

# The Metropolis and Globalization

## The Dialectics of Racial Discrimination, Deregulation, and Urban Form

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*Global economic changes affect the shape of cities. But in this article, the author sees the reverse effect: The shape of the city influences the global economy. This article argues that the peculiar spatial form of the U.S. metropolis, by pulling on a six-link chain of social forces, drags down the global economy. In an ironic twist, this puts European cities in trouble. In brief, racial segregation degrades U.S. politics, leading to acceptance of market dominance, even with the resulting inequalities among whites. The market model is exported by U.S. global power and by ideological pressures. The resultant pressures reduce municipal budgets and stimulate migration, causing European cities to suffer the spatial dilemmas of the United States.*

**The European city** is threatened today by changes. These changes result in part from a peculiarity of the American city and its spatial form. This article is about that spatial form, how it spreads a pernicious influence through social and economic connections, and how those connections work internationally. This article focuses on America, but it ultimately traces a (global) connection to Europe.

European cities are the envy of the world. They enjoy prosperity and harmony, especially in contrast to cities elsewhere that are so often stressed either by poverty or by ethnic conflict. This urban well-being is in good part a consequence of the ebb and flow of the global economy. Europe for decades has stood in a privileged position, influential throughout the world in economics and politics, and its city centers have profited from the wealth of hinterlands near and far. The shape of these cities is distinctive and congenial, and their governance is reasonably competent and compassionate. They have exercised abilities to incorporate new residents and accommodate change, providing transportation, housing, and safety even for many who would be marginal elsewhere.<sup>1</sup>

Today, however, urban prosperity and harmony in Europe are threatened. They are threatened by shifts in the global economy—as others in this volume demonstrate in detail. But the character of European cities is also now threatened

by a particular influence originating in a very strange way, as a consequence of the peculiar geographic pattern of the American city.

Usually, as others in this volume show, we expect global economic forces to show their influence on the city, not the other way around. That is, we expect the push and pull of market competition and corporate power, ever more sensitive to overseas causes, to bring about industrial change, generate the economics of land use, arrange and rearrange residential neighborhoods, and affect the way people are housed, transported, and served. Indeed, in an earlier study, Edward Blakely and I found the global economy to constitute one of the roots of the American urban dilemma, producing in American cities a pair of *Separate Societies*, as our book on the subject is titled.

In contrast, the reasoning below turns the usual argument on its head. We will see that the pattern of urban form itself brings about social and economic change. More particularly, the peculiar physical patterning of the American city causes (in part) many of the problems the European city is just beginning to experience. Because this is an unusual argument, I offer an outline in this introduction, elaborating and providing evidence in the sections to follow.

In the postwar period until quite recently, it is especially notable that the European city has avoided the racial-caste character of American cities. It has also avoided their poverty and squalor. But now, as we near the end of the 20th century, the vibrant centers, good transit, adequate housing, and munificent social services of Europe's cities are threatened not only by cutbacks but in some cities also by a new urban geography. As governments and employers cut benefits and protections, workers turn against darker-skinned immigrants. Class struggle tends to take on the persona of race struggle, allowing governments to ignore further the demands of workers and residents. I contend that these threats in Europe result in good part from a very particular set of American influences—not as direct copies but through hidden influences. To understand these influences, we must focus attention on the American city and American politics and economics, the main subjects of this article. There are six parts to the argument.

First, racial segregation is an essential feature and a leading cause of the bizarre spatial form the American metropolis has taken in this century, especially since World War II. Second, the social separation resulting from this spatial pattern has powerfully and detrimentally affected U.S. politics not just at the municipal level but also nationally. Third, and partly because of these political effects, American leaders and the public have accepted deep social inequalities as though they were God given, and they have embraced an exaggerated belief in the efficacy and fairness of the market. Fourth, because of the dominant position of the United States in international economics and politics, this market model has been exported worldwide. Fifth, the broad force of this market model itself has combined with ideological pressure from advertising and the media and practical pressure from American corporations to put U.S.-like pressure on cities elsewhere. Finally, with the sixth part, we turn fully around the vicious circle: For various related reasons having to do with the enlargement of the world economy and increased international migration, we find that neigh-

neighborhood conflict and class struggle in big cities throughout Europe take on more and more the features of race and ethnic struggle, as has long been the case in the United States.

This chain of reasoning is intrinsically interesting. It suggests fascinating topics for research, challenging ideas, and peculiar historical twists, as well as troublesome questions for theory. But it is equally important that these issues will have practical consequences.

The United States has occupied the dominant position in the world economy over the past 50 years. Racial inequality and discrimination have exerted unique and powerful effects on American politics and economics. One expects a priori to find some linkage between racial politics and global economics. Urban residential segregation lies at the core of racial politics in the United States, so segregation also is part of the story. This is where the argument begins.

## BACKGROUND

Students of urban affairs frequently remind us that international trade, exchange rates, flows of funds, and patterns of innovation affect spatial form. In particular, they explain how the dramatic changes in international economic and industrial structure that have transformed commerce and politics in so much of the world in recent decades have also transformed the physical pattern of cities. There are many questions about the extent, the form, and especially the time lag for these transformations, but it is indisputable that there are such effects. What I want to argue in this article, however, is that there are also important effects in the other direction. That is, peculiarities of urban spatial form can influence the contours of the global economy. In particular, I want to show how patterns of residential racial segregation in U.S. cities have had pernicious effects on cities outside the United States. These postwar urban geographies in the United States have not simply reflected but have actually contributed to the troublesome "globalization" of the 1980s and 1990s.

Now some might agree immediately but reluctantly by saying, "Well, of course, in social reality all causes and effects are mutual, and influences run in both (or all) directions. By such bidirectional or multidirectional logic," they might add, "we would expect that the social and economic worlds (of globalization) and the physical worlds (of city geography) would be mutually influential." Nevertheless, they would warn that the effects in the second direction, from city spatial form to international economy, would necessarily be minimal, even trivial, like a butterfly's flight affecting the wind. I agree that there is good reason for caution. After all, most urban theorists and researchers are nervous in general about assigning much weight to the social or economic power of the physical form, and properly so. It was not so long ago that hard-thinking planners and urban scholars found it necessary to reject the popular but simple-minded social physics that suggested we could eradicate urban poverty by tearing down old buildings or destroying old neighborhoods. Nevertheless, however true it may

be that slum neighborhoods do not cause poverty, it does not necessarily follow that pervasive distortions in residential patterns have no important social, economic, and political consequences.

Indeed, my argument may be open to even broader challenge because it is potentially more inclusive than the old error-laden theory from social physics. I am taking an even more extensive view of physical form, looking not simply at the social, economic, and political effects of a particular building or project or neighborhood but also at the effect of the overall pattern of spatial segregation in cities and metropolitan areas. My argument also has a much longer reach, for I claim not just local, or even national, but also international effects. These are very strong claims, and it will be difficult to subject them to strong statistical testing, but they are well rooted in historical facts.

### APARTHEID IN AMERICA

Racial exclusion and residential segregation are essential, perhaps the essential qualities of the U.S. metropolis in the last half of the 20th century. The standard—one almost must say approved—condition for African Americans in U.S. cities is to live in neighborhoods that are racially homogeneous. Numerous surveys have demonstrated that black people do not wish to be segregated any more than do people belonging to any other group; statistics show that income differences explain very little of black segregation. In fact, African Americans are kept to restricted ghettos simply because white people, via numerous mechanisms of prejudice and privilege, do not allow blacks to live in white neighborhoods. This is a difficult pill to swallow for many liberal white Americans, but all evidence points to the primacy of overwhelming and effective racial discrimination in the development of cities and suburbs in the United States.

The first important thing to remember here—because it is so often forgotten when related subjects are brought forth—is that with the exception of a very small proportion of the black population who live in integrated neighborhoods, to live in highly segregated conditions is simply a fact of life. Nothing else is expected. For many Americans, nothing else can be imagined. The second thing to keep in mind is this: No other group in U.S. history has been similarly segregated except American Indians, who have been segregated formally, by law, on reservations. Various white ethnic and immigrant groups have bunched together in neighborhoods, sometimes unwillingly and under oppressive circumstances, but their degrees of separation from others were relatively minor. Even Asians and Hispanic populations, who today are vigorously segregated, are by all measures segregated much less than African Americans. Waters (1990) deconstructs the popular argument that ethnic Americans had it as bad as African Americans. She shows how such claims are based on false histories invented by ethnics as racist defenses against affirmative action.

## SEGREGATION, POLITICS, AND THE STATE

The racially segregated nature of the city in the United States has poisoned American politics. Extensive and intense isolation of one group from another can distort, damage, and ultimately poison any chance for coalition and cooperation. As Wahneema Lubiano (1997) says in her introduction to *The House That Race Built*,

The idea of race and the operation of racism are . . . the means by which a state and a political economy largely inimical to most of the U.S. citizenry achieve the consent of the governed. They act as a distorting prism that allows that citizenry to imagine itself functioning as a moral and just people while ignoring the widespread devastation directed at black Americans particularly, but at a much larger number of people generally. (p. vii)

More specifically, as Susan J. Smith (1993) writes of Britain, “the process of residential differentiation and, crucially, the imagery of ‘racial segregation,’ have played key roles in the social reproduction of race categories and in sustaining material inequalities between ‘black’ and ‘white’ ” (p. 128).

In *The Uses of Disorder: Personal Identity and City Life*, Richard Sennett (1970) argued from the perspective of social psychology to show how isolation of people in separate neighborhoods and suburbs can lead not just to lack of sympathy but to misinformation and misunderstanding. When groups learn about one another only by means of distant, indirect, vicarious experience—through what they read and hear or, much worse, through what they see on television—they have shallow understanding, based only on superficialities. Living in separate neighborhoods, they are unable to learn to develop, to be tolerant, to work things through, to compromise. As Manuel Castells (1994) says, “The exclusion of the other is not separable from the suppression of civil liberties and a mobilization against alien cultures” (p. 22).

Current radical segregation causes white suburban residents to be not just ignorant of but actually afraid of the city. They see it quite literally as a case of the “other,” the alien, the hostile, and the dangerous. In the social climate of the 1990s and in the midst of the growing number of gated communities, it is worth recalling that suburbanites’ antipathy toward city people and their neighborhoods long predates the drug violence that today suffocates so many people with fear, inner-city residents included.

Today, influential politicians and business leaders are almost exclusively drawn from among the suburban population. Sennett (1970) refers to what he calls a permanent state of adolescence among these white suburbanites. He can be taken to mean that the leaders of America have never quite grown up—that their discomfort or inability to experience diversity, work through conflict, and arrange for compromise doom them, and their adversaries, to a permanent underdevelopment. Without much stretch in logic, we can see that these short-

comings might doom the rest of us to unrepresentative government. This may not be a bad explanation for the current state of national affairs, for such "conservative" absurdities as large and growing budgets for prisons but parsimony for public schools.

Research on municipal and metropolitan governmental affairs demonstrates in detail how segregation has poisoned politics, and numerous studies document the rarity in U.S. cities of cooperation across racial lines. Coalitions between blacks and whites are not simply rare, but they depend (Sohenshein, 1993) on convergent political ideologies and willing leadership (particularly among whites) rather than simply on shared material interests. "Racial attitudes structure political choices. A racial conservative is highly unlikely to join a biracial coalition, especially if one of the coalition's explicit goals is African-American political incorporation. Shifting interests are unlikely to shake that basic view of the world" (Sohenshein, 1993, p. 56).

Most white Americans are highly conservative when it comes to racial matters. They have grown up in separated isolation and developed their attitudes and behaviors toward African Americans in the absence of rich and productive interactions. They are nurtured on simplified myths of difference, danger, and hostility.

Damaging prejudices exist across European borders as well. One does not expect instant sympathy among the English regarding some problem afflicting Germans or French or Italians, or vice versa, for each group lives in separate territories, grows up with separate cultures, and learns myths about the strange habits of foreigners. They develop knee-jerk animosities that are little based on fact and greatly influenced by prejudice. These are conservative prejudices, not easily amenable to change, not leaning toward tolerance. The difference in Europe is that these prejudices, damaging as they may be, are bounded by lines of national sovereignty, so they have had little immediate effect on the progress of national social legislation.

To explain the special and unusual cases in which American cross-race politics has worked even to a limited extent, we must turn to situations in which blacks and whites live nearby one another. In Los Angeles in the 1960s, according to Sohenshein (1993), African Americans with relatively high incomes and extensive schooling lived in the predominantly white Tenth District, from which Tom Bradley, later to become the city's (black) mayor, was elected to the city council. In the Tenth District, white political reformers and black entrants to the middle class formed a biracial alliance. The district was "a bridge between two worlds. Black and white liberal activists worked together day by day, developing an understanding of each other's abilities and personalities" (Sohenshein, 1993). A key white activist remembers that blacks and whites who lived and worked together avoided "misunderstandings and serious disagreements and collisions . . . [avoiding] errors that other political campaigns may make just because they don't . . . have the people who know the differences among people" (Sohenshein, 1993, pp. 55-56).

After the South Central rebellion of 1992 and the election of a white conservative mayor, presumably no one would argue that Los Angeles reflects deep racial harmony and cooperation. And no one can claim that Los Angeles is not highly segregated, given the powerful statistical evidence of racial segregation and the dismaying histories of white conspiracies to erect and maintain barriers against integration in Los Angeles. The point to be explained is that what little political collaboration did occur resulted from the daily interaction of black and white residents sharing daily lives in a relatively unsegregated district.

Moving from the municipal and metropolitan to the national level, it would be difficult to dispute the central influence that race has always had on American politics. As Michael Goldfield (1990) argues, white supremacy was essential to the development of American capitalism. Southern planters used slavery, crop liens, and debt bondage in sharecropping. Northern industrialists kept wages down with cheap cotton, racial strike breaking, and ethnic hierarchies. With minor exceptions—in the early Populist movement, organizing by the Knights of Labor in the 1880s to 1890s, the Industrial Workers of the World in the 1910s and teens, and the Communist Party in 1930s—labor unions and labor-based political parties in the United States generally excluded blacks and ethnics. Although one expects to find the most liberal attitudes among prominent reformers, in fact there is considerable evidence that even the New Deal welfare state was racially biased. Lest these words be regarded as notes on ancient history, recall that not until 1967 did the Supreme Court rule against the numerous state laws that still prohibited interracial marriages.

In sum, the general failures at building cross-racial coalitions in cities played and still play a major role in reinforcing the racism that exists at the deep core of American national politics. Big-city racial hostilities were developed and then sustained more and more by residential segregation as the nation urbanized throughout the 20th century. These hostilities have affected the formation of social movements, the selection of candidates, the conduct of elections, and the design and implementation of policies of all kinds.

### **ALL ROADS LEAD TO THE MARKET**

This racial tilt of American politics has led to many difficulties. It has long led to reinforcement of a traditional American reliance on “free” markets rather than on cooperation, planning, and the regulation of markets. Most recently, this tilt has predisposed American leaders to develop a preposterously exaggerated enthusiasm for market deregulation. In the absence of strict regulation, markets (as opposed to planning, intervention, legislation, and redistribution) generate high degrees of inequality of income. (This tendency of markets to reward some players handsomely, but others barely, is recognized by economists of all



political colors.) In the United States, these inequalities are tolerated more than elsewhere in good part because they conform so closely to racial hierarchies. The truncated nature of political discussion finds people of color kept at bay and their interests denied, thus limiting serious consideration of the various alternatives to markets and preventing their adoption. Instead, each person's or family's well-being is based almost entirely on the ability to pay, derived mainly from market-earned incomes, from either paid employment or, in a few fortunate cases, inheritance.<sup>2</sup> Without intervention from outside the market, this alignment of poverty and political weakness is self-reinforcing in a grim, downward spiral. It is not only people of color who suffer the consequences but all who slip into market failure.

Over the past century and a half, the experience outside the United States is quite different. Most industrialized countries have yielded to pressures from workers and their families to establish rather broad guarantees of economic equality. The wealthy nations of Western Europe and Canada administer national health care programs, guarantee vacations typically 4 to 6 weeks per year in addition to 8 or 10 national holidays and generous sick leave, provide housing subsidies (or "social" housing) to large proportions of their residents, and support comprehensive systems of public transit in cities and among them. American capitalists alone have successfully resisted pressures for broad social guarantees, so that poor Americans must cope with the inadequacies of the bottom of the market in private health care and housing, and most Americans must suffer from short vacations and poor public transportation. Why?

Some explanations for American exceptionalism are well known. Most commonly, it is argued that the frontier was an escape for oppressed workers, providing them an alternative to organizing, and that the frontier, as an alternative to the city, also gave workers a means of sustaining high private wages, thus negating the need for social supports. However true these arguments may be, and there is ample room for dispute, the racial factor is central to any theory of difference for America: white workers have organized less successfully for social benefits because they have not had to. Instead, they have been able to shift much of the burden of inequality and poverty to people of color. The politics of whites have been truncated because they have believed they could shift the burden to blacks and also because whites derive status and pleasure directly from the experience of racial dominance itself. This psychological and practical ability to shift the burden has been generated, reinforced, and protected by the ignorance bred of isolation and segregation.

If whites and blacks had lived together in the same neighborhoods, segmented mainly and less drastically by income as is true of whites, then history might have been different, and that would negate the entire argument. Then whites might have observed more directly the successes and failures of the economy, and they would have suffered more of the consequences. Instead, in real history, they observed failure at a safe distance, which made it easy to excuse the society and blame the victims.



## THE WASHINGTON CONSENSUS

This antisocial character of U.S. politics has begun to spread to other countries. Indeed, many have remarked on the worldwide marketing of the U.S. model of deregulation, free trade, and privatization that threatens to cut into the guarantees of social democracy nearly everywhere. What has come to be called the Washington Consensus on economic management runs 180 degrees in opposition to another U.S. ideological export, rhetoric on the value of democracy. The most obvious routes for this free-market influence run directly and legally from Wall Street to the U.S. Treasury, then to the World Bank and the International Monetary Fund (IMF), then to the rest of the world. These Washington-based and U.S.-dominated “multilateral institutions” operate prodigious and technically proficient propaganda campaigns to ensure the ascendancy of the market approach to economic management and political life.

The World Bank and IMF derive most of their power as bankers who can withhold funds, their own and those of other lenders. They influence domestic policies through their insistence on “structural adjustment” and similar austerity programs not only in the Third World but in many rich industrial countries. The World Bank and the IMF insist, as a condition for life-sustaining loans, that countries “get the prices right” by allowing supply and demand to operate unchallenged by government intervention. This often plays into the hands of a monopoly or other unfair foreign competition and regularly allows damage to income distributions. The World Bank and IMF push countries to reduce public services and to charge more for them. And they push relentlessly for countries to privatize everywhere that it is possible.

It would be a mistake to attribute the worldwide diffusion of pro-market hysteria to an organized conspiracy. Rather, the sweeping service cutbacks and planetary market enthusiasm find a welcoming climate because of the prior and general spread of U.S.-based corporate attitudes, preferences, management styles, and activities and because of the need to successfully compete against firms not regulated elsewhere. These patterns of universal corporate behavior exist in good part as a result of expectations developed domestically on the unregulated U.S. scene. Because of their experience in America, corporations insist that their “markets” everywhere be “unregulated” and that the rules that protect their competitive domination be ensured, not just at home but abroad.

## THE GLOBAL ESCAPE TO THE SUBURBS

My chain of reasoning began with American apartheid, which has led to truncated politics in the United States. Those damaged politics led to worship of the market, which has led to market-based political systems worldwide. The final link can now be forged: The dynamism of worldwide market deregulation

leads to new pressures on the European metropolis. If Western Europe is, in the words of Manuel Castells (1994), a "fragile island of prosperity, peace, democracy, culture, science, welfare and civil rights" (p. 22), then its cities are now threatened with social stratification, especially ethnic and racial segregation; these, in turn, fuel costly new suburban sprawl. There are of course many variants of pressures tending in the same direction. The syndrome begins to display some of the internal dynamics of the American metropolitan model, with national variations, as in the impoverished immigrant peripheries of Paris, Lyons, and Marseilles. But how do pressures descend from world markets to the European city?

To take the most obvious instance first, there is the celebrated influence of Hollywood and U.S. television programming, including much of the news. Either because they show better entertainment, or more likely because they are better funded, the American movie and television industries are dominant worldwide, issuing direct messages, indirect messages, and advertising. They spread not only the false, pastoral, romantic image of the suburb but lately also the equally false, demonic, barbarian image of the city. Aside from the divisive and distorted racial imagery in these false pictures, there is also the transfer of preferences for high material consumption. How much social and psychological damage this misleading information causes is difficult to say with precision. But the overall effect is very likely to be negative in its nurturing of hostile racial stereotypes, its denigration of the inner city, and its celebration of the suburb.

How does this connect with market deregulation? It connects directly, as we can observe when other governments object to the spread of these images. For example, when political bodies decide they want to interfere with markets, as when the French government tries to keep out Hollywood movies, they are beaten back by a panoply of structures erected to protect unrestricted competition (free-trade agreements, General Agreement on Tariffs and Trade and the World Trade Organization, compensatory award clauses in commercial treaties, etc.). It connects indirectly, as deregulation stimulates international economic transfers. These, in turn, stimulate sales of movies and TV shows and lead (through normal market operations) to dominance by the stronger and more developed (U.S.) competitors.

There are less noticed influences from the internationalizing of affairs through the expansion of market-based rules. As markets expand, nonmarket welfare guarantees such as national health care or broad housing subsidies are reduced. This is happening in Western Europe today, largely as a result of the pressures of unrestrained overseas competition. Then social inequalities increase. Take the case of urban transportation. Under circumstances in which the public sector is shortchanged, funds for public mass transit decline precisely as the need grows. At the same time, the income rises in those households that can afford to commute in individual automobiles. Pressures to build roads and manage automobile traffic thus explode, just as the capacity to provide mass transit declines, and the vicious cycle so well known in U.S. cities takes hold. City streets are choked, suburbs grow, and complaints pile up. Suburbanites

strengthen their hand in public affairs, and the pattern of expenditures, subsidies, taxes, and individual preferences for auto mobility smother the collective benefits of transit in cities. These trends are abetted by the actively pursued self-interest of industries that manufacture and maintain autos, construct roads, and refine oil.

As neighborhoods inside the city become identified with particular groups of people, these suburbanizing tendencies reinforce themselves with the pernicious weight of ethnic and racial bias. Services decline, public authorities permit lax standards of housing and welfare, commercial interests transfer their loyalties, real estate markets shift, and the relative advantages of suburban relief are compounded. By the same logic applied in the United States, this segregated spatial form in Western European cities can be expected to degrade politics, further reducing protections for citizens and workers, and the deleterious cycle will be reinforced.

In the largest European cities, resistance to this model may be pronounced, and in many smaller ones, the pressures may be barely felt, the tendencies hardly evident. National budgets for central-city vitality can fight the trend—the French government throws huge quantities of public funding at Paris, which strengthens a historic pattern that has subsidized the upper-middle class in the city and put workers' residences at the periphery, the worst of them by now occupied by immigrants. But as pressures expand to cut public expenditures, there are likely to be reversions even here—witness the 1995 French decision to scale back drastically its plans for the expansion of the metro system.

### RACE AND CLASS IN THE GLOBAL CITY

As “globalized” workers in European cities have lost benefits and protections, they themselves have also become darker skinned because many are immigrants enabled or forced to move by the market expansions. Class struggle thus tends to take on the persona of race struggle. History allows governments to ignore further the demands of (minority) workers and residents.

Here, of course, it becomes difficult to distinguish any longer among the effects of city form on economic organization, on one hand, and the effects of the overall economy (and its worldwide extensions) on city form, on the other hand. One can thus see U.S. exceptionalism in a very broad light. The U.S. colonial situation was internal: The Southern slave-holding states were like the overseas colonies of Western Europe. As slavery, reconstruction, and Jim Crow were attacked and partially defeated in the Southern colonies, the subject population fled, seeking freedoms, livelihoods, and new opportunities in the North. From that basic structural divide comes the story we have just reviewed, of the pervasive effects of racism and racial politics on the development, including the urban development, of the United States, with all its circular and destructive logic. A parallel phenomenon now involves Europe with its

ex-colonial people of color, as physical boundaries of nations fall to the axes of cheap transportation and instant communication and as both people and goods tend to move with fewer restraints. European cities are indeed being colored by globalization and the market economy, with the attendant conflict, resistance, hostility, and violence.

Combined with the techno-economic pressures put on cities by suburbanization and national budgetary shortfalls, there are also the spread of the drug wars, the widespread availability of murderous weaponry, and a more generalized level of violence. To the extent that newly “dangerous classes” are segregated into ghettos either in city centers or on the outskirts, the U.S. city form tends to be reproduced elsewhere.

## NOTES

1. Lest I be misunderstood—European cities have serious social, economic, and environmental problems, and they have poor and poorly served neighborhoods, ethnic antagonisms, and fiscal crises. But compared either to cities in America or those of the Third World, they still are well-watered oases in a world of urban drought.

2. To some extent, the evidence from Europe post-1980, where deregulation has proceeded apace, especially in Thatcherite Britain, must be counted as the effects of the American experience, not as a parallel development.

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