Detroit after bankruptcy: A case of degrowth machine politics

Seth Schindler
University of Sheffield, UK

Abstract
It is widely accepted that neoliberalism is intensified in times of crisis, and Jamie Peck has argued that ‘austerity urbanism’ has been implemented at the urban scale since the 2008 financial crisis. This article questions whether this narrative of neoliberal expansion is applicable in cities where crisis is so severe that economic growth seems highly unlikely. I focus on Detroit, whose recent declaration of bankruptcy signals the recognition among local officials and elites that the city’s decline cannot be reversed with out-of-the-box neoliberal policies. Instead, the city’s bankruptcy precipitated a breakdown of an interscalar growth coalition, and local actors have embraced a plan for Detroit’s future which diverges from ‘austerity urbanism’ favoured by extra-local investors in significant ways. Importantly, local actors have embraced a plan that seeks to improve the quality of life for the city’s residents in the context of irreversible degrowth. I refer to this as degrowth machine politics and I examine the extent to which its emergence may foster contingency and progressive urban politics.

Keywords
austerity urbanism, degrowth, Detroit, growth coalitions, municipal bankruptcy, neoliberalism

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Introduction
It is widely accepted that neoliberalism is intensified in times of crisis. The reasoning is that policies which would not be tolerable in normal circumstances are enacted as supposed emergency measures (Klein, 2008; Peck, 2012). According to this narrative proponents of neoliberalism tout free-market reforms as the only way to resume economic growth, and this accounts for ‘the robustness of neoliberal institutions even in the face of repeated crisis’ (Peck and Tickell, 2002: 384).

This article does not seek to challenge this narrative tout court, but it questions whether it is applicable in places where the severity of crisis makes economic growth seem highly unlikely under any imaginable circumstances. Indeed, this assumption deserves to be re-examined in the context of the 2008 financial crisis, yet ‘there has been little systematic empirical analysis of the [2008] crisis as a “laboratory” for urban governance models’ (Oosterlynck and Gonzales, 2013: 1076). I focus on Detroit, which is a poignant
example because its recent declaration of bankruptcy has made it abundantly clear that decades of decline cannot be reversed by the usual mix of privatisation, deregulation and dismantling of welfare programmes. Instead, I show that local officials and elites have accepted the grim reality that the city will never again become a manufacturing hub, so rather than try to jumpstart a round of capital accumulation with out-of-the-box neoliberal policy they are seeking to stabilise the local economy, stem population decline and ultimately transform the city. I conceptualise this as degrowth machine politics, and I show how it has emerged in the context of conflict between locally-based actors and extra-local elites who seek to recover their investments in municipal bonds. I will examine proposals that have emerged in recent years which seek to reverse the city’s decline and re-envision its future, which both expose the limits of urban entrepreneurialism and diverge from its central tenets. In particular I focus on a development plan entitled Detroit Future City, which looks at quality of life issues and envisages a long-term transformation of the city.

This article has five sections. In the following section I review the emergence of growth machine politics and the post-crisis emergence of what Peck (2012) calls ‘austerity urbanism’. In the third section I narrate Detroit’s decline, its ultimate declaration of bankruptcy, and the recent emergence of degrowth machine politics. In the fourth section I review the proposals that re-envision Detroit’s future. In the final section I explore the extent to which Detroit’s recent declaration of bankruptcy has infused local politics with contingency, and the possibility that it could give rise to truly progressive urban politics.

**From growth machine politics to austerity urbanism**

The intensification of neoliberalism in times of crisis is closely linked to the concepts of growth machine politics and urban entrepreneurialism. Harvey Molotch’s (1976: 309) seminal article entitled ‘The city as a growth machine: Toward a political economy of place’, demonstrated that ‘the political and economic essence of virtually any given locality, in the present American context, is growth’. He argued that local elites typically forge a coalition whose efforts are geared towards attracting capital and implementing policies that determine land-use in an effort to augment property values. After nearly a decade of neoliberal hegemony in the North Atlantic David Harvey (1989) identified a shift in urban governance, from managerialism to entrepreneurialism. He demonstrated that while cities remained ‘growth machines’ engaged in fierce inter-city competition for capital, by the end of the 1980s municipal governments pursued urban renewal programmes through public–private partnerships that were often highly speculative. Given the fact that municipalities assumed the bulk of the risk (Harvey, 1989, 2011) investors required little coaxing to invest in urban renewal projects, and by 2002 Neil Smith was able to demonstrate that gentrification was a global phenomenon remaking cityscapes around the world (Smith, 2002).

The concepts of growth machine politics and urban entrepreneurialism have been remarkably resilient in urban scholarship. Gordon MacLeod and Martin Jones (2011) note that although there is not a single universal model of urban entrepreneurialism, two phenomena that correspond to the observations made by David Harvey (1989) are still widely observed. First, the influence of the private sector vis-à-vis local governments continues to grow. Second, municipal governments continue to scale back efforts to manage collective consumption and instead focus on ‘courting the private sector and cultivating economic enterprise across the urban landscape’ (MacLeod and Jones, 2011: 2444). However, they note some recent
trends that distinguish new urban politics from urban entrepreneurialism of the 1980s and 1990s. First, there has been a shift from politics to governance which reduces the ability of local communities to challenge growth-oriented policies. Furthermore, conflict has been observed among actors within growth coalitions. While the imperative of growth historically sutured differences among a range of actors (Logan and Molotch, 1987), conflict increasingly erupts among actors at different scales (see Ancien, 2011). Kirkpatrick and Smith (2011) explain that interscalar conflict is common in times of crisis because there is a clear divergence of the interests of local actors (e.g. municipal employees and local landholders) and extralocal investors. They note that investment in urban infrastructure was often a cornerstone of growth machine politics, but in the 2000s municipalities began financing infrastructural projects ‘in increasingly speculative, risky and arcane ways’ (Kirkpatrick and Smith, 2011: 482). This debt can become unmanageable in times of crisis when capital is scarce and tax revenues shrink. Ultimately the result can be what they call an ‘infrastructure trap’ in which ‘investors want their bonds to be honored, even if doing so would be socially, politically or financially devastating for a particular city’ (Kirkpatrick and Smith, 2011: 496).

The 2008 financial crisis tested the extent to which growth machine politics could subsume conflict among a range of multi-scaled actors because it originated in cities and its most disastrous effects are unfolding in cities. David Harvey (2012) argues that the crisis has ‘urban roots’, in the sense that overaccumulated capital flowed into risky investments like securitised sub-prime debt which encouraged the pre-crisis housing boom. Jamie Peck (2012: 650–651) argues that the most severe impacts of the crisis are unfolding in cities, as profligate federal spending in the immediate post-crisis era has given way to ‘austerity urbanism’. This is characterised by an imposition of austerity by higher levels of government, and pressures:

- operate downwards in both social and scalar terms: they offload social and environmental externalities on cities and communities, while at the same time enforcing unflinching fiscal restraint by way of extralocal disciplines; they further incapacitate the state and the public sphere through the outsourcing, marketization and privatization of governmental services and social supports; and they concentrate both costs and burdens on those at the bottom of the social hierarchy, compounding economic marginalization with state abandonment.

The main incentive for cities to impose and endure austerity urbanism is to placate investors and avoid bankruptcy. This raises a number of questions with regard to cities that have declared bankruptcy. First, do local actors continue to embrace austerity urbanism? Second, what is the incentive of enduring the pain of austerity if there is essentially no chance of jumpstarting economic growth? In the following section I turn to Detroit, and I argue that local actors have rejected austerity urbanism in the wake of its recent declaration of bankruptcy. I narrate the city’s decline and bankruptcy, and the emergence of a consensus – which I term degrowth machine politics – whose objective is to improve the quality of life in the city rather than simply augment the value of land and spur economic growth.

**Detroit: Decline, bankruptcy and degrowth**

Detroit is often portrayed as emblematic of urban decline in the United States (Millington, 2013). The causes of decades of decline in Detroit are multifaceted and complex, but the main driver has been the
collapse of the city’s manufacturing base. In this section my objective is to show that Detroit’s problems defy out-of-the-box neoliberal solutions and as a result local officials and elites have engaged ‘in the political work of managing contradictions and aligning the politics of austerity with the possibility of alternative political, social and economic rationalities’ (Newman 2014: 3302). In this context, the vision of Detroit’s future which has garnered support should not be interpreted as a roll out of neoliberalism.

The industrial geography of the United States was dramatically altered in the 1970s and 80s. Firms shifted production within the United States to the south and west in an effort to outflank organised labour, and overseas in order to access cheap labour and tap into emerging markets. These factors impacted many cities in America’s so-called ‘Rust Belt’, and in many ways Detroit’s decline is consistent with other cities in the region whose economies were historically based on manufacturing. John McDonald (2014) explains, however, that in comparison to other cities in the region, the 2000s were particularly difficult for Detroit. The population decreased by almost 25%, more than 50% of the city’s manufacturing jobs were eliminated, and while Detroit did not experience a real estate boom the collapse of its housing market began in 2006 (McDonald, 2014). The city’s tax revenue decreased and from 2003 to 2009 its deficit grew to a staggering $280 million, and then to $326 million by 2012 (McDonald, 2014). Additionally, Detroit has a long history of class conflict and racial tension (Georgakas and Surkin, 1975) which spurred an exodus from the city that contributed to widespread abandonment and produced the most segregated urban landscape in the United States (Logan and Stults, 2011). Finally, from 2001 to 2008 Detroit’s mayor, Kwame Kilpatrick – who was later convicted of multiple felonies – was funnelling public contracts to cronies and running an extortion racket rather than a growth machine (Detroit Free Press, 2013b). Thus, Detroit’s crisis is driven by economic, social and political pressures which exacerbate one another in increasingly devastating feedback loops.

The factories that remained in Detroit throughout the sustained period of restructuring in the 1980s and 90s shifted to ‘lean’ or ‘just-in-time’ methods of production, provoking resistance from organised labour. In 1998 workers at a General Motors metal stamping plant in Flint went on strike and General Motors ultimately suffered losses of approximately $2.3 billion (Herod, 2001). Elliot Siemiatycki (2012) argues that any gains made by labour in the 1998 strike were limited and quickly reversed. He explains that in 2007 the United Auto Workers (UAW) union was given little choice but to agree to benefits cuts and a two-tiered wage system. This agreement was followed by the 2008 financial crisis, and subsequently the US Treasury bailed out Chrysler and General Motors. Siemiatycki explains that one consequence of the bailout was that organised labour was forced to accept a series of concessions that amount to what he calls ‘permanent restructuring’:

The rationale for providing such financial assistance has been that well-paid manufacturing jobs must be protected. Yet, these same governments have forced auto companies to restructure in ways that dramatically cut the very jobs and wages which were deemed essential to protect.

George Steinmetz (2009) argues that Detroit’s urban crisis should be distinguished from the crisis of the US auto industry. While the crisis of the latter has certainly been the primary cause of Detroit’s decline, Steinmetz (2009: 764) points out that ‘it is crucial to differentiate between the two crises if a solution for the city’s plight is to be found’. In other words, reviving Detroit’s
manufacturing base is not an option, so reversing the city’s decline calls for more innovative responses.

From perpetual crisis to bankruptcy

The most visible symbol of Detroit’s crisis is widespread abandonment. A significant amount of commercial property and approximately 80,000 residential properties are abandoned (Detroit Future City, 2012: 99). Some parts of the city have been more affected by abandonment than others, but few areas have been spared altogether. Iconic structures such as the Hudson Building and Tiger Stadium have been razed, and the Michigan Central Depot has long been vacant. Some neighbourhoods have been ravaged by abandonment to the extent that they are commonly portrayed as returning to a state of non-human nature (Millington, 2013). This has engendered a traumatic sense of loss among Detroiters that is experienced universally regardless of race or class (Montgomery, 2014).

Policy makers have sought to tackle abandonment in Detroit by encouraging investment in property and home ownership. The key to this effort was state-level legislation passed in 1999 – the Urban Homesteading Act and PA 123 – that streamlined the transfer of abandoned properties to local governments. The idea was that authorities would seize tax foreclosed properties, and auction them to residents eager to own their own homes. In other words, local authorities were meant to become the fulcrum of a healthy property market by ensuring that property was allocated efficiently (see Schindler, 2013). Joshua Akers (2013: 1082) explains that the impetus for these reforms came from a number of right-wing think tanks, but rather than significantly increase homeownership among families this regulatory framework ‘expands the ability of speculative and predatory investors to acquire, consolidate, and hold vast tracts throughout the city with few limits on disuse so long as taxes are paid’. The most derelict properties fail to sell for even $500 and remain public property, and remarkably there has been conflict between the city and county governments as neither wants to assume ownership of certain properties (Akers, 2013). Meanwhile speculators are able to scoop up the better properties but, perhaps due to falling property prices, Detroit has not experienced rampant speculation. Akers (2013) shows that from 2002 to 2010 fewer than 11,000 properties were cycled through this auction process, which is rather insignificant considering there are approximately 150,000 abandoned properties in the city. Thus, this effort failed to boost property values while it made public authorities responsible for the least usable properties.

The City of Detroit was caught in an inescapable cycle of financing its debts with further borrowing, while tax revenues continued to shrink. Default seemed likely, and in March 2013 Michigan’s Republican Governor Rick Snyder put an emergency manager in charge of Detroit’s finances (State of Michigan Executive Office, 2013). The powers of the emergency manager were far-reaching and included renegotiating contracts with unionised public-sector workers (State of Michigan Executive Office, 2013). Ultimately the emergency manager determined that the cycle of issuing municipal bonds to repay loans was untenable given the fact that a reversal of the city’s economic fortune – and hence its ability to repay its debt – is unlikely in present circumstances. On 18 July 2013, Detroit became the largest city in the United States to declare bankruptcy.

Emergence of a degrowth coalition

The decision to declare bankruptcy was controversial, especially since it was made by an
appointed emergency manager rather than elected officials. There was tension between actors at the state and city levels of government over what services and whose salaries would be reduced. For example, negotiations between emergency manager Kevyn Orr and retired municipal employees over cuts to pensions have been fierce (Helms and Bomey, 2014). Nevertheless, Detroit’s bankruptcy has not resulted in straightforward austerity urbanism and officials are not simply acting on behalf of capital. On the contrary, bankruptcy has allowed city and state governments to defy the demands of extralocal bondholders (Walsh, 2014a, 2014b).

Detroit’s complex problems defy easy solutions, and it is clear that the city cannot cobble together a ‘grant coalition’ (see Bernt, 2009) and secure a bailout from state or federal authorities. Furthermore, the return of large-scale Fordist industry and manufacturing jobs – and hence people – is equally unlikely. Thus, instead of fostering economic growth, the most immediate challenge facing Detroit’s policy makers is how to manage the city’s decline in the short-term. In other words, how can schools remain open, and police and fire departments operational when the city’s coffers are empty? Since blueprints for reversing urban decline prioritise fostering economic growth, they are of little relevance when the main challenge is managing inevitable degrowth.

The concept of degrowth emerged from a range of disciplines; some of its proponents have embraced degrowth as an alternative to capitalism (Latouche, 2009), while others have argued that impending environmental crises necessitate reducing resource use (Kallis, 2011; Martinez-Alier, 2009; Martinez-Alier et al., 2010). The latter are sceptical of the prospects of decoupling resource use from economic growth (see e.g. UNEP, 2013). They reason that if environmental catastrophe is to be avoided, the throughput of resources must be reduced and degrowth is an inevitable outcome (Kallis, 2011). They argue that rather than be left to market forces, the reduction of resource use and subsequent degrowth should be managed in ways that result in a qualitatively different – that is, sustainable and equitable – economy and society (Kallis, 2011; Odum and Odum, 2006; Whitehead, 2013). This leads Schneider et al. (2010: 512) to state that ‘what happens to GDP is of secondary importance; the goal is the pursuit of well-being, ecological sustainability and social equity’. To this end, they (Schneider et al., 2010: 512) define degrowth as the ‘equitable down-scaling of production and consumption that increases human well-being and enhances ecological conditions’.

Degrowth has hitherto had little purchase beyond activist and academic circles because, needless to say, politicians do not win elections on platforms of scaling back consumption and shrinking the economy. Instead of questioning the long-term viability of urban entrepreneurialism, policy makers have shown more interest in enhancing resilience and developing contingencies and technologies that will allow cities to extend or renew ‘growth spells’ (Benner and Pastor, 2015) in the event of future ecological and economic crises (Gleeson, 2010). Furthermore, scholarship on degrowth has been critiqued for being vague and lacking clear policy prescriptions (van den Bergh, 2011), and for requiring top-down measures anathema to modern-day liberal democracy (Romano, 2012). These critiques assume that degrowth is one of a range of policy choices from which civil society and governments can choose after careful deliberation (Hamilton, 2010; Mathey, 2010). However, for many cities and regions degrowth has been an unavoidable consequence of the 2008 financial crisis rather than a deliberate policy choice. In this context, Martinez-Alier et al. (2010: 1745) argue that that it is ‘better to start adapting to forced de-growths … in order to
find a prosperous way down’. This leads Schneider et al. (2010: 517) to argue that the 2008 financial crisis is an opportunity to ‘expose “growth fetishism”’... and [it] opens up some space for green policies ... [that] can definitely contribute to a smooth sustainable degrowth’.

In the following section I argue that local officials and elites in Detroit have embraced some aspects of degrowth; stabilising the economy has been prioritised over economic growth, and more importantly, there is a realisation that the city’s long-term future depends on improving the quality of life of city residents. Thus, rather than attempting to foster short-term economic growth with the hopes that a trickle-down effect will make life less unbearable for the city’s poorest residents, improving the quality of life in the short-term is now seen as the key to making the city prosperous over the course of the next five decades. I call this degrowth machine politics because it is geared towards managing the city’s further decline and reimagining its future. Unlike its growth-oriented counterpart, degrowth lacks out-of-the-box solutions offered by cosmopolitan consultants, and as a result policy makers are forced to manage continued degrowth in Detroit in innovative ways.

Re-envisioning Detroit’s future

Detroit’s future has been imagined by a range of actors at multiple scales. Some proposals are standard urban renewal projects (e.g. sports stadia and entertainment districts), while others are truly bizarre (e.g. a zombie apocalypse theme park). In the first part of this section I review a number of proposals which, while consistent with urban entrepreneurialism also expose its limits. The second part of this section reviews Detroit Future City,1 which is the cornerstone of a long-term development plan around which a degrowth coalition has coalesced.

The limits to urban entrepreneurialism in Detroit

A number of redevelopment projects are underway that can be described as textbook cases of urban entrepreneurialism. Most notably, Mike Ilitch, the owner of two of Detroit’s professional sports teams and pizza chain Little Caesar’s, proposed to build a $650 million professional hockey arena and surrounding entertainment district (Guilen and Reindl, 2014a). The Detroit city council voted to transfer 39 publicly held properties to Ilitch’s development company, Olympia Development, for $1. The Detroit Free Press (Guilen and Reindl, 2014a) reported that ‘the arena development would span eight desolate blocks and transform the Cass Corridor, an economic dead zone between downtown and Midtown and once a notorious haven for crime and prostitution’. Given the sheer abundance of abandoned property in Detroit, the question was not whether the project should move forward, but rather, whether the supposed future benefits (i.e. jobs and tax revenue) warranted the transfer of land for a paltry $1. Subsequently, details surfaced that show this deal is a case of urban entrepreneurialism par excellence. Currently the City of Detroit receives approximately $7 million per annum from proceeds of Red Wings2 tickets, but the new deal excludes a provision for revenue-sharing. Furthermore the city will contribute a substantial amount of money to the arena’s construction. The Detroit Free Press reported that:

Olympia Development will pick up 42% of the arena’s construction cost. The other 58% – the public’s share – will come from a complex financing arrangement that uses school and local property tax revenue collected by Detroit’s Downtown Development Authority to pay off state-issued bonds. The authority will own the arena and lease it – rent-free – to the Red Wings for up to 95 years. (Guilen and Reindl, 2014b)
A similar project is moving forward at the historic Michigan State Fairgrounds, along the city’s northern border that it shares with suburbs. The State of Michigan discontinued subsidising the annual State Fair in 2009 after the onset of the financial crisis, and maintaining the property cost approximately $1 million per year (Gallagher, 2013). Michigan Governor Rick Snyder transferred the State Fairgrounds to the Michigan Land Bank Fast Track Authority in 2012, whose mission is to ‘return the land to productive use’ (Michigan Land Bank Fast Track Authority, 2014). The Land Bank issued a request for proposals in May 2012, and three investors expressed interest in purchasing and developing the property. The proposal that was ultimately accepted was made by Magic Plus, a consortium of investors whose public face is former professional basketball player Earvin ‘Magic’ Johnson (Michigan Land Bank Fast Track Authority, 2012). The deal transfers the property to Magic Plus for $4.6 million, and Magic Plus has agreed to undertake a $120 million renewal project that ‘includes a mixed-use development for the entire property that includes retail, residential, green space and entertainment uses’ (AlHajal, 2013; Michigan Land Bank Fast Track Authority, 2012). The plan has generated considerable controversy, however, because many local residents are opposed to the construction of big-box retail outlets and have supported an alternative proposal with more open green spaces and public transit links (AlHajal, 2013). Negotiations and public consultations are ongoing.

The Red Wings arena project and the redevelopment of the State Fairgrounds have grabbed headlines because of the celebrity status of the investors, and they may be financially viable because they seek to redevelop the heart of downtown and the border with Detroit’s northern suburbs. However, large-scale investment in entrepreneurial renewal projects is the exception rather than the norm in Detroit. There are many counter-examples of truly bizarre proposals, and there has been a general lack of enthusiasm among investors. The strangest proposal reported by the Detroit Free Press (Satyanarayana, 2012) was from a suburbanite who envisioned a ‘zombie apocalypse-style theme park … with actors playing brain-eating zombies and players trying to kill the hordes before they, too, become the walking dead’. Investors were not forthcoming and there was an unsuccessful attempt to crowdsource $145,000 for the project. Interestingly, the project would have required acquiescence from city officials – who were steadfastly opposed to the idea – because so much land is publicly owned in the most blighted areas of the city where the theme park was to be built.

The cases above demonstrate that city officials have a tremendous amount of agency in deciding which developments can be realised given such extensive public holdings. However, the paucity of serious investors willing to undertake any development project whatsoever limits their ability to steer urban transformation. A case in point is the iconic Packard Plant, a sprawling automotive plant that stopped producing cars in the mid-1950s (Reindl, 2013). It became public property when its owners fell into arrears in property taxes, and Wayne County authorities sought to find an investor who could at least cover the back taxes, and an auction was held. The winning bidder was a Texas-based medical doctor who bid $6 million and released plans to redevelop the site in an incoherent statement entitled The Posential Energy in Detroits Assets [sic] (Van Horn, 2013). When the $6 million failed to materialise the plant was awarded to the second bidder for $1 million, a developer from the Chicago area who planned to transform ‘it into housing, restaurants, offices, shopping and a hotel’ (Reindl, 2013).
After paying a $200,000 deposit he failed to deliver the balance (Reindl, 2013), so the property was finally purchased by the third bidder for $405,000 (Reindl, 2014). The Detroit Free Press reported that the investor is a Peru-based Spanish developer who hopes to renovate the 40-acre industrial site and attract automotive parts manufacturers, as well as ‘light-industrial businesses, green-energy companies and firms that specialize in basic outsourced office functions. He plans to add retail, residential and cultural components in the future, and perhaps a high-end go-kart racing track’ (Reindl, 2014). This initiative could indeed become another example of urban entrepreneurialism, although perhaps more remarkable than the Packard Plant’s transformation into a high-end go-kart track would be if such a venture stayed in business for any length of time.

In summary, municipal authorities struggle to find serious investors willing to develop Detroit’s vast abandoned spaces, perhaps because in spite of generous land concessions these projects are far from commercially viable. The projects reviewed above expose the limits of urban entrepreneurialism in Detroit.

**Detroit Future City: Beyond austerity urbanism**

A number of proposals that imagine Detroit’s future and diverge from austerity urbanism have recently gained traction. For example, one proposal seeks to create an expansive urban farm, and envisions ‘oaks, maples, and other high value trees planted in straight, evenly spaced rows’ (see http://www.hantzfarmsdetroit.com/). The most comprehensive plan for Detroit’s future has undoubtedly been developed by the Detroit Works Project (DWP), which has served as a platform through which a coalition has been forged among local officials and elites. The DWP was launched in 2010 with the support of then mayor Dave Bing, and it enjoys at least moderate support from current mayor Mike Duggan (Blac, 2013; Deadline Detroit, 2014). Its steering committee includes prominent members from Detroit’s public, private and philanthropic sectors, and it has received substantial financial backing from a range of corporations and foundations including Ford Motor Co., the Kresge Foundation, and the Hudson Webber Foundation (Lacy, 2013). The DWP developed the *Detroit Future City* report, whose implementation is entrusted to former Detroit Mayor Kenneth Cockerel Jr. and whose objective is ‘to recognize and adapt to an unpredictable future’ and thereby ‘uplift the people, businesses, and places of Detroit by improving quality of life and businesses in the city’ (p. 17 and p. 7). The report claims that it:

marks the first time in decades that Detroit has considered its future not only from a standpoint of land use or economic growth but in the context of city systems, neighborhood vision, and the need for greater civic capacity to address the systemic change necessary for Detroit’s success. (p. 5)

A *Detroit Free Press* editorial exclaimed that ‘it’s not a patch; it’s a revolution … [that] should be implemented without delay’ (*Detroit Free Press*, 2013a).

The *Detroit Future City* plan divides action into five ‘planning elements’: economic growth, land use, city systems, neighbourhoods, and land and buildings assets. It reads like standard urban entrepreneurialism in the economic growth section, which uses jargon such as ‘public, private, philanthropic investments’, action plans, cluster strategies, industrial business improvement districts, and so on. While manufacturing remains part of the vision, the report emphasises diversifying the city’s economy and identifies a number of sectors that have the potential
for growth such as food processing, medical technology, education and digital/creative industries. The plan notes that a lack of qualified labour is a barrier to growth in these sectors, and it calls for targeted education and training programmes. The absence of capital is not emphasised as a barrier and vacant land is considered the ‘greatest – and most challenging – asset … for long-term development’ (p. 45). Interestingly, the plan acknowledges the existence of an informal sector and calls for its formalisation. Finally, the economic growth section of the report has an implementation section whose recommendations are consistent with growth machine politics: ‘Through preferential zoning, targeted infrastructure investments, attraction of new capital into the city, and innovative approaches to address under-utilization of land, the strategy aims to increase the value of and investments in the city’s highest-potential jobs-producing land’ (p. 49).

Land use is the second ‘planning element’ in the report, and the city’s land is identified as its ‘greatest liability and its greatest asset’ (p. 93). The ultimate aim of the report’s land use strategy is to complement efforts to spur economic growth. However, the report states that this will require ‘innovative approaches’ and that it uses the word ‘productive’ ‘in a very broad sense’ that includes urban agriculture, biomass production and wood products (p. 127). The Fordist residential pattern of sprawling neighbourhoods with single-family homes is rejected in favour of:

stronger, greener, and more socially and economically vital Detroit, where neighborhoods feature a wide variety of residential styles from apartments to houses, and where residents are connected to jobs and services by many transportation options (and especially a regional network of transit) in a ‘canvas of green’ that features stately boulevards, open green space, urban woodlands, ponds and streams, and new uses of natural landscape to clean the air, restore ecological habitats, and produce locally sourced food. (p. 93)

Seven districts are identified, and each will be targeted for specific interventions and interconnected with a series of transportation corridors. The plan calls for significant investment in ‘blue infrastructure’ (i.e. waterways that collect and filter runoff) and ‘green infrastructure’ (i.e. parks and cordons near expressways that improve air quality). The plan goes so far as to claim that ‘Detroit has an abundance of available land resources that can be leveraged to create a new green and sustainable city unlike any other in the world’ (p. 97). Abandonment is recognised as the main threat to Detroit’s future, and the stabilisation of neighbourhoods is prioritised. Neighbourhoods are classified into one of three categories depending on their level of vacancy, and interventions are made accordingly. A series of neighbourhood and landscape typologies is envisioned, and land in neighbourhoods with the highest levels of vacancy is allowed ‘to return to a maintained version of its natural state’ (p. 111). Meanwhile, the plan calls for concentrating the city’s population into areas that already have relatively high densities. Thus, while the plan seeks to gear land-use towards economic growth it envisions a post-Fordist future and goes beyond simply putting land in the hands of developers.

The report shifts focus in the third and fourth sections – city systems and neighbourhoods, respectively – to quality of life issues. First, the section on city systems is premised on the necessity of realigning service delivery with the size of Detroit’s population, so that efforts to deliver services are targeted towards neighbourhoods with low levels of vacancy. The provision of services complements the land-use strategies by guiding residents from high vacancy neighbourhoods that need to be ‘re-patterned’ (p. 167), into more densely populated neighbourhoods...
which will be ‘a critical step in reducing the financial problems faced by service providers and end users’ (p. 157). Infrastructure in areas whose population is expected to ‘stabilize at a level above current capacity’ is earmarked for upgradation and maintenance. Meanwhile, in areas with high levels of vacancy:

where the land use plan designates a change of land use it will make little sense to invest in renewing the systems in these areas because … when the new land use is adopted, they will either be replaced in their entirety, repurposed and refashioned for a different function – or, in some cases, simply decommissioned. (p. 177)

Three key strategies are proposed to lower the cost of service provision. First, the plan calls for ‘strategic’ renewal of service systems, which is demand-driven ‘differentiated level of investment across the city’ that complements the land-use plan (p. 158). Second, landscapes are meant to function as infrastructure, by being ‘adapted to serve stormwater/wastewater, energy, roads/transportation, and waste infrastructure systems’ (p. 163). The report explains that landscape infrastructure can contribute to environmental sustainability and reduce exposure to environmental hazards. Finally, the plan notes that while roads must be well-maintained so that Detroit remains a freight corridor (a significant amount of freight between the US and Canada passes through Detroit), ‘residents urgently need more transportation choices beyond driving’ (p. 158). This is a major shift in tone for the so-called Motor City. The plan calls for ‘on-demand [bus] services that match capacity to demand, improving efficiency and allowing smaller fleets’ (p. 159). While it is unclear how the city’s already overstretched bus system could simultaneously be downsized and become more efficient, the plan also calls for the creation of a network for cyclists and intermodal transportation. The restructuring of Detroit’s transportation services could reinforce the land-use strategy and contribute to the densification of certain areas and the further isolation of others.

The ‘neighbourhood element’ of the plan envisions ‘distinct and regionally competitive neighborhoods’ that are ‘welcoming to all, including those moving in from neighboring cities, those who are originally from other countries, and those with limited means’ (pp. 203–205). To this end the plan calls for the creation of ‘a range of neighborhood choices’, including ‘well-known neighborhood types’ as well as ‘new neighborhood typologies’ (p. 208). First and foremost, these types differ in terms of the housing choices they offer (i.e. apartment blocks, mixed-use neighbourhoods, single-family homes). The revitalisation and development of each neighbourhood ‘type’ is addressed with a specific set of strategies. Importantly, the plan proposes an initiative to assist residents in low-density areas to relocate to high-density areas. Places that are significantly depopulated become ‘alternative use areas’ whose transformation:

hinges on the re-imagination and reuse of vacant land for productive uses or, where there is excess vacant land, returning it to an ecologically and environmentally sustainable state. Large contiguous areas should be assembled under public control for future disposition and productive reuse. (p. 261)

The plan acknowledges the need for improved safety and education in each of the types, and calls for decentralised decision-making at the neighbourhood level.

The final planning element is the management of public land and buildings. A range of public agencies own a significant amount of vacant properties in Detroit, and this section challenges ‘all public agencies – whether city, county, or state – … to change how they think about land, and make equally
fundamental changes to the way they acquire, manage’ (p. 267). While the ultimate goal is to augment the exchange value of these vacant properties and transform them into assets, this part of the plan is unique in the way it constructs property rights. It states that:

all land, whatever its legal ownership, is public in the sense that how it is used and maintained affects its neighbors and the community as a whole, and affects the city’s ability to preserve its neighborhoods and build its economy. (p. 268)

This section of the plan emphasises the need to embrace a holistic notion of urban transformation that would seem to reject entrepreneurial development such as the constructions of new sports stadia. More than any of the preceding sections, this section departs from growth machine politics, and states that ‘the reality is that, outside certain key locations, continuing demographic and economic trends mean that little new development will take place in Detroit for many years’ (p. 271). In response to this reality the plan advocates a comprehensive land-use policy with ‘greater emphasis on holding rather than selling public land, and on making it more costly for private entities – often speculators – to hold onto vacant parcels instead of using them productively or relinquishing them’ (p. 271).

The most significant feature of the Detroit Future City is the realisation that the city must genuinely reinvent itself. The long-term plan to transform Detroit has multiple phases. The first phase lasts until 2020, and is simply geared towards stabilising the economy and population. It states that:

residents and stakeholders of Detroit will believe new future is possible if they begin to see an elevated level of reliable and quality services to meet their basic needs, as well as stabilisation of physical conditions through more efficient operational reforms, strategic investments, and stabilization or modest improvement in the economic conditions of the city. (p. 31)

In the second phase from 2020 to 2030 ‘Detroit is beginning to see the results of preparing residents and business (existing and new) for economic growth opportunities’, and it is not until 2050 that ‘Detroit regains its position as one of the most competitive cities in the nation’ (Detroit Free Press, 2013a). Thus, while the ultimate aim of the plan is to foster economic growth, its postponement until 2050 is evidence of the schism between locally-based actors with an interest in Detroit’s long-term future, and extra-local investors seeking short-term profits.

The Detroit Works Project has sought to elicit participation among city residents, and these efforts supposedly influenced the Detroit Future City plan. Its website claims that the plan was ‘grounded in robust community engagement that included hundreds of meetings and 30,000 conversations. People were connected with over 163,000 times, and we received more than 70,000 surveyed responses and comments from participants’ (Detroit Future City, 2012). Furthermore, the DWP claims to have worked with existing community based organisations. Nevertheless, the transparent nature of the DWP has been criticised by residents convinced that officials seek to evict them from their homes and ‘shrink’ the city (Dolan, 2011). This is partly due to the structure of the DWP, which was separated by Mayor Bing in 2011 into ‘short term actions’, which are managed by city officials, and ‘long term planning’, which is undertaken by a steering committee comprised of 12 mayoral appointees (City of Detroit, 2014). This organisational structure could foster a division of labour in which elected officials simply manage day-to-day affairs, while
long-term planning will be the province of appointed officials who are largely unaccountable to city residents. Thus, spectre of urban entrepreneurialism looms large as the steering committee could simply change course and return to growth-oriented policies without warning. Indeed, urban entrepreneurialism has its proponents in Detroit. Michigan Governor Rick Snyder recently proposed a plan to issue 50,000 visas for skilled immigrants willing to live and work in Detroit (James, 2014), and Mayor Duggan expressed his support for the plan to President Obama (AlHajal, 2014). In many ways this plan seems representative of Richard Florida’s (2002) roundly criticised version of urban entrepreneurialism centred on attracting the so-called ‘creative class’ (see Peck, 2005). Meanwhile, one of the DWP’s former consultants opines that Detroit’s low-income residents, who she refers to as ‘cultural designers’, represent financial opportunity: ‘the untapped skills and ingenuity of low-income residents can be harnessed via entrepreneurial ventures that take advantage of new crowd-funding networks’ (Griffin, 2012).

Detroit’s bankruptcy infused urban politics with considerable contingency, because it: (a) disrupted the city’s interscalar growth coalition; and (b) forced local officials and elites to abandon growth-oriented policies in the short-term. This has allowed for a thorough re-envisioning of the city’s future. The steering committee that will advance the long-term plans outlined in the Detroit Future City report assumed leadership in January 2014. A number of pilot projects have been launched and it is important to note that they represent the full range of ‘planning elements’ (see: http://detroitfuturecity.com/projects/). Thus, it is clear that the plan cannot be summarily dismissed as rhetoric, and if the quality of life for Detroit residents improves in the short- and medium-term then bankruptcy may seem attractive to other municipalities in financial distress.

In summary, the Detroit Works Project has served to fuse public, private, philanthropic and community-based actors into a degrowth coalition. Given the reality that Detroit is likely to experience further degrowth, the Detroit Future City report postpones robust economic growth until 2050. While the plan focuses on neighbourhood stabilisation, community development and the construction of landscape infrastructure, local elites’ commitment to these goals remains unclear. Indeed, their commitment could be severely tested in coming years if the Detroit Future City plan enjoys initial success and willing investors step forward to build more sports stadia and big-box retail outlets. In other words, long-term degrowth-oriented urban transformation could be jeopardised if the plan is perceived as successful in the short-term and a return to growth machine politics becomes a viable option. Furthermore, while the city’s economy will likely continue to shrink, that does not preclude well-positioned elites from profiting from the city’s transformation. Thus, while a degrowth coalition has certainly emerged to manage Detroit’s decline, the question that emerges is: degrowth for whom? A cynical observer may ask whether degrowth machine politics is ultimately meant to secure economic gains for local elites? In the following section I examine the extent to which degrowth machine politics in Detroit offers the city a truly progressive future.

### Conclusion: Developing alternatives in times of crisis

In this article I have challenged the notion that financial crises inherently engender neoliberal urban governance. In the case of Detroit, the city’s declaration of bankruptcy was a manifestation of intra-elite conflict that could not be contained within its growth
cooperation. While the primary concern of Detroit’s creditors is to recoup their investment, actors at the city and state levels are focused – at least in the short-term – on stabilising the economy and population, and ultimately transforming the city. Importantly, there is a consensus that the extent of the decline of Detroit’s manufacturing base, population decline and widespread abandonment preclude out-of-the-box neoliberal solutions. Thus, the emergence of Detroit’s degrowth coalition represents a failure of urban entrepreneurialism, a main tenet of which is that the public assumes the risk and absorbs the fallout in the event of crisis. Detroit’s bankruptcy inverted the relationship between public and private institutions, as bondholders are forced to accept a fraction of their investment.

The *Detroit Future City* plan retains some elements of urban entrepreneurialism, but it represents an important evolution in three important ways. First, there is a realisation that any economic growth on Detroit’s horizon will not be a result of the rejuvenation of the city’s Fordist manufacturing base. Thus, there is a need to carefully think through policies aimed at engendering growth, rather than succumb to knee-jerk reactions from the neoliberal playbook. Second, there is an emphasis on community development and quality of life issues. The proposal envisions comprehensive urban transformation aimed at making the city more liveable. While urban transformation and place-(re)making is inherently contentious and any proposal is bound to have detractors, it is significant that there is a consensus that economic growth alone will not reverse Detroit’s decline. Thus, it is entirely feasible that a strong local state could implement a series of development projects that improve Detroit residents’ quality of life rather than benefit capital. The development of landscape infrastructure, for example, would reduce resource use but also fundamentally change the ways in which resources are managed and services delivered. Landscape infrastructure is embraced as an alternative to a technological fix precisely because of Detroit’s unique circumstances; its aging infrastructure requires upgradation, but budgetary constraints prohibit capital investment. Thus, in many respects the development of landscape infrastructure is an example of managing forced degrowth. Finally, perhaps the most important aspect of the *Detroit Future City* is that it represents a willingness to experiment, rather than try to ‘neoliberalise’ the city out of crisis. This is an implicit rejection of the single-minded pursuit of economic growth at the expense of marginalised urban residents that is the cornerstone of what Jamie Peck (2012) calls ‘austerity urbanism’.

Detroit may implement further budget cuts, but it is important to recognise the very real budgetary constraints that it faces. Interpreting any and all budget cuts as a roll out of neoliberalism renders the concept rather meaningless and threatens to obscure efforts to develop alternative models of governance that may emerge from crises. Indeed, recent research in Detroit shows that in the absence of investment in infrastructure, some residents counter abandonment by taking matters into their own hands and destroying abandoned properties in order to prevent them from being used for drug dealing and prostitution (Kinder, 2014). The strengthening of communal bonds in times of crisis is not limited to Detroit. Rebeca Solnit (2009) has convincingly argued that crises are apt to foster emancipatory communities of practice because ‘in the suspension of the usual order and the failure of most systems, we are free to live and act another way’. Thus, crises do not automatically lead to an intensification of market-oriented governance, but rather, they can foster contingency and in some cases lead to emancipatory urban politics.
The recognition that crises can lead to progressive alternatives to neoliberalism has relevance beyond Detroit, as cities around the world that are deeply embedded in global production networks can suddenly find themselves bypassed. For example, cities in the Zambian Copperbelt whose residents enjoyed a living standard on par with Southern Europe in the 1970s have witnessed a dramatic reversal in fortune (Ferguson, 1999). In China the shift from a planned economy to more market-oriented policies has left many cities struggling to deal with increased inequality (Wu, 2004). This is particularly the case in cities that were centres of state-owned industries which have been unable to compete against cities that have attracted unprecedented amounts of foreign investment (Kwan Lee, 2007). Stephen Collier (2011) explains that after the collapse of the USSR, municipal authorities in some Russian cities spent a significant amount of time maintaining infrastructure and simply keeping the heat on. Post-Soviet reforms included cost recovery measures – meaning consumers were meant to pay for services such as heat – but successive shocks to the Russian economy meant that many end-users could not afford to pay heating bills. Municipalities were in a ‘fiscal vice’ (Collier, 2011: 231) but nevertheless managed to subsidise heat to residents hopelessly in arrears. Significantly, many of these municipal authorities were committed to market reforms but the severity of winter meant that they had little choice but to maintain Soviet-era policies and provide residents with heat. Thus, municipal governance in many cities is geared towards managing crisis, and even if municipal governments are ideologically committed to urban entrepreneurialism circumstances may force them to practise degrowth machine politics.

The above examples demonstrate that the cities struggling to manage degrowth span the North/South divide. While scholars have embraced the concept of resilience to examine the former, the latter are often interpreted through a lens of (under)development (Robinson, 2002). Thus, in addition to demonstrating that urban politics in times of crisis deserves more – and more nuanced – scholarly attention, the emergence of degrowth machine politics in Detroit may provide the basis for comparative research on cities in crisis.

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Notes

2. The Red Wings are a professional ice hockey team.

References


