

**The Chrysalis Breaks Open:  
The Emergence of a Post Neo-Liberal Mode of Urban Change**

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## Introduction

I've been asked to essay the major strategic challenges facing Queensland Transport (QT) that derive from contemporary patterns of urbanisation. QT has responsibility for state-wide transport policy and services, encompassing a wide range of settlement landscapes. My comments will be directed to the *metropolitan* context for strategic transport policy, principally the Southeast Queensland conurbation.

This is potentially a very large analytical task. My plan is to portray in broad brushstrokes the principal dimensions of contemporary urbanisation, grouped under three themes:

1. Physical
2. Governance
3. Socio-political

A mode of urban change is defined here as the ensemble of institutional and spatial forces that both reflect and drive urban change. These can be more or less explicitly integrated within governance frames. The many *implicit* public policy drivers of city development – notably health, education and public financing – receive too little recognition and attention in urban policy analysis.

It is a feature of the emergent mode of urban transformation that these forces have become increasingly disintegrated over the past few years in policy and governance frames. However, in most Australian jurisdictions a variety of attempts are being made to reintegrate the drivers of city transformation. The reintegration project has been welcomed by key private development lobbies and professional organisations, which have been critical of uncoordinated, market led urban development in recent years.

Cities are always in flux. The point here is that the *mode of change is changing*. The aim here is to illustrate the broad context for urban change – including both patterns of growth and decline – and to identify an emerging new mode of urban change that is distinguished from an earlier postwar model of city transformation.

I refer to this earlier model as *Post War Recovery & Growth*: a mode of urban transformation that I believe extended from 1945 to the 1970s. The emergent mode I refer to as *Post Neo Liberal Metamorphosis*: emphasising its still uncertain and evolving shape. Although the new mode of urban change remains opaque, I will attempt in conclusion to point to a few markers that are now manifesting in our institutional and urban fabrics, which suggest what form this new mode of city change will take.

This paper addresses the Australian, especially Queensland, metropolitan contexts, but it borrows from and employs a number of ideas that have emerged in European and American debates about shifting patterns of urbanisation. Many of the broad shifts identified in international discussions are evident in Australian cities.

## Urban Change Mode 1: Post War Recovery & Growth

To illustrate the contemporary mode of urban change it is necessary to contrast it with the institutional and spatial order that preceded it. I'll do this very briefly, losing much important detail and content along the way.

The post war recovery and growth model, was as its name suggests, a two part phase that reflected:

1. the enormous task of rebuilding infrastructure and institutions that had languished during the Great Depression and the Second World War; and
2. the equally huge effort that was needed to supply housing and services to a rapidly expanding urban population.

The recovery/growth mode also reflected a new commitment to universalism, notably in service access, that emerged as part of the political responses to depression and war.

The mode that eventually took form reflected a number of institutional and spatial features:

- Comprehensive public planning: systematic view of city;
- Integrated delivery of urban services: super service utilities (e.g., a monolith that provide postal and telecommunications services);
- Institutional certitude rooted in rational scientific approach, and in a deeply embedded sense of professional status and hierarchy;
- High status and authority of urban professions;
- Urban Keynesianism, involving, *inter alia*, debt financing of infrastructure and counter-cyclical budgeting;
- Highly monocentric urban spatial structure, including employment patterns;
- Highly centralised governance systems;
- Rapid motorisation of mobility;
- Decentralisation & dispersal of urban activity; and
- Carbon dependent urban economy.

## The Mode Changes: Implosion, and Withdrawal

By the late 1960s, this mode of urban change was facing increasing challenge from a series of urban social movements and professional critiques. These socio-political criticisms focused on:

- The ecological 'blindness' of the urban growth model;
- A loss of faith in scientific reasoning and bureaucratic certitude;
- Increasing criticism and diminished status of urban professions;
- Increased public and professional scrutiny of, and impatience with, urban service failures (service lags, etc.); and

- Increasing contradictions between continued centralism in urban governance and now deeply embedded decentralising forces (economy, culture, demography).

A series of shocks helped to topple a mode of change that had been weakened – ‘white anted’ – by a combination of internal and external criticism and opposition:

- Urban disorder (largely North America);
- Energy crisis (‘Oil Shocks’);
- State fiscal crisis & ‘stagflation’; and
- Rapid ascension of new public sector management approaches that drew heavily upon private corporate management models (esp., managerialism and corporatism)

From the late 1970s, most western countries entered a prolonged period dominated by neo-liberalism, a political ideology that sought to deal with the principal shock – perceived state fiscal crisis – by dramatically restructuring and rescaling the public sector.

Neo-liberalism also attempted to restore institutional certitude by restraining and deflecting environmentalism and by coopting the communitarian critique of bureaucratic centralism and hierarchies.

The restructuring of urban institutions was achieved through a series of complex, and occasionally contradictory, reforms and shifts that emerged first at the Commonwealth level (1980s) and then, with new impetus, at the state level during the mid 1990s.

The key forms of restructuring were:

- Privatisation and corporatisation of service utilities and planning;
- New forms of urban financing using private capital;
- Collapse of comprehensive public sector planning;
- Emergence of comprehensive private sector planning (masterplanning);
- Weakening of metropolitan strategic planning;
- A focus on ‘urban entrepreneurialism’, reflected for example in attempts to increase the competitiveness of regulatory systems and through the pursuit of major projects which were held to stimulate aggregate growth;
- Uneven progression of environmental governance & law (advances/setbacks);
- Resilience of environmental critique in professional and community domains, which was reinforced by the emergence of the sustainability rubric in the early 1990s; and
- Continued, often strengthened, centralism in urban governance.

Patterns of change and continuity in urban physical geography included the following:

- Increased economic decentralisation, emergence of dispersed subregional labour sheds;

- Relentless motorisation;
- Restoration of freeway led planning which had been problematised, in some instances shelved, after community and professional opposition in the 1970s;
- Some recentralisation (targeted inner urban consolidation); and
- Market led dispersal of housing and commercial development ('wild consolidation', masterplanning).

To sum up, by the mid 1990s, the previous mode of urban transformation had largely disappeared or had been withdrawn, though many of its base structures remained in place during this era of market led urban development. These enduring, deep structures included urban planning minus much of its strategic content, the relatively unchallenged carbon dependent economy, and the dominance of infrastructure agencies.

Urban change was now characterised by a fractured institutional landscape, with greater space accorded market coordination. Public coordination of urban change had become cocooned by new strictures emerging from deregulation, privatisation, corporatisation, fiscal conservatism and the continued waning of professional authority and status. Planning and urban management had entered something of a chrysalis: encased by neo-liberal political economic strictures and shrouded still in continued socio-political critique, notably from environmentalism.

From the late 1990s, however, a range of new transformative forces has begun break open the institutional casing around urban planning management. The processes of change were changing again, and new mode of urban transformation was emerging from the chrysalis of the 1990s.

These forces included:

- Waning political legitimacy for neo-liberalism (complete erasure of neo-liberal state conservative governments, Commonwealth's big spend approach in the new millennium);
- The increasingly apparent contradictions of the low public investment model, especially at the metropolitan scale ('infrastructure deficit' & consequences);
- Growth management advocacy by key private sector lobbies (e.g., PCA, HIA), marked by strong support for enhanced public sector coordination of urban development;
- Continued sustainability critique of ungoverned growth;
- Deterioration of many ecological and social indicators under market led growth;
- Greater acceptance of need for centrally coordinated planning by environmentalists.

These forces are now stimulating the transition to a new mode of urban change with greater explicit involvement of public planning and urban management. The evidence for this includes:

- High level of metropolitan strategy interest and preparation in all states/territories;

- Greater media interest in, and support for, planning and urban management;
- Strong industry and professional advocacy for public sector planning and for a revived federal urban affairs role (e.g., 2004 National Summit on Future of Australia's Towns and Cities);
- Waning fiscal conservatism, including a return to deficit budgeting (e.g., NSW State budget 2004/5) and public borrowing for infrastructure development (e.g., Qld State budget 2004/5);
- New attempts to integrate key urban policy and regulatory functions in integrated portfolios in all states/territories (e.g., the new Office of Urban Management that will coordinate regional planning for Southeast Queensland).

What forms then does contemporary urban change take? How are these complex changes themselves undergoing transformation and what are the markers which indicate the form that the new mode of urban change is likely to take?

### **Contemporary Dimensions of Change: the Post Neo-Liberal Metamorphosis**

I suggest that the dimensions of contemporary transformation in Australia's cities could be grouped under three themes:

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|--|---|---|
| <p>1. Physical</p> <ul style="list-style-type: none"> <li>• Restructuring</li> <li>• Reformation</li> <li>• Reengineering</li> </ul> | <p>2. Governance</p> <ul style="list-style-type: none"> <li>• Splintering</li> <li>• Rescaling</li> </ul> | <p>3. Socio-political</p> <ul style="list-style-type: none"> <li>• Dissolving</li> <li>• Remodelling</li> </ul> |
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#### ***Restructuring***

The first dimension of physical change relates to urban structure: the underlying relationships that derive from the spatial patterning of land use and infrastructure patterns, urban activity and public and private investment.

Amongst these, contemporary restructuring is governed by infrastructure development, which continues to drive growth and decline. Planning, and other urban policy settings, tend to lag behind infrastructure development. There is a shift away from the isolated (some allege, ad hoc) major projects approach towards a more systemic interest in infrastructure.

Other restructuring dimensions include economic and physical decentralisation and reconcentration in planned and unplanned commercial centres.

Socio-economic decline in older, usually 'middle ring' suburbs is a dimension of urban social restructuring.

## ***Reformation***

The second dimension of physical change derives from shifts in urban form: the density, extent and appearance of the city.

Contemporary urban reformations include densification (wild vs. targeted), metropolitan containment and the rise of urban design aesthetic. In Southeast Queensland, the experience of wild consolidation was more muted than in other jurisdictions. Brisbane City, for example, densification was better targeted than in many jurisdictions (if at times highly intense and contested) and linked to an explicit program of urban renewal.

Urban consolidation Mark 1 appears to be petering out (reflecting critiques of small lot development ('McMansion land', etc.), recognition of poor design outcomes and a new policy emphasis on structure).

The evidence emerging from contemporary metropolitan plan making is that future urban consolidation is likely to be targeted as part of a new commitment to compact, well-structured cities.

## ***Reengineering***

The last dimension of physical change is the reengineering of the built environment and urban activities and practices. New imperatives – globalisation, sustainability & vulnerability – are driving deliberate and coincidental changes to environmental performance, technological proficiency, economic functionality and level of security of cities.

These changes are reflected in higher energy & water standards, rapid IT network development, new tax and finance (including charging) systems, securitisation of public and private domains.

There is rising, if contested, recognition that we are entering the last years of the carbon economy and that exhaustion of some non-renewable resources (notably oil) will occur soon (within current adult lifetimes).

## ***Splintering:***

The first governance dimension is splintering, a term coined by the British analysts Graham & Marvin.<sup>1</sup> A fractured institutional landscape has emerged after decades of privatisation, corporatisation (often a rescaling of function); refinancing of infrastructure, and declining commitment to service universalism.

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<sup>1</sup> In their important book, Graham, S. & Marvin, S. (2001) [Splintering Urbanism: networked infrastructures, technological mobilities and the urban condition](#), Routledge, London

Specific consequences include, infrastructural unbundling, system destabilisation, customisation of services/utilities, coordination frictions, network ghettos and a new 'poverty of connections'.

### ***Rescaling***

A further dimension is the complex, multi-directional (down, up and across) rescaling of governance. Forms include new pressures to localise institutions, infrastructure and urban activity and a simultaneous imperative for regionalisation, especially at the metropolitan scale.

Localisation is driven by environmental and communitarian critiques and reinforced by public sector management approaches that are critical of functional/sectoral governance (e.g., place management). A key theme is the emerging environmental and technical critiques of big network infrastructure. In transport, the localisation imperative manifests as a shift in institutional commitment from mobility (free choice) towards access (structured choice).

The heightened interest in, and support for, urban growth management amongst state governments is driving a rescaling of planning away from developmental assessment and back towards strategic overview.

Lateral rescaling includes heightened emphasis on policy and service integration and a general shift from functional/sectoral governance model to spatially targeted approaches.

### ***Dissolving***

The first socio-political dimension refers to the dissolving of socio-cultural bonds and the increased diversity/complexity of consumption & mobility patterns. Cultural pluralisation is reflected in the increased expression of differences around ethnicity, gender, sexuality and age in cities. Increasing socio-spatial polarisation is producing new urban landscapes of exclusivity and exclusion (masterplanned communities to gated estates).

Generalised planning assumptions about the nature and the preferences of the urban citizenry no longer hold.

### ***Remodelling***

The final dimension of urban transformation is the decline, and partial replacement, of embedded models of explanation and visions for change. New positive (explanatory) and normative (politico-theoretical) models of urban change abound.

Uncertainty and risk are key contemporary themes, echoing

- descent into a new permanent international war on terror where cities are the main assumed theatres of action;

- a declining faith in established structures of certainty; and
- the continued decline of professional and institutional legitimacy and authority.

Pat Troy speaks of the heightened vulnerability of Australian (and other Western) cities, arising partly from the fracturing of institutions that coordinate service delivery and plan and deliver infrastructure. Urban vulnerability is worsened by:

- systematic underinvestment in the urban fabric and its underlying structures (neo-liberalism);
- reliance upon unwieldy and unsustainable urban service systems (path dependency);
- institutional resistance to reform of problematical development paths (path dependency);
- the failure or disappearance of urban coordination mechanisms (splintering cities).

### **Whither Now? Contemporary Markers of Future Change**

To conclude, what underlying patterns are now emerging in the shifting sands of urban change? Only broad possible outlines are as yet visible.

The outcome of the contest between ‘hard’ (embedded) and ‘soft’ (vulnerable) patterns of change remains unclear. To put this differently, it is not yet apparent whether the emergent mode will deliver underlying changes to urban transformation that will break settled patterns (what Pat Troy terms, vectors of ‘path dependency’).

A few speculations on the new markers of urban change:

- Security cities: permanent war, continued securitisation of public and private space, system vulnerability and a new concern to secure urban infrastructure against breakdown and attack.
- Public refinancing, involving blended models that will reinstate older methods, including debt financing and value capture.
- Coordination in fractured institutional landscape: the difficult task of addressing new policy imperatives and community expectations for integrated and timely delivery of services in the context of splintered urbanism.
- Governance and structure 1: localisation & decentralisation, involving continued centrifugal influences of broadscale economic, social and cultural dispersion.
- Governance and structure 2: reconcentration, involving continued centripetal tendencies of state governments attempting to assert greater authority on urban change via new urban management structures.

- Access over mobility: increasing recognition that motorisation and carbon dependency are reaching resource and ecological limits, together with a heightened emphasis on activity containment and local access for urban populations.

There will be no absolute break with neo-liberalism for the foreseeable future, just as neo-liberalism itself was unable to completely dismantle the institutional order that it sought to recast. The legacy of splintered urbanism will be a long one.