



THE CENTRE FOR DEVELOPMENT AND ENTERPRISE

## NEW FRONTIERS

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This CDE series is aimed at providing South African decision-makers with concise accounts of new developments in public policy

# THE NEW URBAN PARADIGM

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**A radical departure in city management**

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The views expressed in this publication are not necessarily those of CDE.

## America's urban revival

OVER the past decade, a highly significant new approach to managing cities has developed in the United States. Perhaps its feature which is best-known elsewhere in the world is the 'zero tolerance' approach to crime pioneered by William J Bratton, originally as police chief of Boston and then of New York City. This strategy has been so widely recognised, and applied by so many police services, that many forget that it was conceptualised specifically for city police forces in the United States.

However, this approach to crime prevention is only one aspect of a comprehensive new framework for city management that has had a far-reaching impact on American urban life. As Myron Magnet, editor of the influential urban policy magazine *City Journal*, has written:

For a quarter of a century ... newspapers and news weeklies all over the world published stories about the imminent death of America's cities. From the urban riots of the sixties to the municipal bankruptcies and near-bankruptcies of the seventies to the crime wave of the eighties, the news from the cities looked bleak and bleaker. But in the nineties urban America almost miraculously came back to life, with breathtaking speed. From New York to Los Angeles, from San Diego to Milwaukee, cities vigorously rebounded.

Each successful city has accomplished its renaissance in its own particular way, with its own special twist. But looking across the spectrum of flourishing cities, one can perceive a clear set of principles that leads to urban health.

Magnet goes on to characterise these principles as America's 'new urban paradigm'. These remarks appear in an introduction to *The millennial city: a new urban paradigm for 21st century America (2000)*, a collection of articles from *City Journal* also edited by Magnet. This review analyses this important new movement by drawing on this work as well as *The entrepreneurial city: a how-to book for urban innovators*, a collection of essays by several of America's new brand of 'supermayors' as well as other urban policy experts.

Is there a single vision underpinning the principles Magnet alludes to? He believes there is. In his introduction, he describes it as follows:

Cities are humanity's hothouses, where human potential develops to its fullest pitch of excellence and variety. With their complex, sophisticated economies and the opportunities for collaboration and competition that such differentiation and

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specialisation present, cities are arenas of ambition and achievement, fostering the best neurosurgery or opera-singing or deal-making of which mankind is capable. Pulsating with opportunity, cities constantly renew themselves by attracting the talented and enterprising from everywhere else, however distant or foreign. Above all, cities are realms of freedom: freedom to invent yourself, to choose your friends, to better yourself, to enjoy privacy and anonymity, to think new and dangerous thoughts – which makes cities engines of invention and progress. Cities offer freedom from the merely utilitarian facts of life too: the wealth that their ingenuity and industriousness generate allows them to create a man-made world that embodies the highest aspirations of what life can be, in art and sculpture, in splendid building, in public works, in the work of art that is the city itself.

So the new urban thinkers ... ponder ways to preserve and extend the riches we inherit just by being residents of the city ... They think about how to enhance the quality of urban life, making public spaces orderly and public behavior civil, keeping streets and parks clean and well-maintained, fostering housing and office development that allows the city to flourish and grow ... cities are not destined to crumble under the weight of their own social problems or wither away as the information age allows people and companies ever greater mobility. On the contrary: as knowledge and invention increasingly become the principal sources of wealth creation, the spur that urban life gives to intellect and enterprise will keep cities indispensable.<sup>1</sup>

## The rejection of welfarism

In the modern world, most demands for new policy approaches originate in an awareness of and desire to escape from the unexpected negative consequences of earlier policies. So it is with the new urban paradigm. For more than 30 years, federal, state, and local governments in the United States have attempted to correct social imbalances and redistribute wealth. The original motivations were good, going back to the Kennedy era and to Lyndon Johnson's 'war on poverty'. However, the result was near disaster for cities. In his introduction, Magnet declares:

... the new urban vision totally rejects the old municipal welfare-state ideology, whose decades of failed policies led the nation's cities to the brink. Urban government, that idea went, was above all supposed to achieve social justice and the uplift of the poor. It seemed to make sense: cities always had large concentrations both of poor people to help and of wealth to tax. So cities piled on welfare benefits and social services, created huge bureaucracies to administer them, and taxed heavily to fund them.

*'Cities are arenas of ambition and achievement, fostering the best neurosurgery or opera-singing or deal-making of which mankind is capable'*

But things didn't work out as expected. With the information revolution, all those companies whose great skyscrapers made them appear eternally rooted in the cities no longer had to be there in order to be near their suppliers, customers, or bankers. And global competition required them to become efficient and cut costs. No more could they justify paying high corporate income taxes, commercial rent taxes, or inflated utility taxes. So the number of Fortune 500 companies headquartered in New York, for example, fell from 140 in 1947 to 31 now. And most of the new, smaller businesses that have generated all the new jobs of the last decade or more never started up in many of the old cities.<sup>2</sup>

## Four key elements

However, it would be unfair to portray the new urban paradigm as exclusively reactionary. True, its vigour and popularity have partly been caused by its incisive focus on key problems. But it rests on a deeper foundation of positive values that are stronger than those implied by a simple opposition to excessive unintended outcomes.

According to Magnet, the new urban paradigm has four chief elements,<sup>3</sup> namely:

- preventing **crime** and creating a law-abiding, safe, and secure environment – which is highly relevant to South Africa;
- attempting to reform **welfare** by reconceptualising it, but above all by reducing the financial demands and huge bureaucracies required to deliver it – an element of interest to South Africa;

## City Journal

Described by the *London Daily Telegraph* as 'the Bible of the new urbanism', *City Journal* has gained a national and international reputation for its path-breaking reports on urban management. Published by the prestigious Manhattan Institute, it has a New York focus, but has gradually broadened its scope to encompass urban issues throughout the United States. *City Journal* became nationally prominent when Rudolph Giuliani was re-elected as mayor of New York City in 1998. At that time the *New York Post* referred to the

journal as 'the place where Rudy gets his ideas'.

Its main theme is urban policy, combining the theory of urban development with practical investigations of developments in specific cities. Because of the unique range of responsibilities of city government in America, topics dealt with include education, health, transport, policing, environment, housing and homelessness, taxation, small business development, urban architecture, and constitutional and legal matters. All articles other than the current edition are available on [www.city-journal.org](http://www.city-journal.org).

- reforming city-level **government**, not by arbitrarily reducing services and staff, but by finding new ways of delivering better services – an issue of great concern to South Africa; and
- reforming the **education** system within cities. Technically, this element is of no concern to South African cities, as they have no responsibility for schooling. But the points made by the American urban reformers are highly relevant to our national and provincial education systems.

## Rights and responsibilities

Within these four main elements lies a complex argument comprising strands of ethical conviction, economic theory, views of human motivation, and traditionalist American thought. The end product is convincing. It doesn't matter much where one starts unravelling these ideas, as they are all interconnected. A brief account follows.

Human beings (the argument goes) are responsible for their own lives. Government, including city government, should deliver the minimum number of services consistent with individuals pursuing their own interests, or helping them to do so. While it is necessary to tax people's activities/incomes to generate public revenue, taxes should be as moderate as possible. Taxes deter people from generating wealth and thus, as cities have discovered, become counterproductive at a certain point as they demotivate or chase away the most innovative people. There is always somewhere else that will offer better conditions to wealth generation, so every government is competing with others for wealth generators. While the rights of individuals are paramount, with these come real responsibilities, not only for the individual's own life and family, but also for the maintenance of social relations and the fabric of society as a whole. Within accepted parameters of 'civility' relating to coexistence with other individuals, it would be preferable for individuals voluntarily to accept laws than for the state to be obliged to enforce them. The legal obligation for children to undergo schooling has largely been accepted in the United States, but this does not extend to accepting a legal obligation to attend a particular school, and certainly not a specific public (government) school.

Though no individual writer sets it all out as bluntly as this, a core of ideas along these lines keeps appearing in articles regarding various aspects of the new approach. It will be referred to in this review as the following themes are developed:

*Taxes become counter-productive at a certain point as they demotivate or chase away the most innovative people*

- city size and governance issues;
- cities and economic development;
- city renewal;
- education and schooling; and
- crime prevention and safety.

## The case for smaller cities

Two competing schools of thought have emerged about optimum city size. The debate about size is a proxy for the debate about city government and the ability of individual and corporate citizens to have a say in how the city is run. Of course, there is a relation between the two. The larger the area administered, the greater and more diverse the population, and the more numerous and heterogeneous the interest groups, the more government will prefer undifferentiated policies applied on a large

## Twenty things any city can do

1. Assess the city's comparative competitive advantages, and focus on market opportunities in these areas.
2. Assist/empower unionised city employees to compete for city contracts.
3. Competitively contract out management of municipal assets, not just services.
4. Competitively contract out the provision of city services.
5. Create a business ombudsperson, available to deal with business concerns rapidly.
6. Create a housing trust fund.
7. Create a land bank programme and ensure that all municipal land is correctly registered in this.
8. Create a private sector task force to scrutinise management and productivity.
9. Create real competition between private firms wishing to contract city business.
10. Decentralise purchasing to encourage units to become aggressive buyers.
11. Emphasise investment in improving the general business environment, rather than assisting individual firms.
12. Encourage renovation of buildings, as well as new construction.
13. Establish a 'productivity bank' from which departments can borrow to introduce productive innovations.
14. Focus first on citizens' basic concerns to sustain political support for longer term changes.
15. Form city agencies into corporate entities.
16. Incorporate a specific mission to create businesses in all city projects and agencies.
17. Institute activity-based costing of all city activities.
18. Offer incentives to city employees to take a stronger sense of ownership of programmes.
19. Review all regulations and eliminate unnecessary or marginal controls.
20. Sell unused municipal assets.

scale by professional bureaucrats. Conversely, the smaller the area, the more homogeneous the population, and the more aligned the interests, the more likely it is that citizens can agree on policies, pay to have them implemented, and develop the city positively. However, the less likely it is that new entrants will get a chance, innovation be allowed, and wealth and economic opportunity be redistributed. Moreover, a proliferation of smaller cities with independent administrations will create an unnecessary duplication of resources, resulting in increased costs and a failure to realise economies of scale.

All true, to an extent. All untrue in the end, argue the new urbanists. In an important article,<sup>4</sup> Howard Husock sets out the case for small city government over smaller areas. In 1998 he used the 100th anniversary of the consolidation of five boroughs into New York City as a peg to claim that such a consolidation would be strongly contested today, and would probably not occur:

Today prominent urbanists are urging a new wave of consolidation, exhorting cities to merge with their suburbs to form region-wide metropolitan governments. But equally energetic advocates have mounted fierce political campaigns to make exactly the opposite view prevail – to form smaller, decentralized city governments for neighbourhoods that secede from a larger whole. There are good reasons to believe that the secessionists are right. Indeed, even New York, notwithstanding all the anniversary hoopla, would work much better split into pieces.

The idea of metropolitan government – a benevolent, expert central administration for urban areas – has tempted efficiency-minded urban theorists for generations. Here, they've argued, is a way of bringing order to the chaos of central cities surrounded by a crazy quilt of independent suburbs. Though in the 1920s the movement saw metropolitanism as a recipe for improved city services and non-corrupt leadership, by the 1960s advocates added two more goals: redistribution of wealth, with affluent suburbs supporting public services in poorer inner cities; and environmental protection, with enlightened planners dictating the shape of future development, preventing 'urban sprawl' and keeping 'ticky-tacky' suburbs from devouring farmland.<sup>5</sup>

Against proponents of metropolitan government are ranged 'equally energetic advocates' of localism:

Localism is popular not because it promises a sweetheart deal for a few privileged suburbanites at the expense of the greater good, or because the unsophisticated fail to understand a demonstrably superior metropolitan approach. Instead, it

*Two competing schools of thought have emerged about optimum city size*



rests on common sense – which economics and political science amply confirm. Voters' common sense tells them that the closer they are to government, the more it will respond to their demands. They will see their hard-earned tax dollars spent on the kind of projects they prefer and will have a greater assurance that interest groups – such as public employee unions – will not usurp local government for the benefit of their own members, who may not even live in the city in which they work...

There's no shortage of theory to explain why this long-standing American preference for localism makes sense. The key fact: we don't all want the same thing from our local jurisdictions. Those with small children may care most about education, unmarried joggers may want to spend public money on parks, and the tidy-minded may want the streets cleaned three times a week. Forty years ago, in a brief but classic essay, economist Charles Tiebout argued that local governments do more than coexist side by side. Instead, they compete with one another for residents by offering packages of services...

Political science sheds further light on why voters tune out. Successful governmental systems, political scientists believe, have a high degree of political homogeneity – where voters generally share similar preferences – in contrast to political heterogeneity, with tightly wound tensions among many disparate voting groups.<sup>6</sup>

Husock strongly favours localism, a preference based more on the complex of ideas shared by the new urbanists than on any demonstrable evidence. In fact, he concedes the argument about the utility of metropolitan government, at least to a degree:

Not every public facility or geographic area should come under the control of those who live in or near it. Voters in an entire metropolitan area should control what Eugene Stearns calls 'regionally significant areas,' either through regional votes or through appointed commissions chosen from the entire metropolitan area. In practice, this would mean that such entities as airport authorities, metropolitan-wide water supply and sewage districts, and port authorities would function as before.<sup>7</sup>

## 'Polycentric' cities defended

Joel Kotkin takes a more consistent approach to the issue of size.<sup>8</sup> He sees the issue of metropolitan/local government not as a conflict but rather as a natural phenomenon in which both types of spatial arrangement and government have a role to play. Writing in 1995, he points out

*'Voters' common sense tells them that the closer they are to government, the more it will respond to their demands'*

that Los Angeles County had been creating jobs at a rate of 2,5 per cent a year, a rate more than 50 per cent higher than the national average:

Surprisingly, a key factor promoting Los Angeles's recovery is southern California's polycentric, sprawling model of development, which has proved far more conducive to the emergence of small businesses than the old, heavily centralised model New York perfected. Though the Los Angeles area has long been derided as 'suburbs in search of a city,' this decentralised structure has proved a blessing. Journalists, urban politicians, and planners tend to dislike polycentric cities – understandably – for their lack of focus and grandeur. With development dispersed throughout a region, such cities lack arresting skylines, spectacular entertainment districts, and throbbing train stations. In 1979, when sociologist John Kasarda of the University of North Carolina presented his findings on the advantages of polycentric cities to HUD officials in the Carter administration, he was, he says, virtually 'booted out of town'.

Yet here's the record since then: nearly all the fastest-growing metropolitan regions of the country – Atlanta, Charlotte, Dallas, Denver, Houston, Orlando, Phoenix – follow an essentially polycentric model, with the bulk of their economic activity scattered throughout different urban mini-centres and what author Joel Garreau calls 'edge cities.' In 1970 downtowns accounted for about 80 per cent of all office space nationwide; today they account for roughly half that.

Polycentric regions like LA are laboratories for discovering what kind of municipal policies work best to encourage economic growth.<sup>9</sup>

To Kotkin, a large metropolitan area with several smaller city governments within it, each with a degree of autonomy, and competing among themselves, seems ideal. This might be just the structure needed to reach 21st century goals of urban development. He points out that smaller areas are easier to govern: 'Decisions that take the LA bureaucracy years can be made by Burbank (a smaller city) in weeks.'<sup>10</sup> He calls these smaller entities 'urban villages', or, as a Burbank official boasts '... small town America in the middle of a big city'.<sup>11</sup> He claims that this is not just a middle-American passion:

It's not just conservative middle-class urban centres that are showing renewed economic life, but also predominantly minority ones like Compton, Inglewood, and Southgate, which are far more business-friendly than Los Angeles. Even left-wing officials in cities like Santa Monica and West Hollywood realize that anti-business policies would drive out the firms that pay for such social programs as they have.<sup>12</sup>

*'Polycentric regions like Los Angeles are laboratories for discovering what kind of municipal policies work best to encourage economic growth'*

## The things cities do best

A key perception of this school of theorists and reporters is that cities have a specific set of functions. Those who govern cities must understand what they are able to do, and do it effectively. They should then reach agreements with other political, economic, and social actors to get done whatever else needs to be done. Nathan Glazer, writing on New York in the 1980s, comments:

New York stopped trying to do well the kinds of things a city can do, and started trying to do the kinds of things a city cannot do. The things a city can do include keeping its streets and bridges in repair, building new facilities to accommodate new needs and a shifting population, picking up the garbage, and policing the public environment. Among the things it can't do are redistributing income on a large scale and solving the social and personal problems of people who, for whatever reason, are engaged in self-destructive behaviour.<sup>13</sup>

As regards the highly successful redevelopment of the Times Square area in New York in the 1990s, William J Stern writes:

Times Square succeeded for reasons that had nothing to do with our building schemes and everything to do with government policy that, by fighting crime, cracking down on the sex industry, and cutting taxes – albeit only selectively – at last allowed the market to do its work and bring the area back to life. The lesson: there's a right way and a wrong way for government to pursue economic development. It's a lesson that needs spelling out, since it's crucial to future economic recovery in New York ...

... government was at last starting to behave the way government should behave if it wants to nourish prosperity. Government began to do three things – two of them with the plan's help, though the city could have done them more effectively on its own – that ignited Times Square's revitalization: it started to fight crime, it kicked out the sex industry, and it lowered taxes selectively for big businesses willing to locate in the area. And as Times Square became safer and less sleazy, its natural advantages became strikingly apparent.<sup>14</sup>

This line of thought goes back to the set of values described earlier. City government should limit itself to the minimum number of powers required to create an environment in which the natural creativity of individuals (alone, in companies or, generically, operating as the market) can flourish. It is this creativity that drives change and development, and it is

*A key perception of this school of theorists and reporters is that cities have a specific set of functions*

autonomous of city government. The latter cannot make creative things happen; it can only create the conditions under which these things can take place.

A classic example of cities finding alternative ways of getting things done is seen in Business Improvement Districts (BIDs). Heather Mac Donald analyses the impact of the BID around Grand Central Station in New York:

Aides to mayor Koch convened a meeting of midtown business leaders in 1984 to discuss how to clean up the Grand Central area. Improvement was imperative. The terminal and its surroundings provided the first glimpse of New York to thousands of visitors and commuters daily – and what they saw was the largest homeless encampment in the city, hustlers flocking on tourists and demanding payment for flagging down a taxi, graffiti splattered across stores, filthy sidewalks and broken streetlights.

In an implicit admission of governmental defeat, the city implored midtown business leaders to craft a remedy. They responded by organising a business improvement district, or BID – a special taxing district that would raise additional revenue for cleaning, patrolling, and improving the district's streets and providing services to the homeless. Today the squalor around Grand Central is just a bad memory. The BID – officially called the Grand Central Partnership – put an army of clean-

## The Los Angeles business team

Much can be done to improve cities as a business environment – to make it worthwhile for companies to move there, and less costly for them to stay. Some general policy changes – such as reducing taxes, preventing and controlling crime, or simply cleaning up – can make a difference for every company.

But American cities have found that they cannot leave it there. A specific combination of circumstances may make the difference to a specific firm:

'It really comes down to the competitive environment,' observes Gary Mendoza, deputy mayor of economic development of Los Angeles. 'Competition drives improvement in the private sector and also in the public sector.' Mayor Richard Riordan

formed the Los Angeles business team, a 15-person 'strike force' that tried to identify and work with firms contemplating expanding or leaving the city. The team assigns an individual case worker to a firm to help it get through the bureaucratic process.

The team has persuaded such firms as Brenda French, a West Los Angeles knitwear maker, and Carole Little, a major apparel firm near downtown, to stay in the city.

'They helped us with the permits so everything could go very smoothly,' says French, whose firm employs 92 people and has annual sales of \$6 million. 'And on top of it, they were very nice. It was not like working with the city.'<sup>24</sup>

ers to work scouring the sidewalks and removing graffiti within 24 hours of its appearance. The BID's security patrol has produced a 60 percent drop in crime. Taxi dispatchers today operate orderly queues outside the station; and new lamp posts, planters, and trash receptacles, paid for by the BID, are sprouting up across the district.

BIDs have emerged as one of the most important developments in urban governance over the past two decades. They have created a mechanism for harnessing private-sector creativity to solve public problems, and their success has sharply highlighted the failures of city government. Today some 1,000 BIDs operate in the US – in the big cities like Houston and Philadelphia as well as in small ones, in rich neighbourhoods as well as in poor. Increasing in number monthly, BIDs are trailblazers in solving such urban quality-of-life problems as aggressive panhandling, graffiti, and vandalism.<sup>15</sup>

She concedes that BIDs are doing what governments should be doing. 'But what is the alternative?' Faced with problems that cannot be resolved through government mechanisms, you sometimes need to take a sideways step. If some advance can be made, people may see the need to ensure that permanent answers are found.

BIDs are a net gain to urban well being, because they operate in the public realm, adding benefits available to all city residents, not just BID members. We are all free riders on BID expenditures.<sup>16</sup>

## Public schooling under fire

In the United States, public schooling in urban areas is largely financed and run by city governments. This model differs radically from the South African system; however, the observations on the urban American public schooling system are highly relevant to our national public schooling system. It does not appear to make a difference that schooling is delivered by city governments in one case and provincial governments in the other. The same problems occur.

There are eight elements to the critique offered by new urbanists of the public schooling system:

- It consumes a significant portion of city budgets.
- This expense is created by excessive personnel costs, not buildings, equipment, books, or learning materials
- Teachers are unionised, and use the political power of the labour movement to lobby for and achieve conditions of service under which

*In the United States, public schooling in urban areas is largely financed and run by city governments*

they have relatively low working hours, generous remuneration, no assessment of performance, and little or no chance of being dismissed.

- Although all teachers have to be ‘professionally qualified’, they have not mastered the content of what they should teach, nor basic teaching methods. Faddish theories of education and teaching are substituted.
- Parents have no choice in respect of public schools.
- Preference is given to changes in teaching methods over mastery of content.
- Outcomes are declining in the system, with many inner city schools failing to reach prescribed standards.
- Change within the system is effectively blocked by a combination of teachers and bureaucrats, leading to a flight out of the system of the best educators and pupils.

They may as well have been talking about the South African education system.

Attempts to change the American city public schooling system from within have gone on for years, but now, the new urban paradigm thinkers have despaired of change from within the schooling system. Rather, they have gone back to a market solution. Markets, they argue, are more effective than other ways of supplying goods and services because of competition between suppliers. However, even this is of limited use if consumers don’t have the financial capacity to exercise choice. They conclude that change can only be brought about by putting choice in the hands of parents, through a system of school vouchers. Sol Stern writes:

Public education is New York State’s largest government enterprise. It is a \$25 billion monopoly industry that doesn’t compete for its customers and is rarely even required to answer to its presumed shareholders – the taxpayers. The monopoly’s business practices are largely shaped by its employees, by way of the political lobbying and collective bargaining power of the teachers’ and supervisors’ unions. In 1993–4, New York State United Teachers spent \$3,3 million on lobbying and campaign contributions – more than three times as much as the next-highest group.

Of course, if the monopoly were doing its job – providing a quality education to all the state’s children – there would be no education crisis, and the voucher alternative would be purely academic. But it is now an open secret that in many areas of (New York) State, the taxpayers’ money is going straight down the drain ...

Consider the problem of failing schools. When schools in the private sector

*The new urban paradigm thinkers have despaired of change from within the schooling system*

fail, dissatisfied parents take their tuition money to another school, and the failing school must respond either by improving itself or shutting its doors. In the public school sector, however, failure has its perverse rewards. Not only is no one ever fired and no school ever closed, but failure creates a rationale for even more jobs for the industry ...

That's why a more radical reform like vouchers, coming from outside the system and directly challenging its most fundamental assumptions and settled arrangements, is essential to force change on an establishment that has resisted it with every fiber of its being and dollar of its lobbying fund. For the present moment, however, vouchers remain the reform that dares not speak its name ... parents prefer vouchers to public school reforms such as school-based management and parent-teacher councils. Their first priority is good schools for their chil-

## Bruce-Guadalupe School, Milwaukee

Milwaukee is one of only two cities in the United States to offer a publicly funded school voucher programme. Parents can apply for a voucher – generally worth less than the real cost of educating a pupil in the public system – and use it to pay fees and other costs associated with their child at a school of their choice. Despite the lower value of the voucher, many parents have taken this option. Indeed, since 1992 the voucher system has been expanded every year, and a recent poll showed that 95 per cent of the poorest (mainly black) residents approved of vouchers. Polls in several other states have consistently shown more than 50 per cent support for vouchers. This has led to the rapid growth of 'voucher schools'. These schools usually have a mixture of fee-paying and voucher pupils, often with church and other donor support. They are widely regarded as a viable alternative to the public system.

Bruce-Guadalupe is a Milwaukee school of 500 pupils of whom 150 are financed through vouchers. It is an independent school of Catholic origin, and offers tuition from kindergarten to grade 8. Most

pupils are of Hispanic origin, but instruction is in English, and English is taught as a language. The school offers the total official curriculum, but with extra work in Hispanic history and literature. No class is larger than 25 pupils. The school has excellent facilities, including a full arts programme, sports programmes, and a health centre with a full-time nurse.

The school has resisted the unionisation of its staff. Salaries are agreed between the principal and each teacher. With the support of the teachers, the school offers a longer school day than the public system, and teachers report two weeks before school opens each year to deal with administrative issues and undergo training.

However, the most important differences are in cost and performance. The real cost per pupil is \$4 200, compared to \$7 200 in the public system. In the third grade 81 per cent of the school's pupils scored at or above the grade level in every subject on the state's standardised tests. This is better than most public schools, and equal to many private suburban schools.<sup>25</sup>

dren, and they apparently believe that the best way to achieve that is to give education consumers real choices.<sup>17</sup>

The case of education is instructive. In every other area of the urban paradigm the writers are full of admiration for attempted solutions, for co-operation between the public and private sector, for the rejection of grandiose plans and praise for targeted solutions. Not so in this case. There is no debate about changing the system. No strategies are reported or discussed for getting teachers, bureaucrats, and parents together. Rather – whether out of realism or despair is unclear – the prescription is to put power in the hands of the consumer, with the expectation that, by voting with their vouchers, they will change the system. A leap of faith, or a valid assessment? The answer could mean more to South African education than many people may think.

### **‘Strategy is a way of seeing things whole’**

We have already seen that Magnet regards the policing initiatives in New York City since 1993 as ‘the most impressive urban governance success I know’.<sup>18</sup>

There is more than enough objective evidence to support his view. From 1993 to 1998 arrests increased by 138 per cent. Overall felonies dropped by 50 per cent. Robberies fell by 55 per cent. Car theft was down by 61 per cent, and murder by 68 per cent. In 1994 and 1995 decrease in crime in New York City accounted for more than half of the entire national decrease.

Since that time the ‘zero tolerance’ approach has been accepted worldwide. Succinctly described in a chapter in *The millennial city* by its originator, William J Bratton, it is now regarded as the only viable approach to urban policing, and need not be described in detail once again. However, its popularity with proponents of the new urban paradigm is not merely because of the results it achieves, but because of the principles on which it is based: deal with systems, not just events; improve services as the consumer experiences them, not to suit city employees; decentralise implementation to the greatest degree possible; get ahead of problems, do not just respond to them; and run the public system like a business corporation.

Some quotations from Bratton’s chapter will support this analysis:

- **Deal with systems:** ‘Strategy is a way of seeing things whole, of focusing on the entire system of crime and how it operates. Since

*The ‘zero tolerance’ approach is now regarded as the only viable approach to urban policing*



1994 the NYPD hasn't just been solving crimes; it has been dismantling criminal enterprises and support systems. It has been taking away the things that criminals need to function: their guns, their fences, their chop shops and auto exporters, their drug-buying and prostitution customers, their buildings and apartments, their cars, and the unpoliced sectors of the city where crime used to thrive.<sup>19</sup>

- **Focus on consumer experience:** 'Quality-of-life enforcement is important for three reasons. First, most neighbourhoods are usually more concerned about prostitution, low-level drug dealing, excessive noise, underage drinking, and other minor offences than major crimes. Citizens want the police to do something about these highly visible disturbances. Second, as George Kelling has persuasively argued in the pages of *City Journal*, disorderly environments breed both crime and fear. Third, criminals who commit serious crimes frequently commit minor violations as well; quality-of-life enforcement let cops intervene with this population and sometimes prevent serious crimes before they happen.'<sup>20</sup>
- **Decentralise:** 'The most important reform we made was decentralising the department, devolving power to the precinct commanders and creating a career path for them to ascend ... The precincts are the primary unit of policing, and the precinct commanders are policing's equivalent of corporate line managers. It was just plain crazy to limit their options ... Accountability goes hand in hand with decentralisa-

## Cleanliness is next to ...

In a comparative analysis of Paris and New York in *The millennial city*, written in 1996, David Garrard Lowe notes: 'The capital of France has about it the squeaky-clean aura of a just-scrubbed porch, a feeling one almost never experiences in New York. The reason: Paris has a department of sanitation that has a reputation for being one of the most innovative in the world ...

'The municipal authorities in Paris believe so strongly that public cleanliness is a statement of civic health that they spend 10 percent of the city budget, more than \$2 billion annually, on sanitation. In contrast, recent cutbacks in New York's

department of sanitation budget have produced the disgusting sight of overflowing trash baskets in midtown Manhattan ... the pervasive appearance of disarray, some think, has begun to damage New York's position as a world centre for commerce and culture.'<sup>27</sup>

He quotes a former New York editor who had moved to Paris as saying: 'The biggest difference between New York and Paris is the fact that Paris is clean ... [This] gives Parisians a sense that things are not falling apart, that society is not doomed, that there is order in the universe and in municipal government.'

tion; you can't give all that power away without a means of maintaining strategic oversight. The NYPD does that through its now-famous Compstat process, which uses computerised crime statistics, electronic crime maps, and intensive crime-control management meetings to guide and monitor the department's anti-crime strategies.<sup>21</sup>

- **Get ahead of problems:** 'Our success rested on two major changes. First, we had to remake the NYPD into an effective, focused organisation. Second, we had to use this instrument actually to police the city by developing strategies and tactics that would prevent and uproot crime rather than just react to it.'<sup>22</sup>
- **Run public services like a business:** 'Professors of business administration and organisational management would have caught on to what we were doing right away, since it was no different from the restructuring and re-engineering that had transformed American business in the late 1980s and early 1990s. Like the corporate CEOs of that era, we began with a large, unfocused, inward-looking, bureaucratic organisation, poor at internal communication or co-operation and chronically unresponsive to intelligence from the outer world. We reduced layers of management, drove responsibility down to the operating units, improved communication and data processing, tightened accountability, and rewarded results. In short order, we had the NYPD's bureaus and divisions competing with criminals, not with one another.'<sup>23</sup>

*Those who govern South Africa's cities can learn a great deal from the new American urbanism*

## Conclusion

South Africa is technically a 'developing country' – but its cities are already experiencing all the first-world problems of cities in the United States. Our smaller cities and large towns have also begun to experience these problems in embryo, and will confront them on a larger scale within a decade. Those who govern South Africa's cities, have businesses in them, and live in them can already learn a great deal from the new American urbanism. They should:

- think of cities as the country's major asset;
- concentrate on the smallest number of things that city government must do for their citizens;
- next, focus on all the other things that city government can do to create space for citizens to do things for themselves;
- think competitively about their city as an environment that has to attract and keep the best people;

- keep city government small, by turning to the private sector to deliver as many services as possible;
- see city government as a regulator of and buyer of services;
- show zero tolerance to a small set of behaviours that trigger off cities' decline.

South Africa does not have to develop any brand-new approaches in urban governance and development. A careful study of the new urbanism, and action along similar principles, will make a real contribution to getting cities right in our country.

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## Notes

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- 27 David Garrard Lowe, Urban lessons from Paris, in Magnet, *The millennial city*, p 328.



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