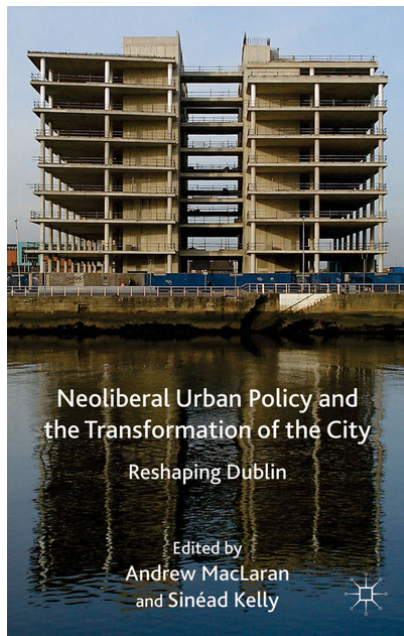


Review: Andrew MacLaran & Sinéad Kelly (Eds.), *Neoliberal Urban Policy and the Transformation of the City: Reshaping Dublin*

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Andrew MacLaran & Sinéad Kelly (Eds.), *Neoliberal Urban Policy and the Transformation of the City: Reshaping Dublin* 2014 Palgrave Macmillan £65.00

The Marxist geographer David Harvey describes neoliberalism as being essentially a policy of class warfare waged by the rich and those who own and control the means of production against the rest of us¹. As a result of 30 years of neoliberal policies that enabled mass wealth accumulation, massive volumes of capital scoured the planet seeking new profitable opportunities. The urban environment provided such an opportunity.

Neoliberal proponents have moulded and shaped national and regional institutions along lines that are increasingly facilitative to the holders of economic and political power in society. Neoliberal ideas centre on the centrality of the 'market', no-

tions of privatisation, deregulation of institutional practices and greater openness to investment flows in the belief that human well-being is best advanced by liberating individual entrepreneurial freedoms and skills within an insitutional framework characterised by strong private property rights, free markets and free trade.

MacLaran and Kelly's edited volume proposes to outline the manner in which the urban environment and the operations of urban planning have become dominated by neo-liberal ideologies from the 1980s to the present day, describing the way in which the various legislative and executive arms of the state collude to create the conditions for this, thus opening the city to the interests of capital and creating an 'entrepreneurial' style of planning, development and finance.

Urban planning functions and processes became facilitative to the investment interests of developers; a deregulated finance industry provided the capital for the investment and frameworks such as the Public Private Partnerships which emerged in the 1990s provided the vehicle through which these private interests were fused with the public realm to create 'markets' out of public infrastructure and services.

The result is a city developed in the interests of the elite, the holders of capital and their investment interests, rather than the real needs of the residents of the city.

¹Harvey, D. (2005) *A Brief History of Neoliberalism*. Oxford: Oxford University Press.

Development-led Planning

Planning legislation has been altered to the extent that it was unable to regulate development during the boom period. The 1963 Planning Act was grounded in postwar UK planning ideals which viewed planning as not only socially progressive but redistributive. But in Ireland, the development industry, aided by the legislative and executive powers of the state, chipped away at the act so as to recast the planning system in favour of elite interests rather than those of the general population, which became increasingly pro-development while marginalising democratic input from the general public.

Changes to zoning and consultation processes in the Planning & Development Act (2000) ensured that the investment goals of the developers and capitalist class were at the heart of planning and development, meeting their need to create opportunities for capital accumulation and profit. In this context, the landscape of the city changes as contemporary office complexes and gated communities displace the indigenous, mostly working class inner city population. They are increasingly replaced by middle 'creative' class types, attracted to a city that has become transformed into a glossy and hip urban environment. It is believed that by making the city an attractive place to live and work, this will attract inward investment and economic prosperity.

Global Finance and the Irish Property Crash

The crisis of diminishing housing affordability which emerged in Ireland during the late 1990s, also known as the 'property boom', was fuelled by the free reign developers had been given in the Irish landscape, in addition to a complex and inex-

tricably linked national and international web of enormous loans and excessive risk-taking.

The second part of this volume examines the extent to which a traditionally conservative Irish banking sector pursued an expansionary lending strategy to the commercial property sector. Lending expanded at an explosive pace, with speculative construction and property lending increasing on a massive scale, so that the credit bubble became the major factor driving development, and hence, price inflation. This resulted in inflated prices and oversupply of properties that were impossible to sell as development was led by opportunities for capital accumulation rather than real demand. This was the case in not just residential, but also in office and commercial properties.

As capital seeks new opportunities for accumulation and profit making, switching away from stock and equity markets and into the residential built environment and property in general, homeownership becomes increasingly intertwined with global finance. A crisis in global finance precipitates economic recession which reduces the affordability and sustainability of mortgage repayments due to a household's income loss or interruption. Negative changes in the household's fortunes are directly related to the crisis-related tendencies of global flows of capital and they face homelessness due to the foreclosures of their homes.

Mass Privatisation of Public Services and Infrastructure

In the later sections of the book the authors present an overview of how, from the late 1990s, Public Private Partnerships became the instrument of choice through which public-lands and services were co-opted for the interests of private capi-

tal. Public Private Partnerships became involved with market mechanisms in the realms of public services and infrastructure which had previously been planned, delivered and financed by the state. In this mix, communities are engaged in consultation which essentially is rendered meaningless as it is the private interests that prevail. In public housing, waste charges, toll roads and water treatment, the mantra that the 'private' market can deliver greater efficiencies at a lower cost than the state is rolled out to justify mass privatisation, which became necessary in fact to address an emerging public service and infrastructure deficit which had resulted from historic underinvestment and rapid economic and population growth. But the myth of efficiency and value for money is offset by a 'race to the bottom' as we witness a deterioration in public services such as waste management, increasing costs for users and an erosion of pay and working conditions for workers. The myth of 'savings' is offset by the cost of transferring services and assets from the public to the private.

Challenging the 'Bad Idea'

This volume provides the critical insight and evidence required to understand how changes in urban planning, national and global finance together with the political promotion of a particular ideology have shaped the development of Dublin city. Andrew MacLaran, Sinéad Kelly and others set the context, describing the rise of what they describe as a 'bad idea' over the past thirty years and its growing influence on planning policies and practices in Dublin. Building on this Brendan Williams, Daithi Downey and Declan Redmond elaborate the impact of deregulation in the financial services sector on the property and mortgage industry in Ireland while a number of authors, in-

cluding Rory Hearne, Paula Brudell and Michael Punch describe the role Public Private Partnerships have played in urban regeneration policy and community engagement.

Collectively, the contributions outline the mechanisms that were used to justify the displacement of inner city communities, large scale development, diminishing democratic input from the public and the privatisation of key public services traditionally provided by the city council. Such is the degree of analysis and detail provided that it provides us with a defacto checklist with which we could 'undo' the neoliberalisation of the city.

From the perspective of marxist political economy, it is no surprise to discover that the prevailing power structures used the urban environment to consolidate the class power of the wealthy. It serves to demonstrate the need to have revolutionary socialists elected to city councils so as to challenge the extent to which neoliberal ideas and practices are allowed to continue to encroach upon the development of the city in the interests of the capitalist elite. Here the interests of global multinationals, financial investors, stock markets, the accumulation of wealth of private investors and banks has clashed with the interests of the majority, particularly lower income populations and the marginalised. Thus far, the interests of the former have won out. It is to the revolutionary socialists sitting on town and city councils to create a critical voice. A live issue is the tendering for expressions of interest for the development of housing on four city council owned sites. A lack of criteria in relation to the process, the stifling of debate and the limitations that exist in relation to decision making for public representatives is a concern and leaves the potential for private profit making interests to win out wide open.

The struggle that has erupted in the face of the threatened sale and privatisation of water services infrastructure in Ireland is a positive sign that these policies

can be exposed and reversed. Neoliberalism is not inevitable. Alternatives are possible.