Dealing with Declining Cities: Experience from the U.S.

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**Introduction**

In many nations around the world, cities are “shrinking” (Oswalt 2005) or losing population and building stock. While there are many reasons for such ‘urban shrinkage’, including natural disasters, warfare, and environmental change (Vale and Campanella 2005), by far the most prevalent cause of such losses is deindustrialization, or the shift from a manufacturing-based economy focusing on production to a service-based economy focusing on service provision. Such transitions began in the United States and United Kingdom as early as the 1960s (Bennett and Bluestone 1982). Deindustrialization’s dominant role can be seen in the geographical patterns of shrinkage (Oswalt and Reinerts 2006): the highest numbers of shrinking cities are found in formerly industrial areas of North America and Europe, particularly the American ‘rust belt’ of the upper Midwest and the industrial belts of the United Kingdom and Germany (Figures 1 and 2).

Such economic shifts, while dominant, cannot be dissociated from social, political, technological, or other forces. In the United States, scholars have argued that racism and ‘white flight’ also played a role in urban population losses (e.g. Sugrue 1996, Gamm 1999), while in Eastern Europe and the former Soviet Union, substantial sociopolitical changes, including the reunification of Germany, the shifting of populations between former Soviet states, and smaller family sizes, operated in tandem with deindustrialization to drive population losses and housing abandonment in certain cities (e.g. Shrinking Cities Project 2004). Elsewhere, as in the United Kingdom, urban population losses may have been driven more by technological change that permitted suburbanization and decentralization of the city (e.g. Peach 2000).

In tandem with the dominant deindustrialization model of urban shrinkage, scholars of political economy and planning have argued for a more or less unified model of political and policy response to urban problems and revitalization in the developed world. Central to this literature is the work of political scientist Susan Fainstein. In a series of works (1983, 1991, 2001) Fainstein and her colleagues argued that a neoliberal politico-economic structure called the “urban regime” drove redevelopment decisionmaking after the state-driven planning model declined in the 1970s and 1980s. This theory, first put forward in the 1980s, has maintained such traction that Altshuler and Luberoff could account for no other in their study of

**The American Shrinking City Experience: Typical, yet atypical**

Evidence from American shrinking cities partially reinforces Fainstein’s urban regime theory. In the two largest such cities of Detroit and Philadelphia, political regimes operating in partnerships with developers or corporations motivated and often partially financed redevelopments from the 1970s onward (Thomas 1997, Ryan 2012), driving large-scale development like reconstructed automobile factories (Thomas 1997, 161-66), new professional baseball and football stadiums, convention centers (Ryan 2012 128-32), and casinos (Ryan 2013). The redevelopment policies, and politics, of these shrinking-city urban regimes were analogous to the 1980s and ‘90s redevelopment politics of New York and London examined by Fainstein (2001). In both growing and shrinking American cities, the state retreated after the 1970s to permit an enlarged role of private-sector decisionmaking. Expanding beyond the Anglo-American sphere, other scholars (e.g. Sassen 2001) have argued for a parallel ‘diminution of the state’ across the world as a result of globalization and the expanded role of capital.

At the same time, evidence from American shrinking cities also indicates a determinative role of the built environment in shaping urban policy, due to the abundance of abandoned structures and vacant lots that these cities possess. Abandonment drives shrinking-city policymakers to confront the built environment through a range of actions including large-scale demolition, vacant land management and disposition, and redevelopment of new neighborhoods in vacant or semivacant areas. In Detroit, for example, the city’s relatively low-density fabric of wooden and brick detached houses permitted policymakers’ and developers’ transformation of disinvested neighborhoods into automobile-dependent enclaves modeled after the suburbs during the 1990s and early 2000s (Ryan 2012, 95-108)(Figure 3). In Detroit, this redevelopment model was heavily subsidy-dependent and was abandoned after the 2007-08 recession that led to a crash in housing values and fiscal crises for the private developers constructing the new enclaves (Ryan 2012, 113-120). While Philadelphia, like Detroit, pursued traditional downtown redevelopment policies in the post-1970s period, the city also undertook novel policy-driven rebuilding initiatives in its most deprived area, North Philadelphia, constructing several subsidized neighborhoods of housing whose architecture mediated between the city’s rowhouse context and the low-density suburban environment preferred by low-income homeowners (Ryan 2012, 76-79)(Figure 4). The results were not visually compelling but did set a precedent for policy-driven redevelopment- accompanied, of course, by necessary fiscal
contributions from the Federal level. Such contributions grew increasingly scarce in the post-2008 climate of recession and government cutbacks (Scoggin 2011).

Post-Recession Strategies for Shrinkage: the experience of Flint

Flint, Michigan (2012 population about 100,000 [Longley 2012]) provides an illustrative case of how midsize rustbelt American cities are confronting persistent deindustrialization, economic decline, and housing loss in the severely straitened post-2008 economy. Well-known as the founding city of General Motors (GM), Flint enjoyed great prosperity until the 1970s. The oil shock of 1973 marked the period of a decades-long structuring and shrinkage for the company, culminating in the company's 2008 bankruptcy and buyout by the Federal government. Two GM plant closures particularly impacted Flint neighborhoods. In 1990 GM began closing buildings at its “Chevy in the Hole” complex due west of downtown (see Figure 2). Most structures in the complex were demolished in the late 1990s, and in 2004 the last employees were moved off the site (Longley 2011a). Even worse, a publically controlled development corporation took ownership of the site in 2008 in a misguided economic development effort. With environmental cleanup costs, responsibility, and development potential uncertain, the corporation transferred the negative-worth site to the city in 2011. Reuse of this highly visible and now publicly-owned site is a major policy priority for the city (Longley 2011b)(Figure 5).

Equally dramatic was the closure of “Buick City”, a major manufacturing plant on the city's near North Side that manufactured the Iconic Buick automobile for over 80 years (Highsmith 2009a, 626-27). GM renovated the facility in the mid-1980s (Highsmith 2009a, 626), but the plant closed nevertheless due to chronic structural problems at GM. Buick's departure left its founding site behind, but in this case the city avoided assuming ownership of the site: after GM declared bankruptcy in 2008, the nonprofit RACER trust assumed ownership, remediation, and marketing responsibilities for the site (Fonger 2011a, RACER 2012). But marketing the site was a challenge: even a GM-sponsored industrial park adjacent to the site, created in the 1970s for suppliers to locate near Buick City (Highsmith 2009b), remained mostly vacant. As of May 2013 some redevelopment interest existed for portions of the site (Walling 2013, pers. comm.)

In the early 2010s, Flint had an additional reason to be uncertain about its future. Apart from a record high unemployment level, the city was confronting not only near bankruptcy but an ongoing wave of housing abandonment. The 2010 national census indicated that Flint had about 10,000 vacant housing units (Harris 2012). In a city with only 55,000 housing units in 2000 (Dewar 2009, 26), this was a recipe for crisis. But Flint was extremely fortunate to have a public policy initiative in the form of a regional land bank, the Genesee County Land Bank, that was broadly perceived as being a nationwide leader in the challenge of confronting vacant
property (Government Innovators Network 2007, Dewar 2009). The chief innovation of the land bank was in preventing the routine practice where speculators would purchase foreclosed properties, profit on their resale, before the new owners proceeded to let their properties go into foreclosure again. Instead, the land bank ‘bundled’ properties to make them unattractive to speculators, and then transferred unsold properties to the Land Bank (Dewar 2009, 11-12). The strategy was successful; by 2012 the Land bank owned more than 8,000 parcels in Genesee County (Fonger 2012), of which approximately 5,500 were in Flint (City of Flint 2012)(Figure 6). Approximately 2,300 of these Flint parcels contained buildings, which were usually abandoned.

The existence of the nonprofit Genesee County Land Bank, an institution that was still a dream for most American shrinking cities, did not resolve Flint’s struggle with its abandoned housing stock. Market values remained so low in Flint that the vacant land bank properties were worth little or nothing. Speculation and profiteering was defeated, but the lots were not necessarily repurposed; instead they became a public responsibility and expense. And as the number of vacant Flint lots under Land Bank ownership proliferated, the original Land Bank strategy to have county funds and land bank sales finance the maintenance of low-value lots in Flint began to backfire. In 2011 budget problems bedeviled the Land Bank (Fonger 2011b), and a mix of Federal and County funds were required in 2012 to “keep up with grass and weed cutting”, as the Land Bank director put it (Fonger 2012). What had seemed like a clever policy idea to devolve costs away from Flint and transfer them to the county faced increasing difficulties in the face of county, state, and Federal budget crises.

Apart from high-cost policy initiatives like the Land Bank, Flint was also entrepreneurial in engaging cultural talent and actors to activate highly visible vacant spaces downtown and at the former Chevrolet plant site. The Flint Public Art Project, a new cultural organization founded in 2011, undertook a series of activities in the city ranging from nighttime events to conferences to design competitions to public festivals (Flint Public Art Project 2013). Each of these events engaged cultural actors, artists, and scholars from outside Flint who created ephemeral works of art and raised citizens’ awareness of the possibilities that existed for the city’s vacant sites (Figure 7). What the Public Art Project could not achieve, of course, was the permanent improvement of the sites, nor the ability to address Flint’s persistent vacancy problems at any degree of scale. A new master plan, underway as of the time of writing, promised to address some of these issues.

**Confronting the American shrinking city: a summary**

American cities are peculiarly disadvantaged in their planning efforts by a variety of factors, fiscal independence, persistence class and race barriers, and social skepticism toward
government being perhaps chief among them. All of these factors are exaggerated, even chronic, in shrinking cities. To wit: both Detroit and Flint are in fiscal receivership due to structural budget problems; Detroit is both racially isolated and economically disadvantaged; and neither regional planning nor public condemnation of land have much traction in Michigan due to voter skepticism. Due to America’s decentralized state government these factors vary somewhat from state to state, but the fundamentals unfortunately remain the same. Any planner, policymaker, or urban designer intending to confront the problem of the shrinking city in America must acknowledge the peculiar structural circumstances that have caused these cities’ current conditions before formulating any actions that might alleviate, never mind reverse these circumstances. As I have previously argued (Ryan 2012, 183-185), there are some reasons for optimism; electoral cycles persistently elect optimistic and capable leaders such as the current leadership of Flint; policy decentralization permits and even encourages innovation at the local level; and the relative disinvestment of capital leaves space for cultural and informal actors (Ryan and Campo 2013).

The situation of the American shrinking city is thus dramatically different than cities in, say, Germany. Many informed observers would also agree that the American urban condition is worse. In Germany, very substantial federal funding (the Stadtumbau program), social tolerance of government action, and a tradition of cultural institutions such as the IBA have led to a plethora of rich ideas and implemented actions (e.g. Oswalt and Mittmann 2010). Neither this funding, nor this level of government action, is likely to ever occur in the United States. On the other hand, countries like Russia present even greater policy difficulties and challenges for planners. Russia’s tremendous scale, the spatial isolation and climactic extremes of many of its cities, and an erratic quality and capacity of government place America’s urban problems in perspective. The differences between the condition of shrinking cities in the U.S., Germany, and Russia remind policymakers that the global problems of deindustrialization and demographic change assume different forms in every country according to the local forces of history, politics, and social structure. Research can identify meaningful commonalities and differences, and frame policy resolutions within these particular national contexts.
References


City of Flint, Michigan. GIS parcel and ownership data, 2012.


Harris, David (2012) “Arson’s on the rise again in Flint: neighbors of abandoned homes fear those homes could be next.” *Flint Journal*, April 1.


Figure 1. Shrinking cities are a worldwide phenomenon, particularly in the older industrial nations. 
Source: Oswalt and Reinert 2006.
Figure 2. In the United States, shrinking cities are concentrated in the 'Rust Belt' of the northeast and Midwest. Detroit and Flint are located in the north center of the country. Source: Oswalt and Rienerts 2006.
Figure 3. In the 1990s and 2000s Detroit neighborhood redevelopment policy focused on capturing middle-class buyers with emulations of suburban housing, such as Victoria Park (shown). Photograph: Author, May 2013.
Figure 4. Philadelphia’s redevelopment policy paralleled Detroit’s, except that much housing was publicly subsidized, intended for low-income homebuyers, and partially imitative of neighborhood context. Shown here are the Poplar Nehemiah Homes. Photograph: Ellie Brown, December 2010.
Figure 5. Flint, Michigan’s “Chevy in the Hole” site, formerly a Chevrolet automobile plant, exemplifies the challenges of redeveloping a publicly owned brownfield in a fiscally straitened city. Photograph: Author, November 2012.
Figure 6. The Genesee County Land Bank owned over 5,500 parcels of land in Flint, but it was a victim of its own policy success: by 2011, financing even basic maintenance of the properties was a problem. Map by author, map illustration by Laurel Donaldson.