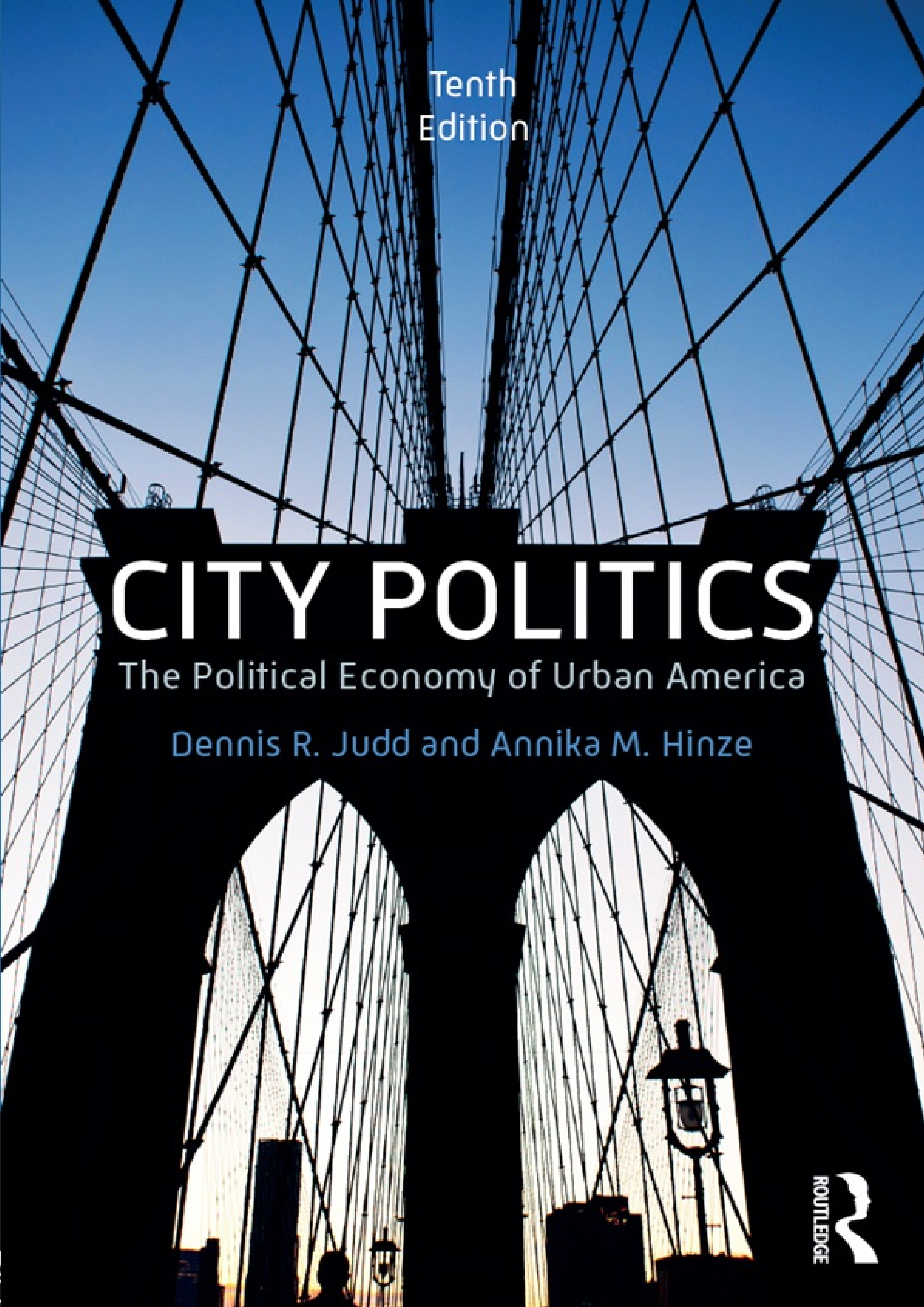
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CITY POLITICS
The Political Economy of Urban America
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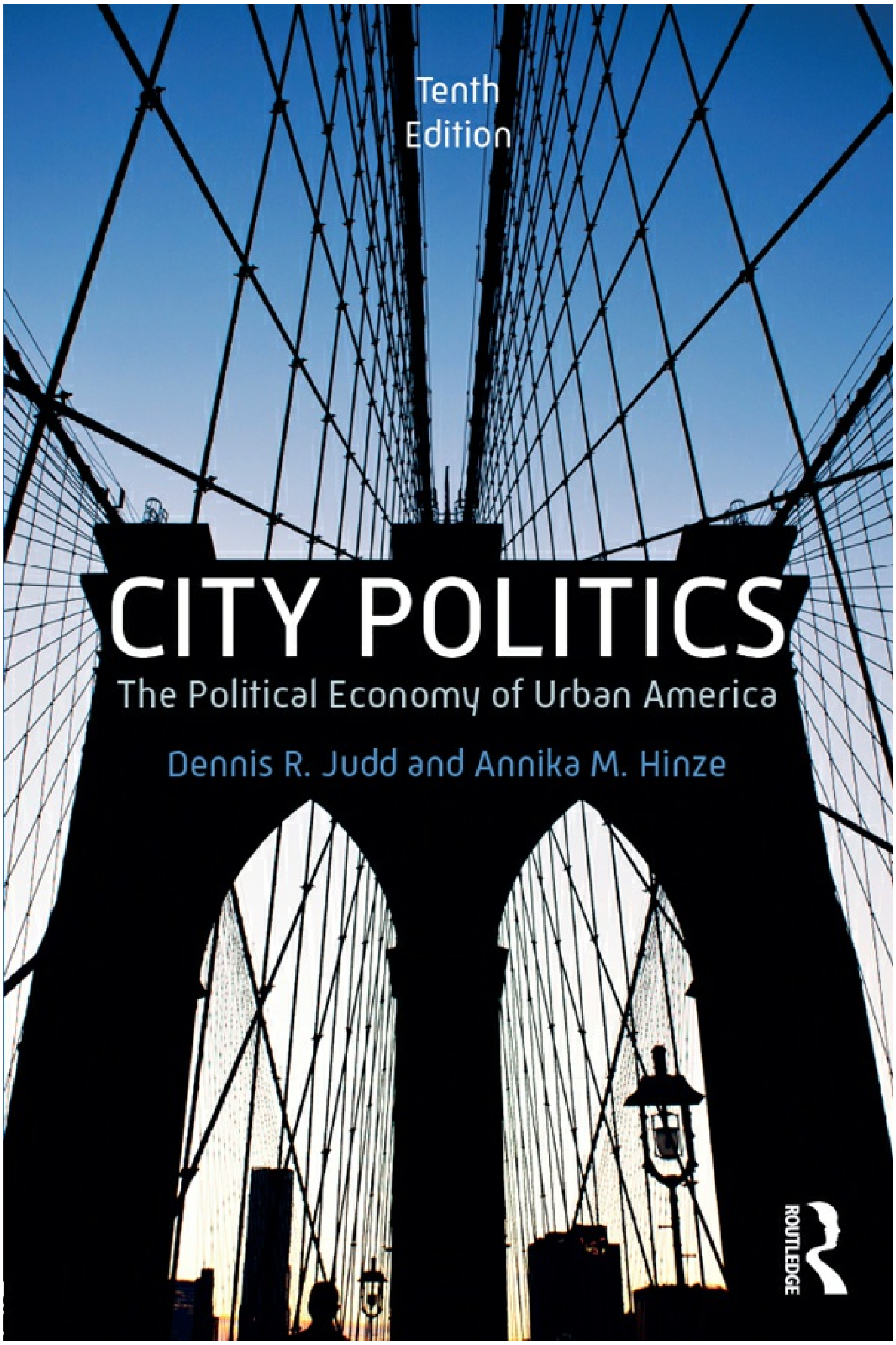
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City Politics

Praised for the clarity of its writing, careful research, and distinctive theme—that urban politics in the United States has evolved as a dynamic interaction between governmental power, private actors, and a politics of identity—*City Politics* remains a classic study of urban politics. Its enduring appeal lies in its persuasive explanation, careful attention to historical detail, and accessible and elegant way of teaching the complexity and breadth of urban and regional politics which unfold at the intersection of spatial, cultural, economic, and policy dynamics. Now in a thoroughly revised tenth edition, this comprehensive resource for undergraduate and graduate students, as well as well-established researchers in the discipline, retains the effective structure of past editions while offering important updates, including:

- All-new sections on immigration, the Black Lives Matter Movement, the downtown condo boom, and the impact of the sharing economy on urban neighborhoods (especially the rise of Airbnb).
- Individual chapters introducing students to pressing urban issues such as gentrification, sustainability, metropolitanization, urban crises, the creative class, shrinking cities, racial politics, and suburbanization.
- The most recent census data integrated throughout to provide current figures for analysis, discussion, and a more nuanced understanding of current trends.

Taught on its own, or supplemented with the optional reader *American Urban Politics in a Global Age* for more advanced readers, *City Politics* remains *the* definitive text on urban politics—and how they have evolved in the US over time—for a new generation of students and researchers.

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BRIEF CONTENTS

CONTENTS

PART III THE FRACTURED METROPOLIS

PREFACE

The first edition of *City Politics* was published in 1979, and since that time the book has undergone changes as profound as the subject matter with which it deals. To keep it current and relevant, we have always taken care to describe significant new developments both in the "real world" and in the literature of the field; in this tenth edition, for example, we include material on the recent debates over race and immigration policy, voting rights, the continued fiscal problems that cities face, and the urban impacts of inequality. In making these changes, we have included enough citations so that students will be able to conduct further research of their own.

Over the years, *City Politics* has been used in college courses at all levels, from community colleges to graduate courses in research universities. *City Politics* has reached across disciplines, too; it has found its way into courses in urban politics, urban sociology, urban planning, urban geography, and urban history. We have relied upon three elements to make it relevant to such a broad audience: a strong and original thematic structure with a blending of the vast secondary literature with primary sources and recent scholarly materials, new data, and our own original research. To make the complex scholarship of the field as accessible and interesting as possible, we build the book around an admittedly sweeping narrative. As far as possible, each chapter picks the story up where the previous one left off, so that the reader can come to appreciate that urban politics in America is constantly evolving; in a sense, past and present are always intermingled.

Three threads compose the narrative structure of the book. From the nation's founding to the present day, a devotion to the private marketplace and a tradition of democratic governance have acted as the twin pillars of American culture. All through the nation's history, cities have been forced to strike a balance between the goal of achieving local economic prosperity and the task of negotiating among the many contending groups making up the local polity. An enduring tension between these two goals is the mainspring that drives urban politics in America, and it is also at the center of the narrative that ties the chapters of this book together.

The governmental fragmentation of urban regions provides a third dynamic element that has been evolving for more than a century. A complete account of American urban politics must focus upon the internal dynamics of individual cities *and* also upon the relationships among the governmental units making up urban regions. Today, America's urban regions are fragmented into a patchwork of separate municipalities and other governmental units. With the rise of privatized gated communities in recent decades, this fragmentation has become even more complicated. In several chapters of this edition of *City Politics,* we trace the many consequences that flow from this way of organizing political authority in the modern metropolis.

We divide the book into three parts. Part I is composed of five chapters that trace the history of urban America in the first long century from the nation's founding in 1789 through the Great Depression of the 1930s. This "long century" spans a period of time in which the cities of the expanding nation competed fiercely for a place in the nation's rapidly evolving economic system. At the same time, cities were constantly trying to cope with the social tensions and disruptions caused by wave after wave of immigration and a constant movement from farm to city. These tensions played out in a struggle between an upper- and middle-class electorate and working-class newcomers. They also made the cities, over time, into different social contexts that stood apart from the growing nation. The New Deal of the 1930s brought the immigrants and the cities in which they lived into the orbit of national politics for the first time in the nation's history, with consequences that reverberated for decades.

In Part II, we trace the arc of twentieth-century urban politics. Over a period of only a few decades, the old industrial cities went into a steep decline, the suburbs prospered, and a regional shift redistributed population away from the industrial belt to other parts of the country. For a long time, urbanization had been driven by the development of an industrial economy centered in a few great cities. But the decline of industrial jobs and the rise of a service economy profoundly restructured the nation's politics and settlement patterns; as a result, by the mid-twentieth century the older central cities were plunged into a social and economic crisis of unprecedented proportions. In the years after World War II, millions of southern blacks poured into northern cities, a process that incited a protracted period of social unrest and racial animosity that fundamentally reshaped the politics of the nation and of its urban regions. Affluent whites fled the cities, carving out suburban enclaves in an attempt to escape the problems of the metropolis. The imperative of governance—the need to find ways of brokering among the contending racial, ethnic, and other interests making up the urban polity—became crucially important.

Part III of the text focuses on the urban politics produced by the deindustrialization and globalization processes of the 1980s and beyond. The emergence of a globalized economy is one of its defining features. Older central cities and entire urban regions that had slipped into decline began to reverse their fortunes by becoming major players in the post-industrial economy. At the same time, the fragmentation within metropolitan regions has taken on a new dimension because cities fiercely compete for a share of metropolitan economic growth. Today, central cities and their urban regions are more prosperous, but at the same time more fragmented than ever, and one consequence is that social and economic inequalities are being reproduced on the urban landscape in a patchwork pattern that separates urban residents.

These developments can best be appreciated by putting them into historical context. As in the past, urban politics continues to revolve around the two imperatives of economic growth and the task of governance. As in the nation's first century, cities are engaged in a fierce competition for new investment. The great tide of immigration that took off in the nineteenth century shaped the politics of cities for well more than a century. The intense period of immigration that began in the 1970s has yet to run its course, and it, too, will reverberate through all levels of the American political system for a long time to come. Any account of urban politics in the present era will be greatly enriched if we recognize that we are a nation of immigrants, and always have been. Furthermore, since the advent of private television networks and social media, the nation has been growing increasingly more fragmented. This has had a strong impact on politics at all levels of the federal system, and will be consequential for national, state, and local politics in the years to come—as states and municipalities pit themselves against federal mandates they fundamentally disagree with. The several new features incorporated into this tenth edition include:

- A comprehensive discussion of the bitter debates over immigration policy and the sanctuary movement
- A closer look at the resurgence of racial tensions in the country, as well as the Black Lives Matter Movement
- An expanded discussion of the controversies over voting rights
- A discussion of the new role many cities across the nation find themselves in under the Trump administration
- An updated discussion of recent trends in inequality
- Incorporation throughout the text of recent data from the U.S. Census Bureau.

Dennis R. Judd would like to thank Sam Bassett and Anahit Tadevosyan for their valuable research assistance and intellectual companionship.

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We also want to thank Misha Kydd, editorial assistant at Taylor & Francis, for keeping the book on track.

CHAPTER 1

City Politics in America: An Introduction

Three Themes

The political dynamics of America's cities and urban regions have remained remarkably similar over time. From the nation's founding to the present, a devotion to the private marketplace and a tradition of democratic governance have been the pivotal values defining American culture. Finding a balance between these two imperatives has never been easy; indeed, the tension between the two is the mainspring that energizes nearly all important political struggles that occur at the local level. The *politics of growth* becomes obvious when conflicts break out over public expenditures for such things as airport construction, convention centers, and sports stadiums. Projects like these are invariably promoted with the claim that they will bring prosperity to everyone in the urban community, but such representations do not lay to rest important concerns about whether these are the best or the most effective uses of public resources. The fact that there is conflict at all lays bare a second imperative: the *politics of governance.* Public officials and policymakers must find ways to arbitrate among the many contending groups and interests that demand a voice in local government. The complex social, ethnic, and racial divisions that exist within America's cities have always made governance a difficult challenge. A third dynamic has evolved in step with the rise of the modern metropolis over the past century: the *politics of metropolitan fragmentation.* During that period, America's urban regions have become increasingly fragmented into a patchwork of separate municipalities. One of the consequences of the extreme fragmentation of political authority within metropolitan regions is that it helps perpetuate residential segregation, and makes it nearly impossible to devise regional solutions to important policy issues such as urban sprawl.

The growth imperative is so deeply embedded in the politics of American cities that, at times, it seems to overwhelm all other issues. Urban residents have a huge stake in the continued vitality of the place where they live; it is where they have invested their energies and capital; it is the source of their incomes, jobs, and their sense of personal identity and community. Because of the deep attachments that many people form for their local community, its continued vitality is always a high priority. Throughout American history, "place loyalty" has driven civic leaders to devote substantial public authority and resources to the goal of promoting local economic growth and prosperity. In the nineteenth century, for instance, cities fought hard to secure connections to the emerging national railroad system by providing huge subsidies to railroad corporations. Today, the details are different, but the logic is the same: since the 1970s, cities have competed fiercely for a share of the growing market in tourism and entertainment, the "industry without a smokestack." To do so, they have spent huge amounts of public money for such things as convention centers, sports stadiums, cultural institutions, and entertainment districts. These kinds of activities, all devoted to the goal of promoting local economic growth, are so central to what cities do that it would be impossible to understand urban politics without taking them into account.

One factor in the inter-urban competition for growth and investment that has definitely changed today is the detachment of business leaders from the local environment through the forces of globalization. While throughout the first half of the twentieth century, businesses were firmly rooted in the local context, and business leaders saw the health of the downtown business district as a vital context for their economic success, corporations in a global world no longer have these local attachments. The borderless flows of capital, goods, and services (though not of people) have made it easy for transnational corporations to uproot themselves and choose the most fiscally and economically convenient location for their business headquarters. This means that inter-urban competition has not only grown much fiercer, but it has also moved from a national to a global scale. It has also led local leaders and policymakers to more actively bargain for business investment, not only by creating greater incentives for businesses (by offering tax breaks, or clearing favorable parcels of land through the use of eminent domain), but also by actively inviting private actors to partake in the urban development process, introducing more "public-private partnerships" as ways to implement major projects. Of course, private actors will not invest in development projects out of the goodness of their hearts. Instead, they look out for profits to be made, and they may decide to abandon projects that do not meet their expectations. Some scholars have also complained that the focus of state and local governments on attracting private actors and aestheticizing the urban environment, takes away attention from the needs of poorer segments of the urban population.[1]

The imperative of governance arises from the social, racial, and ethnic differences that have always characterized American society. America is a nation of immigrants, and for most of the nation's history, anxiety about the newcomers has been a mainstay of local and, for that matter, national politics. Attempts to curb immigration can be traced back to the 1830s, when the Irish began coming to American shores in large numbers. Episodes of anti-immigrant reaction have flared up from time to time ever since, especially during times of economic stress. Ethnic and racial conflicts have been such a constant feature of American politics that they have long shaped national electoral and partisan alignments. This has been as true in recent decades as at any time in the past. At the metropolitan level, bitter divisions have often pitted central cities against suburbs, and one suburb against the next.

The extreme fragmentation of America's metropolitan areas has its origins in the process of suburbanization that began unfolding in the late nineteenth century. For a long time, the term "urban" referred to the great cities of the industrial era, their diverse mix of ethnic groups and social classes, and their commanding national presence as centers of technology and economic production. The second "urban" century was very different. Increasingly, the cities of the industrial era became surrounded by rings of independent political jurisdictions—what came to be called suburbs. Beginning as early as the 1920s, the great industrial city centers went into a long slide even while the suburbs around them prospered. Ultimately, an urban geography emerged that was composed of a multitude of separate jurisdictions ranging from white and wealthy to poor and minority, and everything in between. Recently the central cities have begun to attract affluent (and especially younger) residents and the suburbs have become more representative of American society as a whole. Even so, a complicated mosaic of governments and even privatized gated communities continue to be important features in the daily life of urban residents: where people live greatly influences whom they come into contact with, their tax burdens and level of municipal services, and even their political outlook. Within metropolitan areas there is not one urban community, but many.

The three strands that compose city politics in America—the imperative of economic growth, the challenge of governance, and the rise of the fragmented metropolis—can be woven into a narrative that allows us to understand the forces that have shaped American urban politics, both in the past and in our own time. Reading a letter to the editor of the local newspaper protesting a city's tax subsidy for a new stadium (a clash of values typical of the politics of growth); walking down a busy city street among people of every color and national background (which serves as a reminder of the diversity that makes governance a challenging task); entering a suburban gated community (and thus falling under the purview of a privatized governing association, still another of the many governing units that make up the metropolis): all of these experiences remind us that there are consistent patterns and recurring issues that shape the political dynamics of urban politics in America.

The Politics of Growth

Local communities cannot be preserved without a measure of economic vitality, and this is why growth and prosperity have always been among the most important priorities for urban residents and their civic leaders. Founded originally as centers of trade and commerce, the nation's cities and towns came into being as places where people could make money and find personal opportunity. From the very beginning, European settlement in North America involved schemes of town promotion. The first colony, Jamestown, founded in 1607, was the risky venture of a group of English entrepreneurs who organized themselves into a joint stock company. Shares sold in London for about $62 in gold. If the colony was successful, investors hoped to make a profit, and of course the colonists themselves had gambled their very lives on the success of the experiment. Likewise, two centuries later, when a flood of people began spilling beyond the eastern seaboard into the frontier of the new nation, they founded towns and cities as a way of making a personal bet on the future prospects of a particular place. The communities that grew up prospered if they succeeded in becoming the trading hub for a region and an export platform for agricultural and finished goods moving into the national economic system. For this reason, the nineteenth-century movement across the continent placed towns at the leading edge of territorial expansion:

> America was settled as a long, thin line of urban places, scattering outward and westward from the Atlantic seaboard. The popular imagination has it that farmers came first and villages later. The historian's truth is that villages and towns came first, pulling farmers along to settle the land around and between urban settlements.[2]

Each town was its own capitalist system in miniature, held together by the activities of entrepreneurs in search of profit and personal advancement. The restless pursuit of new opportunities encouraged the formation of what urban historian Sam Bass Warner has called a national "culture of privatism," which stressed individual efforts and aspirations over collective or public purposes: "[The] local politics of American cities have depended for their actors, and for a good deal of their subject matter, on the changing focus of men's private economic activities."[3] The leading philosophy of the day promoted the idea that by pursuing their own individual interests, people were also contributing to the welfare of the community.

On the frontier, the founders of cities and the entrepreneurs who made their money in them recognized that in order to ensure their mutual success, they would have to take steps to promote their city and region. Local boosters promoted their city's real or imagined advantages—a harbor or strategic location on a river, for example, or proximity to rich farming and mining areas. They also boasted about local culture: music societies, libraries, and universities. And they went further than boasting; they used the powers of city government to promote local growth. Municipalities were corporations that could be used to help finance a variety of local undertakings, from subscriptions in railroad stock to improvements in harbors and docks. There was broad support for such undertakings because citizens shared in the perception that local economic vitality was absolutely necessary to advance the well-being of the urban community and everyone in it.

Today, support for measures to promote the local economy continues to be bound up with people's attachments to place and community. Without jobs and incomes, people simply cannot stay in the place that gives life to family, neighborhood, and local identity. The environmental and social effects of the oil spill in the Gulf of Mexico in the spring and summer of 2010 illustrate this point. As the disaster unfolded, it seemed certain that thousands of jobs would be lost in a long arc stretching from southern Louisiana to the Florida coast. At the time, tourism was expected to drop by half on Florida's Gulf Coast, costing the state at least 200,000 jobs.[4] In Louisiana, fishing, shellfish, and other industries seemed to be on the verge of being wiped out. When people talked about the disaster to news reporters, they spoke not only of the loss of livelihood, but also, with great emotion, about its effect on family values and community traditions—about the loss of a "way of life."

No matter how calamitous, the oil spill was not likely to make coastal communities disappear overnight, no matter how hard it may have been to recover (fortunately, the long-term consequences of the spill were not as severe as many feared). People identify with the community within which they live, and they are often reluctant to move even in the face of genuine hardship. The resilience of community was illustrated in the 1970s and 1980s when massive losses of businesses and jobs hit the industrial heartland of the Midwest and Northeast. The rapid deindustrialization of a vast region threatened the existence of entire communities. The Pittsburgh, Pennsylvania, region experienced a 44 percent loss in manufacturing jobs from 1979 to 1988, three-quarters of them related to steel. Unemployment levels reached as high as 20 percent, not only in Pittsburgh, but also in Detroit and several other cities of the industrial belt.[5] Some people fled for more prosperous areas of the Sunbelt, but a great many of them elected to stay. Rather than giving up, in city after city public leaders took measures to rebuild their economies; indeed, in most places the cause of local renewal took on the character of a permanent crusade. After the 2008 economic crisis, Detroit was essentially declared dead. In 2013, Detroit declared bankruptcy, becoming the largest American city to take this step.[6] Public buses drastically cut down service to only serve the most essential routes; trash collections were skipped, and the grid of streetlights was cut to only about 60 percent of its capacity.[7] There was even talk of consolidating the city, condensing its neighborhoods into a smaller grid, in order to cut down costs. By 2017, the city has come back from the dead. In 2010, the mortgage lending company Quicken Loans moved its offices to downtown Detroit, where real estate was cheaper than ever before.[8] Artists have transformed abandoned buildings, young millennials are flooding some of the city's downtown neighborhoods. While it is clear that the creative class alone won't save Detroit, it is also the resilience of those residents of Detroit, who stayed behind when others left, through disinvestment and bankruptcy, because, after all they were Detroiters, who staved off the demise of the city. Communities of the Gulf Coast reacted in a similar way. People resisted leaving; instead, they put their efforts into regenerating their local economies and strengthening their communities because they were not willing to abandon the traditions and cultures that brought meaning to their lives.

It might seem that the intimate connection between material well-being and community identity would leave little room for disagreement over the premise that cities must do everything they can do all the time to promote local prosperity. But this commitment does not always translate into support for every politician and developer's bright idea or ambitious proposal. Disputes break out because policies to promote growth cannot benefit everyone equally; they are not always sensible or plausible; and there are always winners and losers. For renters and low-income residents, the gentrification of their neighborhood may bring higher rents and home values that ultimately force them to move. Growth in the downtown corporate and financial sectors may create some high-paying jobs for educated professionals but leave many central-city residents with low-paying jobs or on the unemployment rolls. A downtown that encroaches on nearby neighborhoods may benefit the businesses located in the new office towers but may also compromise the quality of life for nearby residents. People who do not care about sports may resent helping to pay for a new football stadium. Different perspectives such as these explain why there is frequent disagreement about how to promote growth, even though everyone believes that local prosperity is a good thing.

The use of eminent domain by local governments illustrates the kinds of disputes that can divide communities. All across the nation, cities have aggressively used their power to take private property for "higher uses" to make way for big-box stores, malls, condominium projects, sports stadiums, and a great many other initiatives. For most of the nation's history, local governments have possessed the authority to take property without the owners' consent if it serves a legitimate public purpose.[9] Public officials have liberally interpreted this power as a useful tool for economic development, but homeowners and small businesses who find their property condemned so that it can be sold to a big developer look at it with a skeptical eye. On December 20, 2000, a group of homeowners led by Sussette Kelo filed a suit challenging a decision by the city of New London, Connecticut, to cede its eminent domain authority to a private corporation that wanted to raze their homes. The Pfizer Corporation had expressed interest in expanding its office campus into a waterfront footprint in New London, which was largely occupied by single-family homes. Things came to a head on June 23, 2005, when the U.S. Supreme Court upheld lower court rulings in favor of the development corporation, arguing that private development was in the "public interest," as it could serve as a way to attract revenue and economic development. The Court's decision ignited a firestorm of protest that swept the nation. In response to the public furor, by the fall of 2006, state legislatures in 30 states had enacted legislation to restrict the use of eminent domain, and hundreds of towns and cities had done likewise. In the fall elections of 2006, voters in 12 states passed referendums prohibiting the taking of property for private development if it did not serve a clear public purpose.[10] In a twist of irony, after the City of New London had bought up all private properties and cleared the footprint, the Pfizer Corporation lost interest in the development, and moved out of its adjacent office complex to nearby Groton, CT, taking 1,400 jobs with it.[11]

The lesson from the *Kelo v. New London* case is that despite the fact that almost everyone embraces the goal of local economic growth, sometimes the policies to promote it clash with other values, such as individual property rights, the health of a neighborhood, or a preference for less governmental intrusion. Everyone may seem to share the same interest in promoting the well-being of the urban community, but they frequently disagree over how to make that happen.

The Politics of Governance

International migration is transforming societies around the globe, and the United States is no exception. More immigrants came to the United States in the 1990s than in any previous decade in the nation's history, and the flow has continued into the twenty-first century. The social and political effects of large-scale population movements are often on display in big global cities such as Miami, New York, Chicago, and San Francisco, and in many smaller places as well. For this reason, in the global era, as in the past, city politics often pivots around issues of racial and ethnic identity and feelings of community solidarity at least as much as around issues of economic development.

Until the mid-nineteenth century, when colonial-era values still prevailed, men of wealth and high social standing made most of the decisions for the urban community. In the cities, "leadership fell to those who exercised economic leadership. All leadership, political, social, economic, tended to collect in the same set of hands."[12] Business owners, professionals, and aristocrats ran municipal affairs without challenge. The members of this social and political elite shared a mistrust of what Thomas Jefferson called "mobocracy," a word he used to signify his opposition to rule by popular majority. Governance was remarkably informal. Local notables served on committees formed to build public wharves, organize town watches, and build and maintain public streets, and even the most essential services, such as crime control and fire prevention, generally relied on the voluntary efforts of citizens. Such a casual governmental structure fit the pace of life and the social intimacy of small communities.

By the industrial era of the 1850s, cities were growing at breakneck speed, and they were also becoming socially stratified and ethnically complex. Waves of immigrants were crowding into densely packed neighborhoods. They came from an astonishing variety of national cultures, from England, Ireland, Germany, the Scandinavian countries, and later from Italy and a broad swath of eastern European countries. From time to time, ethnic tensions rose to a fever pitch, and tipped over into violence time and again. In the industrial cities, the colonial-era style of politics could not survive the change, and in time, a new generation of urban leaders came onto the scene. They came from the immigrant precincts and entered politics by mobilizing the vote of the urban electorate. Their rise to power set off decades of conflict between wealthy and middle-class elites and the immigrants and their leaders, a story we tell in Chapters 3 and 4.

In the twentieth century, large movements of people continued to flood into the cities, but the ethnic and racial composition of these urban migrations changed dramatically. The immigrant flood tide ended in the early 1920s, when Congress enacted legislation that nearly brought foreign immigration to a halt. By then, however, a massive internal population movement was already picking up speed. In the first three decades of the twentieth century and again in the years following World War II, millions of African Americans fled the hostile culture of the South for jobs and opportunity in the industrial cities. They were joined by successive waves of destitute whites fleeing the unemployment and poverty of Appalachia and other depressed areas, and by Mexicans crossing the border to escape violence and poverty in their own country. These streams of migration virtually guaranteed that twentieth-century urban America would be riddled with violent racial conflict. One consequence of the rising tensions in the cities was that millions of white families left their inner-city neighborhoods and fled to the suburbs. A social and racial chasm soon separated cities from suburbs, and echoes of that period continue to reverberate to this day.

A vivid example of the continuing racial divide was on display in New Orleans in the late summer of 2005. When the storm surge from Hurricane Katrina breached the dikes surrounding New Orleans on August 29, 2005, 80 percent of the city was flooded and nearly 100,000 people were left to deal with the consequences. Wrenching images of human suffering filled television news programs: 25,000 people trying to live under impossible conditions in the Superdome, 20,000 more in the Convention Center, residents fleeing across bridges and overpasses and desperately waving from rooftops. More than 1.5 million people were displaced, 60,000 homes were destroyed, and 1,300 people died.[13] African American neighborhoods located on the lowest and least desirable parts of the city bore the brunt of the destruction. The racial segregation that made this possible is a legacy of New Orleans' past, and despite the civil rights advances that protect the rights of minorities to live where they choose to, it is a pattern that has not disappeared—in New Orleans or anywhere else.

In the meantime, bitter conflicts have, once again, broken out over foreign immigration. The massive flows of immigrants in recent decades have made cities culturally and socially dynamic places, but they have also meant that ethnic identity has continued to fuel conflict in national and city politics. The passage of Senate Bill 1070 by the Arizona Senate on April 23, 2010, provoked a furious reaction across the country. The Arizona law authorized police officers to detain anyone stopped for "any lawful purpose" if they suspected the person of being in the country illegally. The legislation brought an outcry of opposition from many quarters, including calls for boycotts of Arizona products and travel. President Obama decried the legislation, indicating that his administration would protect the civil rights of all U.S. citizens if they were subjected to state laws on the basis of their race or ethnicity.[14] In cities with substantial Hispanic populations, protests broke out against the Arizona law. The Los Angeles and Chicago city councils passed resolutions supporting an Arizona boycott, and other cities considered doing the same. On the opposite end of the political spectrum, the controversy energized Republicans and conservatives. Almost everywhere, the immigration controversy exposed a deep national division that continues today.

During the 2016 election campaign, immigration was a major topic, and it has been at the forefront of President Trump's political agenda. After he passed two executive orders and one proclamation banning citizens of certain, mostly Muslim-majority countries from entering the United States, and promised to build a wall on the U.S.–Mexico border and to crack down on undocumented immigrants, it has been states and municipalities who have taken up protective positions regarding immigrants. The sanctuary city movement, which existed long before Trump took office, has resulted in major tensions between the Trump administration and urban governments, as laid out in Chapter 14.

The racial and ethnic complexity of metropolitan areas guarantees that the art of arbitrating among the contending groups making up the local political system will be hard to master. In the multiethnic metropolis of the global era, effective governance takes on real urgency. Governmental authority springs from the obligation of public institutions to make decisions that are binding upon all members of society. To retain the legitimacy to govern in a democratic system, the government must seem sufficiently responsive to a large enough proportion of the electorate, and at the same time there must be opportunities for the political losers to seek redress. The ethnic and racial complexity of cities makes this a daunting challenge.

The Fragmented Metropolis

Any account of city politics over the twentieth century must be located, in some part, within an often-rehearsed narrative that traces the decline of the central cities and rise of the suburbs, a period brought to a halt only recently by the unexpected revival of core cities. The process of suburbanization created the modern American metropolis, which is made up of a multitude of political jurisdictions large and small, wealthy, middle-class, and poor. For decades, the basic urban pattern involved an extreme racial segregation, with most blacks living in central cities, and most whites—especially the affluent ones—living in the suburbs. More recently, the geography of the American metropolis can be more accurately described as a mosaic, with ethnic and racial groups scattered across the urban landscape. Despite the significant changes, however, suburban jurisdictions still differ sharply from one another, and the gap between the richest and the poorest is as great as ever. The fracturing of politics creates a dynamic in which central cities and suburbs compete with one another across many dimensions.

Today's metropolitan regions are typically fragmented into hundreds of governmental jurisdictions. By 2012, there were 90,106 governments in the United States. In addition to the federal government and the governments of the 50 states, there were 38,910 local governments: 3,031 county and 35,879 sub-county governments, including 19,519 municipalities and 16,360 townships. The remainder, comprising over one-half of the total, is composed of special-purpose local governments, including 12,880 school districts and 38,266 special districts,[15] each of them established at some point in time to take on particular tasks, such as the running of toll bridges or the building of sewer systems, or the financing of new suburban developments. In addition, special authorities by the hundreds have been created to finance and manage such things as convention centers, sports stadiums, entertainment districts, and waterfront developments. Every year more are added to the list.[16]

The consequences of metropolitan fragmentation are too numerous to fully describe. Perhaps the most basic is that people tend to identify themselves with a local place rather than as regional citizens. Except when their team wins the Super Bowl or the World Series, most people have no connection to anything as abstract as a metropolitan community. This tendency is encouraged by the fact that political fragmentation and the local identity that comes with it serves some practical ends, and is especially advantageous for affluent suburban residents. Within all metropolitan regions, a vigorous competition takes place among jurisdictions for people and businesses capable of helping the local tax base. The winners in these metropolitan sweepstakes see the public revenues go up, which allows them to finance a higher level of services and more public amenities even if tax rates go down. This system of incentives prompts every local government to adopt policies that benefit their own citizens at the expense of neighboring communities. Cities fight hard to outbid one another for big-box stores, retailers, and malls. They typically retain consultants to help them negotiate deals with developers, which may include a combination of eminent domain for land acquisition, land improvements and public services, tax abatements, and even direct payments. If successful, these efforts bring in tax revenues that support schools, police and fire departments, and other services and amenities, and they leave less for everyone else.

Another reason urban residents tend to identify with their local community (the "home team") is that by keeping government close to home, they are able to make critical decisions about taxes, services, land use, and other important public policies. Historically, residents of suburbs have been especially concerned about maintaining the "character" of their communities, and frequently this concern has been expressed as a desire to exclude people based on race, ethnicity, and social class. In the history of urban America, strategies of exclusion have been aimed at a remarkable array of different groups. In the twentieth century, the desire to maintain racial segregation prompted suburban jurisdictions to enact policies meant to protect their communities from change. More recently, privatized, gated communities have become important means for accomplishing the same goal. These residential developments, which are often defended by gates, walls, and other physical barriers, are governed by homeowners associations that assess fees for maintenance, services, and amenities; in this way, the residents are able to separate themselves from surrounding neighborhoods and even from the municipalities that surround them. Affluent homeowners manage to achieve a remarkable degree of separation from the less well-off, and by doing so they have changed the contours of local politics almost as much as the suburbs did a generation ago.

The proliferation of condominium developments and gated communities has had a paradoxical effect. On the one hand, it has made it possible for people to live in extreme isolation from one another even when they are close by. On the other hand, it has facilitated a patchwork pattern of urban residence that breaks down the large-scale pattern of racial and ethnic segregation that once divided inner-city "slum" from affluent suburb. It is difficult, however, to tell if these spatial patterns make all that much difference to anyone except middle-class and affluent urban residents. A prominent urban scholar, Peter Marcuse, has proposed that a retreat into geographic isolation and fortification erodes a shared sense of community and citizenship.[17] This is, perhaps, the inevitable consequence of the fragmented metropolis no matter what geographic form it may take.

The Challenge of the Global Era

Successive waves of immigration from all over the world have created the fragmented and multiethnic metropolis of the twenty-first century. Spatial fragmentation interacts with racial and ethnic diversity in complex ways. In cities closely connected to the global economy, symbols of corporate power, personal wealth, and luxury consumption stand in stark contrast to neighborhoods exhibiting high rates of poverty, violence, and physical dereliction. Frequently, shocking levels of inequality are visible on the same block, a fact driven home when office workers walk by homeless people or stop to eat at an expensive restaurant staffed by minimum-wage employees. Highly paid professionals working in the global economy drive up the price of downtown real estate to stratospheric levels and lead the gentrification of nearby neighborhoods, leaving run-down areas behind. Gentrification and renewal have helped revive the fortunes of central cities, but these processes have also had the effect of fragmenting the urban landscape.

Likewise, metropolitan areas are fractured by a geography that reflects the inequalities and demographic processes of the twenty-first century. Political fragmentation facilitates a pattern of segregation that sorts people out according to racial and ethnic identity and social class differences. A historical analysis would suggest that there is nothing new about this. All through the twentieth century, the white middle class escaped the cities by moving to the suburbs. Now, however, the city/suburban divide inherited from the past is breaking up into a much more complicated metropolitan pattern. Ethnic and racial groups are widely distributed throughout metropolitan areas. The 2016 census revealed that the country's most diverse counties were not the urban cores, or "inner cities," but in fact the counties just outside those centers.[18] Many more suburbs than before are ethnically diverse. The 2016 Census found that higher-density suburbs and lower density suburbs in large metros had the comparatively highest percentage decline of the average share of the largest ethnic or racial group—2.2 percent and 2.7 percent, respectively.[19] This means that, increasingly, the suburbs directly surrounding large metros are diversifying. The problem is that ethnic and racial diversity of this sort does not add up to a more coherent metropolitan community. Achieving effective governance in such a circumstance remains as one of the unfinished challenges of this century.

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PART I

The Origins of American Urban Politics: The First Century

CHAPTER 2

The Enduring Legacy

National Development and the Cities

When the U.S. Constitution was ratified in 1789, the cities of the new nation were perched on the edge of a ragged coastline of a vast, mostly unexplored continent. Only five of these cities—Boston, New York, Philadelphia, Baltimore, and Charleston—had reached a population of 10,000 people. In the decades to follow, the social and economic development of the nation depended as much on the growth of its cities as on the expansion into the continental interior. A little more than a century later, 40 percent of Americans lived in towns and cities, and the nation's economy had become more industrial than agricultural. The symbols and the reality of the industrial age—belching smokestacks, wave after wave of foreign immigrants, social disorder, and racial and ethnic strife—all were concentrated in the cities. Although most Americans were recently descended from immigrants themselves, many of them soon developed a fear and distrust of cities and the people who lived within them. The anti-urban attitudes formed in this turbulent century became a defining feature of American culture that has endured right up to the present day.

The industrial economy required a constantly growing supply of cheap and plentiful labor. A flood of foreign immigration began to surge into the country in the 1840s, and it did not ebb until Congress passed legislation to curb it, in 1921 and 1924. Most of the immigrants settled in crowded urban neighborhoods close to the factories. Social and cultural differences divided the newcomers from the people who had arrived earlier, and sometimes the tensions escalated into violence. The new immigrants—poor, often illiterate, unfamiliar with the language and customs of their new country, and unaccustomed to city life—struggled to cope with miserable conditions in overcrowded slums. Those who had come to America at an earlier time generally viewed those who came later as culturally and morally inferior. The mixture of runaway urban growth, the industrial revolution, and the successive waves of immigration guaranteed that the nineteenth-century urban experience would be tumultuous.

This history is relevant because the same dynamics still energize urban politics today. Through all of the nineteenth century and in the first years of the twentieth century, waves of foreign immigration provoked anxiety and conflict, and often this became expressed in a rejection of the city and of the distinctive urban culture it nurtured.[1] Similarly, massive demographic movements have brought turmoil over the last half century or more. In the years after World War II, at the same time that millions of southern blacks poured into the cities of the North, millions of white families fled to the suburbs. One consequence of these historic movements was that those living in the suburbs came to think of the cities they had left behind almost as enemy territory. More recently, a wave of foreign immigration has set off a clash of cultures and fueled political conflict in both national and local politics. In some states and cities, the anxiety about the newcomers has been expressed in legislation intended to make it impossible to rent housing or provide jobs to illegal immigrants, and to reduce social spending and require English-only instruction in the schools. Understanding that these kinds of conflicts have a long history in urban America helps to put today's political controversies into a useful context.

OUTTAKE

City Building Has Always Required Public Efforts

In the nineteenth century, the intense competition among cities ignited a "struggle for primacy and power" in which "like imperial states, cities carved out extensive dependencies, extended their influence over the economic and political life of the hinterland, and fought with contending places over strategic trade routes." In the American

West, local boosters sometimes faced a daunting challenge in promoting their towns because many of them were, in fact, hard, isolated places in which to live. Promoters bragged about any positive feature, and just as frequently they invented fanciful tales because they had a lot at stake: "Questioning a place's promise affected not just those doing the questioning but also all who had put stock, mental and material, in the place." Everyone living in a place, from town councils to realtors and chambers of commerce, was vigilant in discouraging any negative information from leaking out. Instead, local boosters made the smallest places seem like centers of high culture and the most desolate deserts sound like fertile land waiting for the plow.

But town promoters did not rely upon marketing alone. After midcentury, when a national railroad network began to emerge, it became clear that in order to prosper or even survive, cities would have to find a way to connect to it. To do so, civic boosters aggressively employed the power and resources of local government. To induce railroad companies to make connections to their city, they raised private subscriptions to buy railroad stock, paid for local stations and offloading facilities, gave away free land, and sometimes offered direct cash subsidies. The railroads raised much of their capital for building new rail lines by striking good bargains with cities, and ultimately secured more public subsidies from cities than from state governments or from Congress. The competition for rail connections became so frenzied that railroad companies were building new lines just to obtain subsidies from local governments. When a lot of these lines failed to generate enough freight and passengers to make them pay, hundreds of rail companies went belly up, leaving towns and cities with big debts but nothing to show for them, and no way to pay.

There are striking parallels with the intense inter-urban competition that goes on today. In recent decades, huge public resources have again been devoted to the cause of boosting local economic vitality. As in the nineteenth century, civic boosters are fired with the conviction that their own prospects and the fate of their cities hangs in the balance. Since the 1970s, cities have engaged in a virtual arms race to revitalize waterfronts and build stadiums, convention centers, malls, and entertainment centers. Cities compete to host events like auto races, music festivals, and special museum exhibits. All of this activity is inspired by the idea that cities must replace the smokestacks of an earlier era with an economy revolving based on services as well as tourism, entertainment, and culture.

People who support such efforts make the argument that public expenditures benefit everyone because they form the basis of a healthy local economy. Obviously not everyone agrees. Heated debates regularly erupt over questions about what should be built, who should pay for it, and who really cashes in. Many people have a nagging suspicion that taxpayers foot the bill while well-connected developers and the business elite reap the rewards. When the controversies of the 1870s are compared to those of today, one can get a distinct feeling of déjà vu.

Source: The two quotations are from Richard C. Wade, *The Urban Frontier: Pioneer Life in Early Pittsburgh, Cincinnati, Lexington, Louisville, and St. Louis* (Chicago: University of Chicago Press, 1959), p. 103; David M. Wrobel, *Promised Lands: Promotion, Memory, and the Creation of the American West* (Lawrence: University Press of Kansas, 2002), p. 71.

A Century of Urban Growth

In the industrial age, cities grew at a frantic pace that had no historical precedent. In 1800, London was the only city in the world to approach a population of 1 million people, and Paris, with a population of 547,000, ranked second among the cities of continental Europe.[2] At the time, just over 60,000 people lived in New York, which made it more than one-third larger than the second, Philadelphia, with its 41,000 people, and more than twice the size of the next in line, Baltimore. Astonishingly, only 100 years later, 11 cities had topped the million-person mark, including London at 6,586,000, Paris at 2,714,000,[3] New York at 3,437,000, and Chicago at 1,698,575. Over the span of the same century, the percentage of the population living in towns[4] and cities in England and Wales increased from 25 to 77. Never before had cities grown so big or so fast, and never before had such a high proportion of the population lived in cities. The urban historian Eric Lampard has noted that, "the period c. A.D. 1750–1850 [is] one of the crucial disjunctions in the history of human society. Whatever constraints had hitherto checked or moderated the growth and re-distribution of population were suddenly relaxed."[5] Commenting on the growth of cities in 1895, the *Atlantic Monthly* pointed out that, "The great fact in … social development … at the close of the nineteenth century is the tendency all over the world to concentrate in great cities. This tendency is seen everywhere."[6]

The American experience paralleled these developments. In most of the decades between the first national census of 1790 to the census of 1920, the urban population (defined by the Census Bureau as people living in cities and towns of 2,500 or more) grew more than twice as fast as the U.S. population as a whole. The only significant exception to this trend showed up between 1810 and 1820, when homesteaders and farmers streamed across the Appalachian Mountains to settle the Old Northwest (now western Pennsylvania, Ohio, and Indiana). Soon, however, even the expanding frontier could not absorb enough people to keep up with the rate of growth in the cities. Urban change on this scale was an entirely new and often shocking experience. As late as 1840, a full half century after the nation's founding, only one American in ten was officially classified in the census as "urban." In the two decades leading up to the Civil War, however, cities began growing at an astonishing rate. Foreign immigrants began pouring into the industrial cities in search of jobs in the factories; and a steady migration from farm to city picked up speed for the same reason. As late as 1840, only 11 percent of the American population lived in cities and towns, but by 1860, the Census Bureau officially classified 20 percent of the American population as urban, and this proportion doubled to almost 40 percent by century's end (see Figure 2.1). Twenty years later, the national census revealed that more than half of all Americans—51 percent—lived in cities or towns. In much less than a century, the United States had gone from a mostly rural to one that was rapidly becoming more urban.

Because they were important centers of finance and trade, right from the beginning the cities perched on the eastern seaboard benefited from national development even when it was occurring on the distant frontier. New York maintained its supremacy as a financial and commercial hub, and its status as the nation's premier city was ensured in 1825, the year the Erie Canal was completed. The canal linked the city directly to the Great Lakes, which placed it at the end of a giant funnel that gathered the resources of a vast hinterland into New York harbor, where they could be placed into a worldwide trading system. After the Civil War, New York consolidated its position when it became a great manufacturing city. Jostling throngs of immigrants passed through the port of New York, and many of them decided to go no further. From just 369,000 people in 1840, the city's population exploded to over 3.4 million by 1900—a shocking 10-fold increase in only 60 years! By 1920, when its population reached 5.6 million, New York had firmly consolidated its position as a leading global center of finance, trade, and manufacturing.

Yet, despite its incredible growth, New York's share of the nation's urban population fell steadily throughout the century. This is because thousands of new towns and cities sprang up as the nation expanded westward, and these places often grew much faster even than New York—although, it must be emphasized, none of them were destined to challenge its supremacy. In 1800, 18 percent of the nation's urban population lived in New York City, but by the century's end, this proportion had fallen to 7 percent.[7] New York City remained the largest by far, but over time other cities assumed prominent places in an increasingly integrated national and international urban network. The data in Table 2.1 help tell this story. New York grew from a city of 137,388 in 1820 to a multi-million-person metropolis a century later, but over the same period other cities were also bursting at the seams. Philadelphia had a population of 64,000 in 1820, topped 565,000 by 1860, and grew to a city of more than 1.8 million by 1920. Boston increased its population from 43,000 in 1820 to nearly 178,000 in 1860, and to almost 750,000 by 1920. Meanwhile, a great many places, large and small, experienced a similar transformation.

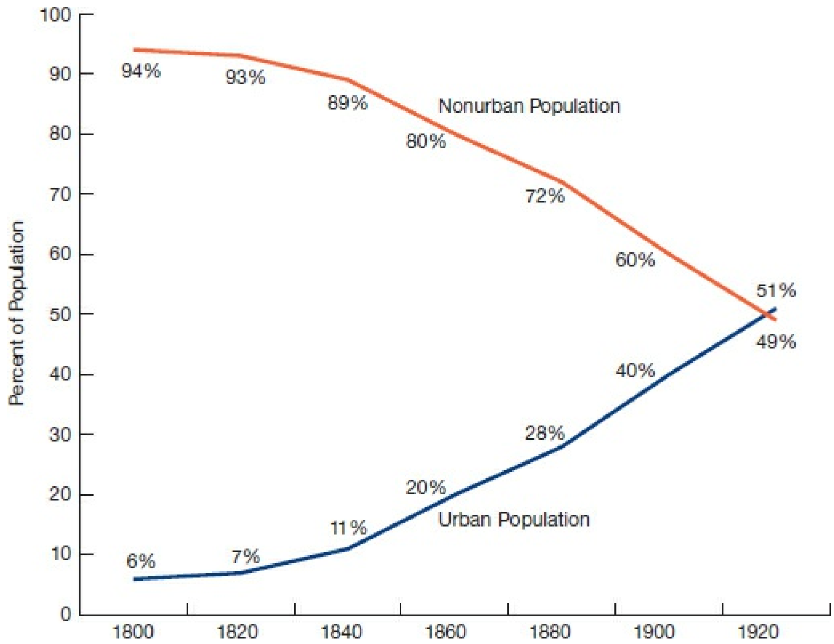

FIGURE 2.1 The Proportion Urban in the United States, 1790–1920

Sources: U.S. Department of Commerce, Bureau of the Census, *Historical Statistics of the United States,Colonial Times to 1970,* pt. 1, Bicentennial ed. (Washington, DC: U.S. Government Printing Office, 1975), p. 8; U.S. Department of Commerce, Bureau of the Census, *1970 Census of Population,* vol. 1, *Characteristics of the Population,* pt. 1 (Washington, DC: U.S. Government Printing Office, 1973), p. 42.

Cities in the continental interior grew at almost unbelievable rates, often morphing from small frontier towns to busy urban centers in only a few years. St. Louis, the old French settlement where Lewis and Clark outfitted their expedition in 1805, exploded from a town of only 16,000 people in 1840 to a city 10 times that size by 1860, and reached 772,000 by 1920. But Chicago's growth was perhaps most startling of all. In the 20 years from 1840 to 1860, it was transformed from a swampy frontier village of 4,500 to a city of more than 112,000. And the people just kept on coming. Chicago quickly left St. Louis in the dust, and by 1920 its population had soared to 2.7 million people, putting it second only to New York.

Places such as St. Louis and New Orleans (on the Mississippi River), Chicago (at the foot of Lake Michigan), and Cincinnati (on the Ohio River) had begun as major trading centers, transferring goods through the Great Lakes or the inland river system to the eastern seaboard cities or directly to Europe. After the Civil War, they quickly emerged as leading industrial centers. Smaller cities and towns prospered by finding a specialized niche in this emerging urban hierarchy. At the top of the pyramid, the largest cities became industrial powerhouses and asserted commanding reach over vast hinterlands. Second-tier cities developed more specialized economies and generally served as transfer points to the larger urban centers. The bottom of the hierarchy was composed of the multitude of small towns that shipped agricultural and extractive resources gathered from mines, forests, and farms to feed the warehouses and factories located in the big urban centers, which then placed the raw materials into international commerce or used them to produce manufactured goods.

Inter-Urban Rivalries

Individual cities did not prosper by relying upon happenstance and chance. Town promotion became a way of life for local boosters, who competed for the settlers and investors who swept across the continent. The fortunes of cities were only partially determined by locational advantages—what might be called "place luck." Transportation connections—turnpikes, canals, and, later, railroads—were also crucial in determining a city's destiny. Links to the national transportation network could instantly secure a city's future by expanding its reach into the hinterland surrounding it and by tying it into national and international trade networks. Because such connections were so important to a city's prospects, promoters freely used the fiscal resources and powers of local governments to secure them. In the early century, canal building reached a fever pitch, but within a few years the railroads provided better links to other cities and to broader markets. Cities scrambled to offer subsidies to railroad corporations in the form of free land and terminal facilities and stock purchases. The logic was simple: rising real estate values were expected to provide more than enough additional revenues to pay off the debts. These hopes did not always pan out, but any city that failed to make the effort to secure good rail links would surely wither on the vine.

TABLE 2.1 Population and Rate of Growth in Five Large Cities, 1820–1920[a]

	New York City[b]	% Inc.	Chicago	% Inc.	Phila-delphia	% Inc.	St. Louis	% Inc.	Boston	% Inc.	Percentage Increase In U.S. Population
1820	137,388		—		63,802		4,598		43,298		
1830	220,471	60%	—		80,462	26%	5,847	27%	61,392	42%	33%
1840	369,305	67	4,470		93,665	16	16,469	182	93,383	52	33
1850	660,803	79	29,963	570%	121,376	30	77,860	373	136,881	47	36
1860	1,183,148	79	112,172	274	565,529	366	160,773	107	177,840	30	36
1870	1,546,293	31	298,977	167	674,022	19	310,864	93	250,526	41	27
1880	2,061,191	33	503,185	68	847,170	26	350,522	13	362,839	45	26
1890	2,507,474	22	1,099,850	119	1,046,964	24	451,770	29	448,477	24	26
1900	3,437,202	37	1,698,575	54	1,293,697	24	575,000	27	560,892	25	21
1910	4,766,883	39	2,185,283	29	1,549,008	20	687,029	20	670,585	20	21
1920	5,620,048	18	2,701,705	24	1,823,779	18	772,897	13	748,060	12	15

Notes: [a]These five cities were ranked as the five largest in the 1910 census. [b] Using the consolidated borough boundaries of 1898.
Sources: Glen E. Holt, personal files; U.S. Department of Commerce, Bureau of the Census, *The Growth of Metropolitan Districts in the United States: 1900–1940,* by Warren S. Thompson (Washington, DC: U.S. Government Printing Office, 1947); Blake McKelvey, *American Urbanization: A Comparative History* (Glenview, IL: Scott Foresman, 1973), pp. 24, 37, 73.

The battle for rail connections was fought with white-hot intensity. Before the railroads, it was possible to transport corn by wagon only 125 miles, and wheat only 250 miles, before the cost made them unmarketable.[8] Beyond that distance, agricultural land was almost worthless for anything except subsistence farming because there was no way of getting crops to market. The cost and inconvenience of hauling goods on horse-drawn wooden wagons guaranteed that settlements without access to water transportation would never amount to much. In the first decade of the nineteenth century, a ton of goods could be shipped all the way from Europe for the same amount it cost to haul it 9 miles over roads.[9] Inland cities without waterfronts could not conceivably compete with port and river cities as centers of trade. All that changed with the coming of the railroads. The emerging rail network opened up huge areas of farmland to commercial agriculture, which not only allowed the countryside to fill in but also resulted in soaring land values and population growth for the cities able to secure a connection. Local promoters were anxious to shape patterns of trade and economic development in their favor because they were keenly aware that they were involved in a competition in which some cities would prosper, but others would perish on the vine.

The building of the Erie Canal demonstrated how cities might gain a measure of control over their own destinies. In 1817, the New York State legislature authorized money for the construction of a 364-mile waterway to connect the Hudson River to Lake Erie. When the canal opened in 1825, it became possible to ship huge volumes of agricultural and extractive goods from the continental interior through the Great Lakes to Buffalo, down the canal, and on to the port at New York, where they could be distributed along the eastern seaboard, used in factories, or shipped to Europe. Many producers and shippers abandoned the long, circuitous, and hazardous journey down the Ohio, Missouri, and Mississippi rivers to the port at New Orleans. New York's direct connection to the heartland via the canal quickly vaulted it past other eastern seaboard cities in population and volume of trade. By 1860, 62 percent of the nation's foreign trade passed through New York's harbor.[10]

The lesson was not lost on city boosters elsewhere. Civic leaders lobbied their state capitals for financial assistance to build canals. Pennsylvania, Maryland, Virginia, North Carolina, and South Carolina financed expensive canal projects designed to cut through the Appalachians. More than 3,000 miles of canals were dug between 1824 and 1840, most of them operated by state governments.[11] About 30 percent of the costs were raised through private sources, but public financing was essential for such ambitious undertakings.[12]

Canal building was so expensive, the engineering so complicated, and the natural barriers often so formidable that most cities could not hope to build them unless state legislatures helped out. Natural topographic barriers left many places out of the competition altogether. But the railroad era ignited an inter-urban competition that almost any city might join. Until the railroads, water was the singularly critical ingredient determining a city's fate; canals were just a means of trying to make up for what nature had not endowed. In the first decades of the nineteenth century, for the river towns such as St. Louis, Pittsburgh, Cincinnati, and New Orleans, the steamboat had been "an enchanter's wand transforming an almost raw countryside of scattered farms and towns into a settled region of cultivated landscapes and burgeoning cities."[13] In the 1850s, the enchanter's wand was passed to the railroads. The rail lines became rivers of commerce, capable of carrying huge volumes at amazing speeds over long distances. The railroads guaranteed that America's frontier would eventually vanish and a network of cities, towns, and villages would spread over the continent.

In 1840, only 2,800 miles of track had been laid, most of it in the urban East. No connection reached even as far west as Pittsburgh. The early steam locomotives were hazardous and unreliable contraptions, blowing up with a regularity that provoked opposition to their use in urban areas. Lacking the capital to take on bigger projects, railway companies built short lines. Because each company devised its own gauge (width between the rails), at the end of each line goods had to be unloaded from one company's cars and put onto cars that fit the next company's rails. Even with these limitations, however, the early rail system was vastly superior to the only alternative: horse-drawn wooden wagons.

Rail lines were built at astonishing speed, and by the 1880s the adoption of standard gauge sizes made the system much more efficient. In 1857, the newly consolidated Pennsylvania Railroad first connected Pittsburgh to Chicago. Three years later, 11 trunk lines ended in Chicago and 20 branch and feeder lines passed through it, making the city the nation's largest rail center terminus. By 1869 and with much fanfare, the symbolic Golden Spike was pounded in at Promontory Point, Utah. It completed the first cross-continental route by joining the Union Pacific line originating on the East Coast to the Central Pacific line starting in San Francisco. Within a few years, the outline of the modern rail system was almost complete, a spider's web with strands reaching into every section of the country. In just the half century between 1850 and 1900, the network expanded from 9,021 miles of track to 258,784 miles.[14]

More miles of track were laid more quickly than in any other nation in the world. This explosive growth could be traced to the massive public subsidies pumped into railroad building. Until the 1890s, most private corporations lacked the ability to raise the capital that would later become routine for them. Subsidies from governments at all levels helped make the railroads "America's first big business."[15] In the Pacific Railways Acts of 1862 and 1864, the federal government gave huge swaths of land to the railroad corporations, which they could use for rail construction and to raise capital. But some involvement by the states was critical because the federal government considered transportation to be mostly a state responsibility. Treasury Secretary Albert Gallatin's 1808 plan for a federal system of turn-pike and harbor improvements had failed to gain congressional approval because of regional rivalries.[16] Following President Andrew Jackson's veto of a federal turnpike bill in 1830, transportation became viewed more as a state than a federal responsibility.

The states responded by feverishly subsidizing canal and railroad construction, but their eagerness to assume risk was also tempered by experience. The Panic of 1837 bankrupted scores of canal companies and some of the early steam railroad lines, which caused private investors and the states alike to lose their investments. Taxpayers and politicians were up in arms, and "revulsion against internal improvements" swept the country.[17] In the 1840s, many states wrote prohibitions against loaning money or buying stock in private corporations. Facing new restrictions at the state level, railroad promoters shifted their efforts to cities, which raced to outbid one another for railroad stock.

The anarchic competition for rail connections imposed many costs, including overbuilding and redundancies that resulted in bond defaults and bankruptcies. Up to 1861, 25–30 percent of all direct investment in railroad building was supplied by state and local governments. The cities were the biggest spenders; they contributed an estimated $300 million in direct subsidies; the states spent $229 million and the federal government $65 million.[18] In addition, the federal government and the states offered generous land grants, which the railroad companies quickly converted to cash by selling the land to settlers. In the post-Civil War period, the railroads accumulated so much property that they sent agents to the Scandinavian countries, Germany, and elsewhere to recruit immigrants to buy and settle it. Partly because the railroad companies recruited heavily there (and also because of hardships in their homeland), one-sixth of all Swedish citizens left for the United States in the last half of the nineteenth century, many of them settling in a broad swath of territory paralleling rail routes from the Great Lakes through the Dakotas and Montana.

Railroad owners became adept at playing cities against one another in an attempt to secure lucrative subsidies. By the 1850s, cities along the eastern seaboard were floating bond issues so they could invest in railroad stock, clear rights-of-way, and build terminal facilities—actions intended to ensure rail connections. The competition quickly spread west. In the 1860s, the business leaders of Kansas City, Kansas, sold bond issues to private investors, gave the proceeds to a railroad company, and persuaded Congress to approve a federal land grant to the company. As a result of its success in this venture, Kansas City prospered while its nearby rival Leavenworth stagnated (today, Leavenworth is known mainly for its federal prison).[19] Denver's board of trade raised $280,000 to finance a 100-mile spur line to obtain access to the intercontinental track that ran through Cheyenne, Wyoming.[20] Some of Denver's businesses had already moved to Cheyenne in the expectation that its position astride the intercontinental line would make it the premier city of the Rocky Mountain West. Their ambitions were frustrated when rail lines from all directions began to converge on Denver, thus securing its status as the dominant city of the Rocky Mountain region. The results of this long-ago battle are still obvious: today, Cheyenne's image is tied mostly to its annual rodeo, the "Cheyenne Frontier Days."

No city benefited from railroad building as dramatically as did Chicago, whose phenomenal growth was founded on its access to agricultural and extractive products gathered from a vast region. Corn and grain, cattle and hogs, and iron ore and coal poured into Chicago through the Great Lakes and over the rails. The city became a center for steelmaking; the manufacture of agricultural implements, tools, and machines; slaughtering and meatpacking; and trade. By the mid-1870s, Chicago eclipsed St. Louis as the Midwest's premier city, a feat accomplished partly through the success of its local business community in securing rail links. Chicago built its first railroad in 1852 and then helped finance feeder lines into the city. The city also invested in grain elevators, warehouses, switching yards, and stockyards. By contrast, for too long St. Louis' business community held fast to the faith that the Mississippi River steamboats would continue to be the key to the city's prosperity. By the time St. Louis began seeking rail connections, Chicago's lead was overwhelming. Although Chicago also enjoyed a considerable advantage because it was located on the Great Lakes and was right next door to the most fertile farming regions of the Midwest, its aggressive leadership reinforced its favorable location.

For many years, the question of whether cities should go into debt to secure rail connections was beyond public dispute. Urban voters enthusiastically supported the issuance of city bonds to finance railroad subsidy schemes. As long as everyone's attention was riveted on external threats to the local economy, nearly everyone supported the idea that everything possible should be done to attract rail connections. Local promoters were encouraged to think that virtually any scheme that benefited them personally was also in the public's interest: "Developmental policy was almost wholly a product of consensus-building among groups of merchant elites to support particular canal, turnpike, rail and other projects in response to merchant elites in nearby communities."[21] From 1866 to 1873, the legislatures of 29 states granted over 800 authorizations for aid by local governments to railroad projects.[22] A study of governmental aid to railroads in New York found that no community ever voted against subscribing to railroad stock.[23] The votes were usually so lopsided as to be a foregone conclusion.[24]

The fight for rail connections improved the fortunes of many a city, but the overheated competition brought disaster to some. Railroad promoters played one town against another in search of better subsidies. The interurban competition grew often so fierce that many cities bid up the subsidies beyond what was economically rational. City governments incurred huge debts on a hope and a promise. In New York State, 50 towns bypassed a major rail line joined in a $5.7 million stock subscription to the New York and Oswego Railroad. Zigzagging across the state to link the towns, the company went bankrupt shortly after completing the line in 1873 because the areas it served had too few people and products to sustain a viable business. Most of the investments made by the towns were wiped out, with taxpayers left holding the bag.[25]

Promoters exaggerated the positive effects expected of public subsidies, predicting rapid town growth, rising real estate values, and overflowing municipal treasuries. Profits on railroad stocks, they often promised, would eliminate the need for local taxes altogether. For most cities, however, "the direct effect on government finances was on the whole unfavorable."[26] Too many cities bought stock that went bust, or the new lines brought far less prosperity than promised. Cities that had heavily invested in speculative railroad ventures regularly found themselves dragged into fiscal crisis. Some cities defaulted on their debts in the 1860s, but it was merely a harbinger of things to come. The three-year depression that began in 1873 was precipitated, more than anything else, by the overbuilding of railroads and the overvaluing of railroad stock and local real estate. Hundreds of towns and cities were forced into default. In 1873, an astounding $100 million to $150 million of municipal debt was involved in railroad bond defaults—one-fifth of all the municipal debt in the nation.[27]

Municipal defaults on railroad bonds and revelations of political corruption associated with railroad building affected politics at all levels. Citizens rebelled against paying back eastern financiers for bonds that had become worthless. In some cases, the lines had not even been built. When federal marshals came to towns to collect the debts, they were sometimes run off by shotgun-wielding mobs. Cries of debt repudiation filled the air, and some cities and states won court battles to forgive their debts.[28] From 1864 to 1888, the most common type of case before the U.S. Supreme Court involved railroad bonds.[29] Many states adopted restrictions on local debt and limited the aid that could be given to private corporations.[30] Financial and political abuses by railroad barons fueled a populist rebellion against big business that shook the national political system.[31]

Industrialization and Community

At the time of the nation's founding and for several decades after, the politics of American cities were controlled primarily by an aristocratic and merchant elite. Such a system could not survive the urban growth and the economic and technological changes wrought by industrialization. In only a few years, cities changed from relatively compact communities held together by personal relationships and shared community norms to sprawling industrial cities characterized by social stratification and segregation, constant population change, and social and political conflict. By degrees, the governing class inherited from an earlier era lost its grip on local political systems. Increasingly, urban politics became a battleground revolving around social class and ethnic identity.

Before the emergence of the industrial city, trading cities sprang up along navigable waterways and harbors. The economy of the merchant cities was intimately tied to trade and commerce: the importation and distribution of European goods; the regulation of docks and farmers' markets; the financing and insuring of ships and goods; the printing of accounting ledgers, handbills, and newspapers. Educated aristocrats, importers, bankers, wholesalers, and shopkeepers were numbered among a city's most prominent citizens. A notch down in the social order were the craft workers, artisans, and individual entrepreneurs—shoemakers, hatters, bakers, carpenters, blacksmiths, potters, butchers, wheelwrights, saddle and harness makers, and shipwrights. At the bottom were sailors, domestic workers, servants, and the unskilled workers who moved goods from docks to warehouses. Social differences were clearly marked and widely accepted; overall, in colonial New England the inequality in wealth was about the same as in the slaveholding South.[32] At the time of the Revolution, about three out of four white persons in Pennsylvania, Maryland, and Virginia had come to America as indentured servants; until they paid their debts they were not free to join the paid labor force.[33]

The lifeblood of the mercantile cities (called the "city of merchants" by historians) flowed along the waterfront. Wharves and docks, warehouses, clerks' offices, banks, newspapers and printing establishments, taverns and breweries, and private homes all clustered close to the riverfront or harbor. This compact "walking city" was bounded by the distance the inhabitants could walk within an hour or two. Typically, the area of urban settlement spread about 2 miles from the center, but most people lived in densely packed neighborhoods stretching only a few blocks from the water. The small size of the merchant cities moderated the effects of inequality by fostering "a sense of community identification similar to that of traditional societies."[34] Most goods were produced in small shops by skilled artisans who employed one or two apprentices, and these often lived on the premises. Workers clustered together in shanties or back alleys within a short distance of the comfortable homes of wealthy merchants.

In his study of colonial Philadelphia, the historian Sam Bass Warner found that people of different occupations lived apart, but it was a proximate segregation: "It was the unity of everyday life, from tavern, to street, to workplace, to housing which held the town together in the eighteenth century."[35] Class conflict was moderated by this intimate geography as well as by a sense that everyone's welfare depended on the commercial success of the city. The merchant class was expected to run the city's affairs, and it did. With few exceptions, wealthy aristocrats and merchants presided over the public affairs of the city, and they encountered little opposition.[36] Consistent with their view that the scope of local government ought to be limited, they spent little on public services. In 1810, for instance, New York City spent only $1 per capita on all governmental functions put together.[37]

Casual and consensual governance of this sort began to disappear by the second half of the nineteenth century.