

USA: The Fight Shifts to the Local Level

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Under the radar screen in the emerging new American empire, which is preoccupied with global domination, the struggle for urban space is among the most dramatic within the United States. Long neglected in the post-war era of suburbanization, disinvestment and dispersion of the once highly concentrated urban industrial base, cities have once more become a focus for intense social and political contestation. Capital views the city as a new field of internal investment but there is no question of providing high-quality public goods such as affordable housing for ordinary working people. Instead the city is a place for gentrification, providing luxury bedrooms for thousands of the small, but expanding professional managerial class, commercial space for Wall Street firms, expensive restaurants, entertainment palaces and opulent private universities. This phenomenon of privatization affects almost every sphere of everyday life: public goods are reduced to squalor; private goods loom over the urban landscape. And faced with shrinking revenues local governments alter the few protections that remain for tenants; occupying too valuable land working class residents are evicted or, what amounts to the same thing, are confronted by rents they cannot afford and “voluntarily” flee to the suburbs or to the periphery of the metropolises. Perhaps New York is the pinnacle of this constellation but similar configurations occur in major financial centers such as Chicago, Los Angeles and San Francisco.

For more than twenty five years the American Welfare State has suffered dismantlement. Its earliest manifestation was the so-called “tax revolt” begun in California and Massachusetts in the late 1970s when, in the wake of skyrocketing local real estate taxes, the Right mobilized millions of suburban voters to approve referenda which limited the ability of legislatures to raise taxes to pay for schools, health care and other public goods. At the same time many states enacted legislation that required them to balance the budget which, in practical terms, meant that there was dramatically less money available for the social wage. The overarching theme of all of these so-called reforms was that big government throttled individual freedom and this message was overlaid with a considerable dose of racism. Conservatives accused the welfare state of supporting lazy people (indigent blacks and Latinos) who took government money as a substitute for working; and the Right as much as the Left attacked the welfare bureaucracy as a giant swindle on the backs of honest working people.

The Reagan Revolution accelerated the neo-liberal backlash. Democrats as much as Republicans had bought into the doctrine that the market and private business can do everything better. By 1986, when congress passed a humongous tax cut and mostly eliminated the progressive income tax which obliged the wealthy to pay more, the concepts of budget balancing and what some called “The War on the Poor” had reached the Federal level. The Right’s cynical anti-statism percolated up from the local level where working class and middle class homeowners were buckling under the pressures of rising unemployment high personal debt and regressive property taxes. The Right seized on these woes, while the Left protested that taxes were needed to pay for public goods.

But the congressional frenzy to cut taxes, especially for the rich, and the still bloated military, which gobbles up about a quarter of the federal budget, meant that funding for public goods all but dried up Except for the federal highway program—strongly supported by the giant oil and auto industries-- which remains the most popular domestic expenditure next to the Federal pension system, in the United States, is called “social security”.

The coup de grace for the social wage was delivered in 1996 when Democratic President Bill Clinton signed one of the conservatives’ most cherished measures, the Welfare Reform Act. Under this law, the only guaranteed income program, Aid for Families of Dependent Children was repealed and replaced by a “workfare” requirement according to which the long-term unemployed may receive income support on condition they engage in forced labor, the amount of hours was left to the states to fix. The law limited even this skimpy support to five years. Those who failed to find other employment were at risk of losing government income. And 2003 is the year for reauthorization of the program. Given the rightward galloping political environment there is absolutely no chance that the old program will be restored, at least in the foreseeable future.

On the other side of the ledger, after decades of deterritorialization of industrial production, commercial deterioration of downtown areas and dilapidated housing stock some American cities began to revive in the 1980s and 1990s. As workers fled, or were pushed out to the periphery of major cities such as New York, Chicago and Los Angeles, real estate developers, assisted by generous legal and financial government support, undertook a massive redevelopment program, building new luxury housing, constructing huge shopping malls in cities as well as suburbs and, through rehabilitation of existing housing stock, through bribery and coercion, got cities and states to weaken rent laws.

In 1989, a coalition of black, Latino public officials and white liberals succeeded in electing one of their own to New York City’s mayoralty, the long- time black politician David Dinkins. The coalition quickly discovered that the cross-currents of city politics were too hot to handle. Like every other mayor since the 1930s, Dinkins was a faithful supplicant of the largest city industry, financial services, whose seat was Wall Street. This loyalty meant that the city administration would maintain the austerity budget that had been imposed upon the city by the banks and insurance companies in the wake of the 1975-76 fiscal crisis. This policy was enforced in a period when, owing to recession and disinvestment a large chunk of the city’s working class population was suffering immiseration in the forms of unemployment, declining wages and growing homelessness. And, even as the city was buckling under the weight of near- catastrophe hundreds of thousands of immigrants from Latin America, Asia, Russia, Africa and the Caribbean, many of whom were illegal, arrived in the city. The city’s racial politics, always explosive, became even more intense as long-time African American and Latino residents accused the immigrants of taking their jobs, just as white workers traditionally accuse blacks of undercutting their standards by working for lower wages. And Dinkins was caught in the whipsaw of souring black-Jewish relations, further exacerbated by several incidents involving the murder of an orthodox Jewish resident of one of the border districts of Brooklyn, Crown Heights.

Under the Dinkins administration schools continued to deteriorate and remained little more than holding pens for most of the 1 million school children, 80% of whom are black and Latino. Nor did his administration halt the galloping gentrification that displaced hundreds of thousands from their homes. Under these conditions Dinkins did not survive the intense racial politics that had been forced to surface. In the 1993 election he was defeated by the man he had defeated in 1989, Rudolph Guiliani, a Republican prosecutor who presented himself as a “moderate” a code word for a fiscal conservative who supports abortion, favors equal rights for racial minorities. but Guilani announced that he would be a firm opponent of the real(and imagined) crime wave which had gripped the city.

In the eight years of the Guiliani era many ghetto and slum communities were subject to virtual occupation by the police; even before the Federal Welfare Reform Act the city government became fanatical in its effort to reduce the welfare rolls by depriving tens of thousands of recipients of their benefits; and under the sign of fighting the drug war Guiliani waged an unremitting war on youth and on the poor. And he pursued the requirement that those receiving benefits be required to work in city jobs at minimum wages, in many cases replacing better paid union members. Moreover, he was a relentless gentrifier and collaborator with the lords of finance, proposing huge subsidies to erect a new stock exchange at a time when the city was close to bankruptcy. As if to add insult to injury he conspired with the owner of the New York Yankees to build a new stadium for the baseball team in the middle of Manhattan, an escapade which would have entailed changing the face of the area, prompting thousands of evictions and many other calumnies. While he did not always win—his stock exchange and stadium proposals met with widespread opposition even among some of his most ardent supporters—Guiliani’s mayoral style was to intimidate the population, especially his political opposition.

From capital’s perspective his labor relations record has been impeccable; almost without exception he had subordinated workers and their unions. For example in 1999 he confronted a potential strike of 35,000 unionized subway and bus workers by quickly invoking the state’s draconian Taylor law that prohibits public employees from striking. He threatened to empty the union’s treasury and fine each worker \$25,000 for each day they remained on strike. The bluff worked. The union blinked, meaning it did not choose to risk losing its resources by engaging in an act of defiance. Guiliani once again demonstrated his apparent invincibility.

As the sun set on his reign a combination of circumstances began to challenge the mayor’s image of invulnerability. He became embroiled in an extremely messy divorce, had a very public affair with an associate, and was afflicted with prostate cancer, all of which served to bring him down a notch. But the plunge in his popularity was intensified when a series of incidents involving acts of police brutality in the occupied neighborhoods became big political news. While there had been many instances of community protests against the administration’s policy of using arbitrary force against black residents, two events put the Guiliani government on what appeared to be permanent defensive. One, the killing of an African immigrant merchant, Bronx resident

Amadin Diallo evoked the first acts of civil disobedience by prominent New Yorkers since the civil rights movement of the 1960s. Blocking central police headquarters hundreds of protesters, including some elected officials were arrested, but quickly released. The symbolic direct action was led by a militant, extremely media savvy black minister, Al Sharpton and, partially for this reason, received broad coverage by television and newspapers. The protest was particularly effective because the Mayor showed no spirit of reconciliation; he simply defended the killing as an appropriate response to a suspected armed confrontation, even though no weapons were found in the victim's possession.

At the end of his second term, these events seemed to close the curtains on Guiliani's political career, but the September 11 terrorist attack became the occasion for its revival. Abetted by the media Guiliani appeared on television and in the newspapers as the commander-in-charge of the cleanup, aid to victims, and presented a calm visage to the city and the region's population. A figure of considerable authority the once faltering Mayor now was heralded as a hero. Helped by a callow Democratic "opposition" and a racial split within the party, Guiliani's performance was a factor in the unprecedented election of another Republican to the office, billionaire media mogul Michael Bloomberg

But the struggle for concrete geographic space was joined in three distinct movements: the still vital squatters movement, begun in the 1970s as an attempt to occupy city-owned housing that had been abandoned by commercial landlords; the effort by the homeless to occupy some parks, especially in lower Manhattan; and the broadly based urban gardens movement, hundreds of which were scattered over the city's five boroughs. The city administration moved quickly, and brutally, to evict the squatters and the homeless. The squatters had legal resources and held the city at bay, at least temporarily even as they engaged in direct resistance. The homeless were evacuated in part because neighborhood residents were hostile to them and they lacked a political base outside lower Manhattan.

But the community gardeners were by far the most resolute and successful of all of the movements that challenged the city's land-use policies which were oriented to providing developers with valuable urban space to construct luxury housing. The garden movement was unwilling to buckle under the fierce threats of the administration. When Guiliani targeted about a dozen gardens in lower Manhattan, city-wide protests were organized and the gardens were physically occupied by activists. Shortly after his was elected in 2001, Bloomberg moved quickly to end the conflict with the garden movement, sealing one of the major popular victories in the struggle for urban space.

As I set down these words tenants are fighting to prevent landlords, the banks and their allies in the political establishment to further weaken the rent laws. Already burdened by a provision of the law that permits landlords to return rents to market levels when an apartment has been vacated, and to raise rents astronomically when "improvements" have been made, tenants have protested officially granted rent increases well beyond the inflation rate. The battle is waged by two major tenant movements which, unfortunately, lack the perspective of direct action, even though one of them was among the leading forces in the historic rent-strike movements of the 1960s. Relying on legislative

manuever rather than mass action, they will fortunate to hold the line, let alone reverse the worst features of the law.

, 5000 protesting bicyclists descended on the 2004 Republican convention in New York City and for a time, reclaimed the streets which were protected by a phalanx of police. After hundreds of beatings and arrests, it was plain that the city administration under Mayor Michael Bloomberg, was determined to find ways to abrogate decades of street protests by legal and extra legal means. Bloomberg helped congeal a new movement for the production of urban space—Critical Mass, which has continued, mostly in a civil liberties mode to defend its “right” to occupy the streets. Tactically committed to direct action Critical Mass has succeeded in gaining considerable media attention and, in its defense, has reached out to some elected officials, public intellectuals and prominent civil liberties lawyers. After a period when it was obliged to give its main attention to defending itself, by Spring 2005 it appeared ready to regain the offensive as municipal elections loomed in November.

And the massive reorganization and centralization of the city’s school system has met with little resistance. The new school administration has imposed a uniform curriculum on all but a small fraction of the schools, required frequent testing at almost every grade, and, in the face of fiscal crisis, has announced enlargement of class size. Mayor Bloomberg abolished the elected local school boards, consolidated school districts into a few metadistricts, told principals that their salaries would be pegged to test results of the students in their schools. In view of the fact that the city’s 65,000 teachers are alienated, angry, but demobilized by a union that disdains mass action, Yet a small, but growing movement of parents and educators has criticized these moves and succeeded in forcing the administration to create a large number of small schools that constitute a partial counterweight to the massive administrative structures of the larger schools and of the Department of Education. These schools are by no means perfect, but there are perhaps fifty of them embracing some 25,000 students and their number is growing as more parents and teachers learn their advantages.

Still, resistance in New York remains episodic. But urban space is contested and the number of activists of all ages continues to multiply, even if most of the activism is still concentrated in the movement to resist empire. Most activists still do not comprehend the link between militarization, class politics and the struggle for producing new space. Yet some do. And therein lies hope.