Richard Sennett: Professor Chatterjee and I arranged that at the end of this long day that I would complement this very, very rich account with short—and I promise it will be short—comments on equality in cities today of a more general character. And I really want to just talk to you about, briefly, about three issues. They're all framed by the fact that in the last generation we've had an explosion in global capitalism, an era of wealth-generation around the world that really has almost no historical precedent. And it has created forms of inequality in cities which require some thought because they're in some ways new, in some ways they're historical survivals that are very veiled to us, but we don't very much understand how they operate.

I'm going to talk about, just briefly mention, three of these problems of inequality that this enormous explosion of the last generation has produced. One has to do with the very phenomenon of big—if of growth, the second has to do with the urban geography of inequality, and the third has to do with class structure. Now since I'm promising you that cocktails are not far away from you, I am merely—I'm going to raise some problems here and not give you an extensive talk.

What do we mean when we say that cities are growing? And what does that meaning of growth, of explosion, have to do with the phenomenon of inequality? One way to look at this, which has tended to be a rather self-serving way in the West, is through the notion of the labor conduit, that is, that cities in the developing world, particularly in Asia, are growing because jobs are migrating from here to there, that's what a labor conduit . . . I'm so sorry. Can you hear me now? Okay.

I was saying that one of the images we have of growth that bears on inequality is the notion of the labor conduit, that is, that jobs are moving from here to there, that growth particularly in Asia, but also to some extent in the Middle East, is fueled by job loss here. That's wrong as obviously, as a gross explanation. There are labor conduits, but the more—statistically, the more important phenomenon for job loss in the United States particularly is what's called job extinction rather than job conduits.
And it has much more to do with automation than it does with the migration of labor. This is also an era in which the technology of automating work has spread from the factory to the office. And when you do the numbers, the majority of jobs that Americans are losing, when you have job shrinkage, can be traced much more to factors that have to do with automation than with the Third World, as it were, the natives rising and taking away our work. I'll just give you one number in this. From 1982 to 2002 productivity in the steel industry in the United States rose by 4.6 percent while the numbers of steel workers employed shrank from 212,000 to 79,000, and almost all of that difference is made up by new techniques of automating steel production. So when we talk about growth, the kinds of massive cities that were evoked this morning, we're looking at a phenomenon which is not in a way a loss for us, but it is a deeply nonetheless problematic phenomenon because that is not endogenous growth.

A country like China, well China itself, has basically become the low-wage factory workshop for the rest of the world. And what happens is a pattern urbanistically in that kind of low-wage growth, is that you get a cycle where the availability of jobs in the case of China coupled with the devastation of the country's agricultural economy means that people think there's work in cities. There's some of it, but many more people move than the growth in the labor supply can accommodate. Chinese statistics are a notoriously unreliable phenomenon. I'll give you an example from Brazil that makes this clear to you. In São Paolo in 19—I hope I've got my numbers right, I get very dodderly at the end of the day—I think in 1975, São Paolo was 8 million people, and the numbers of people who lacked full-time employment was 7.2 percent. In 2000, São Paolo was 14 million people and the numbers of people who lacked employment were 15.6 percent, and that slack is not made up by the informal economy.

What I'm trying to say to you about this first point is that yes, we are having a massive urban explosion in the world, but it is accompanied by an old-fashioned capitalist problem, which is the specter of uselessness. And when you see those graphs like the woman from SOM [Skidmore, Owings, and Merrill] put up in the morning of this enormous pattern of urban growth, you're not looking at something that's necessarily vigorous, you're looking at a kind of fragility which I think marks the condition of this urban explosion today. So that's the first point I wanted to make to you, that growth is fragile, that what's been exported from the West in the development of these megacities in the specter of uselessness.

The second point I'd like to make to you has to do with the urban geography of inequality today. In the last thirty years, particularly since the collapse of the Bretton Woods Agreements, the global investment has been a force behind spatial homogeneity. What I mean by that is the following: that buildings in cities have become increasingly traded on the global stage as commodities. This has been, as I say, the whole pattern of global finance has made it possible for people around the world to buy urban space, and what they tend to buy is a number, that is, a square foot of something. The kind of investment in what were described as architectural objects this morning is trivial. Most of my students—and I just finished some work on this—most of the investment that goes into buildings goes into, basically, floors that people buy and sell behind the skin of more or less interesting architectural buildings. So that—I'm sorry, this is actually a point I wanted to make very briefly—one of the results of this kind of global trade in urban buildings has been to put not
only a pressure of homogeneity on the buildings themselves, but also to begin to
homogenize urban spaces. When we talk about gentrification in Western context,
we're talking about a small instance of a much larger phenomenon, which is: safe
investments are in relatively known environments, and global investors—as I said we
just completed doing this work—tend to prefer homogeneous neighborhoods to
heterogeneous ones. One of the consequences of this is to create a phenomenon
that's sometimes called cloned cities. (I don't like that word because it's too simple.)
It creates a situation and what you get in the geography of cities where there's large
amounts of world investment is a kind of gradation of zones of building, so that next
to upper-class communities you'll have upper middle-class communities, up to
middle-middle communities, and so on. That pattern of investment means that the
kind of jaggedness, fragmentariness, disruptive quality of one kind of urban space
being jutted up right against another. The famous instance in New York was the
north and south of Ninety-sixth Street on the East Side, right? Incredible poverty on
one side, incredible wealth on the other. That kind of disjunction is being erased by a
kind of, when global investment is operating, by a kind of push to create a more
modulated environment which is more protected for investment. And in this sense
the way cities are developing under globalization is regressive, back to the kinds of
models of cities made by the Chicago School of Burgess, our friend, before the First
World War, that is, where you have rings of development in which there aren't sharp
breaks, sharp caesura, surprises, difference in the sense of sudden rupture. So I
would say in that second sense that the problem that we're facing today is not
cloned cities in the sense that every city looks the same, but that the forces of global
investment—which are investment in something that is known, quantifiable as a
quantity of land, given at a certain grade—are meaning that we are getting cities in
which the experience of differences, of provocation, is growing less by a kind of
regress to a model of the city that looks very much like the kind of zoned graduation
that the Chicago School studied a century ago.

The third thing I want to say to you, you should never believe a university professor
when he says he's going to be brief. But the third thing I want to say to you, I want
to dwell on a little bit more, and that is how today the class structure of cities is
changing. The old lens for measuring inequality was to look from the poverty-
stricken bottom up, that is, to make measures of deprivation and inequality from
starting from the bottom. My own view as an urbanist is that today we need a
different kind of optic to—thank you for turning that off—that today we need a
different kind of optic for measuring inequality, that is, we need to be able to
measure from the center to the top, as well as from the bottom to the middle. And
the reason for this is that one of the most striking aspects of what this global
economy has been doing to cities, indeed to the labor force as a whole, is to create
ever more stagnation in the center, in the dead center, of the class structure while
extremes of wealth grow at the very top. This is not a phenomenon of immiseration.
I mean one of the . . . I'm an old fashioned socialist, you know, I want to believe
that capitalism is a bad thing. It has been a very good thing for immigrants in cities,
the changes in capitalism in the last twenty years. I don't want to go down that
rabbit hole. But what has happened is that the middle quintile has stagnated, both
its income gains and its wealth gains have remained largely stagnant, while those of
the top quintile, in particular the top 5 percent, have grown enormously. In the U.S.,
for instance, the real income of the middle quintile in the thirty largest cities is just
where it was in 1980, whereas the top quintile has expanded by 14 percent, these
are wealth gains, and the top 5 percent has expanded 200 percent.
Now this is an urban problem. It's an urban problem because that middle class has to compete for the same services and education as those on the top quintile. And you know what the competition is going to be like. They're disabled from doing that. They compete not only for education, for healthcare, and for housing. And in all those cases, as you as New Yorkers know very well, we know the same thing in London, that basically the market tries to set all prices by what the most expensive real estate is, that is, to elevate prices and find buyers for that. So the problem is that the middle is disabled by this stagnation, particularly in cities where it's competing for services and public goods with the top, and that is a phenomenon that has I think radically changed the culture of inequality, that change in class structure, the culture of inequality in the modern city. One way to think about it is that it puts a kind of new configuration around the terms public and private. Essentially the private realm of those in that top quintile is able either to colonize or to enervate the public realm that is available to the middle-middle class. So in that sense, looking forward, we need to have a different way of thinking about the pains of inequality, that that pain is mostly suffered by people who are relatively immobile, that simply calculating income is no longer a sufficient way to understand what inequality is, and particularly by focusing from the bottom up. Now I don't mean the problems of poverty don't matter. What I do mean to say is that the experience of inequality for middle-class people is becoming sharper, and that it is an experience that is very difficult for people to interpret and name themselves.

In the United States the way, the conservative way, of dealing with that is of course to promise mobility upwards, and that promise, as always in these things, is most attractive to those people whose actual experience is one of stagnation rather than entitlement.

So just to sum this up—I'm sorry this is just so brief—to understand what it means to talk about urban inequality today, first on a macro scale, we have to say we are in a period that has unleashed an enormous economic dynamism around the world. It's wrong to explain the operations of that dynamism in countries like China or India as somehow the result of energy leaving the United States. Work is being extinguished here. It's a different kind of problem. You can have a very dynamic economy in the U.S. with ever fewer workers.

For those in the developing parts of the world, growth is also something which is not the same as vigor, and that is because demographic increase is preceding apace much greater than actual jobs for the people who come to cities, so that for them the specter of uselessness is a kind of arrière pensé a kind of background to the notion of more. I tried to describe to you a little what's happening to the urban geography of inequality, and it has to do with what happens when you have global investors investing in places they don't know anything about except the square footage of buildings. The result of that is not simply homogenized architecture, it's also this kind of modulated view of, or desire for, urban space itself which creates an actually backward-looking city in which rupture is eliminated for the sake of the more economic, slow gradation.

And finally I've just tried to indicate to you in this very, very crude way what's happening to the class structure of modern cities. Measuring class from the bottom up prohibits us from an optic which understands that basically the forces of this new
capitalism paralyze middle-class groups in the center relative to those at the top. And the fruits of that inequality are the ability of that upper class to either colonize or to enervate a public realm which they share with the middle class. Thank you very much.

Lisa Anderson: Thank you both very much. We're going to have time for about two questions probably, so collect your wits. I want to invite, however, Professor Chatterjee to respond to Richard Sennett's observations, in a sense from the perspective of the history of the twenty-first century, which you said you weren't going to write. But there's a lot of rhetoric, and I think some reality, to the notion that globalization is yet an iteration of a process that was really—we used to call it imperialism, and that some of the things echo backwards, your comments about growth being fragile, that this isn't a kind of vigorous growth. What I'm asking you is, Is that true of Calcutta? Can you say that the charming colonial architecture was a kind of homogenization? You do say that the middle was kind of trapped. It seems to me that what we're hearing about the beginning of the twenty-first century actually from the perspective of Calcutta is not unfamiliar.

Partha Chatterjee: Yes, in fact I would actually completely agree with what Richard just said about two things. One, the argument that the relatively immobile population is in the middle, that they are increasingly becoming—I describe that as redundant to the new economy, which is exactly to say that they're useless. Now when I say it's the middle, it's part of, you might say, the lower-middle classes, which were functional in some sense, often in relation to the so-called informal economy. This is where—I described this in terms of what I talked about the refugee populations who come into the city after independence—a very large part of them actually find a place in the city precisely in this informal economy, and as I said, that they were given a place in the city which was not quite the place of proper citizens, and yet it was recognized that they had a function in the city, they were needed in the city, and they needed to be governed.

Now what is happening with the new form of production—and it's not necessarily in the case of Calcutta, unlike the Chinese cities that we were talking about, it's not necessarily outsource manufacturing so much, it's much more. And this is the Indian pattern, which is services, particularly what is called IT-enabled services. So all of this in relation to software and the other, which therefore effectively means that the populations which are, you know, this is not a move from rural to urban populations at all. The new jobs that are being created are created for people who are already urban, because you require that kind of secondary education and often technical education. So it's usually people who are either in the city or moving from one urban area to another. But the people who are becoming completely dysfunctional were precisely the people who would've in the old forms of manufacturing—all of the informal sectors, the so-called informal sectors of manufacturing—which were never properly organized industry, but small-scale often household industries of different kinds, which were really where a lot of people found employment, and that is precisely what's becoming irrelevant. So that's exactly what I would agree with.

The second thing is the paralyzing, as you say, of middle-class leadership, and this I think is much more significant in terms of what I was describing as the story of the emergence of a kind of nationalist postcolonial elite, and their role both politically as well as a kind of moral, intellectual leadership of the urban space. Now this is where
very often the new—and this is entirely often a technocratic—elite, and in the Indian case this is most clearly seen in a city like Bangalore, for instance, which is really the information technology capital. This is almost like Silicon Valley in one city. And in a city like Bangalore where you have entire areas which are upper-middle class areas where the local residents actually refuse municipal services, they say we don't need it, we'll provide it on our own, because we should have nothing to do with all these politicians, and political body, and parties, and so on. There are actual cases where they've refused things like inoculation; in fact some people are apparently making a move to say we'll have our own water supply, we don't need this. This is the new kind of form that one is getting in many of these cities. Of course the gated-community kinds of things that you find in cities like São Paulo, which is, there's partly security, but exactly what you are saying, that in a sense is creating an urban space which is not fragmentary, where there is, you know, which is just completely, you know, graded into secluded spaces.

Lisa Anderson: Okay, thank you. We are professors, we're going to go over time a little bit.