enough to offer strong resistance to closures and wage restraint. These revolts were closely bound up with urban crises. Populations not only resisted cuts in services but, more offensively,

demanded better quality facilities and new types of service (for example around the particular needs of women and ethnic minorities) and solutions to longstanding inadequacies of housing provision, and contested many large scale projects in the built environment.

These varied forms of resistance and revolt were sometimes quite distinct, sometimes mutually reinforcing and intertwining. Their significance went beyond their organisational forms and their immediate achievements (indeed, many were heavily defeated): the ideas, expectations and collective aspirations they generated were crucial. In the US and in most countries of western Europe (including the dictatorships) there were very substantial minorities of the population who questioned the fundamental relations of class, gender, sexuality and 'race', who organised struggles around these issues, and who episodically could win majority support. The multi-dimensional nature of these struggles, reflecting the varied forms of socialisation addressed, reinforced an upsurge of radical optimism, a key ingredient for a systemic challenge. The capitalist class, through its various forums and discourses, was aware that this constituted a potential threat to its systems of rule, if not (yet) to its existence, the most serious since 1945-8. A majority feeling emerged among the elite that something radical had to be done to defuse this threat. [2]

The strategy adopted was neoliberalism. Neoliberalism addressed the two immediate, intertwined problems perceived by capital: low average rates of profit, and overpoliticisation and revolt (Clarke, 1988; Bonefeld, 1993). Specifically:-

(i) *the rate of profit*. Neoliberal policies accelerate the devalorisation of capital, reducing the mass of capital on which profit is calculated. Capital's increased power over labour enables the rate of surplus value to be increased. Privatisation enables surplus value to be extracted in new sectors. Capital is enabled to flow more easily from low to high profit operations, sectors and territories.

(ii) *depoliticisation.* Neoliberal strategy is centrally concerned with depoliticising economy and society by weakening or removing historically-accumulated forms of socialisation. Existing forms of non-market coordination and state regulation are abandoned. Firms are encouraged and compelled to look to their own devices rather than to the state or collaborations with other capitals. Workers' collective organisations are weakened, and their job prospects made more directly dependent on the profit rate of capitals employing or potentially employing them. People are encouraged and compelled to rely on their own or their household's resources for their reproduction.

For capital, then, neoliberalism has a strong logic in the crisis which emerged 30 years ago; indeed, it is hard to imagine how else capital could have reacted to this crisis in the long run. Neoliberalism, then, is not simply freeing of markets, as it is represented in neoclassical theory and in some left work. [3] Rather, it is a class strategy for shifting value relations and political balance of forces. But neither can it be specified simply, as it is in much urban literature, as a strategy which imposes 'the interests of business' above all other social considerations: many varieties of conservative regime have done this;

neoliberalism is a *particular* strategy for accumulation, especially in its approach to socialisation, arising from a particular political conjuncture.

3. BREAKS AND CONTINUITIES IN URBAN SOCIALISATION UNDER NEOLIBERALISM

In line with this political project, neoliberalism within cities of North America, Western Europe and Australasia has promoted -

(a) a sharper dominance of capital within the labour process and the employment relation, and an accentuation of the disciplinary rather than cooperative aspects of the employment relation;

(b) sharpened competition between workers for jobs organised at varied spatial scales from the individual to the local to the national (Gough, 1992);

(c) cuts in free state services, and increases in charges for them, widening the commodification of reproduction;

(d) restructuring of local state services towards, variously, privatisation, decentralisation to qualgos, fragmentation into distinct cost centres, and measurement of outputs and direct costs as a basis for allocating resources within the state;

(e) inflection of local state services and regulation towards the immediately expressed or perceived demands of particular capitals, including in their competition with other localities;

(f) encouragement of possessive individualism, including its expressions in urban space (walled spaces, semi-privatised public space, etc) (for a graphic account see Harvey, 2000:133-56); encouragement of self-realisation through consumption of commodities, especially those coded by class and gender difference;

(g) arising from (c), (d) and (f), increasing appropriation of parts of state services by particular social groups, along lines of class and ethnicity;

(h) an intensification of the state's policing of private property, directed particularly against organised labour (linking to (a)) but also against the poor (linking to (f)).

Yet neoliberalism has not been able to erase the logics of socialisation: to the contrary. The new information and communication technologies have tended to intensify the technical need for socialisation by increasing the knowledge intensity of production and social life. Fordist production, with its strong demands for coordination in space and time, has continued in much of manufacturing and been extended to many consumer and business services. Non-Fordist production using task- and product-flexible methods makes even greater demands on skill, knowledge and transport infrastructures.

Neoliberalism has thus had to continue with many of the *broad* forms of socialisation which it inherited. State funding of primary and secondary education, and a substantial role in higher education, have continued; the state's role in health care, very different between different countries, has not changed qualitatively in any of them; collective bargaining and a role for the trade unions has remained in some sectors in all countries, even if weakened; some state regulation of working conditions and terms of employment has remained; some form of land use planning, and state input into major property developments, have continued. All of these forms of socialisation have traditionally been highly differentiated between countries; these differences have persisted to a remarkable degree. Terhorst (2001), for example, has shown the long term continuities in the differences between urban regulation in Amsterdam and Brussels. The nationally-specific class relations which were both expressed and institutionalised in forms of socialisation in the boom, and the technical logic of the latter arrangements, have not been erased, though they have been modified. These class relations are central to the national path dependencies noted by Brenner and Theodore (this volume).

The persistent logic of socialisation is reflected in the economic and social problems which have arisen in those fields where neoliberalism *has* weakened socialisation. The weakening of non-market coordination in fields such as training, housing and transport has led to well-documented failures to meet the needs not only of workers (Keil, Wacquant and Weber, this volume) but also of capital (Green, 1989; Peck and Tickell, 1995a and this volume; Bluestone and Harrison, 2000; Jones and Ward, this volume).

Because of this immanence of socialisation, the present-day political economy of cities involves a complex interplay of neoliberal interventions, longstanding forms of socialisation, and new or revived forms of coordination. Even in the characteristically neoliberal urban strategies mentioned above one finds traces of socialisation in the tropes of state-business linkages, community, local solidarity, and continuing state direction and funding. The articulations of neoliberal and socialised relations have varied strongly between countries depending on their inherited, institutionalised class relations (the neoliberal moment being stronger in the US and Britain, for example). One thus finds varied and impure 'actually existing neoliberalisms' (Brenner and Theodore, this volume). But if neoliberalism and socialisation are formal opposites, how are these articulations realised, and what are their tensions?

4. NEW FORMS OF URBAN SOCIALISATION UNDER NEOLIBERALISM

I investigate this question by examining some new or revived forms of local socialisation which have appeared in the last twenty years or so. I consider four important instances: the role of business organisations in urban governance; the promotion of industrial clusters; community initiatives in poor areas; and attempts at 'joined-up' urban government. The stylised accounts given here are based mainly on the British and US experience.

(i) Business organisations in urban politics

The influence on local politics of local business associations, both sectoral and general, is nothing new, particularly in the US. This has, however, increased since the 1980s through the setting up of growth coalitions, the spinning off by national and local states of qualgos dominated by business, and the increasing role of business in small firm support, education, training, sport and culture (see also (ii) below). It is often supposed that this is a simple outcome of neoliberalism. Particularly in the literature on growth coalitions and 'entrepreneurial cities', neoliberalism is seen as benefiting business *by* handing over control of urban strategies and implementation to it. But this is too simple: it elides collective and individual capital, a makes no distinctions between different *modes* of 'benefiting business'. Neoliberalism's project is to strengthen the control of *individual* capitals over labour and in their ties to other capitals. In contrast, the growing role of business in the city is organised through *associations* of firms or by getting mangers to sit on boards as (supposed) representatives of local business. To this extent, individual firms have to engage in debate, compromises, and commitment to implement collective decisions, that is, substantial forms of socialisation (Cox, 1993). Neoliberalism cannot theorise or promote such processes. Yet without *collective* decision making, individual capitals (firms, sectors) come to dominate urban development and services, which may not merely be 'unfair' to other capitals but actively damage them.

The transfers of urban power to business have been replete with these tensions. In some cases, the urban organisations of business have drawn in most of the major local sectors,

and have arrived at strategies which, at least, do not clearly disbenefit any of them. This has often been the case in the US and Australia, where city- or State-level business has had long experience and strong legitimacy in such a role. The tensions in the subsequent developments have then been largely conflicts between the business coalition and local residents, with varied reflections in formal politics. But in other cases – and this is typically the case in Britain - the business organisations fail to include important sections of capital operating in the locality, and are unable or unwilling to develop collective strategies. The business people who sit on boards then represent no-one but themselves (Peck and Tickell, 1995b). This mode of business involvement runs the risk of politicisation, not through opposition to business's role as such, but to the more-or-less 'corrupt' influence of *particular* firms. In Britain, it is the historic liberal traditions of business which make collective decision making so difficult. Various policy makers and academics have consequently launched a veritable crusade to get British business to 'organise itself better' at the local and regional level (Bennett, 1995; Evans and Harding, 1997).

We see here, then, some possible complexity of the relation of neoliberalism to socialisation. Collective organisation of local business can further an aim which neoliberalism has set itself, namely the inflection of the state towards the interests of capital as a whole. It does so by coordinating complementary elements of accumulation paths. Yet this organisation is at odds with neoliberal prescriptions; the individualism and spatial mobility of capital which neoliberalism accentuates cut against the formation of a collective local business voice. Collective (US) as well as fragmented (Britain)

involvement of business embodies reactionary class relations, and both are vulnerable to politicisation. These contradictions produce outcomes which vary strongly between countries and localities.

(ii) Local/regional sectoral clusters

Localised industrial clusters were the dominant form of industrialisation until the SWW (Storper and Walker, 1989), taking their strongest form in the classical industrial district. Contemporary enthusiasts for the 'new regional economy' (e.g. Storper, 1998; Scott, 1998) argue that this is now, again, the dominant form for manufacturing and business services, due to an increasingly informational and reflexive capitalism. Empirically, many, though by no means all, localities in the developed countries have one or more of such clusters, but many other sectors are geographically diffuse. Clusters involve important forms of productive socialisation, including collaboration between firms, finance, research centres, sectoral support institutions, the local state, and labour; *durable* patterns in these relations, constituting a set of local 'conventions' (Storper, 1998), are usually present. Storper's description of these elements as 'nexuses of untraded dependencies' emphasises their congruence with the notion of socialisation.

These clusters are *formally* a departure from neoliberalism, to the extent that they involve commitments between actors of substantial duration, that they require long term investment in institutional supports, that they are geographically immobile, and that they sometimes involve (partially) cooperative relations between capital and labour. But they

are also a *response* to neoliberalism and its internationalising tendencies. The sharpened competition which these engender can be best met through the technical rents and relative surplus value which the high socialisation of clusters enables. All the more so as this regional socialisation can compensate for neoliberalism's weakening of socialisation at the national level (Scott, 1998: 106).

Moreover, the class relations of the sectoral clusters can be compatible with neoliberalism. Since they are in sharp competition with each other, excessive demands and conflicts can be headed off in the interests of the cluster as a whole. To the extent that the links between firms, finance and institutions are not formalised but are developed and adjusted ad hoc, they do not need to take on a restrictive aspect (Scott, 1998). This exemplifies Offe's (1984) argument that *informal* corporatism may avoid politicisation in the present period. The bargaining power of labour might seem to be dangerously large due to the substantial skills and relative immobility of the clusters. But this danger is lessened to the extent that technical surplus profits enable good wages, that cooperative and autonomous styles of working win commitment of workers, and that neoliberalism has weakened or prevented trade union organisation in the sector. Industrial bargaining can then be collective but moderate, as in the Third Italy, or demanding but individualist, as in Lipietz's 'Californian model'. Indeed, through workers' *self*-discipline, clusters can achieve the essential aim of neoliberalism, the dominance of capital over labour, more subtly and effectively than overt coercion (Brusco, 1982).

Nevertheless, the formal contradiction between local productive socialisation and neoliberal mobilities creates tensions. Even Scott (1998), who argues that regional clusters are fully congruent with neoliberal globalisation, concedes that existing clusters may be undermined by the mobility of productive capital (p. 110), that globalised product and capital markets make it more difficult for regions to develop new clusters (pp. 69-71, 94, 134-6), and that industrial districts exacerbate uneven development within cities (p. 72). Attempts to maintain, restructure or initiate local clusters are frequently undermined by the pursuit of individual profit by particular firms (Murray, 1987) and by the absence of congruent socialisations at the national level (Gertler, 1997).

The socialisation of clusters, then, has a contradictory relation to neoliberalism. Neoliberalism gives clusters a stronger raison d'etre, but makes them more difficult to implement. Neoliberalism disciplines their class relations, and indeed, in the right context, they can realise neoliberalism's class aims better than neoliberalism itself.

(iii) Enhancing reproduction of the poor through community

A major feature of the neoliberal city has been the re-mobilisation of the communities of the poor. Again, there is an antimony here, since 'community', however conceived, is a form of socialisation. Community has been mobilised by poor people themselves in an oppositional mode, resisting the impoverishment created by neoliberalism. But poor communities have also been mobilised 'from above'. The state has sponsored forms of economic and social reproduction organised through voluntary community networks:

community businesses which both provide employment and carry out useful work for the neighbourhood, and cooperatives for housing management, nursery provision, environmental improvements, and so on. Poverty programmes have been strongly focused on neighbourhood initiatives, addressing employment, housing, education, crime, the environment, and so on, either singly or holistically. In Britain, this kind of mobilisation of community developed in national-state programmes from the early 1990s; these presented themselves as having learnt from the neglect of communities in previous programmes, and proclaimed the importance of consulting with and even 'empowering' poor communities. Similarly, since the late 1980s EU local-regional programmes have required a 'community' input. Business plays an increasing role in resourcing these initiatives.

Radical literature since the 1960s should alert us to the fact that 'community' is profoundly ambiguous and open-ended in class terms (Cowley et al, 1977): this form of socialisation, too, can internalise very different class relations. How, then, have these top-down mobilisations of community been related to neoliberalism? Again, we find complex dialectics. In the first place, neoliberalism's creation of poverty not only leads to demands from poor communities themselves but creates problems for capital. The poor not only are a cost through state benefits (the institutionalised result of earlier working class gains) and through their crime and episodic rioting: they also fail to act as effective labour power due to their domestic responsibilities and resources, location, skills, attitudes and health – that is, precisely due to the wide and complex socialisation of the reproduction of labour power. Topdown community regeneration aims to address

this *socialisation*, and thus not only reduce the cost overheads of the poor but reproduce the poor as effective labour power; on both counts it meets important *neoliberal* aims.

These programmes have largely been contained within the boundaries of capitalist, patriarchal and racist discipline: topdown community socialisation has fostered conservative social relations and has headed off challenges to the forms of power which create poverty (Eisenschitz, 1997; Atkinson, 1999). Community organisations' involvement in the running of programmes has often been token, or it has compromised community representatives as rationers of very limited funds. Where quasi-wage employment is involved through 'training' and workfare schemes, this can function mainly as a way of socialising people into low wage labour; indeed, it achieves this better than normal employment since community businesses can elicit greater effort, task flexibility and acceptance of insecurity because of their neighbourhood benefits and loyalties. These socialisations have tended to promote rightist forms of communitarianism in ethnic minority communities (Taylor-Gooby, 1994). Many community initiatives are directed towards the disciplining of youth, not only by policing and surveillance but also through strengthening parental control. Because of their self-help mode, topdown community initiatives have largely failed to link up with struggles by trade unionists against the neoliberal degradation of public services.

This conservatism of community initiatives has been constructed by their neoliberal environment and the consciousness it generates in the poor. Neoliberalism's onslaughts against the working class as a whole have weakened any expectations that *radical*

community action could make a difference: if actions by formerly strong trade unions have been smashed, if public services have been cut over and over again, if whole local industries have been lost without (effective) opposition, then what chance do organisations of the poor have? Moreover, neoliberalism has socially and culturally fragmented the working class, including the poor. People are led to rely on private resources rather than collective actions. Many people living in poor neighbourhoods deal with their problems by relocating - or by hoping to do so (Byrne, 1999). Community organisations are often split by relations of power which have been deepened by neoliberalism. 'Racial' differences are the obvious example. But differences of gender have also been crucial: in the west end of Newcastle upon Tyne the efforts of women to organise against joy riding and to use area regeneration money have been actively, sometimes violently, opposed by men (Campbell, 1993). There have, certainly, been community initiatives of the poor which have challenged power. But the initiatives sponsored by the state and capital have largely been able to head off such radical dynamics. Socialisation through community has then been able to further the class aims of neoliberalism by constituting the poor as a real reserve army and by instilling self-discipline and self-reliance.

This is not to say that topdown community stimulation has been without its problems. The individualism and sectionalism which weaken radical community action also tend to inhibit people from getting involved in Third Sector initiatives. For many men and some women, crime, which neoliberalism has so strongly promoted in all social layers, is a far more promising avenue; and people involved in this sub-culture keep clear of initiatives

with any connection to the state (as in the Newcastle case). Moreover, community initiatives run up against contradictions within neoliberalism concerning the articulation of women's roles in production and reproduction. Thus policies in the US and in Blair's Britain have attempted to push all women of working age into waged work while simultaneously bemoaning the weakening of the 'traditional' family and parental (read maternal) socialisation. The moralism, whether of the Christian Right or Blair's Third Way, which so strongly infuses top-down community initiatives, is contradicted by some obvious features of neoliberal life: a stronger work ethic is put in question by sky-rocketing bourgeois incomes and the gains to be made from purely speculative activities (gambling and game shows for the poor), 'strong families' are ridiculed by the commoditisation of sexuality, and so on. Socialisation of reproduction via community has thus been weakened, as well as subtended, by neoliberalism.

(iv) 'Joined-up government'

A final example of urban socialisation under neoliberalism is the stated aim of the current Labour government in Britain to develop 'joined-up government', especially in urban policy. It is argued that urban policy has long suffered from lack of coordination of policy for education, health, transport, and so on, of different branches of the national and local state, and from lack of partnership with organisations of civil society. Thus poverty has been renamed 'social exclusion' to point to a holistic understanding of it as 'social' and 'cultural' as well as 'economic', while national programmes for area regeneration have emphasised the need for 'joined-up government'. This, then, appears as the state

taking socialisation seriously, focusing on *social* processes rather than independent actors.

In a sense, the diagnosis is right: state (and *a fortiori* business) urban policies have suffered from their lack of holism. This critique has, in fact, been commonplace since the 1960s at least. 'Strategic planning' in the 1960s and 1970s attempted to coordinate all elements of urban systems; since the 1980s in Britain innumerable task forces have had the remit of drawing together services and policies at local and regional levels. There have been some limited achievements in this aim. The decentralisation and semi-privatisation of state services has sometimes facilitated innovation, as the units of delivery have become less constrained by large scale programmes and departments. For example, the transfer of social housing from local authorities to housing associations, and the proliferation of training providers, seem to have facilitated joined-up innovations such as the Foyers, which provide cheap rented housing for youth with training provision included.

But on the whole, joined-up urban policy has been the exception rather than the rule. Topical areas have remained essentially separate. Even local area programmes continue to be initiated on single topics (education, health, etc.). And obvious forms of socialisation have not been addressed at all: the impact of public transport deterioration on social and economic economic access and, via pollution, on health, comes to mind. A general proximate cause of this failure is the neoliberal fragmentation of the urban state, which has made it increasingly difficult to coordinate topical areas. *Within* each policy

field, the tendency to make units of delivery (individual schools, hospitals, and so on) more autonomous makes it more difficult even to 'join-up' a single field.

A second key proximate cause of failure is the retreat by the state from any attempt directly to shape production. This means that would-be integrated policies have a gaping hole. In policy on social exclusion, for example, aspects of reproduction and training are addressed, but there is no strategy to provide jobs at the end. The conceptualisation of such initiatives thus stresses the causation 'reproduction => production', which is an important *moment* of poverty but, taken alone returns the debate to the crude 1960s problematic of the 'culture of poverty'. Thus the introduction of social and cultural elements into the analysis of poverty ends up by being one-sided and the opposite of 'joined-up'.

At a more abstract level, these failures are expressions of deep constraints on the integration of policy by capital states. States are limited in the extent to which they can act holistically, however rational this might be from the point of view of technical efficiency, since this would undermine the private appropriation of profit by effectively socialising it. The delegitimation by neoliberalism of economic transfers has deepened this fundamental feature of the bourgeois state.

Other instances of new urban socialisation could be discussed along the same lines, for example the reworking of socialisation in the family, local culture, and local economic

policy [4], though space does not permit this here. We can draw out a number of general points from the four examples given.

(1) Neoliberalism has opened up gaps in the effective organisation of production, reproduction and their inter-relation. These have been addressed through forms of socialisation which take old forms and rework them in new ways. Some of these forms have emerged only after substantial experience has shown the negative effects of neoliberalism; for example, both community reproduction and attempts at joined-up government have flowered in the 1990s, learning from the 'mistakes' of the 1980s (Peck and Tickell, this volume).

(2) The neoliberal context of these forms of socialisation has served in most cases to prevent their politicisation. I have emphasised that a central aim of neoliberalism has been to overcome such politicisation. The new forms of urban socialisation have been developed under the sharp constraints of intensified global competition. This competition is simultaneously externally imposed (the competition of local units of production in the global arena intensified by liberalised trade and investment flows), politically constructed at the local scale (for example through throwing public services open to private operation), and ideologically underpinned (as in the discursive construction of the 'competitive locality'). This competition then provides a constant discipline on all local actors, whether business, residents, workers or the state itself, which stifles excessive demands and open conflicts (cf similar processes at the national level discussed by Bonefeld, Brown and Burnham, 1995). The articulation of socialisation with value

discipline is achieved partly through relations between spatial scales: neoliberalism at the national and international scales provides a disciplinary framework which keeps in check the potential politicisation of new local socialisations, whether they be industrial clusters or community participation.

(3) Urban socialisations, old and new, have not only been *compatible* with neoliberal discipline but have often *enhanced* it. Stronger integration within local clusters creates new, profitable paths for the investment of global money capital. The cooperative industrial relations fostered by local clusters, Third Sector businesses and centrist local economic policy as a whole can produce self-disciplined workers more effectively than crude authoritarianism. Community reproduction can create a real reserve army for the lower end of the labour market. Thus while formally heterogeneous to neoliberalism, socialisation can complement and reinforce it.

(4) It follows that the class relations of current urban socialisations for the most part have no socialist dynamic. They are implemented only to the extent that they are compatible with (enhanced) accumulation in the locality. They tend to foster greater cooperation between workers and residents on the one hand and capital on the other; but this is on capital's terms, and requires forbearance and self-limitation on the part of the working class. Moreover, these socialisations are often divisive. The strategy of local clusters privileges professional or skilled, mostly white and male, workers. Community initiatives foster postmodern social fragmentation. And all the new forms of

socialisation, because they are carried out under the rubric of competitiveness, set localities against each other.

(5) Despite the complementarities of neoliberalism and urban socialisations (points (2) and (3)), these socialisations are often *undermined* by neoliberalism. We saw this most sharply in the meagre outcomes of the attempts at joined-up government. We have also seen how neoliberal individualism disrupts attempts at collective engagement of both firms (issue (i) above) and populations (issue (iii)). Clusters can be destabilised by neoliberal product markets and enhanced mobility of productive and money capital. Thus despite the substantial successes of recent urban socialisations, they are always threatened, and tendentially undermined, by neoliberal freedoms.

(6) These contradictions mean that the articulation of value disciplines and socialisation can be developed in many different ways. We have seen that these are strongly path-dependent, resting on national systems of class relations and socialisation evolved over long historical periods.

Despite their neoliberal cooption, contemporary forms of socialisation in cities have tropes which are attractive to socialists: non-market relations; cooperation in production; skill and innovation; community; pluralism. We need strategies which, often, *begin from* these forms of socialisation, but which can take them in directions which challenge class, patriarchal and racist power; space does not allow discussion of these here.

5. THEORETICAL CONCLUSIONS

My account of the contemporary city seeks to emphasise the *contradictions* of class relations, of capital accumulation and of reproduction. The fundamental contradiction examined has been that of neoliberalism and socialisation, of regulation by value and by direct coordination. This contains within it a whole number of others: mobility and fixity, money and production, value and use value, discipline and cooperation, private responsibility and politicisation, and so on. These are classical contradictions, in that the two elements both undermine *and* construct each other.

This raises questions about the much-used notion of the 'entrepreneurial city' (e.g. Hall and Hubbard, 1998), normally meaning that city governance is dominated by 'the interests of business'. But all cities in all capitalist societies are 'entrepreneurial' in the sense that they organise and frame accumulation in some mode. In doing so, they have to negotiate the contradictory relations between individual and collective capitals, between the classes, and betweenvalue discipline and politicisation, and these can be developed in many different ways. The idea of the 'entrepreneurial city' ignores these contradictions and thus misses the real political dilemmas.

More broadly, my approach may be contrasted with three major schools within radical urban studies:-

(a) Associationalist writers (Amin, Cooke, Healey, Scott, Storper, Thrift *et al*.) focus on negotiation and coordination between plural institutions of civil society, exemplified by the forms of socialisation which we have considered in section 4, and argue that these can produce both productive efficiency and an inclusive and democratic polity. A harmonious balance is thus possible between non-market and 'market' (capitalist) relations. However, the associationalists systematically downplay the impacts of neoliberalism and ignore its nature as a class strategy. They neglect the ways in which urban contemporary socialisations reproduce divisions by gender, 'race' and skill, their spatially uneven development, and the ways in which they internalise class discipline (Zuege, 1999). The core problem is that myriad *conflicts* between socialisation and neoliberalism are denied.

(b) I share with regulationist writers on cities (Goodwin, Jessop, Jones, McLeod, Peck, Tickell *et al.*) an interest in mapping out articulations of markets and capital mobility with territorial forms of regulation. But regulationalists are concerned to look for regimes of accumulation and modes of regulation which can underpin stable accumulation; periods such as the present are understood as emergent regimes or as transitions from one such regime to another (Jessop, this volume). My account, in contrast, seeks to highlight the playing out of the abstract contradictions of capitalism in each period, including those of strong accumulation. Path dependency is understood as the durability of class relations embodied in institutions, distributions of resources, and consciousness, rather than as inertia in transitions between determinate regimes. Politically, my focus on contradictions avoids the search pursued by regulationists for a

better capitalism (e.g. Lipietz, 1992), and forgrounds the possibilities for working class struggle outside of social democratic (self-)limitations.

(c) A number of writers (Harvey, Mingione, Sassen, Neil Smith, *et al*.) focus on the effects of neoliberalism in the city, and highlight its coercion of and discipline over populations – evidently vital concerns. However, this literature tends to downplay the real forms of cooperation within the city between capitals, workers and residents – the opposite bias to the associationalists. These forms of cooperation are important to analyse precisely because of their political ambiguity. I have argued that the essential aims of neoliberalism may be achieved through cooperative and communitarian methods, and indeed that these methods may be the most effective for capital. We cannot unmask these class relations without registering their specificity, their difference from pure neoliberalism.

NOTES

1. What is the relation of 'socialisation' to the notions of 'regulation' and 'governance'? Socialisation includes relations which are not usually included in the latter, such as community, neighbourhood and family ties, and the moment of cooperation between workers and employers. On the other hand, regulation (though not governance) can denote regulation by markets, which I exclude from socialisation. Most importantly, socialisation is conceived as in a *contradictory* relation with private decision making.

2. This account of the end of the boom and the genesis of a new period differs from institutionalist and regulationist accounts in several crucial respects. First, it does not locate this transition in changing dominant forms of the labour process and/or product markets. Secondly, it emphasises the role of classical Marxist value processes in lowering the rate of profit. Thirdly, it stresses the problem for capital of politicisation, and the key role of the political consciousness of (sections of) the working class.

3. For example, Allen, Massey and Cochrane (1997) conceive Thatcherism as an exacerbation of market anarchy, but neglect its central aim of disciplining labour and individual capitals. Surprisingly, Harvey's (2000: 61-3) account of the principal origins of neoliberal globalisation omits any mention of its class-disciplinary intent.

4. Eisenschitz and Gough (1993) have argued that the majority of local economic initiatives are not formally neoliberal but develop mild, pragmatic forms of socialisation in varied fields through coordination between diverse social actors. This socialisation has developed under the spur of neoliberal competition, and seeks to fill gaps created by neoliberal destruction. The politicisation which this might lead to has mostly been contained because the competitive pressures on the locality incline all actors to moderate their demands, mobilising a localist loyalty. These initiatives thus realise key neoliberal aims: they sharpen the competition of localities against others, and the aspirations of labour tend to be subordinated to the profitability of local capital (Gough and Eisenschitz, 1996). However, neoliberal individualism of firms and spatial mobility of capital and commodities can weaken such local initiatives (Eisenschitz and Gough, 1996).

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