

# **IS PUBLIC SPACE A PUBLIC GOOD? A STRUCTURE/AGENCY VIEW OF THE ‘NARRATIVE OF LOSS’**

## **Abstract**

Public space is examined from the perspective of economic goods, defined by ‘rivalness’ and ‘excludability’, to explain the reasons for the ‘narrative of loss’ through this framework. The explanation is twofold – the first part deals with the structural imperatives that lead to the commodification of space, and the second part discusses how agentic action in publicly-owned space can also create conditions of privatization. [63 words]

## **Introduction**

The privatization of public space has been held responsible for social fragmentation and the loss of substantive democratic rights, particularly for those already at the margins of society. Several authors (Goss, 1993; Jackson 1996; Sassen, 1999; Sorkin, 1999; Mitchell, 2003; Kohn, 2004; Crawford, 2002; Banerjee, 2001; Low and Smith, 2006) have expressed concern regarding the conflict between public and private rights and interests arising due to privatization of public space. This literature, often evoking a nostalgic longing for a truly public, and therefore, inclusive and democratic space has been referred to as the “narrative of loss” (Crawford, 1995; Banerjee, 2001). It may be argued that such a public space never existed to begin with. Margaret Crawford (1995), for example, argues that the Athenian agora was not open to women and slaves, and that the contemporary public sphere privileges “middle-class and masculine modes of public

speech” (p.4). In any case the literature so far has focused on identifying and critiquing the various manifestations and repercussions of the loss of the public sphere, comparing it against, say, Athenian or Habermasian norms.

Relatively less attention has gone towards explaining the cause of the phenomenon.

Although arguments are made implicating capitalist planning and development institutions, the logic has rarely been explored beyond squarely blaming the profit motive of the free market. Here, I attempt to take that analysis forward by studying how public space fits within the system of commodities that comprise a city. I will argue that the privatization of urban space is associated with the internal economic logic of contemporary urbanization. David Harvey’s (1985) critique - “planning the ideology of planning”, and the conceptualization of the “revanchist” city (Smith, 1996; MacLeod, 2002), are instructive for understanding this internal logic. There are, however, two (related) drawbacks to these critical perspectives. First, the theories depend on fairly orthodox structural explanations with little room for theorizing agentic action. Second, these explanations, though robust for explaining various aspects of the political economy of contemporary urbanization, are nevertheless somewhat inert to cultural factors.

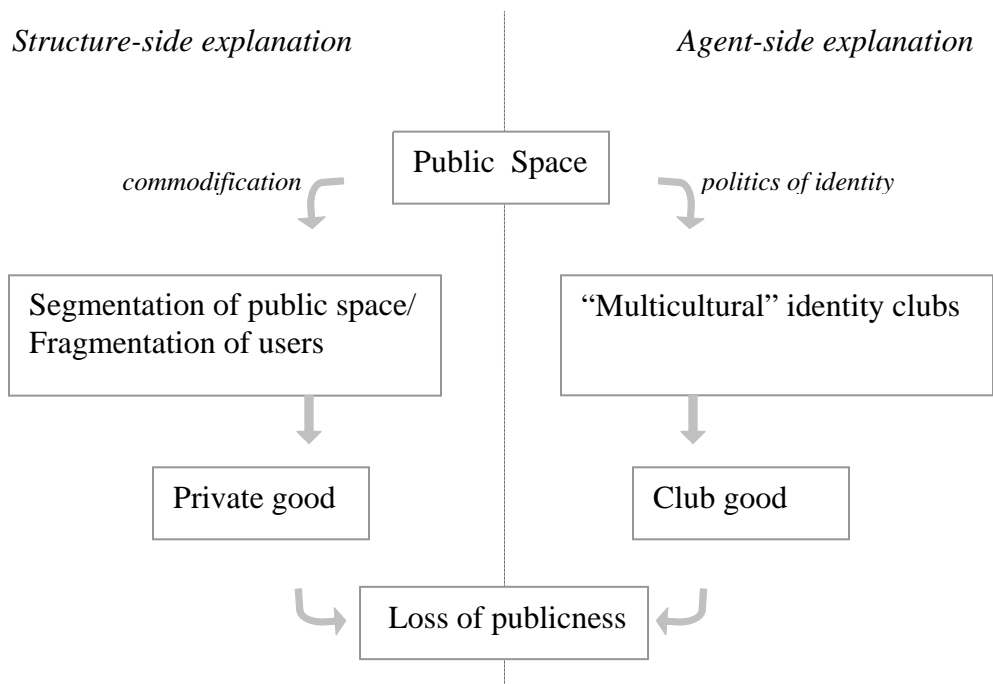
Further, in addition to privatization of *urban space*, diverse causes are cited for the attrition of the *public sphere* (or public realm) in general (see Banerjee, 2001, p.11). I will argue that “public space” (a special case within all kinds of urban space) requires special attention as it is the place where some of the ills or problems of the urban experience, can (and ought to) be countered, reversed, or at least questioned, rather than reiterated and reinforced.

The narrative of loss echoes enduring concerns with “colonization of the lifeworld by the system” (Habermas, 1987), and the “opposition of the net and the self” (Castells, 1996) which are themselves genealogically closely related to the Marxian base/superstructure model, where an ideological superstructure is the tool for the control and justification of the base of economic forces and relations. This paper offers an analysis of the ‘privatization of the public sphere’ through an analysis of economic imperatives. I will engage a structure/agency framework to acknowledge and incorporate the “agentic” critique of Marxist theories. This will involve exploring the relationships between privatization of space, and the spheres of culture and identity. The analysis will attempt a classification of public space based on the categories of economic goods and trace the morphing of the various types of public space. The paper will argue that understanding the process of privatization will give us a better understanding of the nature of the loss and therefore put us in a better position to address the issue.

We begin with a short inquiry into the nature of ‘loss’, in economic terms, that is the subject of the ‘narrative of loss’. Beginning an exploration of the meaning of the ‘loss’ is a gap in existing literature and is a marginal contribution of this study. In the next section we begin exploring the reasons for this loss and divide our analysis into two parts: the structure- and agency-side explanations. (The framework of the argument is shown in Figure 1 below.) The structure-side explanation is based on the privatization of space – because of, and through its cohabitation with commerce. The discussion will focus on the fragmentation of users and the commodification of public space leading to the ‘loss’ in question. This is followed by the agent-side explanation. I will argue that in

contemporary multicultural cities, the use of public space for the expression of identity creates “identity clubs”. This creates an environment of exclusion, which also replicates the conditions of privatization. Viewing public space as a public good enables us to recognize this situation, and thus critique and attempt to improve it. Some significant connections between cultural production (the exercise of cultural practices in urban space) and the neoliberal economy emerge from this discussion. Recently these connections have been obscured as class-based analyses have been eclipsed by culture-specific perspectives and agendas (e.g. studies on *Latino* new urbanism, *Black* ghettos, or *gay* districts). It is appropriate to make a note that the author’s experiences in the city of Los Angeles have influenced this paper, although I believe that the findings are largely applicable in all ‘world-cities’.

**Figure 1: Privatization of public space**



**Nature of loss: Economic goods and commodification**

The literature mentioned above has approached the phenomenon from various angles. These include law (Mitchell, 2003), anthropology/ cultural studies (Low, 2000), design (Banerjee, 2001; Herzog, 2006; Sorkin, 1999), and politics (Kohn, 2004; Low and Smith, 2006) among others. Not surprisingly, the work is closely related to Habermas’s idea of the “transformation of the public sphere”. Some arguments (e.g. Mitchell, 2003) make a case against violated rights or dubious ethics – pointing to specific case histories where a certain group of people were excluded from political participation or from the exercise of their full rights. In general, however, the narrative of loss lacks an assessment of what exactly is being lost. The critique hinges, instead, on examining strife or problems witnessed in privatized public spaces. Those problems (for example, eviction of the

homeless from an institution's premises, or exclusion of pamphleteers from a mall) are only symptoms of a more insidious problem, which widens the gaps in the social fabric, and goes uninvestigated. This weakness results in the critical theorizing not leading to any normative policy-formulation, often resulting in design guidelines instead. In the section on the 'structure-side explanation' I will attempt to make a beginning to conceptualize what is lost. A discussion of the idea of commodification will help to interpret the loss that is palpable but not quantifiable.

There are two related explanations for the observed phenomenon. It is helpful to organize these explanations as being based on 'structure' and 'agency'. It is important to look at the entire picture holistically. It reveals that the privatization of public space is not just a business strategy, but an integral part and logical necessity of neoliberal urbanization. Commodification extends to the human experience well beyond what is visible in public space, and into other previously largely non-commercial spheres, such as culture, education, healthcare and social relations. But commodification has a special significance in the context of public space, because it connects to the core of the question of "whose city" it is (Sassen, 1998; Zukin, 2000).

To appreciate the 'structure-side' and 'agency-side' explanations for the privatization of public space, we must first locate public space as an economic good. This will enable us to analyze the processes that convert public goods to private goods, and also the motives for doing so. The classic typology of economic goods (see Figure 2) is based on the two dimensions of excludability and subtractability (rivalness). Public goods are non-

excludable and non-subtractable (lower right side). In other words, it is not possible to exclude anyone from using public goods and any individual's use of a public good does not limit or reduce another's access to it. Examples of such goods include clean air, law enforcement and national defense. Although these are usually public goods, it can be argued that none of them is a perfect case.

**Figure 2: Classic typology of economic goods**

		<i>Excludability</i>	
		YES	NO
<i>Rivalness</i>	YES	<i>Private goods</i>	<i>Common pool resources</i>
	NO	<i>Club goods</i>	<i>Public goods</i>

The categorical ‘yes’ and ‘no’ classification behaves more like a range. This is because both rivalness and excludability could be achieved partially or in degrees. For example, some resources may be possible to replenish to a certain extent, and it might also be possible to exclude only some and not all from some other resources.

Based on the tradition of Greek agora and the Roman forum, public space has been assumed to have the characteristics of non-excludability and non-subtractability. As stated before, this may have been an inaccurate reading even for the times. Under the present system of flexible accumulation, however, public space is constantly under pressure of changing character to resemble the category of ‘club good’ or ‘private good’. In other words, the present organization of the global economy (including all productive forces such as industry, finance, real estate, image-making etc.), and its quest for growth,

have a logical tendency towards minimizing publicness to fully enable the accumulation of value made possible by privatization.

I will argue that there are both structural (pertaining to economic logic) and agentic (of socio-cultural origin) reasons for this trend. This is not to suggest that the idea of ‘structure’ is completely and fully defined by ‘economic reasons’ or ‘agency’ by ‘socio-cultural reasons’. I am only suggesting that ‘economic reasons’ are an integral part of ‘structure’ and the particular ‘socio-cultural reasons’ that have been engaged in this paper constitute ‘agency’ in some part.

Unlike the casual usage of the term ‘privatization’, the public-private dichotomy is not based on ownership alone. A set of characteristics can shift a good towards a greater or lesser degree of ‘privateness’. Ownership is an important aspect of the character of public space, but does not completely define the economic category under which it falls. I will refer to ‘privatization’ in terms of economic goods as presented in Figure 2. That is, private ownership will be regarded as only a part of privatization and not its complete definition. Before considering the explanations for the loss of publicness it is useful to take a closer look at ‘exclusion’ as an economic concept and its relationship with privatization.

***The economic meaning of exclusion: free riders and opportunity cost***

There are two concepts that are particularly useful for understanding efficiency and the dynamics of public space that we are interested in. The first is ‘excludability’ and the second ‘opportunity cost’. Exclusion, in theory, solves the “free rider” problem.



Eliminating free riders means that only those persons who are able to support its highest market uses, are allowed the use of space. In other words space is allocated in such a manner as allows the maximum possible exchange value to be derived from it.

The next question that arises is regarding who the ‘free riders’ are. To fully answer this question we must engage the concept of ‘opportunity cost’. ‘Opportunity cost’ of an economic option (asset or investment) is the “value of the best alternative that was foregone” (Hackett, 2001, p.7) to pursue this option. A free rider in view of this definition is not merely someone enjoying a resource without paying for her share, but also anyone who could be replaced by someone willing to pay more for the use of the same resource. To put this more simply, there is a logical pressure to attract those users to any space, who can (and are willing to) pay *most* for its use. Those who are paying less than maximum derivable value of any space can be seen as wasting the space (or causing an inefficiency). Further, the difference between what the ‘wasters’ are paying and the maximum derivable value is the opportunity cost lost due to inefficiency. In a system where demand-based pricing defines the values of commodities rather than production and labor costs, the logic of exclusion represents the most economically efficient option. In other words, exclusion satisfies the most people while “wasting” the least resources, thus minimizing inefficiency. Therefore, in economic theory, to prevent waste and inefficiency, it is best to exclude those from the use (consumption) of space who cannot pay the highest price (which someone else might be willing to offer.) In the following section we will consider the structure-side explanation for the privatization of public spaces.

### *Conflations within 'public' and 'private'*

In this section I will explore the meaning of 'public' and 'private', particularly with regards to the status of the 'individual'. 'Private' is often understood as the sphere of rights and activities that is preserved from state influence. From the private part of an individual's life, he or she has the right to exclude anyone (or everyone). This construction, usually taken for granted, has three problems.

The first two problems are of conflating independent ideas, and the third problem is the implicit relationship created by the first two conflations. The first problem is that the aforementioned understanding of 'public' and 'private' conflates the idea of the 'private' with the idea of the 'individual'. There is no logical reason to assume that the entire set of all things private represents, protects the interests of, or promotes the rights of all individuals. The second problem is that this model conflates everything that is not private, with the set of phenomena belonging to, associated with, or influenced by the state. Once again, there is no logical imperative that necessitates the conflation of the entire set of 'non-private' (or public) phenomena with the 'state'. The two problems, when considered together, bring us to an implicit dichotomy which constitutes the third problem.

The dichotomy, or the third problem, is that the construction described above, through the two conflations, implicitly (and inappropriately) portrays the state as antagonistic to the individual. A fear of the state as an overbearing, patriarchal behemoth is implicit in this conceptualization. To be sure those subscribing to this view can present good arguments

explicating various practical and philosophical weaknesses with the very idea of the state. It is erroneous, however, to suggest that these weaknesses and problems legitimize ipso facto a *definitional* arrangement that automatically estranges the state from the individual. The result is that the individual is unduly distanced from the state, which is actually the individual's representative. As before, there is no clear evidence that *all* works and efforts of the state are to undermine the rights and interests of individuals.

This argument is intended to challenge the orthodox understanding of the “private equals individual” versus “public equals state” model. We are necessarily drawn into the political philosophy here, in particular the understanding of rights (not least, of property), the state and the social contract. This line of argument takes us away from the subject of this paper. It should, however, be noted that the idea of the ‘public sector’, which may be considered a derivative of the ‘social contract’ is also designed for the protection of individual rights. Libertarian philosophy, which largely underlies neoliberal economics, makes a virtue of “freedom” without sufficient consideration for the need for constraints to protect the freedoms of others. In this view the “free” market is the means (and ends) of achieving a free society. Thus libertarian philosophy only sees the need for a minimum government. Further, it has no conception at all of the possibility of collective goals. This leads to the weakness that the ‘private’ (free realm) is assumed to represent the ‘individual’, and state power is seen as (i) an exact equivalent of the term ‘public’, and (ii) as antagonistic to the individual. This critique is not intended as an argument for large government but rather to suggest the possibility of reformulating the public-private dialectic as a dialectic between individual goals and collective goals. In this view both

individual and collective goals may be pursued through the initiative of the public or private sectors.

The preceding digression briefly considered the character of the delineation of ‘public’ and ‘private’ as political categories and philosophical ideas. When we talk about the privatization of public space we actually engage bundles of meanings that go together with each category. This theoretical complexity raises many questions. For example, to whom does public space belong? Which rights are guaranteed in public space? Can public space be used for private benefit? These doubts illustrate the need for investigating the relationship between privateness and public space. In the following sections of the paper I will discuss the two ways in which public space acquires characteristics of privateness.

### **I. Structure-side explanation**

It is beneficial for the productive forces in the neoliberal city (real estate, construction, retail and financial services industries among others) increasingly to bring space out of the public and into the private realm. Private capital can benefit from new business opportunities – markets, land holdings, construction, rent capturing etc. to continue cycles of accumulation. These business opportunities draw investment from internationally networked corporations and consortia. It is in this context that we will discuss why certain urban phenomena occur in globalizing cities.

Brian Field (1992) has also attempted to locate public space in the context of economic goods. He argues that “the private sector can be quite effective in supplying” (p.106) public space. This section will deal with refuting his claim and showing why private provision in this case changes the very character of the good being produced. I will argue that, *being public*, is itself essential to the value of public space, which is immediately lost when it is conceived and “provided” as a private good.

### ***Fragmentation of users***

The integration of commerce with public space leads to segmentation of public space that follows the market-segmented goods and services on offer within it. In other words the products being sold in the mall, “invented space” or “reinvented street” (Banerjee, 1996), are grouped (segmented) so that complementary (similarly priced or equally affordable) goods and services can be found in the same place, and can benefit from agglomeration and the presence of each other’s consumers. This creates a ladder of exclusivity for both the market and the place. The consumers of these segmented goods and services then find themselves (with intent as much as serendipity) in a place frequented by others like themselves in terms of not only taste but also socio-economic status, budget constraints, indifference curves and closely correlated markers of identity. Thus the consumers of goods and services, who have become the users of privatized public space, are divided up (spatially) into groups along the same ladder of exclusivity that divides public (commercial) space. This may be termed the ‘fragmentation’ of users, which in this case is based primarily on economic class (translated, for the purpose of segregation into, what may loosely be called, buying power).

### *Commodification of public space*

The process of commodification is intrinsic to the privatization of public space. In other words, space must essentially be commodified in order for it to achieve the conditions of privatization as defined by the typology of economic goods. Once privatized, exchange values of space can be “efficiently” realized. The essential processes involved in privatizing public space are those of creating exclusion and rivalness (as we have seen from the typology of economic goods). It is through commodification that these functions can be achieved.

We must first define what we mean by commodification. Commodification refers to the process by which “social relations are reduced to an exchange relation” (Goldman et al., 2003). In general the term refers to the conversion of those aspects of life (ideas, relations, sentiments etc.) into commodities which would not normally be bought and sold. Marx’s own original conception of commodification begins with the “labor theory of value”. According to Marx the use value of labor of human beings is turned into exchange value through the production of commodities. In this way the “social character of men’s labour appears to them as an objective character stamped upon the product of that labour” (Marx, 1978, p.320). Social relations (of labor, in this case) thereby come to be represented by commodities. Other aspects of social life can be considered ‘commodified’ when their ‘use value’ is disjointed from their ‘exchange value’.

Exchange value, though not the same as ‘price’ (a dollar amount), indicates a value of exchange, of the commodity. That is when something of use to an individual or society, assumes a value for exchange, it is said to have become a commodity, or to have been commodified. The essential transformation is the change from being viewed as *being of*

*use*, to *being for exchange*, and therefore for ownership, accumulation and profit. For the purpose of this paper, what we are interested in is the transformation of social relations to spatial relations, via the commodification of space. So we are interested in the transformation of ‘use’ and ‘exchange’ values of space.

To understand *what* is lost when public space is privatized, we can use this understanding of commodification to assess how it applies to space. The transformation of public space into an excludable and rival economic good is exactly the process that converts its use value to exchange value. Commodification privileges the liminal and tactile aspects of public space, and of ‘publicness’ in general (‘exchange’ value). The concomitant political and social characteristics of public space (representing ‘use’ value) are lost - pushed under the infinitely absorbent rug of efficiency.

To explain the point further let us focus on what specifically constitutes the ‘use’ and ‘exchange’ values of public space. ‘Use value’ of space could be theoretically constructed in various ways. We could think of it, for example, as the character of space that allows “random encounters” (Jacobs, 1961) between people. In a related way ‘use value’ could be thought of as the value of space for its role in supporting of “bridging interactions” (Larsen et al, 2004). The use value of public space is also derived from its role in becoming host to “extraordinary events” (Irazabal, 2008), which promotes freedom of speech, political activism and civic participation. Freedom of speech may be considered even more multidimensional than protest marches, public lectures or pamphleteering. The term may be thought to include expression of identities by those at

the margins of society *in the presence* of the “mainstream”. The condition in the last part of the previous sentence implicitly assigns (use) value to inclusion. In other words free speech is meaningful only when it is heard, not if it is voiced in isolation. The substantive value of “being heard” or “being seen” (beyond simply speaking) is the use value of public space. Even more demanding norms might suggest that the ‘use value’ of space is derived from its contribution to class consciousness and class struggle (where social class is emphasized as the defining identity). In a freedom-construction (in the manner expounded by Sen, 1999, exploring the meaning of development), the use value of public space could be conceptualized as the *freedom of subjectivity*. This construction is useful in developing Kohn’s (2004) analysis, for example, the “rationales for the provision of public good”, critiqued by Apostol and Banerjee (2006). The idea of freedom of subjectivity can be defended with support from the literature on the transformation of the built environment into the equivalent of theme parks.

We can see the economic justification for segregating people in space from the preceding discussion. In the context of access to commodified space, the most obvious basis for segregation is class. Class is often closely correlated with race. Segregation by race (with the help of formal *or* informal institutions) has been outlawed in the United States (as in most of the world). Segregation by economic class, though, is not considered an offense (or for that matter, offensive or objectionable) in any manner.

From the structure-side explanation for the privatization of public space we can see that conditions of privatization lead to the commodification of public space and to consequent



loss of publicness. In the next section I will present the agent-side explanation, where I will discuss how politics of identity contributes to the replication of the conditions of privatization.

In discussing the use value of land, Harvey (2006), following Marx, limits his conception to natural endowments such as minerals (p.335). For Harvey the key to understanding the idea of 'value' is to inquire where surplus or profit comes from. Responding to this query brings us directly to the conception of labor as commodity. This in turn leads to an understanding of the idea of the commodity itself, and to the disjunction between use and exchange values. Harvey's insightful conclusion, that "the commensurability of commodities achieved through exchange renders the labour embodied in them equally commensurable." (2006, p.14) is particularly relevant to the discussion to follow.

Harvey's project is to study *space as a means of production*, and to reveal the *relations* of production hidden behind it, particularly in the urban context. His focus is on the role of urban space in creating cycles of investment and accumulation of surplus value. This orthodox reading of Marx is aimed at discovering "the inner logic of capitalism" (2006, p.14). The analysis presented here follows a similar heuristic to study the taxonomy of goods that are often presented as the rationalization for the need for privatization.

## **II. Agent-side explanation**

The 'structural' explanation accounts for those instances of privatization where public activity shifts to privately-owned space and thus comes to be reconstituted by the rules

that govern marketing of commodities. This phenomenon is labeled the ‘structure-side explanation’ because the results are largely functions of market logic. On the other hand the agent-side explanation describes the process by which the “public” shapes space in ways such that publicness is lost. This is not to suggest that the phenomenon is carried out by groups within the public with this intent in mind. The loss occurs at a scale that is invisible to the agents acting in space. The actions are spatial but the loss is social. Moreover, since human agency and free will are involved that the loss is harder to detect or critique. I therefore argue that self-interested individuals can create spatial practices that lead to a larger loss for society when these practices become the norm.

### *Identity clubs*

The agent-side explanation is based on the appropriation of space for the expression of social identity, often ethnic, in multicultural cities (e.g. weekend soccer leagues in MacArthur Park). Such spaces may be claimed by different groups at different times. This kind of use leads to the transformation of public spaces, from public goods to club goods. That is, exclusion of out-groups, and in some cases “of the excluders by the excluded” (Castells, 2004), results in publicness being compromised. The argument points towards social processes, such as assertion of identity, under conditions of late capitalist market multiculturalism (Zizek, 1997) as being part of the total reality of the neoliberal city, and having real implications for the production of space.

The conditions of privatization can be achieved under public ownership. “Private space becomes public when the public wants it; public space becomes private when the public that has it won’t give it up” (Acconci, 1990, p.904). This second kind of privatization,

based on agent behavior with regards to expression of identity, occurs frequently on publicly-owned public space. Private spaces, in contemporary times, *usually* have no special incentive to segregate people based on ethnicity, but rather thrive on the division based on class, other identities having close correlations with class divisions, being incidental to the logic. The literature on the privatization of public sphere does not address the processes that are transforming public space which is still publicly owned. Mitchell and Staeheli (2006) do, however, engage the ideas of “pseudo-public” (and “pseudo-private” spaces (p.53) – spaces that have transitioned from being purely private or public (respectively) to some degree of use by (and therefore ceding of rights to) the “other side”. Public spaces such as parks, streets, sidewalks, and plazas that are under the control of and managed by government authorities, are particularly relevant here.

Such public spaces, by virtue of their government ownership and management hold an image of being universally inclusive, not-for-profit and a refuge from the city. These public spaces do not, however, exist in isolation – neither spatially nor in an institutional sense. The quest for efficiency must affect these spaces too. Firstly, there is the obvious relationship between a safe, sanitary and organized appearance in public space and the value of the private properties surrounding it. Loiterers, homeless, teenage skateboarders, vendors, street musicians and others threaten the required tranquility and control. Control is commonly exercised by discouraging loiterers by avoiding comfortable seating, by having the police dump the homeless in “their” part of the city, by assigning skateboarders to skateboarding parks, and allowing vendors and musicians by license only. In other words only that part of the public is considered legitimate which does not

adversely affect property values for the private owners. This is only a basic relationship which is very closely related to the first part of this paper. In addition, privatization of publicly-owned spaces can also occur without overt economic profit-related causes.

The expression of identity in public space undeniably lends diversity and vitality to the park, plaza or sidewalk. At the same time, however, it also creates conditions of exclusion of the out-group. When all identities begin to express themselves separately, a Zizekian (1997) multiculturalism is created, where self preservation is the dominant motive rather than cross-cultural understanding or solidarity across lines of identity. Exclusion in this manner also dissolves publicness (of the sort discussed by Jane Jacobs in terms of “random interactions”) the same way as ‘absolute’ privatization does. The public sphere lost in the mall is not regained, but rather lost again, in the public space that privileges “bonding” over “bridging” interactions (Larsen et al, 2004). The formation of clubs is an inherent feature of contemporary multiculturalism and the use of space both reflects and reinforces the trend. Public space, which has certain normative values associated with it, needs to be considered separately from “urban space” in general. Nevertheless, in both cases, ‘identity’ gets inscribed on physical space, thereby converting a social-psychological construct into a physical experience.

### *Tieboutian sorting*

The creation of Tieboutian clubs (Heikkila, 1996) provides further evidence of the fragmentation of society. As the author suggests, municipalities in Los Angeles behave like clubs by offering a well-defined basket of goods that are chosen by individuals with similar preferences. As modeled by the author, these “baskets” include (among other

variables) ‘age’, ‘ethnicity’, ‘language’, ‘gender’ and ‘household finance’ (p.207).

Stepping away from market parlance, these goods could be viewed as markers of social identity. Therefore Heikkila’s findings provide strong evidence (tempered by the author’s caveats on statistical validity) of fragmentation of society along the lines of culture and identity. It should be noted that this argument is also predicated on a strong sense of agency of those “choosing” their preferred basket of goods. Again, it can be argued that for a large number of people, particularly those not well-off, the choice is neither broad nor particularly free. It should, however, be conceded that a lot of decisions are still in the hands of the agents and are made so as to maximizing personal utility, thereby ignoring such “noble” ideals as building bridges across lines of identity.

Heikkila’s work on municipalities has application to the agents’ use of public space. We must note right away that public space is actually the arena for *undoing* the problems of social segregation that might arise through other means (such as sorting of housing). Therefore public space is not directly comparable to Tieboutian sorting of residential location. Yet, in practice, the use of public space follows the same pattern, and mode of decision-making, that creates Tieboutian clubs. In the absence of normative ideas for the utility and function of public space, and in an atmosphere of commodification, this is not very surprising.

Leonie Sandercock (2003b) cites Richard Sennett in making the point that there is a “normative imperative in the multicultural city to engage in meaningful intercultural interaction” (p.87). Sennett (2000) himself emphasizes this idea with help of the work of

Hannah Arendt and Jurgen Habermas. Sennett also draws on Rawls and suggests that the public sphere is one where veil of ignorance is worn – that is, people are not judged based on their status or position. If we hold up public spaces to these standards we will find that identity politics in multicultural cities also essentially moves public space towards exclusion and privatization.

What I am calling privatization through identity politics has already been recognized by Nancy Fraser (2000) and Zizek (1997). For Fraser, “today’s struggles for recognition often assume the guise of identity politics.... [and] serve less to foster interaction across difference than to enforce separatism, conformism, and intolerance.” (p. 119). Fraser’s article concedes the possibility of truly emancipatory identity-based projects, but critiques their recent proliferation on counts of “displacement” (of struggles of redistribution with struggles of recognition) and “reification” (of separatist, intolerant and chauvinistic attitudes). Fraser’s own model, which intends to replace the need for *recognition* with a struggle against “*status subordination*”, is not perfect. The critique, however, does provide a line of thought that questions the meaning of multiculturalism. In similar vein Zizek (1997) has critiqued multiculturalism as the “cultural logic of multinational capitalism” (p. 28). According to Zizek

“multiculturalism is a disavowed, inverted, self-referential form of racism, a ‘racism with a distance’—it ‘respects’ the Other’s identity, conceiving the Other as a self-enclosed ‘authentic’ community towards which he, the multiculturalist, maintains a distance rendered possible by his privileged universal position” (p.44).

The author is bringing attention to a distanced “respect” guaranteed to all communities in the multicultural society, so that the universality of the majority, and more importantly

the inevitability of the ideology that accords power, cannot be questioned. This is an insightful critique of the political-economy of multiculturalism.

If we read space as a product of this phenomenon, we can see how identity and its expression in public space, provides evidence for Žižek's theory. The ostensible normative goal of multiculturalism is to ensure that language, culture and ways of life of minority communities are protected from the forced assimilation by a cultural majority. In other words, multiculturalism ensures the sustenance of marginal cultures that may otherwise be threatened by intolerance of the majority. Multiculturalism, does not, however, impose on the majority, a burden to adapt to the presence of minorities in society. It does not necessitate measures to amenably create new mixed societies. There is no normative goal within the idea of multiculturalism to find ways of easing tensions *between* various minority communities. The politics of multiculturalism is inherently defensive and divisive. Multiculturalism fails to imagine and capture the synergies of the coexistence of diverse cultures within relatively proximity of each other. This may be due to the modernist legacy of such institutions as state and citizenship within which multiculturalism is conceptualized. Alternatively, the criticisms of multiculturalism may arise from the fact that the *subjects* of multiculturalism – immigrants, most often from relatively economically backward areas to relatively economically strong areas – have little to no political representation in the annals of executive and legislative power. The result is that foreigners in society are viewed as a “necessary evil” to be tolerated and managed lest they should overrun and damage the local culture and economy. Multiculturalism minimizes the transaction costs of having every individual minority

member of society integrate with the majority culture. For example, multiculturalism allows immigrant agency to become useful in the economy as labor and consumers, without avoidable lags associated with cultural assimilation. In this view, multiculturalism is a Faustian bargain between economic development and a fractured society. Through this process multiculturalism actually reinforces the idea that the rules of the neoliberal economy are the *raison d'être* of the coexistence of diverse communities. In this way multiculturalism becomes an administrative practice for the management of labor resources.

The idea of “insurgent citizenship” has been discussed in connection with the reclaiming of “publicness” (Crawford, 1995; Holston, 1998; Banerjee, 2001). The concept stands in opposition to privatization and its influence on social life. ‘Insurgent citizenship’ is the name given to the spatial modes of challenge to mainstream (or bourgeois) urbanism by those at the economic periphery of the city. Holston holds that insurgent spaces or insurgent citizenship springs from the crevices of modernist city building where the state assumes the role of the provider of rights, identity and citizenship. The insurgent population adapts and uses the landscape of their urban experience for protest, because their way of life, or indeed even their existence cannot be accommodated in the formality of modernist planning. Holston’s project focuses on the ‘agency’ of the insurgent population. Crawford’s (1995) study of the struggle of street vendors and the homeless in Los Angeles, highlights the insurgent and intransigent nature of agency. This idea, one which integrates space and citizenship into one “socio-spatial” model, deserves careful consideration.



Firstly, the idea of an amalgamated socio-spatial model is very helpful. As mentioned before, this relationship (although not the integration) is what drives Harvey's analysis of economic logic. Further, any local, empirical analysis of one necessarily requires engaging the other (society and space). On the face of it, 'insurgent citizenship' creates hope for a viable scale and mode of resistance. Spaces of insurgent citizenship are entrepreneurial incubators and the locations of cultural integration and reformulation. Thus, socially, economically and culturally, spaces of insurgent citizenship are intermediate or transitory. These places provide a space for those at the margins of the social, economic and cultural structures of society. Since these spaces do not challenge the mainstream and the logic of its production, however, they are also subject to the same rationality. We therefore find that the margin is as divided as the mainstream.

It is difficult to say where insurgency gives way to exclusion. It is the multicultural working class of any city that has to make these choices on a daily basis. The same population acting in the same space might be insurgent one day and exclusionary the next. For example, Latino food vendors in LA might feel threatened by, say, a Vietnamese vendor in their midst. Indeed, in LA, spaces are so defined as to reflect the market – and a random Vietnamese food vendor will likely make no attempt to “invade” Latino space. This is plainly visible in the multitude of minority spaces that Los Angeles has been divided into, with hardly any place for “everyone”. Insurgent citizenship can become the touchstone for democratic and inclusive (that is, public rather than privatized)

public space, but insurgency colored first by ethnic identity can also be counterproductive.

In this context, the utilization of public space for the expression of identity can be critiqued as an exercise that is ultimately conservative. Further, based on the study of the typology of goods, we can see how the shift of public space from a public good to a club good, via this process, is as problematic for “health” of the public sphere as outright privatization by ownership.

The critical tension evolving from this discussion is about whether expression of identity itself can be questioned. Needless to say, identity, particularly that of minorities and marginalized communities is at the heart of various urban struggles. Liberal states have in recent times adopted policies of multiculturalism, which allow for difference and minimize the burden of assimilation on minority communities. In this environment, where planning theory is encouraged to focus on utilitarian “ethical compromise” (Sanyal, 2002) rather than normative ideas, the political appeal of multiculturalism is easy to understand. The issues of conflation of the issues of immigration reform and “homeland security” in the United States, for example, reflects the contemporary policy environment. “[T]he regime that has taken hold of political and cultural power around the world involves the sharpening of social divisions.... The control of public space is a central strategy of that neoliberalism” (Low, 2006, p.15). Obviously expression of identity must not be subdued as this would be the greatest injustice of all. The lessons

from public space is that planners and policy-makers must not stop at *permitting* expression, and must instead actively promote intercultural interaction.

### **Conclusions**

It has been the attempt of this paper to make four points. First, that public space can be thought of as an economic good, and that this would facilitate a deeper understanding of the reasons for the ‘loss’ that is being reported in literature. Second, there are two related (not competing) arguments to explain the ‘narrative of loss’ – one each based in structure and agency. The third significant point being highlighted in this paper is that conditions of privatization can be seen in government-owned public space. The fourth part of the argument is theoretical and relates the well-recognized business idea of ‘market segmentation’ with the Marx’s idea of ‘commodification’, which he originally used in the context of human labor. I will discuss this last point here as the conclusion of the paper. As has been discussed earlier, market segmentation of economic goods for efficient servicing of the market “demand” can lead to a concomitant segmentation of the spaces where these goods are displayed and sold. Air conditioning, leather seating and other accessories, for example, can become the basis of segmentation of automobiles. The paper also touched on Marx’s idea of commodification. The idea of commodification is based on distinguishable “value”, “use value” and “exchange value” of goods. In simple terms, the “value” is the labour-value of producing the good, the “use-value” is what it is worth to a user (or users), and “exchange-value” is the closest approximate of the price of the commodity. It is only when something acquires an exchange value that it becomes a ‘commodity’, and commodification creates a gulf between the good’s use and exchange

values. For example, a pair of shoes has a certain use value for protecting feet and providing comfort – but their exchange value might be quite exaggerated by comparison, reflecting costs of marketing or the stamp of a fashion label. Exchange values are thus socially created, and represent a loss of essence – and a divergence between the utility of a good and the price paid for access to it. It is this subliminal, intangible essence that is hard to define. In the context of public space, market segmentation is based on the brands of goods being retailed, and the socially determined price of exclusivity. Thus these factors create a gulf between the *use value* of space and its *exchange value* (that is the price of consuming this space). The argument, then, is that the factors that become the bases of segmentation (the equivalent of air conditioning and leather seating in cars, for example) are the same as those which commodify the space (change use value to exchange value). Thus the ‘narrative of loss’ (which is at least partially predicated on market segmentation, as we have seen in this paper) is instrumental in supporting the very idea of commodification. Looking at public space from the perspective of economic goods is critical to bring us to this conclusion. The connection is not trivial and could be instrumental in adapting critical theory to the era of the information society and flexible accumulation.

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